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Many new measures on hold



All areas of the industry adversely impacted as virus lockdown bites

One-in-four fleets agree contract extensions; less than 10% of company cars driven for work

By Gareth Roberts

Hundreds of thousands of company cars and vans are standing idle as fleets feel the full force of the coronavirus pandemic.

Almost three-quarters (72.6%) of respondents to a *Fleet News* survey said less than 10% of their company cars are being driven for work.

Any semblance of normality was reserved for just one-in-20 fleets, which said more than 75% of their company car drivers were still on the road.

The impact on van fleets is equally significant, but, due to increases in demand from different parts of the economy, such as home deliveries, fewer vans as a proportion of overall fleet operations are standing idle, the research suggests.

Nevertheless, two-thirds (66.7%) of respondents said that less than 10% of their van drivers were working, but almost one-in-five (18.8%) said between half and three-quarters of their drivers were on the road. One in 10 had more than 75% of their van drivers operational.

One fleet manager told *Fleet News*

he had mothballed half his fleet due to a lack of work, while another had de-hired all unused vehicles and arranged rental holiday for leased vehicles.

Payment deferrals have also been discussed with funders in the event of extended movement restrictions.

The Government lockdown, introduced on Monday, March 23, has resulted in an estimated nine million employees being furloughed. Many of those still in work, meanwhile, are working from home.

An overwhelming majority of fleet decision-makers – close to three-quarters (73.4%) – said they were working from home; one in 10 were dividing their working day between the office and home, and just 15.4% were still in the office full-time.

'BENEFIT' QUESTIONED

The number of employees being furloughed or working from home has called into question the fairness of paying company car tax on a 'benefit' that may be standing idle.

Currently, unless a company car is unavailable for 30 consecutive days and is available to the same employee

before and after the period of unavailability, it is liable to benefit-in-kind (BIK) tax during the whole period.

HMRC told *Fleet News* the benefit charge applies where a car is made available for private use, whether or not it is so used.

A spokesman said: "A car kept on an employee's driveway during a period of furlough would still be considered to be made available. Neither would we accept a SORN declaration as proof of unavailability."

Ordinarily, a car would need to be handed back to the employer so it cannot be used. However, HMRC says it recognises under the current circumstances it may not be possible to physically hand the car back.

The spokesman said: "We would accept that where all the keys (or tabs) are in possession of the employer, and the employee does not have the authority to request the keys are returned to them, the car would be unavailable."

However, no official guidance has been published and the suggestion around sending keys back could create major problems for fleets.

The Association of Fleet Profes-

sionals (AFP) says it has already heard reports of employees pushing their keys back through the letter-boxes of unattended offices.

Not only does it make it impossible for fleet decision-makers to create an audit trail to satisfy HMRC, but it could also create a health safety problem if a car needed to be moved in an emergency and the keys were not readily available.

OPERATIONAL IMPACT

Vehicle deliveries and collections have also been halted, with leasing companies working with fleet decision-makers to extend contracts, where possible, and mitigate potential charges incurred during the Covid-19 pandemic.

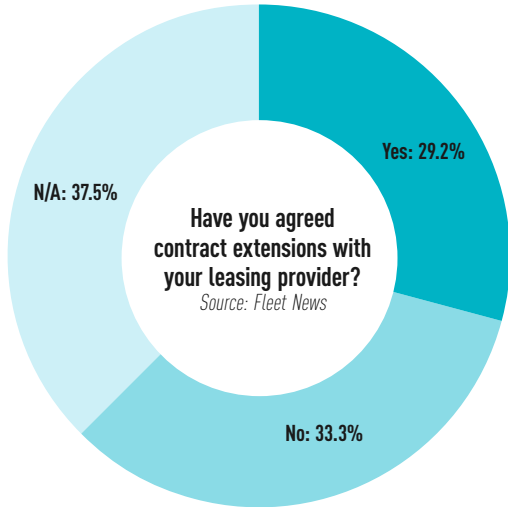
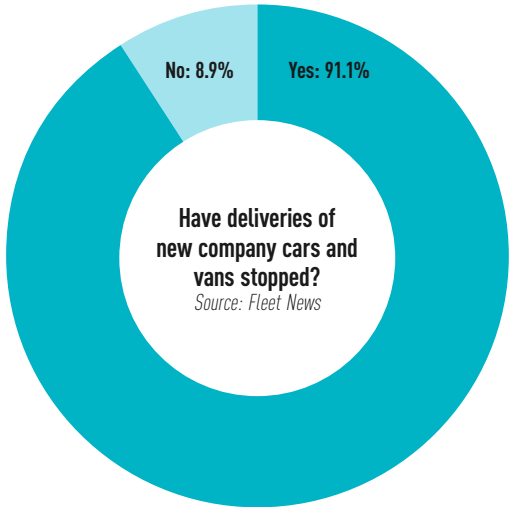
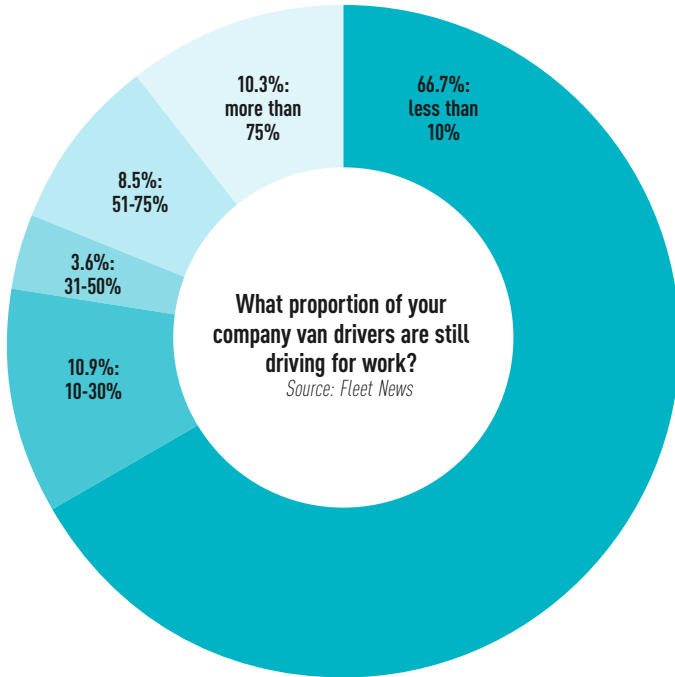
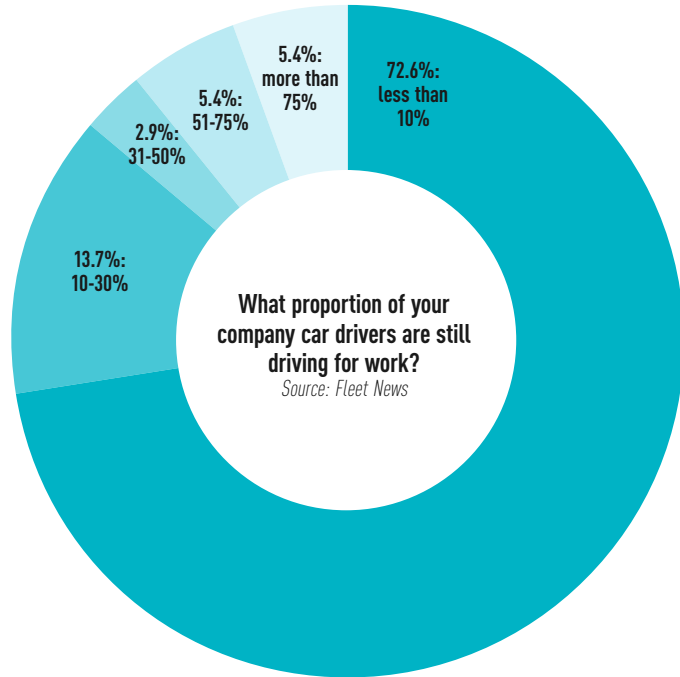
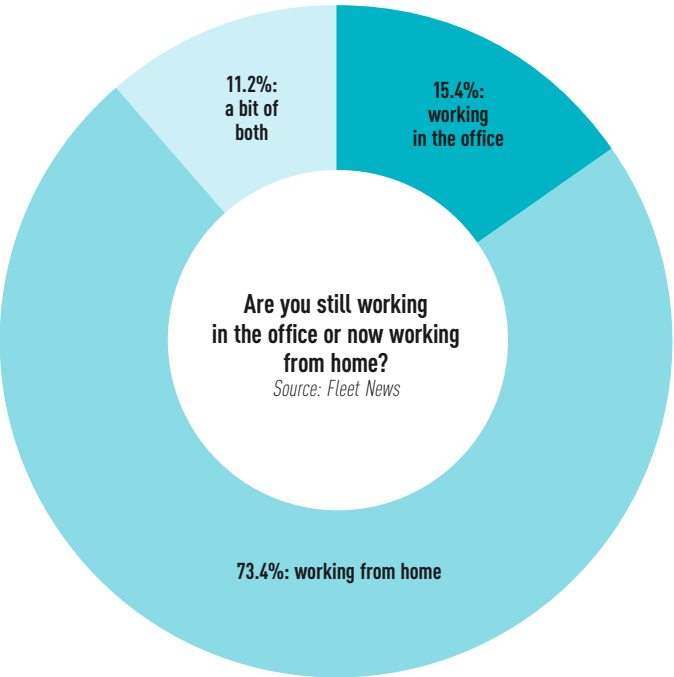
However, they say they are continuing to support vehicle deliveries for frontline essential services, public sector customers and key workers.

Customer service teams are working from home and are available to assist fleets, while vehicle orders can be made online, but the industry says it recognises fleets will need help negotiating the crisis.

Tim Buchan, chief executive of



Almost 20% of fleets said between half and three-quarters of their drivers were still on the road



Zenith, said: "We are operating as near to normal as possible. Customers are still able to order vehicles and speak to our team for any assistance they might need."

Customers and their drivers are being kept up-to-date, with regular communications on everything from vehicle availability to servicing and maintenance, explained Buchan.

"Everyone at Zenith understands how important our role is in keeping fleets operational and we're doing everything we can to support them all at this time."

Nick Brownrigg, Alphabet's CEO, told *Fleet News* he understood that Covid-19 is an "unprecedented, concerning and difficult time" for everyone in the UK.

Customers that may have an issue with their payments as a result of coronavirus should call to discuss their concerns as soon as possible, he said.

"We have a range of options available – such as the rescheduling of payments – which enables us to tailor a solution to the precise circumstances of the business and the types of contract on which the fleet operates."

He continued: "This is an incredibly difficult moment for many businesses in the UK; however, fleet decision-makers should also remember that there are contractual and regulatory obligations for leased and financed vehicles."

Fleets are also being directed to the relevant Government websites and online resources, which detail potential grants and support available to businesses.

Almost a third (29.2%) of fleets say they have negotiated vehicle contract extensions with their provider.

Brownrigg said, if they have less than three months left on their contract fleets and drivers are being contacted to discuss their options.

He added: "For customers with vehicles on contracts with beyond three months to run, we are recommending they continue to run to their normal renewal cycle, unless there is a specific request for a contract reschedule."

Hitachi Capital Vehicle Solutions, like many other leasing companies, is taking a similar approach. Managing director Jon Laves said: "We've been contacting all of our customers with vehicles due for renewal in the next six months to offer them the ability to extend their contract."

"This has been done on a case-by-case basis to ensure we consider the most appropriate option for each and every driver."

LeasePlan UK is also currently working on extending the contracts of its customers, including key

Workers, to keep them as mobile as possible.

Attila Dobos, operations director at LeasePlan UK, explained: "We are offering a number of options for our customers to choose from, designed to cater to their individual needs and personal circumstances."

"These include formal and informal extension agreements. If neither option is suitable, we are asking customers to get in touch with us directly where they can discuss further options with our dedicated customer services team."

To help any service, maintenance and repair (SMR) needs during the crisis, Hitachi Capital Vehicle Solutions set up a dedicated operations incident team to contact every supplier across its network, before the nationwide lockdown was announced.

It has contacted repairers that cover 84% of its essential services and critical vehicles, of which 83% repairers are available.

"Our focus remains on making sure we can react to any fluidity within our supplier network – be that sourcing alternative garages or recruiting new suppliers," said Lawes.

"Our teams are also busy maximising workshop availability, with fleet's compliance and uptime our main priorities. As a result, fleet availability is 99.5% across our customer base."

At Alphabet, Brownrigg said SMR bookings should only be made if they are "absolutely necessary". However, he added: "If customers have designated key workers that need to remain mobile, we're asking them to contact us so we can ensure their continued mobility, despite the restrictions and challenges."

Arval UK has also adopted new SMR procedures to support a number of key businesses, including some of the UK's largest pharmaceutical and medical supply companies.

Corrine Barton, UK head of networks at Arval, explained: "We are having to find service and maintenance suppliers that remain available for essential work, and then schedule jobs so that downtime is kept to an absolute minimum. Getting this right can literally save lives." (For more on the SMR impact, see page 8).

RESIDUAL VALUES

The long-term impact on the fleet industry remains unclear, but undoubtedly the length of the lockdown will play its part.

Andrew Mee, head of forecast UK at Cap HPI, said: "In the short term, when a lockdown of hopefully only a few months starts to be released and the new and used car markets start to come back to life, there is the potential for reasonably steady residual values."

"This should be the case if the impact on consumer confidence is of limited and pent-up demand is met by a fairly sluggish used supply of ex-fleet and ex-PCP vehicles constrained by the logistics of vehicle collections, inspections and movements to disposal channels."

Following this, Mee believes a shortfall in new car supply as manufacturers struggle to re-establish supply chains may make late plate and low mileage used cars very attractive, and good values for these will ripple down to support values of older cars.

"On the other hand," he said, "a longer lockdown is likely to have a much more negative effect on the economy, and people's jobs, personal wealth and disposable income. This could see used car supply outweigh demand and so result in a medium- or long-term fall in used values."

An inevitable fall in new car registrations in 2020, however, could affect used car supply in future years, contributing to future used value recovery.



THIS IS AN INCREDIBLY DIFFICULT MOMENT FOR MANY BUSINESSES IN THE UK

NICK BROWNRIGG, ALPHABET

Fleet industry can be proud as it answers all calls in selfless and capable fashion



CAROLINE SANDALL, CO-CHAIR OF THE ASSOCIATION OF FLEET PROFESSIONALS (AFP)

We've just lived through a few weeks during which the world seems to have altered completely. Shifts in behaviour and material changes that we might have dismissed as almost unthinkable as recently as early last month have become the norm – and look set to remain in place for the foreseeable future.

Not that the future seems anywhere near as foreseeable as it once did.

In the fleet sector, the impact of coronavirus and the ensuing lockdown have been dramatic. We have switched

from being a profession that literally sets business in motion to one that barely turns a wheel. It's quite a transformation.

However, there has been a crucial exception to this newfound stillness. That has been the support that we, as an industry, have been providing to key workers.

In frequently difficult circumstances, it has meant making sure that we keep vehicles available, safe and reliable, often on a 24/7 basis. For the fleets that really need to keep moving, those that are essential to living and saving lives, we have been in place to help their workers deliver.

When the fleet industry was called on to help, it responded in a selfless and capable fashion, and all of those involved deserve some praise. We can take pride in what we have done.

There have been other important subjects to tackle, if not as dramatic. Many company car drivers find themselves in difficult financial circumstances, and the work that has been done on benefit-in-kind taxation to minimise their outgoings is extremely worthwhile.

Equally impressive has been the way that the majority of fleet industry service providers, from the smallest to the largest, have moved from being traditional, centralised organisations to atomised, home-working operations in a matter of days.

Achieving all of these tasks has required often Herculean amounts of work, as I am sure everyone reading this knows. On a personal level, I can vouch that I have never been as busy as in the past month, something that I have heard many other people report.

What everyone now wants to know is what the future holds, but the picture is very far from discernible. As I write this, it is becoming clear the lockdown will extend into May. Will it continue beyond then? Will there be a phased reduction? Will we have to live with coronavirus measures until well into next year?

The answer is that no one knows. However, from what I have seen over the past few weeks, it is very obvious to me that whatever is asked of our sector, we can answer that call. With the flexibility, goodwill and ingenuity that we have shown, the fleet industry can tackle anything.

Everyone, please stay well and safe.

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These figures were obtained using a combination of battery power and fuel. The Kuga Plug-in Hybrid is a plug-in hybrid vehicle requiring mains electricity for charging. Figures shown are for comparability purposes. Only compare fuel consumption, CO₂ 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, accessories fitted, variations in weather, driving styles and vehicle load.

Coronavirus lockdown presents new SMR challenges for fleets

Closure of non-essential retail sites has left many gaps, but some workshops remain open

By Matt de Prez

Fleet operators must be more cautious of vehicle roadworthiness in the coming months as the coronavirus lockdown means some key maintenance and inspections will be deferred.

The Government has suspended the requirement for heavy goods vehicles (HGVs) and public service vehicles (PSVs) to have an MOT test for three months, while MOT expiry dates for cars have been extended by six months.

Maintenance is affected as some vehicles will be left parked for extended periods, while others will be used more frequently with limited opportunities for downtime.

Fleet operators and company vehicle drivers can still access emergency repair and maintenance services as some garages and workshops remain open, albeit in a limited capacity.

The closure of all non-essential retail sites was ordered on March 23, prompting car dealers to close their showroom doors immediately.

Most sites continue to offer some aftersales services, although routine servicing or non-essential repairs are being delayed to free up workshops in case they are needed to support key workers or the emergency services.

Corrine Barton, UK head of networks at Arval, said: "There has been a massive and quite sudden demand for fleets to be operational around the clock in response to the crisis, and this has created substantial new service and maintenance requirements."

Leasing companies, manufacturers and dealers say they are working to meet the needs of large fleets where possible.

Sue Robinson, director of the National Franchised Dealers Association (NFDA), said: "Aftersales workshops and their technicians will play an important role in ensuring that critical vehicles can continue to operate safely and efficiently during these challenging times."

TrustFord, part of the Ford Retail Group, is the UK's largest Ford dealer group. It continues to provide

>50%

Percentage of Jaguar Land Rover's service network operating to provide essential maintenance and repair services

aftersales services with a "skeleton staff", while its Part Plus business also continues to operate.

Stuart Foulds, TrustFord chairman and chief executive, said: "We must play our own part in protecting the most vulnerable in our society and make sure the NHS and frontline services are able to function in the days and weeks ahead."

Kia told *Fleet News* there is a limited number of dealers operating servicing facilities – in particular catering for the needs of key workers.

Jaguar Land Rover said more 50%

of its service network is operating to provide essential maintenance and repair services to customers, while BMW said it is working with its retailers to establish what they are able to offer in terms of essential service and repair.

"Any fleet customer with urgent vehicle maintenance requirements which is unable to receive help through their normal channels should contact their BMW Key Account Manager for support," a BMW spokesperson said.

Van and truck operators should expect a better service, with commercial vehicle service centres largely operating as usual.

With the coronavirus lockdown expected to last into May, it's likely there will be a pool of vehicles that are overdue a service or require maintenance after being parked up or only used for short trips.

To give fleet operators and drivers peace of mind, the majority of manufacturers have extended the servicing intervals and warranty cover for their vehicles to cover this period.

PSA Group brands, including Peugeot and Vauxhall said customers can continue to use their vehicles provided the required maintenance is performed within three months or 1,800 miles of the specified service intervals.

Mercedes-Benz has increased servicing intervals to the sooner of 180 days past the current due date or the vehicle covering 3,728 miles after a service was required.

Epyx, which runs the 1link Service Network used by fleets operating around four million cars and vans, said fleets should not overlook the SMR advantages mobile mechanics can offer during the coronavirus pandemic.

Tim Meadows, vice-president and commercial director of Epyx, said: "For fleets that are involved in delivering essential services and transporting key workers, mobile can provide the means for more flexible SMR provision, ensuring that vehicles stay roadworthy that might otherwise be difficult to maintain and repair."

ADVICE FOR MAINTAINING IDLE VEHICLES

Fleet operators can avoid a large number of breakdowns after the coronavirus lockdown is lifted by advising drivers of some basic care tips:

- Vehicles should be started and allowed to idle for 10-15 minutes at least once every two weeks to ensure the battery does not go flat.
- Moving the vehicle back and forth will prevent brakes from sticking and prevent tyres from forming flat spots.
- Bird droppings and other contaminants should be cleaned off the body and wheels to prevent damage to paint finish.
- When driving the vehicle for the first time, tyre pressures should be checked along with fluid levels.



Home delivery poses threat to fleet safety

Firms that recruit many more drivers are being urged to be mindful of not cutting corners



By Matt de Prez

Fleet operators face new safety risks as businesses rapidly expand home delivery services with additional vehicles and drivers.

Demand has increased as retail stores have been forced to close due to the coronavirus lockdown and high-risk individuals are unable to leave their homes.

David Jink, head of consumer research at Parcelhero, said: "It's thought the current rise in demand for home deliveries has eclipsed even the Christmas peak period, and that's something our industry plans all year for. With mere weeks of warning, the UK's couriers and retailers have had to ramp up services to an unprecedented degree."

Supermarket giant Tesco has added more than 200 new vans to its home delivery fleet and hired another 2,500 drivers and 5,000 store pickers to help handle increased demand.

Rival Morrisons has announced plans to create 3,500 jobs to help expand home deliveries to get groceries to vulnerable people.

It is estimated that demand for home delivery has increased by 100%, placing significant strain on supply chains.

Carl Moore, chief operations officer at Yodel, said: "We have been doing everything we can to keep the country moving. Demand has increased for essential products and we are working closely with other

parcel carriers to uphold best practice across the logistics sector."

Delivery companies must contend with new safety requirements to prevent the spread of the virus, as their drivers make much-needed deliveries – often coming face-to-face with members of the public.

GMB London, the union for staff in the parcel delivery sector, says of particular concern is the necessity to operate in accordance with strict social distancing requirements and how this impacts on the normal delivery times and rates plus the need for sanitiser, hand-washing facilities and personal protective equipment (PPE).

Some stores, including Waitrose, announced they would continue to deliver to households in quarantine, but new protocols needed to be established. Initially, companies adopted slightly different approaches to doorstep delivery. For a few days, some parcels were being dropped without any record kept of proof of delivery. New protocols were swiftly put in place and there are now broadly agreed procedures.

"Today, drivers keep a two-metre distance and will confirm proof of delivery themselves once the package has been accepted: they may even take a photo of premises as proof. To avoid contact entirely, we've been advising receivers it's best practice to let all delivery services know a convenient area such as a porch where parcels can be left safely," Jink said.

Michael Holt, executive chairman of Tuffnells, said the whole supply chain is facing an "unprecedented challenge" and businesses like Tuffnells are rapidly hiring more staff to cope with demand.

"It's been an extremely difficult period for us all no matter where you are or what you do for work. The sheer rise in demand for goods in recent weeks means we are working hard to deliver the supplies businesses and customers need to operate as best they can considering the circumstances," he said.

Conditions are changing daily in the delivery industry. The hours truck drivers are permitted to work have

been relaxed, and night-time delivery curfews have been suspended.

Red Driver Training is urging fleets not to prioritise getting new drivers on the road ahead of safety and their legal duty of care to any employee who drives on company business.

"Now is not the time for businesses to cut corners," Ian McIntosh, CEO of Red Driving School, warned.

"Customer service teams are under more pressure than ever, but that is no excuse for employers to send untrained drivers on to the road and neglect their duty of care."

"A comprehensive fleet driver training programme is vital to ensure drivers are safe and efficient," he added.

Studies show that drivers are more likely to break the speed limit and take risks due to time pressures.

"Notwithstanding a pandemic, there are two common practices in the industry referred to as 'job and finish' and 'payment by customer' contact," said Lisa Dorn, research director at DriverMetrics.

"These practices can encourage drivers to exceed speed limits, by reinforcing drivers to complete more deliveries in a certain timeframe either because they want to finish work early or because they want the financial reward of making fast and frequent deliveries."

She said it is crucial employers set reasonable work schedules that do not require drivers to exceed recommended working limits and drivers' hours.



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LISA DORN, DRIVERMETRICS

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NEWS: MOBILITY

Free2Move Lease looks to mobility market as all services roll together

Business aims to keep evolving with three-year plan to double its size

By Sarah Tooze

Free2Move Lease has brought its leasing, car sharing, rental and telematics offerings together in a central department, made up of more than 50 employees, as it looks to tap into the mobility market.

"We want to be able to offer mobility to all customers wherever they are," said Alison Jones, group managing director of Peugeot, Citroën and DS in the UK for PSA Group, which owns Free2Move Lease. "That's a key emerging area to be able to do that. They are complementary services for customers; quite often with car share you need telematics in those vehicles to be able to track where they are – so it makes it more effective to put them into one team."

Fleet customers have long benefited from telematics as standard in Citroën vans but the offering has since been widened with the launch of Free2Move Lease's Connect Fleet product in 2018.

This means data – such as maintenance alerts, fluid levels and speed – is taken direct from Peugeot, Citroën and DS vehicles, enabling a proactive approach to maintenance and mileage management.

Customers can also choose to have a telematics box fitted to non-PSA vehicles.

Three packages are available: fleet management (vehicle tracking, fuel consumption, mechanical alerts in real time, and service and maintenance alerts), eco driving (this adds driving behaviour analysis and customised eco-driving advice to the driver) or geolocation (this adds real time geolocation, itinerary and route tracking and analysis, and customisable geofencing alerts).



"We've widened the opportunity of what can be done because some people want different functionality," Jones said. "We keep evolving to see what can be included and the new team will look at all areas of connected services."

Jones is also learning which mobility options work in other countries where PSA operates. For instance, Free2Move has a car sharing service in Washington DC, which allows customers to rent a car from 30 minutes to seven days using an app. Cars are parked on the streets of Washington and can be returned within the 'home' area for the next user.

"The UK is on the list as one of the countries that would introduce it but we would take the learning from what they're doing in the other markets and how you get the busi-

ness model to work for customers then us as a business," Jones said.

Citroën's electric city car, Ami, which is being offered in Europe on a long-term rental costing £17 per month with a £2,186 deposit or via car sharing at a cost of 21p per minute (see [Fleetnews.co.uk](https://fleetnews.co.uk), February 28), could also provide valuable learnings. Jones said that PSA has not committed to Ami coming to the UK but it "depends what customers want".

"You have to test these things in different places and see," she said.

CONTRACT HIRE FOR VAUXHALL SET TO GROW BUSINESS

Free2Move Lease's growth in the short-term is set to come from Vauxhall, after it became the in-house provider of business contract hire for Vauxhall and its

retailer network last year.

Vauxhall previously white labelled ALD Automotive's finance products to offer to fleet customers, although there was period of about two years between the agreement with ALD ending and Free2Move Lease beginning.

The move is set to double the size of the business over a three-year cycle, but this does not take into account any impact the coronavirus lockdown may have on sales.

Free2Move Lease is offering customers contract extensions, payment holidays where needed, and helping to ensure critical vehicles keep moving during the lockdown.

■ For more on how the PSA Group is supporting fleet operators who have essential workers, see [Fleetnews.co.uk](https://fleetnews.co.uk), March 31.

NO IMMEDIATE PLANS TO INTEGRATE FLEET TEAMS

Vauxhall continues to operate as a separate fleet team, despite PSA's acquisition of Citroën in 2017 and the Peugeot, Citroën while saw DS fleet teams

integrated under fleet director Martin Gurney. "We keep our brands quite separate, as do any many others [manufacturers] who have many

brands," Alison Jones said.

However, on the dealership side, network development and aftersales have been integrated for efficiency and to benefit investors, since Jones was appointed in February last year.

The cultural changes which Jones has made, along with her leadership skills, were recently recognised with her being named the Barbara Cox 'Woman of the Year' (see [Fleetnews.co.uk](https://fleetnews.co.uk) March 10).

THE BIG PICTURE

With everything that has happened in recent weeks, the news of the merger between ACFO and ICFM has been slightly overlooked.

We've covered the on-going impact of coronavirus on fleets comprehensively throughout this issue, so I won't dwell on it again here, other than to mention a webinar we ran last week with Driving for Better Business and Fleet Check which was our most watched ever. A whole host of questions were raised, which we are looking to answer over the coming days. Keep an eye on the website for more details.

Back to the new Association of Fleet Professionals. We've long held the opinion that ACFO and ICFM should be one association, as far back as 2010 when they first revealed plans to work together and then again in 2016 when a statement announcing "closer links" led to representation on each other's boards and shared membership initiatives.

At the time, in this column, we urged them to consider a full-scale merger, commenting "it would strengthen them, pool resources and make the representative voice of the sector much stronger – more on a par with the likes of the BVRLA and FTA – when lobbying Government".

We added: "It may take a little time to come to fruition, but don't rule out an amalgamation at some point. We'd certainly back it."

And we certainly will back it. We played our own small role in helping to reignite negotiations in late 2018, bringing the two organisations together to discuss common ground and the potential creation of a new trade body, so we're already invested in having a strong, relevant and truly representative association.

But, the real credit goes to ICFM's Paul Hollick and ACFO's Caroline Sandall and Stewart Lightbody who had the vision and energy to make an ambition a reality.

Stay well and safe everyone.



Stephen Briers

Stephen Briers,
editor-in-chief,
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Burning question:
Name a positive of being in lockdown

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Better quality coffee at home

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Out of office – aren't we all?

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My commute has gone from 30 miles to 0 miles,
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Not having to travel to work

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I can fall out of bed, walk five paces and be 'at work'

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EDITOR'S PICK

BENEFIT-IN-KIND TAX

Coronavirus HMRC advice 'fills me with dread'

Glenn Ewen wrote:

Having read 'HMRC to publish company car tax guidance' (fleetnews.co.uk, April 7), as a fleet manager, the thought of having cars all over the country, with the keys in one location, for an unspecified period of time, and with no one responsible for them, fills me with dread.

The safety and security issues are endless (to suggesting a company car would be considered unavailable by sending the keys back to the employer).

The minute that the lockdown is ended, every one of those drivers is going to want their car back on the road, having taken absolutely no interest in it for the previous months, and they'll expect it to start first time.

The simple solution would be to allow a certain weekly mileage to ensure the vehicle is kept roadworthy, and the battery charged, and reducing the benefit-in-kind (BIK) accordingly to reflect that.

If they can pay a huge swathe of the country while they are furloughed, they can come up with a simple solution to keep the driver involved in the upkeep of the vehicle, and have the ability to go straight back to work, without swamping the breakdown services on the first day back.



• THE EDITOR'S PICK WINS A £20 JOHN LEWIS VOUCHER

Keith Wall wrote:

I think company car drivers tend to be more affluent than many and should not expect a reduction in BIK during the crisis.

Everyone else has to continue to bear vehicle costs and the Government is not there to finance every small loss, but to shield us from catastrophe.

Try looking out and not in, don't behave like a professional footballer.

Sage and Onion replied:

I can't agree. You might find that the less "affluent" company car drivers on the lower rungs of company car choice lists pay higher BIK tax for their diesel rep-mobile than executive company car drivers higher up the ladder and they get much less private use, too.

People with cars on private finance agreements can ask for payment holidays etc. so why shouldn't the same relief apply to company car drivers? We're all in this together remember.

ROAD SAFETY

'Enforce' existing speed limits

Greg wrote:

Having read 'Reducing speed limit to 20mph could lower NHS burden' (fleetnews.co.uk, April 9), reducing the speed of impact, particularly with pedestrians, is very important. The best way to do this, however, would be to enforce the current speed limits and for drivers to stick to them.



RESIDUAL VALUES

Fears for used car demand

Devon Guy wrote:

Having read 'Used car values slide' (fleetnews.co.uk, March 27), sadly, over the coming months and years, the economy is going to look radically different, with a global recession and high unemployment levels looking a real possibility.



Therefore, we are going to see both the new and used car markets face low demand and chronic over-supply, which means much reduced forecourt prices.

I have a friend that runs a small used car business. He used to offer 'cash for cars', maybe getting three calls a week, pre the virus. He's now averaging 30-40 calls every week from desperate owners wanting to offload their cars because they have already lost their jobs.

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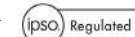
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FleetNews

— goes —

DIGITAL ONLY

FROM MAY

Due to the ongoing coronavirus pandemic which has resulted in as much as 75% of the *Fleet News* readership now working from home (see survey on page 4), we have taken the decision to temporarily stop printing *Fleet News* from May and instead produce the magazine in a digital e-zine format.

We recognise that all businesses have big decisions to make to protect their futures and the livelihoods of their employees. Car, van and truck manufacturers have switched off production, other companies have furloughed staff, some are fighting for their very survival.

Consequently, we have seen a reduction in advertising as a number of companies pull back expenditure.

However, *Fleet News* continues to benefit from the support of several fleet suppliers and we would like to pay special thanks to the following for maintaining their investment in the magazine: The AA, Chevin, Geotab, Mercedes-Benz Trucks, Quartix and Zenith.

Turning off print for our May, June, July and August issues creates a number of opportunities: we are no longer restricted in the number of pages

we produce, and we can widen our audience beyond our usual 18,700 print-run. One thing that won't change is our commitment to provide you with insightful, well-researched, useful and comprehensive news, interviews, profiles and features.

Remote working and cancelled events, such as our own Company Car In Action and Fleet200 quarterly meetings, make relationships and building contacts and knowledge more difficult. At *Fleet News*, we will continue to offer a way to connect the fleet sector, through our digital magazine, our website, our daily newsletters and our webinars.

Our digital magazine will be made available to everyone so you can access it from the comfort of your home. This 'page-turner e-zine' publication will be sent out at the same time as you'd normally expect to receive the printed magazine, plus you can access it via the *Fleet News* website – <https://www.fleetnews.co.uk/digital-issue/>

We will also be introducing a monthly 'editor's letter' video which will be distributed via our newsletter to give you an insight into the latest issue of *Fleet News* and our thoughts about the challenges facing fleets.

And you can stay up-to-date with all the latest news at [Fleetnews.co.uk](https://www.fleetnews.co.uk) where our coronavirus hub will keep you informed daily with all the news and information to help your business and your employees to get through the current crisis.

But the most important thing, that we wish for all our readers and commercial partners, is stay safe.

Our digital magazine will be made available to everyone so you can access it from the comfort of your home. This 'page-turner e-zine' publication will be sent out at the same time as you'd normally expect to receive the printed magazine, plus you can access it via the *Fleet News* website [fleetnews.co.uk/digital-issue](https://www.fleetnews.co.uk/digital-issue)



FLEET NEWS AWARDS HONOURING THE ENTIRE INDUSTRY

Fleet News is merging the *Commercial Fleet Awards* with the *Fleet News Awards* to create an unparalleled awards evening that honours and recognises excellence across every part of the fleet sector.

With the industry in turmoil due to the coronavirus pandemic and very little time for compiling award entries to reflect innovation and best practice, *Fleet News* had a chance to review its awards proposition for 2021.

"Despite the ongoing success of the *Commercial Fleet Awards*, particularly with its new home at *Fleet & Mobility Live*, we believe bringing together our two awards programmes will boost their appeal to a wider audience of fleets, suppliers and manufacturers," said Stephen Briers, *Fleet News* editor-in-chief.

The move mirrors the decision to bring *Commercial Fleet* magazine into the pages of *Fleet News* at the start of 2019. This reflected the fact that the majority of the fleet readership is running a mixture of cars, vans and trucks.

Many issues facing companies are relevant irrespective of the type of vehicles they run, and many of the solutions can be shared across their operations. *Fleet News* now puts the spotlight more directly on the business of moving people, goods and services around.

Bringing together the *Commercial Fleet Awards* and the *Fleet News Awards* is a continuation of that journey, one which has also seen the introduction of more van and truck content into *Fleet & Mobility Live* (see page 28).

Fleet News Awards 2021, incorporating *Commercial Fleet Awards*, will offer a unique opportunity for *Fleet News* to bring together the entire fleet sector to celebrate and honour the best people, companies and vehicles. It is set to become the biggest night in fleet.

"We believe this is the right move. It enables us to celebrate and honour the entire fleet sector, just as we provide insight and analysis for every part of fleet in *Fleet News* and deliver content for all at *Fleet & Mobility Live*," said Briers.

Further details about awards categories, judges and auditing will be released in September when *Fleet News* officially launches the *Fleet News Awards 2021*.

On the road to autonomous driving

The Nissan-led HumanDrive project investigated the real-world demands on self-driving vehicles, culminating in a 230-mile journey on UK roads. *Andrew Ryan* reports

While the technology being used in autonomous vehicle prototypes is already staggering, there are plenty of obstacles still to overcome before they are in regular use on public roads.

These include regulation, cybersecurity and trust in the technology from the people who will ultimately use the vehicles.

These were all areas looked at by the Nissan Europe-led consortium HumanDrive, which concluded with the Grand Drive – a successful 230-mile self-navigated journey on UK roads. The project also included a test track-based activity which explored human-like driving using machine learning to enhance the user experience.

Fleet News takes an in-depth look at the findings of the project and what they mean.

THE PROJECT

Since 2017, Nissan's R&D team, based at the Nissan Technical Centre Europe in Cranfield, has led the HumanDrive project, a £13.5 million research initiative involving nine other partners (see panel, page 17) and backed by the UK Government.

The project had six key objectives, says David Moss, senior vice-president for research and

development in Europe at Nissan Europe:

- 1 Create an autonomous vehicle.
- 2 Explore artificial intelligence (AI) and machine-learning.
- 3 Perform a long-distance demonstration.
- 4 Develop testing, validation and safety methods.
- 5 Investigate cyber security.
- 6 Understand how autonomous vehicles interact with the transport infrastructure.

However, the overriding aim was for the HumanDrive car to travel in a way that was comfortable, natural and ultimately trustworthy for the user, says Professor Natasha Merat, chairman in human factors of transport systems at consortium member the University of Leeds.

"Integrating human-like controllers in automated vehicles will provide a smoother, more comfortable experience for drivers and our algorithm development is trying to achieve this, along with an understanding of what people want from an automated driving experience," she adds.

Establishing trust by users in autonomous vehicles is key, says Moss. "We need to make sure the technology that comes in is not only useful for people, but that people will use it," he adds.

"That is why we spent a lot of time trying to understand how we can develop the vehicle so that it didn't drive in a robotic fashion, and we could understand how to give it a real, human-like feel so customers will feel really confident and safe with the technology."

HUMANDRIVE AND MACHINE LEARNING

Part of the HumanDrive project looked at how machine-learning AI technologies could enhance the user experience and passenger comfort of connected and autonomous vehicles.

The project's pilot vehicles were tested on private tracks and incorporated AI systems – developed by consortium member Hitachi Europe – to enable real-time machine-learning.

These built a dataset of previously encountered traffic scenarios and solutions, and used this 'learned experience' to understand how to handle similar scenarios in future in order that a safe route could be plotted around an obstacle. These technologies were subjected to a robust testing process and developed using a range of facilities, including simulators and private test tracks.

One way in which machine learning will help an autonomous vehicle be more human-like is in

its road positioning. "For example, if you programme an autonomous vehicle without machine learning, the way they will potentially handle a roundabout is to go an equal distance around the outside of it," says Peter Stephens, head of UK external and government affairs at Nissan.

"No human drives that way, they usually cut across the roundabout, so part of the aim of the project was to teach vehicles to drive autonomously following a more natural road line.

"One reason was to improve the driving experience, making it smoother, and secondly it was to increase the predictability for other road users being able to read where the vehicle is positioned on the road, and therefore what the driver's intention is."

Moss adds: "The only way we could do that is by doing a lot of research about understanding how people drive actual cars on roads and test track, but then also supporting that with the simulation environment.

"We combined a lot of information from driver simulation at Leeds University to the actual measurements that we made on the roads around us."



SPONSOR'S COMMENT

David Morris, Channel Manager, Goodyear Tyres UK Limited



For any fleet there are a few items at the top of the list when it comes to tyre management – hassle-free and sustainability being up there together with lower cost of ownership and safety.

Every year, traditionally at the Geneva Motor Show, Goodyear shows its vision of the future of mobility, and even without the show taking place this year, Goodyear still managed to release its vision of the tyre of the future – the Goodyear reCharge.

The reCharge is a revolutionary self-regenerating concept tyre that can adapt and change to meet individual needs. The concept includes a number of innovative features that are built around three pillars:

Personalised: At the core of the reCharge concept is a reloadable and biodegradable tread compound that can be recharged with individual capsules, radically simplifying the process of replacing your tyres. Filled with a customised liquid compound, these capsules allow the tread to regenerate and the tyre to adapt over time to climatic circumstances, road conditions, or simply how you want to travel. Thanks to artificial intelligence, a driver profile would be created, around which the liquid compound would be customised, generating a compound blend tailored to each individual.

Sustainable: The compound itself would be made from a biological material and would be reinforced with fibres inspired by spider silk. This would make it both extremely durable and biodegradable.

Hassle-Free: The tread would be supported by a lightweight, non-pneumatic frame and tall-and-narrow shape. This is a thin, robust low-maintenance construction that would eliminate the need for pressure maintenance or downtime related to punctures. Goodyear wants the tyre to be an even more powerful contributor to answering specific needs, including for fleets. It was with that in mind that we set out to create a concept tyre primed for the future of sustainable and convenient electric mobility.



"WE NEED TO MAKE SURE THE TECHNOLOGY THAT COMES IN IS NOT ONLY USEFUL FOR PEOPLE, BUT THAT PEOPLE WILL USE IT"

DAVID MOSS, NISSAN

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TOMORROW'S FLEET: THE HUMANDRIVE PROJECT

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Inside the modified Leaf EV used for the HumanDrive project

THE GRAND DRIVE VEHICLE

Nissan used a modified 30kW Leaf electric vehicle for the journey.

As it had to contend with a variety of conditions, from winding country roads with no white lines to motorways, as well as potential bad weather and oncoming traffic, a number of sensors were installed as very precise measurements of the actual conditions were needed, says Moss.

These included an advanced GPS system to keep the positional accuracy of the vehicle "within centimetres, not within the likes of the 10 metres you get on your standard navigation system", he adds. "We also put a lot of other sensors in: eight LiDAR laser scanners, seven cameras and one radar, and these were used in different combinations so the vehicle could understand where it was, what was around it and then plot the safest route using that data."

THE GRAND DRIVE JOURNEY

The journey took place in November, beginning at Nissan's research centre in Cranfield and finishing at the gates of the manufacturer's factory in Sunderland, where the vehicle was originally built.

Two engineers fully trained to conduct autonomous vehicle testing were on board, with one

behind the wheel and ready to take control if required, while the other supervised the car's control and monitoring systems.

The aim was to carry out the entire journey fully-autonomously with the exception of:

- Service station breaks for charging/rest.
- Any major incident on motorway/highway.
- The mechanical failure of the vehicle.
- Emergency vehicle access.
- Overtaking cyclists.
- Where deemed necessary to avoid injury to passengers or other road users.

During the journey, the autonomous technology activated to change lanes, merge and stop and start when necessary. "I'm pleased to say the drive was completed over 99% in fully autonomous mode," says Stephens.

KEY LEARNINGS

The project helped the consortium understand the challenges of fully autonomous driving on the public road network.

Particular issues identified were being able to identify road markings, while there was a real challenge around on-street parking and street furniture and how easy it is for an autonomous car to be able to detect where the roadway is, says Stephens. "We also learned about the importance of using a diversity of technologies

HUMANDRIVE PROJECT CONSORTIUM MEMBERS AND AREAS OF EXPERTISE

- Nissan:** Lead partner and leading the autonomous vehicle (AV) development
- Hitachi:** Artificial Intelligence to provide human-like control and perception
- University of Leeds:** Understanding humanistic driving and its application to AVs, while also developing a driver risk model
- Connected Places Catapult:** Project management, communications and marketing activity, disseminations and safety case elements of the project
- Horiba Mira:** Provider of test facilities, supported safety aspects of the project
- SBD Automotive:** Cyber security support and AV human machine interface studies
- Cranfield University:** Provider of test facilities and supported AV demonstrations
- Atkins:** Provision of a cybersecurity framework
- Aimsun:** Studying the impact of AVs on the transport system
- Highways England:** Understanding the infrastructure needs for AV deployment.

in autonomous vehicles," he adds. "It's not that one technology will work for all road conditions, particularly in terms of positioning and locating the vehicle; you need a variety of different technologies such as GPS, camera systems, LiDAR and so on.

"There were also challenges around traffic signal recognition with a question about the extent to which we depend and design on what I'd call dumb road infrastructure versus future intelligent traffic systems."

Following HumanDrive, Nissan is to look at other areas related to the project. These include developing AI technologies for complex situations at intersections, including vehicle and pedestrian interaction, as well as a feasibility study to clarify how autonomous vehicles fit within a wider urban transport system.



SOLENT DRONE TRIAL COULD SAVE LIVES

Initiative forms part of successful £29 million bid to Government's Future Transport Zone scheme.

Andrew Ryan reports

Drones will be used to fly NHS medical supplies from hospitals on the UK mainland to the Isle of Wight in a new Government-funded mobility project.

The scheme, which will help speed up diagnoses by cutting out time spent journeying on ferries and roads – and could “potentially save lives”, says Ian Ward, cabinet member for transport at Isle of Wight Council – forms part of Solent Transport's successful bid to be named as a Future Transport Zone (FTZ).

Under this £90 million Government programme, four areas have now been named as FTZs to provide real-world testing of new transport innovations, allowing experts to work with a range of local bodies such as councils, hospitals, airports and universities to test ways to transport people and goods.

Transport for West Midlands was named as the first FTZ at the end of 2018 and was last month (March) joined by Solent Transport, the West of England Combined Authority (WECA) and Derby and Nottingham, to complete the areas taking part in the initiative.

Here we take a closer look at what the newest additions to the programme involve.

SOLENT TRANSPORT

Solent Transport, which comprises Southampton City Council, Portsmouth Council, Isle of Wight Council and Hampshire County Council, was awarded £29m.

As well as trialling the drones, which could eventually be used to transport chemotherapy kits, the three-year Solent Transport Zone aims to address local challenges such as high levels of car usage and the environmental impacts of freight movement within Solent's urban areas.

Personal mobility projects will include an upgrade of the Solent Go multi-operator smartcard to an app-based platform to create a mobility as a service (MaaS) app. This will be trialled at the Universities of Southampton and Portsmouth. A bike/e-bike hire scheme will also be developed.

The sustainable urban logistics projects will see Solent Transport working with university partners to test different and less environmentally damaging approaches to freight and small package deliveries in urban areas, such as e-cargo bikes.

DERBY AND NOTTINGHAM

The Government granted Derby and Nottingham £17m for its FTZ, which will cover the Derby and Nottingham conurbations and growth areas including the proposed HS2 East Midlands Hub Station, and East Midlands Airport and East Midlands Gateway employment zones.

This bid is focused on three areas:

■ Creating three types of electric mobility ‘hub’: – neighbourhoods, campuses and depots. Each will aim to encourage the take-up of alternative travel methods and offer electric car club hire, electric bike-sharing, vehicle charging points, digital information screens and real-time public transport information.

■ A new website and smartphone app to plan, book and pay for public transport, plus bike hire, car share, taxi journeys, car parking and vehicle charging, as well as discounts and bundles to reward and incentivise trips.

■ A data platform to pool transport data sources owned and collected by the council into one place to provide a network-wide picture to improve the efficiency of the traffic control centre and keep commuters informed of the latest information. There will also be the opportunity to trial new modes of transport such as autonomous vehicles to investigate how they could safely, and sustainably, be incorporated into Nottingham's established networks.

WEST OF ENGLAND COMBINED AUTHORITY

WECA has received £24m for a programme to test how new technologies can be used to make it radically easier for people to move around the region, planning and changing between different modes of transport on a single ticket to get to their destination. It will also see the use of e-scooters being trialled in the region, while WECA will also work to trial self-driving cars to transport people between Bristol airport, central Bath and the Northern Arc.

Drones will be used to fly medical supplies from the UK mainland to the Isle of Wight as part of a £90m Government programme

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Salary sacrifice 'perfect' for electric vehicles

The 0% benefit-in-kind tax rate for battery electric vehicles makes the staff benefit a valuable tool, experts tell *Andrew Ryan*

The fortunes of salary sacrifice schemes for cars has ebbed and flowed over the years to reflect changes in the tax climate, but experts believe they are now "perfect" to help employees move into electric vehicles.

The latest changes - introduced in 2017 by the Government under the Optional Remuneration Arrangements (OpRA) - reduced the savings available through the staff benefit in the majority of cases, therefore lessening the schemes' appeal.

However, ultra-low emission vehicles were not affected and the introduction of new benefit-in-kind (BIK) tax rates at the start of this month, which include 0% for battery electric vehicles (BEVs), make salary sacrifice "effectively perfect" for perk drivers who want electric cars, says David Raistrick, senior manager at KPMG in the UK.

"There are fantastic savings to be had for the employee and employers from successfully introducing salary sacrifice arrangements," he adds. "Now is really the time to think about these arrangements - they should really take off again."

These savings can amount to several thousands of pounds per vehicle each year and leasing companies such as Arval UK and JCT600 Vehicle Leasing Solutions have either already seen a surge in interest or expect salary sacrifice to become increasingly popular for EVs.

"We are already seeing a resurgence of salary sacrifice [for EVs], especially at the management and senior management level," says Christopher Caddick, head of business development at JCT600 VLS.

Shaun Sadlier, head of consultancy, Arval UK, adds: "Our view is the new arrangements make the EV and ultra-low emission company car an attractive option for employees including via salary sacrifice. We expect to see numbers grow over the coming years."

WHAT'S DIFFERENT?

The way salary sacrifice schemes operate stays the same: the employer leases the car, inclusive of maintenance and insurance, and the employee sacrifices part of their salary before tax to pay for it.



This means employers can save on national insurance contributions (NIC) for every employee on the scheme, while participating employees save on national insurance and income tax.

Before the OpRA changes, drivers obtaining a car through salary sacrifice were taxed on the BIK value of their car and - dependent on the choice of vehicle - were able to make income tax and national insurance contribution (NIC) savings by paying for it out of gross salary.

The reduction in taxable pay also reduced the NICs employers made.

However, the current rules mean that anyone who now enters a salary sacrifice agreement for a car with CO₂ emissions of 76g/km and above pays income tax on the greater of the taxable value of the vehicle or the salary being sacrificed for the car.

Industry estimates at the time suggested the change could cost drivers up to £240 more a year than the old rules.

Employers also have to pay NIC on this amount, meaning they do not enjoy the same savings as before.

ULEVs, however, were exempt from the changes, and the Government's decision to cut the BIK tax rate on BEVs from 16% in 2019/20 to 0% in 2020/21 has unlocked significant savings for both employers and employees.

Salary sacrifice provider Tusker says the change to BIK tax makes BEVs cheaper than petrol or diesel cars, despite them having higher P11D prices.

"Put simply, salary sacrifice is key to making BEVs affordable for the average British motorist," says Paul Gilshan, chief executive officer at Tusker.

WHAT ARE THE POTENTIAL SAVINGS?

Fiona Howarth, CEO of Octopus Electric Vehicles, says an average car-driving employee could retain up to £7,000 in a four-year period by acquiring a BEV through salary sacrifice that would otherwise have gone on tax, fuel and maintenance that a petrol or diesel car would typically need.

She gives two specific examples of the potential tax savings. One is for 'Max', a 20% taxpayer earning £40,000 who has taken a Nissan Leaf over a three-year/30,000-mile term.

Each month he sacrifices £439 from his gross salary for the car, which in 2020/21 sees him save £141 in income tax and NIC each pay packet.

He also pays no BIK this year, although this increases to £5 and £10 a month in the following two years as the BIK rates for BEVs increases to 1% and 2% respectively.

This gives Max an average monthly net payment of £303 per month, a saving of £4,896 over the three years.

Over the term of the lease, his employer saves an average £57 in NI each month, which is a total of £2,052.

The other example is for a 40% taxpayer - 'Julia' - earning £60,000 who has taken a Tesla Model 3 over a three-year/30,000-mile term.

Each month she sacrifices £835 from her gross salary for the car, which in 2020/21 results in an income tax and NIC saving of £351 per pay packet.

Julia pays no BIK in 2020/21, although this increases to a monthly £14 and £29 in subsequent years which results in an average monthly net payment of £498. This is a saving of £12,132 over the term of the agreement.

Her employer saves £3,960 over the three years, a monthly saving of £110.

BENEFITS OF SALARY SACRIFICE FOR BEVS

FOR EMPLOYERS

- ① **HR**
 - Significantly enhances the total benefits package
 - Supports employee recruitment and retention
 - Provides an 'all employee' benefit
 - Bespoke schemes can be tailored to individual corporate needs

② Financial

- Reduces salary and national insurance costs
- Controls salary costs via the effective use of flexible benefits
- Lowers business mileage reimbursement costs

③ Corporate social responsibility

- Improves compliance with health and safety and duty of care legislation
- Reduces employee travel carbon footprint

by encouraging move from petrol or diesel grey fleet vehicles to safer and lower emission vehicles

FOR EMPLOYEES

- Access to a new car every three to four years, usually at a lower cost than other methods of new vehicle provision
- Typically no deposit or credit checks and no impact on personal credit
- Tax and national insurance liabilities are reduced as payments are deducted from gross salary
- All-inclusive, hassle-free motoring at a fixed monthly cost. This can include servicing and maintenance, breakdown and recovery, road fund licence, fully comprehensive insurance, replacement tyres and accident management
- Access to a tax-efficient second or third car.

Source: Energy Saving Trust

CHOICE CUTS

Organisations can use their company car choice lists as a tool to increase uptake of electric vehicles. *Andrew Ryan* reports



Electrifying fleets is a priority for many organisations striving to lower their environmental impact and adapt ahead of the Government’s 2035 ban on the sale of new petrol and diesel cars.

However, obstacles such as vehicle availability and the generally high P11D price and lease rentals of electric vehicles in comparison to ICE cars – as well as a mistrust of the technology by some drivers – have stood in the way.

The new benefit-in-kind rates introduced on April 6, which lower the tax on battery electric vehicles (BEVs) from 16% in 2019/2020 to 0% in 2020/21, have provided a “seismic shift” in the appeal of the technology to company car drivers, says Matthew Hunnybun, partner, employment tax, at KPMG in the UK.

It also provides fleets with the chance to revise their company car choice lists to ensure EVs are available to as many members of staff as possible.

“Now is exactly the right time for organisations to review their company car strategy and policy,” says Hunnybun.

“It’s really important to remember that however good your company car scheme is, it will depend on the communication – the employees will need to understand it, be bought into it.

“We have experience of really good schemes that have fallen at the last hurdle or just been not well received because the employees didn’t understand the benefits to be had.”

Here we look at how an organisation can use its company car choice list to encourage EV uptake.

USE WHOLELIFE COSTS

“Historically, what we see with a lot of organisations is they looked at car banding predominantly based on lease cost or lease and maintenance,” says David Raistrick, senior manager at KPMG in the UK.

This effectively penalises EVs as their P11D prices – which are a key influencer of lease rentals – can be significantly higher than those of petrol or diesel models.

“The Mini Electric has a starting price of about £24,000, whereas a petrol Mini has a starting price of around £16,000,” adds Raistrick.

“Similarly, with the Volkswagen e-Golf, you’ve got an £11,000 differential with the starting price for a petrol model.

“But what we are starting to see with clients is effectively a change in how they think about the cost of vehicles.”

This sees them adopt a wholelife cost (WLC) model, where the significantly lower tax, fuel and SMR expenses are taken into account, enabling EVs to be offered in many more company car grades.

An example KPMG used in a webinar entitled ‘Company cars: it is time to review your strategy’, compares a fully-electric Nissan Leaf with a diesel Ford Focus, a hybrid Toyota CH-R, and petrol and diesel Volkswagen Polos (see table below).

The Leaf has the highest P11D price by more than £5,000, which helps give it an annual lease rental of £5,400 – between £1,900 and £1,200 more than any other car in the comparison.

However, when fuel, insurance and national insurance contributions (NICs) are included in the calculation, the Leaf – at £7,000 for a 20,000-mile year – costs between £321 and £544 less for an organisation to run than the other vehicles in the comparison.

The major savings are the lower fuel cost, which is up to two-thirds cheaper than one of the models it is being compared to, while the 0% BIK tax rate for battery electric vehicles for 2020/21 mean an organisation’s NIC is nil, up to £792 less a year than the other cars.

“It’s just a case of thinking about things slightly differently if you want to get more electric cars on to your list,” says Raistrick.

Claire Evans, head of fleet consultancy at Zenith, says it is essential fleet operators of cars or commercial vehicles use a WLC methodology to accurately assess and obtain the cost benefits from EVs: a view also shared by the Energy Saving Trust (EST)

“This approach should be applied to all vehicle acquisition,” adds Ian Featherstone, account manager supply chain at EST. “If an annual lease price is used to determine choice, then significant costs/savings won’t be taken into account.”

Featherstone says when calculating WLCs for EVs, organisations should make sure the pence per kWh rate used to calculate the cost of ‘fuel’ is sensible.

“Don’t assume a 100% domestic night-time rate of (say) 8p per kWh when much of the charging may cost 15p or more,” he says.

CASE STUDY: WHOLELIFE COST COMPARISONS

Model	Fuel type	P11D	CO2	BIK tax band 2020/21	Annual rental	Fuel economy	Annual fuel cost*	National insurance	Insurance	Total annual cost
Toyota CH-R	Hybrid	25,100	86	22%	£4,200	61	£1,782	£762	£800	£7,544
Ford Focus	Diesel	21,250	93	27%	£3,850	60	£1,970	£792	£800	£7,412
VW Polo	Diesel	19,585	97	28%	£4,000	60	£1,973	£757	£800	£7,000
VW Polo	Petrol	17,305	104	25%	£3,500	45	£2,424	£597	£800	£7,530
Nissan Leaf Acenta	Electric	30,135	0	0%	£5,400	N/A	£800	£0	£800	£7,000

Source: KPMG *based on 20,000 miles per annum

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ELECTRIC FLEET: CHOICE LISTS



“IT'S A CASE OF
THINKING ABOUT
THINGS DIFFERENTLY
IF YOU WANT TO GET
MORE ELECTRIC CARS
ON TO YOUR LIST”

DAVID RAISTRICK, KPMG

“If rapid charging is required for longer journeys, then the costs could rise to 30p to 50p per kWh. It would be worth looking at one of the fuel cards now available which could offer a fixed cost to charge across the networks they have a contractual agreement with.”

Using WLC to determine choice lists also means an employee's decision will take into account the costs their employer incurs.

Evans adds: “In addition, looking at cost post-tax is also important, as low emitting cars have further corporation tax benefits as they are not subject to lease rental restriction and a lower 6% capital allowance rate.

“It will be even more relevant from April 2021 when the threshold for these benefits is lowered to 50g/km from 110g/km.

“WLC not only helps fleet operators realise cost benefits but can open choice to employees as they utilise their monthly budget, spending more on a private use contribution and less on benefit-in-kind.

“It can provide access to more prestige or larger vehicles than may otherwise have been affordable within their grade.”

ALLOW DRIVERS TO MAKE CONTRIBUTIONS

Employers should be flexible with the amount drivers can contribute to the car scheme to ensure a range of EVs are available at all grades, says Evans.

For example, if the WLC of a Tesla Model 3 Long Range is £600 and a company's WLC entitlement is £500, then without a driver contribution the vehicle would not be available.

“However, if the driver could pay £100 contribu-

tion towards the Tesla, they would pay £0 BIK and yet still be in a better total cost position, compared to the average BIK cost of £300-£400 (40% taxpayer) for equivalent petrol and diesel cars within their entitlement,” says Evans.

“The driver gets a £200 to £300 a month saving and the opportunity to switch to cleaner technology at no extra cost to the employer.”

PRESENT POLICY IN A SIMPLE WAY

John Lawes, managing director at Hitachi Capital Vehicle Solutions, adds many employers are also providing more generous allowances to permit BEVs to be available to more employees' pay grades.

“One challenge that needs to be taken into account is how much information is provided to the driver during the process as this can often be overwhelming,” says Lawes.

“If presented in a simple way and in a way that ensures employees fully understand the policy, this should support the uptake of BEVs at a time where more would be available under a wholelife cost policy.”

Moving to electric vehicles can already be a daunting prospect for drivers who are familiar only with petrol and diesel models, so understanding potential barriers to EV adoption is crucial, adds Evans.

“Focus on designing policy and issuing clear communications that help to inform employee choice and remove these perceived barriers,” she says. “Engagement and education are pivotal to successful uptake.

“Successful policies with good uptake offer driver support and education about available vehi-

cles and how to optimise the use of home, work and public charging.”

OTHER INCENTIVES

EST and Zenith agree a WLC-based choice list and the current tax system negate the need for employers to introduce other financial incentives to encourage EV uptake.

“Where employers can assist is by considering benefits such as access to workplace charging or preferential parking for drivers of electric cars,” says Evans. “We are working with customers to adapt policies to add more BEV options for drivers.

“It is achieved through revisiting manufacturer options to open up choice and looking at matching the suitable BEV cars to the driver's travel needs in each grade.”

Ongoing driver education will also be key to increasing uptake.

“It will be essential for businesses to educate employees now on the benefit of alternatively fuelled vehicles so they are well informed on what the future holds for the fleet sector and can make the right decisions based on their needs,” says Lawes.

“The key non-financial measure that businesses are taking is making the employee journey a simple one.

“Providing tools to help employees navigate the decision-making process is crucial to gain the trust and confidence of employees in the electrification process.

“For example, highlighting the financial benefits of an electric car such as the reduction in cost of private motoring (fuel) could be a factor that employees hadn't previously considered.”

FLEET LIVE & MOBILITY

READY FOR BUSINESS

The UK's most influential fleet event is back with a new name, new theatre sessions and two days of packed content to help set the agenda across the fleet and mobility industry.

The evolution of the show's name from Fleet Live to Fleet & Mobility Live for 2020 reflects how fleets are preparing for the business mobility as a service revolution and how fleet managers' responsibilities are expanding beyond automotive and will encompass all areas of mobility.

The event will once again be held at the NEC in Birmingham on October 6-7 and include a host of new features, including an Electric Vehicle Theatre, Mobility Theatre and Operational Excellence Theatre, as well as perennial favourite Discover Fleet Theatre. The Tomorrow's Fleet Zone is also back and promises to be bigger and better than ever.

The Commercial Fleet Zone also returns and promises to be bigger and better than ever, with new exhibitors and a host of new features and initiatives to appeal to operators of vans and trucks.

The EV Theatre and Mobility Theatre (see panel) will explore two important topics in depth due to their significant impact on the future planning strategies

for businesses across the UK.

Fleet decision-makers and those involved in the mobility decision-making unit, including procurement, HR and finance, will be able to gain advice, guidance and insight from more than 20 expert speakers across all four theatres over the two-day event.

David Oliver, Specsavers senior category manager and Fleet & Mobility Live Visitor Advisory Board member, said: "This show is always the most productive and comprehensive time away from the office for me. Last year's show was filled with timely focused content seminars, amazing speakers and a wide range of fleet service suppliers.

"With the unprecedented changes in fleet, and also a shift to really embrace the mobility initiatives, there is so much to keep on top of right now.

"You'll definitely find your questions answered at this event and you will be able to discuss with suppliers how they can

WHY DID YOU ATTEND FLEET LIVE?

86%
to meet current or new suppliers

58%
to keep up to date with fleet policy and best practice

56%
to obtain information to help me do my job

46%
to find out about new products and services

FLEET LIVE 2019: WHAT YOU MISSED

More than 2,000 visitors attended Fleet Live last year, taking the opportunity to hear from 44 expert speakers across 22 seminar sessions.

Walking the floor took them around 124 exhibitors – all record numbers for the UK's biggest and most influential fleet show.

Visitors told us they were at the show

to meet current or new suppliers, to keep up to date with fleet policy and best practice, to find out about new products and services and to understand more about the latest technology, including electric vehicles.

Electric was to be the major theme of Fleet Live 2019, with each seminar packed to standing room only. EVs

30%
to understand more about new technology

27%
to learn more about low and zero emission vehicles

help you improve your fleet efficiency and be ready for the new world."

Fleet management software provider Jaama is sponsoring two Operational Excellence Theatre sessions this year, with the focus on providing insight from fleet professionals on how best to use data from telematics, fuel cards, connected cars and licence checks to help reduce costs and improve efficiency.

Martin Evans, managing director at Jaama, said: "The theatre sessions, alongside the Q&As, are a really good way of keeping your finger on the pulse to understand the current thinking across the industry.

"We're at a really interesting time with the development of fleet as just when the desirability of the company car looks to be dwindling, electric vehicles still make them a relevant option for a lot of drivers."

Jaama will have its team on hand to chat with existing customers and new prospects about its Maintenance Exchange

compliance platform and the ability to manage pool cars from its MyVehicle app.

Fleet & Mobility Live always enjoys strong representation from the leasing sector, with the majority of the FN50 top 20 exhibiting at the show. Volkswagen Financial Services has been meeting customers there for the past two years. Tom Brewer, head of sales and marketing, said the show has become an established part of the fleet industry calendar.

"The focus this year is to decode the issues for our customers and to make sense of the complexity," Brewer said. "We will be there to help attendees push fleet up the agenda in their organisations; but this will also mean talking more about the future of work and what that means."

Brewer said that framing conversations around the future of work will drive better questions at the event around changes in behaviour towards non-automotive mobility the market will see in the future.

He said: "Our plan is to engage in a new

piece of research prior to this year's Fleet & Mobility Live so we can really tune in to what decisions and topics organisations are wrestling with."

So far, 42 exhibitors have signed up to exhibit at Fleet & Mobility Live 2020, including nine leasing companies, plus rental providers, software, tyres, fuel solutions and van suppliers.

Chris Connors, Countryside Properties (UK) Ltd head of facilities & fleet, believes this is one of the major draws of Fleet & Mobility Live. "It is supported by the largest of organisations as well as the smaller ones," he said. "It's a unique environment where you can meet with providers in a relaxed way."

Stephen Briers, *Fleet News* editor-in-chief, said: "With the help of our experienced Visitor Advisory Board, we continue to shape and evolve Fleet & Mobility Live to ensure it remains relevant to every type of fleet decision-maker, irrespective of the size and make up of their fleet. This year, in recognition that 'fleet' is now about how businesses move their people, goods and services about, we have introduced a host of new features designed to provide advice and guidance to those responsible for making decisions about mobility and transport." ➔

EXHIBITORS TO DATE

AID Fuel Oils Group
Alfa Fleet/Tail Lift Services
ARI
Athlon UK
Autoserve
BP Fleet Solutions
Chevin Fleet Solutions
E-Driving
Fleet Check
Fleet Operations
FuelGenie
Grosvenor Leasing
HaynesPro (UK) Ltd
Jaama Ltd
JCT600 Vehicle Leasing Solutions
John Jordan Ltd
LAP Electrical Ltd
LeasePlan
Licence Check
Locks 4 Vans Ltd
Lytx
Masternaut
Maxus
Modul-System Ltd
Nexus Vehicle Rental
Northgate Vehicle Hire
Ogilvie Fleet
ProtectAVan Solutions Ltd
Quartix Ltd
RAM Mount UK Ltd
Reflex Vehicle Hire
Samsara
Smart Fleet Solutions
Solon Security
TCH Leasing
TTC Group
VisionTrack
Volkswagen Financial Services Fleet
Webfleet Solutions
XPI Simulations
Zenith

TURN OVER FOR MORE REASONS TO ATTEND

FLEET & MOBILITY LIVE

THE FLEET & MOBILITY LIVE VISITOR ADVISORY BOARD

The Fleet and Mobility Live visitor advisory board was created to ensure the show meets the needs of fleet decision-makers.

The panel meets every two months to discuss new ideas and agree on the core content driving the best practice and strategy sessions. Board members manage fleets ranging from fewer than 100 vehicles to more than 1,000.



ALISON MORIARTY, RISK FLEET PROFESSIONAL

"If you can only attend one event this year, make it FML. It is a unique opportunity to meet with some truly innovative providers, big and small, and to see what's new to the market for all things fleet related. It's also a fantastic opportunity to meet up with your existing suppliers. There are many industry specialists in attendance, making it a good networking opportunity and the seminars are informative and thought provoking.

"You will also have the opportunity to visit the Advisory Board area where we will be happy to share our experience and best practice and answer any questions you may have - if we don't know, we will know someone who does! This really is THE fleet event of the year."



CAROLINE SANDALL, ACFO NATIONAL CHAIR

"FML is a key event in the industry calendar offering the perfect mix of networking seminars and meeting suppliers and viewing products and services. You can fit so much into one or both days - it's valuable time away from the office - stimulating thought and consideration for the future."



CHRIS CONNORS, COUNTRYSIDE PROPERTIES (UK) LTD, HEAD OF FACILITIES & FLEET

"FML is the one event of the year where the industry comes together. Important to me is the knowledge you can gain from your peers and industry specialists, either through the organised seminars or the informal networking."



DAVID OLIVER, SPECSAVERS SENIOR CATEGORY MANAGER

"Fleet & Mobility Live is the most productive and comprehensive day or two away from the office."



DEBBIE FLOYDE, BAUER MEDIA FLEET & RISK MANAGER

"It's the only event where you can meet dedicated key industry suppliers, account managers and manufacturers, where you can share best practice and where you can network with industry colleagues, learn about new initiatives and touch and feel products that are actually relevant to you. You can have a coffee with industry experts and become involved in the future of the industry as it evolves at a record pace while evaluating both new vehicle and new mobility models."

October 6-7 2020. Hall 20, NEC
fleetandmobilitylive.co.uk



JERRY WARD, JOHN LEWIS PARTNERSHIP MANAGER, LEGAL OPERATIONS

"Fleet & Mobility Live provides a great opportunity to ensure we stay up to date with technology and services, which is vitally important. An invaluable part of the show are the seminars and advice desk where the latest information is available to help fleet operators work effectively. The show is an event every fleet operator should not miss."



LORNA CARPENTER, WESTERN UNION FLEET MANAGER

"Fleet & Mobility Live is a must-attend event for anyone involved in any aspect of your company's decision-making process. Whether procurement, HR or fleet, there are informative seminars combined with market leading and innovative products which help to develop and shape our mobility strategies. The opportunity to network with industry experts as well as other decision makers is unrivalled and the Visitor Advisory Board will be on hand to offer advice meaning you should leave with no question unanswered."



LORNA MCATEAR, NATIONAL GRID FLEET MANAGER

"It's such an important event for everyone from procurement professionals, to HR professionals, to fleet managers, to anybody that wants to get involved in the industry."



PETER WESTON, ARCUS FLEET MANAGER

"Fleet & Mobility Live is the most important event to attend. No matter what you know about fleet, there's always more you can learn - and this is the place to learn it."



RORY MORGAN, IRON MOUNTAIN HEAD OF LOGISTICS SUPPORT

"The chance to see, experience and learn about new innovation coming down the line is a major part of Fleet & Mobility Live."



STEWART LIGHTBODY, M GROUP SERVICES FLEET DIRECTOR

"It is the pinnacle of fleet events in any year. It's for this reason I have the pleasure of sitting among my peers on the Advisory Board so we can shape the event to reflect the industry. The chance to meet and discuss our greatest challenges (and successes) should not be overlooked nor taken lightly. It is the place to conduct your fleet business and gauge what others are doing."

FOUR THEATRES TO TACKLE THE BIG TOPICS

NEW ELECTRIC VEHICLE THEATRE

The Government's recent announcement to bring the ban on new petrol and diesel forward to 2035, or potentially even earlier, and include all hybrid and plug-in hybrid vehicles has elevated electric vehicles up the list of priorities for the industry in 2020. Changes to benefit-in-kind taxation and the explosion of new products from vehicle manufacturers looking to rapidly cut emissions has kickstarted the decade of electrification. Expert speakers will investigate the challenges, opportunities and barriers to increased adoption, infrastructure, energy management and how the fleet industry will lead the way on EV and meet the challenge of transport decarbonisation.

NEW MOBILITY THEATRE

This theatre is symbolic of the name change for this year's show as companies prepare for the business mobility as a service revolution.

The responsibilities of fleet decision-makers are expanding beyond automotive and will ultimately encompass all areas of mobility as a broader concept. Each conference speaker session will have a greater focus on linking fleet strategy to Government policy, helping businesses to understand how decisions at both national and local levels will influence the way they move their people, goods and services.

Key areas of focus will be how cities and towns are changing with the adoption of their own mobility platforms, how more connected and autonomous technology will transform the industry and how fleets are thinking beyond automotive.

NEW OPERATIONAL EXCELLENCE THEATRE

Presentations from this theatre will focus on top tips and best practice advice that fleet professionals and business owners can take away and put into practice the next day. Improving efficiency and safety, and implementing effective service level agreements, will all be high on the agenda. These sessions focus on the immediate day-to-day challenges of fleet management for vehicles that are currently on the road, assessing where action needs to be taken in the short-term in response to ongoing business developments. Speakers at the seminars will be experts in their fields, either hands-on fleet managers or representatives of specialist industry bodies and organisations.

DISCOVER FLEET THEATRE

Vehicle taxation and finance are central to fleet management, and the Discover Fleet Theatre offers expert sessions where guidance will be designed specifically for the specialist roles that support mobility outside the traditional fleet management department. This includes professionals in finance, procurement and HR. The sessions aim to provide insight to newcomers to the fleet industry, while broadening the skills of existing fleet managers. Topics will include the latest guidance on taxation, different vehicle funding methods and benefits, and how fleets can improve driver wellbeing.

MAXUS GOES ELECTRIC AT F&ML



Maxus, the new name for LDV, has become the first manufacturer to confirm its attendance at Fleet & Mobility Live 2020.

The van maker, owned by Chinese manufacturer SAIC but distributed in the UK by Harris Group of Ireland, will be showcasing its new Deliver 9 Euro 6 diesel large van and E Deliver 3 fully electric small van at what will likely be the public debut for both models.

Mark Barrett, Maxus UK and Ireland general manager, said: "These new models on new platforms meant the timing was right to rebrand as Maxus."

"It's really important that we have this mix of electric and diesel engines on show at a time where fleets are looking to increase their plug-in vehicle fleet mix, but there will still likely be a split between the two fuel types depending on operational need."

Barrett said Fleet & Mobility Live is a key opportunity for delegates to learn more about electric vehicles and for the Maxus team to engage with current and prospective customers to hold their hand and guide them through the way the fleet industry is changing towards electric propulsion.

He said: "We will be there to help fleets embrace electric with elements around assessing suitability for electric vehicles as well as how they can manage charging."

The Deliver 9 will be available in a choice of three lengths, three heights and a choice of front or rear wheel drive. The E Deliver 3 offers range of up to up 168miles (WLTP) on a single charge from its 52.5kWh battery.



'Automation is my buzzword'

Fleet software, mileage capture, apps and an integrated telematics-camera solution are among the tools Auto Windscreens group fleet manager Shaun Atton has adopted, helping to cut costs by more than £150,000. *Sarah Tooze* reports

Two-and-a-half years ago Shaun Atton made what he considers his "best career move". He switched from being a regional service manager at Auto Windscreens, looking after London and the east of the country, to becoming the business's group fleet manager, responsible for 81 company cars and 360 vans.

Fleet was initially just a project – he was asked by the operations director to look at the fleet department from an operational point of view to streamline processes – but Atton says he "fell in love with it" and chose not to return to his regional manager's role. "Some people might see that as a backwards step or a sideways step but it's not; it's the best career move I've made so far," Atton says. "I love it, it's so fast-paced. Every week there is something different happening."

Atton has worked for Auto Windscreens for 17 years, initially as an apprentice glass repair and replacement technician, progressing to fitting centre manager, area manager and then regional manager, before taking on the fleet. That career path has proved invaluable.

"Having the experience of the operations has really helped me in the role," he says. "Although I knew very little about fleet I knew a lot about the operation and what the demands were on the road for our staff, that helps me in the decisions I make."

Atton learnt about fleet by speaking to other fleet managers and suppliers and reading white papers, industry publications and "masses of information on the internet".

"It was a steep learning curve just dealing with all the information and putting it into use," he says.

He has now made sweeping changes to the fleet operation, including implementing a new work-related road risk programme, replacing spreadsheets with a bespoke fleet management system, changing fuel card provider, switching from pool cars to daily rental, changing leasing provider and moving from using independent garages for MOTs and

tyres to a national supplier with fixed rates.

These changes saw Auto Windscreens claim the Fleet News Awards most improved fleet title this year.

On the environmental front, Auto Windscreens has become carbon-neutral thanks to carbon offsetting, while replacement cycles have been reduced from four to three years (cutting CO₂ by 5.4%). In addition, the commercial fleet will all be Euro 6 by the end of this month and hybrid and electric vehicles are being introduced to the car fleet.

At the start of last year, Atton was also tasked with creating one fleet policy for all the businesses owned by Auto Windscreens' parent company, the Markerstudy Group, (an additional 110 vehicles) and, as of October, he assumed responsibility for a five-strong facilities team, handling compliance and maintenance across 61 sites in the UK.

Since the coronavirus lockdown, all 61 fitting hubs have been temporarily closed and all back office operations have been set up to work from home across the Auto Windscreens business.

A mobile service is still being provided for customers who need it, with priority given to key workers such as the NHS, emergency services and critical sector fleets.

Auto Windscreens and the Marketstudy Group have also teamed up with Tunbridge Wells Borough Council to deliver essential food and medical supplies to around 1,000 vulnerable residents in the area (see [Commercialfleet.org](https://www.commercialfleet.org), April 8).

AUTOMATION

Atton has found the secret to juggling his fleet responsibilities is to automate where possible.

When he took on the fleet role there were three administrators dealing with "really mundane tasks", each with their own spreadsheet.

Now they use Auto Windscreens' core operating system, Field Service Manager (FSM), which has been adapted by IT to include a fleet management system.

FSM handles all elements of Auto Windscreens' vehicle repairs and replacement work from jobs booking and parts ordering to technician work schedules and job completion. The system now holds lease schedule information, MOT expiry dates, service intervals and records, mileages and vehicle handover forms.

The system has allowed the fleet team to automate alerts to drivers and line managers when MOT and servicing is due and provides details of what to do next. Service and maintenance can be planned around the technicians' shift patterns.

Drivers use FSM on their tablets to perform vehicle checks and if an issue is highlighted it automatically creates an alert for the fleet team to act on.

The system also pulls in telematics data and is accessible to operations managers across the business.

Telematics works in conjunction with VisionTrack's 3G connected camera solution.

"VisionTrack is part of our Markerstudy Group," Atton says. "It partnered with Webfleet and we were the first fleet to have the integration so the telematics speaks to the camera. If we have an alert on the camera it pulls it into Webfleet and puts it all onto one dashboard. And Webfleet feeds into our fleet management system, we've managed to get an open API so everything is combined. Automation is my buzzword."

Prior to introducing telematics, a trial was held with six technicians at Auto Windscreens' Leicester fitting hub. This provided vital feedback and helped get driver buy-in. Atton also hosted forums and conference calls, and went to sites to explain why telematics was being introduced.

The system provides in-vehicle feedback, beeping when drivers brake or accelerate too harshly, for example.

"It flashes up on the display 20 seconds after an event to say what it beeped for so if you were harsh braking to get out of a sticky situation it gives you 20 seconds so it's a minimal distraction," Atton says.



Vans have also been fitted with Advanced Driver Assistance Systems (ADAS), including collision mitigation with pedestrian detection, lane departure warning, adaptive cruise control, speed sign recognition, auto high beam and driver impairment monitoring.

Atton has seen first-hand that the collision mitigation works thanks to camera footage.

Any serious incidents are investigated by the driver's line manager.

"They will sit down with the driver and look at the video footage together," Atton says. "It's not just to see who was at fault, we have a duty of care to make sure the driver is okay and to see if anything can be done differently to avoid it next time."

All drivers are risk-assessed annually and have their licence checked with Applied Driving Techniques (ADT). This is followed with targeted training. For instance, if a driver has six points on their licence for speeding they complete a speed awareness module on their tablet.

Drivers who are unfamiliar with a particular type of vehicle undergo on-the-road training with Auto Windscreens' in-house regional training officers who have been trained by ADT to assess and train technicians.

The officers also train high risk drivers based on telematics data or number of incidents.

"Our in-house trainers visit our technicians at least once a year for their core job so it made sense to tie driver training in," Atton says. "Initially, when we tell a driver they are going to have someone sat next to them the response is 'I know how to drive' but when you get the feedback afterwards they have picked up on things from it so it is having a positive impact."

The top performing drivers are rewarded through Auto Windscreens talent recognition programme and last year received High Street vouchers and were recognised in the company's newsletter.

“WHEN YOU GET FEEDBACK (AFTER TRAINING) DRIVERS HAVE PICKED UP ON THINGS FROM IT, SO IT IS HAVING A POSITIVE IMPACT”

SHAUN ATTON, AUTO WINDSCREENS

As well as the in-house approach to training, Atton has brought accident management in-house utilising Zenith Marque, which is owned by Markerstudy.

Overall, the changes to risk management have resulted in a 30.9% decrease in incidents since 2017, the claims ratio has fallen from 91% in 2018 to 58% last year and incident costs have reduced by £50,277.

Atton has also taken measures to improve control of grey fleet drivers who now all undergo licence checks with ADT as well as providing insurance, maintenance and MOT records.

Grey fleet drivers have been given fuel cards which are linked to MileageCount, which automatically records, measures and manages mileage expenses.

Auto Windscreens switched from using a pump price fuel card to a fixed price one with BP after a mapping exercise showed that BP locations matched with Auto Windscreens' sites.

The use of telematics, combined with fuel card data, has cut fuel costs by 5.4% – a £93,441 saving last year.

Technicians can use a card or the BPme app to pay. Atton says using the app rather than drivers paying at the kiosk reduces downtime and increases van security.

Other measures Atton has taken to reduce downtime include using the What3words app,

which allows technicians to pinpoint their location to three square metres for breakdown providers and emergency services, and partnering with Fleet Tyre Network, a national company that finds the closest tyre and MOT supplier to Auto Windscreens' drivers. The business holds stock of Auto Windscreens' preferred tyre at its locations, reducing downtime. Prior to working with Fleet Tyre Network, Auto Windscreens had relationships with numerous independent suppliers with no uniform approach in place for drivers or ability to control costs. The new approach has reduced average tyre costs from £97 to £83.

Atton also analysed utilisation of Auto Windscreens' eight pool cars across the country and found they were being used just over 50% of the week. They were an "administration headache" too as cars were returned with damage and needed cleaning, servicing and maintaining.

He decided to switch to daily rental with Arnold Clark, almost halving costs to £13,980 per annum compare to pool car costs of £26,292 per annum.

The majority of company cars and vans are leased through Arnold Clark, CVM and Rivervale with maintenance carried out in-house.

Atton reviewed manufacturers and decided to remain with Ford for commercial



vehicles as the Custom best suited the business's needs for load space for carrying its biggest windscreen and the vehicle is the right height for the canopies that technicians use for mobile work.

A PLACE FOR EVERYTHING

A new racking system has been introduced to meet demands for the latest tools and tooling technology and ensure health and safety compliance.

"We got a forum of technicians together," Atton says. "We gave them two empty vans, two lots of van equipment and let them play around with it for two days and they came up with design so we got their buy-in. It was a small change but one that has gone down really well."

"The brief was 'a place for everything' so everything across the fleet now goes in the same place so it makes it easier for the area manager doing van checks."

All new vans also now feature a charity logo as part of a new corporate social responsibility project (see panel).

The company car fleet has changed from an open choice, which was a "nightmare to manage", to six brands: BMW, Ford, Mercedes-Benz, Skoda, Volkswagen and Volvo.

"We asked drivers 'what do you feel would suit your role out of these 40 vehicles?'. And we based it on their feedback," Atton says. "Drivers have a choice of SUVs, estates and hybrids and we will review it every six months and then annually to make sure we're still meeting their requirements."

There are currently 11 hybrids on the car fleet and Atton is looking at fully electric vehicles with a view to the entire car fleet being fully electric in five years' time.

The commercial fleet is more challenging as the vehicles do high mileages.

Auto Windscreens has a Citroën Berlingo

which it trialled in London but "it didn't work".

"The claimed range was not what it was actually doing and when it was running the telematics, the camera, the heating etc. the mileage was much less than we needed," Atton says.

"While it wasn't doing tasks because it was charging, we were losing revenue."

"The day came when the driver rang me during the winter. He sent me a link for some thermal self-charging underwear. I said 'what's that?' He said 'I can plug it in overnight and it's warm for me the next day'. I said 'why do you need that?'. He said 'Because I can't have the heating on in the van because I'm not getting the range' so we pulled it back."

"We still use it, our mechanic in head office uses it to do local journeys for repairs so it has got a benefit but not on that scale and that's why I'm still not ready to put commercial vehicles out there yet."

Rapid charging points are in place at 12 of Auto Windscreens' sites, which are available for customer and staff use, and the business is reviewing which 'hotspots' to install further points.

Atton says the charging points and electrifying the car fleet sits alongside carbon offsetting. Auto Windscreens has worked with BP Target Neutral since 2018, buying carbon credits issued by projects across the globe that are making measurable carbon reductions such as the protection of Zambia's forests. As a result it has gained carbon neutral certification in 2018 and 2019.

Staff are also encouraged to use BP's online calculator to offset their own emissions generated by flights, driving and other journeys.

Atton acknowledges that there are critics of carbon offsetting schemes but it is a "hard feat" for a business of its size to be carbon neutral without offsetting and he points out that the business has introduced other environmentally-friendly measures.

At its head office in Chesterfield, managers are encouraged to make their company car available during the day for members of their team to use for business journeys.

"Sometimes it's a difficult conversation to have because it's their car, they've got their personal belongings in, but they appreciate it is saving their department from the cost of a rental car," Atton says.

He is looking into whether managers with a company car in London might prefer a mobility allowance to use on public transport instead.

"We're always looking at what is coming next and what can we do differently," he says.

ATTON ON....

...Charities

Auto Windscreens has chosen to support local charities by featuring their logos on its engineers' vans.

"We've got 20 areas and we've let the area managers and their group of technicians choose a charity for their area," Shaun Atton says.

By the end of this year all vans will feature a logo.

"Some areas have chosen a charity with a particular story behind it," Atton says. "For instance, the daughter of one of our technicians has an incurable kidney disease so we are featuring the Kidney Care logo."

Another area has chosen to promote Young Epilepsy as the five-year-old cousin of a supervisor, Ellie Ribbens (pictured below), suffers from severe epilepsy and the charity has provided vital support for her and her family (see [Commercialfleet.org](https://commercialfleet.org), February 28).

Atton says that the initiatives helps raise awareness of charities and staff are actively encouraged to fundraise for their chosen organisation.



ORGANISATION: Auto Windscreens
GROUP FLEET MANAGER: Shaun Atton
TIME IN ROLE: 30 months
FLEET SIZE: 441 – 81 cars, 360 vans
BRANDS ON FLEET: cars – BMW, Ford, Mercedes-Benz, Skoda, Volkswagen and Volvo; vans – Ford.



**MOST IMPROVED FLEET
OF THE YEAR
WINNER:
AUTO WINDSCREENS**

JUDGES' COMMENTS:

An exceptional use of data from a variety of sources has driven an effective fleet strategy from a thoroughly modern fleet manager. Auto Windscreens is always looking for innovation and fleet manager Shaun Atton has excellent relationships within the business and with key supplier partners. The judges praised the role of the fleet within the company's charity work.

Shaun Atton, fleet manager, Auto Windscreens (left) collected the trophy from Neil McCrossan, sales and marketing director of Northgate Vehicle Hire, the award sponsors

“EVERYTHING
ACROSS THE FLEET
NOW GOES IN THE
SAME PLACE SO IT
MAKES IT EASIER FOR
THE AREA MANAGER
DOING VAN CHECKS

SHAUN ATTON, AUTO WINDSCREENS

Ex-Dragon Julie Meyer expects big things of Drive

New owner brings tech market know-how to help Drive Software Solutions realise its full potential. *Gareth Roberts* reports

The new owner of Drive Software Solutions believes it has the potential to be one of the leading technology platforms in the industry.

Its software currently facilitates the management of more than one million vehicles worldwide, but Viva Investment Partners (VIP) says the Hertfordshire-based business is perfectly placed to become more than just another fleet management offering.

Instead, it is planning to help the company transform the market through its software-as-a-service (SaaS) platform serving the wider, developing mobility market.

VIP bought the business in November for an undisclosed sum and announced Alastair Houston, the former MD of Sandiccliffe Motor Contracts, as Drive Software Solution's new CEO. But, four months later, the board and senior management team were overhauled as VIP CEO, Julie Meyer, took charge as interim-CEO with a plan to build on its fleet management experience by bringing in expertise from the technology sector.

NEW-LOOK BOARD

Drive Software Solutions co-founder and former director Martin Drake, along with Houston, is among those who left the business in March, while new CEO David King will join the business later this month and Richard Parris becomes chairman designate of a new-look board.

King, a former officer in the Royal Marines, has worked with technology companies in the UK, US and Sweden and has served on the management teams of multi-nationals, leading sales, marketing, services and product management.

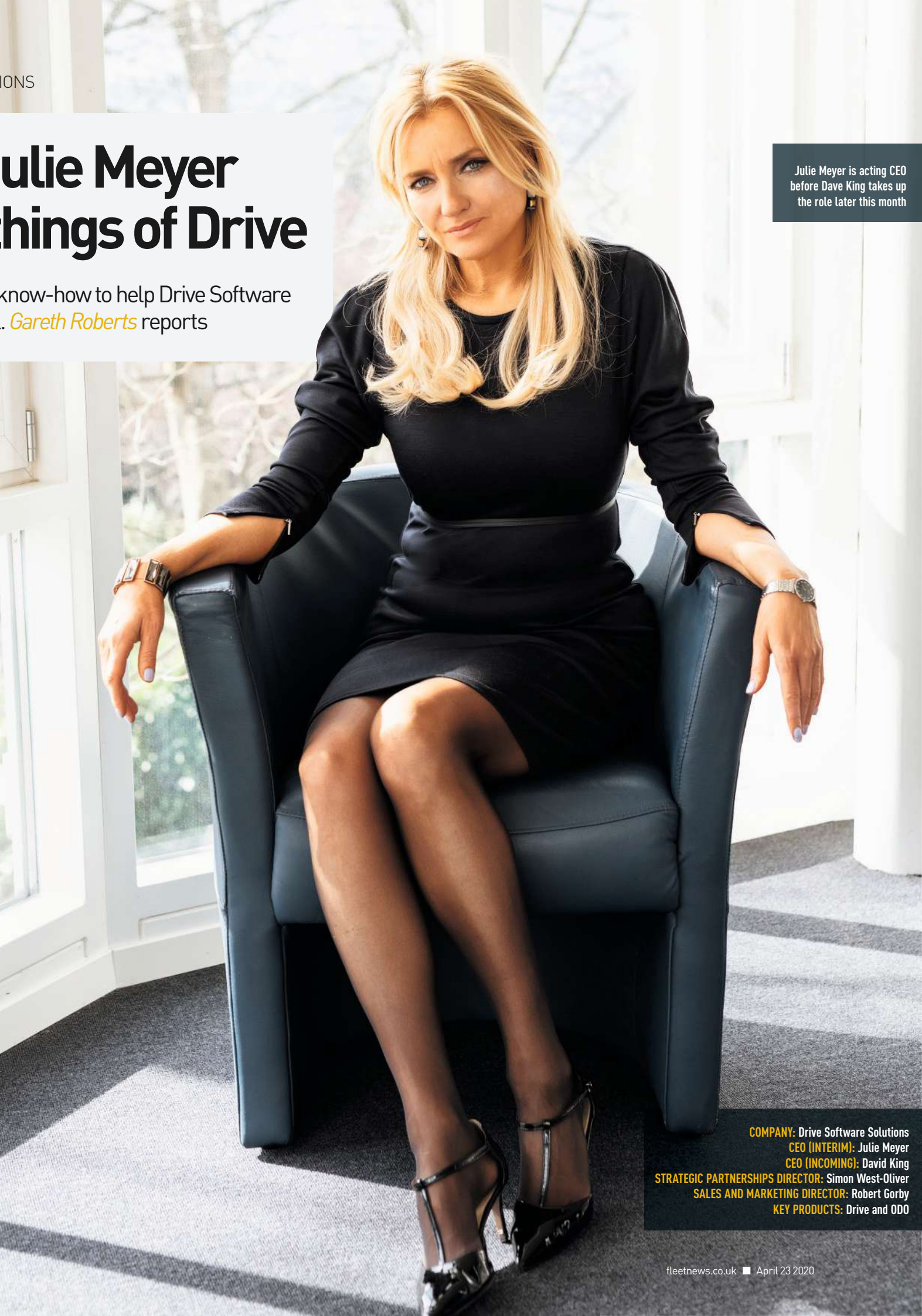
"He has run data centre businesses, he has run telecoms businesses; he's a big hitter in some respects for a business such as Drive and that's because we don't want Drive to be a small business," says Meyer.

"We want it to be a very profitable business that is a global leader in its field."

Parris is an experienced public company chairman and CEO with a special interest in cybersecurity, green technology and fintech.

As the founder of software company Intercede Group, he took the company public in 2001 and was one of the longest serving public company chairman on the London Stock Exchange prior to his exit in 2018.

He is executive chairman of Sabien Group, a green technology company listed on the AIM market, and is CEO of Salt Cybersecurity, a subsidiary of an Australian cybersecurity business. He is a special adviser and founder shareholder with VIP.



Julie Meyer is acting CEO before Dave King takes up the role later this month

“WE DON'T WANT DRIVE TO BE A SMALL BUSINESS, WE WANT IT TO BE A GLOBAL LEADER IN ITS FIELD”

JULIE MEYER, DRIVE SOFTWARE SOLUTIONS

Also new to the business is Robert Gorby, head of sales and marketing, with more than 20 years' experience in commercial management at global technology companies including AVG, SDL, Guestline and Powwownow.

Former sales and market director Simon West-Oliver, a fleet industry IT marketing expert with more than 30 years' experience, has been named strategic partnerships director in the new senior management team.

Meyer, a former 'Dragon' on the BBC show *Dragons' Den*, has a history of backing entrepreneurs, investing some £880 million over the past 20-plus years and selling businesses to the likes of Google.

She now believes she has the right team in place to help the business grow and transform the market. "We want to be one of the de-facto technology platforms in the industry," explains Meyer.

"There is a really strong cultural energy in the company right now, but it's taken us four or five months to get there and not everybody made it.

"Robert, Richard and David have all gone through private equity transactions and they are all operating at a kind of quark speed in terms of their level of ambition to transform an industry and build a great business."

The management team has also been incentivised with a 30% share in the equity of the firm. "That's a big options pool," says Meyer. "Most of the time in the UK, management teams will have 10-15%. Everybody is an owner of this business."

PRODUCT DEVELOPMENT

Expertise gained in the creation of software to manage local government fleet requirements in the 1990s led to the creation of the initial Drive fleet management software product.

Today, it has evolved to become a cloud-based, 'full function' leasing fleet management platform, with Arval among its customer base, supporting vehicle management requirements worldwide.

Quotations, vehicle acquisition, contract management, services and disposals are all conducted through the platform.

"What it gives them is efficiency," explains West-Oliver. "It gives them a single tool to manage the business, with a minimum number of resources and connects to all major suppliers."

ODO, meanwhile, is the company's SaaS solution that allows leasing brokers and franchised dealers to manage the administration, service delivery and compliance of SME customers.

Launched in 2018, it exploits the functionality within Drive, leveraging the service supplier

relationships, allowing SME fleets and their drivers to get the same level of service normally reserved for large corporates.

There is multi-level access thanks to a driver's app, with vehicle inspections, trip data, mileage management and driver licence checking among the services available.

Targeting the SME market through broker channels, allowing them to provide a full service sell rather than just the vehicles, the first adopters are now rolling out fleets.

It had expected 50-vehicle companies to be the sweet spot for adoption, but one broker recently signed up to a 540-vehicle fleet showing the market's potential.

Seeing the software for the first time, Gorby has been impressed.

He explains that tech businesses usually either have a great piece of software behind the system and a poor interface or something that looks amazing but has nothing new when you scratch below the surface.

"We've got the substance and the style, and often you'll find a tech business has only one of those," he says.

Development is done in-house, with Meyer describing the team as "world class" and the ODO product as "Tesla meets Fitbit".

It's a key reason for VIP's investment in the business and, with a "wealth of apps" built by third-party developers to be used on Drive, Meyer believes the company can carve itself a new role as a platform business.

"We enable other players in the industry with our platform," she explains. "The challenge will be to continue to develop the API – the application protocol interfaces – that connect all those apps to Drive."

Another challenge will be dealing with a market reeling from the effects of a coronavirus pandemic.

However, West-Oliver believes that as people embrace a new digital era through the lockdown, Drive Software Solutions is ideally placed to help the industry adapt to a new way of working.

Hesays: "Some businesses will have to dramatically reshape how they go to market, how they manage their fleets and how their drivers interact.

"The (ODO) platform is about managing a changing marketplace in fleet management for both the end-user and for the supplier. It's more than just another fleet management offering, it's a service enabler."

Meyer, however, accepts there will be challenges ahead. "We've got a big mountain to climb, but this business has the platform today that can power much more of this industry," she says.

COMPANY: Drive Software Solutions
CEO (INTERIM): Julie Meyer
CEO (INCOMING): David King
STRATEGIC PARTNERSHIPS DIRECTOR: Simon West-Oliver
SALES AND MARKETING DIRECTOR: Robert Gorby
KEY PRODUCTS: Drive and ODO

FLEET MANUFACTURER OF THE YEAR: BMW GROUP UK
NEW COMPANY CAR OF THE YEAR: BMW 3 SERIES
BEST COMPACT PREMIUM CAR: BMW 1 SERIES
BEST PREMIUM CAR: BMW 3 SERIES
BEST EXECUTIVE CAR: BMW 5 SERIES

GENERAL MANAGER,
 CORPORATE SALES: ROB EAST
 TIME IN ROLE: 1YR 5M
 TOTAL FLEET SALES (2019) BMW: 106,682
 TOTAL FLEET SALES (2019) MINI: 27,836
 TRUE FLEET SALES (2019) BMW: 62,124
 (LEASING AND FLEET OTHER)
 TRUE FLEET SALES (2019) MINI: 16,055
 (LEASING AND FLEET OTHER)



Rob East (seated, holding up his glass) had plenty to celebrate with members of his team at the Fleet News Awards

Multi-award-winning BMW is simplifying its approach to fleet

Number of sales channels cut from nine to two as part of new strategy. *Stephen Briers* reports

Rob East spent a considerable chunk of time during his first year at BMW reviewing the carmaker's approach to the fleet sector.

His conclusions? BMW needed to simplify its approach to the market.

Subsequent actions brought together the BMW and Mini fleet teams to facilitate a group policy for corporate sales, while a rationalisation of market channels enabled retailers to have a clearer view of the customer, aided by consistent offers for SME businesses.

East, general manager for corporate sales, opted to cut the number of channels from nine to just two.

"If a customer has up to five cars, it goes to the retailer through our SME channel; if they have more than five cars, it goes through our direct sales model," he says.

Like its premium rivals, BMW endured a bumpy ride in 2019, with reductions in leasing and fleet other registrations and a rise in the more costly rental and captives sales.

It's not a trend East intends to pursue, with his focus on profitable core fleet, dubbed 'First Price Level' (it also includes retail and Motability).

This category was up 1% in the first two months of 2020, with Second Price Level (rental and captives) down 3% before the coronavirus-enforced lockdown crippled the market.

Fleet News: Are you pleased to see the back of 2019?

Rob East: 2019 was tough with all the political and economic uncertainty. In fleet, we all felt the same pain with WLTP, policy changes, and we also had model changes with 3 Series and 1 Series. But we are satisfied with our performance; it was in line with our expectations. In Q4 we started to see the impact of those models and the strength of the 330e (plug-in hybrid).

This year, we have had a strong start. BMW is up 2% in total and corporate is up 4%. We are having fruitful conversations with our customers. Policy restrictions have been removed and we get a sense of optimism. But we've been prudent

and realistic with our planning – it's about sustainable growth.

FN: What is driving this renewed optimism?

RE: We had the Brexit uncertainty with a lot of our end users, who are global organisations. They now have partial certainty and are more confident to look at renewing their policies and new bandings. Fleet managers had a tough job, but they can now talk with certainty to their drivers on tax positions.

FN: Which models are they most excited about?

RE: The 330e is a strong proposition and we have a strong order bank. We will also have a Touring derivative and a facelifted 5 Series and plug-in X1 and X3 this year. While there is a segment shift to SUVs, we see a strong opportunity with the 5 Series, especially with the hybrid variants.

We have a strong plug-in offering throughout our range and the models have the athleticism and dynamism that is key for the brand. We also have the Mini electric. Our true fleet order bank is double last year.

Looking further ahead, we have the battery electric vehicle ix3 next year and the i4 concept.

FN: Will the Government-announced ban on PHEVs – as well as petrol, diesel and hybrid – from 2035 affect uptake of this technology as a stepping-stone to full electric?

RE: PHEV is still a fundamental part of our powertrain; it's not a transition technology. For people doing high mileage, it's a perfect solution with impressive real-world economy.

FN: How do ensure people use your PHEVs in the most efficient way?

RE: They need to put their destination in the sat-nav and let the car think for itself to maximise the efficiency. The car will assess the journey and get there in as efficient a way as possible using the plug-in technology and regeneration opportunities. We are investigating a secondary handover where customers are given the opportunity to go back to the retailer for a more detailed handover, especially if the car is delivered to their home. This will enable customers to interact with us on their terms to understand how much energy they can recuperate.

FN: BMW was ahead of the game in sharing its WLTP data with leasing companies; how much will the new testing regime impact on fleet choices?

RE: We were well prepared for WLTP and we worked in partnership with our leasing companies. It is inevitable that post-WLTP we will see a different powertrain (mix) with a pull to plug-in hybrid and battery electric vehicles. We see it immediately with our historic stalwarts, the 320d and 520d, where there is a richer mix with PHEV. But it's also about choice and, for some, diesel or petrol is the right option, so we have to give them that choice.

FN: BMW did some modelling last year to show that the company car was a viable option for those considering cash. Are you seeing a move back to the company car?

RE: We did do some modelling but there are so

many variables regarding how fleets pay and the complexities of policy. But it gave us comfort that opting out is not the panacea for many people. We are seeing, with the certainty of BIK post-April 6, a strong desire for some organisations to get drivers back into the car scheme and out of cash. Our approach is consultative; we advise, but it's not our role to dictate.

FN: Has the exit of the DriveNow car share scheme from London forced you to reassess the opportunities for new mobility services?

RE: London had its challenges with all the boroughs, but it is still working elsewhere. We recognise that the way individuals procure mobility services is changing and will change. It's about the right propositions in the market. It doesn't reduce or dilute the global priority of BMW to have a broad range of mobility services for individuals. In business, it (uptake and usage) is difficult to predict. We have to take the market step-by-step. The priority now is to update policies, then remove grey fleet then the next phase will be the next stage in car fleet policies.

FN: How big are the opportunities offered by connected services?

RE: We see a clear trend that customers want to engage with the car in the way they do with their smartphone. We have over-the-air updates – such as Driver Recorder 360-degree camera – which can be purchased as an upgrade. We have a dedicated corporate development manager in aftersales who is talking to the leasing companies about how we feed information to them so they can use it as an early warning system (for potential faults).

FN: What are your priorities for (a post coronavirus) 2020?

RE: It's about ensuring we have the basics right, the right people and the right propositions for the retailers. We have to manage our channel mix and enrich the First Price customer level. I'm constantly challenging my team about where our next level of differentiation is. We are in a rapidly changing market: channels and customer expectations are changing, so we have to look at what we do to give them a great experience. We know that end users want a direct relationship with BMW from a service and aftersales expectation. We are hearing that loud and clear.

East describes the 2035 petrol/diesel/hybrid/PHEV ban as "an interesting challenge", one which is just two lifecycles away for BMW. However, over the next three years its product portfolio will include 25 electric vehicles, of which at least half will be full electric.

"We have a strong proposition, but we have to understand the Government's thought process," he says. "We've had uncertainty since 2016 and we need greater clarity with open dialogue and transparency. The Government has to understand the challenges we face as an industry in meeting the new rules and we have to understand their key priorities."

Disclaimer: this interview was carried out before the coronavirus lockdown and social distancing.



SPONSORS' COMMENT

Athlon International would like to congratulate BMW on its multiple wins at the 2020 Fleet News Awards.

The German automotive brand has been recognised by the judges across multiple segments that demonstrate the diversity, range and quality of its vehicles.

In addition to the Best Car Awards, BMW also won the coveted awards for 'Company Car of the Year' and 'Fleet Manufacturer of the Year' which is a testament to both the manufacturing and the brand.

Athlon recognises this great accomplishment, as it underlines the manufacturer's dedication to delivering excellence for all kinds of fleet drivers.

Athlon sponsored the Best Compact Premium Car, Best Premium Car and Best Executive Car categories



Just like Rocky Balboa in Sylvester Stallone's 1977 Oscar-winning film, company cars have been taking a beating, with punch after punch being landed on the benefit.

These include ever-increasing tax bills for both employer and employee, the introduction of the WLTP emissions test which affected both CO₂ emissions and vehicle availability, uncertainty over future benefit-in-kind bands, and more attractive PCP deals on new cars for retail buyers.

However, while Rocky was able to summon inner reserves of strength to make his comeback, the

return of the company car is being driven by a new-found certainty over emissions and BIK rates – with new bands making electric and plug-in hybrid vehicles particularly attractive.

Here we look at the state of the market and what the next few years could have in store.

WHAT HAVE THE TRENDS BEEN?

Latest HMRC figures – released in June last year – showed the number of company car drivers in 2017/2018 was 890,000, a 5.3% fall on the previous 12 months.

Six months before that, Lex Autolease had suggested the number of company car taxpayers could fall to 832,000 by April this year as a result of the optional remuneration arrangement (OpRA) tax changes and the introduction of the WLTP emissions regime.

Chris Chandler, principal consultant at Lex Autolease, this month told *Fleet News*: "In recent years, we've seen a significant increase in the number of non-essential users looking outside of company car provision.

"This has typically been to avoid company car tax

and have more choice – as there are fewer cost penalties in the private market for drivers of high-emission vehicles."

Analysis by KPMG has found that the BIK tax a company car driver has faced has risen by more than three-quarters in the past six years.

"If we look at a Volkswagen Golf diesel with a list price of £30,000 and CO₂ emissions of 110g/km, a 40% taxpayer would have been paying just over £2,000 in tax six years ago, compared to £3,600 in 2019/2020," says David Raistrick, senior manager at KPMG in the UK.

"This equates to a 76.5% increase, which is way over and above inflation."

Providing the cash allowance can also be cheaper for the employer, he adds.

"If you look at the cost to the business of providing that car, incorporating the lease cost, maintenance cost, road fund licence, insurance, Class 1A NIC, it costs about £7,000 a year to provide that car."

Many companies have also forced the hand of their employees by closing their car schemes and enforcing policies to ensure drivers take the cash route, says Christopher

Caddick, head of business development at JCT600 Vehicle Leasing Solutions.

"This decision is often influenced by the fact that it was the most cost-effective solution for decision-makers themselves," he adds.

"However, just as the company car may not be the answer for them, cash certainly isn't right for all employees."

WHAT HAS CHANGED?

Fundamentally, recent developments have seen organisations and drivers receive certainty over the tax implications of operating company cars for the next five years.

The WLTP testing regime became fully operational on April 1, while in the Budget last month the Government confirmed the BIK tax bands up to and including the 2024/25 tax year.

"The fact rates are now known for the next five financial years – a full replacement cycle for vehicles – gives planning confidence to both fleet decision-makers and company car drivers," says Caroline Sandall, co-chair of the Association of Fleet Professionals. ➔

The company car fights back

The company car sector looks like it is set to grow again. **Andrew Ryan** looks at the reasons for this and how fleet decision-makers can help ensure its future success



SPONSOR'S COMMENT

By Ben Creswick, managing director, JCT600 Vehicle Leasing Solutions



In light of COVID-19 it feels rather bizarre to be writing this commentary. As a nation we are navigating the unprecedented challenges affecting the country today. At this time, our message to the industry is simply – We are thinking of you all, stay safe and if you need us, we are here.

"Cash v Car" is not a new conversation but has become more complex. Really, it's a case of Cash v Structured Cash v ECOS v Salary Sacrifice Car v Traditional Company Car. Multi-solution schemes are in existence, which provide such choices to employees, but making the right decision for the employee and employer is often difficult. Employers try and balance costs, risk and duty of care and the employees consider cost, flexibility and their own appetite to risk. Risk levels that in the current climate may rapidly change – and all difficult elements to juggle without all the facts. To make this decision simple, you need real time access to all the facts, in a simple format.

At JCT600 VLS we have invested heavily in a new system to simplify the cash v car conundrum for both employee and employer. The system is Origo, a platform designed to pull all the funding options available together and provide a simplified side by side cost comparison for each of your individual drivers and their journey profiles. When the time is right for you, we look forward to demonstrating how Origo will benefit you.



The tax bands also heavily incentivise the adoption of electric cars, with drivers of battery electric vehicles not having to pay any BIK in 2020/21.

A survey of 2,000 business employees by leasing company DriveElectric found, following this decision, that eight out of 10 respondents who currently opt out of a company car scheme are 'likely' or 'very likely' to move back into company cars, with those vehicles being electric.

Other leasing companies, including Lex Autolease, Arval UK and JCT600 VLS, have already

experienced this transition. "We're seeing employees who once opted for cash look to opt back into schemes where EVs are available and a resurgence of salary sacrifice for cars, especially at the management and senior management level," says Caddick.

"Where the predictability of people's journeys will allow, we should also see more progress in the roll out of EVs to job-need fleets as the range of the more affordable EVs increases.

"This is a population where the use of AMAPs and cash could currently deliver savings and

potentially increase the take up of cash.

"However, the ability to move these employees into EVs will make a significant difference in converting significant mileage to electric delivering a real reduction in emissions and a fantastic savings to both parties."

Shaun Sadlier, head of consultancy at Arval UK, adds: "More broadly, we are also starting to see plenty of examples of drivers opting back into company car schemes now as a result of the certainty around tax and expect that trend to continue."



MAKING THE CASE FOR COMPANY CARS TO EMPLOYEES

For many employees, the chance to opt for a cash allowance to buy a car they want, free from any CO2 or brand restrictions imposed by a company car choice list, has been too tempting to resist, particularly in the light of rising BIK bills.

Many of these drivers are signing up to attractive-looking PCP or PCH finance offers offered by manufacturers.

However, the saying 'if it looks too good to be true, it probably is' is relevant here, with PCP deals typically limiting annual mileage to 10,000 with a charge of 3p to 9p per mile over this, meaning the driver could end up with large, unexpected bills at the end of the contract.

Employees who opt for cash also find themselves responsible for arranging associated services such as insurance and maintenance.

"Many who liked the idea of cash three to four years ago are opting back in because the reality of being responsible for the cost and ongoing hassle of running a vehicle, without the support of their employer and suppliers, was not worth the originally assumed benefits," says Caddick.

Simon Staton, director, client management for Venson Automotive Solutions, says that essentially having a company car reduces an

employee's burden of worry.

"They are not tied to a personal financial contract. All repair, maintenance, servicing and insurance costs are usually covered by the employer and they do not have to worry about depreciation costs as they never own the vehicle," he adds.

Money also talks, of course, and the new BIK rates mean the case for the company car

AT A GLANCE: THE TOP BENEFITS OF TAKING A CAR INSTEAD OF A CASH ALLOWANCE

- A driver is not personally tied into a financial contract
- Insurance, servicing or maintenance worries are usually covered by the employer
- There are no depreciation costs for the driver as they never own the vehicle
- For plug-in vehicle drivers, the benefit-in-kind is generally lower than compared to the cost of buying and running their own vehicle
- No need to worry about reselling the car at a later date

Source: Venson

becomes even stronger if the employee is able to choose a PHEV or BEV.

For example, in 2019/20, the annual BIK cost to a 20% taxpayer for a Kia E-Niro was £1,214, but this falls to zero in 2020/21, £76 the following year and then £152 for the next three tax years up to and including 2024/25.

The tax savings obviously become greater the higher the P11D price of the car, as well as the income tax bracket of the employee.

"If you drive a BMW 320d and switch to a Tesla Model 3, how much BIK will you save a year? It's £4,500 take home," says Simon King, director of sustainability, social value and fleet at Mitie.

"So if I take away your BMW 3 Series and give you a Tesla instead, that's the same as giving you an £8,000 pay rise, assuming you are a 40% taxpayer. What's not to like about that?"

Sadlier adds: "There may never have been a time, certainly within corporate memory, when the company car has been such an attractive proposition.

"If employees opt for the right vehicle, it's potentially free. All they have to do is fuel or charge and wash it.

"For the vast majority of people, the choice is quite simple."

This was going to be an advert for our new platform origo

But that was then and this is now.

JCT600 VLS are thinking about our customers, drivers, supply partners, industry colleagues and all your family and friends during this unprecedented time.

We are here if you need us on 0113 250 0060 or contactvls@jct600.co.uk





MAKING THE CASE FOR COMPANY CARS TO EMPLOYERS

While company car drivers who operate BEVs or PHEVs will be the biggest winners under the new BIK tax regime, organisations which add EVs to their fleets will also make tax savings.

The Class 1A national insurance contributions (NICs) for company cars is calculated using the BIK tax band; organisations will pay no Class 1A NIC on pure electric vehicles in 2020/21.

Using the same Kia E-Niro as in the employee example, companies paid Class 1A NIC of £838 in 2019/2020. In 2020/21 this will be zero, 2021/22 £52, and then £105 for the next three tax years up to and including 2024/35.

There is also the potential to make significant savings through reduced fuel and SMR bills (see Save money and the planet: Making the case for EVs, *Fleet News*, January 2020).

"The fleet industry is leading the transition to a zero emission future, so providing electric company cars will help businesses to achieve their sustainability objectives – in turn driving the UK towards its 2050 net-zero target," says Chandler. "We also know from our recent research into electric vehicles, almost half of consumers look favourably on businesses with electric or low-emission fleets."

"Opting for low emission vehicles can result in lower costs for the business in comparison to cash allowances – a compelling point for fleet

“ALMOST HALF OF CONSUMERS LOOK FAVOURABLY ON BUSINESSES WITH ELECTRIC OR LOW-EMISSION FLEETS”

CHRIS CHANDLER, LEX AUTOLEASE

AT A GLANCE: BENEFITS OF PROVIDING A CAR INSTEAD OF A CASH ALLOWANCE

- Meet duty of care responsibilities by knowing vehicle is roadworthy and taxed
- Can help meet sustainability objectives by lowering vehicle CO2
- Company cars help staff recruitment and retention
- Can result in lower costs than cash allowances if EVs are adopted
- Help ensure strong brand image

managers making their case to the board."

All company cars, regardless of powertrain, share the same benefits to an employer, including meeting duty of care responsibilities and mitigation of risk, cost and control of cost and employee recruitment and retention.

"A business that requires staff to be out on the road has a duty of care to ensure the vehicle is roadworthy, taxed and insured," says Staton. "By encouraging employees to take a company car, fleet managers know the vehicle being driven is regularly serviced and maintained, ensuring the company is compliant with its corporate social responsibilities."

Industry evidence also suggests that employees' own cars have significantly higher CO2 emissions than company cars, he adds.

"Businesses should be clear that while company car schemes may sometimes seem onerous, taking a risk by having a large grey fleet may prove to be an even bigger cost, as well as a health and safety administration headache," says Staton.

A company car scheme can also help businesses attract the best candidates or help existing staff to stay.

"It is a great incentive and a way of making them feel rewarded and valued – which can lead to higher productivity and loyalty," he adds.

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VEHICLE LEASING SOLUTIONS



Look beyond the 0% BIK on BEVs say fleet bosses

More and more fleets look to electrify, but other powertrains may be more appropriate

By Andrew Ryan

Electrifying fleets is a priority among fleet decision-makers in 2020, as new benefit-in-kind (BIK) tax rates and a greater choice of electric vehicles (EVs) are introduced.

Safety also continues to be high on the fleet agenda, with many organisations using telematics and dashcams to monitor and improve driver behaviour.

These were among the topics debated at a recent *Fleet News* roundtable, sponsored by Hitachi Capital Vehicle Solutions, which took place at the Forest of Arden Hotel and Country Club, Coventry.

Fleet News: What are your priorities for 2020?

Stephen Kirby, fleet manager, Morgan Sindall: We're looking to get electric vehicles on the car list as soon as we can. We've been working on this for several months, looking at processes and what we need to do to get the drivers aware of what their needs are and if they qualify for EVs.

Martin Saxton, transport and fleet manager, BCS Group: We've been looking at our company car choice list and have devised a flow chart to help the drivers decide what route they should take when it comes to fuel, whether its full electric, plug-in hybrid, regenerative hybrid, mild hybrid or even petrol or

diesel. They flow through that chart dependent on what they do day-to-day, week-to-week, where they live, etc. They take all those kinds of scenarios into consideration so they can make the right decision. A lot of people are just looking at the 0% BIK tax for battery electric vehicles (BEVs), but that's wrong.

Ian Thorn, fleet operations manager, CEF: When you look at EVs, the wholelife costs come into it too. The list price of BEVs might be more than petrol and diesel cars, but when you look at them on a wholelife cost basis, they do start to make sense.

Martin Saxton: Cost is a big plus, but what is also a positive is that manufacturers are starting to launch more BEVs into the mainstream rather than the high-end vehicles we've been seeing.

Paul Taylor, fleet manager, Morgan Sindall: The problem, particularly with electric commercial vehicles, for us in the outlying areas is getting the maintenance done because the EVs don't have that big a range. When we put our first few EVs in at Heathrow Airport we were told where the nearest dealer was and I said I couldn't get there. Manufacturers are still playing catch-up when it comes to maintaining EVs.

Michael Brown, fleet manager, Virgin Media: You need to look at vehicle off-road time as well. You need to build in factors such as if an



EV is involved in a collision, it's going to have to go to a specialist dealer to be repaired. There is also a higher risk of the vehicle getting written off if the battery is damaged. We've had problems with Tesla. Someone had a rear bumper repaired and it was literally just a new bumper that needed to be put on. Our approved bodyshop wasn't allowed to touch it so they had to put it on a recovery truck, drive it 200 miles to a Tesla-approved repairer and then the driver sat there and waited while it got repaired.

FN: How else are you reducing CO2 emissions?

Ian Thorn: We've got Lightfoot (a telematics/driver behaviour tool with an in-cab traffic-light display to give drivers instant feedback on their driving) on our Ford Transits and that's been fantastically successful. We've seen a fuel saving of 15% and accidents have reduced. It's transformed our fleet.

Michael Brown: We've got Light-

foot as well. Fuel savings are very good.

Martin Saxton: We are looking at mileage reduction – if you want to decrease emissions, then don't do the journey if you don't need to. We have a regional network of offices and we found people were travelling between them for something probably insignificant. These journeys are now being monitored and cut out if possible. Car-wise there is a lot fewer miles being driven, but we can't really do that with our vans. We introduced Microsoft Teams last year and that took off pretty well, and we are also putting more technology in our offices which will reduce the need to travel.

FN: What action have you taken to improve safety?

Stephen Kirby, fleet manager, Morgan Sindall: We look at certain areas within our work-related road risk policy such as speeding offences and collisions, and they are linked to potential interviews with

the driver and line manager or fleet manager. This may lead to some in-vehicle training, which is a bit like closing the door after the horse has bolted because something has happened before we take action. However, we have also developed in-house an online safety learning module which we put all of our car and commercial drivers through. It has a test at the end of it and it makes them aware of how their driving impacts on vulnerable road users and that sort of thing.

Ian Thorn: We do a similar thing. We have an online risk assessment and if that flags up an issue, then the employee goes on a driver training course. This is done at induction as well before they even get into a car. We have upgraded modules which the drivers do every so often as well, and we also do daily safety checks.

FN: Has anyone fitted dashcams?

Michael Brown: We've got forward-facing ones. Our vehicles are heavily liveried and we've saved lots of

money from when false claims come in. We've had claims where someone has said one of our vehicles has been involved in an accident and the four people in the other car have all got serious injuries. You watch the footage back and nothing has happened. Within a couple of weeks of installing our dashcams we had one claim for £30,000 from someone. Under normal circumstances our legal team may have turned around and said you need to do a 50:50 or try to settle, but as we had the footage we could defend it. This paid for the cameras.

Martin Saxton: We do a lot of off-road work and have a zero-tolerance approach to bad driving. Our camera system has impact alerts and sends me video straightaway, and one time it sent me footage of drivers racing around a field at 35mph. I sent this off to the operations manager and the next day they were sacked for abusing company property. Our dashcams have also got a voice recording facility and it

ATTENDEES

- 1 Paul Taylor, fleet manager, Morgan Sindall
- 2 Alan Akester, head of corporate services, Remit Group
- 3 Tamara Parsons, senior buyer, National Grid
- 4 Stephen Kirby, fleet manager, Morgan Sindall
- 5 Peter Jardine, group fleet director, Countrywide
- 6 Michael Brown, fleet manager, Virgin Media
- 7 Ian Thorn, fleet operations manager, CEF
- 8 Kimberley Wileman, associate buyer – fleet, National Grid
- 9 Martin Saxton, transport and fleet manager, BCS Group
- 10 Morgan Migallos, fleet administrator, Close Brothers
- 11 Jack Tanner, strategic sales manager, corporate sales, Hitachi Capital Vehicle Solutions

does help with complaints. Our drivers all see this as a benefit as in a lot of cases it is used to defend them. If the system flags up an alert, then we can listen to the relevant audio, but nobody sits there and listens to hours of conversations. Not one driver has raised an issue with the company for either recording footage or conversations.

Stephen Kirby: It works both ways. We've identified instances of poor driving and we can go and talk to the drivers, but we've also seen

instances where one has driven exceptionally well to avoid something and we can then commend them.

Michael Brown: You can also use the footage in training. We've got examples of where people have gone into the back of someone, but we've used that footage in training videos to say 'actually your driver pulled over, he went to see if the member of public is okay'. This helps show people what to do in the event of a collision.



AUDI A3 SPORTBACK

Improved performance, now with mild hybrid and plug-in options to boost fleet appeal

By Dave Humphreys

The Audi A3 enters its fourth generation, building on the bolder styling of the smaller A1. That design is enhanced further with greater differentiation between specification grades. It is now 30mm longer and 18mm wider than before with more headroom and elbow room in the front and rear. Sportier S Line models include 'Sport' suspension, that reduces the ride height by 15mm. Boot space stays at 380 litres – matching the BMW 1 Series and 10 litres more than the Mercedes-Benz A-Class can hold. With the rear seats folded, the A3's capacity increases to 1,200 litres and a shallow load lip makes it easy to lift bulkier items in and out. This A3 features a more driver-focused layout. A 10.25-inch 'Virtual Cockpit' digital instrument display is standard, with a larger 12.3-inch version optionally available. All models get a 10.1-inch touchscreen display for the infotainment system. Overall, there is a high quality to the cabin's finish.

FLEET PICK A3 35 TDI TECHNIK S TRONIC	
SPECIFICATIONS	
P11D Price	£28,085
Monthly BIK (20%)	30%/£140*
Class 1A NIC	£1,162
Annual VED	£215
RV (4yr/80k)	£9,575/34%
Fuel cost	9.1ppm
AFR	11ppm
Running cost (4yr/80k)	36.5ppm
CO2	118g/km*
Fuel efficiency	56mpg*

*provisional figures based on German specification



A high-quality finish to the A3's interior

Audi will offer the most comprehensive array of engine options to date with the A3 as mild hybrid and plug-in hybrid models join the range. The first diesel model to arrive in the UK will be the 35 TDI, powered by a 2.0-litre turbocharged four-cylinder engine that produces 150PS. You can expect up to 56mpg and CO2 emissions from 118g/km. Improved engine performance makes it smoother and quieter with all models getting acoustic windscreen glass to reduce noise. The power delivery is smooth with plenty of performance thanks to its 360Nm torque output, while the S Tronic automatic transmission offers near-seamless gear changes. Expect the 116PS 30 TDI version to be popular with fleet users when introduced as it has lower CO2 emissions, starting from 111g/km, and fuel economy up to 60.1mpg. Aside from slower acceleration there is little to fault with this engine. Its manual gearbox has a positive action with gearing designed for economy; it should suit most buyers as it can be frugal over longer journeys. We drove this with the standard suspension, which includes a torsion beam rear set-up (the

150PS version gets a multi-link design) and found it to ride well and offer plenty of composure on a variety of road surfaces. Optional adaptive suspension operates over a broader spectrum between suppleness and firmness in its sportier modes. We liked the mild hybrid A3 35 TFSI model with its 150PS petrol engine. Aside from lacking in brake pedal feel, it's smoother during start-stop, and the battery enables the engine-off coasting for short periods to save fuel. From launch, the A3 will be available as a 35 TFSI with a 150PS petrol engine and a six-speed manual or a 35 TDI also with 150PS and a seven-speed S Tronic automatic transmission. There will be three core trim levels: Technik, Sport and S Line. All will come with LED headlights, while S Line models receive LED rear lights with dynamic indicators. Additionally, Audi will offer Edition 1 and Vorsprung models above the S Line version. Pricing will start at £24,900 for the 35 TFSI Technik manual, rising to £31,650 for the 35 TDI S Tronic S Line. Pricing and CO2 data for the mild hybrids will follow and a plug-in hybrid is also in the pipeline.



PEUGEOT 3008 HYBRID

A super crossover-type SUV but the pricing puts it head-to-head with premium rivals

By Matt de Prez

New benefit-in-kind (BIK) tax rates, combined with the introduction of WLTP, are pushing company car drivers in a clear direction. Electric, or at least partially electric, cars are becoming significantly more attractive than their petrol or diesel counterparts. Peugeot, along with just about every other manufacturer, is adapting its model range to suit. The new 3008 plug-in hybrid goes on sale alongside its Vauxhall and Citroën stablemates, while at the same time, Ford launches its Kuga plug-in hybrid. Available in two guises, front-wheel-drive 225PS Hybrid and all-wheel-drive 300PS Hybrid4, the plug-in 3008 immediately becomes the most tax-efficient model in the range. CO2 emissions start from 30g/km and all variants can cover more than 30 miles on battery power, putting them in the 10% BIK band. Fuel economy ranges from 157-235mpg, according to the WLTP figures. Of course, plug-in hybrids can offer wildly

FLEET PICK 3008 HYBRID 225 ALLURE	
SPECIFICATIONS	
P11D Price	£36,530
Monthly BIK (20%)	10%/£61
Class 1A NIC	£504
Annual VED	£0
RV (4yr/80k)	£10,924/29.9%
Fuel cost	n/a
AFR	14ppm
Running cost (4yr/80k)	n/a
CO2	30g/km
Fuel efficiency	222mpg



An upmarket interior adds to the 3008's appeal

different levels of fuel economy depending on how they're driven and how frequently they are charged. We'd expect higher-mileage users to achieve between 40-50mpg, which is about the same as a diesel 3008. Those that commute over a shorter distance and plug in every day may hardly burn any fuel at all. But let's be honest, it's the BIK advantages that are going to attract drivers to this car. The 3008 is one of the best crossover-type SUVs in its segment. Not only does it have sharp looks and an upmarket interior, it's also great to drive. Adding the hybrid system has affected that last characteristic, somewhat. The battery, motor and charging components add almost 300Kg to the car's weight. On the Hybrid4 it's 360Kg. While the new models pack more punch, and perform better, the weight can be felt in the corners and will clearly impact the fuel economy once the battery runs out. The flagship Hybrid4 is the most powerful production Peugeot ever made. Its 300PS and 520Nm output gives a 0-60mph time of six seconds, but this isn't a performance-oriented car. The eight-speed transmission is a bit dim-witted

and the car doesn't always serve up the performance with the urgency you're expecting. In electric-only mode, both cars can cover around 30 miles at speeds up to 84mph. The car defaults to electric mode when you set off and uses the battery unless you switch to hybrid mode, where the engine and electric motor work together. It's best for longer journeys where battery charge can be saved for city driving later on. The Hybrid4 has a second electric motor in the rear axle, giving all-wheel-drive. While the Hybrid makes do with one gearbox-mounted motor. Both use the same 1.6-litre turbocharged petrol engine and 13.2kWh battery pack. Prices start at £36,530 for the Hybrid in Allure trim and that's where it doesn't stack up. The petrol and diesel models are already priced ahead of their rivals and this model costs about the same as a BMW 320d. Opting for a more desirable GT Line model, with some options, will be close to £40,000. The range-topping Hybrid4 GT costs almost £47,000. The 3008 is a good car but it may not appeal to drivers able to get premium-badged models at this price point.



MAZDA3
SKYACTIV-X SPORT

By Gareth Roberts

Lockdown for the Mazda3 has given me the opportunity to appreciate the all-new saloon from kerbside and there's a lot to like.

The Mazda3 saloon shares just its bonnet and windscreen with the hatchback, giving it an executive look distinct from its stablemate.

Sharing an identical wheelbase, the saloon is 200mm longer, while the 444-litre boot (compared with 351 litres) offers a good level of practicality.

Mazda talks about its Kodo design philosophy and how it is inspired by the "purest traditions of Japanese art", but, in layman's terms, it's a good-looking car.

Judges at the World Car Awards appear to agree. The Mazda3 has just won the World Car Design of the Year award, following the lead of the Mazda MX-5, which received the same award in 2016.

Mazda UK managing director, Jeremy Thomson, said: "In the Mazda3 we simply have one of the best-looking family cars in the world, and this award cements that achievement."

In the UK, there are 27 models across the combined hatchback and saloon line-up. It's available in five trim levels – SE-L, SE-L Lux, Sport Lux, GT Sport and GT Sport Tech – and is offered in the UK with a choice of petrol engines.



VOLVO XC60
D4 MOMENTUM

By Stephen Briers

I was expecting to be writing about the final test of the Volvo XC60 this month following the conclusion of our four-month loan.

The focus would've been about technical gremlins not spoiling our enjoyment of an outstanding family car that offers excellent value for money due its generous equipment levels.

However, due to the coronavirus lockdown, all our cars are remaining on our fleet for a little while longer – albeit, they are getting minimal use.

It seems that I'm not the only person to have fallen for the charms of Volvo's latest models while forgiving some of their software glitches. A reader from north of the border got in touch to ask if I'd

had issues with the voice recognition system.

I hadn't, although I confess it isn't one I have used much. However, our reader had been hit by a number of faults with the device on his S90 (another Volvo we've tested and loved).

It had been updated six times over the past three years with issues including turning off the heating without instruction, navigating home unprompted and misunderstanding instructions.

He wondered if other readers have suffered similar fates, but then added: "I enjoyed the car so much I have just bought it from the contract hire company despite the voice gremlins. Good value for money for a car with lots of safety whistles and bells."



ŠKODA SCALA
1.0 TSI SE L

By Sarah Tooze

Like many fleets we've been affected by the halt to non-essential vehicle deliveries during the coronavirus lockdown. Our long-term Scala is currently at Skoda's workshop in Milton Keynes, waiting to be returned to us after a minor repair. It was due to come back at the end of March, then mid-April and now we expect it in May, although that could change too if the lockdown continues.

The Skoda press office has been proactive, with regular calls and emails to inform us of the changes, and had kindly loaned us another Scala prior to the lockdown while ours was fixed.

Like our long-term, it is an SE-L (the most popular trim, along with the SE, for fleets) and has the same 1.0-litre TSI 115PS engine. However, it has some sporty additions, including 18-inch alloy wheels (for £680) rather than the standard 17-inch on our SE-L, which don't make any difference to the CO2 emissions figure (113g/km).

It has also been specified with a sport interior pack, which includes black sports seats, stainless steel pedals and a black ceiling cover for £645. I was already a fan of the Scala's premium-like interior and this pack gives the car a different feel again.

Complementing the interior is the addition of sport chassis control with drive mode select (£505), which lets you switch between 'sport', 'normal', 'eco' and 'individual' modes. Unsurprisingly, the fuel economy suffers by around 5mpg when in 'sport' mode compared to 'eco' although I haven't been able to do a long journey to properly assess how economical the 'eco' mode is.

The car is finished in 'race blue' metallic, which I prefer to our 'Rallye green' metallic (although I may be in the minority on that score) and has a tailgate design pack costing £280.

The Scala's tailgate already features the brand's new 'design language', with Škoda in block lettering instead of the traditional rear



badge. I find it Ford-esque, however, and it is arguably a case of change for change's sake.

This model has also been fitted with adaptive cruise control (£415), blind spot detection (£535), which is very noticeable, and a boot pack (£80).



BMW 118i
M SPORT

By Matt de Prez

Sporty trim levels seem to be the most popular with UK company car drivers and with the BMW 1 Series that is certainly the case.

Currently 58% of 1 Series sold in the UK are in the M Sport trim, which features aggressive styling, larger alloy wheels and firmer suspension.

The ride height is 10mm lower than standard, giving the car a more aggressive stance. Our car is enhanced further by 19-inch alloy wheels, as part of the optional £1,800 M Sport Plus package.

When I took delivery of the car the first thought that came to mind was: "blimey the ride's a bit firm". Now, I'm not too bothered by a harder-riding car. On the right road the 1 Series is enjoyable and it feels more planted on the motorway. In short, the car handles brilliantly – it has very quick and direct steering, helped by plenty of grip.

My dog, however, isn't such a big fan. If I take him out in the car it usually results in him being unwell. The ride in the 1 Series is very jiggly. On rough road surfaces it does give your back a bit of a pounding, which is less than ideal.

I've also noticed those big alloys tend to dig into grooves on the motorway and cause the car to tramline. For the first few days I thought the car had an over-aggressive lane-keeping assist system!

If I were to configure a 1 Series again, I'd think carefully about opting for the larger wheels.

Another feature of the aforementioned M Sport Plus pack that's worth highlighting is the BMW M Sport brake upgrade. This adds larger calipers, finished in metallic blue, and larger front discs.

Stopping power is immense. A similar setup is used on the Mini Clubman JCW, which has more than double the power of our 118i.

Adaptive dampers are optionally available on the 118d and 120d, but not the 118i. For £500 these enable the driver to soften or firm up the ride to suit their requirements.

We were impressed by the system on our previous 520d long-term.



CITROËN C5 AIRCROSS
130 BLUEHDI FLAIR PLUS

By Luke Neal

In last month's review I wrote about Citroën's Advanced Comfort programme and the C5 Aircross's seats and suspension. Soon after writing, the country went into lockdown and I have had little opportunity (or need) to enjoy the Citroën's levels of comfort – or, in fact, drive anywhere. The car currently sits on my drive with a tank of diesel which I filled more than three weeks ago.

What this period has given me is time to clear out the house of everything that my family no longer needs or wants. However, with recycling centres and charity shops closed indefinitely, I've

nowhere to take all the unwanted items. That's where the C5's spacious interior has come into play. With 720 litres of boot space (seats up) thanks to its three individual sliding rear seats and removable boot floor, the C5 is ahead of rivals such as the Nissan Qashqai (430l) and the Mazda CX-5 (506l).

With rear seats folded flat the space increases to a generous 1,630 litres. More than enough for my current needs.

Loading is made easy thanks to the electrically-operated tailgate although the foot-operated sensor sometimes takes a lot of foot waggling.

Hopefully, things will return to some sense of normality soon and I can get the car emptied.



LEXUS UX
250H

By Andrew Ryan

There's a hackneyed old phrase among football pundits when discussing some of the world's best foreign players: "Yes, but could he do it on a rainy night in Stoke?"

It's supposed to highlight that things always look better when they're in ideal circumstances and question whether their qualities would still apply in tougher conditions.

That was the case when I borrowed our long-term Lexus UX a few weeks ago. It was a reunion of sorts as I was able to drive an UX on its European media launch a year ago.

Then, I was impressed with its refinement, ride and the high quality of its cabin's build,

materials and design. However, that was in Barcelona, with its glorious sun and well-maintained roads. This time, I was driving in rainy, grey Peterborough.

Was I still impressed by the SUV? Yes. In my regular, everyday driving, the CV gearbox was slightly better and less rev-happy than I remembered, making the driving experience even more refined than anticipated. Average fuel economy was 49.7mpg.

The ride also impressed, while the interior matched the high standards I remembered, firmly establishing the UX as a strong contender in the premium small SUV sector.

Yes, the UX can do it on a rainy night in Stoke.



THINKING CAP

By Martin Ward, Cap HPI manufacturer relationships manager

As we all get used to, or not get used to working from home, not allowed to visit family, friends, and waiting patiently to go into a supermarket for essentials, life has changed dramatically and beyond all recognition.

Things are moving at pace, and will have changed even more from the time of writing this to it being read. Nobody really knows how long this crisis will last and what will happen to the industry when it all reverts to some sort of normality. But, who knows how long this will take?

Many have compared the current crisis with the global financial problems in 2008. There are some similarities, but there is much that is completely different.

For example, back in 2008 everybody could move around and businesses could continue operating. Nothing was shut for any length of time. The fact that the motor industry stayed open really harmed values and we saw prices fall dramatically. One or two manufacturers had large amounts of nearly new vehicles, and they had to move them to get cash in. These cars were sold at ridiculously low prices, and everything else and every manufacturer followed suit in an effort to try to get some cash in.

Every car kept its relationship in terms of pricing with everything else, if a large 4x4 came down 20%, then a small had a similar percentage drop. Once this started, there was no going back, the slippery-slide started quickly, and how it snowballed. There was a recovery, and prices did, eventually, return to pre-crisis levels.

This crisis is different. There is little or no activity in the market. Everything is shut, the trade can neither sell nor buy vehicles. The editors at Cap HPI have taken the decision to only move prices when there is sufficient data on used car sales, which, in reality, will be very little.

The 'pause' button has been pressed on the motor industry and every other industry and life in general.

At some time in the, hopefully, not too distant future, the play/resume button will be pressed and we will all come out of 'hibernation' and things will return to some sort of normality, and hopefully vehicle values will start where they left off. I don't know more than anyone else, but I would like to think that this is what will happen.

cap hpi

IGNITION: OUR FLEET



AUDI A4
35 TDI TECHNIK

By Andrew Ryan

The premium car sector is one of the most competitive for aspirational company car drivers.

The Audi A4 is traditionally one of the heavyweights in this sector along with the BMW 3 Series and Mercedes-Benz C-Class, with often little to separate them on paper or on the road.

Analysis of the latest generation of models – including our A4 35 TDI Technik – shows this remains true as far as cost to both employee and employer goes.

With CO₂ emissions of 134g/km, our 163PS diesel A4 sits in the same 33% benefit-in-kind tax band as the 190PS BMW 320d SE, while the RDE2-

compliant 194PS Mercedes-Benz C220 2.0d is subject to 31% BIK despite emitting 143g/km.

This means that in the 2020/21 tax year, a 20% taxpayer would face a monthly BIK bill of £192 for the A4, £1 less than the driver of the 320d and £3 more than an employee with the C220.

The cost to the employer is similarly close. They would pay monthly Class 1A national insurance contributions of £133 for both the A4 and the 320d, and £130 for the C-Class.

According to KeeResources calculations for wholelife costs – which covers depreciation, SMR, and fuel – the 320d does eke out an advantage over its rivals.



VW CADDY
STARTLINE SWB 2.0TDI 102PS DSG

By Trevor Gehlcken

We are already halfway through our three-month test stint with the Caddy and I'm loving every minute.

The Caddy is due to be replaced early next year. But, if I was a fleet driver I'd be more than happy with what's on offer in the current model – and that's saying something as vans on run-out are usually beginning to look and feel their age.

The Startline is the lowest model in the range but, even so, boasts a stunning array of kit as standard – not least of which is the city emergency braking system that stops the van in its tracks at any sign of a prang under 30mph. This is standard on all VW vans now and the manufacturer has to be hugely praised for its safety stance.

I can't list all the kit on this van as it would fill the whole page. But, suffice to say if your drivers manage to crash a Caddy, then they probably shouldn't be working for you.

VW also added a few extras for us, too. The blackberry metallic paint job at £528 gives the vehicle a really stylish look while the lumbar adjustment on the driver's seat (£174) is a must for old groaners like me who suffer from back twinges on long journeys. The super-snazzy entertainment/sat-nav package is stunning but, at £900, it's unlikely fleet drivers will get it.

I've already added nearly 2,000 miles to the Caddy's clock since its arrival and every mile has been a sheer driving pleasure.

COMMERCIAL FLEET: FIRST DRIVE



DAF XF FTP

Advanced driver assist systems, used properly, have a big impact on fuel consumption

By Tim Campbell

When it comes to describing a typical UK fleet tractor unit, I suspect many people would mention the Daf CF. It offers a good balance between, power, cab and total life costs. Equally impressive in this area is the XF being tested here which appeals to customers wishing for a larger type cab for longer fleet haul operations.

Once the decision on the type of cab has been made, the choice doesn't get any easier as the XF range has a mixture of rigids and tractor units. In fact, there are six choices of three axle tractors, with five of these as 6x2s.

In 2019, the market for tractor units rose by 12.6% compared with 2018, as 22,191 models joined UK roads and the popular three axle artics increased their share by 14.5%.

In fact, the tractor market remained by far the most popular segment taking 44.6% of the total heavy truck market above six tonnes gross vehicle/combination weight, with demand growing 12.9% compared with 2018.

Two axle tractors are outnumbered by three axle units by almost 10 to one and, as mentioned, Daf has five models in the 6x2 axle combination with a

mixture of tag, mid-lift and steered, with perhaps the most popular the 6x2 air suspended FTP model.

The FTP choice is not just limited to axle configurations but also the major driveline items with four power ratings encompassing two engine types, and three gearbox offerings as well a couple of variations on the axle loadings.

Power options include Paccar's own Euro VI MX-11, which delivers up to 440PS, and the MX-13, which starts at 430PS but rises to 485PS (tested here) and tops out at 533PS, the higher end of the UK cab sector.

Behind the MX engines is a mix of gearbox options, with the TraXon 12-speed considered as the UK standard for many of the UK's national general haulage requirements but there is the option of a TraXon 16-speed and also a 16-speed manual.

As explained, the FTP version is a 6x2 configuration. The front axle is rated at eight tonnes with options either side of this (7.5 and nine tonnes) with the second lift axle having a rating of just 4.4 tonnes on 235/75R17.5 tyres. Finally the drive axle is a more standard 11.5 tonnes. This combination results in the gross vehicle weight of the FTP to be rated at 23,900kgs and a rear bogie weight of 15,900kgs.

As far as the chassis is concerned there are two wheelbase variants, a 3.85m and 4.05m when measured from the centreline of the front axle to the centreline of the rear (Axle 3). There is a standard rear bogie spread of 1.1m on both.

The Paccar MX engine features a three-stage engine braking system (a ZF intruder is available as an option), ventilated disc brakes are on both front and rear axles, and, of course, there's the normal array of electronic braking features such as EBS, EBA and EBS as well as lane departure warning and vehicle stability control (VSC).

The XF tractor range has two cabs available, the Space cab sleeper and the top of the range Super Space cab. Both are 2,490mm wide and have LED daytime running lights as well as galvanised steel bumper, tinted glass, main/wide angle controlled and heated along with electrically windows.



The driver's seat is air-suspended

The cab interior trim colour is officially called dark sand and basically converts to a beige colour complimented by black infill and also a generous amount of wood-style trim. The driver's seat is air suspended although the passenger seat is fixed and there's a single bunk to the rear with a second optional. Climate control and an auxiliary cab heater (water) takes care of the cab temperature and there's a manually controlled aluminium roof hatch.

The XF is probably one of the most familiar cab types on UK roads, and is a consistent winner of many truck awards. As you climb inside the Space cab the semi wraparound dashboard really makes you feel welcome, in fact the dash is more of a full wraparound and that's a plus. Obviously long haul type cabs don't necessarily need the driver to have cross cab access other than for the overnight stay and obligatory rest periods.

The XF features an array of advanced driver assist systems including an eco mode driver scoring system. My driving guru, Mandy Wannerton from DAF Trucks, suggested we complete two circuits, one without coaching and one with and using all the driver assist systems. The difference is amazing with a double-digit potential saving in fuel.

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COMMERCIAL FLEET: FIRST DRIVE



MAXUS E DELIVER 3

Everything is geared to keeping the body weight down and the payload high

By Tim Campbell

Maxus is set to launch its second van in spring in the form of the all-new 'E Deliver 3'. Previously called the EV30, the E Deliver 3 will be one of the first electric-only vans to be sold in the UK, offering a range of up to 174 miles and a payload of up to 1,000kg. It's not the only renaming taking place: Maxus itself changed names in the UK this month from LDV.

Electric van sales are still in the embryonic stage. According to the Society of Motor Manufacturers and Traders, there were fewer than 1,000 registrations in 2018 (or less than 0.3% of total LCV registrations) but the increasing scrutiny on diesels is certainly changing the picture. It estimates that sales almost tripled last year to around 2,800 units.

Maxus's current electric van, the eV80, had a great year of sales for both retail and fleet, with Milk & More placing an order for 159. Electric vehicles (EVs) are where Maxus and its Chinese parent SAIC are one step ahead of western manufacturers – after all, more than half of the world's 2018 EV sales took place in China in 2018.



Unlike most electric vans, there will be no internal combustion engine (ICE) versions and so engineers have designed everything around electrification including the use of composite plastic and aluminium, rather than steel, for body panels which helps offset the weight of the battery for payload and increase the range.

The cab is quite surreal in that it gives a futuristic feel with its mix of contrasting black and blue plastics on the dashboard. There is an abundance of storage spaces and it is extremely spacious. UK models will have an electronic parking brake, rather than the traditional handbrake, which will free up room for an optional extra third seat.

The Chinese-spec model we were testing came with a 70kW/220Nm motor which means it slightly trails the eNV200 for performance, but UK models will have an uprated 85kW (115PS)/255Nm motor.

Given its compact size, the driving position is quite high which provides commanding all-round views. Even by EV standards, it's effortless to drive with electrically-assisted power steering and the choice of two throttle modes and three degrees of energy recuperation.

The MacPherson strut and leaf-spring suspension configuration is more geared towards taking loads than comfort, and therefore the cab certainly bears the brunt of speedbumps and potholes. However, it is nicely balanced and

handles well in the corners like most electric vans.

There will be two battery packs offered on the new van; a 35kWh and a 55kWh (this compares with 40kWh for the eNV200 and 33kWh for the Kangoo ZE), returning a range of 127 miles and 174 miles respectively on the NEDC cycle. Real-world and WLTP figures have yet to be published.

A rapid 'DC' charge to 85% takes just 45 minutes, while a Type 2 'AC' charge could take as long as seven hours.

Maxus will offer both short and long-wheelbase variants which, at 5.0 and 6.3 cubic metres and 4.5m and 5.1m long respectively, straddle the traditional small and medium van segments. Of course, European homologated figures are yet to be finalised, but preliminary figures suggest there will be payloads of around 850kg (SWB) and 1,000kg (LWB), with Maxus lifting the GVW for vans with larger batteries to compensate for payload loss.

Official prices were due to be announced in Q1, but bosses hinted the E Deliver 3 will start at around £24,000 plus VAT for the short wheelbase, 35kWh model when the Government's PiVG has been taken into consideration, which is only a marginal increase on the eNV200.

The first UK deliveries will take place in spring and will be backed by Maxus's excellent five-year, 125,000-mile warranty (eight-year warranty on the battery).

MODEL TESTED E DELIVER 3

SPECIFICATIONS	
OTR price	£30,000 (est)
Power/torque	114PS/255Nm
Payload	855kg
Gross vehicle weight	n/a
Load volume	5.0 cu m
Fuel cost	n/a
SMR	n/a
Running cost	n/a
Range	up to 174 miles



Pandemic puts clean air zones, MOT and tachograph rules on hold

Government and local authorities delay measures as coronavirus threatens fleet futures

By Gareth Roberts

Coronavirus pandemic is challenging commercial fleets in different ways – some operators are struggling to cope with demand, while others have vehicles standing idle.

The Government has attempted to soften the blow through a series of financial measures and the relaxation of some regulations.

Ministers have delayed the introduction of clean air zones (CAZs), while Transport for London (TfL) suspended the congestion charge and ultra-low emission zone (ULEZ) until further notice, when the lockdown began on Monday, March 23.

A spokesman at the Department for Environment, Food and Rural Affairs (Defra) told *Commercial Fleet* the Government had agreed with Leeds, Birmingham and Bath to delay the introduction of the charging zones until after January 2021.

Ministers have also now temporarily removed tachograph requirements for all drivers, after initially

limiting it to those transporting certain essential goods.

Furthermore, the Driver and Vehicle Standards Agency (DVSA) has suspended MOTs for all heavy goods vehicles (HGVs) and public service vehicles (PSVs) for three months from March 20.

Lorries and trailers due for test in the suspension period will be issued with exemptions automatically. Some vehicles, such as those due for their first MOT test and vehicles returning to service with a test certificate that expired before March, will require an application for exemption certificates.

The MOT on vans and other light commercial vehicles (LCVs) has been extended for six months from March 30.

However, the DVSA is reminding fleets that vehicles must be maintained, kept safe to drive (roadworthy) and operate within the terms of operators licence conditions.

Richard Burnett, chief executive of the Road Haulage Association (RHA), echoed the DVSA's warning.

He said: "It is vital that all vehicles on our roads remain safe to use and their roadworthiness must be maintained at all times."

However, he added: "Routine testing is a vital part of our safety culture and we believe it should be restored as soon as possible."

ENFORCEMENT DELAYED

The Direct Vision Standard (DVS) and new rules for London's Low Emission Zone (LEZ) have also been put on hold until 2021.

Both were set to be enforced from October this year, but they have now been delayed for four months.

The suspension, ordered by the Mayor of London, Sadiq Khan, acknowledges that demands currently faced by the commercial fleet sector could have made compliance with the new standards difficult to achieve.

"Coronavirus has disrupted supply chains and placed additional demands on the freight industry, making it more difficult for new standards to be met on time," he said.

"To help ease pressure on the sector, I've asked TfL to delay the enforcement of the new stricter rules, initially for four months, to allow the freight industry to focus on its core operations during the pandemic."

Although the new rules under both schemes will still legally come into force on October 26, no charges will be payable or enforced for non-compliant vehicles under the new standards until the end of February 2021.

TfL says the new date for the start of enforcement will be kept under review.

Natalie Chapman, head of urban policy at the Freight Transport Association (FTA), told *Commercial Fleet* that operators are already facing significant disruption to their operations as members of their workforce fall ill and self-isolate.

"Achieving compliance with DVS will require many goods vehicles over 12 tonnes to have additional cameras, sensors and alarms fitted," she said. "However, supplies

of technology, equipment and trucks are already being disrupted.

"Delaying enforcement will allow businesses to focus their efforts on ensuring the population of London continues to receive the food, hygiene products and other basic items required to see it through this pandemic."

Chapman did warn, however, that a "longer period is likely to be needed for businesses to adjust" and it would work with TfL on the final timetable.

The scheme means trucks entering the capital will have to comply with a London-specific safety standard or face a £550 fine.

The RHA wants TfL and the mayor to push DVS back by at least a year to give firms time to recover from the national emergency.

Burnett warned: "Hauliers supplying London with the goods they need during the crisis are already facing a financial struggle for survival."

"Adding a year to the roll-out of this scheme would cost the authorities nothing and save many firms from going out of business."

MOUNTING COSTS

The financial impact of the crisis will differ across the industry. Estimates from the Office for Budget Responsibility (OBR) suggest that, based on a three-month lockdown, the UK economy could shrink by a record 35% by June.

While the UK economy would contract by 12.8% this year under

this scenario, it is expected to get back to its pre-crisis growth trend by the end of 2020.

In a separate report, the International Monetary Fund (IMF) said it expects the UK economy to shrink by 6.5% in 2020, while the global economy will contract by 3%.

The OBR's estimates said a three-month lockdown would push up the UK's borrowing bill to an estimated £273 billion this financial year, or 14% of gross domestic product (GDP), representing the largest deficit as a share of GDP since World War II.

A survey conducted by the British Chambers of Commerce shows that a fifth of all firms are intending to furlough their entire workforce and a further 17% are furloughing more than 75% of their staff, equating to more than nine million workers.

Designed to support employers whose operations have been adversely affected by the COVID-19 pandemic, furloughing is a temporary measure to provide business funding, initially for up to three months, and is part of the Government's Coronavirus Job Retention Scheme.

Under the terms of the programme, businesses can reclaim up to 80% of an employee's usual monthly wage, up to £2,500 per month.

FTA CEO David Wells says it is vital that fleets can be confident the Government's systems and processes can cope with the scale of likely demand.

"If they can't, it will add further delay to the provision of vital cash to



GOVERNMENT MUST CONTINUE TO DO EVERYTHING POSSIBLE TO SAFEGUARD THE SECTOR

MIKE HAWES, SMMT

struggling businesses," he said. "FTA has already heard of several organisations that are not paying their furloughed staff until the cash from the scheme is received – a decision which will have a massive impact on workers."

REGISTRATIONS FALL

The latest figures on new van sales also reflect the economic impact. The new van market fell by more than half in March, with just over 30,000 units registered as lockdown measures came into force.

Demand was down across the

board as most segments experienced double-digit declines, according to the Society of Motor Manufacturers and Traders (SMMT).

New LCV registrations fell by 54.3% compared with March 2019, with just 30,247 vans bearing the new '20 number plate joining the roads. The impact is expected to be far greater in April, with retailers and vehicle manufacturers remaining closed during the lockdown.

BAROMETER FOR ECONOMY

Mike Hawes, chief executive at the SMMT, said: "The commercial vehicle market is a barometer for the wider economy so March's decline to the lowest level in more than 20 years is stark evidence of a crisis of truly unprecedented proportions."

"There is no doubt that demand will recover once we overcome the challenge that lies ahead. However, given we do not yet know how long this will continue, Government must continue to do everything possible to safeguard the sector so it is ready to help operators and the entire country get back to business when that time comes."

Fleet operators can access emergency vehicle repair and maintenance services as some garages and workshops remain open during the coronavirus lockdown.

Recovery services, including The AA and the RAC, are also still operating as is parts supply from Euro Car Parts. Other motor factors are closed, making some parts difficult to obtain.

THE LAST WORD

KEITH COOK

DEPUTY FINANCIAL CONTROLLER - GROUP FINANCE OPERATIONS,
COMPUTACENTER

Cars have always featured in Keith Cook's life, so when the opportunity to add fleet to his portfolio arose, he jumped at it. Since then, he has run the fleet at technology firm Computacenter for 30 years

The advice I would give to my 18-year-old self is believe in yourself. Be your version of you, not anyone else's. Dream big and dare to fail. I might add that you may want to give 2020 a wide berth!

My first memory associated with a car is a family holiday to Hastings in a split-screen Morris Minor.

My hobbies and interests are the creative arts, cooking, education, psychology and family and social history. I don't watch TV.

My pet hate is negative people. I am a Pollyanna.

My favourite movie quote is "There's a time for daring and there's a time for caution, and a wise man understands which is called for." (Dead Poets Society)

The song I would have on my driving playlist is More than Words, by Extreme

A book I would recommend to others is *Alex's Adventures in Numberland* by Alex Bellos

If I were made transport minister for the day I'd declare war on potholes - get potholes done!

If money was no object, I'd be a philanthropist.

Why fleet?

It's the gift that keeps on giving - but not always the gift you asked for! But that's the appeal - no two days are the same. The industry evolves, like its own little universe. There's no time for complacency. It presents 'opportunities' in an industry filled with generous people only too keen to share.

How I got here

My father was an auto-electrician and I have fond memories of the oil smell in workshops that would be unrecognisable today. When a reorganisation came along, with the opportunity to add fleet to my portfolio, it was like meeting an old friend.

Latest products, developments and achievements

Most recently I completed a part time MSc, at the University of Hertfordshire, in Business and Organisational Strategy, conducting research into mobility. Cost optimisation has also featured heavily. Currently I'm looking at applications for robotic process automation (RPA).

My company in three words

Innovative, Innovative, Innovative

Career influence

Early in my career I had a manager, Linda Powell, who encouraged me to be curious and to treat everything as an opportunity. If I have to single out one person now it would be Colin Tourick, a wise Yoda, great lunch companion and source of many an inspiration.

What makes a good MD?

I'll tell you when I get there! I would say believe in your employees, have a clear vision and stretch people to be the best that they can be.

If I wasn't in fleet

I had to reset my password in the Apple store. The lady asked me the security question "what job did you want to do when you were a child?". She prompted me with "most guys put footballer or racing driver..." I confessed, "ballet dancer". The look on her face was priceless. So, I'd be a racing driver, clearly!

Next issue: Ian Leonard, head of fleet operations at Yodel Delivery Network



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