FleetNews
May 27 2021 £6.00

ATHLON

getting you there

A fleet partner that's with you for the distance

All businesses, big and small are in a race to reduce their carbon footprint and improve their greenhouse gas emissions. When there is pressure building to make such major changes quickly, it is essential you have a fleet partner by your side that you can trust to give you the impartial guidance and knowledge you need to make the best decisions.

At Athlon, we were one of the first fleet providers to make electric vehicles available to our lease customers back in 2008. Since then we have been carefully supporting businesses who want to modernise their mobility offering with electric vehicles, working hard to balance the relationship between Profit, People and Planet (the three Ps). So as we begin the race towards a healthier, greener future, no matter what stage of transformation you are currently in, be confident that Athlon can help get you there.

A fleet partner that keeps up with you
With unprecedented changes to the industry and employee mindsets, you need an agile fleet partner who can provide modern mobility solutions which match the needs and aspirations of a new type of workforce.

We make the road ahead clear and simple
We always go the extra mile to simplify the lives of our customers, minimising administration and making everyday fleet management as easy as possible.

Impartial expert advice tailored to every customer
We recognise every business is different so our conversations always start with the customer and never just the car. Get the passion and quality of service your business demands.

Global solutions for modern businesses
With a presence in over 20 countries worldwide and a dedicated Global Coordination Center (GCC), Athlon can help you execute a mobility vision at both global and local levels.

The race to zero guide is packed full of useful advice and tips which will help you feel more prepared for what lies ahead. Learn about the reasons for the changes in legislation, what 2030 means for your fleet, how to plan for a switch to electric vehicles, the importance of understanding the Total Cost of Ownership (TCO) and what to expect from an electric vehicle.

Download your **FREE guide** to get started.

service.athlon.com/racetozero

FleetNews

INCORPORATING CommercialFleet

May 27 2021 £6.00

EV *special*

Accelerate your move to electric now

Fleet News Awards 2021

All the finalists revealed ahead of the Summer Party on July 6

Today's Fleet: Talking telematics

Suppliers put in the spotlight as leading fleets ask the questions

Willmott Dixon converts to sal/sac to hit net zero goal

Cash takers are opting into the scheme, according to CFO Graham Dundas

Like more?

Get more.

The fully electric MG5 EV from £219 per month^

8" colour touchscreen
Apple CarPlay™/Android Auto™
Satellite navigation
Rear parking camera
Zero road tax
214 miles of electric range*

1% BIK

From only
£219
per month Business Contract Hire^

Free
Type 2 charging cable†

Fuel economy and CO_2 results for MG5 EV. MPG (l/100km): Not applicable. CO_2 emissions: 0 g/km Electric range: 214 to 276 miles.

7 YEAR WARRANTY

mg.co.uk

Figures shown are for comparability purposes. Only compare fuel consumption, CO_2 and electric range figures with other cars tested to the same technical procedures. These figures may not reflect real life driving results, which will depend upon a number of factors including the starting charge of the battery, accessories fitted (post-registration), variations in weather, driving styles and vehicle load. Model shown: MG5 EV Excite with Silver Metallic Paint £25,095 On The Road (OTR) after PiCG. *From a single charge on the WLTP combined cycle: Combined Range 214miles (344 km): City Range: 276 miles (444 km); Combined Driving Efficiency: 3.6 miles/kWh (17.5 kWh/100km). ^Applies to MG5 EV Excite. Business users only. T&Cs apply Subject to availability at participating dealers on vehicle orders received between 01.04.21 and 30.06.21. Figures based on 6 advance rentals of Initial rental £1,314.00 +VAT followed by 35 monthly rentals of £219.00 +VAT. Based on 8,000 miles p.a. Excess mileage charges apply. You can never own the vehicle. Finance subject to status. Guarantee may be required. 18s and over. MG Motor Financial Services Contract Hire RH1 1SR. †Free Type 2 charging cable offer applies to fleet / business user registrations that have been supplied utilising approved support terms.

MG
Get More

THE BIG PICTURE

We're fresh out of four days of intense Fleet News Awards judging – four days in which the judges were treated to heaps of boundless energy, innovation and excellence from across the fleet sector.

After an incredibly tough 14 months since we announced the 2020 winners, we had half expected entries to be a little sparse, particularly in the fleet categories. In fact, they were up 54% on last year with 40 entries for five fleet categories. The fleet manager of the year entries were particularly strong – described by one judge as a "who's who of fleet".

It resulted in some difficult decisions as the judges deliberated the finalists, winners and highly commended.

Some decent fleet entries haven't made the shortlist (see page 14 for all the details). All will receive feedback that will help them next time. And we hope they will enter again next year – a number showed great promise with lots of initiatives introduced in recent months.

For them, the 2021 awards came just a little too soon; next year, with better evidence to support their submission, they will have a much stronger case.

There were themes radiating from this year's crop. No surprise that electric vehicles and sustainability were priorities for many businesses, as corporate social responsibility aligned to changing legislation, extended ranges and more choice, plus competitive total cost of ownership, saw businesses set ambitious targets for switching from ICE to BEV.

Mid-decade was a popular deadline, with a few companies already committed to no longer allowing petrol and diesel cars on their choice lists.

We also saw plenty of examples of how the fleet sector went above and beyond in its support of customers, the vulnerable and essential workers during the Covid crisis.

All our finalists should be proud of their achievements in making it this far – the competition was extremely tough this year. And for those who missed out, please don't be too downcast – the judges urge you to go again next year. We've plenty of examples of fleet winners who missed the cut the previous year.

Winners will be announced at our Fleet News Awards Summer Garden Party at Ascot Racecourse on July 6. Be quick if you want to be there – demand for tickets is exceeding our expectations (currently around 650) but there's a limit on numbers this year.

Stephen Briers, editor-in-chief, *Fleet News*

LINKEDIN UK fleet managers group • **TWITTER** twitter.com/_FleetNews • **COMMENT ONLINE** fleetnews.co.uk

Fleet News is published 12 times a year. Bauer Consumer Media Ltd is a company registered in England and Wales with company number 01176085, registered address Media House, Peterborough Business Park, Lynchwood, Peterborough, PE2 6EA. VAT no 918 5617 01.

Bauer Consumer Media Ltd is authorised and regulated by the FCA (Ref No. 710067).

 ISSN 0953-8526.

Complaints: Bauer Consumer Media is a member of the Independent Press Standards Organisation (www.ipso.co.uk) and endeavours to respond to and resolve your concerns quickly. Our Editorial Complaints Policy (including full details of how to contact us about editorial complaints and IPSO's contact details) can be found at www.bauermediacomplaints.co.uk.

Printing: PCP, Telford

CONTACT US

Fleet News, Media House, Lynch Wood, Peterborough, PE2 6EA.

Burning question:
Do you have any special mementoes or keepsakes?

EDITORIAL

Editor-in-chief
Stephen Briers 01733 468024
stephen.briers@bauermedia.co.uk
A badger's skull which I've had since I was 14. Sadly, it's no longer on display

Deputy editor
Mike Roberts
mike.roberts@bauermedia.co.uk
I'm accused of being a hoarder – so anything from old kids' drawings to yellowing music mags

News editor
Gareth Roberts 01733 468314
gareth.roberts@bauermedia.co.uk
My father's watch

Features editor
Andrew Ryan 01733 468308
andrew.ryan@bauermedia.co.uk
I have a personalised, signed photo of Norwich City player Jeremy Goss scoring his wonder goal against Bayern Munich

Head of digital
Jeremy Bennett 01733 468655
jeremy.bennett@bauermedia.co.uk
A pocket watch an uncle gave me from the 1980 Moscow Olympics. It still works

Web producer
Jess Maguire 01733 468655
jess.maguire@bauermedia.co.uk
A ribbon with a small wooden heart on – all family members have one to remember my grandad

Staff writer
Matt de Prez 01733 468277
matt.deprez@bauermedia.co.uk
I've kept a numberplate from all the cars I've owned

Photos **istock, Chris Lowndes**

PRODUCTION

Head of publishing
Luke Neal
My grandad's Masonic sword

Production editor
David Buckley
A spirit level my late carpenter father used

Senior designer
Chris Stringer
A small grey teddy bear named 'Teddy' my uncle gave to me the day I was born, still have him

Head of project management
Leanne Patterson

Project managers
Hollie Ismail, Kerry Unwin, Chelsie Tate
b2bpm@bauermedia.co.uk

ADVERTISING

Group commercial director
Nicky Holt

Commercial director
Sean Childerley

Group advertising manager
Sheryl Graham 01733 366467

Account managers
Emma Rogers 01733 363219
Lucy Herbert 01733 363218

Telesales/recruitment
01733 468275/01733 468328

EVENTS

Event director
Chris Lester

Event manager
Sandra Evitt 01733 468123

Senior event planner
Kate Howard 01733 468146

Head of exhibitions
Katie Gordon-Hill 01733 468289

Head of conferences
Nicola Durrant 01733 395094

PUBLISHING

Managing director
Tim Lucas 01733 468340

Office manager
Jane Hill 01733 468319

CRM & marketing manager
Lauren Annis 01733 468295

Chief Financial Officer
Bauer Magazine Media
Lisa Hayden

MD Automotive Group
Niall Clarkson

CEO of Bauer Publishing UK
Chris Duncan

President, Bauer Media Publishing
Rob Munro-Hall

Subscribe to Fleet News:
Visit: fleetnews.co.uk/subscribe
Email: fleetnews@circdata.com
Call: +44 (0)1635 588495
UK: £61.20 per year; issue price £6

DISCOVERY SPORT PLUG-IN HYBRID

HELPS RUN BUSINESSES. HELPS RUN FAMILIES.

LAND ROVER

ABOVE & BEYOND

The Discovery Sport PHEV gives you a foot up at work and a leg up at home. It has all the technology for modern business, while still leaving room for large families with big horizons. And with a Benefit In Kind tax rate from 11%* and ultra-low CO_2 emissions from 44g/km,^ it makes perfect commercial sense.

Visit landrover.co.uk/phev to find out more.

^Official WLTP Fuel Consumption Figures for the Discovery Sport range (excluding PHEV) in mpg (l/100km): Combined 28.2 - 44.8 (10.0 - 6.3). CO_2 Emissions 227 - 166g/km. PHEV in mpg (l/100km): Combined 143.1 - 143.1 (2.0 - 2.0). CO_2 Emissions 44 - 44g/km. The figures provided are as a result of official manufacturer's tests in accordance with EU legislation with a fully charged battery. For comparison purposes only. Real world figures may differ. CO_2, fuel economy, energy consumption and range figures may vary according to factors such as driving styles, environmental conditions, load, wheel fitment, accessories fitted, actual route and battery condition. Range figures are based upon production vehicle over a standardised route.

*Benefit In Kind tax rates for 2021-22 financial year. Based on a 40% tax payer.

CONTENTS

NEWS AND OPINION

TOMORROW'S FLEET

ELECTRIC FLEET

WILLMOTT DIXON P64

IN THE SPOTLIGHT

TODAY'S FLEET

IGNITION

COMMERCIAL FLEET

The chips are down – and it's playing havoc with vehicle supplies

Fleets face increased costs as lead times lengthen for both cars and vans

By Gareth Roberts

The fleet industry is facing longer lead times for new cars and vans as manufacturers struggle to cope with the global semiconductor shortage.

Every car- and van-maker is being impacted by the computer chip crisis, with some delivery times for cars lengthening from three to six months, and many new vans not expected to be delivered until 2022.

Vehicle production lines have been temporarily halted, focus has been shifted to high demand vehicles and some options are not being offered.

Furthermore, with the auto industry facing tough new emissions targets, lower emitting models have been prioritised in some cases.

End-user fleets, the leasing industry and daily rental companies have also been warned that the semiconductor shortage could stretch into next year.

Ford was among the first automotive companies to highlight the potential impact of chip availability on first quarter production, earlier this year.

"The global semiconductor shortage is affecting automakers around the world as well as other industries, including consumer electronics companies," a Ford spokesman explained.

"Ford is concentrating on how to best use our allocation of semiconductors to deliver high-demand vehicles to customers."

The manufacturer has reported it could lose half of all planned production in quarter two of 2021.

The factory in Turkey that builds the Ford Transit for the European market has been closed until June 13. The Focus production line in Germany will be on limited production for much of next month, while closures of varying length will impact Galaxy, Kuga, Mondeo, S-Max and Transit Connect production until July 31.

Closures will also impact the Fiesta and Puma production lines in Germany and Romania respectively, although to a much smaller degree.

The Ford spokesman said it was looking at a number of factors to manage the chip shortage, including overall consumer demand by nameplate, the individual vehicle's contribution to its fuel economy

> "OUR EVs ARE GOING TO ARRIVE AROUND THREE MONTHS LATER THAN EXPECTED"
>
> **STEVE WINTER, BRITISH GAS**

commitments and its ability to make up for the short-term production loss later this year.

CHIP DEMAND

Many companies had cut orders for semiconductors, believing the pandemic would negatively impact demand, which led suppliers to reduce capacity.

However, the opposite was true – global demand for semiconductors grew by 15% last year – and, with global manufacturing based on a handful of factories, a fire at a semiconductor plant in Japan and power outages in Texas due to storms exacerbated the problem.

It is an issue for the auto industry as there can be between 50-to-1,000 semiconductors in a vehicle dependent on its complexity.

The computer chips feature in everything from infotainment systems and brake sensors to parking cameras and power steering.

Despite this, vehicle manufacturers are relatively small customers, collectively accounting for less than 10% of the £250 billion of semiconductor sales each year.

Stellantis – parent company of the merged PSA and FCA Groups – saw eight of its 44 global plants idled at some point in Q1, with production losses due to chip shortages down around 190,000 units or 11% of planned output.

A Stellantis spokesman told *Fleet News* that due to increased demand for the Vauxhall Vivaro, Citroën Dispatch and Peugeot Expert, it had introduced a third shift at its Luton plant, but semiconductor shortages were resulting in longer delivery times than usual for sold orders, with some "unpredictability".

However, he stressed: "We manage each sold vehicle order carefully to minimise any delay as much as possible for our customers, and our teams will keep our customers as fully informed as possible through to their delivery."

OPTIONS REMOVED

The manufacturer has cut options on vehicles in some cases, with digital instruments on the current Peugeot 308 being replaced by analogue, while on certain Citroën models, the optional wireless phone charging is temporarily unavailable.

In addition, the wireless phone charging feature is also temporarily unavailable for certain Vauxhall Crossland and Grandland models.

The Volkswagen Group – parent company of VW, Audi, Škoda and Seat brands – acknowledged that the shortage is leading to "bottlenecks" in production.

A spokesman said it has been working "intensely and successfully" to minimise the effects of the shortage on production.

However, he said: "We currently assume that the supply of chips will continue to be strained in the coming months."

Mercedes-Benz, meanwhile, said it is assessing the situation on a "continual basis" in close coordination with its suppliers and confirmed that vehicle deliveries of certain models may be affected.

EXTENDED LEAD TIMES

The Association of Fleet Professionals (AFP) recently warned that measures may need to be adopted by fleets to cope with the emerging shortage of semiconductors disrupting car and van production (fleetnews.co.uk, April 29).

AFP board member James Pestell told *Fleet News:* "We're seeing an extension of the lead time period across most manufacturers.

"Where we were seeing a typical lead time of three months, which was the industry average, we're now seeing that extend to six-to-nine-months-to-a-year across cars and light commercial vehicles."

Steve Winter, head of fleet at British Gas, which, with its parent company Centrica, operates 12,000 vehicles, is experiencing delays for both cars and vans.

Vehicles in the past which had a lead time of six months or more would not feature on its company car scheme. Now six months is becoming the typical lead time, Winter said.

Lease extensions are being employed in some cases, with the fleet incurring the related costs that entails, while delays are also impacting its electrification plans.

It bought 1,000 Vauxhall Vivaro-e vans last summer and signed a deal for a further 2,000 of the electric vans at the start of the year (fleetnews.co.uk, February 22).

"Our EVs are going to arrive around three months later than expected," Winter said. "The build volumes are being reduced. We were on around 200 a month and we're probably down to around 150 now."

The knock-on effect for British Gas is it is running vehicles that are six years old into a seventh year, which will impact maintenance costs.

Vans will also require an additional MOT and, with van residual values at record levels, it will potentially miss out on profits shared on sale price.

ISTOCK.COM/HIQUALITY VIDEO

It is a similar story for Matt Hammond, head of fleet at Altrad. He said: "Orders placed in Q3 2020 which we expected to see on fleet early 2021 are just now starting to filter through. This has been the case for Peugeot, Ford and Nissan light commercials.

"This delay has also seen an impact on aged replacement hired vans as the rental companies are also struggling to secure new stock, meaning we have had to retain vans for longer, extending our fleet age profile beyond our preferred guidelines."

RENTAL IMPACT

Enterprise says it is working closely with manufacturers to buy new vehicles, where available, but, as it buys the vast majority of its fleet 'at risk', it has the flexibility to hold or sell vehicles as needed.

A decline in demand at airport locations has also meant it has been able to transfer vehicles to other parts of the operation where demand is stronger.

A spokesman said: "We would urge customers to engage with us as soon as possible to discuss their requirements."

Europcar Mobility Group UK claimed it has been able to manage supplies to meet customers' needs without any significant impact.

A spokesman explained: "We are currently on-boarding some new models for our Flex long-term rental solutions, which is actually helping some business customers address supply issues they may be facing for their own businesses.

"We also have flexibility to retain some vehicles in our fleet for slightly longer to accommodate any delays in new vehicle supply without any detriment to the customer experience."

POOLS OF STOCK

Reflex Vehicle Hire told *Fleet News* that it was constantly liaising with dealer groups to identify pools of stock that come available within the network.

"We recognise the struggle for vehicle availability and, if it's commercially viable, then we will take these opportunities to secure this stock," said a spokesman.

"Whereas in the past our business has managed and succeeded to fulfil customer requirements and demands at the drop of a hat, this has proved challenging this year due to the lack of dealer network stock."

Simon Ridley, managing director of Dawson Group Vans, said the supply shortage of light commercials has reached "unprecedented and dangerous levels" for the UK economy.

Having anticipated the issue in its build slot allocation from core manufacturers, it pre-loaded the start of the year.

However, he said: "We have had to extend our range of suppliers, take alternative models and slow our disposal programme significantly.

"Continuity of supply at familiar levels are potentially unlikely to return until 2022, with multiple manufacturers now indicating their order banks on certain models are more than 150% higher than that of previous years," continued Ridley.

"The backlog of orders, coupled with the component shortage and operating restrictions relating to social distancing, will hinder their ability to achieve previous lead-times for the foreseeable future."

Northgate says it is also working closely with customers and its OEM partners to mitigate the impact.

'PLAN AHEAD'

The leasing industry, like rental providers, is working with fleets to manage the problem. LeasePlan UK head of consultancy services and customer value Matthew Walters said: "We are advising that fleet managers plan ahead and look ahead at vehicle procurement this year, while reassessing normal timelines for doing so.

"Fleet managers should also consider alternatives where possible, as there may be challenges getting hold of some models, trim levels or equipment."

Paul Hyne, Arval UK commercial director, is also recommending that fleets allow more time for orders.

"Our account managers are forward planning with corporate customers, looking six-to-nine months ahead to order the vehicles they need," he said.

"Traditionally, corporate customers used to factory order all vehicles, but we're now moving to a place where a vehicle in stock means that the customer can access it almost immediately, with some compromises made on bespoke optional extras."

Simon Staton, client management director at Venson, says it is putting some existing vehicles into formal extension and looking at reallocation of vehicles based on mileage, condition and age.

"Longer lead times, coupled with fleet replacement by the hire companies being delayed or reduced as they manage their fleet parcs in a Covid world, all adds to the complexity for fleet managers and how they satisfy the demands of their organisation," he added.

Chips from old washing machines? We're not there yet

MASSIMILANO MESSINA
AUTOMOTIVE LEAD AT KPMG

The semiconductor shortage is placing a stranglehold on production while shunting the auto industry's post-pandemic recovery back into first gear.

Chip shortages are now expected to last for the next 18 months - forcing manufacturers, which had hoped for the issue to be resolved by this point in the year, into new plant closures and limiting production in the near term.

It's an issue expected to cost carmakers billions in potential revenue. And, while reports that manufacturers are contemplating stripping old washing machines for chips should be taken with a pinch of salt, it points to the level of concern in the sector.

Indeed, there's no quick fix solution. The production of semiconductors, which are used in everything from touchscreen displays to collision avoidance systems, is a highly complex and capex-intensive business. It takes nearly five years to fund and build a new chipmaking plant.

Carmakers will need to chase down the chip capacity allocated to other industries for the picture to improve any time soon.

But this is a big ask.

OEMs cut orders for all parts including for semiconductors when demand for vehicles collapsed in spring 2020. And, after prioritising cost reduction over risk management, many carmakers were slow to re-order once demand recovered. So, chipmakers were already committed to supplying bigger consumer electronics and data centre customers.

As a result, auto players have a weak hand for buying-in these crucial chips. Their hand is made weaker when you consider there's also a shortage of raw materials needed to manufacture the semiconductors themselves.

Naturally, this all holds implications for fleet buyers.

Tight demand is forcing the price of semiconductors higher, and it will be interesting to see if prices will be passed on to customers.

But the over-capacity in the market, which fleet buyers have typically been the cure for, is also at risk. SMMT data shows that demand for cars is steadily returning, while production is being squeezed. High demand and low supply could force prices upwards for fleet buyers as well as consumers.

The issue could also stall progress towards hybrid and EV adoption too.

Cars with electric powertrains typically need more semiconductors compared with their combustion engine counterparts. Given many manufacturers are a long way off delivering new electric ranges, the issue could be a convenient excuse for auto players to further delay such plans.

Ultimately, the semiconductor shortage represents a major headache to an industry that ought to be on the up after being battered by Covid-19.

We need to see how chipmakers will manage in ramping up capacity over the next few months, and whether carmakers will be able to muscle in to get supply ahead of other industries.

But it may not be until H2 2022 that the industry shifts back into a higher gear.

SUZUKI

GET BACK TO BUSINESS WITH THE HYBRID SUZUKI SWIFT SZ-L

GREAT CARS
GREAT SERVICE
GREAT OFFERS

HYBRID FUEL ECONOMY AND LOWER EMISSIONS

> BIK: 26%
> Combined MPG: 57.2
> CO_2 emissions: 111 g/KM

SEARCH 'SUZUKI FLEET' TODAY

FROM £151 PER MONTH*
ALL RENTALS + VAT AT 20%

INITIAL RENTAL £906 | 36 MONTH AGREEMENT
SUZUKI BUSINESS CONTRACT HIRE | EXCESS MILEAGE CHARGES APPLY

Fuel economy and CO_2 results for the Swift SZ-L. Mpg (1/100km) (combined): 57.2 (5.0). CO_2 emissions: 111 g/km.

Figures shown are for comparability purposes; only compare fuel consumption and CO_2 figures with other cars tested to the same technical procedures. These figures may not reflect real life driving results, which will depend on a number of factors including the accessories fitted (post-registration), variations in weather, driving styles and vehicle load. Business Users only. *Offer subject to 35 monthly rentals of £151 plus VAT with initial rental of £904 plus VAT based on Suzuki Swift Hybrid SZ-L. Suzuki Contract Hire is a trading style of Lex Autolease Ltd. Registered office: 25 Gresham Street, London EC2V 7HN. Ownership of the vehicle remains with the finance company and the vehicle must be handed back at the end of the term. UK residents aged 18+ only. Subject to status. The offer above is available from participating Authorised Suzuki Dealers only. The offer cannot be used in conjunction with any other offer unless otherwise stated. Offers ends 30th June 2021. Return conditions apply. Vehicle must be returned in good condition to avoid further charges. Excess mileage charged at 4.30ppm plus VAT per mile. Offer based on 8,000 miles per annum. The vehicle must be serviced in accordance with manufacturer's guidelines and by an approved service Dealer. All prices and specifications correct at time of going to print. See full terms and conditions at cars.suzuki.co.uk/swiftbusiness

New all-electric Vivaro-e Life

Large

and on charge

Up to 9-seats | Congestion charge exempt | Zero emissions

Call 0330 587 8221 to book a free 3 day test drive†, or search Vauxhall Fleet Range.

VAUXHALL Fleet

Fuel economy and CO_2 results for the Vivaro-e Life range 100kW (136PS). Mpg (l/100km): N/A. CO_2 emissions: 0g/km. Electric range up to 143 miles (WLTP).

The range and electric consumption figures mentioned comply with the WLTP test procedure, on the basis of which new vehicles are type approved from 1 September 2018. EV range assumes that the vehicle has been preconditioned prior to journey. They may vary depending on actual conditions of use and on different factors such as: vehicle load, accessories fitted (post registration), speed, thermal comfort on board the vehicle, driving style and outside temperature. †3 Day Test Drive terms and conditions apply and vehicles are subject to availability. Please contact your Vauxhall Retailer for further information. All figures quoted correct at time of going to press (May 2021).

Highway Code may change to support the safe use of self-driving technology

ALKS should be regarded as 'assisted' driving, not 'automated', says insurance association

By Gareth Roberts

The Government's decision to label automated lane-keeping systems (ALKS) a 'self-driving' feature risks confusion and potential misuse of the technology, the insurance industry has warned.

The Department for Transport (DfT) has set out how vehicles fitted with the technology could legally be defined as self-driving, "as long as they receive GB-type approval and that there is no evidence to challenge the vehicle's ability to self-drive" (fleetnews.co.uk, April 28).

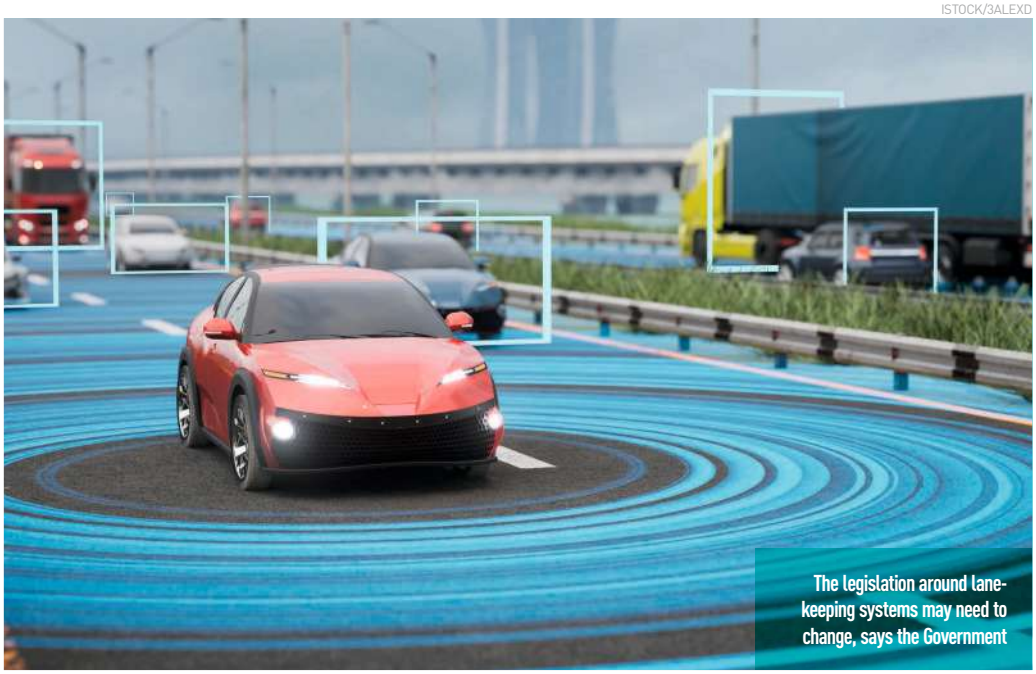
It confirmed that drivers will not be required to monitor the road or keep their hands on the wheel when the vehicle is driving itself. However, they will be expected to stay alert and be able take over when requested by the system within 10 seconds.

If a driver fails to respond, the vehicle will automatically put on its hazard lights to warn nearby vehicles, slow down and eventually stop.

Under the new proposals, drivers of vehicles equipped with the autonomous lane-keeping technology would be permitted to use them in slow-moving traffic at speeds up to 37mph on motorways.

> "THE UK GOVERNMENT IS CONTRIBUTING TO THE CONFUSION AND FREQUENT MISUSE OF ASSISTED DRIVING SYSTEMS"
>
> **MATTHEW AVERY, THATCHAM RESEARCH**

ISTOCK/3ALEXD



The legislation around lane-keeping systems may need to change, says the Government

A number of vehicles are already equipped with adaptive cruise control and lane-keeping systems that allow them to technically drive themselves in certain situations. But current legislation states the driver must remain in control at all times.

"ALKS, as currently proposed by the Government, are not automated," explained Matthew Avery, director of research at Thatcham Research. "They are assisted driving systems as they rely on the driver to take back control.

"Aside from the lack of technical capabilities, by calling ALKS 'automated' our concern also is that the UK Government is contributing to the confusion and frequent misuse of assisted driving systems that have, unfortunately, already led to many tragic deaths.

"Consumers will expect the car to do the job of a driver, which current models can't do."

Mark Shepherd, assistant director and head of general insurance policy at the Association of British Insurers (ABI), agrees. He said that, while the insurance industry "fully supports" the development towards more automated vehicles, drivers must not be given "unrealistic expectations" about a system's capability.

"It is vital that automated lane-keeping systems, which rely on the driver to take back control, are not classed as automated, but as assisted systems," he added.

"By keeping this distinction clear we can help ensure the rules around ALKS are appropriate and put driver and passenger safety first."

The Law Commission for England and Wales and the Scottish Law Commission are conducting a review of driving legislation to enable the safe deployment of automated vehicles on British roads.

The commissions will produce their final recommendations at the end of 2021.

Meanwhile, the Government has launched a consultation on proposed changes to The Highway Code in an effort to support the safe use of ALKS and to ensure clear responsibility between driver and vehicle.

The emergence of new types of autonomous technologies has the potential to create a range of fleet issues, according to FleetCheck.

Managing director Peter Golding told *Fleet News* that there is already "uncertainty" among some drivers in terms of what they are allowed to do and exactly where the limitations of the devices themselves lie. "This may add to that confusion," he said.

Fleets, he suggests, would need to produce policy documents to ensure drivers understood how to use the technology safely.

"This needs to be, as far as possible, watertight from a fleet policy point of view," continued Golding.

"Employers need to ensure drivers are given as much hard information as possible about their specific vehicle and how any autonomous technology fitted can be legally and safely used."

Insurance firm QBE echoed the concerns of the ABI and Thatcham. Jon Dye, director of underwriting for motor at QBE, said: "There is still a lot of work to do to make sure this ultimately increases safety on our roads rather than having the potential to cause new risks and confusion to drivers.

"We cannot rush into classifying vehicles as automated and putting new technology on the road before all potential risks have been addressed."

Don't be too quick to change fleet replacement cycles

Mileage impact with remote working and video calls are set to stay

By Gareth Roberts

Fleets are being urged to hold fire on making wholesale changes to company car replacement cycles, with the full impact of Covid-19 not yet clear.

Remote working and fewer face-to-face meetings have seen mileages tumble for many car fleets, leading some to question whether four years/80,000 miles should remain the norm.

"We're seeing many of our customers come to us for advice on what changes, if any, they should be making to their mileage terms," said Caroline Sandall, specialist consultant at LeasePlan UK.

"Many of them wonder whether they should act now or wait until later. The challenge is that we're still in the midst of a pandemic and so it's hard to predict the scale of change."

A new study suggests change could be significant, however, with more than half (53%) of businesses no longer requiring employees to come into the office five days a week.

Almost a third (30%) are expecting employees in the office between one and three days per week. One-in-seven (14%) said they will not require employees to visit the office at all.

COVID-19 IMPACT

According to HR technology firm Applaud, which commissioned the YouGov survey of 500-plus HR professionals, more than a quarter (26%) of UK businesses will either close, downsize or consolidate their offices in the coming months, as companies move to hybrid working.

> "IT'S HARD TO PREDICT THE SCALE OF CHANGE"
>
> **CAROLINE SANDALL, LEASEPLAN UK**

Duncan Casemore, co-founder and chief technology officer at Applaud, said organisations are embarking on an era of "unprecedented" change.

"Driven by employee experience, business leaders are turning away from the traditional five-days-in-the-office format, instead moving to provide more productive flexible and remote working scenarios," he said.

"While there has been great clamour from the workforce to implement more flexibility in the way we work, the pandemic has provided the catalyst to initiate these changes."

At the start of the lockdowns, it was thought that video calls and no one working in offices would be the 'new norm'. However, Venson client management director Simon Staton said most employers have now chosen a more balanced approach, with hybrid working and social contact both appealing to employees.

A recent survey by the vehicle leasing firm found that fewer than one-in-four employees (24%) is looking forward to returning to their workplace as the latest lockdown is lifted (fleetnews.co.uk, May 7).

However, almost two-thirds of respondents (64%) to the survey said they value collaborating face-to-face, instead of using video calls.

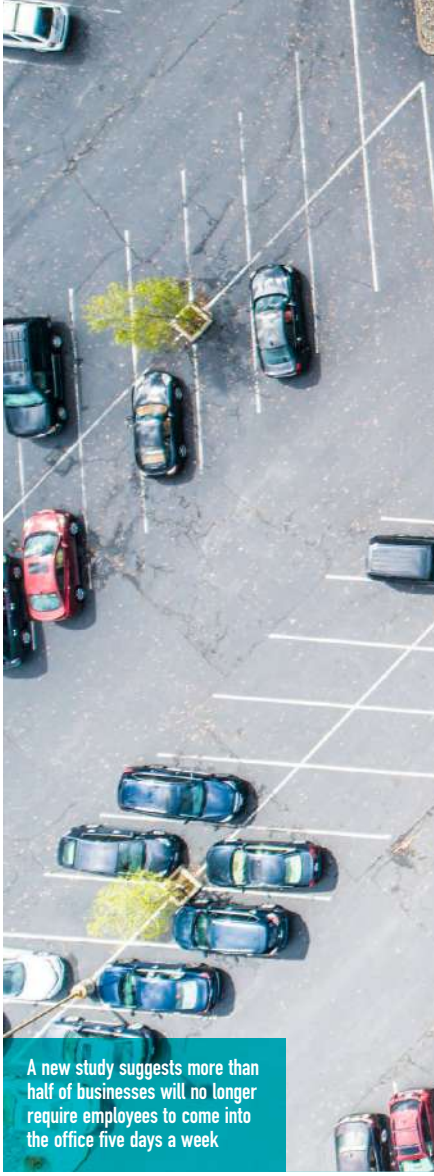
"The likelihood is that mileages may reduce because of fewer face-to-face meetings, business events being held etc. or it might increase for some people where they find that they are having to take on increased responsibilities due to colleagues being made redundant or a change of focus for their organisation," continued Staton.

"The number of vehicle contracts may reduce, but the mileage could be set to increase."

Alphabet, however, expects to return to more regular face-to-face meetings from 2022. Gavin Davies, general manager of customer account management at Alphabet (GB), told *Fleet News* this will probably be the case for many across the industry and average mileage, while reduced overall, will continue to be variable as fleets adapt.

"Contracts will need to be monitored as we return to a sense of 'normality', but with new ways of working likely to remain in some capacity, we suspect lower mileage profiles might become more commonplace," he said.

Hitachi Capital Vehicle Solutions



A new study suggests more than half of businesses will no longer require employees to come into the office five days a week

HOW THE AUDI A4 AND TESLA MODEL 3 MEASURE UP ON EMPLOYEE ALLOWANCES (PER MONTH)

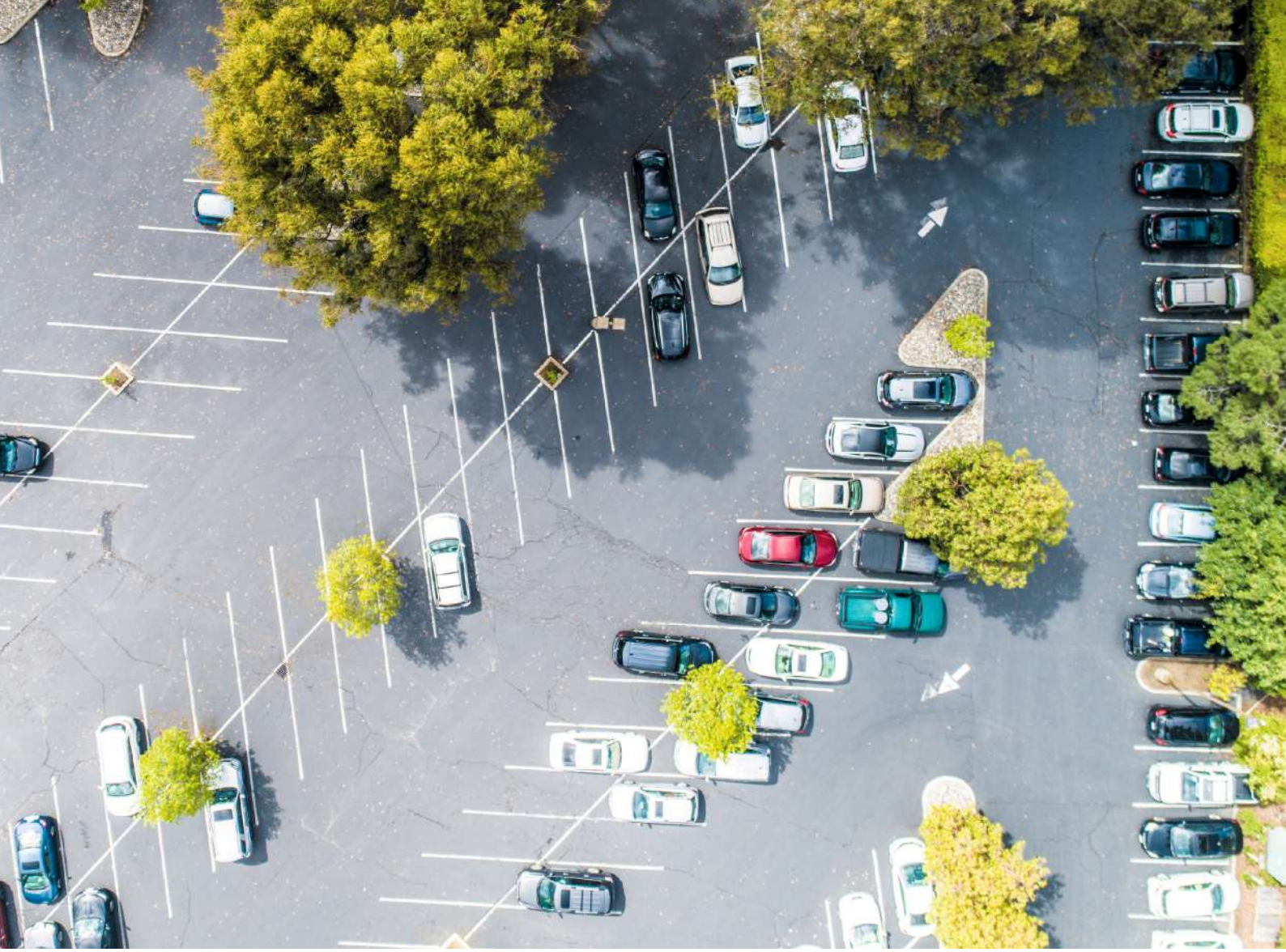
Source: Lex Autolease

AUDI A4

Wholelife cost (48 months/80,000 miles – 70% business mileage): £770
Wholelife cost (48 months/60,000 miles – 70% business mileage): £680

TESLA MODEL 3

Wholelife cost (48 months/80,000 miles – 70% business mileage): £753
Wholelife cost (48 months/60,000 miles – 70% business mileage): £685



managing director Jon Lawes said that, while this won't be the case for all, as some businesses will be unable to operate virtually, he also expected business mileage to fall in the short- to medium-term.

"We also expect the use of video conferencing services such as Microsoft Teams and Zoom etc. to continue and remain prevalent moving forwards, with fewer meetings needing to take place face-to-face, particularly those that are longer distance," he said.

WHOLELIFE COSTS

Fleets will typically employ a pooled mileage approach, based on an average four-year/80,000-mile replacement cycle per car.

One vehicle may be over while another company car will fall below the threshold. "It's not normally an issue," said Ashley Barnett, head of consultancy at Lex Autolease.

However, he is urging fleets that are considering changing the mileage terms of new company car contracts to do the maths and make sure they do not miss out on potential savings.

If a fleet alters the mileage threshold for new company car contracts, without also changing the financial value of the allowance, the driver will benefit instead.

"Essentially, you're giving somebody a better car and the business is not going to save any money," added Barnett.

Using the example of a Tesla Model 3 and an Audi A4 diesel (see facing page), Barnett said that in the case of an A4, based on 70% business mileage, the wholelife cost of the vehicle equates to an allowance of almost £770 per month. However, with the reduced mileage, the actual cost of the car, over 48 months/60,000 miles, rather than 48 months/80,000 miles, falls to £680 per month.

The difficulty, said Barnett, is communicating to drivers a cut in their allowance will still allow them access to exactly the same car.

Comparing the Audi with the Tesla, Barnett also explains the wholelife costs show how the monthly rental for the A4 (£392) is much lower than the Tesla (£577), but on a wholelife cost basis the Tesla is cheaper to run (£753 vs £770 per month), based on 20,000 miles per year.

"Interestingly though, when you take the annual mileage down to 15,000 miles, the A4 is cheaper – a fundamental swing," said Barnett.

James Pestell, board member at fleet representative and training body the Association of Fleet Professionals (AFP), says some fleets, particularly in the SME (small-to-medium enterprise) sector, risk missing out by not applying wholelife costs.

"The larger fleets have got a firm grasp on it, but one of the big things with SMEs is education about wholelife cost modelling," he said.

"A lot of fleets are now realising that policies based on a rental cap are not cutting the mustard."

The switch to electric company car cars has further highlighted the issue, with those not employing wholelife costs struggling to make choice lists work.

Pestell, national sales manager at the IFC Group, said that all the fleets it speaks to, which had not been employing wholelife costs, were now moving to that model.

"If you're just basing it purely on rental, you just can't make the maths work," he added.

CONTRACT REVIEWS

Going forward, monitoring and measuring fleet data will become "increasingly important", said Sandall, as fleets will need to commit to reviewing their contracts on a more regular basis.

Staton anticipates that many organisations will undertake some form of fleet review this year, starting with what vehicles they currently have on fleet, how they are used and what is their true cost to the business.

"If cost savings can be achieved through, say, moving from a prestige marque to a lower cost alternative, then many businesses will no doubt feel compelled to understand what savings can be made," he said.

"However, the flip side to understanding how costs can be achieved is understanding what impact it might have on staff retention and staff recruitment if, say, the number of vehicles an employee can choose from is reduced."

Barnett recalled how the financial crisis of 2008 was the last "seismic shift" in fleet cycles. "That was when we saw people move from three- to four-year contracts," he said.

Employees understood the financial pressures employers were under and, with job losses mounting, were prepared to share the pain.

However, he said it is too early to fully understand how the pandemic will impact businesses and no one, as yet, is rushing to change replacement cycles.

FleetNews AWARDS Summer Garden Party 2021

Finalists revealed

Judging has been completed and we can now announce the 'runners and riders'... well, the ceremony is at Ascot Racecourse!

FLEET CATEGORIES

EXCELLENCE IN FLEET SAFETY
sponsored by Free2Move Lease

Finalists
- Altrad Services
- Balfour Beatty Plant & Fleet Services
- Mitie
- DPD Group

ENVIRONMENTAL INNOVATION
sponsored by Ogilvie Fleet

Finalists
- Brecon Beacons National Park Authority
- Dundee City Council
- Mitie
- Scottish Water
- Severn Trent Water
- The Metropolitan Police

FLEET OF THE YEAR (UP TO 1,000 VEHICLES)
sponsored by Northgate Vehicle Hire

Finalists
- Auto Windscreens
- Brecon Beacons National Park Authority
- Dundee City Council
- LiveWest

FLEET OF THE YEAR (MORE THAN 1,000 VEHICLES)
sponsored by Zenith

Finalists
- Altrad Services
- J Murphy & Sons
- Mitie
- National Grid
- Severn Trent Water
- SSE

EXCEPTIONAL CONTRIBUTION AWARD

Finalists
- CityFleet Networks
- Mobile Testing Unit Project Delivery Team (Crown Commercial Service, Department for Health & Social Care, LeasePlan UK, Renault UK and TGS)
- Rivus Fleet Solutions

VAN MANUFACTURERS

BEST SMALL VAN

Finalists
- Citroën Berlingo
- Ford Transit Connect
- Peugeot Partner
- Toyota Proace City
- Vauxhall Combo
- Volkswagen Caddy Cargo

BEST MEDIUM VAN

Finalists
- Citroën Despatch
- Ford Transit Custom
- Mercedes-Benz Vito
- Peugeot Expert
- Toyota Proace
- Vauxhall Vivaro
- Volkswagen Transporter

BEST LARGE VAN

Finalists
- Ford Transit
- Iveco Daily
- MAN TGE
- Mercedes-Benz Sprinter
- Volkswagen Crafter

TRUCK MANUFACTURERS

RIGID TRUCK OF THE YEAR (6-16 TONNES)

Finalists
- Daf LF
- Fuso Canter
- Iveco Daily 7 Tonne
- Mercedes-Benz Atego
- Renault Trucks D
- Volvo FL

RIGID TRUCK OF THE YEAR (MORE THAN 16 TONNES)

Finalists
- Daf CF
- Renault Trucks D
- Iveco Eurocargo
- MAN TGL
- Mercedes-Benz Actros

CAR MANUFACTURERS

BEST SMALL CAR

Finalists
- Ford Fiesta
- Mini Hatch
- Peugeot 208
- Renault Clio
- Toyota Yaris
- Vauxhall Corsa

BEST LOWER MEDIUM CAR

Finalists
- Ford Focus
- Nissan Leaf
- Seat Leon
- Škoda Octavia
- Toyota Corolla
- Volkswagen Golf
- Volkswagen ID.3

BEST UPPER MEDIUM CAR

Finalists
- Peugeot 508
- Škoda Superb
- Toyota Camry
- Vauxhall Insignia
- Volkswagen Passat

BEST COMPACT SUV

Finalists
- Ford Puma
- Hyundai Kona
- Kia Niro
- Peugeot 2008
- Seat Arona
- Škoda Kamiq
- Vauxhall Mokka
- Volkswagen T-Roc

BEST MID-SIZE SUV

Finalists
- BMW X1
- Peugeot 3008
- Range Rover Evoque
- Toyota RAV4
- Volvo XC40

BEST COMPACT PREMIUM CAR

Finalists
- Audi A3
- BMW 1 Series
- Mercedes-Benz A-Class
- Mini Clubman

BEST PREMIUM CAR

Finalists
- Audi A4
- BMW 3 Series
- Jaguar XE
- Mercedes-Benz C-Class
- Polestar 2
- Tesla Model 3
- Volvo S/V60

BEST EXECUTIVE CAR

Finalists
- Audi A6
- BMW 5 Series
- Lexus ES
- Jaguar XF
- Mercedes-Benz E-Class
- Volvo S/V90

MOST IMPROVED FLEET MANUFACTURER OF THE YEAR
Finalists
- BMW
- Jaguar Land Rover
- Nissan
- Toyota

ALTERNATIVE FUELS

BEST ZERO EMISSION VAN
Finalists
- Citroën e-Despatch
- Fiat e-Ducato
- Maxus eDeliver 9
- Mercedes-Benz eSprinter
- Nissan e-NV200
- Peugeot e-Expert
- Vauxhall Vivaro-e

BEST PLUG-IN HYBRID CAR
Finalists
- Audi A3
- BMW 330e
- Mercedes-Benz A-Class
- Škoda Octavia
- Toyota RAV4

BEST ZERO EMISSION CAR
Finalists
- Ford Mustang Mach-E
- Kia e-Niro
- Polestar 2
- Tesla Model 3
- Volkswagen ID.3
- Volkswagen ID.4

SUPPLIER CATEGORIES

LEASING COMPANY OF THE YEAR (UP TO 20,000 VEHICLES)
sponsored by Jaama
Finalists
- ARI
- JCT600 Vehicle Leasing Solutions
- Ogilvie Fleet
- The Grosvenor Group
- Tusker Direct
- VMS Fleet Management

LEASING COMPANY OF THE YEAR (MORE THAN 20,000 VEHICLES)
sponsored by Aston Barclay
Finalists
- Alphabet (GB)
- Hitachi Capital Vehicle Solutions
- Kinto UK
- LeasePlan UK
- Volkswagen Financial Services
- Zenith

RENTAL COMPANY OF THE YEAR
sponsored by Grosvenor Contracts
Finalists
- Enterprise
- Europcar Mobility Group
- Northgate Vehicle Hire
- Reflex Vehicle Hire
- Thrifty Car & Van Rental
- Volkswagen Financial Services

OUTSTANDING PRODUCT OR SERVICE
sponsored by System Edström
Finalists
- Arval UK for Arval Beyond
- Balfour Beatty Plant & Fleet Services for its Litter Picker
- Fleetondemand for Mobilleo
- Highways England for its CALMDriver initiative
- Mina for its EV charging solution
- VMS Fleet Management for its EV conversions of specialist vehicles

FLEET CUSTOMER PARTNERSHIP AWARD
Finalists
- Enterprise
- Jaama
- Nexus Vehicle Rental
- The AA
- Zenith

FLEET DEALER OF THE YEAR
sponsored by Leasys
Finalists
- Garland Motors
- Johnsons Fleet Services
- TrustFord
- Vindis Group Fleet

INNOVATION IN MOBILITY TECHNOLOGY AWARD
Finalists
- Allstar Business Solutions
- Fleetondemand
- Leasys UK
- Original ADS and RAC
- The AA

HEADLINE CATEGORIES

FLEET SUPPLIER OF THE YEAR
Finalists
- ARI
- FleetCheck
- Jaama
- JCT600 Vehicle Leasing Services
- Rivus Fleet Solutions
- The AA

FLEET MANUFACTURER OF THE YEAR (CAR) VOTED
Finalists
- BMW
- Audi
- Ford
- Mercedes-Benz
- Tesla
- Volkswagen
- Volvo

FLEET MANUFACTURER OF THE YEAR (VAN) VOTED
Finalists
- Ford
- Mercedes-Benz
- Peugeot
- Renault
- Vauxhall
- Volkswagen

FLEET MANUFACTURER OF THE YEAR (TRUCK) VOTED
Finalists
- Mercedes-Benz Trucks
- Daf
- Iveco
- Scania
- Volvo

FLEET MANAGER OF THE YEAR
sponsored by Reflex Vehicle Hire
Finalists
- Matthew Hammond, Altrad Services
- Shaun Atton, Auto Windscreens
- Kevin Booker, Brecon Beacons National Park Authority
- Steve Winter, British Gas
- Fraser Crichton, Dundee City Council
- Tony Murphy, J Murphy & Sons
- Lorna McAtear, National Grid
- Wayne Warburton, Siemens
- Jiggs Bharij, The Metropolitan Police

FLEET NEWS HALL OF FAME
sponsored by the AA
Editor's choice

For more information about the awards event, please visit
www.fleetnewsawards.com

Sponsored by

Hydrogen: an alternative to BEV?

Battery electric vehicles are dominating the zero-emission car and van markets, but hydrogen fuel cell electric vehicles may have a role to play. *Andrew Ryan* reports

There is no doubt that hydrogen can play a huge role in the Government's ambitions for the UK to become net zero carbon by 2050.

It can be used as an energy source for clean mobility in fuel cell electric vehicles (FCEVs), a raw material for industry or as a fuel for heating buildings. It is also emission-free when made from renewable sources (see creation of hydrogen panel below).

Its future importance has been emphasised by successive governments announcing various policies to support the research, development and commercialisation of the gas.

These include the *Ten-Point Plan for a Green Industrial Revolution* which was published in November and includes a commitment to publishing a hydrogen strategy this year.

Another measure is the Government's £23 million Hydrogen for Transport Programme aimed at increasing the uptake of FCEVs and growing the number of publicly-accessible hydrogen refuelling stations.

However, while the potential is there for hydrogen to make a significant contribution to cutting emissions, the role it will play in transport remains uncertain.

One school of thought is that its use will largely be limited to commercial vehicles weighing more than 3.5 tonnes as well as buses and trains where it would be impractical to carry the size and weight of the battery needed to perform their daily tasks.

The other is that, as it offers the same zero tailpipe emission benefits as battery electric vehicles (BEVs) with the speed of refuelling a petrol or diesel car, there is a place in the market for fuel cell cars and vans.

This may be in sectors such as the emergency services and the private hire market, in which London-based Green Tomato Cars has already driven well in excess of one million miles in Toyota Mirai FCEVs since taking them on in 2015.

As well as the downtime needed to charge BEVs potentially being problematic if emergency services need to respond to a call, the Civil Contingencies Act 2004 requires these services to keep substantial stocks of fuel in-house so they can continue to attend emergencies should fuel supplies be disrupted.

"We've got a real challenge in that every ambulance service across the UK, in line with the police and fire service, needs to have 20 days of bunkered fuel," says Alexis Percival, the environmental and sustainability manager at Yorkshire Ambulance Service NHS Trust.

"The challenge for us if we have brownouts like they experienced in Texas earlier this year, how do we run a fleet if it's fully electric?

"We've done initial trials and duty cycle analysis, and found that just a pure battery electric fleet wouldn't do what we need when you consider the downtime for recharging.

"All the various elements that constrain a BEV just don't allow them to operate within the sphere needed for an emergency vehicle."

Percival says Yorkshire Ambulance Service NHS Trust is working with other organisations such as London Ambulance Service and hydrogen fuel conversion specialists UlemCo in a Government-backed project to develop a zero-emission ambulance.

The ambulance created in the Zerro (Zero Emission Rapid Response) project is expected to be delivered by the autumn in prototype form.

Yorkshire Ambulance Service NHS Trust is also working with the county's police and fire services looking at the future fuel challenges.

"We're looking at a whole system redesign," Percival adds. "It's not just a case of looking at having fuel or hydrogen on site, but having self-generation of hydrogen on our own sites.

"We're looking at having solar panels that feed into battery electric storage, but also feed into hydrogen generation as well."

INFRASTRUCTURE OBSTACLES

As with the early BEVs which suffered from limited driving ranges and charging infrastructure, FCEVs need the right circumstances in which to operate successfully.

The immediate obstacles facing FCEVs are the refuelling infrastructure (currently there are just 11 publicly-available stations in the UK), the limited number and cost of the FCEVs available, as well as the price of hydrogen.

"What we demonstrated with the launch of the first Mirai is that, although (Toyota) might be convinced about the technology, you need to be able to allow people to use it in the right locations to see how it can perform," says Jon Hunt, alternative fuels manager at Toyota (GB).

"With the private hire operations, for example, which are heavy-duty, long-term regular users both here and across Europe, it's proven the case strongly that it can adapt and be used in those circumstances very well."

Hydrogen is currently priced around £12 per kilo, which means it would cost around £67 to fill the new-generation Mirai's 5.6kg tanks.

As it has a 400-mile range, this gives it a fuel cost of 17 pence per mile, which is equivalent to a petrol car doing 32mpg.

The price of hydrogen reflects the costs of production and site development, says Hunt,

METHODS OF CREATING HYDROGEN AT SCALE

The most environmentally-friendly way to create hydrogen is through electrolysis, but it is also currently the most expensive and least common way to do it.

This process uses electricity to separate water into oxygen and hydrogen, and produces no emissions if the electricity used comes from renewable sources such as wind and solar.

This is known as green hydrogen.

However, if the electricity is generated from burning fossil fuels, it will have a carbon footprint.

At the moment, electrolysis is estimated to account for 4% of global hydrogen production and is expensive relative to other methods of producing hydrogen, although the cost is expected to fall.

Around half of hydrogen is currently created through steam methane reforming, which produces hydrogen and CO_2 from methane.

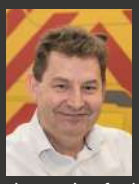
It is also produced through gasification, where organic material such as coal and oil is converted to hydrogen through a multi-step process.

ISTOCK.COM/SCHARFSINN86

Sponsored by AA

SPONSOR'S COMMENT

By Gavin Franks, director of business services at The AA



We are living in a world of rapid change, so towards the end of last year we embarked on a journey of research into electric vehicles (EVs) and alternative fuels, customer service and innovation, as well as the ever-evolving service, maintenance and repair (SMR) market, consulting businesses and key industry experts along the way.

Innovation has always been at the heart of automotive. From developing the vehicles themselves, to the powertrains, infrastructure and the service economy which supports them, it underpins many of the trends which we are currently exploring in the sector.

Our latest report *'New Horizons 2021: Technology, customer service & fleets'* explores the readiness to innovate and barriers to change, the relationships between customers and suppliers, e-commerce and digitalisation, the role of the Government and policy interventions, as well as the impact of the past 12 months on business models and plans.

In fact, as we look beyond 2021, our report suggests there is plenty to be optimistic about and ,while there is still lots of work to be done around education, the rapid adoption of EVs, investment in charging infrastructure and the discussions around UK gigafactories is a step in the right direction.

In our New Horizons report, we've developed a number of recommendations and suggested actions which will support your fleet now and in the future so we can respond positively to the opportunities, ensure meaningful environmental change and future-proof our businesses.

To find out more about our New Horizons report, register for our FREE webinar on Tuesday June 8 (12:00-12:45pm GMT) via our LinkedIn page – 'The AA – Business Services' – or email: B2Bevents@TheAA.com

Award-winning
Business Breakdown Cover

12 MONTHS FOR THE PRICE OF 10

Track us right to your side

We'll handle everything

Keep your business moving

Visit **theAA.com/business**
Use promo code **0888**

Or call **0800 294 2994**

Ts&Cs apply.

Toyota's Woven City, a development at the base of Mount Fuji which will act as a technology testbed

but it is expected to fall significantly soon.

The Hydrogen Council – a global CEO-led initiative to drive the uptake of hydrogen as a fuel – has said the cost is heading towards £6 or £7 per kg. It says the cost of production could become as low as £1.50 per kg.

"We can anticipate seeing prices below £5 per kg by the end of this decade and even cheaper beyond that," says Hunt.

A reduction in price could also come if hydrogen is included in the Government's Renewable Transport Fuel Obligation.

This supports the Government's policy on reducing greenhouse gas emissions from vehicles by encouraging the production of biofuels that do not damage the environment by paying a fixed sum per litre or kilogram supplied to the fuel supplier.

"It doesn't yet apply to hydrogen, but this has been under consultation for some time and finally it looks like it's coming around. That will allow a quite significant benefit for hydrogen to come into play, so we'd expect that to lead to a price reduction," adds Hunt.

A bigger obstacle will be the public charging infrastructure. According to UK H2 Mobility, five of the UK's 11 hydrogen stations are within the M25. Others are in Sheffield, the south-east and Wiltshire, while there are also two in Scotland.

The number of stations is expected to increase as FCEVS become more common, as well as through Government investment such as the Hydrogen for Transport programme.

Installing a station can be complicated and expensive, however, as, unlike a BEV chargepoint which can be connected with the nearby electricity grid, hydrogen stations have no existing infrastructure to connect to.

MANUFACTURER SUPPORT

Despite these obstacles, a number of leading car and van manufacturers are investing significant time and money in FCEVs.

As well as launching its second-generation Mirai, Toyota has created a new fuel-cell business based in Cologne that will feed into wider industrial hydrogen strategies across Europe, supplying fuel cells to non-car manufacturer partners such as train operators and heavy haulage users.

It has also started to construct Woven City, a prototype city for the future located at the base of Mount Fuji in Japan.

Toyota plans for 2,000 people to live in the development, which will act as a testbed for many forms of urban mobility and connectivity, and will include aspects of fuel cell technology for transport and clean energy.

Hyundai, which sells the Nexo FCEV in the UK, has also stepped up its hydrogen commitments and has launched a hydrogen-focused brand called HTWO.

This will see it develop a next-generation fuel cell system which will not just be used in cars, but also in other forms of mobility such as urban air, ships and trains.

BMW this month announced it will pilot a small series of the BMW i Hydrogen Next, based on the current BMW X5 and equipped with a hydrogen fuel cell e-drive, from 2022, while Stellantis will launch three hydrogen plug-in hybrid vans next year.

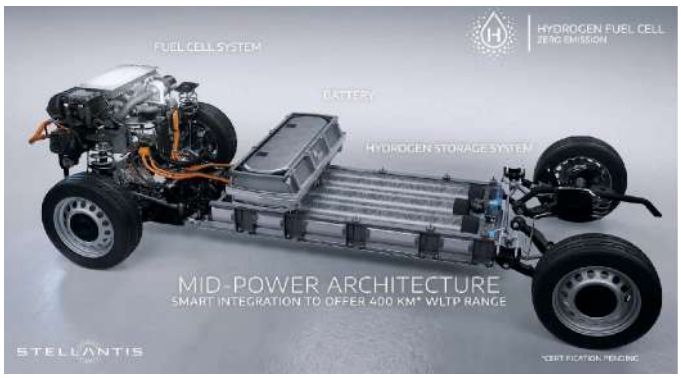
These will be based on the existing Citroën Dispatch, Peugeot Expert and Vauxhall Vivaro vehicles.

"As we look further into the future, hydrogen fuel cells show great promise – especially for light commercial vehicles – as the next level of zero emission propulsion technology," says Harald Wester, head of engineering at Stellantis.

These commitments to the technology show manufacturers see a future for FCEVs in the car and light commercial vehicle sectors, although it is difficult to see them challenge the dominance of BEVs in the short- or medium-term at least.

"It's very clear that this is not an either/or situation (between fuel cell and BEVs)," adds Hunt. "It's about identifying what customers require, and providing that vehicle to them."

The BMW i Hydrogen Next will be based on the BMW X5



FINAL FRIDAY OF EVERY MONTH AT 10AM

Fleet News at Ten

WEBINARS

A guest panel of four-five fleet decision-makers dissect with *Fleet News* the biggest news announcements and industry topics of the month in our monthly webinar series, looking at what each means for fleets, how they need to react/are reacting. News is a key section in print and on the website and, historically, the most read section of *Fleet News;* these webinars provide the perfect complement by digging beneath the skin of the month's hottest topics and bringing them to life.

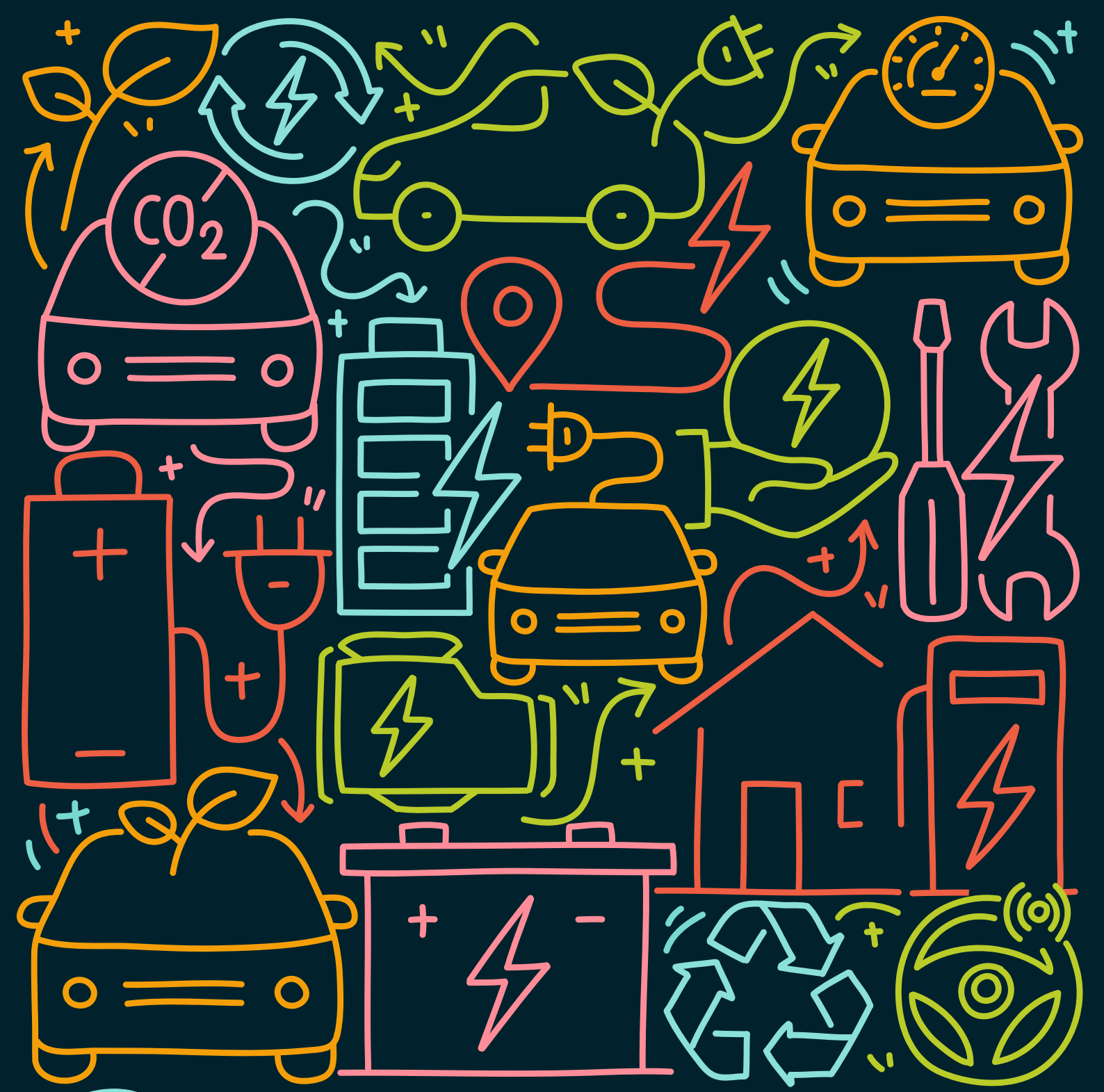
OUR REGULAR PANEL INCLUDES:

Association of Fleet Professionals chair Paul Hollick
National Grid fleet manager Lorna McAtear
ISS head of fleet Duncan Webb
Environment Agency director of Defra group fleet services Dale Eynon
Countryside Properties head of facilities and fleet Chris Connors
Altrad Services head of fleet Matt Hammond

The *Fleet News* webinars, chaired by editor-in-chief Stephen Briers and supported by industry suppliers, cover a range of important topics.

If you want to support a *Fleet News* webinar on a topic critical to our audience of senior decision-makers, email sheryl.graham@bauermedia.co.uk or call 01733 468 256 to find out what opportunities are on offer.

To register visit: www.fleetnews.co.uk/webinars



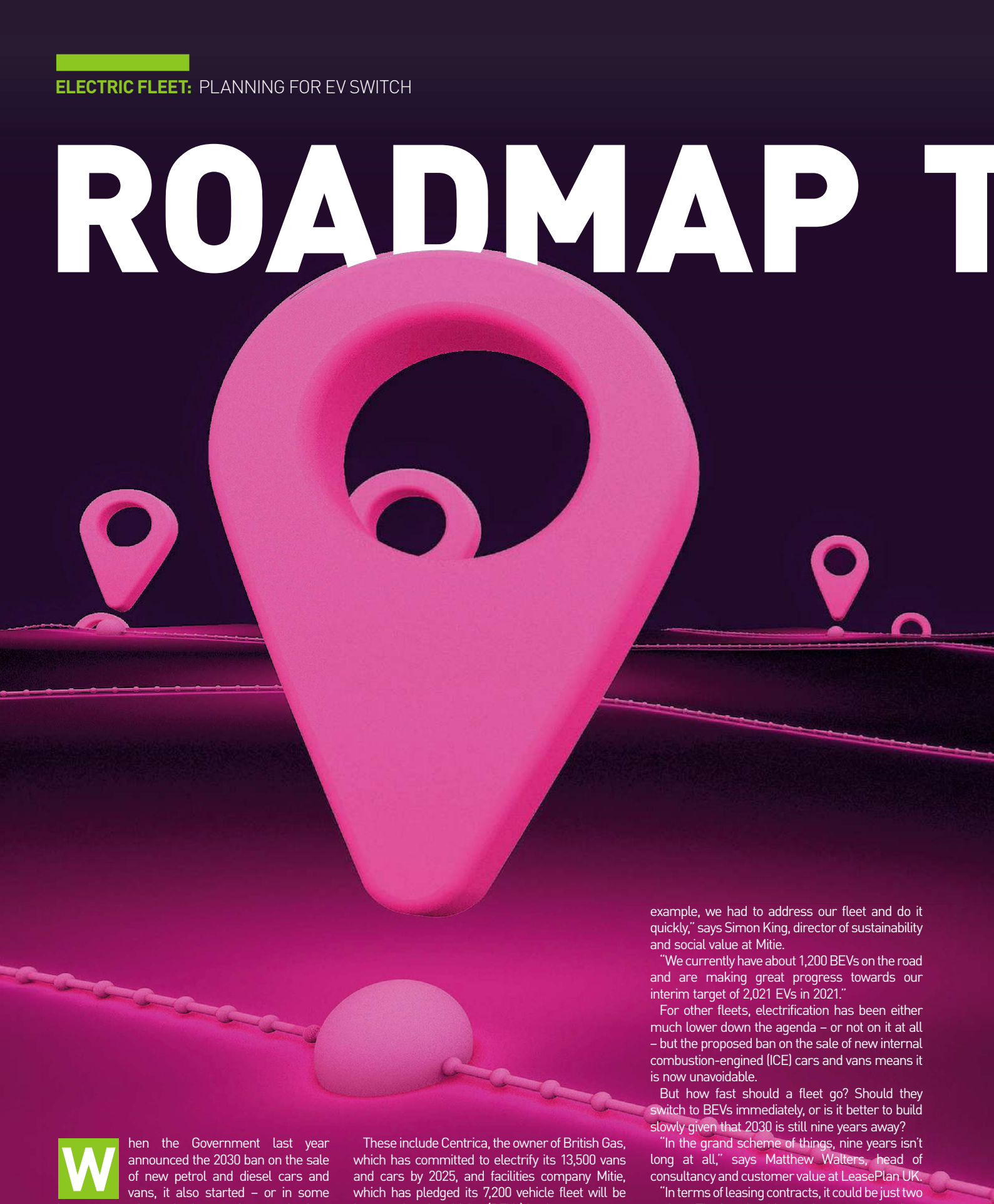
ELECTRIC FLEET

INSIDE

How fleets and manufacturers are accelerating the uptake of electric cars and vans ahead of the 2030 ICE ban

Sponsored by drax | Electric Vehicles NORTHGATE Vehicle Hire

ROADMAP T



When the Government last year announced the 2030 ban on the sale of new petrol and diesel cars and vans, it also started – or in some instances accelerated - the race for organisations to electrify their fleets.

Many were already on this journey, having made commitments either through organisations, such as EV100, to comply with corporate sustainability targets, or simply for the environmental benefits.

These include Centrica, the owner of British Gas, which has committed to electrify its 13,500 vans and cars by 2025, and facilities company Mitie, which has pledged its 7,200 vehicle fleet will be battery electric vehicles (BEVs) by the same year.

Mitie's ambition is part of a wider company commitment to become net zero carbon by 2025, with analysis showing more than 90% of its operational emissions came from its fleet.

"If we're going to decarbonise Mitie and lead by example, we had to address our fleet and do it quickly," says Simon King, director of sustainability and social value at Mitie.

"We currently have about 1,200 BEVs on the road and are making great progress towards our interim target of 2,021 EVs in 2021."

For other fleets, electrification has been either much lower down the agenda – or not on it at all – but the proposed ban on the sale of new internal combustion-engined (ICE) cars and vans means it is now unavoidable.

But how fast should a fleet go? Should they switch to BEVs immediately, or is it better to build slowly given that 2030 is still nine years away?

"In the grand scheme of things, nine years isn't long at all," says Matthew Walters, head of consultancy and customer value at LeasePlan UK.

"In terms of leasing contracts, it could be just two cycles. That's why it's so important for fleet managers to proactively look ahead rather than taking a passive approach.

"If now isn't the right time to start your journey to electrification, think about exactly when in the next nine years might be.

Sponsored by

NORTHGATE Vehicle Hire | drax Electric Vehicles

TO 2030

New petrol and diesel car and vans are to be banned from sale under Government plans. *Andrew Ryan* looks at how fleets can put together an e-mobility strategy to ensure they are ready

"Failing to prepare could leave you in the lurch later down the line."

However, Arval UK says fleets who have not started the process have no reason to panic.

"When I talk to fleet operators and we start talking about how they need to start putting together a strategic roadmap as to how they are going to convert their fleet, one of the first responses is to press the panic button," says David Watts, senior consultant at Arval UK.

"But actually, the 2030 ban is about new vehicles. If you're running four- or five-year replacement cycles, that means you've got until 2034 or 2035 when you have to be fully electric across your whole fleet.

"So, in principle, we're still looking at a 13- or 14-year transition process. There are plenty of operators who will be able to do this much quicker for a variety of reasons, and some will have fairly ambitious carbon targets so need to make that happen a bit quicker.

"But that doesn't mean all fleets have to. It doesn't have to be a sprint.

"Clearly, the sooner you can start the process, the better, but you have to be realistic about what's practical and what you are capable of achieving."

The transition to an electric fleet can be made simpler by the introduction of an e-mobility strategy.

This should provide an organisation with a detailed breakdown of its existing vehicles, how and where they are used, their operating costs, a roadmap for when they can be replaced with BEVs, and what charging infrastructure will be needed.

"To begin this process, an organisation needs to decide how ambitious they want to be with their transition," says Rob Anderson, senior fleet specialist at Cenex.

"Do they want to run a fully electric fleet, and if so, by when?

"Many companies that we're working with have set targets for a zero emission fleet by 2030, which aligns neatly with the ban on the sale of new petrol and diesel cars and vans."

Overleaf are four steps to introducing an e-mobility strategy.

SPONSOR'S COMMENT

By Adam Hall,
Head of Electric Vehicles, Drax

When it comes to debating electrification, my best advice to fleet managers is that it's not a question of 'if', but a question of 'when'.

It's not a surprising stance for someone like myself to take – it's quite literally my job to prove the benefits of electric vehicles (EVs) to businesses. And there's no denying that, despite all the odds, the EV industry is gaining momentum.

Against a backdrop of Covid-19 restrictions and Brexit uncertainty, the EV industry has seen remarkable growth over the past 12 months. This has been spurred on by a wave of positive news stories. Trade negotiations with the EU saw EVs remaining tariff-free until the end of 2023. Carbon emissions falling in lockdown reignited the call to clean up our planet through widespread social change. And, most recently, the Spring Budget in March brought news that EV charge points are now eligible for super-deduction tax relief.

These incremental changes add up to big progress. With COP26 – the much-anticipated UN Climate Change Conference of Parties – taking place in Glasgow this November, the UK's electrification targets are cementing our position as a global leader in transportation decarbonisation.

Electric vehicles might be my business, but no matter which way you look at it, when it comes to finding more sustainable and responsible ways to run our organisations, it's not a question of if. It's a question of when.

drax | Electric Vehicles

A full assessment of a fleet is necessary to gain a granular understanding of its vehicles and how they are used.

"Ask yourself how far they travel," says Adam Hall, head of electric vehicles at Drax Group. "Where to? How long are they used for? How long are they idle for? Fully understanding a fleet's patterns is key."

This information can be collected by analysing existing fleet data which has been collated manually or – more conveniently and potentially more accurately – through telematics.

It is important not to use average mileage in detailed calculations, says Joshua Gordon, EV strategy manager at Geotab. "Use the worst-case scenario so you can be confident of selecting an EV that will work for that role."

Any decisions should also be based on around 70% of a BEV's official range, as this better reflects real-world driving conditions.

Mitie has used this percentage in its calculations for "a couple of years now", says King, and new research from Arval UK supports his position.

It took three fully-electric LCVs – a small van, a medium-sized van and a large van – to Millbrook Proving Ground and carried out a number of tests in a controlled environment with different payloads, to see how range was affected (see table, left).

As the tests took place on different days, the temperatures varied and this had an impact on battery performance: the colder the weather, the more the range was reduced.

"While these figures certainly should be helpful in terms of people trying to make those first steps, we shouldn't take these as definitive numbers," says Watts.

"Fleets will get better or worse figures dependent on their own situation and circumstances," he adds.

"The impact of load was relatively minimal, and you are looking at roughly an 8%-to-10% reduction in range with a full payload, which is probably not dissimilar to what you would see in a petrol or diesel vehicle."

The fleet assessment should identify some vehicles are better suited than others to be replaced by BEVs immediately, with cars and vans much easier than heavier vehicles at present.

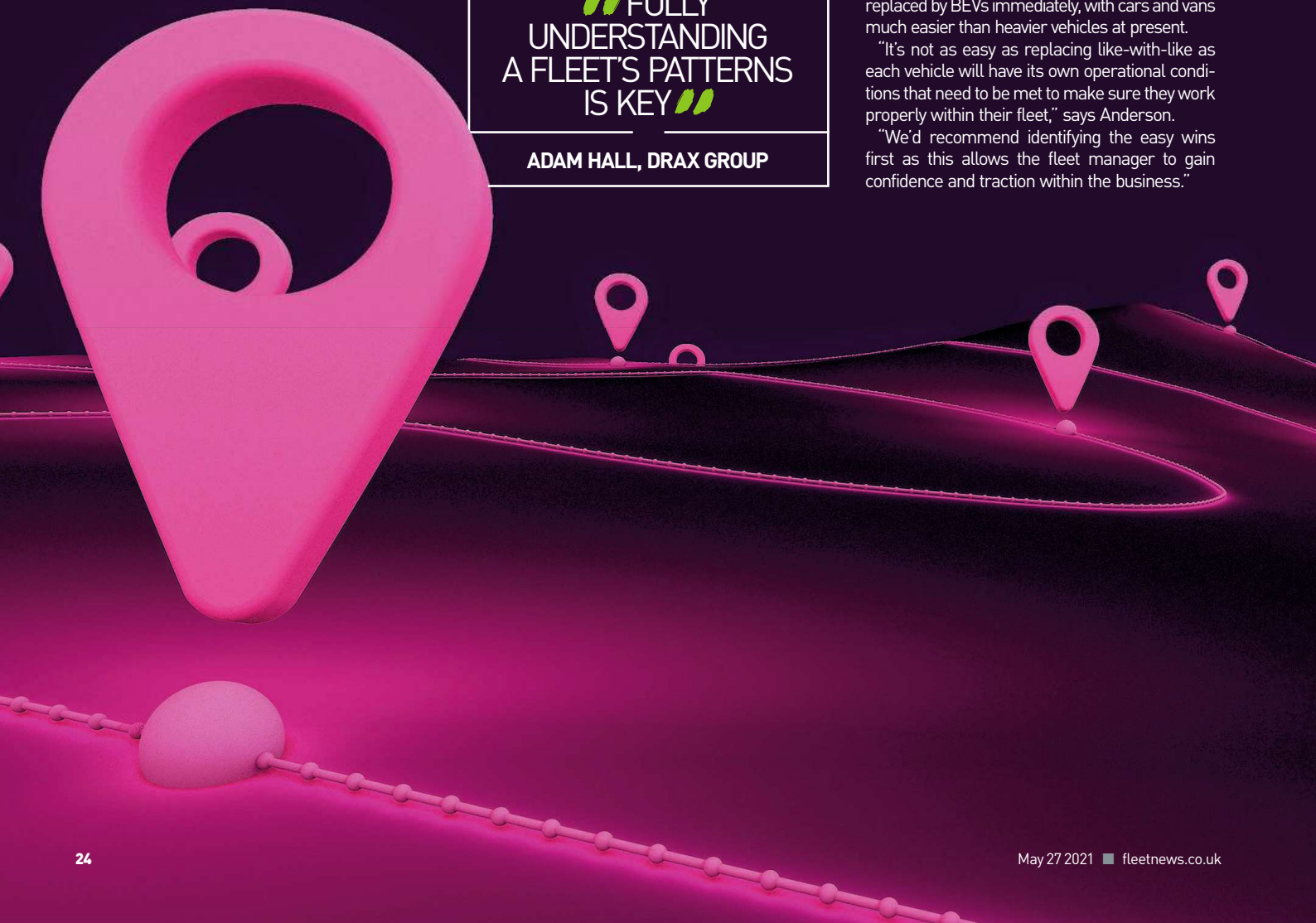
"It's not as easy as replacing like-with-like as each vehicle will have its own operational conditions that need to be met to make sure they work properly within their fleet," says Anderson.

"We'd recommend identifying the easy wins first as this allows the fleet manager to gain confidence and traction within the business."

AVERAGE RANGE VS OFFICIAL FIGURES

Cycle	Small van	Medium van	Large van	Average
Urban	65%	48%	92%	68%
Rural	74%	79%	94%	82%
Motorway	45%	74%	645%	61%
Average temp (degrees C)	3.8	8.6	12.1	8.2

> "FULLY UNDERSTANDING A FLEET'S PATTERNS IS KEY"
>
> **ADAM HALL, DRAX GROUP**



Once the fleet assessment has been completed, it is important to carry out a targeted trial to assess the potential impact of EVs on operations.

Vehicles identified as the low-hanging fruits are best placed to be those replaced by BEVs in any trial, and the use of the BEV should mirror that of the ICE vehicle as closely as possible to allow an accurate comparison.

"There's only so much you can do before you can actually start getting the vehicles on the ground," says Watts.

"Whether that's one vehicle, five or 50 it doesn't really matter as that's a question of what's right for a fleet decision-maker in terms of what they feel they can manage in that first phase.

"The ideal solution really is to find some volunteers who are willing to get involved and who are excited by the concept, who will accept the fact it won't go 100% right all of the time, but are willing to engage, to deal with any problems and feedback the pros and cons of their experiences.

"Trials can also be used to make the broader business aware of what the fleet is doing so they can pre-empt the fact things might not go to plan so they can work with the fleet on that."

While the trial is ongoing, the data collected should include battery usage and mileages travelled, using telematics if possible, says Anderson.

This should be reviewed on an ongoing basis to see if the BEVs perform better or worse than expected, and how they compare in different situations and duty cycles.

During the trial, it will also be important to provide the appropriate charging infrastructure to ensure the smooth operation of the vehicles. This may be home charging, workplace charging, or a mix of both.

Anderson adds: "At the end of the trial, maybe look at running internal workshops throughout the business to raise awareness of the results and help make the transition to BEVs easier."

Some fleets will opt to take a partnership approach with either a vehicle manufacturer or charge point supplier to reduce the cost of running a trial.

> "THE IDEAL SOLUTION REALLY IS TO FIND SOME VOLUNTEERS"
>
> **DAVID WATTS, ARVAL**

SPONSOR'S COMMENT

By Neil McCrossan, Sales & Marketing Director – Northgate Vehicle Hire

It would be fair to say that the journey towards electrification for light commercial vehicles is well underway. This raises some new challenges for the fleets of tomorrow. Electric vehicles (EVs) are changing the status quo the industry has been used to for decades and, when considering electric vans, there is a lot more to decide on than just the van.

Electric vehicles should form part of a wider mobility solution. This means considering all aspects such as initial outlay, running cost versus ICE (internal combustion engine), charging needs at home/work/on the go. In addition, there are tax considerations for your employees for the vehicles as well as how the electricity used both at the employees' home and work can be paid for within current and future tax rules.

The UK has always been a global leader in transport innovation and we see a period of transition ahead where ICE and EV vehicles will be needed with each having its part to play dependent on the solutions needed by modern fleets.

At Northgate, we are investing heavily, with fully equipped workshops and trained EV technicians in each.

We provide comprehensive e-learning training for employees as well as free driver training for customers.

At Northgate, we recognise this is a new – and possibly confusing – journey for our customers. We're here to help with this transition by explaining what is needed in areas such as charging infrastructure, energy, billing and how these elements can work with our flexible rental packages.

www.northgatevehiclehire.co.uk

NORTHGATE Vehicle Hire

FUTUREPROOF YOUR FLEET WITH NORTHGATE'S UNIQUE MIX OF DEPENDABILITY, AGILITY, AND INNOVATION.

Northgate has been supporting the commercial vehicle needs of British businesses, the public sector and charities for 40 years. And we'll be here for our customers as they adapt their fleets on the journey to electrification too. We see a period of transition ahead where ICE and EV vehicles will be needed and with each having its part to play depending on the solutions needed by modern fleets.

Electric Vehicles (EVs) are changing the industry and when considering Electric Vans there is a lot more to decide on than just the van itself.

Throughout the last year, Northgate has continued its transformation into a specialist B2B customer-centric LCV mobility provider, and as part of this we have been building the foundations for our own electrification journey, alongside those of our customers.

For the very beginning of the journey, we've worked with EV industry experts to ensure that we can support you in the right way – from assessing the suitability of introducing EVs to your fleet, right through to full deployment of vehicles, charging infrastructure, power provision and driver training. Complete turnkey solutions designed around client needs.

Adding EVs to your fleet should form part of a wider mobility solution. The evolution in technology means it is important when operating EVs that whole of life costs are considered, from initial capital outlay through to running costs versus ICE and residual values. Being able to change up to the latest models as technology improves is an important consideration.

Ownership or contract hire will commit fleets to years in vehicles that will have been superseded by newer more capable and cost-effective models. Northgate flexible hire packages provide the opportunity to change vehicles as technology evolves.

FleetNews READER RECOMMENDED RENTAL COMPANY

Working closely with OEMs, we're continually adding to our EV range to meet customer needs across all Electric LCV vans, conversions and electric cars. They're available on flexible and minimum term hires so that you can make the right choice for your fleet.

Here at Northgate, we have a solution to meet on-the-go charging needs – with a combined fuel and electric chargecard available that is accepted at over 1,000 rapid chargers and 3,000 fast chargers.

Servicing and maintenance is a key consideration for running EVs, so we're continuing to invest heavily, with fully equipped workshops and trained EV technicians in each.

We also provide comprehensive e-learning training for employees as well as free driver training packages for you, our customers.

Our proposition is designed to let customers focus on their business whilst we focus on running their fleets. Northgate customers benefit from services and agility not possible to those who buy, or contract hire their fleets.

We're here to help with the transition to EVs by explaining what is needed in areas such as charging infrastructure, energy, billing and how these elements can work with our flexible rental packages. Whatever their needs, Northgate customers know they can rely on our dependability and flexibility.

Neil McCrossan,
Sales & Marketing Director,
Northgate Vehicle Hire

NORTHGATE
for all vankind

Find out more at northgatevehiclehire.co.uk
or call Northgate on 0330 042 0903

3 FLEET REVIEW

As the trial progresses and more data becomes available, an organisation can begin to produce a roadmap of what vehicles can be replaced and when, as well as how the charging infrastructure will need to grow.

"In many cases, the first set of vehicles which can be switched to electric can be a mix of cars and small- and medium-sized vans where there's a good balance of vehicle availability, driving range and total cost of ownership (TCO) savings," says Anderson.

Other vehicle segments where BEV options are either limited or not available, such as the pick-up truck sector, should be scheduled for electrification later in the roadmap, when suitable vehicles should be available.

"There's a general tendency to get fixated on the problem areas rather than the opportunities," says Watts. "Focus on the vehicles you can change, not the ones you can't as this will be resolved in the future."

The most convenient and cost-effective method of moving to an electric fleet is to replace ICE vehicles with BEV alternatives when their lease expires, but Watts warns it is not quite as simple as that.

"A fleet manager should focus on the vehicles that can be changed for EVs now rather than concentrating on the actual replacement cycles, because if your easiest vehicles to transition are not due to be replaced for another two or three years, you are putting back the start of your transition by that time period," he adds.

To avoid this, vehicles can be swapped between employees so the ones which are due for replacement are moved into the roles of those better suited to be replaced with BEVs.

"An organisation will also need to look to the future as upcoming rules and regulations might impact their fleet policy," says Hall.

"For example, over the next few years, more towns and cities will introduce clean air zones which could come at a considerable financial cost if you have the wrong type of vehicles in your fleet."

It is important to continually review the fleet and processes even after roll-out begins, to ensure the roadmap remains up to date if changes in technology or circumstances occur.

> "THE FIRST SET OF VEHICLES WHICH CAN BE SWITCHED TO ELECTRIC CAN BE A MIX OF CARS AND SMALL- AND MEDIUM-SIZED VANS"
>
> **ROB ANDERSON, CENEX**

4 ROLL-OUT

Once an organisation has carried out an assessment and trial to determine a roadmap of BEV adoption, it can start to scale up the number of BEVs on its fleet.

This will also include rolling out expanded charging solutions and looking at how the vehicles are procured.

"It's going to need a little bit of planning to ensure both vehicles and chargers arrive in good time to make sure the roll-out can go ahead without any real delays," says Anderson.

Potential charging solutions include workplace charging, public charging and home charging, dependent on both the use of the vehicle and the driver's circumstances.

For BEVs which are based at depots overnight, workplace charging is the most common solution and allows the vehicles to be fully charged at the beginning of each working day.

BEVs which are taken home at night by their drivers are best suited to being charged at home or on the public network, but this depends on the driver's circumstances.

"If you're living in London, it is very unlikely you will have off-street parking," says Olly Craughan, head of corporate social responsibility at DPD UK, which has more than 700 electric vans which drivers take home in the evenings.

"We've sourced public charging with several

suppliers to broaden the options and make sure that people are aware that, actually, it's not too much of a challenge because if our drivers are in an urban environment the route mileage is much lower so they don't need to charge every day."

DPD provides home chargers for its drivers who do have off-road parking, and this approach has also been adopted by Mitie.

"It's our belief that if you can charge the vehicle where it sleeps, that's how it operates most effectively," says King.

Depot-based fleets will tend to charge their BEVs at their base overnight so should introduce a workplace charging solution.

"They need to understand what type and speed of charging they need, where they are going to be installed, who is going to be able to use them, and what they are prepared to spend," says Vincent de Rul, director of EV solutions at EDF Energy.

"When people think about charging, they will consider you need to have the fastest charger installed because then you can charge more vehicles. This is not necessarily the case. What is important is to have the right speed of charging based on the right time of charging and based on the length of charging.

"If you have vehicles that are staying at the workplace for a long period of time, then you don't need to have very fast chargers and probably something equivalent to a home charger would be suitable."

Some organisations could experience electricity issues on their sites if the demand caused by charging vehicles exceeds the capacity provided by the local grid.

> "IF YOU CAN CHARGE THE VEHICLE WHERE IT SLEEPS, THAT'S HOW IT OPERATES MOST EFFECTIVELY"
>
> **SIMON KING, MITIE**

In some cases, this could mean expensive upgrades to the grid, but De Rul says this can often be avoided through the introduction of a dynamic load management system.

This will automatically adapt the charging speed dependent on the grid capacity, the number of charge points and the number of BEVs that need to be charged over a set time period.

"For example, if your site has a 32kWh capacity, you may have six 22kW chargers installed," says De Rul.

"If one car is plugged in, it can be charged at the full speed of the charger. If you have six cars, then it will automatically share available capacity among the vehicles.

"This can provide the level of charging and service that is needed and as it keeps the electricity demand below capacity, it can prevent having to do expensive grid reinforcement works."

Anderson says fleets should also consider vehicle procurement methods during roll-out.

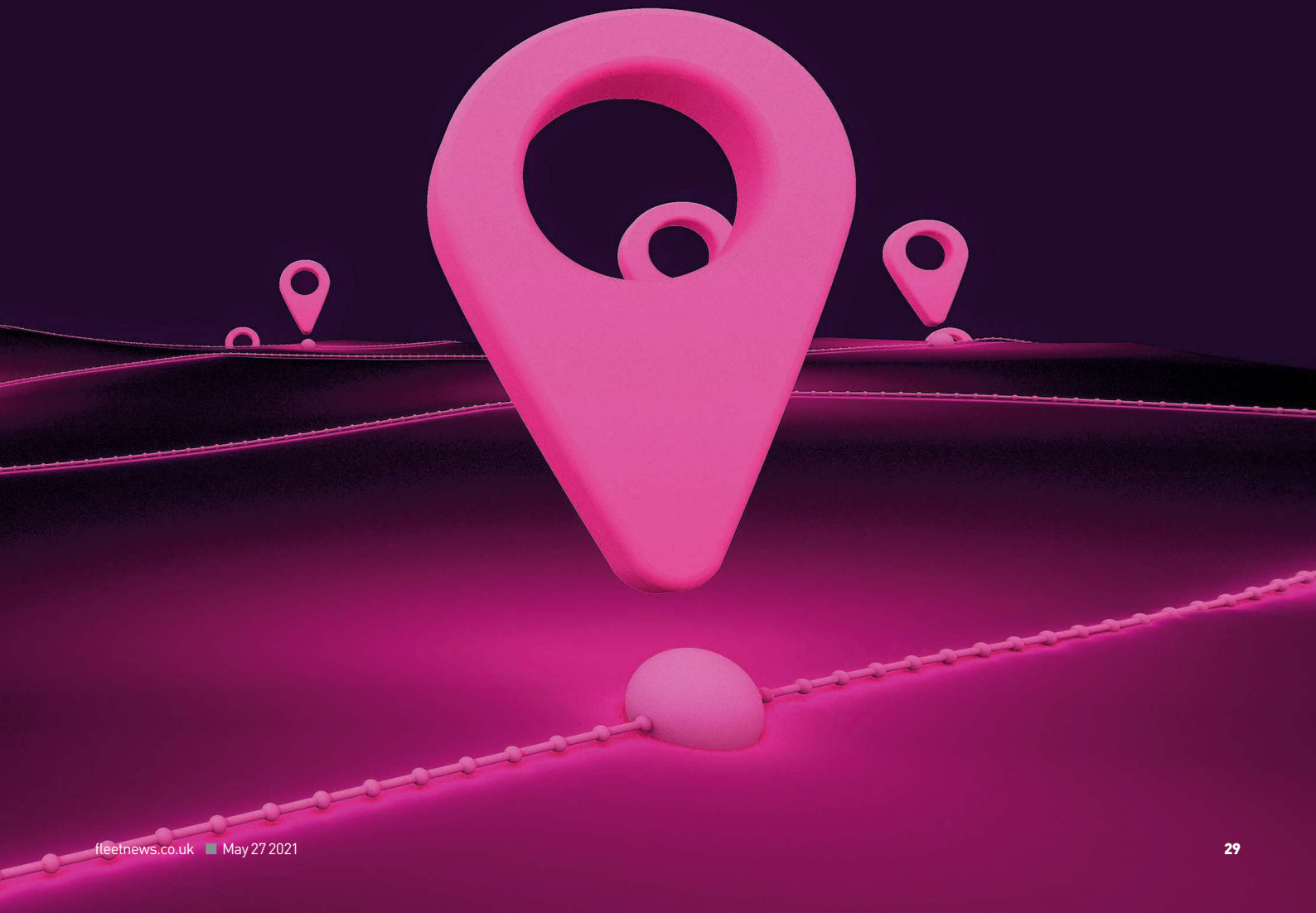
The usual procurement process is likely to be best for commercially available vehicles, he says, but they may need to take a different, innovation-led approach for segments harder to electrify.

"This is where you release a tender outlining the specification and duty cycle that the vehicle needs to achieve and let the market respond," he adds.

Anderson says some fleets have taken the approach of balancing total cost of ownership savings across the fleet when introducing BEVs.

"This way, they've been able to deploy more BEVs because they're using the savings achieved by some to balance out the losses made by others," he adds.

"It gives fleet decision-makers the chance to start to implement harder-to-electrify segments supported by the knowledge that they are making cost savings elsewhere."



Evolve your fleet.

Transport electrification is a hot topic. The 2030 ban on new fossil fuel and hybrid vehicles is just a couple of replacement cycles away, so it's no surprise that many organisations are challenging themselves to take greater steps towards positive change.

The good news is, electrification poses a real opportunity for organisations with significant transportation needs. If you're considering electric vehicles (EVs) for your business, you're moving in the right direction.

Why electrify your fleet?

Zero tailpipe emissions.
EVs produce no carbon dioxide (CO2), no nitrogen oxide (NOx) and no tailpipe particulates (atmospheric aerosol particles).

Low maintenance costs.
With no engine, no transmission and no gearbox, there's less to go wrong in an EV, meaning lower running costs.

Renewable energy advantages.
EVs form part of a business's sustainability plan. Savvy businesses with on-site renewable energy generation can charge their fleet at no additional fuel cost.

Unbeatable insight.
EV fleets can leverage state-of-the-art telematics, building an accurate and real-time overview of your fleet operation.

Future-proof business.
The government has mandated the end of new petrol and diesel car sales by 2030 – putting the UK on course to be the fastest G7 country to decarbonise cars and vans.

We're Drax.

We offer a unique end-to-end partnership approach to electrification that supports businesses every step of the way. As experts in energy and EV markets, we're perfectly positioned to help organisations build on their sustainability ambitions through fleet electrification.

8 steps to electrification

Electrification isn't something you can achieve overnight. There are many moving parts to consider before you start reaping the benefits.

But this process doesn't need to be problematic. There are eight essential steps that put fleet managers on the road to electrification. Whether you embark on the journey solo, or engage a specialist partner, planning will help you implement, manage and optimise an EV plan that has success and sustainability at its heart.

1 EV suitability assessment

Before you introduce EVs into your fleet, you'll want to understand and prove the benefits.

Start with a full review of your current fleet usage to understand your operational requirements. Consider factors like mileage (per trip and per day), load requirements, areas of operation and resting locations as a starter for 10.

Follow with a total cost of ownership (TCO) calculation. Influential factors include cost of 'refuelling' with electricity versus diesel or petrol, ongoing maintenance requirements, and any tax benefits and toll, levy or congestion-charge exemptions.

The insight from your fleet review and TCO come together to create your business case.

2 Vehicle recommendation

Next up, choosing the right electric vehicles for your business.

Much like traditional vehicles, you'll look at drivability and function versus form. But for EVs, you'll also look at specifications like engine range (miles per charge, measured in units of energy, kWh) and charging capability (do you want standard charging speed, or rapid charging capability?)

Some partners arrange EV demonstration days. These letdrivers and decision makers try recommended vehicles before committing to purchase.

3 Charging infrastructure assessment

At this stage, you'll decide two things: what kind of charge points you want and where they'll go.

You might think you need charge points at every site you own. But unless your vehicles regularly travel over 100 miles per day, you may be surprised at how few charge points you actually need.

As for type of charge point, this is all down to speed. Slow charge points are cheaper and ideal for overnight charging. Ultra-rapid charge points cost more, but allow for charging at rest stops.

4 Electrical site survey

Once you've chosen your charging locations, the site survey makes sure your installation is practical and efficient.

Groundworks can be inconvenient, so managing them effectively – such as taking advantage of existing electricity infrastructure – can help minimise disruption and expense. This is the last stage before committing to location.

5 Hardware implementation

Time to get plugged in! At this stage, you'll be ordering and installing your charge point hardware.

Getting your charge points in the ground might require specialist contractors, such as charge point programming experts or a site manager to take responsibility of site works and project management.

Consider using installation day to raise awareness in your business and communicate why you've spearheaded the change.

6 Charge point management

Charge points are user-friendly but sophisticated pieces of tech. Their initial set up will let you enable clever functionality, like programming different tariffs for different types of users.

Some EV partners will provide software that gives real time visibility of your charging network usage. Certain products even let you remotely lock and reset your equipment, to even better self-manage your fleet.

7 Maintenance and servicing

What happens if your charge points need updates or develop faults? Even the best products in the world aren't immune to faults.

Potential charging infrastructure issues to be aware of include outages and failures. But charging technology is smart; manufacturers or specialists can often detect (and correct) faults before the end-user is even aware that anything's wrong.

8 Enabling the power of telematics

Once your electric fleet is up and running, you can use data to optimise the value of your investment.

EV-specific telematics data can provide valuable information, like how efficient your drivers are. Even minor tweaks to driving styles can make journeys more power efficient, which adds up to operational savings.

The more you use your EVs, the more data you gather and the more you can maximise your operation.

For more information on fleet electrification, download the 8 steps to electrifying your business guide: energy.drax.com/8-steps-guide

Considering
electric vehicles?

Don't be in the dark

If you're considering switching your fleet to EV, you can't make decisions in the dark. You need real intelligence.

We can help you build an accurate overview of your operation, using state-of-the-art telematics.

As your energy partner, we'll work with you to plan, implement and manage an electric vehicle infrastructure with renewable power at its heart.

EVolve with us
energy.drax.com/intelligence

drax | Electric Vehicles

ISTOCK.COM/TANYA ST

HIGHLIGHT SIGNIFICANT SAVINGS WITH TCO

Taking all vehicle cost factors into account is key to pricing up EVs for the journey to 2030, says *Simon Down*, automotive associate director, Deloitte

The UK's proposed 2030 ban on sales of new internal combustion engine (ICE) vehicles means the time is now for a wholesale switch to electric vehicles (EVs).

Businesses have an unprecedented opportunity to enable and accelerate the switch to EVs for their employees while also helping to achieve their own net zero goals.

With estimated savings of between 10% and 15% from switching to electric, it's the right time to take a total cost of ownership (TCO) approach towards business car schemes.

By looking beyond the more visible costs of vehicle ownership, employers can make robust and informed decisions that will support a switch to EVs.

Fleets make up around 55% of all new car registrations in the UK and, with relatively short corporate lifetimes, these vehicles quickly find their way into the used car market.

This means businesses can play a big role in accelerating the move to EVs across the whole UK motor parc, not just their own arrangements.

Currently, one of the main challenges to EV uptake is the perceived price premium EVs carry when compared with ICE alternatives.

The perception that EVs are more expensive is likely to have been exacerbated by the recent changes to the plug-in car grant (PiCG) that reduced the maximum value of the grant by £500 down to £2,500 and dropped the eligible threshold to £35,000 from £50,000.

If an employer takes a traditional list price or lease rental approach to measuring vehicle costs, then EVs can appear more expensive.

In the examples shown overleaf, the list price for EVs is around 18% higher than the ICE vehicles, with lease rentals showing a 16%-20% cost premium for the EVs.

With these figures, it's easy to see why it can be discouraging for employers wanting to go electric.

However, taking a TCO approach can highlight significant savings and is key to vehicle funding decisions, to ensure they are based on informed and robust numbers.

WHAT IS TCO?

A TCO approach captures all direct and indirect costs associated with funding and using a car over its expected lifetime and goes much further than more traditional approaches.

Costs typically considered under TCO include:

More visible/obvious costs:

- Vehicle funding costs (including lease rentals, finance payments, depreciation etc.).

➲

- Maintenance costs (including tyres, servicing, MOTs etc.).
- Motor insurance.

Less visible/obvious costs

- Cost of fuel/electricity or mileage reimbursement provided.
- Direct and indirect taxes (including VAT, corporation tax, national insurance contributions – NICs).
- Other ad-hoc costs (including other financial insurance products etc.).
- The impact of known future changes in tax rules and rates.
- Other financial considerations (e.g. the cost of funds used).

Integrating these elements enables employers to make better judgements on the financial implications associated with switching to EVs.

WHY IS TCO PARTICULARLY IMPORTANT FOR EVs?

Taking a traditional approach to measuring vehicle costs does not take account of key differences between electric and ICE vehicles.

A large part of the financial support introduced to incentivise a switch to EVs is delivered through the tax system.

The low rates of company car tax for EVs provide a very significant financial incentive for employers and their employees to switch.

Also, when a vehicle's servicing and fuel or electricity costs are taken into consideration, EVs can offer significant savings.

The following examples demonstrate the fundamental shift that can occur when switching from a traditional to a TCO approach.

The two examples opposite show a side-by-side cost comparison for an ICE vehicle and a comparable EV alternative.

CALCULATION ASSUMPTIONS

The examples are based on company cars acquired in April 2021 and leased on a 36-month contract term with a contract mileage of 60,000 miles. It is assumed the employer pays corporation tax at the main rate and can recover VAT. The employee undertakes 10,000 business miles per annum reimbursed at HMRC advisory rates.

Both examples show that the EVs are between 12%-19% more expensive if you only consider the list price, or the sub-total of the more obvious and visible costs.

However, the ICE vehicles are much more expensive when it comes to the less visible costs, with the greatest differences emerging in the cost of business mileage allowances and employer NICs.

> "BY GAINING GREATER INSIGHT AND UNDERSTANDING, BUSINESSES CAN REALISE THE TRUE COST OF PROVIDING EVs"

Example 1: Hatchback	ICE	EV	Diff (£s)	Diff (%)
List price	£27,815	£32,935	£5,120	18%
More visible/obvious costs				
Lease rentals	£14,256	£16,487	£2,231	16%
Maintenance	£2,334	£1,952	-£382	-16%
Motor insurance	£1,950	£2,400	£450	23%
Sub-total	£18,540	£20,839	£2,299	12%
Less visible/obvious costs				
Business mileage allowances	£4,200	£1,200	-£3,000	-71%
Employer Class 1A NICs	£3,416	£227	-£3,189	-93%
VAT recovery	-£2,277	-£1,699	£578	-25%
Corporation tax relief	-£4,602	-£4,328	£274	-6%
Sub-total	£737	-£4,600	-£5,337	-724%
Total cost of ownership (TCO)	£19,277	£16,239	-£3,038	-16%

Example 2: Saloon	ICE	EV	Diff (£s)	Diff (%)
List price	£41,940	£49,935	£7,995	19%
More visible/obvious costs				
Lease rentals	£23,275	£27,922	£4,647	20%
Maintenance	£2,919	£2,358	-£561	-19%
Motor insurance	£1,950	£2,400	£450	23%
Sub-total	£28,144	£32,680	£4,536	16%
Less visible/obvious costs				
Business mileage allowances	£3,300	£1,200	-£2,100	-64%
Employer Class 1A NICs	£5,672	£345	-£5,327	-94%
VAT recovery	-£2,975	-£2,720	£255	-9%
Corporation tax relief	-£6,617	-£6,628	-£11	0%
Sub-total	-£620	-£7,803	-£7,183	1,159%
Total cost of ownership (TCO)	£27,524	£24,877	-£2,647	-10%

This perspective completely changes the picture, removing the perceived EV price premium and, instead, demonstrating a large cost saving.

WHAT ABOUT SALARY SACRIFICE?

Introducing a salary sacrifice arrangement can enable greater access to EVs across a much wider population of employees. In turn, this can help to deliver meaningful and sustained reductions in roadside pollution and carbon emissions.

Salary sacrifice for EVs takes advantage of incentives available to company car drivers, making them more affordable for employees than if purchased as a private consumer.

It can present an opportunity for employers to offer a new and engaging benefit that can be made available across an entire workforce.

As a result, it is becoming a very popular arrangement with employers and employees alike, and it will be a useful tool for increasing the uptake of EVs.

Salary sacrifice sees a contractual reduction in an employee's gross pay, in return for a fully insured and maintained electric company car.

The employer saves on both the salary no longer paid, and the associated employer NICs on the salary that is sacrificed.

These savings offset the costs associated with providing the car, so the arrangement can be designed to deliver savings or run on a cost-neutral basis for the business.

With vehicle costs offset by savings through payroll, it is necessary for an employer to take into account TCO to effectively manage these.

Miscalculations could otherwise leave employers with unexpected costs that are not offset by the salary sacrifice savings.

THE ROAD AHEAD

On first glance, the perceived price premium of EVs is likely to put off some employers considering the switch.

This is often down to the more obvious and visible costs of vehicle provision which tend to make EVs more expensive than their ICE alternatives.

However, adopting a TCO approach can dramatically change the result.

By gaining greater insight and understanding, businesses can realise the true cost of providing EVs and make significant savings in the long term.

NORTHGATE CAN DELIVER THE FLEET SOLUTION YOU NEED.

With a full range of vehicle hire options and mobility solutions available.

FLEET MANAGEMENT

Reduce costs and increase efficiency with our range of mobility solutions for your whole fleet.

Fleet Management

With our flexible account managed solution, we look after vehicles for whole of life, taking away the burden of administration, minimising vehicle downtime, reducing fleet costs and saving you time

Accident Management

Deal with incidents across your fleet, from notification through to insurance and repair using a single phone number

Telematics

Know where your vans are at all times, improve driver behaviour and effective route planning to reduce fuel costs

Risk Management

Fleet risk audits, driver risk assessments and tailored driving courses available

Fuel Management

Drive down fleet fuel spend with a fuel card solution that gives you money off the pump price

Vehicle Inspection App

Reduce paperwork and easily monitor your fleet's overall condition, ensuring you have fully compliant vehicles

HIRE OPTIONS

12months+

A great alternative to the commitment of contract hire or ownership, ideal for uncertain economic times. The longer the term, the better the rate we can offer.

Flexible Hire

Available for three months or more and ideal for when you have a ballpark idea of what you need, but want some flexibility in exact end dates.

Short Term Hire

Rent vans when you need them, for as long as you want them.

We Buy You Rent

A hassle free way to sell your vehicle and rent new. With We Buy, You Rent, you get a fair market price for your existing vehicle and all the benefits of renting new. You choose a hire option - 12months+, Flexible Hire, or VanHire+.

Electric Vehicles

Providing expert consultative advice across all aspects of operating EVs and solutions including everything from helping you to choose the right E-LCV through infrastructure to driver training and advice – we're ready to help you make the switch.

What's included as standard:

- Full service and maintenance
- 24/7 breakdown and recovery
- Over 50,000 vehicles
- 67 branches nationwide
- Courtesy and replacement vehicles
- Road Fund Licence included

FleetNews READER RECOMMENDED RENTAL COMPANY

Find out more at northgatevehiclehire.co.uk or call Northgate on 0330 042 0903

NORTHGATE for all vankind

Ensuring fleets can switch to plug-ins without hassle

Athlon UK are the leading multi-marque leasing company to help support fleets to make a hassle-free switch to plug-in vehicles.

Over the past six months the company have built a specialist team to provide a consultative approach, using total cost of ownership (TCO) modelling and expertise on fleet operations to offer the best ultra-low emission vehicle (ULEV) and electric vehicle (EV) solutions.

Daimler Fleet Management rebranded to become Athlon UK in October 2020 and have now fully completed that transition, including the bedding in of system migrations and new processes.

Lesley Slater, Athlon UK chief commercial officer, says the combination of history in the UK with Daimler Fleet Management and the international expertise from Athlon's management of more than 400,000 vehicles across Europe is creating a unique global and local package for fleets.

She says: "We wanted to make sure we integrated the new brand in the right way last year.

"We have been collaborating with our international colleagues to combine our expertise."

Athlon operate across European and North American markets, so fleets already working with the company can establish that continuity and familiarity in the UK.

Slater says: "It's still early days, but our collaboration with international colleagues has already started opening doors for fleets that prefer to have that consistent level of service from their leasing provider across different territories."

Athlon have three core fleet sectors that are the biggest opportunities for growth over the next 12 months, with strong ties already with mid-to-large-sized public sector, UK corporate and specialist fleet clients.

The company offer a wide range of funding options, ranging from short-term rental through to full contract hire with repair and maintenance packages to suit all needs.

Part of what drew Slater to joining the company last summer was the fact there was an opportunity to build a team that has a real opportunity to grow the Athlon name in the UK.

Athlon have made some key hires this year to expand their public sector and specialist commercial vehicle (CV) teams to ensure that not only the brand knowledge is there, but there is also a deep understanding of what fleets need operationally with specialist vehicles.

Dedicated account managers and the personal touch

Slater explains that it was important not to have a "call centre mentality" when developing Athlon's approach to customer service. There has to be a personal touch.

Each fleet customer has a named account manager, with a direct contact details. It means every fleet customer knows exactly who they need to get in touch with at Athlon to help them with any queries.

It's these account managers that work consultativley with fleet customers to review vehicle choice lists and to understand each business' individual needs.

Slater says: "We work with a lot of middle-to-large-sized fleets and we know they want that personal touch, but we also combine that with having a wider customer service team available to support with any additional help that might be needed."

Public sector and plug-in vehicle growth

Slater says: "Public sector fleets have really been at the forefront of moving to ULEV and EV.

"We're already on all the major public sector supply frameworks, so we're well positioned to help those fleets transition to electric."

Athlon have a dedicated public sector team for both cars and CVs.

This includes geographic representation across the UK. So, for example, public sector fleets in Scotland will be dealing with someone in Scotland from Athlon that knows the intricacies and needs of that local market.

Other specialist fleets like those drivers working with ride-sharing companies or specialist chauffeur fleets are also making the switch to plug-in vehicles in increasing numbers.

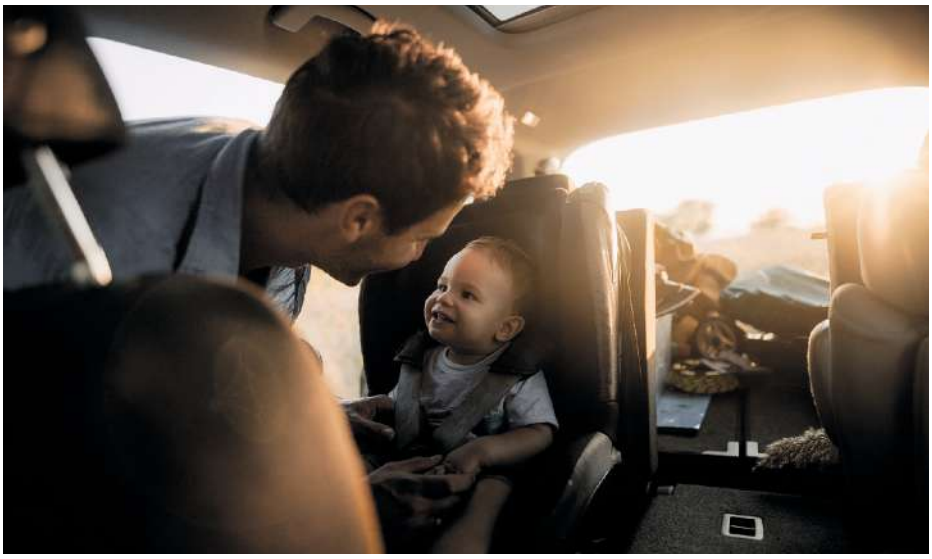
Slater says: "What's really interesting for that market is that moving to EV isn't just about the benefits for wholelife cost (WLC), it's also driven by customer demand.

"We're hearing from taxi clients that there is a desire from customers to ride in EVs specifically."

Offering services for small-to-medium enterprise (SME) fleets is a future target, with Athlon developing more tailored digital solutions to help smaller fleets also make the switch to plug-in vehicles.

Using Athlon's WLC tools, the sales teams collaborate with fleet clients to understand their business objectives and tailor solutions for them.

WLC takes into account all related factors over a vehicle lease period, including the acquisition price, level of depreciation, servicing and maintenance costs and company car tax, plus running costs –



Athlon UK will offer fleets guidance about charge point installation

including fuel or charging expenditure.

It's the only accurate way of calculating the true cost of running a vehicle and, despite some plug-in vehicles having a higher entry price compared with some internal combustion engines, they can stack up more positively when looking at the whole picture.

Understanding those intricacies around running costs can be a big benefit to those that are electrifying their fleets.

This is despite the Government's decision this year to roll back the plug-in vehicle grant from £3,000 to £2,500, excluding models that cost more than £35,000.

While Slater says any roll-back in additional support is unwelcome, she's confident it won't knock EV investment from fleet customers.

She says: "It's not just the grant funding alone that is driving EV investment from the fleet market.

"When you look at WLC for plug-in vehicles, there are a host of benefits from benefit-in-kind (BIK) taxation, to savings on service, maintenance and repair (SMR) that still stack the figures in fleets' favour and there are still many positive reasons to make the switch."

As Slater explains, demand for plug-in vehicle product in the UK is such that when fleets talk about introducing EVs, these are conversations that are much more developed than 12 months ago.

> "MOVING TO EV ISN'T JUST ABOUT THE BENEFITS FOR WLC, IT'S ALSO DRIVEN BY CUSTOMER DEMAND
>
> **LESLEY SLATER, ATHLON UK**

Approximately 50% of all Athlon's leasing quotes are now for EV.

She says: "We're seeing that rather than a year ago when fleets might be having those initial conversations about moving to EV or hybrid, they're very much now ready to order.

"So, securing that supply of vehicles is a challenge the entire industry has to manage."

Athlon have been working flexibly with clients to talk about contract extensions on existing vehicles while waiting for more EV product to reach the UK.

Slater says: "There have been so many new EV product launches and we're at a really exciting time in terms of the diversity of vehicles that are becoming available.

"The majority of customers are happy to wait for EV supply and we can work with all customers to flex contracts and extensions to help line things up for them to move into the latest technology."

In addition to helping fleets identify the best plug-in vehicles to meet their needs, Athlon are working on a new suite of services that can help customers with charging infrastructure, whether that's at the depot, at home or workplace chargers.

This includes taking advantage of any Government funding, as well as lining up charge point solutions, suppliers and EV tariffs.

Slater says: "There is a lot more to consider around how you're going to approach charging costs for drivers and we're able to model that using our WLC tools."

V2G: 5 BIG QUESTIONS

Vehicle-to-grid electric vehicle charging is expected to make a significant contribution to the Government's aim of zero carbon by 2050. *Andrew Ryan* looks at what the technology is and how it may affect fleets

1

What is V2G and how does it differ from smart charging?

Vehicle-to-grid is a technology which enables electricity to flow from a charge point to an electric vehicle (EV) and vice versa.

This means that as well as the EV being charged from the charge point, electricity can be fed the other way from the vehicle's battery to power a home, an office building, a street or the grid.

This allows a vehicle to act as a mini-power station and, for example, help support the grid when demand for electricity exceeds supply.

This could become a bigger issue in the future when the UK becomes more dependent on renewable sources of energy such as solar and wind.

Currently any shortfall tends to be filled from sources such as gas-powered power stations which emit greenhouse gases. But, in the future, this could be supplied by clean energy from EVs, which have been charged using renewable energy when electricity supply was higher.

The potential importance of V2G is highlighted in the National Grid's future Energy Scenarios report, which identifies the technology as being key in helping to manage the electricity demand in Great Britain.

V2G is distinct from basic one-way charging or smart charging, which is where the rate and/or time at which a vehicle is charged can be controlled while the vehicle is plugged in and involves the one-way flow of energy from the charger to the car.

V2G is a more powerful tool than smart charging, but also more complicated, as well as more expensive to install.

2

How could fleets benefit from V2G?

Fleets could earn revenue through selling the electricity stored in their EVs to the grid when it is needed, before recharging when supply exceeds demand and the cost of the energy is lower.

The E-Flex Demonstrator Project in London saw the Royal Borough of Greenwich operate five electric Nissan eNV200s.

These were charged when more electricity was generated through renewable resources and the energy was cheaper, with their energy discharged to offset periods with greater carbon emissions when electricity also costs more.

As they were fully charged ahead of the next day's schedule, they could be used with no disruption to the drivers' working days.

Because of how the electricity markets are set up at the moment, the fleet was unable to sell electricity to the grid as it has too few vehicles, but Imperial College quantitively modelled the potential revenues that would have been possible.

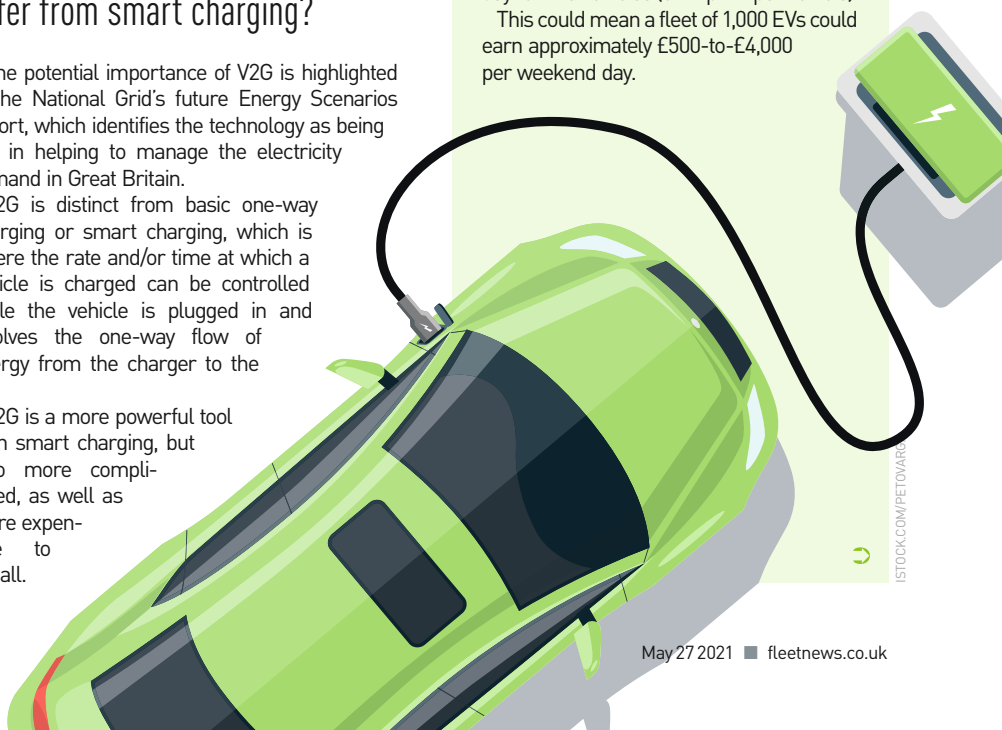
It found the fleet could save between £5.48 and £7.35 in charging costs each day, and earn up to 66p a day for the five vehicles (or 13p per vehicle).

Based on these figures, Imperial College calculated a fleet of 1,000 EVs could earn around £130 each weekday.

If the EVs were left plugged in over the weekend, they would be able to access the dynamic containment frequency market which requires its providers to be plugged in for 24-hour periods.

This increases the potential revenues a fleet could earn, and these could be between £2.47 and £20.38 for a weekend day for five vehicles (or 49p-£4 per vehicle).

This could mean a fleet of 1,000 EVs could earn approximately £500-to-£4,000 per weekend day.



ISTOCK.COM/PETOVARGA

Any colour you want.

As long as it's green.

If you're considering switching to electric vehicles, we understand it can seem like a big leap.

You need an experienced partner that knows how to plan, implement and manage a cost-effective electric vehicle infrastructure, with renewable power at its heart.

By migrating your fleet and premises at a pace that makes financial sense for your business, we make it easy for you to choose greater sustainability and reduced emissions.

EVolve with us
energy.drax.com/sustainability

drax | Electric Vehicles

MOBILITY IS ESSENTIAL FOR YOUR BUSINESS

FREE2MOVE

Free2Move offers each client its own mobility solution

Free2Move offers its clients complete support by...

ASSURING MOBILITY

LEASE

Choose **Free2Move Lease** and benefit with leasing solutions, together with a full suite of packages & services to suit your requirements and help drive your company's mobility.

2020 BUSINESS MOTORING Awards
WINNER BEST BUSINESS LEASE AWARD

OPTIMISING COSTS

CONNECT FLEET

The online platform **Free2Move Connect Fleet** analyses data of your vehicles in real-time, optimises their maintenance and improves your drivers' safety.

RENT

Need a short or medium term rental vehicle? **Free2Move Rent** offers help you to cover peaks of activity and adapt to unexpected circumstances.

AT FREE2MOVE, OUR SOLUTIONS ARE:

Multi-brand & flexible
with personalised support

Reliable & secure
with protection

Electric & Hybrid ready

Allow your company's mobility to be fully managed by **Free2Move**.

0345 319 1017
info@free2moveleasing.co.uk
www.free2move-lease.co.uk
Connect with us

3

How does V2G impact on the health on an EV's battery?

Any EV involved in V2G will have its battery charged and discharged more often than an EV which is charged in the traditional way.

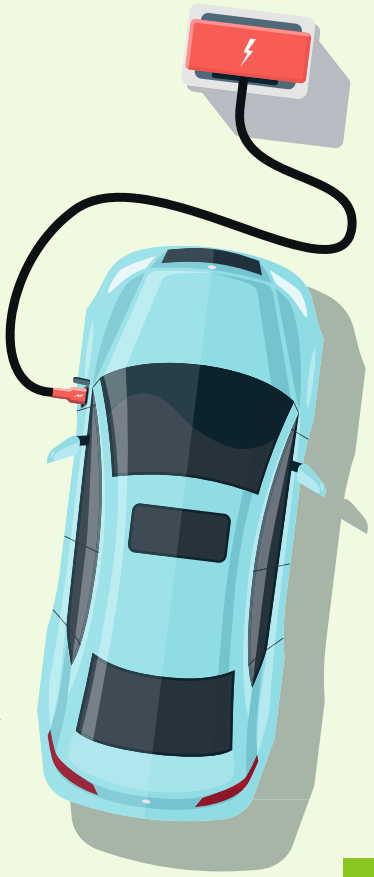
This could accelerate how quickly the battery could degrade if not managed correctly, says Martin Rothbart, senior product manager energy and sustainability at powertrain systems testing company AVL.

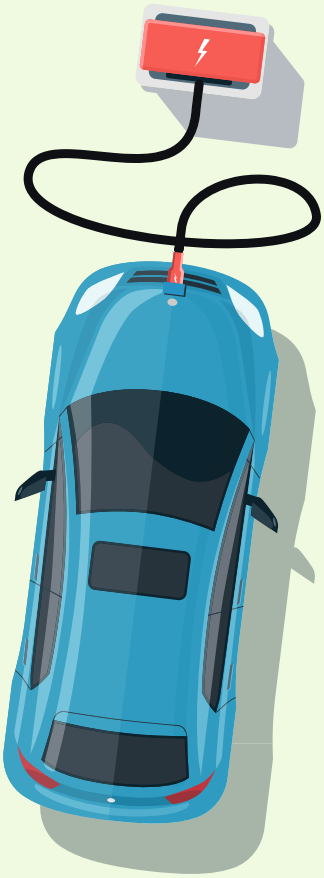
"The battery accounts for around 30% of the cost of the vehicle, so it is key you take care of the ageing process," he adds.

Batteries will degrade over time, but a study by the University of Warwick found that intelligently managing the use of V2G could improve battery life by around 10% a year.

"These findings reinforce the attractiveness of V2G technologies to OEMs," says Kotub Uddin, of the energy and electrical systems group at the University of Warwick.

"Not only is V2G an effective solution for grid support, but we have shown there is a real possibility of extending the lifetime of batteries."





ISTOCK.COM/PETOVARGA

4

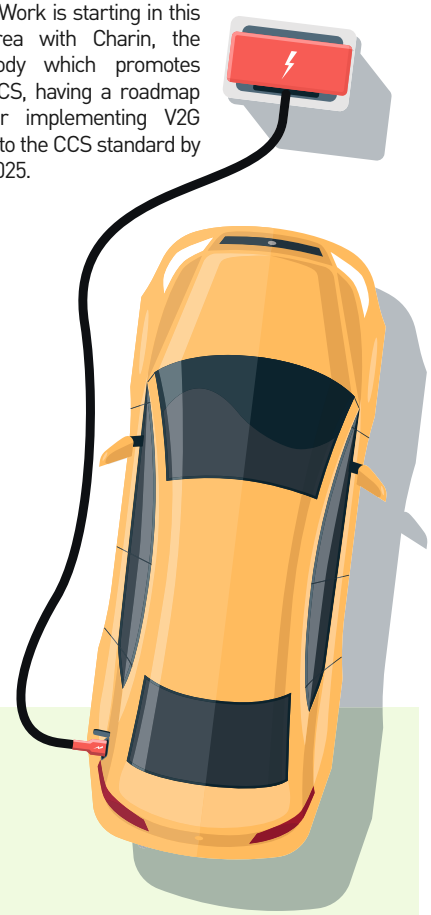
What is needed for V2G?

A V2G system requires four components: a V2G-enabled vehicle, a bi-directional charger which allows energy to flow both ways between the EV and grid, a communication system which allows the charger to 'talk' to the car and vice versa, and a control system.

Currently, the only BEVs on sale in the UK that are capable of V2G are Nissan's Leaf and e-NV200 models, as they support the Chademo charging protocol. All other BEVs use CCS, which does not currently support V2G.

"Across the large vehicle manufacturers we are not aware of any other models planned to include Chademo in Europe, so it is imperative to progress CCS to being fully V2G capable," says Cenex.

Work is starting in this area with Charin, the body which promotes CCS, having a roadmap for implementing V2G into the CCS standard by 2025.



5

How close is V2G to becoming widespread?

The V2G market still has numerous challenges to overcome before it becomes widespread, but BP Pulse CEO Matteo De Renzi has estimated this may begin to happen by 2023.

Currently there is a lack of vehicles capable of V2G (see Question 4 above), while the cost of a V2G charger is still high, although it is falling.

In 2018, V2G chargers cost around £15,000, but are now around £5,000. Cenex estimates these figures will fall to £1,000 by 2030.

If revenue streams for V2G remain constant, then the prospects for the technology will improve over the next few years.

"V2G may promise cost or carbon reductions and be oven-ready for larger-scale roll-outs, but the question is whether the energy system and the market will be ready to accept it," says Chris Rimmer, infrastructure strategy lead at Cenex.

"The process for gaining network connection permission remains painfully slow. Only Nissan vehicles are currently compatible with the technology, which is still too expensive.

"Fleet managers are busy grappling with the ban on the sale of new petrol and diesel cars and vans in 2030, leaving little time to think through how to best use their newly-electrified vehicles.

"And market entry barriers remain significant for companies looking to bet big on the readiness of V2G."

Rimmer adds: "Yet, despite the Covid-19 pandemic, E-Flex and other projects are continuing to develop apace, while sales of EVs are at record levels.

"Expect this year to be filled with results, reports and announcements from V2G projects.

"These will show just how oven-ready V2G is and, perhaps most tellingly, also reveal how V2G-ready the market is."

ENGIE

'We really need to walk the walk (on zero carbon)'

Engie has set itself ambitious targets for its transition to a full BEV car and van fleet. *Andrew Ryan* finds out how it is progressing

Reward director Fiona McIver 'bangs the drum' to increase EV uptake

ORGANISATION: Engie
REWARD DIRECTOR: Fiona McIver
HEAD OF FLEET: Jonathan Lamport
FLEET SIZE: 4,000 (2,300 vans, 1,000 cars, 700 others)
FUNDING METHOD: Contract hire
REPLACEMENT CYCLE: Four years

When your corporate company purpose is to "make zero carbon happen for businesses and communities" it places a certain pressure onto that organisation to lead by example.

That is the case at energy and services company Engie, which has committed to electrifying its fleet of around 4,000 vehicles, as well as pledging that none of its vehicles would be diesel by 2025.

"Our purpose is to make zero carbon happen, so we really need to walk the walk and push that as far as we can," says Fiona McIver, reward director for the UK and Ireland at Engie.

The company, which is focused on the production and supply of low carbon energy, services and regeneration as well as EV charging infrastructure, began its fleet electrification programme in 2017 and a year later it was a key partner alongside Global Action Plan in creating the Clean Van Commitment.

This resulted in a pledge from many of the UK's largest fleet operators, including organisations such as Tesco, Anglian Water and Network Rail, to strive to increase the number of battery electric vehicle (BEV) fleets by 2028.

Engie also committed to an interim target of electrifying 20% of its fleet by 2020.

"Hands up, we didn't quite manage our 20% target due to an enormous number of factors, not least the pandemic which led to the shutdown of all kind of manufacturers," says McIver.

"Our fleet size also increased through growth and acquisitions, and in the in the end, we achieved 14% overall.

"We did convert 23% of our small vans to electric, and 34% of our benefit cars, but we struggled with the medium/large vans because they weren't available at that time."

The company has used data from telematics to identify which vans were suitable to be replaced immediately with BEVs.

CHARGE POINT INVESTMENT

As part of its electrification plan Engie is also investing £600,000 into building an infrastructure to support its EVs, including charging points at its key UK offices, customer sites and at the homes of its employees for free.

"What we're trying to do is remove as many barriers as possible," says McIver, who is responsible for the strategy of the fleet, with head of fleet Jonathan Lamport and his team of four employees looking after its day-to-day running.

"The main resistance to BEVs was about range anxiety in the beginning, but the newer EVs have much longer ranges, so that anxiety has quietened down.

"I think the charging infrastructure still alarms people, and that's even if you tell them there are more charge points than petrol stations, or that they could even have a charger at their homes.

"Obviously there are some instances where that doesn't really work, particularly in major hubs like London where a lot of people don't own their home, or if they live in a flat and don't have a driveway. So, there are still quite a few obstacles when it comes to charging, but we're getting there. It will need a change in approach that people have to stop for 20 minutes to use the public charging network."

If BEV drivers have a long journey to make or have range anxiety, they are able to access rental vehicles at Engie's preferential company rates.

The company also tries to allay any fears or misconceptions through regular communications though channels such as email and webinars, while it also uses quotes and videos from its BEV drivers to raise awareness.

It has also introduced other incentives to encourage BEV uptake. The company's choice list is split into four bands for perk drivers, with eligible employees able to trade up one level for petrol and hybrid cars, but any number of levels for BEVs.

"They can do that as long as it's affordable – it's not for us to say they can't," says McIver. "It is an inducement for them to move to the green side.

"The instant the Tesla 3 was available it became a real game-changer because at one point it was priced really rather attractively. That has varied since it came out and that's why it's important we have a responsive car choice list which we update to reflect those changes."

WHOLELIFE COST MODEL

Vehicles in each band are currently determined by lease rates and McIver says the company is looking to change this to a wholelife cost model as it believes that would increase the number of BEVs in each band.

"We're also discussing with our executive team whether we can have 'trademark' cars per level," she adds.

"Instead of them being based on cost, we can say, for example, 'ok, we want the majority of our employees to be able to have access to the Kia e-Niro, so, regardless of whether or not the cost of the lease goes up or down, we will have it in this band'."

The company has also pledged to ensure that none of its UK fleet is diesel by 2025, and all these models have already been removed from its company car choice list.

Petrol and hybrid models will follow when practical as manufacturers extend their model ranges.

Engie also offers all staff access to ultra-low emission cars through a salary sacrifice scheme, operated by Tusker, which it introduced in 2018.

"We have quite different employee types in the company and were conscious that a lot of the benefits always seem to just cater for our more senior staff," says McIver.

"Whereas here is the opportunity to say to an employee 'look, you don't need a cash deposit, you don't need to pay for insurance, you don't need to pay for maintenance. It's all included in the monthly payment'."

So far, 127 cars have been ordered to date, an order penetration of around 1%. Almost all (91%) have been BEVs, with the average CO_2 emissions of the salary sacrifice cars being 12g/km.

The most popular models have been Tesla Model 3, Audi e-tron, Toyota C-HR, Kia e-Niro and Peugeot e-2008.

Employees are allowed to procure two cars through the salary sacrifice scheme, "so if they wanted to get one for themselves and one for their parents, or wife, or child, that's entirely feasible.

"That is obviously really for the more senior employees, but it's a great advantage for them to be able to do that. Any drum we can bang to increase EV uptake, we will."

BUILDINGS-AS-A-GRID: IS THIS THE SOLUTION FOR WORKPLACE CHARGING?

Turning a building into an energy hub with solar panels and energy storage could transform workplace charging, says Eaton. *Andrew Ryan* reports

One of the challenges facing organisations looking to electrify their depot-based fleets is ensuring their sites can deliver enough electricity to charge numerous vehicles at the same time.

In some instances, this could leave a company with a large bill if it needs to upgrade its connection to the electricity grid to cope with the increased demand for energy.

For example, as part of the ongoing Optimise Prime electric vehicle (EV) trial, UK Power Networks has looked at the cost and practicality of converting 21 Royal Mail depots to be able to cope with an all-electric fleet.

Taking into account a number of factors such as the existing agreed supply capacity and the number of vehicles which would need to be charged, the network operator found that if these EVs were plugged in as soon as they returned to the network, it would cost around £1.8 million to upgrade the depots' connections to the capacity required.

Smart charging technologies, which manage the charge dispersed by numerous charge points, ensuring demand does not exceed the site's capacity at any time, would mean just three of the 21 Royal Mail sites assessed would need network upgrades, saving a significant amount of money.

Another possibility, says power management technology company Eaton, is to adopt a 'buildings-as-a-grid' approach which would transform buildings into energy hubs.

These would combine three technologies – solar panels to produce electricity, an on-site battery to store the energy produced, and charge points to fuel EVs – managed by a load balancing and energy management system.

"This can lead to a better user experience at times of peak demand, as well as provide the potential for grid support," says Myriam Vansteenkiste, sales director, energy transition and renewables at Eaton.

When used separately, the components all have a cost and environmental benefit, but, when brought together, they can have a transformational effect.

Eaton's X storage could be part of the solution to charging multiple vehicles simultaneously

Introducing a buildings-as-a-grid system such as Eaton's can increase the number of chargers which can be installed on a site, as well as the available power per charger, says Vansteenkiste (see graph).

She says if a site has eight 22kW charge points and has an electricity supply of 50kW, then just two vehicles could be charged at the same time if no additional technology was used – it would not be possible to charge a third EV as the grid would be at maximum capacity.

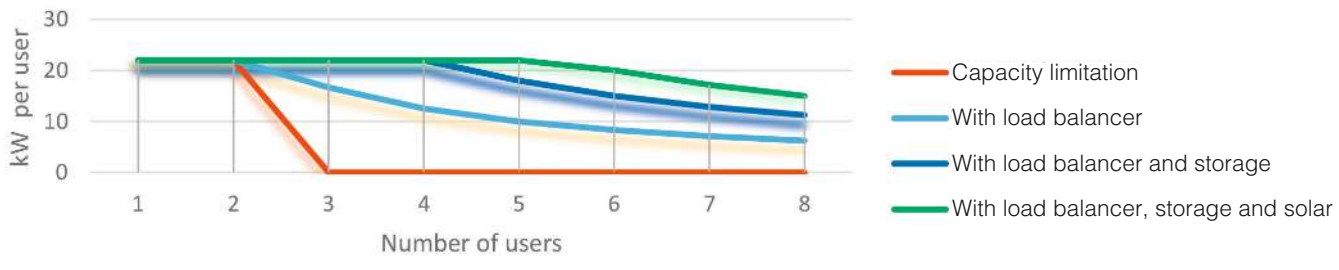
If a load balancing system was installed then multiple vehicles could be charged at the same time, but at a slower rate as the electricity supply would be split between them. For example, three or four EVs would still be charged at more than 10kW per user, says Vansteenkiste.

"Energy storage improves this further, but, with solar panels generating electricity as well, it will help more users have access to higher charging speeds," she adds.

"Even when you go to seven or eight users, they will all still be able to charge their cars in a reasonable amount of time."

If an energy storage system is used, this can store the excess electricity to be used later in the day when electricity is more expensive, or when the grid requires support at peak times, which can create a revenue stream for the owner of the building.

THE SITE LEVEL BENEFITS OF BUILDINGS-AS-A-GRID



DELIVERING BESPOKE REMARKETING STRATEGIES FOR FLEET VENDORS

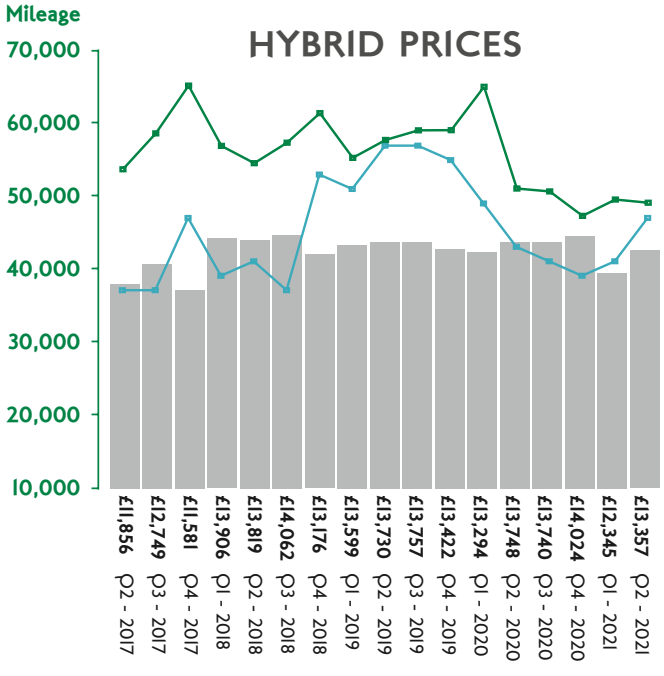
ASTON BARCLAY

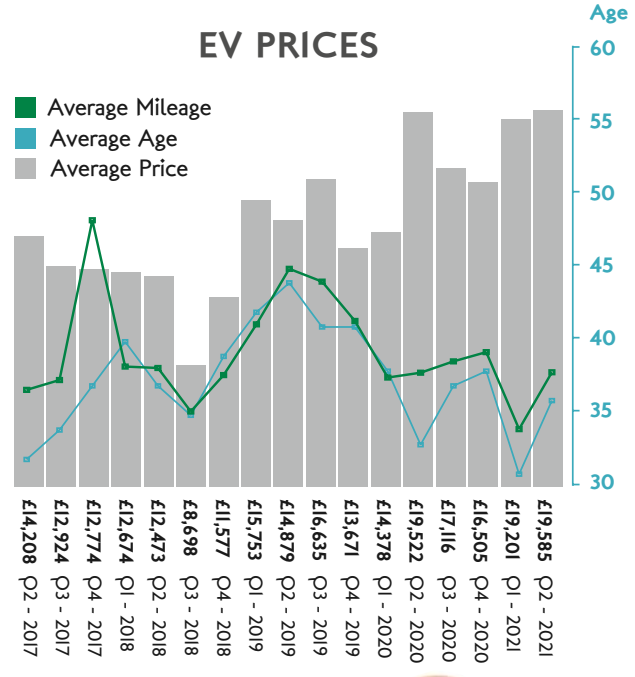
Aston Barclay has been using its decades of experience to help contract hire and leasing companies, finance companies and OEMs navigate through the used vehicle minefield for the past 18 months.

One vendor was keen to understand more about used hybrid and EV price trends and how that was impacting their current sales performance and prices.

We used pricing insights and feedback from our auctioneer team and buyer base to understand how guide prices were out of kilter with equivalent petrol and diesel cars and had impacted conversion rates.

By helping to set accurate reserves on every car, the vendor has already increased conversion rates.





Let us become an extension of your remarketing team and deliver industry-leading conversions. Get in touch with our MD - Customer, Martin Potter at salesteam@astonbarclay.net

FLEET & MOBILITY LIVE

5th -6th October 2021 at the NEC

The UK's leading event for the fleet and mobility community

REGISTER YOUR INTEREST NOW

fleetandmobilitylive.com

For exhibitor and sponsor enquires please contact events@fleetandmobilitylive.com

COVID-19 Notice: Bauer Consumer Media/Fleet & Mobility Live are continuing to monitor the COVID-19 situation closely and will follow government advice. At this moment in time, we feel that the timing of Fleet & Mobility Live will offer the perfect opportunity to bring the industry back together after such exceptional times. We will ensure additional safety measures are in place to ensure strict hygiene standards are maintained throughout the event. Should you have any concerns about attending or exhibiting, please contact the events team - events@fleetandmobilitylive.com

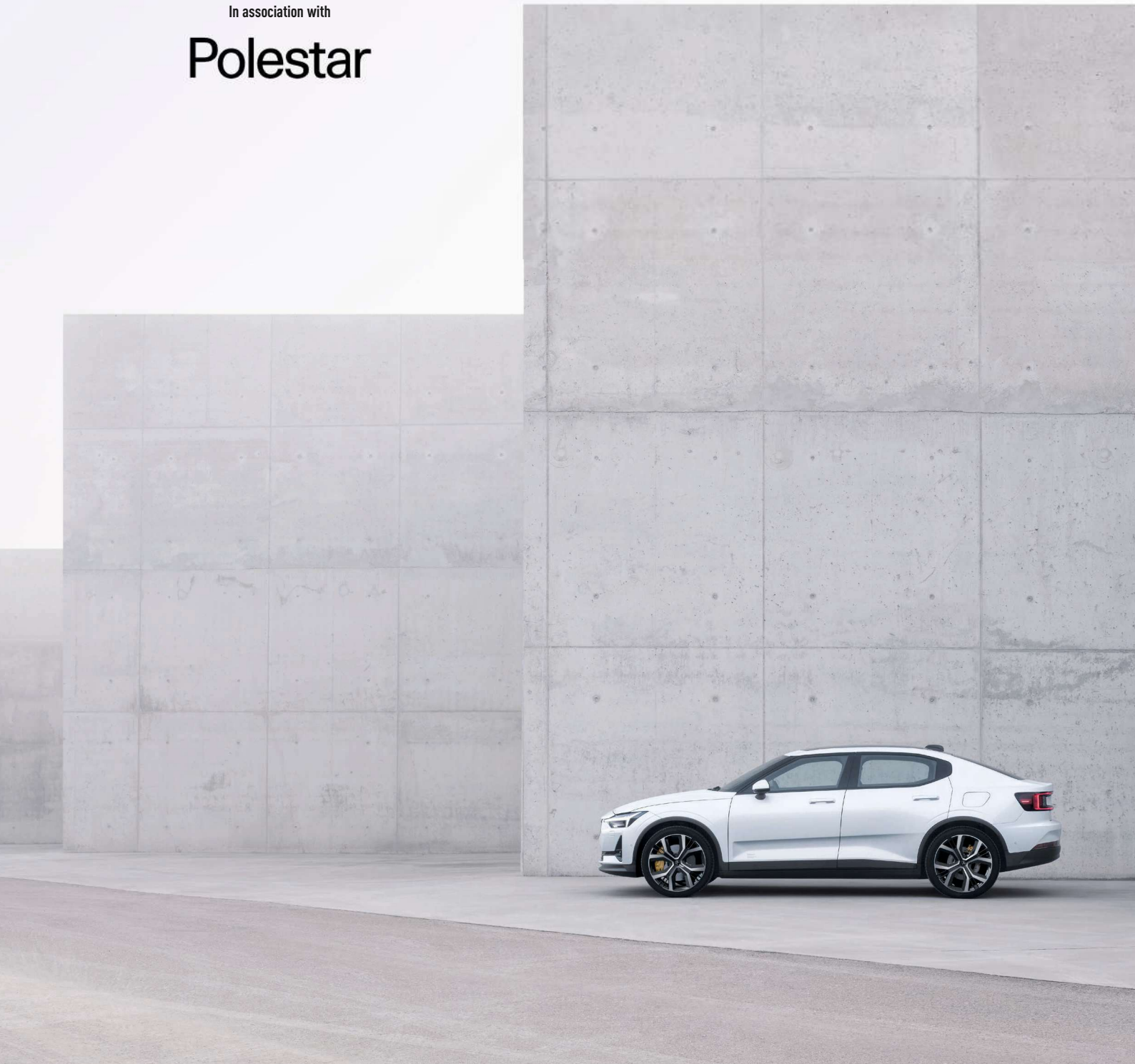
A SPECIAL REPORT BROUGHT TO YOU BY FleetNews

THE POLESTAR 'MOONSHOT'

New brand aims to have the first well-to-wheel, fully emissions-free vehicle that does not require additional carbon offsetting to back its claims

In association with

Polestar



Goal is a fully emissions-free vehicle without any carbon offset 'cop outs'

Fleets across the UK are making the switch to electric vehicles (EVs) to help cut carbon emissions. But, simply transitioning to EVs and away from internal combustion engines (ICEs) doesn't mean fleets have "gone green".

There's no getting away from the fact that manufacturing a car is damaging to the environment, whether it's an EV, hybrid, diesel or petrol vehicle.

It's why Polestar, the performance electric vehicle brand, has laid down the gauntlet to the industry to say it will build a well-to-wheel emissions-free vehicle by 2030.

The Sino-Swedish brand is also going to do it without using carbon offsetting (such as planting trees to absorb more CO_2), a practice which Thomas Ingenlath, Polestar's global boss describes as a "cop out".

It's a bold statement that immediately throws up questions about all elements of the manufacturing process. How can you manufacture an electric battery at no cost to the environment?

There are many challenges and difficult questions to be answered over the next nine years, but as Jonathan Goodman, Polestar UK's chief executive officer and head of global communications explains, this kind of "moonshot" project is what sets the brand apart.

Goodman says: "The world does not need another automotive sub-brand. We have to offer something truly unique for the industry to justify our existence and setting a target like manufacturing a truly carbon neutral car sends out a signal of intent.

"It's going to mean we question everything and rewrite all the fundamentals of the car manufacturing process."

This is Polestar's aspiration across the business: it wants to completely rip up the rulebook on how cars are made, sold and serviced.

Goodman's team in the UK has been given the remit to pick and choose what it wants from the legacy of the old automotive world and discard the rest.

It means that unlike other new automotive start-ups, Polestar can take the platforms, safety heritage and technology expertise Volvo has built up over the years, as well as the funding and supply chain experience from Geely, and forge a new path.

Any fleet manager or customer can go onto the polestar.com website and look at what kind of environmental impact producing a Polestar 2 has.

It's there for all to see that producing an EV's materials and its battery pack actually results in higher CO_2 emissions than producing an ICE engine for a conventional car.

Polestar is laying it all out on the table and communicating openly about the true environmental impact of the entire life cycle of electric cars, from production to end-of-life.

Goodman adds: "Project 0 will actually mean we'll be making a positive contribution towards climate change. That's something the automotive industry has never done.

"It's brave and you're there to be shot at, but we're not afraid to make the difficult calls to change how things are done.

> THE WORLD DOES NOT NEED ANOTHER AUTOMOTIVE SUB-BRAND. WE HAVE TO OFFER SOMETHING TRULY UNIQUE FOR THE INDUSTRY TO JUSTIFY OUR EXISTENCE AND SETTING A TARGET LIKE MANUFACTURING A TRULY CARBON-NEUTRAL CAR SENDS OUT A SIGNAL OF INTENT
>
> **JONATHAN GOODMAN, POLESTAR UK'S CHIEF EXECUTIVE OFFICER AND HEAD OF GLOBAL COMMUNICATIONS**

Fleet customers have been treated like second class citizens for too long

Fleets choosing Polestar shouldn't expect the standard experience they're used to when picking their next company car.

The new performance electric brand is a newcomer to the UK fleet market and is looking to right some wrongs by having closer direct relationships with drivers, without cutting out fleet managers and leasing companies from the picture.

Having the right approach to the fleet market will be essential, as 70% of the company's all-electric Polestar 2 sales are expected to go to company car drivers (see page 4 for an in-depth report on the Polestar 2).

The brand is not playing a numbers game in the UK, so is not chasing retail or fleet volumes or worrying about upsetting a car dealer sales network. Polestar doesn't have one.

Goodman says: "The fleet customer has been treated like a second class citizen by other manufacturers for too long.

"Company car drivers are often treated with disdain when they go to the dealership and the sales executive realises they're not going to get a sale.

"Polestar's fleet customers can get the same experience as a retail customer and they will be treated like they're the most important person in the world."

The brand has two physical retail experience centres called Spaces, with one at the London shopping centre Westfield or at The Trafford Centre in Manchester, and more than 100 service points across the UK bringing peace of mind to fleet decision makers and drivers when it comes to the barriers for switching to EVs.

The teams at the Spaces are not paid a commission on sales, so it's a no pressure, no hassle environment.

Test drives can be arranged online at regional hubs or at Polestar's current road test roadshow across the UK. But that's only if fleets want to engage with the brand in person. It's totally up to them.

The entire buying, or leasing experience can be cunducted directly online at polestar.com.

Small business owners, SMEs and personal leasing customers can complete their orders for a new Polestar end-to-end online.

Meanwhile, larger corporate customers will have Polestar introduced by their existing leasing companies.

Orders can be placed through the leasing company and then when Polestar has permission, it will contact drivers directly and update them on the status of the vehicle order and when it's time for their handover.

COLLABORATING WITH THE UK LEASING INDUSTRY

Matt Hawkins, Polestar UK head of sales, says: "We don't want to cut the leasing company out by going directly to the customer.

"If the fleet is already comfortable working with their leasing company and happy with them, we would rather go through them to make that introduction."

Hawkins says it's much better to forge relationships with leasing companies and to get buy-in with the brand, rather than trying to go direct to fleets, particularly as the brand is "the new kid on the block".

All the team at Polestar ask for in return is that it deals directly with drivers at the point of vehicle handover.

A lot of fleets Polestar is already talking to have made the decision to switch to EVs or they're actively assessing their options to electrify their fleets.

But Hawkins acknowledges that Polestar is still largely an unknown quantity.

Some company car drivers have been tracking the launch of Polestar since October 2017 and even approaching the brand without the knowledge of their fleet manager.

Hawkins says: "As long as the driver understands the decision on offering Polestar is a decision the fleet manager will ultimately make, we are happy to look after drivers and give them a retail brand experience."

Polestar UK's fleet and sales team has already been working with leasing

companies in the UK to provide product information.

It means account managers at leasing companies that already have relationships with fleets can have the initial conversations introducing Polestar as an alternative EV option.

Hawkins says: "Rather than us be a bolt out of the blue for fleets that have never dealt with Polestar as a brand before, they can have the comfort in knowing we've presented to their leasing company.

"Fundamentally, the leasing companies will already understand the differences in our sales process so they can align that to the customer."

Debbie Hunt leads Polestar's UK fleet sales and both she and Hawkins have many years of experience in the industry, working across leasing companies, dealer groups and car manufacturers.

Crucially, Hawkins says the team has experience working in the field spending many hours behind the wheel each day.

He says: "We know where drivers are coming from when they talk about choosing the right vehicle for them."

GETTING BEHIND THE WHEEL OF A POLESTAR

There are several ways Polestar is offering test drives for fleets. If a fleet manager is happy for a driver to arrange a test drive like any other retail customer, that's an option open to them.

Drivers can choose a time online that suits them, fill in their driving licence details and turn up.

There will be a short presentation of the brand, a short walk around of the car and then drivers get access to the Polestar 2 to take it out on the road.

Fleet specialists will be on hand at all test drive locations, so when a company car driver turns up, they will get access to more specialist knowledge.

It's here where Polestar will do some more due diligence to make sure an EV is right for each driver, crucially before any orders go through.

Hawkins says: "By making EVs so attractive to fleet drivers due to the 1% benefit-in-kind (BIK) company car taxation, it means some drivers might not have done all their research before making the switch.

"What kind of journeys are you doing? What's your daily mileage? Do you have access to a home charging point and is driving an EV going to fit into your daily schedule?"

Polestar also has a corporate demonstrator fleet of vehicles that are available on request to leasing company influencers and fleet decision makers for longer term test drives.

This can be to assess the performance of the car over a longer period of time and if a fleet or leasing company might be setting their own residual values (RVs).

Polestar is also looking at holding some takeover events for test drives that are held in collaboration with leasing companies.

Hawkins says: "We recognise there will be a grey area where there is a fleet operator that has demand from drivers to experience Polestar.

"They want to get something more tailored to their business but don't necessarily need a longer test drive."

Polestar is currently working on creating one day events at its own test drive locations where leasing companies can invite their own customers along for a ring-fenced period of time.

Hawkins adds: "This is just the start of Polestar's fleet journey.

"Our team is in the early stages of gathering information about what customers want and we're tailoring our processes around what drivers, fleet managers and leasing companies need.

"We're working hard to make sure the processes underpinning our fleet sales are as seamless as possible."

Polestar 2 in focus

The Polestar 2 is the first mainstream production car with an all-electric powertrain to arrive in the UK from the brand and it offers a true rival to the Tesla Model 3.

The range has recently expanded to three different variants - two long range 78kWh versions (408hp/231PS) with a WLTP range of up to 335 miles, as well as a standard 64 kWh (224PS) model that still offers over 260 miles. Prices range between £39,900 and £45,900.

As would be expected from an electric vehicle (EV), acceleration is instant and relentless, with the 50-70 mid-range especially punchy.

A 0-80% rapid charge can be achieved in 40 minutes.

What's most impressive about the Polestar 2 is how it drives. The Polestar 2 lives up to the brand's performance promise.

The battery weight helps keep the car planted, while its specially-tuned suspension takes corners with ease.

Driving the car on normal roads, the capabilities are well hidden. On a motorway jaunt, Polestar 2 exhibits the same levels of comfort and refinement as a luxury saloon.

There are no sport or eco modes, just a nicely tuned accelerator pedal that allows for effortless (and efficient) cruising or breakneck acceleration.

For an extra £3,000, an optional Pilot Pack includes enhanced safety and driver assistance features, such as the Pixel LED headlights with LED front fog lights, Driver Assistance with Adaptive Cruise Control and Pilot Assist, a 360-degree surround view camera, all-round parking sensors, and Driver Awareness including Blind Spot Information System (BLIS) with steering support, Cross Traffic Alert with brake support, and Rear Collision Warning.

Polestar 2's infotainment system also deserves praise.

The car was awarded a five-star Euro NCAP safety rating in March 2021, thanks to structural safety developments, eight airbags, and safety assistance features which include vehicle, pedestrian, cyclist and road edge detection support.

POLESTAR 2 KEY STATS

Variant	Battery capacity	Output	Preliminary consumption (WLTP)	Preliminary range (WLTP)
Long range dual motor	78 kWh	300 kW (408PS) 660 Nm	31.4-32.6 kWh/100 miles	279-298 miles
Long range single motor	78 kWh	170 kW (231PS) 330 Nm	27.5-29.4 kWh/100 miles	320-335 miles
Standard range single motor	64 kWh	165 kW (224PS) 330 Nm	27.5-28.9 kWh/100 miles	260-273 miles

Google has designed the car's operating system and infotainment system, so apps like Google Maps and Spotify are smartly integrated into the 11-inch-central touchscreen and 12.3-inch driver display, enabling a smartphone experience.

Operation is simplistic, as are all the car's features. You don't even need to switch it on or off, just jump in and select 'drive'. Provided you have your smartphone nearby, you also don't need a key, with locking, unlocking and operation all digitally secure through the Polestar app.

The *avant-garde* and minimalist design of the exterior and bespoke interior is beautifully finished with a variety of materials, including real wood and WeaveTech vegan fabrics. There's plenty of space for passengers too, with similar cabin space to a large saloon.

The boot is bigger than you would get in a VW Golf at 405 litres, plus there's an extra storage space under the bonnet, ideal to store the charging cables.

A COMFORTABLE TRANSITION TO EV

Polestar, fundamentally, is a build-to-order brand and is currently working to a three-month lead time for deliveries.

However, there are some limited pre-configured stock customers can get hold of more quickly.

Matt Hawkins, Polestar UK head of sales, says the Polestar 2 has already been described by customers as a car that makes it easier to transition to EV. The fact the new model also qualifies for 1% benefit-in-kind tax makes the new model even more attractive for company car drivers.

He says: "The Polestar 2 doesn't feel like you're getting into a piece of tech. You get into the car and it feels like a premium saloon. It has a gear lever in the middle to select forward and reverse, it has an instrument binnacle behind the steering wheel with a familiar set-up. That helps drivers that might be used to a petrol or diesel car."

Hawkins thinks the Google-powered operating system will be a particular highlight for fleets.

He says: "It's a pretty big step for a manufacturer to say we know we're good at hardware, but the software companies such as Google are better at that."

It means the Polestar 2 can seamlessly link Google Map information between smartphone and the vehicle and it can also point out charging points and EV range for each journey to help make planning work trips easier.

The voice recognition system can control temperature, audio and the navigation system so drivers can keep their hands on the wheel and eyes on the road.

ALTERNATIVE FUELS

ALTERNATIVE THINKING

OUR EV EXPERTS ALWAYS DO WHAT'S RIGHT FOR YOUR BUSINESS

Your business, like our approach to decarbonisation, is unique. Our consultancy experts put the needs of your fleet first. We provide recommendations on a vehicle-by-vehicle basis and work in partnership with you to develop a bespoke transition strategy for a greener, brighter future.

Connect with our experts

zenith.co.uk
oneteam@zenith.co.uk
0344 848 9311

Zenith
Intelligent Vehicle Solutions

IT'S ELECTRIFYING!

WHAT WILL HAPPEN – AND WHEN

Matt de Prez looks at how manufacturers are adapting to suit the demand for electrification

VOLKSWAGEN GROUP

AUDI

Along with the culling of combustion engine product variants, Audi's goal is to offer more than 30 electrified cars by 2025, with 20 being full EVs. The brand expects that 40% of all Audis sold by 2025 will be electrified.

Currently, it offers the e-tron in numerous fully electric guises and the e-tron GT. These will shortly be joined by the Q4 e-tron, which is based on the same platform as VW's ID.4.

With regard to plug-in hybrids, these come in the shape of the A6, A7 and A8 saloons, Q3, Q5 and Q7 SUVs and the A3 hatchback.

The 'e-tron' tag of old was replaced by 'TFSIe' for these variants.

SEAT

Seat will develop and produce small electric cars for the Volkswagen Group based on its new MEB-Lite platform.

The new compact models are expected to have a footprint similar to that of the current Seat Arona and VW T-Cross.

The first vehicle is expected to launch in 2025, with a starting price of around £17,000. It will be offered in configurations for Audi, Cupra, Škoda and VW, as well as Seat.

VW

Volkswagen has upgraded its electric vehicle sales ambition with a new pledge that 70% of the cars it sells in Europe will be fully electric by 2030.

It has a strategy to launch one new EV each year, including three this year.

The all-wheel drive ID.4 GTX was announced last month and will be followed by the ID.5 in the second half of the year. A seven-seater electric SUV for the Chinese market, called ID.6 X, will be launched in autumn.

An electric car to sit beneath the ID.3, developed by Seat, will arrive in 2025.

The combustion engine fleet will also be developed further in parallel to the acceleration of the e-campaign. All core models, including the Golf, Tiguan, Passat and T-Roc, will get another successor.

BENTLEY

Bentley will become a fully-electrified luxury car brand within 10 years.

It will only sell plug-in hybrid or electric vehicles (EVs) by 2026 and will switch to EV-only by 2030.

The strategy will see Bentley transform from being the world's largest producer of 12-cylinder engines to a leader in suitable luxury mobility within a decade.

Every model line will be offered with the option of a hybrid variant by 2023 and Bentley will launch two new plug-in hybrids this year, joining the existing Bentayga Hybrid.

ŠKODA

By 2025, Škoda's portfolio will include 10 electrified models in various segments, six of which will be all-electric, the others will be plug-in hybrids and hybrids.

Switching to EV? Can your telematics partner answer ‘yes’ to these 5 questions?

Geotab can.

Ensure your telematics partner can answer these questions as you adopt electric vehicles in your fleet:

- Can you give me recommendations for fleet electrification, from my existing fleet data?
- What is the basic EV driving and charging data I need?
- Can you expand my charging infrastructure and make it smarter?
- Can my telematics system be customised for my fleet’s specific EV needs?
- Will my telematics system support all the electric vehicles I’m interested in today? And tomorrow?

Want to transition your fleet to EVs? Think Geotab.

Already operate a partial or full electric fleet? Benefit from Geotab’s extensive model support and data insights including: real-time battery state of charge while driving, energy consumption and charging metrics all in one platform.

www.geotab.com/uk

GEOTAB®

Geotab @GEOTAB MyGeotab Geotab

BMW GROUP

BMW will launch its new i4 electric car this autumn and plans to have at least one fully electric model on the road in around 90% of its current market segments by 2023.

The i4 will join the brand's existing i3, iX3 and upcoming iX SUV in 2021, alongside the Mini Electric, while electric versions of the 5 Series and X1 are billed to follow, giving the Group 12 electric models by 2023.

By the end of 2025, the BMW Group aims to have delivered around two million fully electric vehicles to customers worldwide.

Mini will introduce its last new combustion engine model as early as 2025 and launch only fully-electric models from then. By 2027, fully electric vehicles will account for at least 50% of all Mini deliveries. The entire Mini range will be fully electric in the early 2030s.

FORD

Ford has committed to sell only electric cars in Europe by 2030, with all Ford cars sold in the continent by 2026 expected to be zero-emissions capable.

The brand's entire commercial vehicle range will also include a zero-emissions-capable option, electric or plug-in hybrid, by 2024, with two-thirds of Ford's commercial vehicle sales expected to be all-electric or plug-in hybrid by 2030.

Currently, the manufacturer offers two electric models: the Mustang Mach-E and the electric Transit. These are available alongside the plug-in hybrid Kuga SUV.

Under a new agreement with the VW Group, Ford will launch at least one volume electric car based on VW's MEB platform. This is expected to be a small SUV.

HONDA

Honda will move all of its European mainstream models to feature electrified powertrains by next year and plans to only sell electric- or hydrogen-powered cars globally by 2040.

It is developing a new platform to underpin a whole range of new models and expects that 40% of its global sales will consist of fully electric or hydrogen-fuelled vehicles by 2030.

Joining the new Jazz and Honda e in the UK will be four new electrified models in the next three years. The first to arrive will be the H-RV hybrid, followed by two other hybrid models and another fully electric car.

SPONSOR'S COMMENT

By Joshua Gordon, EV Strategy Manager, Geotab

Geotab supports the largest number of electric vehicle (EV) makes and models in the market today – 150 and counting. This cements the company's position as the strongest telematics provider in the EV space.

While many competitors provide light or only partial support for EVs, Geotab believes in working with you from the EV procurement stage to providing the support required for effective fleet management.

With driving data, fleets have visibility of real-time state-of-charge, kWh energy consumption and electric economy.

And this is as well as charging assurance tools to ensure vehicles are prioritised and charged when they need to be, and much more.

This provides fleets with reliable data to make informed decisions on how to operate your EVs more efficiently.

We work directly with vehicle manufacturers to develop unique capabilities to access critical EV data. You can operate your EVs with confidence knowing that your vehicle is fully supported and there are no data gaps in reporting. Any EV performance questions you have, we can answer.

Trust Geotab to help develop your EV adoption strategy with data-driven recommendations for which vehicles in your fleet to swap with electric. Learn more about Geotab's Electric Vehicle Suitability Assessment and how it can be tailored to your specific business goals.

Visit us at: www.geotab.com/uk/ or email: infouki@geotab.com

GEOTAB management by measurement

HYUNDAI

Hyundai plans to offer 44 alternative fuel vehicles by 2025 – including 13 hybrids, six plug-in hybrids, 23 battery electric vehicles (BEVs) and two fuel cell electric vehicles.

The Korean carmaker harbours ambitions to claim a 8%-to-10% share of the global EV market by 2025 and says it will accelerate the development of hydrogen fuel cell vehicles.

Hyundai will use the Ioniq name for a new dedicated electric vehicle sub-brand, with three new EVs set to be launched in the next four years.

The first model under the Ioniq brand will be the Ioniq 5, which will launch soon. It is based on the concept EV '45' that debuted at the International Motor Show (IAA) 2019 in Frankfurt.

In 2022, Hyundai will introduce the Ioniq 6 saloon, which is based on the company's latest concept EV 'Prophecy', unveiled in March; followed by Ioniq 7, a large SUV in early 2024.

JAGUAR LAND ROVER

Jaguar will offer an entirely electric model line-up by 2025 and Land Rover will phase out the combustion engine by 2036.

Currently, the only fully-electric model offered by JLR is the Jaguar I-Pace, although the brand has recently launched a wide range of plug-in hybrid variants across some of its most popular models, including the Evoque and Discovery Sport.

There will be six all-electric Land Rovers within the existing Range Rover, Discovery and Defender families by 2030, with the first arriving in 2024.

Jaguar's all-electric line up will not include the replacement XJ that was due to launch this year.

The brand expects 60% of Land Rovers will be sold with zero-emission powertrains by 2030 and will begin to phase out diesel engines from its model range from 2026.

KIA

Kia plans to launch 11 new EVs by 2026 and is aiming for EVs, plug-in hybrids and hydrogen fuel-cell cars to account for 40% of its global sales by 2030.

Seven of the new models will be built on the Hyundai Group's new dedicated E-GMP architecture. The other four vehicles will be based on existing combustion-powered cars.

The first to launch will be the EV6, a new flagship that will arrive before the end of the year.

MERCEDES-BENZ

Mercedes-Benz is expanding its range of EQ electric vehicles with six new model additions to its range, the first of which are expected to arrive next year.

The EQS, a fully electric version of the new S Class will be the first to arrive. It will be followed by the EQE executive saloon plus a pair of related SUV models. An EQA compact SUV and larger EQB will also begin production next year.

The new vehicles will join the existing EQC and recently launched EQV.

Mercedes-Benz wants electrically-powered cars including all-electric and plug-in hybrid vehicles to account for more than half of its sales by 2030.

MAZDA

Mazda expects that internal combustion engines (ICEs) combined with some form of electrification will account for 95% of the vehicles it produces in 2030 (with battery electric vehicles accounting for the remaining 5%), therefore it plans to continue to focus on maximising the efficiency of ICE.

Having launched its first electric model in 2020, the MX-30, the manufacturer now plans to introduce a version fitted with a petrol range extender this year.

VOLVO

Electrifying business

Introducing the Volvo XC40 Recharge Plug-in Hybrid T4 R-Design

From £39,390	**13%**	**Up to 28 miles**
P11D	Benefit-in-Kind	Pure electric range

Our Volvo XC40 Recharge Plug-in Hybrid T4 R-Design delivers figures that speak for themselves. But that's not all. There's the head-turning design, technology to keep your drivers connected and world-leading safety innovations to protect them. Plus, if you act now your business can enjoy a range of government incentives and tax benefits currently available for plug-in hybrid vehicles.

Volvo plug-in hybrids.
A fleet for here and now.

Visit volvocars.co.uk/hybridfleet
or call the Volvo Car Business Centre on 0345 600 4027

Fuel consumption and CO_2 figures for the Volvo XC40 Recharge Plug-in Hybrid T4 R-Design, in MPG (l/100km): WLTP Combined 117.7 – 134.5 (2.4 – 2.1). WLTP CO_2 emissions 55 – 47g/km. WLTP electric energy consumption 3.5 – 4.1 miles/kWh. Equivalent all electric range 26.1 – 27.3 miles. Figures shown are for comparability purposes; only compare fuel consumption, CO_2 and equivalent electric range figures with other cars tested to the same technical procedures. These figures were obtained using a combination of battery power and fuel. The Volvo plug-in hybrid vehicles require mains electricity for charging. These figures may not reflect real life driving results, which will depend upon a number of factors including the accessories fitted (post-registration), variations in weather, driving styles and vehicle load.

Glow on charging cable for illustrative purposes only.

Company Car IN ACTION

REGISTRATION NOW OPEN

Fleet operators and leasing personnel can register for free at **www.companycarinaction.co.uk**

JUNE 23-24 2021

MILLBROOK PROVING GROUND

CCIA 2021 will coincide with the year of the electric vehicle, with more models launching and supplies no longer restricted. We expect these cars and vans to dominate the show. It will be your best opportunity to make key decisions about which electric brands and models are right for your fleet and we will support you in making those decisions by offering best practice advice from industry experts. Put the date in your diary now.

The UK's premier drive and decide event exclusively for fleet decision-makers and influencers

companycarinaction.co.uk

Brought to you by **FleetNews**

NISSAN

Nissan plans to launch eight new electric cars by 2023, but has not confirmed how many will be offered in Europe. Currently, only the Ariya crossover is confirmed to join the brand's UK line-up next year.

By 2030, the car maker says all its models will be electrified, with a number expected to feature a new e-Power hybrid powertrain.

RENAULT

Renault is seeking to position itself as a technology, service and clean energy brand, with a plan to launch 14 new models with electrified powertrains by 2025.

Spearheading the French car maker's new direction is a retro-styled electric city car based on Renault's popular 5 model.

There will be seven new pure electric models from the brand between now and 2025 – with a further seven offering hybrid engines.

TOYOTA & LEXUS

Toyota's strategy has largely centred around hybrid models and, by 2025, the brand expects the technology will still account for around 70% of its sales. In the second half of the decade the manufacturer will begin to ramp up sales of electric models.

There are no fully electric Toyotas currently on sale, but the company plans to introduce 15 by 2025, including seven as part of a new bZ series.

The "bZ" stands for "beyond zero" and will be built on new dedicated EV platforms developed in partnership with Daihatsu, Subaru and Suzuki.

Only one model has been unveiled so far, the bZ4X. Sales are expected to start in 2022.

Lexus will also continue to offer predominantly hybrids, but also has the UX 300e fully electric SUV that launched last year. It's likely future electric Lexus models will have a sportier focus, as shown by its LF-Z Electrified concept.

STELLANTIS

Stellantis will produce vehicles on four new electrified platforms – two of which are fully electric.

The new strategy seeks to rationalise the group's electric car platforms, which currently comprises a mix of FCA-developed architectures and PSA ones. In future, all vehicles from all brands will use a new platform system called STLA.

According to Stellantis, this vehicle architecture will underpin A, B and C-segment vehicles, as well as compact and mid-size SUVs. STLA Medium will arrive in late 2023 and will cater for C and D segment. There will be some crossover with the brand's STLA Large platform which caters for large vehicles and people carriers.

Citroën and DS plan to offer electrified engines on all models by 2025, while Peugeot promises the same by 2023.

Fiat has committed to electrifying 60% of its range by the end of this year, while Jeep and Alfa Romeo are kickstarting their transitions with new plug-in hybrid models.

VOLVO

Volvo says it will become a fully electric car company by 2030 and will launch a completely new family of electric cars in the coming years.

It intends to sell only fully-electric cars and phase out any car in its global portfolio with an internal combustion engine, including hybrids, within nine years.

Already by 2025, Volvo aims for 50% of its global sales to consist of fully-electric cars, with the rest hybrids.

Part 1

ELECTRIC CARS

In a survey, more than a third of respondents cite CSR as the main reason for introducing EVs. But, close to a fifth plan to leave it until they have to comply. *Stephen Briers* reports

Electric cars' day has come. With more than 30 pure battery electric vehicles (BEVs) and 60 plug-in hybrid electric (PHEV) models now on the market and with almost every manufacturer offering an ultra-low emission option in their range, UK businesses and their company car drivers are providing the catalyst for a surge in EV registrations.

Production levels are rising rapidly as several manufacturers start to dedicate car lines to EV at factories worldwide, although delays are still commonplace, partly due to the ongoing Covid-19 pandemic which saw many plants temporarily close during lockdown.

Nevertheless, all manufacturers have revealed their EV roadmaps which, for the likes of Ford and Jaguar, include switching their entire model lines to BEV and PHEV ahead of the UK's 2030 deadline for the ban on sales of new petrol- and diesel-powered cars and vans.

New car registrations hit record levels in volume and market share last year, albeit from a low base, with BEV accounting for 6.6% of the new car market (volumes up 186%, of which 68% were company cars) and PHEV 4.1%. Growth has continued into 2021, with BEV up 108% in the first four months of the year (7.2% of the market), and PHEV up 162% (6.4% market share).

In comparison, diesel now accounts for just 11% of new car registrations.

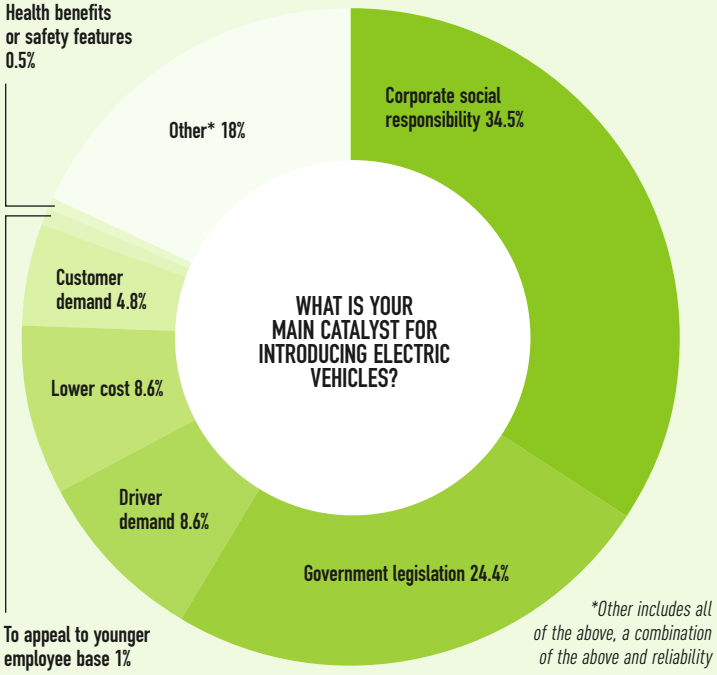
Yet, despite the eye-catching percentage rises, there is still a long way to go, according to the findings of a *Fleet News* survey sponsored by BP. Just 10% of the cars operated by the 200-plus respondents are PHEVs and 6% are BEVs, while the powertrains each account for only 10% of the cars that fleets have on order – 80%, therefore, are still conventional fuels.

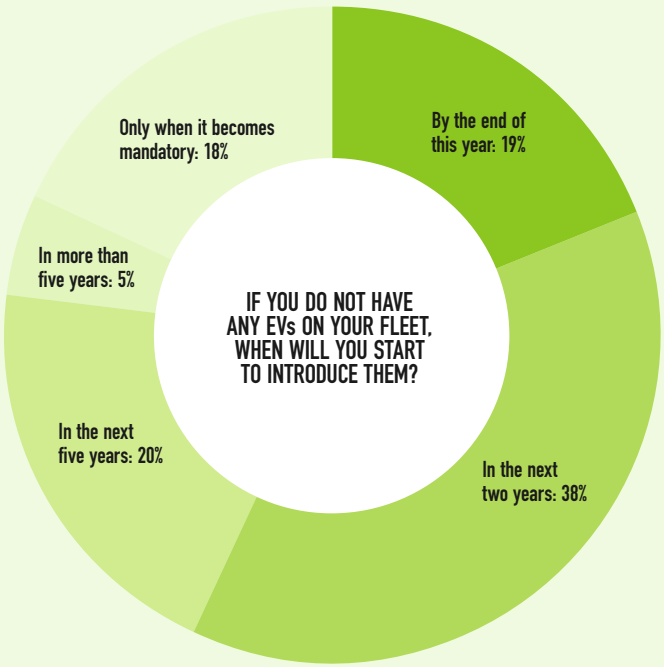
More than a quarter (26%) of companies currently have no PHEVs on their fleet, while 44% have no BEVs. Of these, 19% expect to have started introducing ultra-low emission cars by the end of this year and a further 38% within the next two years.

But almost one-in-five (18%) steadfastly refuse to introduce EVs until it becomes mandatory.

Size matters when it comes to early EV adoption. Almost 80% of companies without any PHEVs operate fewer than 100 cars, albeit around 20% do have full electric cars. Similarly, three-quarters of companies with no full electric cars are in the small fleet category, although 25% have some PHEVs.

Commonly, it is the larger companies who are making the bold statements about converting their fleets to electric and signing up to environmental





pledges. They have the resources to trial vehicles, build confidence within the business and among employees, and then implement the robust communications plans required to secure mass buy-in.

Siemens introduced PHEV in 2015, with full electric arriving two years later. It now has more than 1,000 PHEVs and 80 BEVs, with a car order book of 80% PHEV and 6% BEV.

The environmental drive comes from the top, sparked by a company mission of putting sustainability at the heart of its business.

It's a similar story at Mitie, whose own sustainability pledge will see it move almost 40% of its fleet to electric by the end of the year, with the rest following by 2025 under its Plan Zero commitment.

Corporate social responsibility (CRS) is the biggest driver in the move to adopt EVs, stated by 34.5% of respondents. Meanwhile, 24.4% felt they were being hustled into making the move by Government legislation.

Almost 9% are feeling the pressure from drivers, while the same percentage are attracted by the lower whole life costs. Fewer than 5% say they are introducing electric vehicles primarily due to customer demand, as part of business tenders.

Wayne Warburton, Siemens UK head of mobility services, has found many electric vehicles to be cheaper than comparable diesel on wholelife costs.

"What's making the difference is the maintenance and fuel. And, as leasing companies get a better understanding of how much cheaper they are to maintain, they are no longer loading the service, maintenance and repair (SMR) from a risk point of view," he says.

"There are savings for Siemens as well as the driver and the planet."

The wholelife cost message is still not widely recognised by many fleets. Cost was highlighted by survey respondents as one of their biggest challenges, with one-in-five saying it was preventing them from making the switch to electric.

However, their biggest issue was insufficient range for job requirements. This was mirrored by their own employees, whose overriding objection (stated by 33%) was lack of range.

The 2021 class of EVs should help to alleviate these concerns, with many models now comfortably exceeding 200 miles' range in real-world conditions.

Range anxiety is often a perception that can easily be overcome when drivers see the impact on their wallet. That's certainly the experience of Steve Openshaw, group fleet and transport manager at Eric Wright Group.

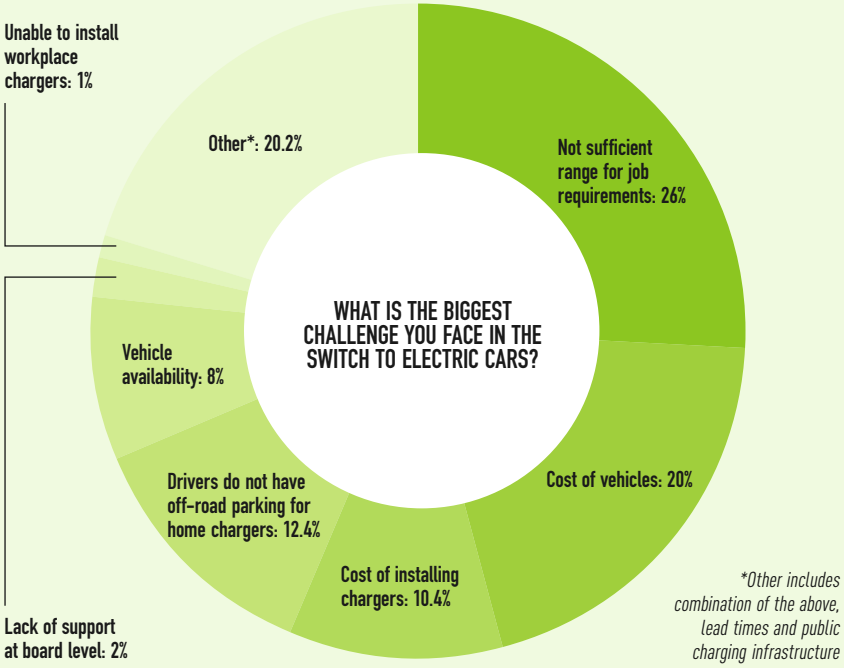
Commenting on the low benefit-in-kind (BIK) tax rate introduced in 2020 for electric cars, he says: "As soon as the BIK rate dropped, range anxiety disappeared. The newer EVs have ranges of 200 miles and upwards, and you don't want to be driving 200 miles in one go, anyway.

"If you are doing so, it's against (our) policy. In four hours of driving, you need to take a break of half-an-hour to an hour, so, in that time, you can charge the vehicle up."

Charging infrastructure is harder to resolve. For the business, the main concern is the cost of installing a workplace network (10.4%), but the bigger hurdle is drivers who do not have off-road parking for home charging (12.4%).

It's also the second biggest objection ➲

SURVEY FACTS:
Sample size
214
fleet operators



*Other includes combination of the above, lead times and public charging infrastructure

SPONSOR'S COMMENT

By Adrian Brabazon, UK fleet sales manager, BP Fleet Solutions

Post-pandemic, we've seen just how quickly human behaviour can change; how we have all become more flexible and are willing to adapt faster than ever before.

A recent survey carried out by *Fleet News* and bp has revealed that only 7% of fleets have moved their entire fleet to electric and only 11% of fleets are using plug-in hybrid vehicles. This proves that there is still much work to be done in changing industry perception and instilling more confidence in fleet decision-makers to make the switch.

We want to help bring fleets into the future with our end-to-end fleet solutions, helping businesses with EV charging solutions at work and at home while providing them with access to bp pulse, the largest public network of rapid chargers in the UK.

Our Fuel and Charge card and app also makes the switch to EV more convenient and much simpler for fleet decision-makers to commit. With ongoing support across finance, charging infrastructure, invoicing and maintenance, we know that every fleet is different.

As one of the largest electric vehicle charging companies in the UK with more than 8,000 public charging points, our customers can also spend less time worrying about charging and more time thinking about the job in hand.

We know how challenging the shift can be, and bp is here to help your business in meeting those challenges and embrace the change as we head towards a net zero future.

The transition to EV

bp pulse can help remove the anxieties of electrifying your fleet

The industry is in a moment of significant change and as the sale of new petrol and diesel cars is set to be banned by 2030, the transition to electric vehicles (EVs) is higher on the agenda for many decision-makers.

A survey, carried out in association with bp, has revealed some of the challenges fleet decision-makers across the UK still face and how they're under constant pressure to keep evolving, ensuring they are meeting the greenest and most sustainable options for their company vehicles.

The research revealed that only 7% of respondents to the survey have moved their entire fleet to EV, showing that limited driving ranges and a lack of confidence in the ability and reliability of EVs continue to be big obstacles for both drivers and decision-makers.

As one of the largest and most experienced charging companies in the UK, bp offers end-to-end solutions to help businesses develop EV charging technologies. Fleet drivers can be reassured that they are never far from their next charge with bp pulse, the largest public network of rapid chargers in the UK. Not only do drivers have access to thousands of charging points, but fleets have access to an expert account manager to guide them through the process of electrifying depots, offices or homes so that they can feel confident making the changes to a fully electric fleet.

"bp offers end-to-end solutions to help businesses develop EV charging technologies"

bp's Fleet Solutions also includes the Fuel and Charge card and app to support fleet vehicles of all engine types in their transition to EV. With a focus on end-to-end integration, mixed fleets have a one card solution for all charging and fuelling needs.

The upfront cost of transitioning to EV can feel overwhelming at first, but bp supports fleets in weighing up initial costs of EVs, against long-term gains including savings on tax, fuel and maintenance of your fleet.

The survey has also revealed that 11% of car fleets are plug-in hybrid, proving that fleets are transitioning and the industry is adapting, but change is happening slowly. Historically, EV models have been somewhat limited, however, research published in bp's *Future of Fleet* report revealed that fleet managers now have an impressive range of models available in the market.

There's never been a better time for fleet decision-makers to lead the way to an electric future and Fuel and Charge can help fleets embrace the change as we head towards a net zero future.

To find out more please visit: bp.com

bp

raised by employees, further exacerbated by their concerns about public charge points and the time it takes to charge the car.

A sizeable proportion also object to paying for their own home charger.

Combined, charging worries account for 40% of employee's objections.

While many companies insist that staff taking an EV must have a home charger, some have other measures in place.

Willmott Dixon (see also page 64) installs chargers at all its places of work which has opened the EV door to those who are unable to install a charge point at their home.

Nevertheless, while a home charger is not mandated, there is an approval process to ensure the car is an appropriate choice for the employee; if they don't have a home charger, they must have a viable plan to charge the vehicle.

Workplace charging can be the viable solution for staff without the ability to install their own units, although some local councils are also now considering neighbourhood schemes offering shared chargers.

The workplace charging infrastructure is a central part of any EV strategy, though. Most fleets have opted for 7kW chargers or 22kW with a smaller proportion investing in 50kW units.

Siemens has installed more than 100 charge points across its 12 main sites, with 26 alone at its Manchester head office.

All are 7.4kW chargers, as they meet the needs of its PHEVs, although the next round of investment will prioritise 22kW/50kW to match the uptake of pure EVs, with a future roadmap already earmarking 150kW for high demand sites.

Siemens is in the minority by creating a rota of four-hour charging slots, morning and afternoon, via an online booking system to ensure the maximum number of employees are able to charge their cars (just 14% of survey respondents have a booking system). Around a quarter of staff with PHEVs have also fitted a home charger at their own expense, although it is not mandatory.

Employees self-fund home chargers at 41% of businesses, according to the *Fleet News* and BP survey, with 26% of companies bearing the entire cost. In a third of cases, the expenditure is shared by company and employee.

Corporate fleet operations manager Fraser Crichton has installed a variety of charging solutions at Dundee City Council. Basic 7kW chargers are ideal for fleets with a few EVs travelling low mileages. But, as the numbers build, so does the need for investment in more powerful units.

"As a rule of thumb, when you have more than eight EVs at a site I would normally look to have a rapid 50kW charger," Crichton says.

"The number of times people say they have put a vehicle on charge and return to find it wasn't and the battery is flat is an issue, particularly if you have car pools with different people driving the same car. The rapid charger is your back-up to boost the batteries to 50% charge in 15 minutes."

He adds: "If you have 16 electric vehicles, you need eight charge points. A Leaf will do around 150 miles so that's two days' worth – it's roughly a 50% calculation. But that ratio will reduce as the battery range increases."

A surprisingly high proportion of survey respondents (68%) say they do not offer any driver training to those new to EVs to help them adjust and maximise their efficiency.

According to Energy Saving Trust (EST), there is a triple benefit to eco driving: extended range, cost savings (electricity and maintenance) and fewer collisions as drivers tend to be more aware when driving efficiently.

Tim Anderson, EST group head of transport, says: "It is important to maximise the benefits from regenerative braking, which charges the battery. It is key to efficient urban driving."

EST data also shows the impact of speed on range: driving at 70mph compared with 50mph reduces EV range by 36% while 70mph versus 60mph results in a 22% reduction.

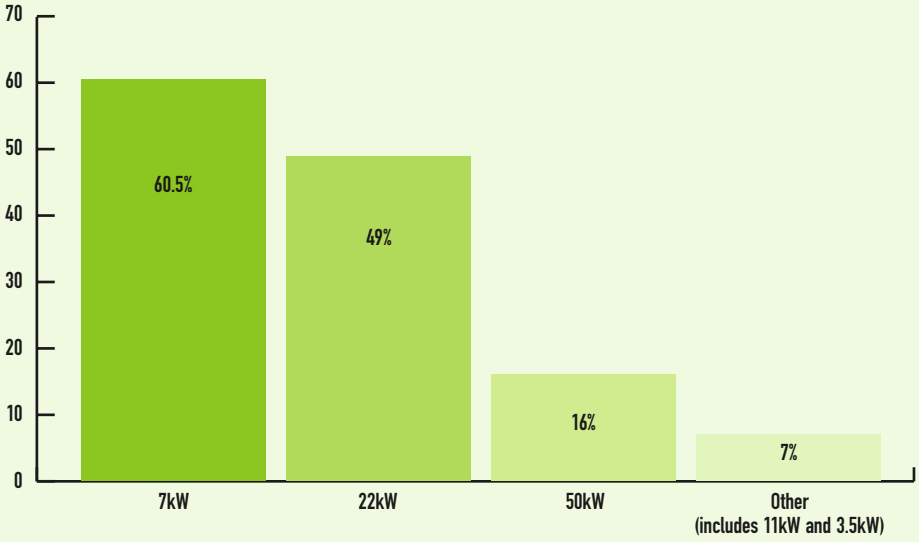
Heating also has a measurable effect, with summer driving typically returning 4.5 miles per kWh, falling to three miles in winter. EST advises drivers to use heated seats and steering wheels rather than air-con and to pre-heat their EV while it is being charged.

By 2025, with just five years remaining to the Government's ban on the sale of new petrol and diesel cars and vans, 15.5% of survey respondents predict their entire car fleet will be pure electric.

A further 24% expect more than half of their cars to be BEVs, but 42% anticipate fewer than a quarter of their car fleet to have switched to being full electric.

Given that 18% intend to introduce EVs only when mandated, while 5% have no plans to begin the move for more than five years, there remains a large number of companies that will be cutting it fine to implement robust electric policies, including workplace charging infrastructure, ahead of the 2030 ban.

IF YOU HAVE INSTALLED WORKPLACE CHARGERS, WHAT POWER OPTIONS?



SURVEY FACTS: Fleet size profile:

59% fewer than 100 cars

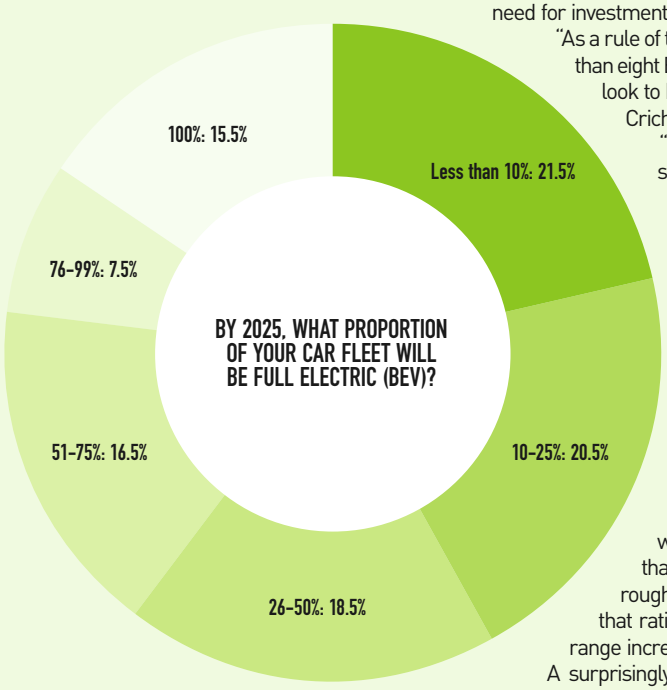
24% 100–500 cars

SURVEY FACTS: Fleet size profile:

6% 501–1,000 cars

11% more than 1,000 cars

BY 2025, WHAT PROPORTION OF YOUR CAR FLEET WILL BE FULL ELECTRIC (BEV)?



Why sal/sac represents the way forward

Willmott Dixon CFO explains why the business decided to change its car funding policy. *Stephen Briers* reports

Salary sacrifice (sal/sac) has enjoyed a renaissance over the past year, as a growing number of employers tapped into the low benefit-in-kind (BIK) tax rates to launch schemes as part of flexible benefits packages.

Some have also started to consider sal/sac as a viable alternative to a traditional company car scheme, helping to speed up a move to ultra-low emission vehicles (ULEVs) or to unlock the national insurance contributions (NIC) savings.

Construction and property services business Willmott Dixon switched its car funding policy from a standard three-year operating lease to a sal/sac scheme at the start of the year.

The scheme was built and launched during the heights of the Covid pandemic by fleet management company CLM in consultation with Willmott Dixon's sustainable transport team, chaired by chief financial officer Graham Dundas.

Dundas has been involved with the car fleet since joining the business as a management trainee more than 20 years ago. His first input was to be part of the project team which migrated the outsourcing of its fleet management provision to CLM; it's been the company's principal partner ever since.

CLM oversees the day-to-day management of the car fleet and driver engagement with the two companies working together to agree the fleet policy and car choice list.

"We consider what we want to achieve with our fleet strategy and consult with CLM who implement and run it for us," Dundas says. "We don't employ anyone who spends a material part of their time worrying about company cars and fleet management. CLM is the specialist and this allows us to focus on the day job.

"It's been a strong relationship for more than two decades."

Historically, Willmott Dixon ran a traditional lease scheme utilising a panel of funders for competitive pricing through CLM.

The first question asked of qualifying employees was: cash or car? Everyone got a straight choice with qualification criterion dependent on the need to travel in their individual roles.

Around 450 staff opted for the car; another 1,050 chose cash and slid into the grey fleet.

In September, the Willmott Dixon team started working with CLM on a project to design and implement a salary sacrifice replacement for the lease car scheme.

The primary driver was a new Willmott Dixon sustainability strategy called Now or Never which introduced a series of ambitious targets, including becoming net zero by 2030 without offsetting (the company has been carbon-neutral since 2012 with offsetting). This involves moving to a 100% electric fleet.

The sustainable transport group focuses on ways to drive down emissions and incentivise staff to choose environmentally-friendly cars.

Learnings came from the pandemic. The successful deployment of Microsoft Teams to replace face-to-face meetings previously held nationwide convinced the company to aim for a 60% mileage reduction against pre-Covid levels. Supporting this target is the introduction of a home working allowance and agile working as part of a suite of complementary benefits products.

Sal/sac presented the ultimate shortcut to rapid carbon emission reductions thanks to the appeal of the significant tax advantages for electric vehicles (EVs). By extending the scheme to all 2,200 employees, not just job-need drivers, it also offered a way to expand the flexible benefits package.

"In introducing salary sacrifice, we are seeing the number of people coming back into the scheme increasing quickly – more than 175 have opted in and placed orders since January, many of which are additional to the 450 car drivers," Dundas says.

"A lot are coming from the grey fleet where average emissions are much higher than the company fleet – around 134g/km versus 106g/km. Average emissions on the vehicles being selected under the new scheme are just 15g/km."

Crucial to cementing the decision to change the entire car policy to salary sacrifice was the retention of the panel of funders: Willmott Dixon does not tie itself to a sole partner.

"Having a panel of funders gives us great benefits on competitive pricing and it has ➲

delivered significant cost savings over the years, around £150,000 per annum on the current fleet," Dundas explains.

"Our contract hire went to our nominated panel of five providers and we have embedded that into the salary sacrifice approach, so our drivers get the benefit of our buying power and the benefit of competition through the panel."

The service is delivered via Knowles Fleet's web platform, which facilitates multiple quotes for multiple cars for cost comparison, all based on a three-year replacement cycle.

The platform includes calculators to inform staff about the implications of switching to a sal/sac car, including the impact on net pay. Additional calculators and FAQ documents help people consider additional savings such as on fuel and insurance. The case can look particularly compelling to anyone who has previously taken cash.

The choice list is capped at 125g/km, the same level as the outgoing lease car scheme, to ensure people were instantly engaged, went on the website and started looking at quotes.

In truth, the cap is largely redundant: so far, just two orders haven't been for a full electric car or plug-in hybrid. Appetites were whetted by presentations about the types of cars staff could get for their money and how little it affected their take-home pay.

"Our thinking was we didn't need an aggressive cap to achieve the emissions reduction – the BIK tax, when combined with internal communications and awareness workshops we ran, did the job for us," says Dundas. "By the end of the year, we plan to reduce the choice to PHEV/EV only."

CHARGING INFRASTRUCTURE

Willmott Dixon has committed to support employee take-up of electric cars by installing a charging infrastructure at all places of work – around 130 live projects with contracts averaging 12-15 months. They are now a natural part of the temporary electric works that are undertaken during the site set-up.

A working group with representation from operations, procurement and finance considers the optimum charging options based on the length of the project and how many people are deployed. The biggest projects have the most chargers at the highest power outputs; minimum spec is 7kW with all chargers supplied by Rolec.

A guidance note issued to site teams is based on one charge point with double sockets for every five vehicles as a minimum. It's the responsibility of the site teams to ensure everyone gets their share of electric, although with vehicles, typically, having a range of 150 miles-plus, the workplace solution is intended to be more of a top-up rather than the only source.

Workplace charging is not free. Drivers pay for the electricity and are reimbursed on a mileage claim basis. For plug-in hybrids, reimbursement is at the 4p per mile electric rate for the first 25 miles before switching to the advisory fuel rate.

Willmott Dixon CFO Graham Dundas outside the Spirella building in Letchworth Garden City where the company is headquartered.

COMPANY: Willmott Dixon
GROUP CHIEF FINANCIAL OFFICER: Graham Dundas
TIME IN ROLE: five years
FLEET SIZE: 450 cars, 1,050 cash takers
FUNDING METHOD: salary sacrifice (outgoing lease scheme)
OPERATING CYCLE: three years
KEY PARTNERS: CLM, Knowles Fleet

> "WE WILL CONTINUE TO MAKE INTERVENTIONS, BUT FOCUS, WHERE WE CAN, ON THE CARROT, NOT THE STICK"
>
> **GRAHAM DUNDAS, WILLMOTT DIXON**

This will be reviewed over time.

"With this policy, we are trying to get people to recognise that we expect them to maximise the electric use of plug-in hybrids wherever possible," says Dundas.

"The reason we don't offer free charging is to keep things simple from a tax perspective. It's hard to track the mileage you've provided through the electricity and the mileage that people have done at their own expense that you are reimbursing so everyone is reimbursed on the mileage they have done."

He adds: "It also means that we can be more flexible in making our charge points available to customers, supply chain partners and other visitors."

LEAVING CHARGE POINTS BEHIND

Willmott Dixon is working with its clients with the intention of the charge points and groundworks to be part of the infrastructure left behind where possible. It is increasingly becoming part of the design.

Workplace charging opens the EV door to those who are unable to install a change point at their home. Nevertheless, while a home charger is not mandated, there is an approval process to ensure the car is an appropriate choice for the employee; if they don't have a home charger, they must have a viable plan to charge the vehicle.

Additional safeguards include an affordability cap: staff can sacrifice up to 25% of their salary on a vehicle to prevent them overcommitting themselves financially.

The company also operates a green bonus scheme, recently refined, to incentivise people to choose a ULEV.

The cash incentive, based on a sliding scale up to £1,500 for a full-electric car, is designed to more than fund the cost of installing a home charging unit.

"We put this framework in place to help people to make these choices," Dundas says.

While the primary objective for introducing sal/sac is to reduce carbon emissions, there are financial benefits, too, in terms of lower employers' NICs and the fuel savings from the lower advisory rate. In the first year, those savings will effectively fund the cost of implementing the scheme.

But there are also risks. Willmott Dixon has opted not to routinely pass on termination charges to anyone leaving the business. Instead, it will ringfence some of the savings for an early termination pool to offset the risk – albeit this is a "calculated risk", says Dundas, as the company enjoys high levels of staff retention.

"We decided not to fully price this into the salary sacrifice contract because we wanted to make it as competitive as possible to bring people into the scheme – especially with the current economic climate," he explains.

"We also recognised that for those staff historically with a leased company car, that is a fully expensed car where all the risk borne was by the company ."

Under the arrangement, some risk still sits with the employee, in terms of non-routine maintenance and insurance excess; everything else is included.

Carrot rather than stick is the Willmott Dixon way. It will continue to offer cash, but utilise the green bonus scheme and mileage reimbursement rates to incentivise its grey fleet drivers to move to sal/sac.

One example is its use of advisory fuel rates. Many years ago, it stopped paying the full rate for 2.0-litre-plus cars, capping claims at the mid-engine range.

And, while it does not restrict the choice of car someone can select with their motor expenditure allowance, it has just introduced a CO_2 cap upon which it will pay mileage. The threshold of 190g/km is targeted at eliminating the worst 25% of polluting vehicles but will be "significantly reduced" year-on-year to nudge staff into making the right choice.

"Our approach means that when people make their next car choice, they are mindful it comes with an impact. But, if they step it down, they might get a green bonus or a favourable mileage rate," says Dundas. "We will continue to make different interventions, but focus, where we can, on the carrot, not the stick."

DUNDAS ON...

...sal/sac challenges

The biggest challenge Willmott Dixon faced in designing the salary sacrifice scheme was the degree of change it meant for drivers who had been in a fully funded, risk-free company car for many years.

"In implementing the scheme, we were keen to recognise this in the roadshows, which we ran regionally for all of our people. We made sure we addressed people's questions and concerns and gave them the tools and the case studies to properly assess the change," says Graham Dundas.

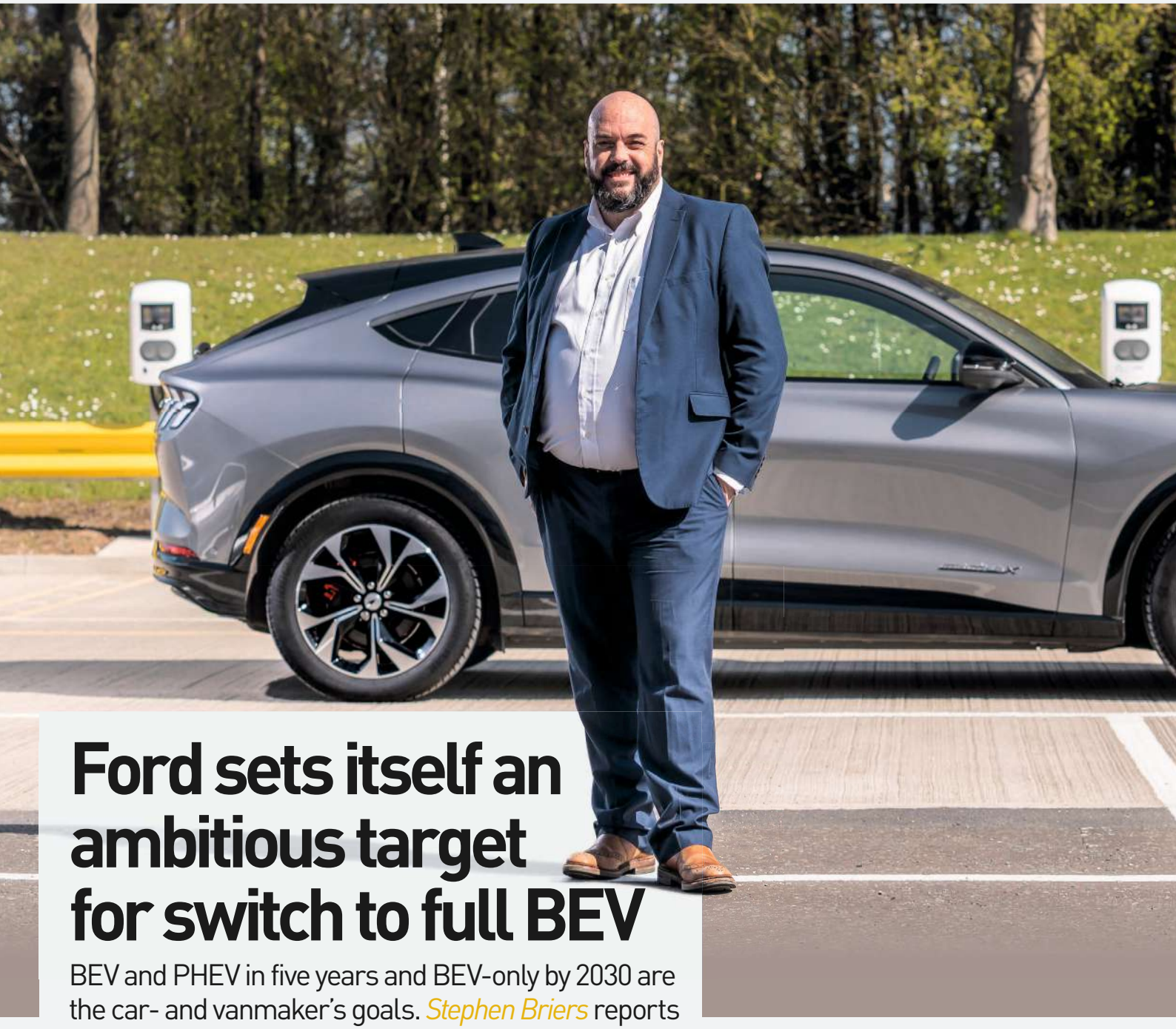
"Employee engagement is important if you are introducing a sal/sac scheme. You need to invest in the communications and give everyone a chance to raise concerns – this is invaluable. "

The other notable challenge was the work to ensure the company would continue to benefit from the panel approach to funding.

"It took us some time to establish with Knowles the website with the feeds from the leasing companies so, when our drivers were getting quotes, they were getting that instant benefit of multiple party quotes," Dundas says. "That made implementation harder compared with going to a standard sal/sac provider."

He adds: "It was the first scheme to deliver a panel approach for salary sacrifice with CLM. And we were also able to add one or two funders thanks to the automated feed through the Knowles platform."

The panel is reviewed quarterly with CLM. Those unable to compete on price or terms are periodically replaced by others offering a better proposition.



Ford sets itself an ambitious target for switch to full BEV

BEV and PHEV in five years and BEV-only by 2030 are the car- and vanmaker's goals. *Stephen Briers* reports

Ford has been dominating the headlines in recent months following a flurry of announcements defining its roadmap for the next decade.

At the tail end of 2020 came the reveal of its first purpose-built all-electric car, the Mustang Mach-E, available to order now, and its first full electric van, the E-Transit, due for release in early 2022.

Hot on their heels came the launch of Ford Fleet Management, a joint venture with ALD offering fleets of all sizes funding and fleet management services.

In February, it entered a global strategic partnership with Google to develop connected vehicle services and infotainment systems.

Then came the big one: its intention to go completely battery electric (BEV) and plug-in hybrid (PHEV) across its entire car range in the UK by 2026, and BEV-only by 2030, plus a commitment to having a zero-emission BEV or PHEV option for each van model within three years.

And, most recently, Ford revealed it would no longer make the archetypal repmobile Mondeo from 2022, bringing an end to almost three decades of production in the family car D-segment.

Plenty to talk about, then, as we shared screen time with Ford of Britain fleet director Neil Wilson shortly after his 18-month anniversary in the role.

JUGGLING WITH THE CHALLENGES

Like his peers, Wilson has been juggling his way through the coronavirus pandemic while planning strategy at, arguably, the most disruptive time in the automotive industry, as new fuels, purchasing models, mobility options and funding methods jostle for favour.

However, it also presented an opportunity to get important customer feedback on Ford's business proposition and interaction with customers.

Those conversations reinforced the importance of a responsive culture, working in partnership and offering the right products and services. The mobile van servicing network, for example, has been "a key asset" and is being expanded – it's now a common request on fleet tenders.

Keeping vehicles and drivers on the road has become paramount as fleets strip out any business flab and run leaner and tighter operations than ever before.

Consequently, Wilson advisedly describes the launch of the Ford Liive (yes, two "i"s) uptime software for vans as its "biggest launch".

Ford Liive uses real-time data to provide fleets with vehicle-specific maintenance information across more than 250 data points, including oil life, fuel performance and AdBlue levels, enable personalised scheduling of servicing at the most efficient time and send notifications when an action

Neil Wilson and the all-electric Mustang Mach-E which will spearhead Ford's move into electric

COMPANY: Ford of Britain
HEAD OFFICE: Warley, Essex
FLEET DIRECTOR: Neil Wilson
TIME IN ROLE: 20 months
Q1 TOTAL CAR SALES: 36,072 (down 17.7%)
TRUE FLEET: 6,470 (up 1.1%)
RENTAL: 1,697 (down 66.5%)
MOTABILITY: 6,619 (up 16.7%)
FLEET CAPTIVE: 1,970 (down 37.9%)
Q1 VAN SALES: 34,047 (up 48.9%)
Q1 VAN MARKET SHARE: 34.55%

> "I'VE BEEN IMPRESSED WITH HOW FORD AND OUR DEALER NETWORK HAVE RESPONDED TO OUR CUSTOMERS. WE'VE HAD TO LEARN TO BE ADAPTABLE – AND I'VE GIVEN UP TRYING TO PREDICT WHAT'S GOING TO HAPPEN"
>
> **NEIL WILSON, FORD OF BRITAIN**

is identified that could help prevent a breakdown.

Ford projections suggest it could cut vehicle downtime by up to 60% and roadside assistance callouts by 30% due to fewer breakdowns and workshop visits and by enabling shorter servicing/repair times.

More than 100,000 vans in the UK have the necessary modem installed; it's been standard-fit since 2019.

Next year, that number is forecast to double.

The free service can be accessed via the FordPass Pro app for businesses with up to five vehicles and via a vehicle health dashboard in the Ford Telematics tool for larger fleets.

"A Ford Liive centre will know where the vehicle is and can work with the dealer so the vehicle is triaged and put back on the road quickly by prearranging parts supply," Wilson says.

"We are also trialling virtual headsets to connect the engineer at Dunton (Ford's technical centre in Essex) with the dealership so they can help sort any issues in real time."

Later this year, Ford will introduce a replacement vehicle offer for any van it is unable to fix within 24 hours at a dealership.

"We want to achieve 100% uptime – that's our journey," Wilson says.

Ford Liive could potentially be rolled out to cars as well as vans, although Ford has yet to confirm if, or when, this will happen. Its immediate priority is to get all fleets to sign up to the service by giving their permission for Ford to switch on the modem.

"The power is the data – it will maximise their efficiency and keep vehicles on the road," says Wilson. "Our desire is for all customers to have access – it's a game changer in how we look after our fleet customers."

The data can also be accessed by leasing companies, subject to permissions, enabling them to more effectively manage uptime for their customers.

Also high on the fleet agenda is business simplification: with fleet management, telematics and EV strategies congesting the fleet ether, Ford needs to guard against over-complicating its business relationships.

"One of our workstreams is to simplify our touchpoints and relationships with customers," says Wilson. "We will be trialling different approaches with different customers. But we know that flexibility means a better service."

He adds: "Over the past 12 months, I've been impressed with how Ford and our dealer network have responded to our customers. But we've had to learn to be adaptable – and I've given up trying to predict what's going to happen!"

VAN REGISTRATIONS EXCEED EXPECTATIONS

The car market was tough throughout 2020 – Ford's registrations fell year-on-year for 10 of the 12 months, including every month from September. However, over those final four months, its van registrations were up year-on-year, exceeding expectations.

"Vans have proved how important fleet is to the British industry in keeping business moving," Wilson says.

It's fair to say that Ford has not been an electric trailblazer, despite trialling an electric version of the Focus for a few years from 2013. Its first purpose-built full electric vehicle, the impressive Mustang Mach-E, only launched in the UK this month – although the order bank exceeded expectations – but Wilson believes the timing is right as interest from fleets starts to accelerate.

It has also encountered battery overheating issues on the Kuga plug-in hybrid due to cell contamination – work to install a new drive battery pack has now been completed – which hampered registrations in the final quarter of 2020.

However, Ford now joins a growing throng of carmakers committed to switching their entire car ranges to BEV and PHEV ahead of the 2030 new car sales ban – in Ford's case 2026, going BEV-only four years later.

Given its fleet model mix remains heavily weighted towards petrol (39%) and diesel (33%), with a further 22% mild hybrid, the 2026 deadline is an ambitious, though clearly laudable, target.

FUELLING CHANGE GATHERS PACE

Nevertheless, the rate of change is gathering pace – in 2019, 58% of Ford's new car registrations were petrol and 39% diesel. The remaining 3% were petrol hybrid. And the Kuga points the way ahead: PHEV accounted for around two-thirds of fleet order take when the car was in full production.

The build-up to the identical 2030 ban on sales on new petrol/diesel vans will be slower and, from Ford's perspective, a little less prescriptive. It has committed to offering a BEV/PHEV option across its entire light commercial vehicle line up by 2024 but will continue to offer diesel options for these workhorses of the fleet landscape.

A BEV Custom will be added to the existing PHEV derivative in 2023, while trials of the all-electric 217-mile range E-Transit begin this year with early demos arriving towards the tail end. Feedback from the partner fleets will feed into the official launch in 2022, which mirrors the approach Ford took with the Custom PHEV in 2017.

"Lots of customers are talking about electrification in their CV line up but it's a blend of BEV and PHEV – it's hard for them to go sole BEV," Wilson says.

He's far more bullish about the prospects for cars, and the implications for the company car market as a whole.

"By 2023-24, we see electric becoming the most dominant powertrain in the fleet sector," says Wilson. "We're also seeing companies that have moved to cash now rethinking their policies, and some are adopting EV policies thanks to the low benefit-in-kind (BIK) tax. We anticipate a resurgence in company car schemes and salary sacrifice."

Vanarama boss boldly predicts five-fold deals growth by 2025

Drivers' greater willingness to buy online, prompted by the pandemic, suits brokering company well. *Matt de Prez* reports

Five-fold growth ambitions might seem a bit optimistic for a business operating in the automotive sector right now, given the bleak picture painted by recent vehicle registration figures. But, with an operating model perfectly suited to the changing way people acquire cars and vans, Vanarama looks to be on course for success.

Company founder and CEO, Andy Alderson, predicts that, by 2025, the company will be brokering up to 125,000 deals per year – a significant uplift on the 24,000 expected by the end of this year.

Newcomers in the automotive retail sector such as Cinch and Cazoo, along with moves by some of the big players in the FN50, including LeasePlan and Zenith, are paving the way for a new

FOUNDER AND CHIEF EXEC: Andy Alderson
HEADQUARTERS: Hemel Hempstead
EMPLOYEES: 230
ANNUAL SALES: 24,000 (est)

> "IN 2018, ABOUT 16% OF PEOPLE SAID THEY WOULD BE HAPPY TO BUY A CAR ONLINE. BECAUSE OF COVID, THAT NUMBER HAS NOW GONE UP TO NEARLY 60%"
>
> **ANDY ALDERSON, VANARAMA**

online-focused car buying norm, Alderson says.

Vanarama is, essentially, a technology company, harnessing the power of its advanced in-house developed software to aggregate the market's best leasing deals and present them in a consumer-friendly online search.

Its website attracts up to a million visits a month and offers a wholly contactless process that can see a car deal completed in a couple of minutes.

The consumer offer sits alongside a full fleet management provision, supplying businesses of all sizes with vehicles, telematics, driver training and compliance services, as well as insurance.

Fleets are keenly on Vanarama's radar, currently making up around 20% of the 50,000 live contracts it has, but Alderson believes the traditional company car market is unlikely to present much growth opportunity in the next 12-18 months.

"We'll see an increase in the mini fleets," he explained, "lots of businesses have been forced to set up home delivery services to keep some money coming in during the pandemic, but, it's been so successful for them, they're planning to keep going full-time."

While Vanarama's fleet volumes will continue to grow, Alderson believes personal leasing will continue to fuel the company's rapid growth.

One of the company's clients has just pulled out of a 5,000-strong car fleet and switched its employees to a car allowance.

Alderson explains: "They've given us preferred supplier status for staff who've got company car allowances because we get the best discounts from the manufacturers and we also get the best rates from the leasing companies."

He says that, as more drivers exit company car schemes, they are drawn to all-inclusive lease deals that give them a similar experience to what they are used to.

ONLINE FOCUS FROM THE START

Alderson's career started in car dealerships, where he specialised in finance and leasing. In 2003, while working at a Citroën dealership, he was presented with an opportunity to acquire a batch of Citroën C5 diesels that needed to be registered imminently or they'd have to be crushed due to emissions regulations.

Having looked over the numbers, and factoring in the incentives being offered by Citroën at the time, Alderson realised he could offer the cars at a substantial discount and with interest-free finance for two years, while still making a respectable profit for his dealership.

He decided to take all the cars available, agreeing to a £6 million gamble on 275 vehicles.

In order to shift the C5s as quickly as possible, and with prior experience of selling used cars online, Alderson set up a website and a freephone number then placed a half page ad in the *Daily Mail*. The orders came in quickly and 90% of the customers didn't even visit the showroom. All the cars were shifted in just six weeks.

"That was when I knew my future was selling vehicles online and for a monthly payment," Alderson says.

MOVE INTO LEASING

The Vanarama story began a year later, in 2004. Initially specialising in selling used cars online, once Alderson had built up enough of a trading history to attract the attention of leasing companies, he set out to broker deals on vans and pick-ups.

"At that point, commercial vehicles were easier to sell than cars online," says Alderson. "Car buyers were still very emotionally attached to the type of vehicle they drove and its specification.

"The van customer knew they wanted a Transit-sized vehicle, but it didn't have to be a Ford Transit. It could be a Vauxhall Vivaro, a Renault Trafic or a VW Transporter."

This meant Alderson and his team could find vehicles that were best suited to a customer's needs and budget, therefore offering the best deal, rather than trying to find something in a particular colour or specification.

"Now customers talk about costs," says Alderson. "60% of the queries on our website start with 'what can I get for £300 or £400 per month?'. So that conversation around 'what type of vehicle do you want' is now much more about 'what can I get for my budget?'."

SWITCHING FROM VANS TO CARS

It wasn't until 2018 that Vanarama took the decision to focus more actively on car leasing. Until that point it had largely entertained enquiries from existing van customers who wanted a good deal on a personal car or some for their business.

While he acknowledges the pandemic has led to a surge in online car buying, Alderson believes it has only accelerated a trend already underway.

An Auto Trader car buying report in November 2018 found that 85% of people were dissatisfied with the traditional car-buying experience.

Alderson says: "What happened during that time was that more and more people started buying vehicles online. They didn't like the time it took to drive around dealerships, collecting prices and comparing specs, the four-hour grind of negotiating the price – that was 2018. I think at that point about 16% of people said they would be happy to buy a car online. Because of Covid, that number has now gone up to nearly 60%."

This year, Vanarama expects to broker 24,000 deals, that's double what it managed in 2019 – highlighting the strength of this emerging market.

Alderson says: "Selling used cars online has always been the more difficult one, because the problem for used cars has always been that, until you see it, you don't really know what the condition is. You can have two used cars with exactly the same mileage, but they can be very different.

"What's happening now is you've got the likes of Heycar, Cinch and Cazoo throwing so much money at marketing, it normalises buying everything online and it certainly makes it much easier to sell new cars online."

TALKING TELEMATICS

The technology continues to be one of the hot topics in fleet management, with decision-makers always keen to discuss the pros and cons. *Catherine Chetwynd* reports

Telematics remains one of the most talked about technologies for fleet decision-makers.

Those who have it want to tell others about how and why they use it, while those who do not use it want to know about its benefits and drawbacks.

In this feature, we put to telematics suppliers some of the questions and concerns posed by members of the *Fleet News* Advisory Board, which comprises some of the UK's leading fleet operators.

WITH INCREASING AMOUNTS OF DATA COMING DIRECT FROM VEHICLES, WHY SHOULD A COMPANY INVEST IN TELEMATICS?

Many manufacturers (OEMs) such as Citroën, Peugeot, BMW and Ford are using connected car technology to record data, but this provides discrete datasets and has no standardised format.

This information may be easily available to garage technicians and some to the driver via the dashboard, but not to the fleet manager.

To mitigate this, Geotab, for example, has partnered with OEMs internationally to provide customers with the best of all worlds.

However, there is another downside, according to Vince Powell, managing director of AX Innovation.

"As manufacturers look to monetise the data available from their embedded solutions and with pricing yet to be normalised across the industry, it can cost nearly as much to receive data from an OEM as it can to implement an aftermarket device," he says.

"Using a third-party telematics supplier means fleet decision-makers can cover all makes and models with one solution and maintain control and ownership of the data."

WHY IS THERE SUCH LOW TAKE-UP OF TELEMATICS AND HOW CAN THIS BE INFLUENCED?

For some, there is still a feeling that telematics are a pernicious combination of spy and bossy passenger and, where company cars are perk cars, there is little reason for fleet managers to install a black box.

But for business-need fleets, using telematics to implement a safety policy can bring numerous commercial benefits: by driving in a more responsible fashion, employees save on fuel and wear and tear, and reduce the number of collisions, putting telematics firmly in the category of cost savings.

It is essential that telematics is adopted from the board downwards; if the chief executive is not engaged with the process, no one else has reason to be.

The duty of care argument is also a strong one for both employer and employee, while suspicions of 'spying' can be allayed by using a system that can be switched off for private journeys.

MY CFO WANTS ME TO DEMONSTRATE ROI. IS IT POSSIBLE TO PREDICT THAT BEFORE INSTALLATION?

Telematics companies can extract data from client organisations that are in the same sector with similar size fleets, but the ability to forecast return on investment (ROI) is likely to rely on an organisation already having accurate data.

It is also important to act on the data you have; if a small percentage of drivers is shown to be consistently speeding, unless their manager discusses this with them, that is not going to change.

"Telematics can also help coach employees to drive smarter, minimising speeding, harsh braking, idling etc., turning them into safer and, therefore, greener drivers, which contributes to ROI," says David Savage, associate vice-president, UK & Ireland, for Geotab.

"We recommend customers trial a system before committing and use that as a business case to put forward to the board," says James Dewhurst, of Webfleet.

One Webfleet client installed telematics in five out of 200 engineer vehicles and asked drivers how much time they had saved on filling in mileage claims manually. The answer was, on average, 45 minutes a month each. Charged at £30 per hour, this amounted to a saving of £22.50 per driver – or £4,500 for the entire fleet.

"That paid for the system," adds Dewhurst.

FITTING A TELEMATICS UNIT IS A LARGE CAPITAL EXPENSE. DO SUPPLIERS ENSURE USERS UNDERSTAND THE BENEFITS AND LIMITATIONS OF THE TOOLS? AND WHAT FUTURE-PROOFING DO THEY DO?

The cost of installation can be sometimes be rolled into a monthly tariff, effectively removing capital expenditure.

"It is important the supplier understands the main reasons a buyer wants it – time and attendance, maintenance, risk reduction, then we can recommend options the fleet manager hadn't thought of: different modules, lone worker risks," says Steve Thomas, managing director of CTrack, which offers a monthly tariff.

Many organisations lease or rent equipment, which also removes a big upfront expenditure.

Although the software is installed with numerous tricks of the trade, the supplier can activate the bits buyers want, turning on more as required. In addition, "our box connects to the tachograph and downloads data remotely", says James Dewhurst of Webfleet.

Future-proofing lies mainly in the software, and that can be updated continually and remotely.

A number of telematics suppliers also take into account the move towards electric vehicles (EVs) and give fleet managers access to detailed battery health data.

WHAT ARE THE PRIORITIES WHEN INTRODUCING DRIVERS TO A SYSTEM TO ENSURE IMMEDIATE AND CONTINUING ENGAGEMENT AND FAITH?

Honesty and transparency are all. Without those, drivers have no reason to believe the system is to their advantage.

Ensure they understand what motivates the collection of data: duty of care, safer driving, etc. and involve them from the outset.

"Motivation and reward are also useful ways of building trust and engagement; for example, monitoring drivers encourages them to be safer on the road, which can lead to increased fuel savings and a reduction in environmental impact," says Alberto de Monte, business segment director, sustainable mobility at Masternaut.

Dashcams are a particular sticking point and it is important to emphasise the benefits to the driver, particularly for insurance claims – a record in their defence when a third party is at fault.

HOW TIME CONSUMING IS THE INSTALLATION PROCESS AND WILL THIS AFFECT VEHICLE WARRANTIES OR SERVICING? AND HOW DOES SWITCHING TOOLS ON SHORT-TERM HIRE VEHICLES PLAY OUT?

"There will be no issues at all," says Peter Mansfield, group sales and marketing director at Trakm8.

"Our engineers place our most powerful solutions behind the dashboard and ensure the vehicle looks just as it was before."

This is true of most systems and installing a black box connected to the CAN bus generally takes 60 to 90 minutes, but suppliers also have plug-and-play versions which are attached to the on-board diagnostic port (OBD). These ensure speedy and easy transfer from one vehicle to another; the device recognises the new vehicle and updates the file.

The latter version will become increasingly valuable as grey fleets grow – a significant factor since lockdown brought working from home to the fore.

However, "installing telematics is a significant proportion of the cost of implementing a solution, and that varies considerably dependent on the point at which the device is installed", says Vince Powell, of AX Innovation.

"As more vehicles are delivered directly to drivers, this is becoming more challenging. Most cost-effective is for fleet managers to arrange for devices to be fitted at the vehicle supplier during the pre-delivery inspection (PDI)."

"OUR ENGINEERS PLACE OUR MOST POWERFUL SOLUTIONS BEHIND THE DASHBOARD AND ENSURE THE VEHICLE LOOKS JUST AS IT WAS BEFORE"

PETER MANSFIELD, TRAKM8

DATA COLLECTION AND GDPR: HOW DO I ADDRESS THIS WITH DRIVERS AND WHAT SUPPORT CAN TELEMATICS PROVIDERS GIVE CUSTOMERS ON MANAGING GDPR?

"General Data Protection Regulation (GDPR) has not made a great deal of difference," says CTrack's Steve Thomas.

"There are guidelines about identifying individuals and how long you keep their data, and our GDPR team gives advice as to best practice.

"If you are looking at driver behaviour, you need to know who is driving a vehicle and that is a legitimate reason for having information that identifies the individual; it has to be justifiable under business risks.

"You cannot use telematics to see what someone is up to at the weekend. That would be breaching GDPR. It has to stand up to scrutiny."

Ask suppliers to demonstrate they are GDPR-compliant. Drivers can turn off telematics devices, except mileage, ensuring they can access private mileage for benefit-in-kind (BIK) purposes.

> "YOU CANNOT USE TELEMATICS TO SEE WHAT SOMEONE IS UP TO AT THE WEEKEND"
>
> **STEVE THOMAS, CTRACK**

I'M CONCERNED ABOUT BEING OVERWHELMED BY DATA GENERATED BY TELEMATICS

These days, the information a fleet manager can see from telematics is customisable, ensuring they see only what they need to at any given moment.

For example, "Trakm8's online dashboard can be packed with graphs and tables or only hold the information fleet managers need; we can work with customers to create the required set-up to ensure they get the best out of their fleet," says Peter Mansfield, of Trakm8.

HOW CAN WE USE EXISTING FLEET DATA TO PRE-EMPT UNEXPECTED BAD NEWS AFTER INSTALLING TELEMATICS?

"Most customers would already know they had a problem, but might not know how widespread it is," says Webfleet's Dewhurst.

"If the data was so different in a bad way, that can only prove the value of having a system, and that is where trials come in."

Also, telematics delivers information on around 25 areas of a business, but it is likely that two or three of these will represent 90% of the problem, either financially or in high-risk drivers. Concentrate on the areas of greatest impact.

WHAT TRUE INNOVATION IS COMING DOWN THE LINE WHICH WILL MAKE US THINK 'I NEED THIS IN MY LIFE?'

Artificial intelligence (AI) and machine learning are two of the main factors already influencing telematics and will continue to do so.

"This will not only allow faster and more accurate processing. Excitingly, it will mean the data can be used to provide predictive solutions too," says Alberto de Monte of Masternaut.

This includes predictive risk of breakdown linked to tyre pressure or temperature.

Webfleet is piloting tyre pressure monitoring systems (TPMS), which will launch on June 1.

"We take that information and stitch it into drivers' workflow to alert them to get a new tyre during a break; there is increased efficiency because there is no downtime," says Webfleet's Dewhurst.

Visiontrack uses computer vision technology to analyse a video and extract information such as whether the driver is tailgating, indicating late use of indicator when moving or suffering fatigue/lack of concentration at the wheel.

"Computer vision will categorise videos into distracted drivers, fatigue, on mobile phone, and gives them a real-time alert that also goes to their base after three warnings," says Richard Lane, commercial director at Visiontrack.

CTrack has added voice recognition to technology, allowing fleet managers to talk to the system and get a spoken answer and AI and machine learning bring a proactive element to data.

Book now at register.virtualsmarttransportconference.com

VIRTUAL

SMART TRANSPORT CONFERENCE

8 and 9 June 2021

Understand the latest thinking on Government policy

•

Discover new transport technologies, innovations and applications

•

Get up-to-date advice and plans on tackling transport emissions

•

Gain and share best practice on responding to changes fuelled by the pandemic

•

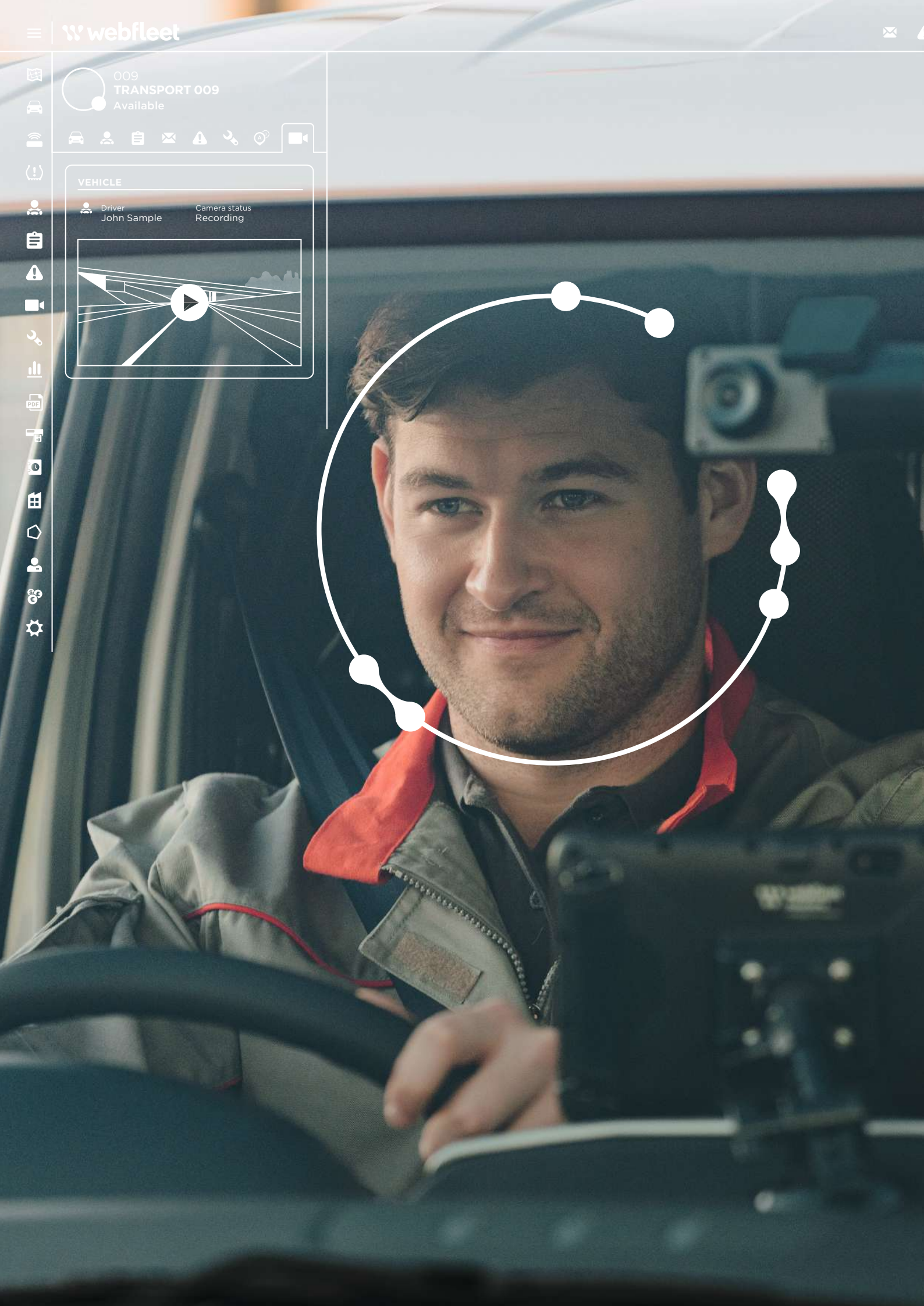
Engage with senior public and private sector transport decision-makers through debates and live Q&As

Book now at
register.virtualsmarttransportconference.com

Headline strategic partners

ABB centrica DAF enterprise FedEx GEOTAB management by measurement

LIBERTY CHARGE LeasePlan MACQUARIE RALEIGH RENAULT Passion for life Worldline


webfleet
009
TRANSPORT 009
Available
VEHICLE
Driver
John Sample
Camera status
Recording

From reducing the cost of claims to safeguarding your entire fleet

Best-in-class video telematics from Europe's #1 fleet management provider

WEBFLEET Video combines dashcam footage with driving data to give you the full context of road incidents in real time. Meanwhile, the CAM 50 uses AI technology to identify risky behaviour and alert the driver, helping them avoid danger. This best-in-class solution supports you to increase safety, lower premiums and reduce downtime, and can be configured to meet your specific privacy needs.

Let's drive business. Further.

webfleet.com/CAM50

webfleet solutions
a Bridgestone company

Company Car IN ACTION

THE REBIRTH OF THE COMPANY CAR

THE MANUFACTURERS

ABARTH, ALFA ROMEO, FIAT, JEEP

CCIA will be the first UK opportunity for fleet operators to see the all-new Fiat Ducato Electric. Fiat will be bringing the first vehicle to arrive in the UK to the event. Fiat will also be showcasing the 500 Electric.

Fleet operators can also test the new Jeep Renegade plug-in hybrid alongside models from Abarth and Alfa Romeo.

FORD

Ford will demonstrate its range of hybrid, plug-in hybrid and fully electric models at this year's CCIA. Ford has already committed to only sell zero-emission capable cars by 2026 and its team will be on hand to assist fleets in understanding the transition to these new types of powertrain.

MG

MG will be offering test drives of the MG ZS EV and new MG5 EV at Company Car in Action; together with the newest addition to its range, the MG HS Plug-in Hybrid.

BMW GROUP

BMW Group will be offering a large range of models to drive at CCIA, including the new BMW 4 Series and the Mini Electric, plus a selection of plug-in hybrids, including the 330e Touring.

JAGUAR LAND ROVER

Jaguar and Land Rover will be showcasing its new range of plug-in hybrid models, including the facelifted E-Pace and F-Pace, plus the Range Rover Evoque and Land Rover Discovery Sport. Commercial versions of the new Land Rover Defender and Discovery will also be at CCIA this year.

NISSAN

Visit the Nissan stand to experience the 100% electric Leaf and e-NV200 van. You can discuss electrifying your fleet with one of its on-hand EV experts and find out more about Nissan's Energy Services and Integration solutions. Visitors will also have the chance to drive the all-new Qashqai.

BOOK NOW FOR 2021

The fleet industry's biggest multi-brand 'drive and decide' event makes a welcome return this year offering visitors the chance to test drive key models from the biggest players in fleet.

Fleet decision-makers and influencers can now go online and book their place to attend Company Car in Action (CCIA) which takes place on June 23 and 24 at Millbrook Proving Ground in Bedfordshire.

Electric and hybrid models are expected to dominate the show in what *Fleet News* is calling 'the year of the EV'. They can be put through their paces on Millbrook's extensive testing ground – from the high-speed bowl where you can test the vehicles at motorway speeds, to the 'city route', which provides the ideal setting to try out low speed manoeuvrability and driver assistance systems.

There will also be informative seminars covering salary sacrifice and grey fleet management over the two days, in response to the growing number of companies looking to offer sal/sac as part of a benefits package and the fact that more staff are using personal cars for work purposes through the growth in affinity schemes and cash allowances.

After a year of delays and uncertainty, this is your opportunity to make important decisions about which electric brands and models are right for your fleet, the event will provide you with the perfect opportunity to meet and network with manufacturers and discuss your requirements.

The mostly outdoor event will take place in line with the latest guidance. The team behind the event has worked alongside AEO (Association of Event Organisers) to develop the All Secure Standard, an industry-wide benchmark for the safe return of organised events, so you can attend with confidence.

23-24 June 2021 • Millbrook Proving Ground companycarinaction.co.uk

POLESTAR

As one of the newest car brands in the UK, Polestar will be offering CCIA visitors the chance to drive the Polestar 2 electric car, which is now available with a range of battery and powertrain choices.

RENAULT

Renault's expanding range of E-Tech models, including the fully-electric Zoe, plug-in hybrid Captur and Megane, plus the new Clio Hybrid will be at CCIA. The new Arkana E-Tech will also debut.

TOYOTA & LEXUS

Toyota & Lexus has launched new zero-emission models such as the hydrogen-powered Mirai, electric Lexus UX 300e and Toyota Proace Electric van since the CCIA in 2019. It also has seven new hybrids to showcase, including the RAV4 plug-in hybrid.

PORSCHE

Porsche will return to CCIA for the third consecutive year, offering visitors the opportunity to drive the new fully-electric Taycan; as well as the Macan and hybrid versions of the Cayenne and Panamera.

TESLA

Tesla will make a return to CCIA this year, showcasing its Model 3 electric saloon to fleet decision-makers.

The brand's entire corporate sales team will be in attendance to answer questions about its range of electric cars and to discuss how Tesla can support your fleet.

VOLVO

Volvo has committed to become a fully electric car company by 2030, therefore the Volvo XC40 Recharge Pure Electric will be a key model at CCIA, alongside a range of Volvo plug-in hybrid vehicles.

MINI · NISSAN · Polestar · PORSCHE · TESLA · LEXUS · VOLVO

TOYOTA MIRAI DESIGN PLUS

Mirai is big advance on predecessor, but lack of hydrogen fuelling infrastructure may hold it back

By Andrew Ryan

As the registrations of battery electric vehicles (BEVs) set new records every month, few topics in the sector create such a divide as hydrogen-powered fuel cell cars.

Critics point to issues such as the lack of refuelling infrastructure and the amount of energy which is used to create the hydrogen to fuel the cars as reasons why BEVs are the best solution for zero-emission motoring.

However, the vast investments being made by organisations and governments in the technology suggests hydrogen will have a major role to play in the decarbonisation of transport in the future.

Toyota is one of the companies at the forefront of the technology and stresses that it does not see fuel cell as an either/or situation with BEVs, more as a complementary technology which will suit some circumstances better.

It has just launched its second-generation Mirai, which is bigger, more powerful, cheaper and able to travel further when fully refuelled than its predecessor: it now has a range of around 400 miles, a 30% increase on the previous model.

Toyota has also reduced the price by up to 24% compared with the previous model.

The entry point to the range is Design trim which has a P11D price of £49,940, mid-range Design Plus Pack is £53,940 and range-topping Design Premium Pack £69,940.

Standard equipment on Design includes heated front seats, reversing camera and a JBL sound system.

The hi-tech interior includes a 12.3-inch infotainment screen

Design Plus adds synthetic leather upholstery, blind spot monitor and front parking sensors, while Design Premium features leather upholstery, a panoramic sunroof, ventilated front seats and a head-up display.

The manufacturer has also announced business contract hire rates for the range and these, excluding VAT, are £435 per month for Design – a £300 saving over the previous model – £450pm for Design Plus Pack and £609pm for Design Premium Pack. These include maintenance and are for a three-year/36,000-mile term.

The figures for new Mirai look much better than they did for the outgoing model, and this improvement is also true for the car itself. It is much sleeker than its predecessor and a much better fit for the style-conscious executive sector than the original unconventionally-styled Mirai.

This sentiment also extends to the interior. It feels suitably hi-tech and premium, and includes a 12.3-inch infotainment touchscreen and TFT instrument cluster.

Quality is high, although it is not the most practical despite the overall size of the car: other competitors in its class offer more rear legroom, while the boot is smaller than its rivals at 321 litres.

However, the driving experience is very much in keeping with the technology and style. It's a comfortable, exceptionally refined and relaxed drive rather than a sporty one.

Mirai's powertrain produces 182PS – 10% more than its predecessor – and acceleration is adequate rather than the instant surge offered by some BEVs, but that level of performance would feel somehow inappropriate in this car.

As a vehicle and a showcase for fuel cell technology it's an impressive package, but it is difficult to judge the Mirai in isolation without considering the limitations placed on it by the current refuelling infrastructure.

UK sales have started, with reservations accepted prior to customer deliveries beginning later this year, and, although on its merits Mirai deserves a wider take-up than its predecessor had, it won't currently suit the majority of fleets.

Organisations such as Green Tomato Cars and London's Metropolitan Police have shown through their use of the previous model that the technology can be successful when used in the right circumstances, and, if these apply, the new model is certainly worthy of consideration.

FLEET PICK
TOYOTA MIRAI DESIGN PLUS PACK

SPECIFICATIONS	
P11D Price	£53,940
Monthly BIK (40%)	£18
Class 1A NIC	£74
Annual VED	£0
RV (4yr/80k)	N/A
Fuel cost (ppm)	N/A
AER (ppm)	4
Running cost (4yr/80k)	N/A
CO_2 (g/km)	0
Range (miles)	400

MINI

Not a full overhaul, but some welcome additions

By Matt de Prez

We're due an all-new Mini as previous generations have been replaced every six years but, following the introduction of the electric version last year, this latest model is actually just another facelift of the Mini that debuted in 2013.

Its arrival coincides with Mini's 20th anniversary of making the 'new' Mini in Oxford – that is, the one co-developed with BMW – and follows its announcement that all newly launched Minis will be electric after 2025.

This isn't the final swansong for a Mini with petrol engine though. The brand has already confirmed that the next-generation car, due in 2025, will be the last to feature combustion engines.

Given that this is only a facelift, the latest Mini hatch has been given little more than a few cosmetic tweaks, most notably a new front bumper and grille arrangement. There are also a number of changes on the inside that improve comfort and usability, including a digital instrument cluster.

More technology from within the BMW Group has also filtered its way down into the new Mini Hatch, with features such as lane departure warning and a stop-and-go function for the adaptive cruise control offered for the first time.

The engine line-up remains unchanged. There's the Mini One, with a three-cylinder 1.5-litre petrol engine, serving up 102PS at the entry-level. The Cooper boosts power to 136PS and feels surprisingly potent in comparison, especially when paired with a manual gearbox.

The Cooper S uses a 2.0-litre engine with 178PS, which remains frugal with CO_2 emissions from 123g/km.

An eight-speed automatic is offered across the range and, while it delivers lower emissions, it can be frustratingly sluggish at times and doesn't suit the rest of the car's on-edge nature.

Whichever engine is fitted, the Mini remains highly engaging. Its razor-sharp steering, weighty controls and rifle-action gearchange deliver a driving experience like no other.

The Mini's driveability is boosted by the introduction of new adaptive dampers, which enable the car to reduce roll and improve stiffness during cornering without impacting on ride quality.

At higher speeds the car remains well composed, making longer motorway trips possible. The sensitive steering can take a little bit of getting used to, however.

Of course, we can't forget the Mini Electric. Benefitting from the same series of updates as its petrol-powered stablemates, the zero-emission model offers a range of up to 145 miles and potent acceleration thanks to its 184PS motor.

The model line-up continues to be offered in three- and five-door configuration, plus convertible, with the exception of the Mini Electric, which is only available as a three-door.

Prices start at £16,370, which is cheaper than an Audi A1 or Volkswagen Polo, while a mid-spec five-door Cooper costs £19,500. Running costs of less than 30 pence per mile make it comfortably more cost-effective than similar models.

At its core, the Mini's key attributes of being affordable, desirable and fun to drive remain intact. In no way does it feel like an ageing model.

FLEET PICK
MINI COOPER 5-DR CLASSIC COMFORT

SPECIFICATIONS	
P11D Price	£19,530
Monthly BIK (20%)	29%/£94
Class 1A NIC	£782
Annual VED	£180 then £155
RV (4yr/80k)	£6,413/33%
Fuel cost (ppm)	11
AFR (ppm)	12
Running cost (4yr/80k)	29.9
CO_2 (g/km)	127
Mpg	50.4

WARDY'S WORLD

By Martin Ward

I've have had a few electric and plug-in electric vehicles recently and have had to use public chargers, as I don't have one at home.

From my experience, public charge points are at best 'hit and miss' and, at worst, unreliable. I know I should get a wall-mounted charger on the side of my house to avoid the uncertainty of a charger that doesn't work, your card is rejected, or the password needs resetting.

But, for many hundreds of thousands, a home charger is a non-starter, given the drivers have no off-road parking.

Near me is Holmfirth and I would say the majority of homes do not have a drive, so would have to have a wire going across the pavement which is a trip hazard or take the risk and travel many miles in the hope of finding a working public charger, then spend hours waiting for it to charge.

As you walk around, or drive, just make a mental note of how many cars are parked on the road. The makers now produce some fantastic EVs that are a pleasure to drive, but are being badly let down by the infrastructure, and lack of off-road home charging.

Bound for Ascot

So, we are off to Ascot for the Fleet News Awards. When I first heard of the venue, I immediately thought 'what a great idea' – a nice change from Central London. It will be so much easier and more pleasant having conversations and catching up with friends and colleagues from the industry, and so much more relaxed while wearing 'normal' clothes and no black tie required... looking forward to it.

D-Max launch

I went to a huge quarry near Buxton for the press launch of the all-new Isuzu D-Max. The choice of pick-ups in the UK is diminishing rapidly, with only really Ford Ranger and Toyota HiLux left. The D-Max gets a new chassis, new body, five-star Euro NCAP, it weighs less than 2,040kg. We drove the D-Max across some pretty daunting terrain, but, as expected, it did everything asked of it.

CORRECTION: Last month's Wardy's World reported that Vauxhall had decided to sell its collection of heritage models. According to Vauxhall, a small number of under-used vehicles are being sold at auction, but the overall collection "is very much cherished and set to be preserved". Apologies for any confusion caused.

JAGUAR E-PACE

Latest E-Pace is quick – to charge and off the mark – but lags in value for money

By Matt de Prez

New E-Pace looks better than ever

Ahead of Jaguar's switch to only making electric cars in 2025, the brand has been busy rolling out updated and more efficient versions of its existing line up.

The E-Pace is among those to receive key updates. Namely a new plug-in hybrid engine and a revised infotainment system.

Unlike the bigger F-Pace, which we reviewed last month, the E-Pace uses a more frugal three cylinder 1.5-litre petrol engine in its hybrid system – the same one that's found in the Land Rover Discovery Sport and Range Rover Evoque plug-ins.

Total output is a respectable 309PS and, combined with the E-Pace's lighter and more nimble chassis, delivers a responsive and engaging drive.

It can utilise a full battery charge for around 34 zero-emission miles, while the combined might of the powertrain can deliver a 0-60mph time of just 6.1 seconds.

Charging the E-Pace can take as little as half an hour, thanks to its 32kW charging capacity, giving drivers the option of boosting efficiency on longer trips without a lengthy delay.

It's not cheap, however, with the P300e priced from £45,000.

The rest of the range, with the exception of the £31,000 entry-level diesel, gets mild-hybrid technology as standard now too.

On the inside, a new Pivi Pro system makes use of an 11.4-inch touchscreen with greatly improved functionality. There is also a digital instrument cluster and re-designed climate controls.

The E-Pace now looks, feels and performs better than ever. It just doesn't look like good value when compared with a BMW X1 or Mercedes-Benz GLA.

MERCEDES GLC PLUG-IN HYBRID

New PHEVs make the GLC attractive to fleets from a running cost perspective

By Matt de Prez

The electric motor copes happily in most urban environments

Mercedes-Benz offers a broad range of powertrain options across its model line-up, so the addition of two new plug-in hybrid engines for the GLC should come as no surprise.

The GLC 300 e and GLC 300 de give fleet customers a choice of petrol or diesel power in conjunction with an electric motor and battery.

Both versions use the same electric 'bits' – that's a 13.5kWh battery and gearbox-mounted electric motor.

The 300 e serves up 333PS, while the 300 de delivers 306PS. Both have the capability to cover around 30 miles with zero emissions.

When it comes to real-world efficiency, the diesel is the economy star. It hauls the GLC around with less fuel burn and also puts out fewer emissions, with a CO_2 output of 49g/km versus the petrol model's 59g/km.

Sitting in the 13% benefit-in-kind tax bracket, the 300 de is also the cheaper of the two for drivers. Neither can match the BMW X3 xDrive30e's 11% banding, but both have lower overall running costs.

Charging the hybrid battery takes around two hours using a 7.4kW wallbox, enabling the GLC to travel at speeds up to 80mph on electric power alone. Drivability in EV mode is impressive. The motor is plenty powerful enough to suit most urban driving requirements, meaning the combustion engine rarely needs to be utilised until longer distances need to be covered.

A facelift in 2019 welcomed updates to the GLC's styling and on-board technology. Now, these new powertrains make it a more attractive fleet choice from a running cost perspective.

JAGUAR XE

XE measures up well against rivals on both benefit-in-kind and price at less than £30,000

By Matt de Prez

The Jag XE is a stylish and comfortable saloon

You have to hand it to Jaguar, the XE has been with us for the best part of six years now and it's still one of the freshest-looking and best-driving models in its segment.

Other than a few nips and tucks over the years, the XE's bones haven't really changed and it's a testament to how well engineered the car was when it launched.

In a recent round of updates, the XE now has an infotainment system that is worthy of being fitted to a premium car. It uses a crisp high-resolution touchscreen and has been totally re-designed with much cleaner graphics, enhanced connected services and a simplified operation.

The engine line-up has also been revised, with just a 204PS diesel and a couple of petrol units on offer.

The D200 makes the most sense for fleets and incorporates mild-hybrid technology to keep emissions down to a respectable 128g/km. It feels significantly more refined and potent than the outgoing 180PS engine.

While the XE has no hope of winning user-choosers over when compared to a plug-in hybrid BMW or Mercedes-Benz from a benefit-in-kind perspective, one must consider that the Jag is available for less than £30,000.

In fact, it's so cheap that a comparable 3 Series diesel would cost £7,000 more and a 330e is some £10,000 more.

When you look at wholelife costs the story is similar. The XE undercuts its rivals considerably, costing less than 40ppm over a four-year cycle, making it as cheap to run as a Tesla Model 3.

The XE is no less of a car that its German rivals, either. It's got the same level of technology and equal performance.

Rear legroom is a little tight and there's no estate option but as a stylish, engaging and comfortable saloon it doesn't put a foot wrong.

KIA SORENTO PHEV

Want to combine the best of SUV and PHEV? The Sorento is well worth considering

By Andrew Ryan

The positioning of the battery means the seven-seat layout is unaffected

Kia's newest Sorento has already established itself as among the best large SUVs on the market and the manufacturer has now bolstered its appeal with a more company car driver-friendly plug-in hybrid version.

The four-wheel drive PHEV combines the 1.6 T-GDi petrol engine with an electric motor, powered by a 13.8kWh battery, giving an electric-only range of 35 miles and CO_2 emissions from 38g/km.

This puts the range in the 11% benefit-in-kind tax band and, with P11D prices starting from £44,940 for the 2 trim level model, 20% taxpayers would face a monthly bill of £82.

Kia expects the entry-level 2 to be the most popular model with fleet customers – it is also available in higher 3 and 4 trim levels – and despite its status, it still offers plenty of equipment, technology and a premium feel.

Practicality is one of the mild hybrid petrol and diesel Sorento's strong points, and despite the addition of the PHEV powertrain, this is almost unaffected in the new model.

There is plenty of room for passengers and, unlike many PHEVs which locate their battery packs under the boot floor reducing cargo space, Sorento has its beneath the driver and front passenger seats, meaning the seven-seat layout is unaffected. This also means boot space, with the third row of seats folded down, remains comfortably among the class best at 809 litres.

Its excellent practicality is backed up by an impressive driving experience. It's supremely refined and comfortable and doesn't feel as big on the road as its practicality suggests it should.

It also feels pretty sprightly, which is reflected through a 0-62mph time of 8.4 seconds, making the Sorento a tempting proposition for someone looking for the practicality of a large SUV with the efficiency and performance of a PHEV.

VOLVO S60

FINAL TEST

T8 R DESIGN

By Matt de Prez

Our time with the Volvo S60 T8 has come to an end and, after seven months and 3,000 miles, it's lived up to all my expectations.

In a Covid-free world I could have quite easily doubled my time behind the wheel of the S60. It makes travelling a pleasure and I'd be lying if I didn't say I was more than a tad disappointed that it's leaving.

Having configured 'my' perfect S60 more than a year ago, its arrival was scuppered by the pandemic. KP70 PVV finally turned up in October 2020, looking even better in person than it did on Volvo's configurator.

I suffered just one glitch during my time with the car, on a journey to Crawley. About two miles from my destination the speakers emitted a loud 'pop' and I lost all sound from the infotainment system. We experienced a similar issue in our XC60 long-term test car. The sound returned after I stopped and switched off the car and didn't happen again.

While the claimed three-digit fuel economy figure for the plug-in hybrid system was insuperable, a review of the car's trip computer revealed a figure of 43mpg was achieved over the course of our test. Fully charged, the battery will comfortably deliver 22 miles of zero-emission running.

Admittedly, if you 'press on' a bit or don't bother to charge the battery, the 2.0-litre supercharged and turbocharged engine can get a bit thirsty. But, with more than a dozen lengthy motorway trips under its belt, the overall figure is close to what I'd expect from a similarly sized diesel car – so no complaints.

It's difficult to tire of the car's point-and-squirt acceleration, but its handling errs on the softer side. Those looking for a more engaging drive might be better suited to the S60 T8 Polestar Engineered, which has uprated suspension.

A BMW 330e might be the obvious choice in this segment, but the S60 is more powerful, more unique and feels a little more special.

MAZDA MX-30

FIRST TEST

145PS SPORT LUX

By Luke Neal

The MX-30 is Mazda's first all-electric car and shares the same underpinnings as the CX-30. It has a lightweight 35.5kWh battery offering a claimed range of 124 miles which Mazda says is far above the average UK commuting distance of 26 miles a day. The MX-30 is available in three trim levels. SE-L Lux (£28,545), Sport Lux (£30,545) and the GT Sport Tech (£32,845)

Key features of our Sport Lux model are 18-inch alloys, privacy glass, front- and rear-parking sensors and reversing camera, LED headlights, keyless entry, heads-up display, 8.8-inch display with sat-nav, Apple carplay and Android Auto. Our test car also has single colour metallic paint which is a £550 option.

A full charge will take around five hours (7.4kWh) while DC rapid charging to 80% capacity will take as little as 36 minutes. All MX-30s come with free installation of a NewMotion home charger.

Performance-wise the electric motor produces 145PS and 271Nm of torque and Mazda claims a 9.7-second acceleration to 62mph and a limited maximum speed of 87mph.

ŠKODA OCTAVIA

SE TECHNOLOGY ESTATE 1.5TSI

By Tim Rose

When, as a company car user, you're bound to spend a good chunk of the working day driving a car, then practicality matters.

I'll concede that the excitement many felt 30-odd years ago about built-in cupholders was rather excessive, but finding neat little touches and gadgets that improve the use of a car is still a small pleasure.

Take the fold-out plastic hooks in the side of the Octavia's bootspace, for example. No, they're not exclusive to Škoda, but they prove that thought has been given to users' preferences to not have to clamber into the boot to reach the wine bottle that's rolled right to the front. And the plastic ice scraper slotted inside the filler cap – no need to use that old Nectar card because you left the de-icer at home.

How about the umbrella hidden inside the driver's door, ready for when you arrive at that appointment in a downpour? All these simple things help the travelling executive arrive smart and unflustered.

The ignorant may still sneer at the Škoda brand, but it aims to be the most valued fleet car manufacturer in the UK. It's taking lots of small steps to get there.

BMW 530E

XDRIVE M SPORT SALOON

Hybrid or electric: which driving mode offers lower fuel consumption and, therefore, fewest CO_2 emissions on the 530e plug-in hybrid?

A series of 12-mile commutes in recent weeks for Fleet News Awards judging presented the ideal opportunity to test both modes.

First electric. The journey to work consists of A and B roads, with speeds ranging from 30mph-to-70mph. Weather conditions were fine with no use of the air-con or seat and steering wheel heaters.

With speed having a significant impact on range, I'd expected the dual carriageway portion to sap the charge, but the on-board computer suggested that, once up to speed, the drain on the battery was low.

The 12-mile journey used exactly 12 miles of range – although it was notable (mentioned in previous tests) that during the first mile or so, the range slumped by three miles. PHEVs need journeys of 10-plus miles to show their true abilities.

Now, what about hybrid? This was a surprise. In this mode, the same commute used just seven miles of electric charge, yet the petrol range only dipped by one or two miles resulting in combined use of just eight-to-nine miles for a 12-mile journey.

FORD TRANSIT

CUSTOM TRAIL 300 L1H1 DOUBLE-CAB-IN-VAN 2.0 ECOBLUE

FIRST TEST **By Trevor Gehlcken**

Being both a great Ford fan and a native of Essex where the brand reigns supreme, I was more than delighted when the lads in the press office offered a Transit Custom for a six-month appraisal.

Originally, it was planned that we would be getting one of the new plug-in hybrids – which would have been a first for *Fleet News* – but given I live in a block of flats with nowhere to plug it in, we plumped for a more traditional diesel variant.

I'm more than happy with my diesel model and I do have my doubts about the Government's current plans to end the sale of diesel and petrol LCVs by 2030. It might work for cars, but I'm not so sure with commercial vehicles that tend to cover greater distances. Needless to say, we'll be keeping a close eye on developments.

In short wheelbase low height guise, it's a double cab-in-van model offering six leather seats up front and a tad over three cubic metres of loadspace in the back. The outside features lots of bling such as mean and moody black Ford nomenclature on the grille and even meaner looking 16-inch black alloy wheels down below.

MERCEDES-BENZ A250E

AMG LINE PREMIUM PLUS

By Andrew Ryan

A slight reshuffle in the *Fleet News* long-term fleet saw me switch into our A250 e AMG Line for a short spell, and I was really impressed with it.

The plug-in hybrid hot hatch looks great and drives well, with a decent balance between sportiness and comfort.

I found it does about 35 miles on its battery alone, although this dropped to high 20s in the colder weather, before switching over to the 1.3-litre petrol engine.

I didn't find an obvious way to switch to a combined powertrain other than accelerating hard, in which case the petrol kicks in to provide extra power.

In those moments there is a hesitancy compared with using electricity alone as the engine kicks in and the gearbox adjusts.

But, when the surge of acceleration comes, it is a decent amount of shove, helping the A-Class live up to its hot hatch billing.

For most of the time the electric-only range has been ample and, with a 7kW home charger, running the A-Class has been enormously convenient, taking just more than two hours to charge the 15.6kW battery.

My time with it has coincided with a number of long journeys, meaning I've been running on petrol-only for extended periods, with the typical miles per gallon reading being in the low- to mid-40s.

The frequency of filling up with petrol seemed to come around pretty quickly and a look at the technical specifications showed why: its fuel tank is 35 litres, eight litres smaller than those in its petrol and diesel siblings.

The longer journeys also highlighted a really nice feature of its built-in sat-nav.

I tend to use Google Maps as I connect Android Auto so I can listen to podcasts but, because I had forgotten to bring along the right USB cable, I had to turn to the car's MBUX system instead.

I was surprisingly thrilled when I found that when approaching a roundabout or a junction where you need to turn off, the car's infotainment screen switches to images from the front camera and massive blue arrows appear on the screen pointing to where you need to go.

As someone with a tendency to misread sat-nav directions and end up taking the wrong turning, this came as an amazing revelation.

CITROËN C5 AIRCROSS

FINAL TEST

FLAIR PLUG-IN HYBRID E-EAT8 PURETECH 180

By Gareth Roberts

Citroën's first plug-in hybrid (PHEV) model – the C5 Aircross – has impressed during its tenure on the *Fleet News* long-term test fleet.

Its quirky good looks reflect the French manufacturer's styling, while it also delivers the comfortable ride synonymous with the brand.

These characteristics, coupled with the ability to drive the C5 Aircross plug-in hybrid in pure electric mode, make for relaxed driving.

The 13.2kWh battery has a claimed electric range of 34 miles, which in real-world conditions has been achievable. Charging takes two hours on a 7kW wallbox or seven on a three-pin plug.

A blue light on the front of the rearview mirror is illuminated when the vehicle is in 100% electric, zero-tailpipe emission mode.

Fuel economy is from 157.2-222.3mpg under WLTP testing but, as with any plug-in hybrid, drive it with a flat battery and you achieve closer to 30mpg.

The 108PS e-motor supplements the 178PS 1.6-litre four-cylinder engine, giving a combined 222PS, which makes this quick for an SUV, achieving 0-62mph in a respectable 8.7 seconds.

There are three drive modes: Electric, Hybrid or Sport, with the switch located between the driver and the gear selector.

The steering and handling are precise, while the eight-speed automatic gear box shifts quickly and effortlessly between gears. The only downside being it can get caught out if you accelerate too hard.

It is also worth noting that, while the C5 Aircross is designed to look like it can head off-road, it is front-wheel rather than four-wheel drive.

Inside, the batteries and e-motor are hidden allowing for a 460-litre boot (600 litres with the seats down), which is more than adequate.

The infotainment system is easy to navigate, while the lane departure system is easily switched off, which is a bonus when, like me, you find it a tad annoying.

Unfortunately, another annoying feature is a whistling noise produced as you approach speed cameras, which I could not disable.

These are not deal-breaking downsides, however. The C5 Aircross plug-in hybrid is great to drive in pure electric mode and delivers in hybrid or sport mode, making it the perfect match for a company car driver who only makes the occasional long journey.

AUDI A3 SPORTBACK

FIRST TEST

40 TFSI E (204PS)

By Sarah Tooze

The A3 Sportback 40 TFSI e is Audi's entry model plug-in hybrid, replacing the A3 e-tron.

It has a 13kWh battery and electric motor alongside a 1.4-litre petrol, giving it a WLTP-certified range of up to 40 miles in electric mode, combined fuel economy of 282.5mpg and CO_2 of 25g/km.

We're testing the range-topping S Line, which would usually be in the 11% benefit-in-kind (BIK) tax bracket, but we've opted to 'downgrade' the wheels so it sits in the 7% band (the same as the Sport).

Our model comes equipped with the comfort and sound pack (£1,195), which Audi says brings together some of the most popular options to "offer improved customer value". These are: parking assist with parking system plus; Bang & Olufsen Premium Sound System with 3D sound; heated front seats; and a reversing camera.

On the road the A3 reaches 0-62mph in a brisk 7.6 seconds and after 765 miles, the Audi has an average consumption of 71.3mpg thanks to plenty of short journeys. I've been regularly charging the car using a domestic socket, which takes five hours from empty.

SUZUKI SWACE

FIRST TEST

HYBRID SZ5

By Jeremy Bennett

The second product of the partnership between Suzuki and Toyota is the Swace, joining *Fleet News*' fleet for six months. It is based on the Toyota Corolla estate – with front design changes – and follows the introduction of a rebadged Rav4, the Across.

The 2019 partnership saw the two buy a stake in each other's companies to unite "Toyota's strength in electrification technologies and Suzuki's strength in technologies for compact vehicles".

And so, like the Across, the Swace is an addition to the Suzuki range and is a hybrid, combining an electric motor with a 1.8-petrol engine. There's no plugging the Swace in: It's 3.6kW battery can power the car in EV drive mode on short distances – Suzuki suggests in residential areas in unsociable hours, "in garages and indoor carparks" – and at low speeds.

The petrol/battery combination contributes to a WLTP combined fuel consumption of 64.2mpg and CO_2 emissions of 99g/km – just inside the band for 23% tax in 2021/22 (and increasing to 24% for the years 2022 to 2025).

The Swace was launched in the UK in December with SZ-T and SZ5 models. Our test car is the latter.

CommercialFleet

Van excellence MEDIA PARTNER

Official Media Partner

Tyre companies are more than just about the rubber

Why tyre makers are expanding into fleet management services

PLUS: DfT SURVEYS ELECTRIC VANS • THE D-MAX PICK-UP PICKS UP • RENAULT TRUCKS 'C' RANGE

DfT survey shows how electric vans are being deployed and where

Price, size, range and capacity are still barriers to uptake, according to operator responses

By Gareth Roberts

The purchase price of an electric van is the biggest barrier to its adoption, according to new research published by the Department for Transport (DfT).

It shows that more than a third (38%) of van operators say electric vehicle (EV) pricing is the number one roadblock to making the switch. A further 30% of respondents to the DfT survey said the size, range and capacity of ultra-low emission vehicles (ULEVs) were not suitable for their needs.

The findings come after the Government decided to cut the plug-in van grant and changed the eligibility criteria (commercialfleet.org, March 18).

Plug-in van customers had been eligible for a 20% reduction on the vehicle purchase price, up to a maximum of £8,000. However, the DfT announced in March that the plug-in van grant would, with immediate effect, equate to 35% of the purchase price for small vans, up to a maximum of £3,000 and 20% of the purchase price for a large van, up to a maximum of £6,000.

There was surprise from many in the fleet industry that ministers had decided to apply cuts to both the plug-in car and van grants, instead of maintaining, or increasing, the funding for electric light commercial vehicles (eLCVs), particularly when they form such a small percentage of the vans operated in Britain.

DIESEL'S DOMINATION

Newly released DfT data shows that nearly all vans are powered by diesel (97%). Of the 'other' fuel types (not petrol or diesel), battery electric was the most common fuel.

The proportion of vans classed as ultra-low emission vehicles (ULEVs), emitting less than 75g/km of CO_2, was just 0.3%.

The proportion of vans classed as ULEVs also varied by region, according to the DfT data.

London had the highest proportion at 0.6%, which accounted for 12% of ultra-low emission vans in Great Britain, but only 5% of all vans.

The West Midlands had the second highest proportion (0.4%) and accounted for 16% of all ultra-low emission vans operated, compared with 11% of all vans.

Wales had the smallest proportion at 0.1%, accounting for 3%, compared with 5% of all vans.

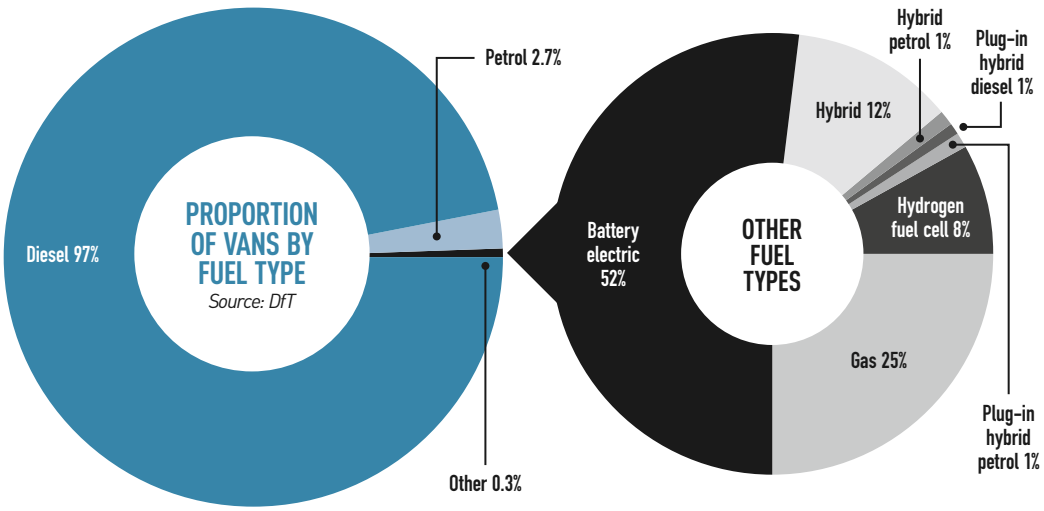
The number of ultra-low emission vans being adopted is increasing, however, with new plug-in van registrations, which qualified for the grant, hitting 5,863 last year (see graph opposite).

In 2012, when the plug-in van grant was introduced (the car grant was launched in 2011), just 259 electric vans were registered.

> "FIGURES FOR LADEN eLCVs ARE COMPARABLE WITH THE PERFORMANCE OF DIESEL VANS"
>
> **DAVID WATTS, ARVAL**

Last year's total was a 73% increase on the 3,389 plug-in van registrations which were eligible for the grant in 2019.

It means 14,700-plus plug-in vans have benefitted from the grant since launch. That is put in perspective, however, when more than 270,000 plug-in cars have qualified for the grant over a similar timeframe.



ELECTRIC VAN PERFORMANCE

For those ultra-low emission vans which have been registered, the DfT survey of almost 20,000 van operators suggests their most common primary usage is 'carrying equipment, tools or materials' (59%) followed by 'delivery/collection of goods' (24%) and 'private/domestic'

use (16%) – broadly similar to primary usage of all van types.

However, the average annual mileage of ultra-low emission vans operated by fleets was less than half of that covered by internal combustion engine (ICE) counterparts. The ultra-low emission vans, which are typically plug-in vehicles, had an estimated average annual mileage of 7,700, compared with 17,500 for ICE vans.

Arval believes that understanding the realistic operational capabilities of an eLCV is "crucial" to an effective electric fleet transition process.

David Watts, Arval UK senior consultant, said: "Two key questions routinely faced from fleet operators looking to adopt eLCVs are 'what is the real-world range?' and 'what impact, if any, does the payload have on this range?'."

According to new research from Arval, fleet operators should expect electric vans to achieve 60-70% of their claimed range in real-world use (commercialfleet.org, May 13).

The study, conducted at Millbrook Proving Ground, Bedford, tested electric vans in each size segment with a variety of different payloads.

Watts continued: "Fleets will want to use this new data to see what their typical operations will mean for EV range.

"However, there are some reassuring points that can be taken on board – namely, figures for laden eLCVs are comparable with the performance of diesel vans, faster speeds don't necessarily reduce range and using 'worst case' winter performance figures should see a positive impact in warmer months."

COMPARING JOURNEY PROFILES

The DfT survey shows that for both ultra-low emission and ICE vans, the most common travel pattern was a single calling point in a day followed by returning to base, but this was less frequent for ULEVs (41%) than non-ULEVs (64%).

Overall, it was more common for ULEVs to have multiple stops during a typical day, at 59% compared with around a third (36%) of ICE vans. ULEVs were also more likely to return to base multiple times a day (35% vs 19%), whether returning after each stop or routinely returning after multiple stops.

Not only were ULEVs more likely to make multiple stops a day, on average they made more than three times the number of stops per day when compared with ICE vans (25 and eight stops on average per day respectively).

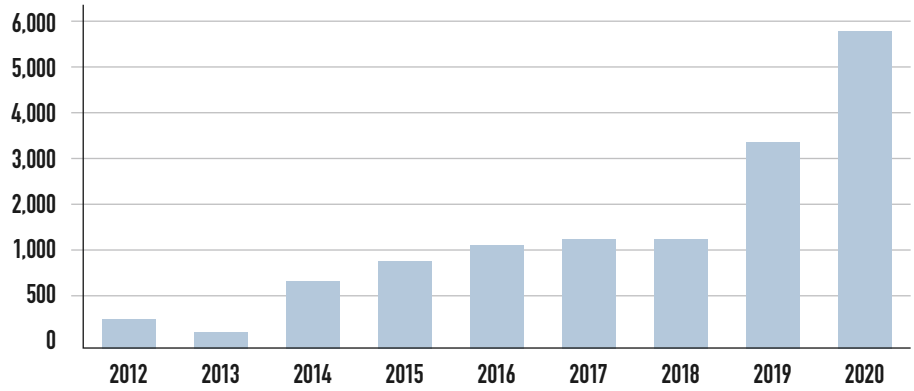
The DfT suspects this may be because almost a quarter (24%) of these vans' primary use was 'delivery/collection of goods' compared with 16% of ICE vans.

DPD, for example, is already operating more than 800 electric vehicles in the UK out of a fleet of 7,000-plus vehicles and is aiming to deliver to 25 of the largest towns and cities with zero and low-emission vehicles by 2025.

Meanwhile, operating 5,000-plus vehicles on its Tesco.com delivery fleet, Tesco is aiming to fully electrify the fleet by 2028 as part of a commitment to reach 'net zero' by 2035.

PLUG-IN VAN GRANT REGISTRATIONS

Source: Department for Transport



THROUGH THE LOOKING GLASS

By Andy Picton, chief commercial vehicle editor, Glass's

Taken to D-Max

Still a tough, no-nonsense pick-up, the new Isuzu D-Max has improved in every way. Better looking, more refined with improved on-road comfort while remaining commanding and sure-footed off-road.

Powered by the same 1.9TD 164PS engine, but this time with AdBlue, the D-Max has a lighter and stiffer ladder chassis frame with new suspension, improving handling, both on- and off-road.

Fleet-friendly advanced driver assist systems (ADAS) are now standard across the whole range. Autonomous emergency braking, traffic sign recognition, intelligent speed limiter and lane departure warning and prevention are fitted on every model.

Also, for the first time in the pick-up segment, rear cross traffic alert, blind spot monitor and emergency lane-keeping are fitted on all double cabs.

As with its predecessor, the new D-Max can tow up to 3.5t, can carry a payload of more than a tonne and comes with a five-year, 125,000-mile warranty.

Isuzu has opted for three new categories of D-Max – Utility, All-Purpose and Adventure. A six-speed manual 4x2 and 4x4 single cab, a 4x4 extended cab and a double cab all sit in Utility. All-Purpose comprises of a manual DL20 extended cab and a DL20 and DL40 (DL signifying rear diff-lock) double cab are available in both manual and auto transmissions. The flagship V-Cross sits in Adventure and is available as a manual or automatic.

The interior gets a new premium feel. Leather heated seats, leather steering wheel, an infotainment screen compatible with Apple CarPlay and Android, dual-zone climate control and heated seats are some of the specification highlights featured from the mid-level DL40 upwards. The exterior gets 18" alloy wheels, Bi-LED headlights, LED fog lights, front and rear parking sensors and a reversing camera.

In a sector that will lose competitors Mitsubishi and Nissan over the next 12 months (see also page 90), Isuzu goes from strength to strength. Staying true to its utilitarian roots, the new D-Max has improved where it had to and is the first pick-up to achieve the maximum five-star rating in the latest Euro NCAP tests. Priced from £20,999 CVOTR, the D-Max has its main rivals the Ford Ranger and Toyota Hilux squarely in its sights.

Glass's

Part of Autovista Group

Pick-up where others leave off

Coincidental withdrawals of rival models have left Isuzu UK well placed to target doubling sales of the D-Max by 2023 or 2024. *Andrew Ryan* reports

The timing of the launch of the new D-Max couldn't have fared much better

It's often said that timing is everything, and the cards certainly seem to have fallen well for Isuzu UK at the moment.

The manufacturer launched its new D-Max pick-up in the UK in March – the replacement for the current Commercial Fleet Pick-up of the Year – as many other manufacturers have either withdrawn, or are in the process of withdrawing, their own pick-ups from sale.

For example, Mitsubishi's L200 will no longer be available as the manufacturer is withdrawing from the UK and Europe; the facelifted Nissan Navara will not be offered in the UK and Europe so the brand will stop selling the model in the UK once stocks run out in early 2022; while models such as the Fiat Fullback, Volkswagen Amorak and Mercedes-Benz X-Class have been discontinued.

The above gives Isuzu UK the opportunity to achieve its aim of doubling its current annual sales to 10,000 ahead of its 2025 target, says William Brown, managing director of Isuzu UK.

"We've been around 5,000 for a while and because we are very positive about this new model we thought we could grow that to 10,000, but when we put our plan forward we didn't know Nissan and Mitsubishi were going to leave the market," he adds. "We haven't really put a new timeframe on it, but think we could now hit 10,000 sales by, maybe, 2023 or 2024."

According to Society for Motor Manufacturer and Traders (SMMT) figures, the UK pick-up market was 53,055 registrations in 2019, falling to 35,691 in the Covid-19-hit 2020.

"Certainly, with any new truck you get that honeymoon period to start with and the feedback from our dealers and customers has been overwhelming," adds Brown.

> "THE FEEDBACK FROM OUR DEALERS AND CUSTOMERS HAS BEEN OVERWHELMING"
>
> **WILLIAM BROWN, ISUZU UK**

"All the vehicles we ordered from the factory have been sold, so all those being shipped to us are going straight to the dealers.

"We've got a feeling it's not going to slow down this year. Despite Covid-19, there seems to be a very strong pent-up demand out there."

To illustrate this, Brown says fleet customers had ordered 800 models before even seeing the new D-Max.

"Fleet is an important part of our business and over the past six years it has grown tremendously," he adds. "We're now selling vehicles to the likes of BT, Environment Agency, Network Rail, Mitie, all the big utility companies."

Isuzu splits its customers into three segments: business, which is predominately fleet customers; all-purpose, which is customers like builders, tradesmen and farmers; and adventure, which is lifestyle customers.

Business registrations accounted for 30% of the outgoing model's sales, with 50% falling into the all-purpose category and 20% in adventure.

It expects this split to shift to 25% business, 45% all-purpose and 30% adventure.

Brown says each market has its specific models. Base-level Utility trim will be for business and has features such as easily-cleanable vinyl flooring and steel wheels, DL20 and DL40 for all-purpose and V-Cross for adventure customers.

"The new truck is much more premium and will appeal to a wider audience, but that doesn't mean we are going to forget what the Isuzu brand is all about," he adds. "And that is that D-Max is a working pick-up and is going to remain as a work vehicle first and foremost."

Isuzu UK has a Birmingham-based national fleet team which works with organisations seeking more than 25 vehicles, while those wanting 25 or fewer work with the dealer network on their order.

The brand currently has 110 dealers in the UK having added 11 so far this year, eight of which were previously Mitsubishi retailers.

Brown says Isuzu fleet services has a "one-stop-shop approach" so they can source and fit conversion upgrades on behalf of customers.

New parts are fitted at Isuzu's specialist fleet conversion centre in Kent, with all work covered by the manufacturer's warranty.

ORGANISATION: Isuzu UK
UK HEAD OFFICE: Birmingham
MANAGING DIRECTOR: William Brown
VEHICLE MODEL: D-Max
2020 UK SALES: 3,154
2021 EXPECTED UK SALES: 5,000

ADVICE LINE

By Ray Marshall, senior transport advisor, Logistics UK

Q I heard one of my drivers referring to 'coasting' while driving. What is it?

A Coasting is a term that describes a vehicle travelling in neutral or with the clutch pressed down. It can reduce driver control because:

- Engine braking is eliminated.
- Vehicle speed will increase quickly downhill.
- Increased use of the footbrake can reduce its effectiveness.
- Steering response will be affected, particularly on bends and corners.
- It may be more difficult to select the appropriate gear when needed.

Q We operate two larger vans in our fleet that are plated at 5,200kg gross vehicle weight (gvw) and are fitted with digital tachographs.

The vans are coming up to being two years old. Do the tachographs need to be re-calibrated or is just a two-year check required?

A Digital tachographs must always be recalibrated at the two-year inspection. When complete, a new calibration plaque should be fixed to the vehicle. The plaque should match exactly with the vehicle details and technical information stored in the tachograph unit.

ISTOCK/MIGUEL PERFECTTI

IR35: What it means for clients, agencies and contractors

IR35 is a piece of legislation which came into force in April 2000 to tackle the avoidance of employment taxes by those who work through intermediaries or limited companies and is also known as 'off payroll working rules'.

The measures surrounding IR35 changed in April this year and as a result, if you are a contractor, agency or business contractors, you may have to make changes.

WHO DOES THIS AFFECT?

The Government has made it clear that this will not mean changes for genuine freelancers. It is targeted at those who have set up a Personal Service Company (PSC), who the Government believes could include many people that are operating very similarly to employees. The legislation is aimed at identifying who these people might be, termed as 'inside IR35', and, therefore, who are liable to pay tax in a similar way to an employee.

ISTOCK/BESTFORBEST

I AM A CLIENT, WHAT DO I DO?

From now on, you will have to decide on the employment status of the contractor(s) you engage and provide them with a Status Determination Statement (SDS), including your decision and the reasons for your conclusion. You will have to take reasonable care in making the decision and the contractor can disagree with it. They can lodge this disagreement up until the final payment and you must reply within 45 working days.

I AM AN AGENCY, WHAT DO I DO?

If you are an agency employing contractors on a client's behalf, it will be your job to pass on relevant SDSs to contractors. You may also be the fee payer, which will mean you will have to deduct national insurance contributions (NICs) and income tax from their pay.

I AM A CONTRACTOR, WHAT DO I DO?

The changes do not necessarily mean that if you are inside IR35 – even though you will pay tax like an employee – you will receive work rights like an employee, for instance holiday and sick pay.

WHERE CAN I FIND MORE INFORMATION?

The Government has an online tool called 'Check Employment Status for Tax' (CEST) which can be found on the HMRC website. This may help you assess the status of each contract.

EXAMPLE FROM GOV.UK

"For example, if you work predominantly for the same client, at their premises and following their policies and procedures, you cannot send a substitute to work on your behalf and would require permission to seek additional work elsewhere, then you are more likely to resemble an employee."

TYRE COMPANIES TIGHTEN GRIP WITH FLEET MANAGEMENT SERVICES

Suppliers are expanding their services beyond just rubber with the acquisition and development of tools such as telematics. *John Lewis* reports

No longer content with simply supplying big black lumps of rubber with a hole in the middle, manufacturers of premium truck tyres are dramatically expanding the portfolio of services they offer to customers.

They are putting clear water between themselves and those manufacturers who rely primarily on price and cementing their premium status in the process.

In some cases, they are boosting the services they provide by acquiring telematics and fleet management specialists.

Michelin has bought Masternaut, while Bridgestone has purchased Webfleet. Others are leveraging their in-house resources. Goodyear falls into this category, as does Continental.

The latter is, of course, a major OE supplier of key truck components such as tachographs as well as a tyre producer.

It has developed everything from on-board weighing and blind spot assistance systems to lane departure warning and a service for trucks in which drivers can use a smartphone app to unlock the cab and enable the engine to start.

"So far as Michelin is concerned, the Masternaut acquisition means we can engage with our customers more," says Chris Smith, UK managing director at Michelin. "We can help them in areas such as route optimisation, monitoring driver behaviour and fatigue, the usage and fill-rate of trailers, and taking action when the alarm on a temperature-controlled truck's fridge unit is triggered."

If the unit is not performing correctly, then the load may start to defrost and is likely to be rejected by the customer; this means an engineer needs to be despatched to fix the fault.

This is not to suggest that Michelin executives will necessarily be tasked with selling Masternaut's services energetically whenever they visit a client.

What they are more likely to do is listen to what the fleet concerned has to say, identify any challenges it faces, then indicate whether their Masternaut colleagues may be able to help.

Being able to offer such a broad package of services should help encourage customer loyalty; what Smith refers to as "stickiness".

If you can get everything you need from one group, albeit under different brand names, then why go anywhere else is the thinking.

The data that fleet management companies such as Masternaut can glean can, of course, help fleets hold down tyre costs.

"If a fleet is on a tyre-mileage contract with us, it has to submit regular mileage information," says Smith.

DATA COLLECTION

A telematics package able to monitor the distances trucks and trailers are travelling makes such data easier to collect.

Knowing more about the mileage assets are covering and the likely wear rate of their tyres makes forward-budgeting a lot simpler for fleets, adds Smith, saying: "You can look at the figures and say that on this basis I'll have to replace, say, 42 tyres in September."

Fleets can also determine if the tyres need regrooving or retreading – services Michelin can offer under its Remix programme.

UK commercial business unit director at Bridgestone, Greg Ward, says: "Simply supplying

Goodyear offers a drive-over device which can read tread depth and measure tyre pressure

> "FLEETS ARE TELLING ME THEY DON'T WANT YET ANOTHER SIM CARD OR TELEMATICS BOX"
>
> **TONY STAPLETON, CONTINENTAL**

a tyre is not enough. You have to be able to manage it thorough its multiple lives."

What matters in all of this is driving down total cost of ownership and reducing fuel usage in particular.

"Tyres account for perhaps 3% to 5% of a fleet's overheads, while fuel regularly accounts for a third," says Smith.

Tyre maintenance – or the lack thereof – can have a direct impact on fuel consumption and, if you reduce fuel usage, you cut CO_2 emissions too.

That is something Goodyear recognises under its Total Mobility banner.

"The world we live in now is different to what it was, and businesses are a lot more interested in the environment and sustainability," says Kate Norton, UK head of commercial operations at Goodyear.

"We can use the technology we've developed to help them achieve their environmental goals as well as their cost-of-ownership targets."

The suite of products Goodyear offers includes Fleet Tracker, which allows operators to see where all their vehicles are and the mileages they are covering.

It is GPS-enabled and works off a battery so it can keep an eye on trailers, which are bereft of a power source when they are uncoupled.

As a consequence, they are less likely to disappear into a far-flung corner of a distribution centre where they may remain lost for months on end.

The data Fleet Tracker collects can be transferred to the cloud where it can be accessed by fleet managers.

Information which could be urgently required is generated by Goodyear's TPMS (tyre pressure monitoring system) which

SPONSOR'S COMMENT

By Andrew French, director – Michelin Services and Solutions

Services have been part of the Michelin Group's DNA for more than 125 years, each developed in real-world fleet scenarios to ensure they increase our customer's competitiveness.

Right now, the digital revolution offers new opportunities to develop powerful connected mobility solutions which will contribute to making mobility more sustainable, improving safety for both people and goods, and optimising business productivity. This is why more than 90% of our existing service offerings, and 100% of those in development, are connected.

Central to this is Michelin's aim to be a leader in electronic tyre identification by making tyres that communicate. We promote RFID technology within the tyre industry and beyond, with vehicle manufacturers, distributors, customers, partners and professional organisations.

The large amount of data captured, processed and analysed using powerful algorithms developed by our experts can be used to identify drivers of growth and efficiency for customers.

Plus, through Masternaut, and an array of specialist services, we can propose connected solutions to improve the fleet management of both light and heavy commercial vehicle fleets.

Innovation and technology have been the bedrock of our business for generations, and will always remain so. We pride ourselves on designing and developing new solutions to stay ahead of the game.

At Michelin this is something we are very excited about. And where the emphasis remains, as it has always been, on getting the best results for our customers.

MICHELIN

THEY DID IT: TRANSPORT & RESPONSIBILITY

KEEPING YOU MOVING

MICHELIN MULTI-LIFE: HIGH PERFORMANCE AND A SMALLER CARBON FOOTPRINT FOR YOUR FLEET

Michelin's innovative multi-life policy delivers performance that's made to last. It **minimises total cost of ownership**, **maximises uptime** and can **save you fuel**.

Our sustainable Remix process uses 70% less raw material than a new tyre - and introducing regrooving and retreading into your tyre policy can further reduce your costs and lower your CO_2 emissions.

Retreading truck tyres protects the environment.
For every 100 Remix tyres we save 5 tonnes of raw materials and prevent the release of 6+ tonnes of CO_2.

business.michelin.co.uk

MICHELIN

can warn drivers and managers if a tyre is starting to deflate.

It can also help ensure pressures are correctly maintained; under-inflated tyres spell higher fuel usage and CO_2 emissions and are likely to fail prematurely.

DRIVE-OVER READERS

Goodyear has additionally come up with a drive-over reader which can record a tyre's tread depth as well as its pressure; valuable data which can aid fleet efficiency.

Michelin, too, offers a drive-over reader. "We'll have rolled it out more widely by the end of this year," says Smith – and its EffiTires tyre management contract can include the installation of an on-board TPMS for trailers.

It forms part of the company's EffiTrailer telematics package developed prior to the Masternaut acquisition.

EffiTires and EffiTrailer users include Scottish fleet operator WJ & J Green. It hauls agricultural products across the UK and delivers malt to distilleries throughout Scotland.

"We wouldn't want to be without EffiTrailer," says company owner, Iain Green.

"It's a fantastic solution and guards against roadside tyre failures which can result in late deliveries, vehicle damage and cost.

"It's a known fact that when tyres operate below optimum pressure, fuel efficiency suffers and the tyre runs hot, making it more susceptible to damage or sudden failure.

"EffiTrailer sends an alert to our transport office if the pressure in any trailer tyre drops below a pre-defined threshold, meaning we can take action before it results in downtime. It's a win-win situation for both us and Michelin."

When a business fits EffiTrailer it should enjoy a reduction in tyre-related trailer breakdowns of up to 50%, says Michelin.

WJ & J Green has enjoyed a far lower percentage than that, however, with no failures at all during an initial 12-month trial.

Michelin has also put together a support package which includes weekly tyre inspections by a mobile Tructyre technician.

Truckforce's TPMS sensor is positioned around the hub

WJ & J Green 'wouldn't want to be without' EffiTires

> "WE CAN USE THE TECHNOLOGY WE'VE DEVELOPED TO HELP THEM (BUSINESSES) ACHIEVE THEIR ENVIRONMENTAL GOALS"
>
> **KATE NORTON, GOODYEAR**

Bridgestone offered TPMS before it acquired Webfleet, says Ward.

What the acquisition has enabled the company to do, however, is get more involved in predictive tyre maintenance from the data it can access.

"If you see that a truck is being triple-shifted and covering 500 miles a day, then you can advise the operator that its tyres will need checking in, say, 20 days' time," he says.

Webfleet Solutions can track vehicles, monitor the behaviour of drivers and give them real-time feedback to improve their technique at the wheel, and address issues such as idling, which leads to fuel being wasted. Faults on vehicles can be detected and maintenance scheduled.

SUPPORT SERVICES

Continental Tyres has decided to bring together the support services it can offer under the Conti360 Solutions label.

It includes ContiConnect and ContiPressureCheck, which allow tyre pressures to be monitored remotely, and ContiLifeCycle, which embraces ContiRe and Bandvulc retread tyres.

"It's still evolving and has some way to go yet," says Tony Stapleton, UK head of group fleet sales at Continental Tyres.

Current developments indicate the direction of travel, however.

"Our standalone TPMS solution for trailers can connect directly to Mercedes-Benz's Fleetboard system," says Stapleton. A telematics package that is installed in Mercedes-Benz tractor units.

"The future lies with integrating systems in this way rather than adding on lots of things that function separately.

"Fleets are telling me they don't want yet another SIM card or telematics box on their vehicles. They are sick of acquiring a new truck only to have it sit in a workshop for five days while various bits of kit are bolted onto it."

The tyre data Continental collects and analyses allows it to advise customers on the sort of tyres they should be using.

"For example, when double-deck trailers were introduced they were running on 17.5-inch tyres which regularly suffered from internal heat build-up, and wore out almost overnight," Stapleton recalls.

"Acting as consultants, we advised fleets to switch to 19.5-inch – and they cut their trailer tyre costs by up to a third."

RENAULT TRUCKS 'C' RANGE

A choice of 32 wheelbases means the 'C' Range can meet any construction need

By Tim Campbell

Renault Trucks loves construction so much it has produced two different ranges for the sector. Its 'C' range and 'K' range cater for different parts of the market, particularly addressing the diverse needs of the 'aggregate' to 'muck-away' rigid chassis sector.

The 'C' Range has an incredibly varied product line-up including the two-axle 19-tonne gross vehicle weight (gvw), three-axle single- and double-drive, four-axle single- and double-drive and, finally, a tractor unit in two- and three-axle forms.

There are three engines available across the range, starting with the Dti8 covering three power ratings 253PS, 284PS and 324PS with torques ratings at 950Nm, 1,050Nm and 1,200Nm respectively. The DTi11 'middle' engine starts at 385PS then 436PS and finally 466PS with torque levels at 1,800Nm, 2,050Nm and 2,200Nm respectively. The top-of-the-range DTi13 starts at 446PS, then 487PS and finally 527PS with torque levels of 2,200Nm, 2,400Nm and 2,550Nm respectively.

As far as gearboxes are concerned there is a mixture of manual and automated models available, although there is only one manual in the shape of the overdrive ZF eight-speed.

There are three automated gearboxes, all 12 speeds: the AT2412 and AT2612 which are direct-drive models varying only in their ability to handle the different input torque levels, and the AT02612 which is the overdrive version of the AT2612.

Rarely has one model had as many wheelbases as the 'C' Range, taking into account the two cab widths, there are 32 wheelbases ranging from a very short 3,000mm to 6,800mm covering all the axle combinations from 4x2, 6x2, 6x4, 8x2 and 8x4.

Obviously, there are both single- and double-drives available, dependent on the particular needs of the operation, as well as tags, tridems and twin and rear steers.

Two parabolic single or double springs support the front axle(s) rated at 7, 7.5, 8 and 9 tonnes and whatever is fitted on the front axle is replicated on the second steered axle, if appropriate.

The rear suspension rated at 13 tonnes is available with either three-leaf parabolic springs or air suspension, with the option of two or four bag systems.

Perhaps the most important aspect of the chassis is its unladen weight, at 9,200kgs in its 8x4 twin-wheel format it is the lightest rigid on the market, allowing 22,800kgs for both body and payload. This key feature of the 'C' range means potential increased profitability, especially if you are paid by the load or, look at it another way, it offers less opportunity to be overloaded.

The 'C' XLOAD is Renault Trucks' lightest configuration and can also be pre-equipped for concrete mixer applications.

Looking at the three-axle models, one of the most popular is the C460.26 6x4 with a body/payload in excess of 17,000kgs, thanks to its 11-litre engine, the most powerful one.

All engines have some form of exhaust brake or engine brake as well as retarders, with the most popular featuring Renault Trucks' own 'Optibrake' system, with 170kW of braking power on the DTi8, 300kW on the DTi11 and 382kW on the DTi13.

The 'C' Range has the usual array of electronic braking systems including emergency brake assist, automatic emergency braking, emergency brake lights as well as electronic stability control and hill start aid.

Standard warranty is 24 months, unlimited mileage.

	MODEL TESTED
SPECIFICATIONS	
Model	C460.26 6x4
Cab	Night/day
Engine	DTi11
Power	466PS (338kW) @ 1,700-1,900rpm
Torque	2,200Nm @ 1,000-1,400rpm
Gearbox	12 spd AT02612 automated
Front axle	9,000kgs
Rear axles	19,000kgs
GVW	26,000kgs
Chassis weight	8,767kgs
Wheelbase	3,900mm
Brakes	Discs all round
Tank	315 litres/48 litres AdBlue

Vivaro-electrifying British business

Winner of International
Van of the Year 2021
New all-electric Vivaro-e

INTERNATIONAL 2021 VAUXHALL VIVARO-e VAN OF THE YEAR

Carries British business

VAUXHALL

Fuel economy and CO_2 results for the New Vivaro-e Elite L1 3100 100kW (136PS) – 75kWh battery. Mpg (l/100km): N/A. CO_2 emissions: 0g/km. Electric range up to 205 miles (WLTP).

The New Vivaro-e is a battery electric vehicle requiring mains electricity for charging. Range data given has been determined according to WLTP test procedure methodology. The figures shown are intended for comparability purposes only and should only be compared to other cars tested to the same technical standard. The range you achieve under real world driving conditions will depend upon a number of factors, including but not limited to: the accessories fitted (pre and post registration); charging frequency; personal driving style; vehicle payload and route characteristics; variations in weather; heating/air conditioning; pre-conditioning and battery condition. Please note, EV range assumes that vehicle has been pre-conditioned prior to journey. WLTP figure includes 50% payload. Please note, EV range is achieved in 'normal' mode. 'Power' mode will decrease range and 'Eco' mode will extend range although power, torque and climate control are limited. For more information, contact your local Vauxhall Retailer.

THE LAST WORD

PAUL GRAHAM

DIRECTOR OF NETWORK OPERATIONS AT YODEL

As a youngster Graham had ambitions to become a firefighter, but a recruitment ban meant he stayed in logistics. Now he helps to fight different types of 'fires' and is happy he didn't switch

The advice I would give to my 18-year-old self is "don't be so quick to build a career and look for progression, take time out in those earlier years to travel and explore different cultures".

My hobbies and interests are relaxing with friends and family, walking the dog and riding my Harley Davidson.

My first memory associated with a car is when I built a custom MK1 Ford Mexico from a shell.

My favourite movie quote is "You had me at 'hello'." – *Jerry Maguire,* 1996.

If I were made transport minister for the day I would make sure that roads were built to a higher standard to reduce the amount of time spent repairing them.

If money was no object I would travel the world and learn about different cultures, especially cooking customs.

The song I would have on my driving playlist is *Living on a Prayer* by Bon Jovi.

A book that I would recommend others read is *The Innocent Man* by John Grisham.

My pet hate is finding coffee granules in the sugar.

Why operations

It was pure chance. After my studies I was looking to join the fire brigade, but as I had to wait to turn 18 – the required age to enlist – I got a job at UPS at the age of 16. When the time came to apply to the fire brigade there was a recruitment ban and I wasn't able to get in. Thankfully, I was happy and enjoyed my job working in the warehouse, so I decided to stay and build a career in the sector.

How I got here

I got where I am the old school way: long hours, asking a lot of questions, always putting myself forward for new challenges and constantly taking myself out of my comfort zone to learn all aspects of operations – in a lot of cases in my own time. I wasn't very academic and left school with a couple of GCSEs, but I had a lot of determination to not allow that to stop me achieving what I wanted in life.

Latest products, developments and achievements

We are working on the scan-to-trailer and scan-to-tour launch, enhancements to the last mile driver and courier apps which will make the delivery process even smoother. On a personal level, my latest achievement is writing my dissertation for my management leadership degree through the Yodel apprenticeship scheme."

My company in three words

Entrepreneurial, determined, people.

Career influence

I have had some great mentors and some not so good ones when I started in logistics, but have learnt from all of them. My greatest career influence, however, is my current COO Carl Moore who continues to mentor me to this day.

Advice to operational newcomers

Be yourself, be respectful, but, most importantly, have fun!

If I wasn't in operations

I would like to think I would have served in the fire brigade but if not, I would have probably followed in my father and joined the Army.

Next issue: Joe Masters, fleet manager at Metropolitan Thames Valley

ATHLON

getting you there

The true cost of an EV is surprising

Total Cost of Ownership (TCO) proves you can save money whilst protecting the planet.

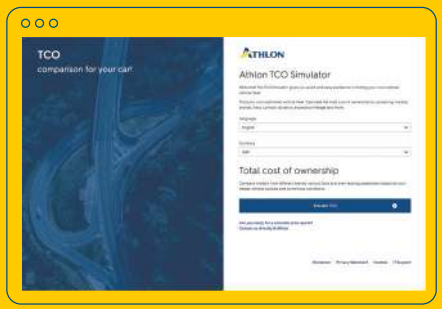
On first impressions, electric vehicles (EVs) can appear to be expensive. EVs tend to have price tags that are higher than those on traditional petrol or diesel-powered vehicles. But the true cost of an EV should not be judged on the price tag alone. Instead, you need to look at the TCO: the Total Cost of Ownership.

At Athlon, our experts are ready to uncover the real cost of an EV to your business taking every cost factor into account. Fuel costs, local and national regulations, taxes, subsidies and incentives can all have huge impacts on the lifetime cost of a vehicle so it pays to do the hard yards upfront.

Get started with our TCO simulator

Quickly compare electric vehicles and ICE vehicles from all manufacturers to get an instant idea of the real world costs to your business. The Athlon **Total Cost of Ownership (TCO) simulator** is a purpose built tool which is a great place to start when considering whether your next fleet vehicle should be electric.

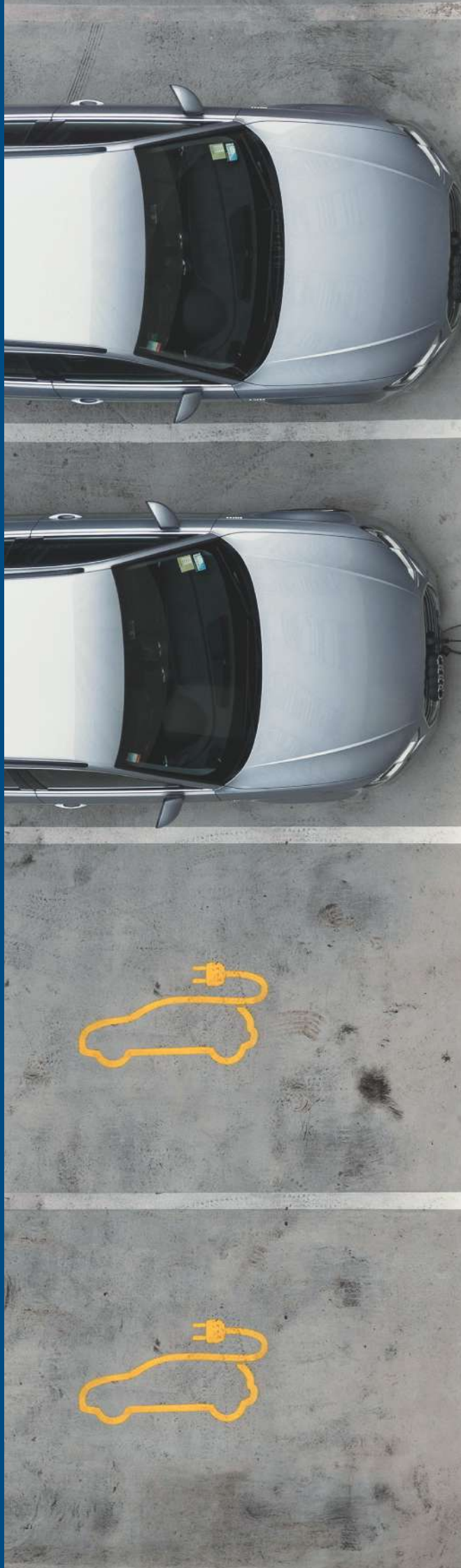
To learn more visit tco.athlon.com



You can also get more information on Total Cost of Ownership by contacting the Athlon team on **0345 600 3425** or by emailing **contact_uk@athlon.com**

ATHLON

Ready to expand on your electric ambitions?



Athlon has always been ambitious when it comes to electric vehicles. We were one of the first lease providers to make plug-in vehicles available to our fleet customers back in 2008. Since then we have been simplifying the lives of our customers across Europe with a range of innovative and sustainable solutions. So as you consider your journey towards a greener emissions-free future, talk to an expert who has been there since the beginning **www.athlon.co.uk**

getting you there