



# FleetNews

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# BREAKING

# NEWS

## NEW DATE ANNOUNCED FOR FLEET NEWS AWARDS 2021

**TUESDAY, JUNE 29, 2021 ■ GROSVENOR HOUSE HOTEL, LONDON**

**T**he Fleet News Awards is moving to a new date for 2021. Traditionally held in March, next year the awards night moves to June 29 at the Grosvenor House Hotel in London.

It will also for the first time incorporate the Commercial Fleet Awards to create an unparalleled celebration that honours and recognises excellence across every part of the fleet sector.

Stephen Briers, editor-in-chief of *Fleet News*, said: "With the industry in turmoil due to the coronavirus pandemic, we had a chance to reflect

and review our awards proposition for 2021. While going virtual is an option, and one we are very excited about with our Fleet & Mobility Live show in November, we believe that an awards evening is also a networking evening and a chance to meet old friends and make new acquaintances in a relaxed environment.

"For many guests, it's their industry highlight of the year. That's why we decided to move the date to give us a better chance of being live at the Grosvenor House."

Fleet News Awards 2021, incorporating Commercial Fleet

Awards, will offer a unique opportunity to bring together the entire fleet sector to celebrate and honour the best people, companies and vehicles. It is set to become the biggest and most important night in fleet.

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

**If you can't wait until then, and want to know more, please email - [Sandra.evitt@bauermedia.co.uk](mailto:Sandra.evitt@bauermedia.co.uk)**





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# Industry braced for company car cull as job losses start to mount

Unprecedented downturn is prompting many companies to rethink their fleet strategies

By Gareth Roberts

**E**arly terminations and contract extensions from fleets and company car drivers are being reported by leasing companies as job losses increase.

Over the past three months, the number of people claiming out-of-work benefits (job seekers allowance and low income benefits) has more than doubled, reaching 2.7 million in July, according to the Office for National Statistics (ONS).

The latest data also shows more than three million people were still furloughed as the Government scheme begins to wind down.

The ONS says that more

than one-in-10 workers (12%) were, effectively, having their wages paid by the Government between late July and the middle of August, a 50% reduction on May's figures.

Unsurprisingly, the highest number of furloughed staff were found in those companies yet to re-open – almost three-quarters of staff (71%) compared to 11% at those businesses back trading.

The scale of the downturn is unprecedented. The UK economy is now 17.2% smaller than it was in February 2020.

Furthermore, Quarter 2 2020 is now 22.1% below Quarter 4 2019, which is more than three times greater than the total fall during the

next largest period of recession, which occurred during the global economic downturn of 2008 to 2009.

The Bank of England has warned that UK unemployment is expected to peak at 2.5 million by 2021, with more than a million jobs expected to be lost in the second half of this year.

It highlighted what it called the "considerable uncertainty" remaining about the prospects for employment after the furlough scheme finishes in October.

## WINNERS AND LOSERS

Paul Hollick, chairman of the Association of Fleet Professionals (AFP), said: "Some companies have taken the bit between the teeth by introducing redundancies quickly, but they were already on shaky ground, with plans already in place."

However, he explained there have been "winners and losers" as a

result of the pandemic, with those in the hospitality and travel sector hit particularly hard, while anything that is digitised and can create online services and solutions is able to tap into growing demand.

The amount of money spent online increased by 61.9% in June when compared with February, ONS data suggests. This has resulted in an increase of £943.5 million in average weekly sales from £1.5 billion in February to a staggering £2.5bn in June.

Courier fleets have been among some of the biggest winners, with DPD announcing it was recruiting 6,000 new staff, including 3,500 drivers, in response to the unprecedented boom in online shopping.

The delivery firm is investing £200m this year to expand its next-day parcel capacity, including £100m on vehicles, £60m on 15 new regional depots (10 more than originally planned in 2020) and the remainder on technology.

The new jobs will include delivery

The impacts of Covid-19 are creating a domino effect whereby new ways of working are leading to job losses and less staff means many fleets will need fewer vehicles



and HGV drivers, warehouse staff, management positions and support staff, including mechanics.

CEO Dwain McDonald said the business was experiencing the "biggest boom in online retailing in the UK's history".

It is a similar story at APC, with 100 new roles available, all of which will be permanent positions, including drivers, warehouse operatives, customer services staff and IT.

The courier firm's chief executive, Jonathan Smith, explained that the past five months have seen "unprecedented demand" for its delivery services.

For firms facing a more uncertain outlook, Hollick believes business owners and operators do not know what to do in terms of "rightsizing their business".

He explained: "No one really understands the total impact yet, because everything is being propped up (by the Government), but I wouldn't want to be an account manager at this time.

"The way that you operate with customers is going to fundamentally change post-Covid. I think it's going to be a case of sitting in an office or at home to do an account review rather than face-to-face."

#### EARLY TERMINATIONS

Account management and sales teams would, typically, be out on the road, potentially covering long distances to visit their customer base on a regular basis.



“WE ARE SEEING BULK  
EARLY TERMINATION REQUESTS  
FROM SOME OF OUR  
CORPORATE FLEETS”

GAVIN DAVIES, ALPHABET

But lockdown has shifted customer meetings online and, with obvious productivity gains, returning to pre-pandemic working practices is not on the cards.

Volkswagen Financial Services Fleet reported it was seeing "no demand" from customers for a return to face-to-face meetings. Head of sales and marketing, Tom Brewer, said: "We're seeing a desire to continue with remote meetings at the moment.

"In our experience, this approach doesn't seem to have any detriment to the quality of the conversations or the effectiveness of the meetings. There are upsides for all parties – aside from minimising the risk to everyone's health – in the productivity benefits for us and our customers; meetings tend to be shorter and there is no fuel cost and no time lost to travel."

It is not planning a reduction in

headcount, but elsewhere companies looking to tighten their belts are recognising that they can do more with less.

As a result, Hollick expects the traditional company car market will shrink due to the significant job losses already being seen and those yet to come as the furlough scheme ends.

Furthermore, he says other employees, who qualified for a car due to the amount of annual mileage they covered, face having the benefit removed due to now not hitting the required threshold.

Three-quarters (74.8%) of fleets told *Fleet News* in a recent survey that they expect greater use of video conferencing in the long term, while almost 61% expect to see average mileages fall. And more than a third (35.8%) said that they expect to be running fewer company cars in the future (*Fleet News*, June 25).

Alphabet has reported an increase in early terminations and reschedule requests in recent months, driven predominantly by individual and small-to-medium enterprise (SME) customers.

However, Gavin Davies, Alphabet's general manager for customer relationship management and public sector, said: "We are seeing bulk early termination requests from some of our corporate fleets as well, but they are also utilising other options, such as putting new car orders on hold while they assess their individual situations and future fleet needs.

"This has been the case particularly in those industries that have been hit hardest by the lockdown or still have staff on furlough."

He added: "As the furlough scheme has given an artificial stimulus to current demand, we do expect to see an increase in early terminations as the scheme comes to an end in October."

Jon Lawes, managing director of Hitachi Capital Vehicle Solutions, told *Fleet News* that sales teams were particularly impacted by a lack of travel. "We're seeing customers looking to reduce their contract mileage moving forward, meaning that policy benchmark mileages have reduced by approximately 10% across certain customers," he said.

The greatest impact has been in the retail sector, with job losses resulting in company car numbers being cut.



“The headcount and vehicle allocation for retail store area managers has reduced as a result of companies streamlining their middle management to respond to the economic impact of the virus,” said Lawes.

Since March, Lex Autolease has granted payment holidays to more than 3,000 customers, from small fleets to those with thousands of vehicles.

Mileages have also been amended to encourage rental cost-savings and existing vehicles redistributed. As a result, Andy Barrell, head of business development at Lex Autolease, said: “We’re not seeing mass vehicle terminations across our customer base.

“Customers are naturally more inclined towards short-term agreements when there is ongoing uncertainty, so it’s no surprise we’ve seen an increase in demand for short-term daily rental, alongside our informal extension agreements – giving customers more time to assess future requirements.”

The total number of new cars registered to fleet and business so far this year is 45.3% down year-on-year, with 433,868 units registered in 2020, compared with 792,091 in the same period last year.

Historic HMRC data shows a declining pool of company cars, with 890,000 employees receiving the benefit in 2017/18, compared with 940,000 the previous year.

Officials blamed the dramatic decline on reporting issues leaving some vehicles unaccounted for, but the figures for 2018/19, in the coming weeks, are still expected to show a downward trend.

Hollick, however, is predicting leasing firms and carmakers could benefit from a renewed interest in salary sacrifice. He explained: “A few big fleets have already mentioned to me that they are relaunching salary sacrifice schemes to take advantage of the low rates for electric vehicles (EVs). But it’s going to be a fascinating market and I don’t think anybody will know the true impact until the start of next year.”

Hitachi Capital’s Lawes says employees are concerned about the long-term economic impact of Covid-19 and committing to a company car contract, with some perk schemes affected.

That being said, he also sees the renewed potential of salary sacrifice. He told *Fleet News*: “Now is a prime time to take a salary sacrifice EV with 0% BIK charges.”

Although Alphabet has seen an increasing demand to move to cash incentives in recent years, Davies also highlighted the “significant taxation benefits” for companies and drivers who choose to adopt ultra-low-emission vehicles (ULEVs).

“Alphabet has seen a huge uptake in EVs since the 0% BIK rates were introduced earlier this year,” he said.

■ To tell us your views on the impact of Covid-19, take part in our latest survey. The results will be shared in the September issue.

3m

latest figure for people being furloughed

2.5m

predicted peak in unemployment by 2021

## Crunch time for lease companies as furlough scheme winds down



**PROFESSOR COLIN TOURICK**  
MANAGEMENT  
CONSULTANT  
SPECIALISING IN  
THE AUTOMOTIVE  
FLEET AND ASSET  
FINANCE MARKETS

Leasing companies have done a commendable job for their clients since the start of lockdown. By offering rental deferrals and contract extensions they have helped fleet managers minimise costs and preserve cash.

But, now it’s crunch time. The furlough scheme has held back what would otherwise have been a tsunami of companies announcing mass staff redundancies. However, those mass redundancies have clearly started.

We’re only hearing about the household names, but thousands of SMEs are making staff redundant too, and, over the next few weeks, we can expect many thousands of cars to be returned to leasing companies,

leading to a spike in used vehicle sales, a reduction in used car prices and dents in leasing companies’ balance sheets.

In the short term, we can expect the general level of demand in the economy to be low.

Companies will be cautious about taking on staff and much more prescriptive about the journeys their employees are making, insisting on the use of Zoom etc. for most client meetings and minimising the number of meetings in person.

In fact, now that companies have discovered that meetings can take place satisfactorily online, one possible long-term scenario is that the number of business miles may have peaked, never to recover to previous levels.

Once upon a time such a statement would have caused great concern in the leasing industry and – given a strong leasing industry benefits fleet managers in so many ways – it would have caused concern to fleet managers, too.

Fortunately, the leasing industry is much more resilient against a downturn in corporate leasing these days than in the past. Most lessors have been building their personal leasing (B2C) portfolios, and there is still plenty of scope for much more growth in this area of their businesses.

The growth in home deliveries means the overall volume of van leasing shouldn’t be affected as badly as the downturn for cars. A short, sharp economic downturn should not be a disaster for the industry.

The negligible amount of benefit-in-kind tax payable over the next few years on zero emission cars offers a real opportunity for leasing companies to bolster the number of vehicles on their books. If they can persuade employees who formerly took cash allowances to take EVs as company cars, or persuade employees who have never had a company car to take EVs under salary sacrifice, the leasing companies should be able to cushion some of the blow they will undoubtedly experience.

It’s not all doom and gloom. There’s a lot for leasing companies to go for right now. These days will pass.





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# Mitsubishi guarantees to 'take care' of fleets running its vehicles

Fleets seek reassurances after manufacturer's surprise decision to pull out of UK and Europe

By Gareth Roberts

**M**itsubishi will have access to enough stock for the L200, Mirage and Shogun Sport to remain on sale in the UK for the next two years, the manufacturer has confirmed.

Meanwhile, the Outlander plug-in hybrid electric vehicle (PHEV) and petrol variant, as well as ASX and Eclipse Cross, should continue to be available for another year.

The Japanese manufacturer unexpectedly announced it was pulling out of both the UK and European markets, with stocks of existing models, including the popular Outlander PHEV and L200 pick-up, continuing to be sold until they no longer meet emissions regulations.

A Mitsubishi spokesman told *Fleet News*: "Stock-wise we have access to a minimum of around 15,000 new vehicles across the entire range presently, with the option to order more L200 and Mirage stock further down the line, so we have no concerns in terms of vehicle supply for the foreseeable future."

In terms of emissions regulations, he explained that Mitsubishi would not be re-homologating its existing range to meet any future regulatory changes.

He added: "The current Mitsubishi vehicle range meets all current emissions requirements and will remain on sale while stocks last, which should carry us well into 2021 for most models and through 2022

for the newest models in the range (L200 and Mirage)."

Aftersales support will be provided by existing dealers and the Colt Car Company, which imports Mitsubishi vehicles to the UK.

## FLEET GUARANTEE

Both the Mitsubishi Outlander PHEV and L200 have proved popular with fleets, with the Environment Agency and Highways England just two of those impacted by the carmaker's decision to wind up its UK and European operations.

The Environment Agency has 88 Mitsubishi Outlander PHEVs on fleet and 36 on order, replacing the Outlander diesel version this year.

Dale Eynon, director of Defra Group

**WE HAVE  
NO CONCERNS  
IN TERMS  
OF VEHICLE  
SUPPLY  
FOR THE  
FORESEEABLE  
FUTURE**

**MITSUBISHI  
SPOKESMAN**

**15,000**

new Mitsubishi  
vehicles in stock

Fleet Services, explained that the Outlander PHEV (commercial variant), in particular, has been a "vital part of our programme to reduce emissions, while maintaining full operational capability and being cost-effective".

He said: "We will need to get some urgent and immediate assurances from the Colt Car Company in relation to existing assets in respect of service, maintenance and repair (SMR) and warranty claims to make sure there is no drop in service over the coming years."

The manufacturer stressed that it had been impossible for it to contact all of its fleet customers simultaneously, when the news broke, but it wanted to talk to all of its clients personally to offer them assurances. "All our clients will be taken care of for as long as they are running our vehicles, that is a guarantee," said the Mitsubishi spokesman.

Highways England has some 230 Mitsubishi vehicles on its fleet, with 148 Shogun DI-D LWB Auto 3.2 vehicles used by traffic officers along with 30 Mitsubishi Shogun Sport 4 Auto 2.4 vehicles. It also uses 52 Mitsubishi Outlander PHEVs as

asset delivery inspector vehicles. All have been brought outright.

Highways England said it was in talks with Mitsubishi about the vehicles on its fleet to "maintain business as usual. This includes the SMR for our fleet".

## SALES FIGURES

UK registrations from January to the end of July show Mitsubishi had sold 5,637 new vehicles, compared with 10,789 during the same period last year.

The 48% decline in new registrations is similar to reductions reported by other manufacturers impacted by the coronavirus pandemic. Market share fell by just 0.8% over the same period.

The Mitsubishi Outlander PHEV, which has proved popular with company car drivers thanks to low benefit-in-kind (BIK) tax, was updated with new trim levels and a new infotainment system, last year (fleetnews.co.uk, September 17, 2019). Prices started at £35,455 (on-the-road) for the revised plug-in hybrid SUV.

However, Government cuts to the plug-in car grant announced two







There should be enough stocks of the L200 to last a further two years; but for the Outlander (below) the projection is one year

and the Xpander MPV and Pajero Sport SUV (2023).

Bailey added: "From a consumer point of view, the pull-out is a great shame as the firm has pioneered plug-in hybrid technology in the UK and Europe."

Bailey believes that the technology will probably find its way into new Renault-Nissan-Mitsubishi Alliance models from Renault and Nissan.

"While the Alliance plan had anticipated a refocusing by Mitsubishi on south-east Asia, I'm still surprised that Mitsubishi is effectively leaving the UK/EU market completely," he said.

"I had anticipated Mitsubishi models being assembled off the same platforms as Renault and Nissan models, and produced, for example, at Sunderland, so as to maximise the alliance's market share in the region."

However, Bailey doesn't rule out the brand being resurrected in the UK market in this way at some point.

### IMPACT ON RVs

Pricing experts at Cap HPI have played down the potential of Mitsubishi's decision to exit the UK having a negative impact on residual values (RVs).

Andrew Mee, head of forecast UK at Cap HPI, told *Fleet News*: "It's important to remember that Mitsubishi is an established brand with some popular models, notably Outlander and L200, and we expect these to continue to be attractive as used cars."

"While some funder and lender nervousness can be expected around residual values, there have been precedents of brands exiting the UK without values suffering, and these include MG Rover, Saab, Daewoo and Chevrolet."

"In all cases, values subsequently moved in line with market and sector trends and were not adversely affected by the brand's withdrawal."

Mee argues that the expected availability of spare parts and the knowledge and experience of service engineers should help used sales and values.

Furthermore, he says it's even possible that, as there will be a finite number of Mitsubishi cars registered in the UK, as volumes on the road decrease over time, then interest from loyal customers could have a "positive impact on used values".



years ago, meant the Outlander PHEV was no longer eligible.

The grant was cut by £1,000 and no longer applied to hybrid cars with a range of less than 70 zero-emission miles. The Government said the reduction in funding – from £4,500 to £3,500 – for the cleanest cars, and withdrawing the grant completely for the likes of the Outlander, was a sign of its success.

Its BIK tax savings credentials have maintained its traction in the market, however, with the Outlander outselling every other plug-in hybrid SUV on the market so far in 2020, with 2,662 Outlander PHEVs registered from January to July.

It means one in every four new vehicles sold by the manufacturer so far this year was an Outlander PHEV and a total of 51,667 Mitsubishi Outlander PHEVs have now been registered in the UK.

### £1.3 BILLION LOSS

That sales success, however, comes after Mitsubishi reported a £1.3 billion loss in the last quarter, resulting in its decision to focus on faster growing, more profitable

markets, with the aim of cutting costs by 20% over the next three years.

"The company is effectively pulling out of Europe to focus on the likes of south Asian markets," said David Bailey, professor of business economics at the Birmingham Business School and senior fellow at UK in a Changing Europe.

Along with exiting UK and European markets, Mitsubishi will aim to improve its bottom line by cutting R&D spend, undertaking 'salary reviews' and shutting one of its plants in Japan by next year. Its European manufacturing operations at the Nedcar plant in the Netherlands were sold in 2012, with cars, instead, imported to Europe.

Planned new models the EU and UK will miss out include a new Outlander SUV and a new Battery Electric SUV (2021), a plug-in hybrid Outlander and L200 Pick up (2022),

51,667

Mitsubishi Outlander PHEVs registered in the UK

# Polestar enters fleet market with promise of VIP service

New all-electric model from Chinese maker Geely will only be available to buy online

By Matt de Prez

**P**olestar is promising fleet customers a 'VIP experience' equal to that enjoyed by retail buyers as the new brand launches its first mainstream model in the UK, the Polestar 2.

With no dealerships, and no intentions to open any, the brand is utilising an online sales model and has developed a robust corporate sales strategy to get the car into the fleet sector.

Jonny Miller, who was previously national leasing and residual value manager at sister company Volvo Cars UK, took on the role as Polestar's head of sales development in the UK in February. He is working with the leasing sector and with larger corporates to ensure they have access to the new all-electric model.

Polestar, which is owned by Chinese automotive giant Geely, operates a direct-to-consumer sales model and prepares and delivers all its cars from a central base.

Miller is building relationships with leasing firms to ensure the vehicle is available on choice lists, with more

Polestar will deliver all its cars from a central base



than 25 already signed up and more expected to join.

Once the leasing company takes an order, Polestar looks after the rest of the customer journey; configuring the vehicle and delivering it to the customer.

Miller told *Fleet News*: "We want to keep the sales and marketing element of Polestar completely separate from Volvo."

"While that brand already has good relationships with fleets and leasing companies, we need to forge our own path. I will work with larger fleets directly, while our leasing partners will be the first port of call for smaller firms."

## NO SHOWROOM VISIT NEEDED

When it comes to aftersales, Polestar will leverage the Volvo dealer network. But, Polestar customers will not be expected to ever visit a Volvo showroom. The brand will coordinate a collection and delivery service, which can be booked by the driver via mobile app.

"We've priced the car to include delivery and three years of servicing, so fleet customers can be confident they will pay one price and get the same high level of personal service as a private buyer," said Miller.

Volvo dealers will be paid by Polestar to provide aftersales services and will be responsible for providing the delivery and collection service as well as a courtesy car, if required.

The service is designed to work around the Polestar 2's digital key. This enables the driver to use the car day-to-day with just their smartphone, while access can be granted to other users when they need to use the vehicle.

A range of services will be available, including parcel delivery to the car's boot, a valeting service and a charging service, whereby a third-party provider will come to charge the car for the owner while they are not using it.

"This is a new lifestyle for people, based around the smartphone. It will be possible for drivers to have no human contact with the brand and do everything digitally," Miller said.

Fleet customers are expected to account for around 60% of Polestar 2 sales, although the initial allocation of vehicles has already been reserved by private customers who paid a £1,000 deposit when the car was announced 18 months ago.

Miller says that any company car drivers who have placed a deposit can convert their private order to a

fleet one. He adds that supply will be constrained to "thousands" rather than "tens of thousands" per year, but there is availability before the end of the year for new orders.

"We are already getting lease orders coming through and we'd advise drivers who want a Polestar 2 to place their orders earlier than usual so we can plan to deliver their car on time," he added.

## LOADED WITH EQUIPMENT

The Polestar 2 is priced at £49,900 in Launch Edition trim, which comes loaded with equipment. It features a 78kWh battery, which provides a range of almost 300 miles.

Next year, the brand will introduce a lower specification model with a single motor and a longer range, which will have a lower P11D price.

A demo fleet will shortly be making its way to larger fleet customers, while the brand will run regional drive days for SMEs and smaller fleets over the coming months.

Drivers can experience the car at a Polestar 'Space', two of which will shortly open in shopping centres in the UK – one in London and one in Manchester.

■ To read our first drive review of the Polestar 2 turn to page 52.



WE WANT TO KEEP THE SALES AND MARKETING ELEMENT OF POLESTAR SEPARATE FROM VOLVO

JONNY MILLER,  
POLESTAR





AUG

3

**LONDON-WIDE ANTI-IDLING CAMPAIGN TARGETS FLEETS**

**MOST COMMENTED** Businesses operating vehicles in London are being targeted by a new campaign to prevent air pollution caused by idling engines. Idling Action's #enginesoff campaign asks firms to pledge that their fleet drivers and other employees will not leave their engines on when parked.

4

**'CRASH FOR CASH' WARNING AS INSURANCE FRAUD ON THE RISE**

Crash for cash remains a "real and growing" threat to fleets and company car and van drivers, according to experts at AX. Fraudulent car collision claims increased 45% year-on-year in 2019, compared with an average increase of 27% across all categories of insurance fraud.

5

**MILEAGE DISCREPANCY COULD AFFECT 2.5M VEHICLES IN THE UK**

It is estimated almost 2.5 million cars in the UK have a recorded mileage discrepancy, according to a study by Rapid Car Check. Based on a sample of four million cars and vans, the company found 6.3% of vehicles had a recorded mileage discrepancy.

6

**COCA-COLA LOSES COMPANY CAR TAX RULING IN COURT OF APPEAL**

**MOST READ** The Court of Appeal has ruled in favour of HMRC, deciding that a Vauxhall Vivaro should now also be classed as a company car, not a van, by Coca-Cola. The drinks firm also lost its appeal on two Volkswagen Kombis, with the three judges agreeing with two previous lower court rulings.

7

**TFL PREPARES FOR EXPANSION OF LONDON ULEZ**

New cameras are being installed ahead of the expansion of London's ultra-low emission zone (ULEZ) to the North and South Circular. Currently, the ULEZ covers the same area as the Congestion Charge Zone, but will cover an area 18 times that size when it goes live from October, 2021.

10

**SCOTLAND LEADS UK WITH RAPID CHARGING INFRASTRUCTURE**

A new report from the Department for Transport (DfT) says Scotland has 8.9 rapid charging points per 100,000 of population, while London has just 4.9 by comparison.

11

**FORD KUGA PHEV FIRE RISK DISCOVERED**

**MOST SHARED** Ford has temporarily suspended sales of its new Kuga plug-in hybrid (PHEV) SUV and issued a recall after four caught fire due to over-heating batteries.

12

**KIA PUBLISHES PRICING AND EMISSIONS FOR NEW SORENTO**

Emissions will start from 158g/km for the all-new Kia Sorento, thanks to a mild-hybrid system powered by a 1.6-litre petrol engine. A plug-in hybrid version of the new Sorento will go on sale later this year.

**BMW EXPANDS PHEV LINE-UP WITH 545E**

BMW is expanding its 5 Series range with a new 545e plug-in hybrid that

will sit alongside the existing 530e. It will be introduced towards the end of the year, becoming the fifth plug-in hybrid 5 Series derivative.

**MITSUBISHI OUTLANDER PHEV REMAINS 'BEST-SELLING' PLUG-IN HYBRID**

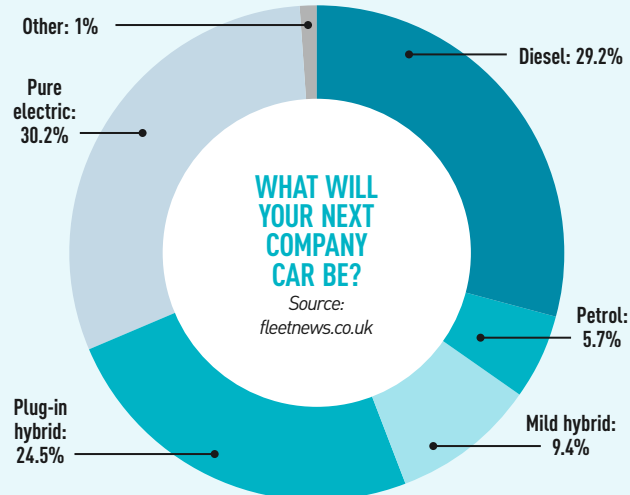
More than 2,600 Outlander PHEVs have been registered since the start of the year, contributing a total of almost 52,000 on the road, according to latest registration figures.

**CONSULTATION TO INTRODUCE AUTONOMOUS DRIVING TECH**

The Government has launched a consultation that could lead to the introduction of cars with Level 3 autonomous driving capabilities by next year. The Call for Evidence will look at the Automated Lane Keeping System (see Big Picture – page 12).

**LEEDS PUTS BRAKES ON CAZ PLANS**

Leeds City Council has suspended the introduction of its clean air zone (CAZ) while it re-assesses the air quality issues in the city. Data shows pollution levels in the city have fallen significantly as a result of Covid-19.

**FLEET NEWS POLL****FLEET NEWS VIEW:**

Our poll shows that almost a third (30.2%) of respondents will be choosing a pure electric vehicle (EV) as their next company car, while a further one-in-four (24.5%) say they will opt for a plug-in hybrid EV (PHEV) instead. Less than one-in-three (29.2%) intend to choose a diesel car, fewer still petrol (5.7%). It is clear that, where electric power is fit for purpose, company car drivers want to take advantage of new low rates for EVs.

**THIS ISSUE'S POLL:** Have you recently received an incorrect tax code for a company car from HMRC?

# THE BIG PICTURE

News outlets have been getting excited about the Government announcement of a consultation on Automated Lane Keeping Systems (ALKS) that could lead to the introduction of cars with Level 3 autonomous driving capabilities by early next year.

The SMMT reckons automated technology could save 3,900 lives over the next decade and reduce serious accidents by 47,000.

However, I have concerns about Level 3 tech. A few cars have ALKS which drive between the white lines unassisted. However, keep your hands off the steering wheel for more than a few seconds, and a warning signal instructs you to put them back.

The Government wants to test whether you can permanently keep hands off the wheel while the technology is deployed.

Here's the issue: concentration. With Level 3 technology, the driver must be ready to re-take full control of the car at any time. But the moment you take your hands off the wheel and start to relax, most people's concentration levels will dip, especially after a few miles.

We already have an issue with people using mobile phones while driving; give them the option to legally remove both hands from the wheel and I believe the temptation to fiddle with social media, emails, apps and text messages will be too much for many.

And, as people grow more confident about the technology, they will begin to take their eyes off the road for longer and longer periods. Should they need to suddenly regain control, it will take a few seconds for the brain to grasp what is unfolding on the road ahead and a few more seconds for it to instruct the body on a course of action – valuable time that has been wasted.

Even if a driver is paying attention, they'll likely have their arms by their sides – rather than hovering mid-air – so it will take time to move them back to the wheel.

Level 4 technology – which allows driverless autonomy within strictly controlled areas – and Level 5 (full autonomy everywhere; not even the requirement to have a steering wheel) do have the potential for huge reductions in crashes, injuries and deaths on the road.

Level 3 is no more than a driver-aid. If you have to remain ready to regain control in an emergency, keep your brain engaged and your hands on the wheel at all times.



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

# HAVE

EDITOR'S PICK

## REIMBURSEMENT RATES

### Encouraging drivers to plug in at home



ISTOCK.COM/TOTOJANG

#### Sage & Onion wrote:

Having read 'EV home-charging costs £310 per year, on average' (fleetnews.co.uk, July 14), it would be interesting to know a couple of things.

One, what the average annual cost of home charging for a plug-in hybrid electric vehicle (PHEV) is? Two, how many drivers won't plug a PHEV in at home if they have to pay for the electricity themselves?

From the analysis of our fleet, the fossil fuel cost difference between a driver who doesn't plug a PHEV in and one that does is about 6p per mile (ppm). This article suggests electric costs 3.1ppm and HMRC says

4ppm, so this proves the value of plugging in is about 2p to 2.9ppm.

How many employers pay their employees a mileage rate (say the HMRC 4p rate) for charging a PHEV at home? And, if they don't have a smart charger, how do they prove how much electric is used?

Is an assumption of five home charges per week, giving, say, 35 miles each charge, at 4ppm (£7 per week) a fair and reasonable payment to make to PHEV drivers to encourage them to plug in each day?

I'd love to know how fleets treat PHEV reimbursement to encourage plugging in as much as possible.

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

## SUBSCRIPTION SERVICES

If it looks like flexible rental, and smells like flexible rental...

#### Paul Tuszyński wrote:

Having read 'New vehicle subscription services claim unrivalled flexibility' (fleetnews.co.uk, July 31), is this really new or just a rebranding of flexible long-term rental? Call it subscription or call it rental charge, it looks the same to me.



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**Burning question:**  
Which event(s) do you most want to see staged next year?

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## MOT TESTING

### Garages prepare for 'busy period'



ISTOCK.COM/GORDENKOFF

#### Ian Gott wrote:

Having read 'Five million fewer MOT tests carried out during lockdown' ([fleetnews.co.uk](https://fleetnews.co.uk), June 26), these are very interesting figures and it helps to put the impact of the MOT extension scheme into perspective.

As a supplier to the MOT trade, I am finding many of my customers are preparing for a busy period with many investing in their test lanes to ensure their equipment will be able to cope with long shifts.

It will be interesting to hear the reports from test stations of the state of the vehicles when they are finally presented to them for test.

## CHARGE POINTS

### Article helps road to electrification

#### David Dunn wrote:

Having read 'How to implement a successful workplace charging scheme' ([fleetnews.co.uk](https://fleetnews.co.uk), July 13), as a fleet manager looking to start electrifying the fleet this article offers some great insights.

I have a meeting about adding electric vehicles to our fleet and some of these points will come in very useful.

Fortunately, our site has a sub-station on-site which we will be able to use again if we fit charging points and we can even have public charging points for the other local businesses and residents to use.



ISTOCK.COM/FOOTOO

## ELECTRIC VEHICLES

### Diesel and petrol sales ban questioned



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#### Edward Handley wrote:

Having read 'UK Electric Fleets Coalition calls for 2030 diesel and petrol ban' ([fleetnews.co.uk](https://fleetnews.co.uk), July 15), the list of members of the coalition is interesting – lots of organisations that use vans as mobile tool boxes or for local stop-start delivery work where electric vehicles are very efficient and where range is not such a big issue.

Electrification may be great in the big metropolitan areas where these fleets are concentrated, but for a farmer on the Yorkshire Moors in February a flat battery can be life-threatening.

When the temperature drops rapidly, so does the range, and you cannot carry a spare battery like a jerrycan of emergency diesel. One size does not always fit all.

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# Talking about 5G generation

Unleashing 5G's massively fast and reliable speeds will be a game changer for connected vehicles, but there are still hurdles to overcome. *Andrew Ryan* reports

**5** G is never far from the headlines, whether it is the conspiracy theory that the technology causes Covid-19, or the long-running saga over whether Chinese firm Huawei will be involved with the UK's network in the long-term (spoiler alert: it won't).

But the technology has the potential to revolutionise many aspects of UK life and industry, and could be a game changer for connected vehicle technologies.

"The 5G era is one where incredible inventions will be possible because the world around us and virtually everyone and everything will be intelligently connected," says Dino Flore, vice-president technology at Qualcomm Europe.

"Cars will be objects with a lot of computing power and the combination of connectivity and computing capabilities will allow a new world around us to emerge.

"This will allow cars to communicate with other cars, directly with infrastructure or other objects around them.

"There will be more efficient, safer transportation. Cars will be able to connect to the network and have fast access to the cloud for car services which could be telematics, could be assisted driving services, or could be infotainment services as well."

The idea – and reality – of connected vehicles is not new. All new passenger cars launched since 2018 are mandated to be fitted with the eCall safety system, which allows a vehicle occupant to call the emergency services in the event of a collision by pressing the 'SOS' button.

This simultaneously shares the vehicle's exact location, while the system makes an automated call if it detects the vehicle has been involved in a crash through, for example, airbag activation.

Furthermore, engineering firm Ricardo says about 50% of vehicles sold last year had some form of in-built connectivity.

This may be for infotainment functions or satellite navigation systems which feature dynamic route guidance: this works by the GPS system receiving information on congestion on the road ahead through cellular signals (4G LTE or 3G) and suggests an alternative route.

Many manufacturers are already offering connected services to aid drivers. These often take

the form of a smartphone app which gives the driver remote access to information on areas such as vehicle location, fuel economy, tyre pressures as well the ability to lock and unlock the vehicle.

## FASTER, MORE RELIABLE

But the reason why the industry is so excited by 5G is its increased capability compared with the current cellular network and the safety-critical systems this could enable.

It can download data 100 times faster than 4G, while its latency – the amount of time it takes

to respond to a request – is also much quicker.

5G also promises more reliable connections than its predecessors with no buffering, which means guaranteed delivery of time-critical information.

Ericsson says latency can be thought about as an equivalent measure to human reaction times: For an example, when a driver makes a decision to brake suddenly, it takes around 200 milliseconds for that signal to travel from the brain to the foot. 4G 'reacts' in 20 milliseconds, 5G in just one to five.

The telecoms company says this latency can be used to provide the driver with additional safety



## SPONSOR'S COMMENT

By Dean Hedger, EV new business development manager, The AA



Changing road transport patterns and the resultant air quality benefits have offered pause for thought for fleets and businesses looking to embrace the freedom of getting back out on the road.

Our recent AA Populus Driver Poll shows one-in-five drivers would buy an electric vehicle (EV) to maintain air quality, while last year's Operational Fleet Report highlighted three-fifths of fleet decision-makers thought their drivers would like to go electric.

We've invested in creating certainty for EV drivers in our customer fleets, positioning ourselves at the forefront of change to support motorists as the demand for EVs increases.

Most AA roadside mechanics are now trained to the equivalent of Institute of the Motor Industry (IMI) Level Two, and a third of the AA Prestige Network is already EV-capable. We have also launched an innovative new charge point support service to deliver customer excellence and reliability for drivers as they charge up for journeys.

More recently, we joined organisations across the globe as a founding partner of the inaugural World EV Day on September 9, a day of global e-mobility appreciation.

It recognises the crucial role drivers, local transport authorities and fleet operators play in driving the shift to sustainable road transport and a zero-emission future.

World EV Day has ambitions to become an annual event and will also recognise the vital role which reliable and fast charging infrastructure, grid reinforcement and the integration of renewable power generation must play in enabling a truly sustainable transport ecosystem.

The ongoing debate and developments around EV infrastructure are key and must also continue at pace if the nation's businesses and their drivers are able to fully embrace a greener future for transport.

We're fully charged and raring to go, supporting fleets and their drivers on the EV journey.

*Visit [theaa.com/business](https://theaa.com/business) for more information*

**A VEHICLE-GENERATED EARLY WARNING SYSTEM THAT ALERTS DRIVERS IS FEASIBLE WITHIN THE NEXT FEW YEARS**

**DIMITRIOS LIAROKAPIS,  
GLASGOW CALEDONIAN UNIVERSITY**

information about situations before they are visible, for example roadworks, fast-moving emergency vehicles and visually hidden pedestrians about to cross the street.

"With the help of 5G, a vehicle-generated early warning system that alerts drivers is feasible within the next few years," adds Dimitrios Liarokapis, who is a member of Glasgow Caledonian University's smart connectivity and sensing research group which studies mobile networks and their effects on vehicles, communication and smart cities.

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“Cars that are close enough to the danger area will transmit warning messages to other cars around them using short-range communication technologies, but also to cars further away using 5G, fast and reliably.

“Then those cars will send the same information to cars near them and so on, forming a joined-up, multi-vehicle communication chain that stretches far and wide.”

He adds: “How often do we drive over ice patches on the road during winter, especially here in Scotland?”

“I’m sure anyone who has had a bad experience on frozen roads would have benefited from knowing about the dangerous condition in advance so they could have adjusted their speed or, if possible, even avoided that route altogether. The same could be said of potholes.”

But the big question, says Gareth Milton, lead engineer – disruptive technologies at Ricardo, which has been developing connected vehicle technologies for more than 15 years, is when and where the infrastructure is going to be installed, and when it will be ready to support safety-critical applications.

5G is already available in dozens of UK cities and towns, but coverage can be sparse.

The Government had set a target that the majority of the UK population would have 5G coverage by 2027, but last month it banned UK mobile providers from buying new Huawei 5G equipment after the end of this year.

The Government also told them they must remove all the company’s kit from their networks by 2027.

When announcing the ban, digital secretary Oliver Dowden said the cumulative effect of the measures against Huawei would delay the UK’s 5G rollout by “two to three years”.

“This has not been an easy decision, but is the right one for the UK telecoms networks, for our national security and our economy, both now and, indeed, in the long run,” he said.

#### EXISTING BENEFITS

However, while it may take 5G to unlock the full safety potential of connected vehicles, the existing communications infrastructure can provide many of the benefits of connected vehicles.

“DATA CAN ALL BE  
FUSED TOGETHER TO  
GET A COMPLETE  
PICTURE OF THE  
ROAD AHEAD”

GARETH MILTON, RICARDO

Over-the-air software downloads to vehicles is possible, meaning that can be done without the vehicle being taken a dealership which would otherwise be necessary while, for example, Volvo offers its hazard light alert (HLA) and slippery road alert (SRA) in all new model year 2020 cars.

HLA sends a signal to all nearby Volvo cars connected to the service, warning drivers to help avoid potential accidents. This is particularly useful on blind corners and over the crest of hills in the road, says Volvo.

SRA anonymously collects information about the road surface from cars further ahead so it can warn drivers approaching a slippery road section in advance.

This sort of data can be used to help create an ‘electronic horizon’ which combines static data about the road ahead, such as curvature and gradient with dynamic data like real-time traffic speed, variable speed limits and weather, says Milton.

“Let’s consider a vehicle driving on the road,” he adds. “Awareness of the situation comes from the driver, of course, but also from ADAS (advanced driver assistance systems) sensors that can see what’s happening nearby.

“Sensors such as forward-looking radar used in adaptive cruise control give the vehicle awareness of what is happening on the road 100m or so ahead.

“With a connection to a cellular network, the vehicle can be linked with near to real-time”

## HOW VEHICLES WILL BE CONNECTED

Future connected vehicles will be able to communicate not only with each other, but with the world around them to increase safety and efficiency. This is known as vehicle-to-everything (V2X) and includes:

■ Vehicle-to-vehicle (V2V) will allow vehicles to communicate directly with each other and

will be used in collision avoidance safety systems, warning of hazards ahead.

■ Vehicle-to-infrastructure (V2I) will see vehicles receive information from the road network, for example, about when traffic lights are about to change, allowing the driver to change their speed accordingly.

■ Vehicle-to-pedestrian (V2P) will provide safety alerts to pedestrians and cyclists about oncoming traffic, as well as make vehicles aware that the vulnerable road users are there.

■ Vehicle-to-network (V2N) will alert vehicles about congestion to allow for real-time re-routing, as well as access to infotainment streams.



traffic information and weather services, and pull that data down from the cloud.

"That data can all be fused together to get a complete picture of the road ahead, giving situational awareness out to well beyond the line of sight.

"Just like in life, the more we know about the future, the better our decisions can be."

It also means the way information can be delivered to a driver to help make them safer or make more informed decisions may change.

"Rather than gantries and roadside signs, the information will be delivered direct to the car, and the car could be intelligent enough to act upon some of that information received," says Lizi Stewart, managing director, UK transportation at Atkins.

Without 5G, one issue to overcome is how to transmit the data between vehicles and infrastructure.

Highways England, which looks after the English strategic road network, has taken part in a number of projects looking at potential solutions for connected road infrastructure, including the UK CITE project in the Midlands, which was led by Jaguar Land Rover and has developed into Midlands Future Mobility.

It is also working with the Department for Transport, Kent County Council and Transport for London on the A2/M2 project, which is part of a wider European project called InterCor which is looking at how to provide the right infrastructure for connected vehicles.

"Are we looking at cellular, are we looking at short-range communications, or, actually, might we have a blend of the two?" asks Joanna White, head of intelligent transport at Highways England.

"Different infrastructure solutions might require us to deliver different outcomes, but interoperability will be absolutely key.

"If you think about the inter-urban to urban journey, it's really important for users that they don't lose the information as they cross over between a local authority network into a Highways England network.

"A lot of people don't know where those boundaries are and it's quite right that they don't need to know where the boundaries are, but we need to make sure that information is delivered into vehicles in a seamless way."

ARE WE LOOKING AT CELLULAR, ARE WE LOOKING AT SHORT-RANGE COMMUNICATIONS, OR, ACTUALLY, MIGHT WE HAVE A BLEND OF THE TWO?

JOANNA WHITE, HIGHWAYS ENGLAND

## HOW VEHICLES WILL BE CONNECTED

Highways England and Loughborough University have teamed up in a £1 million project to ensure the country's motorways can accommodate connected and autonomous vehicles (CAVs).

The initiative, named CAVIAR (Connected and Autonomous Vehicles: Infrastructure Appraisal Readiness), will look at operations at roadworks, merging and diverging sections and lane markings to understand the challenges CAVs may face.

Mohammed Quddus, the principal investigator on the project, says: "To date, there is significant investment and advancement in CAVs.

"It is, however, not known whether existing

road infrastructure, which was designed for conventional vehicles, is ready for the safe and efficient operation of CAVs. CAVIAR directly addresses this challenge.

"Although CAVs are designed with existing infrastructure in mind, ensuring they are safe to operate on motorways will require evaluating how road layouts affect their operational boundaries such as their ability to sense lanes and make appropriate decisions."

The project will see a vehicle fitted with a wide range of sensors including lidar, radars, cameras, GPS and a vehicle-to-everything (V2X) communication facility to collect real-world motorway operational data.

These technologies will collect data about the flow and configuration of the traffic throughout different lane structures, junction layouts and stretches of roads.

This information will allow the project to evaluate whether a CAV can navigate these situations by conducting a series of controlled experiments at a test facility.

"This research will build on our understanding and give us further insight into how connected and autonomous vehicles would operate on England's motorways and major A roads and what challenges they may face," says John Mathewson, senior ITA adviser at Highways England.

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# JUGGLING WITH REPLACEMENT CYCLES TO FIND SWEET SPOT

Do battery electric vehicles require a different approach when determining the optimum length of time to keep them on a fleet? *Andrew Ryan* reports

**D**eciding the optimum replacement cycle for a vehicle is always a balancing act for a fleet decision-maker.

A variety of factors need to be weighed up before the sweet spot can be found, some covering costs such as depreciation and service, maintenance and repair (SMR), and others for areas such as the role the vehicle plays on a fleet.

For petrol and diesel models, fleets can use decades of data and experience to help inform decisions.

As a newer technology, though, the same wealth of information is not available for battery electric vehicles (BEVs).

However, the same overall factors will apply, says Mike Coulton, fleet product and policy manager at Volkswagen Financial Services Fleet (VWFS), although there will be differences within each area.

"The debate around optimum vehicle contract mileages for fleet vehicles has been around for years, and (for internal combustion engine – ICE – cars) seems to have settled around 36 months/60,000 miles or 48 months/80,000 miles for most fleets," he adds.

"The reason these terms and mileages have become prevalent is to do with several factors, namely the residual value (RV) position (which for a large part determines the lease rental price per month), the useful life of a vehicle, and the manufacturer's warranty term," says Coulton.

"Combine this with the optimum RV position and you end up with a sweet spot, such as 36 months."

Typically, needs-based vehicles will be longer terms and higher mileages, while perk fleets will operate lower mileages and shorter terms, he adds.

These figures are supported by *Fleet News's* Fleet200 research, which last year found the average car replacement cycle was 46 months and 83,155 miles.

Alison Bell, marketing director at Venson Automotive Solutions, says BEVs currently tend to complete only a fraction of the mileage of their petrol/diesel counterparts because range anxiety and charging infrastructure means they tend to be used only in specific scenarios.

## REDUCED SMR

The two biggest areas of cost which help determine a replacement cycle are depreciation and SMR.

BEVs offer vastly reduced SMR costs compared with ICE vehicles, with Government campaign Go Ultra Low reporting UK motorists could save an average £306 in garage bills a year by choosing the technology.

"Industry data providers suggest that a 100% EV will achieve an average 25% to 40% saving versus a petrol or diesel car," says Bell.

"SMR cost savings are accrued because there are fewer parts that require maintenance in an electric vehicle (EV).

"There is a total of 20 items used in petrol and diesel cars, but not in EVs, that require inspection, maintenance or replacement over a vehicle's 10-year/150,000-mile life."

These include the alternator, power steering fluid, radiator and assorted pipework, spark plugs, starter motor, thermostat, timing belt and a water pump.

Additionally, BEVs require no oil change, air filter, transmission fluid, exhaust pipe or radiator hoses, adds Bell.

Brake wear is also reduced through a BEV's regenerative braking system, with Mike Potter, managing director of DriveElectric, saying a BEV's brakes could last three times as long.

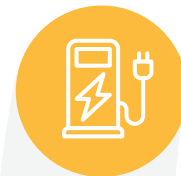
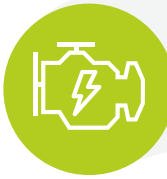
Bell says: "Not only does that make an EV cheaper from an SMR viewpoint, because there are fewer moving parts to go wrong, it means, potentially, improved reliability and reduced off-road times."

"It is also important to note BEVs will typically have lower annual mileage and, therefore, will almost certainly hit date-derived service intervals before mileage intervals."

BEVs also typically have longer service intervals than their ICE counterparts. For example, the Peugeot e-208 has a schedule of two years/16,000 miles, while the service intervals for petrol and diesel models are one year/12,500 miles and one year/20,000 miles respectively.

This will mean vehicle off-road time for routine maintenance will also be lower for the BEV.

As the age of a vehicle increases, so ➔





## SPONSOR'S COMMENT

**By Steve Beattie, Head of Fleet and Remarketing, Volvo Car UK**



Volvo continues to lead the UK market in offering a plug-in hybrid version of every model in our range. Our sales of plug-in hybrid vehicles

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V O L V O

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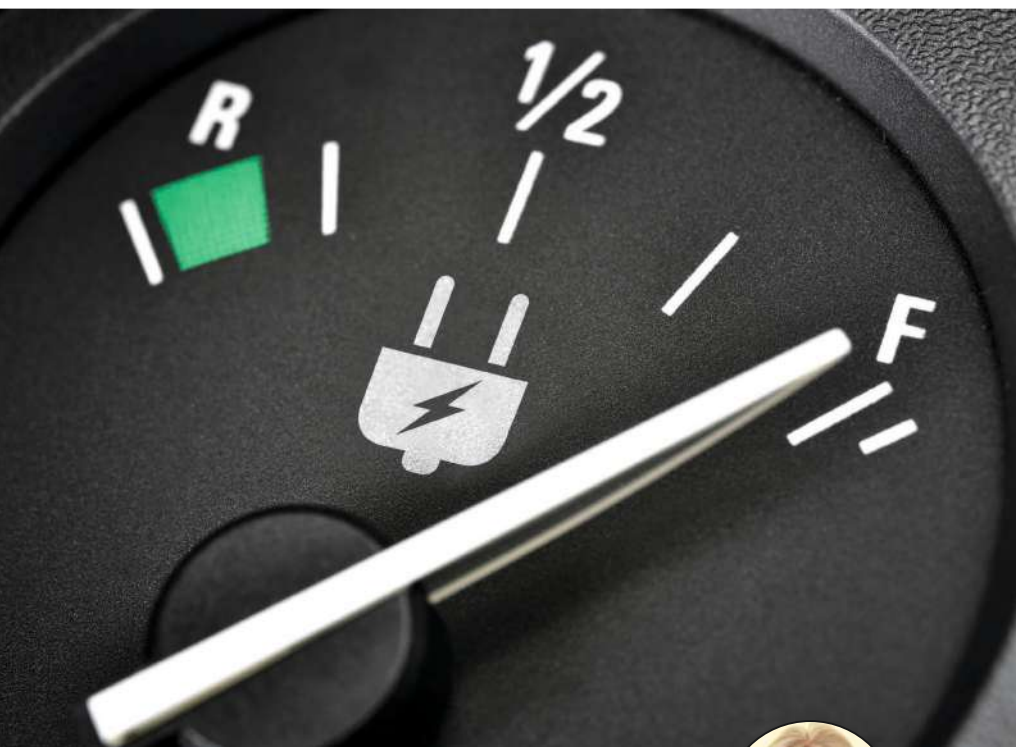
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does its maintenance costs, so a BEV's advantage in this area grows over time.

Data from KeeResources shows, for example, the SMR costs of a Hyundai Kona Electric 64kWh Premium BEV over a two-year/40,000-mile cycle is 2.46ppm, rising to 3.53ppm over five years/100,000 miles.

In comparison, the SMR costs of a petrol Kona 1.0T-GDi Premium over the same cycles are 3.36ppm and 5.12ppm respectively: increases of 37% and 45%.

This is consistent for other BEVs and their ICE counterparts, including the Vauxhall Corsa, Peugeot 208 and MG ZS.

### DEPRECIATION

However, while – in isolation – this may be an impressive saving, analysis of KeeResources data for those four cars shows that it accounts for a relatively small proportion of the cost compared with depreciation over the replacement cycle.

Using the same four vehicles, SMR for the BEVs is around 10% of the cost of depreciation, while this figure grows to 15% for the ICE versions.

"There has not been a lot of EV data for residual value setters to work from until recently," says Coulton.

"Questions around battery degradation and the speed at which technology will move on may have caused some uncertainty in the early days. However, we have really seen EV RVs firming up."

Cazana figures show a strengthening in BEV RVs. In 2017, a three-year-old/36,000-mile BEV would be worth 38% of its price when new.

This year, that had risen to 47%, although this is still lower than the percentage of new value retained for petrol and diesel cars, which are 55% and 52% respectively.

Battery warranties have further increased confidence in BEVs, with many manufacturers



BEVS WILL  
ALMOST CERTAINLY  
HIT DATE-DERIVED  
SERVICE INTERVALS  
BEFORE MILEAGE  
INTERVALS

ALISON BELL, VENSON  
AUTOMOTIVE SOLUTIONS

offering cover for eight years/100,000 miles.

"Looking at RVs, the main consideration is whether the technology in the vehicle will remain viable and is perceived to be something that has a future that will be valued by the marketplace. This will depend on desirability and available data on reliability," says Bell.

### NO SIMPLE ANSWER

So what does all this mean? As with ICE vehicles, there is not one simple optimum replacement cycle for BEVs. However, the factors which influence them are becoming better known and more stable than in the earlier days of the technology.

"In the longer term, it's easy to envisage a longer replacement cycle as BEVs don't suffer from the same issues as diesel- and petrol-powered vehicles, whose engines get clogged up with particulates and become less ecological over time," says Matthew Walters, head of consultancy and customer data services at LeasePlan UK.

## CASE STUDY: MITIE

Mitie, which has committed to switching 20% of its car and small van fleet to electric by the end of this year, is sticking with the same replacement cycles for both BEVs and ICE vehicles for the time being.

"At this stage we are going with the same replacement cycles because, from a company car point of view, we wanted to change one variable at a time," says Simon King, director of sustainability, social value and fleet at Mitie.

"We didn't want to say to employees 'you're getting an electric car and you're keeping it for longer', just from an acceptance point of view."

This means Mitie will run replacement cycles of four years for electric cars and five years for electric vans at this stage.

"I would, however, say that I think that's very conservative," says King.

"The service, maintenance and repair costs of a BEV are a fraction of those of ICE vehicles.

"I saw the service sheet for the first three services for a particular EV that I was driving at the time and the first three services at 10,000, 20,000 and 30,000 miles were all visual inspection only.

"There's just so little to go wrong in EVs compared with ICE vehicles and I fully expect that we'll review the replacement cycles as we go along, particularly with the commercial fleets and therefore expect to extend those over time."



Bell adds: "As more BEVs come on to the market, battery technology develops over time and more data is available related to model reliability, the likelihood is the replacement cycles will lengthen further.

"Additionally, fleet operators will, as they do now, review various aspects of how a vehicle has performed, taking into account things like was it fit for purpose (SMR, operational suitability, driver satisfaction) and whole-life costs.

"This will provide a window on to what the future replacement cycles are likely to be and whether this meets the operational and financial objectives of the business."





# INSTEAD OF BUILD, BUILD, BUILD WE NEED SKILLS, SKILLS, SKILLS

Government must back its plans with meaningful commitment, says  
*Jason Torrance*



**A**t the end of June, the Prime Minister announced plans for a spree of infrastructure spending to “level up” a nation blown off course by Covid-19, with the catchphrase “build, build, build”. However, unless the catchphrase is backed up by a commitment that creates new green jobs and reskills existing employees, it will be just another gimmick, rather than the rallying call our economy and our climate so desperately needs.

In response, a cross-party coalition of mayors and council leaders came together in early July as a Resilient Recovery Task Force, with secretariat provided by UK100, to call on the Chancellor to commit to a ‘New Deal for Green Skills and Growth’ in his Spending Review, expected in the autumn. The opportunity for an economic recovery package that creates resilience in our communities and reduces carbon emissions is more possible now than it has ever been.

For many, the lockdowns required to contain the spread of Covid-19 has opened eyes to the benefits of cleaner air, quieter streets and access to nature.

Several local councils have taken bold and ambitious actions to open our roads and streets to prioritise walking and cycling and taken important first steps towards re-building a greener, better economy that is fit for the future. However, these same councils are facing a bleak and uncertain financial future, unless additional support is forthcoming from UK Government and new partnerships can be forged with business and industry.

The economic crisis prompted by Covid-19 is unprecedented in modern times. In a recent illustrative scenario produced by the Bank of England, UK GDP is expected to be around 30% lower in the second quarter of 2020 than it was at the end of 2019. In annual terms such a contraction has not been seen in more than 300 years. As a result of this economic shock and the necessary rescue packages put in place by the Government,



## ABOUT THE AUTHOR

UK100 partnership convener Jason Torrance has 25 years’ experience in various disciplines. He has held roles as policy director at Sustrans and co-chair of the stakeholder advisory group at Highways England.

borrowing will, undoubtedly, increase dramatically.

In its early assessment of the possible impact of Covid-19 on public finances, the Office of Budget Responsibility estimated that HM Treasury could borrow £273 billion, or 14% of GDP through 2020-21 – the largest single year deficit since World War II. Given the severity of the ongoing crisis, it is likely these estimates will prove optimistic.

At the centre of plans to recover from the crisis and to enable the building of a resilient economy, the shortage of skills for a 21st century workforce, must be bridged.

Research published by UK100, shows 3,137,059 jobs (11%) will need reskilling in the economy, while 3,079,468 jobs will be created or in demand from employers based on existing skills. On average, each local authority has 15,032 jobs that need reskilling. The UK100 analysis of figures compiled by academics at the Grantham Research Institute on Climate Change and the Environment

“ COVID-19 HAS  
OPENED EYES TO  
THE BENEFITS OF  
CLEANER AIR,  
QUIETER STREETS ”

shows that in total 6,216,527 jobs (one in five) in England, Scotland and Wales will be impacted by the shift toward a low carbon economy.

However, a ‘New Deal for Green Skills and Growth’ would provide the necessary skills and training to enable workers to adapt to the transition to Net Zero by 2050 and would counter a slide back – over time – to business as usual.

The global spread of Covid-19 shows that no problem exists in isolation. While the UK was brought to a near standstill at the height of the lockdown, with road travel plummeting by as much as 73%, activity is now returning to near pre-pandemic levels with car use now at 79% compared with before the outbreak, with vans and lorries at 92% and 97% respectively.

As the UK Government begins to plot a course out of lockdown the opportunity must be seized to protect jobs and safeguard the future while paying off debts created by emergency spending on the NHS and household incomes.

This means re-evaluating infrastructure investments, such as the planned £27bn UK Government roads programme. Such wasteful spending on large scale infrastructure must surely be cancelled and repurposed to ensure the country benefits from a jobs boom from initiatives such as: broadband, batteries, electric cars, home upgrades and infrastructure that enables walking and cycling.

Local leaders have played an essential role in tackling the Covid-19 crisis and they have an essential role in shaping what comes next. In fact, resilient recovery cannot be achieved without local leaders and the communities they represent.

Building back better requires a new dynamic partnership between national and local governments that goes beyond catchphrases and renews national and local economies.

By creating green jobs and reskilling the workforce, we can deliver Net Zero and safeguard the future for generations to come.

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## STERICYCLE



## 'We needed firm guidance, but didn't seem to get that'

Paul Brown bemoans the lack of straight answers, reports [Andrew Ryan](#)

**W**

hile the NHS has rightly received the bulk of the nation's gratitude during the Covid-19 pandemic, a network of suppliers behind the scenes has been vital in ensuring it can do its important work.

One of those is Stericycle, which collects and disposes of medical waste from hospitals and GP surgeries.

"On March 18 (shortly before lockdown started) we pre-empted there would be an issue with our supply chain and with workshops, so we engaged with our suppliers and they were engaging with our workshops and workshop management," says Paul Brown, Stericycle international fleet manager, who is responsible for 705 vehicles, including 250 vehicles for Stericycle's Shred-it brand.

Five days later, the UK went into lockdown and

while most issues were resolved or mitigated, it quickly became clear the "biggest stumbling block" was the lack of clarity from the Department for Transport (DfT) and the Driver and Vehicle Standards Agency (DVSA) over issues such as MOTs, preventative maintenance inspections (PMIs) and drivers' hours.

"Would the PMI schedule stay at eight weeks, at 12 weeks, or would it still exist? Was there going to be an uplift in drivers' hours? We needed to know," says Brown.

"Drivers' hours were uplifted within a few days, but it came in with this wishy-washy guidance from the DfT and DVSA on what that related to.

"It said 'deliveries to stores, transport hubs and manufacturing sites', so we questioned when it would come for regulatory waste and there was a


gap of up to a week before they made a decision that our drivers would be classified as key workers."

Stericycle was also eventually told it could extend its PMIs to up to 17 weeks, which Brown was happy with.

"If it was a longer period, I wouldn't have been comfortable that, after such a long time off the road, a driver could just jump in, turn the key over and the vehicle would be in a safe state," he says.

"We would suddenly see issues with clutches and gearboxes, so we brought in a policy that if it got to the 16th or 17th week then it would have a thorough standing inspection.

"If anything was identified it would go into the workshop and then we would make sure that, as soon as we bring it back on the road, the PMI was



Paul Brown says overly frequent marketing calls from potential suppliers 'really got up my nose'

**ORGANISATION:** Stericycle  
**INTERNATIONAL FLEET  
MANAGER:** Paul Brown  
**FLEET SIZE:** 705 vehicles  
(100 cars, 130 vans, 475 HGVs)

rebooked for the earliest opportunity and the eight-week schedule starts again."

Stericycle also asked about dangerous goods licences and what it would mean if it had to bring in additional drivers, but couldn't get them trained to dangerous goods standards.

"The answer we kept getting day-on-day, week-on-week was 'no decision at this time is being made,'" says Brown. "In the end we got the answer that if it was an issue, the NHS would raise it."

"So we were trying to get ahead of the curve and throw some of the questions that most transport professionals were asking the governing bodies. We needed firm guidance, but we didn't seem to get that."

#### PERMIT TO WORK

As lockdown essentially prohibited road transport by anyone other than key workers, Brown says its drivers kept getting pulled over by police to ensure they were meant to be on the road.

"Some of our drivers were on first name terms with the officers after a while," he jokes.

To save time, Stericycle issued its employees with a permit to work – including a letter from the NHS confirming they were working on its behalf – to clarify they were key workers and allowed to be on the road.

“WE WERE TRYING TO GET AHEAD OF THE CURVE AND THROW SOME OF THE QUESTIONS THAT MOST TRANSPORT PROFESSIONALS WERE ASKING THE GOVERNING BODIES”

PAUL BROWN, STERICYCLE

Because employees were dealing with Covid waste, the company's procurement team was working 24/7 to ensure its staff had the right personal protective equipment (PPE), says Brown.

"If we were just collecting normal hospital waste then we were wearing the usual PPE and 24-hour paper facemasks," he adds.

"When collecting Covid waste, it was full-fitting suits, respirators, full visors and gloves."

Changes also had to be made to other working practices. Some jobs require a two-man team and whereas they used to travel in the same vehicle, Stericycle introduced a guideline to reduce double-manning where possible.

"We asked ourselves if double-manning needed to take place or was there a change we could make to turn those jobs into a single driver task," says Brown.

"If we couldn't, we hired a small van so the truck driver would take his vehicle to the hospital and his mate would follow behind."

#### THE FUTURE

Brown expects the Covid-19 pandemic to have a long-lasting effect on the Stericycle fleet.

"It hasn't really affected our supply chain in the medical part of the business: tenders and replacement of the fleet is going on and that will continue," he adds.

"However, it certainly affected the secure document destruction division (Shred-it) because offices and organisations were closing and there

was less need for somebody to go to collect paper waste or shred it on site.

"In the end we furloughed drivers and moth-balled vehicles. We've pulled all fleet renewals for this year and we'll take stock next April just to see what the 'new normal' looks like. We'll then restructure our fleet accordingly."

The pandemic has also changed other parts of the fleet operation: Stericycle has replaced on-site fleet audits with virtual ones.

Transport managers were also previously audited every six months to ensure compliance. "We are now doing this through virtual means," says Brown. "Files are being scanned and sent through as PDF documents so we can view the paperwork from the safety of our home offices, while meetings we would have had face-to-face we can have over WebEx."

The pandemic is also expected to change Stericycle's company car fleet. It had already seen an increase in people wanting to opt out and take a cash allowance and Brown feels this will continue.

He says: "People haven't really used their company cars for months and are they going to really use them the same way they did before?"

"I think we are going to continue with virtual meetings and virtual offices, and, where a company car was a status symbol before, people are not spending the amount of time in them that they were, so it's just a tool to get to meetings. This will put pressure on our grey fleet management, but we already have a very robust process for that."

#### SUPPLIER SHORTCOMINGS

Another area which caused Stericycle concern during the early part of lockdown was getting suppliers to resolve issues in a timely manner.

"We've built up good working relationships with our account managers and they know everything about how our organisation works," says Paul Brown.

"When they were placed on furlough, our appointed contact was then a team leader who didn't understand the nature of our business, and we saw LCV and HGV teams merged."

"This meant we had people who probably knew vans inside and out taking calls that were related to HGVs and probably didn't know what a 40-ft double-deck trailer with a three-quarter tail-lift and charging packs

was. The HGV team would have known that."

"So that created a bit of pressure and some of the transport managers were getting a little wound up when constantly having to explain themselves twice over to suppliers."

Brown says unsolicited contact from suppliers touting for business "really got up my nose".

"I was constantly bombarded with calls," he adds. "They may have been doing this for the right reasons, but these were companies that we hadn't dealt with and it just became a real pain that every other phone call was some leasing company or short-term hire company trying to sell its services."

"It got to the point where I even posted about this on LinkedIn and said that if we need vehicles, we will contact you."









# QET passes first virtual van audit with 'flying colours'

Gateshead Trust's fleet opted to prove its excellence, while juggling the challenge of Covid-19, reports **Stephen Briers**

**T**he coronavirus pandemic and lockdown have created immense challenges for fleets. New working practices on social distancing and sanitisation, furloughed staff and erratic demand for services gave decision-makers plenty to occupy their days. Many accepted extended working hours as they supported drivers outside of the usual 9-5.

It wouldn't, then, seem the ideal time to sign up to a quality and standards excellence scheme which required a series of audits to thoroughly examine fleet policies and procedures. Yet that was exactly what Paul Bowmaker and his team did.

Gateshead Health NHS Foundation Trust prides itself on offering a high-quality standard of patient care, not just within its hospitals, but also across its non-clinical services.

In 2014, it set up QE Facilities Ltd (QEF), a wholly-owned subsidiary, to provide many of those services. The goal was to both save the trust money and to prevent services from being privatised, which was happening elsewhere.

"With QEF, we found we could be competitive in the commercial market with the same terms and conditions, but the profits would go back into the NHS – it was win-win for staff and the NHS," says Bowmaker.

Its success led, a year later, to the formation of QE Transport Services (QET). Bringing the fleet in-house tightened management control and resolved issues over a lack of transparency on budgets, costs and quality of service with the trust's then incumbent third-party partner.

"We started with four vehicles to move samples, then went to a full courier service. Now we have 80 vehicles and 130 staff," Bowmaker says.

Gateshead Trust vehicles include cars (some electric), 4x4s, small and large vans and minibuses with services ranging from collecting blood-related products from more than 1,000 locations in the north-east and bluelight services to patient transport cover.

Although Gateshead is the largest fleet managed by QET – it also oversees 40 vehicles for the Coventry and Warwickshire trusts – it was a sufficiently manageable size, with 30 vans, to embark on the Logistics UK (formerly

Freight Transport Association) Van Excellence programme.

Coronavirus, though highly disruptive to the business, was not going to halt the process, according to Bowmaker.

"We were affected by coronavirus; we had to change very rapidly due to restrictions within the hospitals," he says. "Our first priority was to protect our staff and make sure we could continue our services."

Anyone over the age of 70 was shielded, social distancing was implemented at depots and hospitals, and staff meetings were carried out virtually. Personal protective equipment (PPE), including masks, gloves and hand gels, was distributed to all drivers. Vehicles were wiped down before and after use, following Government guidelines and advice from the hospital prevention control team on decontamination.

Despite operating in a high-risk environment, out of 130 drivers, just six contracted coronavirus (all have recovered and returned to work), while a further two had to self-isolate. The low numbers were thanks to a combination of "good procedures – and a bit of luck", Bowmaker says.

"We also had the commitment from our staff. We instilled the nature of our job – we're there for the benefit of the patient and the service to the NHS," he adds. "They all stood up to the mark."

Meanwhile, extra support came from local organisations, including hire companies which offered vehicles free of charge and volunteer drivers. They shouldered some of the added workload and played an invaluable role as demand for QET's services soared.

"We had to do so much more, such as move equipment and staff between labs and collect Covid-19 samples for testing," says Bowmaker.

"Without their help, our service would've been severely affected, and patient health might've suffered."

So, why Van Excellence and why now?

"We looked at the fact we are a commercial entity and we wanted to prove, and make sure, we were up to the standard," Bowmaker says. "We are spending public money running this business, so we have to be doing things correctly."

QET has already achieved the ISO 9001

Kirk Watson, QEF transport supervisor, and Paul Bowmaker, head of QE Transport Services, with their Van Excellence certification



## SPOTLIGHT: GATESHEAD HEALTH NHS FOUNDATION TRUST/QE TRANSPORT SERVICES

Quality management and 14001 environmental standards but wanted its vans to be similarly accredited.

The organisation doesn't operate trucks, so Van Excellence was an ideal fit. Work started in February, but was then put on hold as coronavirus started to take a grip.

However, QET stayed in touch with the Van Excellence audit team and was offered the option of becoming the programme's first virtual audit.

"As we got back to normal – well, a new normal – we started progressing this again because we have to keep looking at ways to move forward," Bowmaker says. "The virtual audits were ideal for us."

His team was given clear criteria to meet and the process was "one of the smoothest audits I've been through", Bowmaker adds.

"We are audited a lot, both internally and externally, where someone comes into the office, but this was a lot more controlled and

### FROM HAULAGE TO HOSPITALS

**Paul Bowmaker started his fleet career in haulage and transport for consumer goods companies. He went self-employed as a driving instructor before joining the NHS 18 years ago in pathology, overseeing logistics and procurement until the formation of QET.**

**Initially transport manager, he was appointed head of transport services in November 2018 and oversees a team of contract managers and an operations manager.**

**QET services include patient transport, discharge of patients, collection of blood specimens, bluelight services, movement of medical equipment, delivery of medical records and postal services.**

more efficient. We gave them the information via screen share, and it went very well."

Aside from some minor gaps, QET's processes were watertight, helped by the rigorous NHS legislation it already adheres to, such as quarterly licence checks and full maintenance schedules. Many of the boxes could be immediately ticked.

"In their words, we passed with flying colours and it gave us the extra assurance from an outside organisation," says Bowmaker. "I would recommend any organisation to look at the Van Excellence programme."

He points to three particular benefits for QE Transport Services: reassurance to drivers that their vehicles are well maintained and that any concerns would be speedily dealt with to maintain business reputation; gives the trust confidence that QET is spending public money wisely in running and looking after the fleet; and helps with recruitment by showing QET looks after staff and is aware of everything that is



**HEAD OF QE TRANSPORT SERVICES:**  
Paul Bowmaker  
**STARTED:** November 2018 (previously transport manager)  
**FLEET SIZE:** Gateshead Trust 80; QET total: 120  
**FUNDING:** contract hire with maintenance  
**OPERATING CYCLE:** three years

happening in the transport world as an outward-looking organisation.

This desire to be a good employer results in exceptional levels of staff engagement: turn-over is less than 2% and sickness levels are below 1.6%.

Combined with the two ISO standards, Van Excellence gives assurance to the trust, its staff and patients, and to the wider public about the quality of its management, its commitment to the environment and its vehicles and drivers.

The Coventry and Warwickshire Trust fleets, which mirror the Gateshead processes, are also likely to go through the audit process in due course.

Bowmaker has brought his knowledge from working in haulage and transport to the three trust fleets. They mirror the way logistics fleets are run, including providing a fixed amount of time every morning for drivers to complete fully documented vehicle checks, full maintenance schedules and set procedures to be following

“AS VEHICLES  
COME OFF FLEET,  
WE WILL LOOK TO  
REPLACE THEM  
WITH ELECTRIC”

PAUL BOWMAKER, QET

if there is any issue raised before vehicles are allowed back on the road. Drivers' hours incorporate plenty of rest periods, with double-crewing where necessary.

As a former driving instructor, he takes safety behind the wheel very seriously. QET has an enviable record: no major accidents, a handful of minor low speed rear-end shunts and a low own-fault incident rate are the mark of a fleet that has excellent buy-in from its drivers.

QET has a dedicated driver trainer who carries out assessments and virtual training to identify any areas for improvement. Any incidents result in an on-the-road appraisal. The organisation also employs a mentoring scheme for new staff.

During the recruitment process, any candidates who are likely to be offered a job are invited back to the business for a driving assessment. Upon completion, Bowmaker receives a report and, when the employee begins work, they are put with an experienced member of staff to undertake three days of mandatory training.

“The training includes how to collect and deliver blood samples, temperature monitoring, etc. but also driving performance, and they

have to be with the mentor for a number of days until they are signed off as competent and proficient,” he says. “Then they can do the job by themselves.”

Engagement comes from the top and cascades through the management team. QET also employs a lot of former military and police officers so standards are already pretty high.

A handy by-product of the driver training programme is efficiency, and this is measured through telematics. A league table ranks the best and worst which means individual improvements tend to be self-governed.

“If someone is at the bottom one week, they won't be the next,” says Bowmaker. “We share the results, not as a stick, but because drivers want to see how they are performing. Any stick comes from peer pressure within the team, which is close-knit.”

Since introducing telematics and the league table, fuel efficiency has improved by 10-15% across the team, while maintenance costs have fallen. Today, it is “very rare” to see a driver in the red on the traffic light appraisal system.

While QET is squeezing every last drop from its diesel fleet, it has aspirations to replace them with electric vehicles. Gateshead Trust already has some Nissan Leaf pool cars and Mitsubishi Outlander plug-in-hybrids on the fleet; the petrol engine in the latter is important in the 4x4s, which are deployed as business contingency vehicles.

It is now identifying suitable routes to begin trialling electric vehicles. Bowmaker estimates the next incarnation of the fleet could be a 60/40 split, with 40% being electric. Some of its vehicles cover a large geographic area and the technology isn't quite there for a wholesale change. But it's coming.

“Electric is not an option; it's a must,” he says. “From now, as vehicles come off fleet, we will look to replace them with electric.”

QE Transport's fleet  
now totals 120 vehicles



## BOWMAKER ON...

### ...funding vehicles

QE Transport Services (QET) puts the bias during procurement tenders on quality, not price. The 60/40 emphasis ensures it gets the best quality vehicles with the best service from the chosen funder.

Anything else, says Paul Bowmaker, is a “false economy”.

He adds: “We have an open book approach and we find that prices are generally similar, so the differentiating factor is the quality of customer service. We can't be without a vehicle, so we look at the level of support to get a replacement at short notice and get ours fixed at short notice. Customer service is at the forefront.”

Days Fleet is the current funding partner, but QET also has vehicles with Daimler Fleet Management and has previously used Enterprise and Northgate.

“The type of vehicle is secondary. We look at performance and the best technology for what we do, but we also look at awards like International Van of the Year,” says Bowmaker.

“Total cost of ownership doesn't come into it. We look at the specification, including solid bulkhead and no rear windows, so they have to be secure and efficient. But we take a lower specification because we do a lot of stop/start work.”

He adds: “It's important for us to control the fleet, so everything is kept in-house except maintenance on the leasing contract.”





# BEV interest is growing and Kia aims to remain at forefront of the surge

Award-winning best zero emission car – e-Niro – is leading charge, reports *Andrew Ryan*

**T**he Society of Motor Manufacturers and Traders (SMMT) registration figures released earlier this month reaffirmed the biggest trend currently sweeping through the automotive market: the rise of battery electric vehicles (BEVs).

This year, to the end of July, 39,119 BEVs were registered in the UK: a year-on-year increase of 175%.

While this technology accounts for a small share of the overall new car market at 4.7%, this is more than three times the proportion it took in the same period last year.

One of the manufacturers at the forefront of this surge is Kia. Currently offering the e-Niro – which was named best zero emission car in the 2020 Fleet News Awards – and the Soul EV, it announced its Plan S Strategy at the beginning of the year.

This will see the manufacturer offer 11 electric vehicles (EVs) in 2025 globally across a range of vehicle segments, including passenger vehicles, SUVs and MPVs.

The first of its next-generation EVs will be launched in Europe in 2021, offering a crossover

design, a range of more than 300 miles and a sub-20-minute high-speed charging time.

This will, the manufacturer hopes, help it achieve global annual BEV sales of 500,000 by 2026. It is aiming for more than 20% of its European sales to be fully-electric by that time.

This year, Kia expects its two BEV models to contribute 11% of its overall UK registrations: e-Niro 7,000, and Soul EV 1,000.

"Fleet demand for (e-Niro) is very strong," says John Hargreaves, head of fleet and remarketing for Kia Motors (UK). "We've had some bulk orders and also plenty of ones and twos as well."

"There were issues with getting enough of them to meet demand, but we have that under good control now."

A customer who orders a new e-Niro can expect delivery within two months following a boost in UK supply. Soul EV, which traditionally has had a shorter lead time than e-Niro, has also seen an increase in stock, with customers potentially getting a car within two weeks of ordering.

The e-Niro line-up has also just been revised to offer a broader choice. Previously, it was available

in one trim level with a 64kWh battery, giving a range of up to 282 miles, but can now be specified in three equipment grades, as well as with a smaller 39kWh battery pack. This has a range of up to 180 miles.

In addition, the SUV is available as a plug-in hybrid, alongside PHEV versions of the Ceed Sportswagon and XCeed crossover. The new Sorento SUV will be available as a PHEV when it is launched towards the end of the year.

Kia's range also features hybrid and mild hybrid powertrains, as well as petrol and diesel.

"We're trying to be in a position where we have the product to make the change (to EV), because, obviously, there is going to be a change," says Hargreaves.

"It's going to be cost-driven. There is going to be a tipping point where the whole-life cost of an electric car is so strong that it becomes a very compelling argument for both the benefit-in-kind (BIK) taxpayer and their employer as well."

"From the employer's point of view, often it's still cheaper to put the driver into a normally-powered car. So, there's still a good market for non-EVs."

## HOW KIA SUPPORTED DEALERS THROUGH THE PANDEMIC

Dealers form an important part of Kia's fleet offering and the manufacturer has worked to support its network through the pandemic.

"We have around 30 corporate specialist dealers and, like the rest of our network, these were shut down, with the business specialists largely furloughed," says John Hargreaves.

"We agreed with our dealers that we would give them the normal base level of support for the second quarter of the year because, although they weren't doing many of the things normally required to get the financial support, we considered it fair."

Dealers could also play a role in any movement towards mobility solutions, with the manufacturer looking at developing its dealer rental scheme into a car share programme.

"It's early days on that, but we're looking at the mobility piece in general," says Hargreaves. "Not necessarily plunging headlong into it, but certainly being in a position to go that route if we need to."

**MANUFACTURER:** Kia Motors (UK)  
**HEAD OF FLEET AND REMARKETING:** John Hargreaves  
**2020 FLEET SALES:** 19,903 (down 41% YoY)  
**2020 FLEET MARKET SHARE:** 4.6% (up from 4.2%)  
**KEY FLEET MODELS:** Sportage, Ceed, Ceed Sportswagon, Niro



## BEST ZERO EMISSION CAR WINNER: KIA E-NIRO

### JUDGES' COMMENTS:

Excellent range, spacious and practical, the e-Niro is competitively priced with an impressive seven-year warranty making it the perfect EV choice. You might have to wait to get one, but it will be well worth it, said the judges.

“ALTHOUGH WE’VE SOLD FEWER CARS BECAUSE THE MARKET HASN’T BEEN THERE, OUR SHARE OF THE MARKET HAS GONE UP”

JOHN HARGREAVES, KIA MOTORS (UK)

John Hargreaves proudly holds the trophy for Best Zero Emission Car at the Fleet News Awards



"But it is changing, the gap is narrowing. If you look at contract hire rentals, the difference between an electric car and a petrol or diesel car is going down.

"More and more companies are looking to make a very positive statement about environmental issues and are, therefore, prepared to shoulder a bit of a cost burden to have a greener fleet. But there are also plenty of people who think 'yes I will do it, but I can't quite afford to do it at the moment'.

"So, although we're very much moving down the road of alternative fuel, we've still got large volumes of conventionally-powered cars such as Sportage."

The Covid-19 pandemic has caused Kia to revise its registration expectations for 2020.

Four years ago, Paul Philpott, president and CEO of Kia Motors (UK), told *Fleet News* he wanted 100,000 total registrations in 2020, with half of these going into the fleet sector. Last year, it registered a total of 95,000 cars.

Registrations have fallen in retail and all fleet sales channels, with Kia's new 2020 expectation at just less than 70,000 cars of which 36,000 will go into fleet.

"Rental isn't a huge part of the numbers we do – it will probably be 6% of our total volume – but, in the immediate term, rental companies had no requirement for cars, which meant we had vehicles we thought we were going to sell to them, but didn't," says Hargreaves.

"We worked with them to take the cars back into our stock because trying to force them to take the volume they had originally agreed would not have been right and, ultimately, it would have been damaging for both us and them.

"Fortunately, they're starting to want to have some cars again and in the third quarter I would expect us to do rental volume at almost the same levels we were predicting."

The Motability scheme was suspended at the end of March as dealers closed, but reopened in June.

"We saw it as something that would come back quickly and I'm pleased to say it has," says Hargreaves. "Our applications on Motability are extremely strong."

The corporate market has been "interesting" during the pandemic, he adds, with many

companies extending vehicle lease contracts and laying off staff.

"Our steady flow of user-choosers has been impacted significantly and is only just starting to show signs of recovery," says Hargreaves.

"There are still some deals coming through for cars, and we have done some volume deals where an organisation needs a batch of vehicles to fulfil a job function. There are still those sorts of opportunities. They are fewer than normal, but they still exist."

The latest SMMT figures show the UK's fleet and business registrations are down 45% year-on-year, while Kia's fleet registrations have fallen 41%. This has given it a market share of 4.6%.

"At the same point last year it was 4.3%. Therefore, although we've sold fewer cars because the market hasn't been there, our share of the market has gone up," says Hargreaves.

"If you went back 10 years, it would have been considered impossible for Kia to have nearer a 5% fleet share than 4%. We were less than a 2% fleet manufacturer, so we are pleased with the progress we've made."



# ‘We provide the human factor’

Drive Consulting’s team of fleet analysts handle the difficult conversations with drivers, helping to change behaviour – a task which has become more challenging since the Covid-19 lockdown, says fleet risk director Alison Moriarty. *Sarah Tooze reports*

**C**hanging driver behaviour is not an overnight process. It takes months, if not years, to instil good habits behind the wheel, even with the aid of training and telematics.

And there is a risk that that hard work could be undone if companies do not act quickly to stamp out unsafe (and illegal) behaviour which some drivers appear to have adopted during lockdown while the roads have been quiet.

That’s the warning from Alison Moriarty, former fleet road risk and compliance manager at Skanska, and now fleet risk director at Drive Consulting.

Moriarty says it is “really frightening” to read police reports of drivers speeding, with many doing more than 100mph in 40mph and 30mph zones (see <http://www.fleetnews.co.uk/lockdown-speeding>) and to see drivers towing in the outside lane of a motorway.

There is also an increased risk of drug-driving, with police figures showing it is becoming more prevalent than drink-driving (<http://www.fleetnews.co.uk/drug-driving-increase>).

“I think because the Government temporarily relaxed things like drivers’ hours and the MOT, people just thought ‘I can do what I want now,’” Moriarty says.

“I understand why the Government did it, in terms of keeping the country moving, but I would say, particularly with drivers’ hours, you’re no less fatigued because the country needs you to be delivering something, that risk is still increased whether it makes business sense or not.

“Those things have been put back in place now, but changing behaviour takes a long time. Where people have decided it’s OK to drive everywhere at 80mph or 40mph in a 20mph zone and those sort of things, changing those behaviours needs to be done straight away because, the longer it goes on, that just becomes an entrenched, accepted behaviour for people. It is a concern.”

## TRANSPORT MANAGERS MADE REDUNDANT

A further concern is that rather than being able to tackle the issue head-on, some businesses are now lacking resource, with anecdotal evidence of some transport managers being made redundant as a result of the financial impact of Covid-19.

“These fleets are still on the road,” Moriarty says. “It’s very concerning that they may not have the expertise. When you look at the increase in speeding, you need someone there controlling and making sure that people understand that speeding is not acceptable.”

Moriarty has worked in health and safety for 25 years, specialising in fleet risk management for

more than 10 years and has been a magistrate for the past 16 years so has seen, first-hand, the consequences of poor driver behaviour.

She has collected numerous awards during her time in fleet, including Skanska winning Safe Fleet at the 2017 Fleet News Awards and most recently, the Kevin Storey Award for Outstanding Commitment to Road Safety at the 2019 Brake Fleet Safety Awards.

It was through Brake that she met Drive managing director Colin Hartley, who she describes as having “an absolute passion for road

safety” as he previously worked as a police constable in a roads policing unit, forensically investigating serious and fatal road collisions.

“We’re like two road risk anoraks,” she says. “So when he approached me to go to work with him it was a no-brainer.”

Moriarty joined Drive at the start of May and thought she may struggle moving to the supplier side as it is a “different angle”.

However, she has found that her knowledge and understanding of what customers need has helped her in her new role.





**ORGANISATION:** Drive Consulting  
**YEAR FOUNDED:** 2017  
**MANAGING DIRECTOR:** Colin Hartley  
**FLEET RISK DIRECTOR:** Alison Moriarty  
**NUMBER OF CUSTOMERS:** approx. 800 companies  
and 80,000 drivers

**“WE DON'T WANT  
TO FOCUS ON SAVING  
MONEY – THAT'S NOT  
THE ETHOS OF DRIVE**

**ALISON MORIARTY, DRIVE**

She provides 'high level' consultancy with potential and existing clients, advising them of their risk areas and how to put a positive fleet risk culture in place.

Another former fleet manager and Fleet News Award winner, Stuart Wiseman, who joined Drive in 2018, acts as a transport manager for clients where none is present and will carry out activities such as vehicle acquisitions.

"It's great because Stuart has that operational background, like me," she says. "We know what is achievable [for businesses]."

#### HELP WITH THE BUSINESS CASE

Drive refuses to promise clients that they will save X amount, although it will help potential customers with the business case.

"We know the cost savings, we've got case studies, but we don't want to focus on saving money – that's not the ethos of Drive, our ethos is 'we will lower your risk'," Moriarty says.

Drive's main service is driver interventions – essentially its team of fleet analysts, which are dubbed the 'engine room', monitor telematics data for certain trends of behaviour such as harsh braking/accelerating or speeding and then call the driver directly to inform them of the event and advise them of the remedies that can be applied to prevent further occurrences.

The analysts also monitor daily walkaround checks and contact drivers to remind them to complete them.

Moriarty describes it as providing "the human factor".

"The interventions for drivers are all about education," she says. "It's not about telling somebody off because they've been speeding, it's about why it happened because I think if you're doing something incorrectly or unsafely, the most important thing is to understand why."

"It's easy to vilify drivers and say, 'oh, they're doing this and they're doing that' but you've got to look at a much bigger picture. The picture can be around what time did they start their day? Is it a feasible route? Is the scheduling right?"

"But, coupled with that, is their responsibility as a driver because a driver is an ambassador for the company."

#### CONSEQUENCES OF DRIVER ACTIONS

The fleet analysts aim to make drivers understand the consequences of their actions and to think about whether an incident could have been avoided.

"People sometimes shy away from talking about consequences because they don't want to sound preachy, but, actually, they're the important things – the consequences to you as a driver, but also to everybody else on the road," Moriarty says.

"I've always said, when I was managing the risk in big fleets, 'if somebody else's fleet is safer, my fleet is safer because we're on the same road'."

It's a philosophy which has been applied to Drive's new subscription model (see panel), which aims to make risk management more affordable and accessible for all fleets, recognising that company cashflows have been hit by Covid-19.

As a result of the new approach, Drive is expecting a 40% increase in business over the next 12 months (<http://www.fleetnews.co.uk/Drive-Academy>).

It already has a combined database of around 80,000 drivers, but expects this to rise to more than

## SUBSCRIPTION MODEL

Drive Consulting packages are:

■ **Drive (£12 per vehicle per month):** includes a pre-employment profile of a driver, licence check, an app for daily walkaround checks and first notification of loss, driving interventions and reports. Drive works in partnership with Matrix telematics but can take data from any kind of telemetry. Customers are encouraged to use telematics in cars too so drivers are treated equally. If a customer does not have telematics, Drive will loan customers a data capture device, called Nano, free of charge for the duration of their contract.

■ **The Drive Academy (£5 per driver per month):** includes 13 e-learning courses over three years, starting with an induction. Drive handles the administration – sending invitations and reminders to the drivers, issuing certificates and keeping training records. The package also includes monthly toolbox talks on a range of topics.

■ **Grey fleet (£3 per driver per month):** includes all the compliance checks – MOT, business use insurance, driving licence, vehicle age and CO<sub>2</sub> emissions.

250,000 drivers, while the number of companies is expected to grow from about 800 to 2,500.

Partnerships are an important part of the business strategy, provided they share the same ethos.

Drive has worked with Reflex Vehicle Hire for a number of years, offering Drive with Reflex, and recently became a delivery partner for Driving for Better Business (DfBB).

Moriarty has a long history of involvement with DfBB and will be working closely with it on campaigns and sharing her industry experience and knowledge.

One such campaign is project Edward (Every Day Without A Road Death, formally known as European Day Without a Road Death), which aims to raise road safety awareness, and is backed by Highways England.

This year it takes place on September 14 and Drive and DfBB will be doing activities and providing resources for businesses throughout the week.

Moriarty is also a member of the risk and compliance committee of the newly-formed Association of Fleet Professionals (AFP), and the standards committee for Brake's Global Fleet Champions.

She believes a positive from Covid-19 is that there is "a lot more willingness" from organisations in the fleet industry to "get together, collaborate and improve things".

"There are lots of people with lots of knowledge in business and I think you have a responsibility to share best practice," she says. "That's what all fleets need to be doing."

And, of course, that will help with the challenge of changing driver behaviour.



# Adesa's online AI appraisal tool can help to reduce total cost of disposal

To sell a car takes just three days, on average, the company claims. *Stephen Briers* reports

**C**ompanies who agonise over total cost of ownership calculations when formulating fleet policies are missing a major expense: cost of disposal.

Total cost of disposal (TCD) is the hidden de-fleet overhead, says online remarketing specialist Adesa. It factors in everything between end of contract and re-sell, including transportation, storage, inspection, refurbishment and depreciation. Make savings here, and they all go to the bottom line.

Of obvious relevance to fleets which buy their vehicles, it also has implications for companies that lease their vehicles if their funding provider is not integrating the potential savings from minimising TCD into the leasing calculations.

Significant savings can be made, claims Adesa, by moving the remarketing process upstream. This means putting stock online to sell the moment it has been de-fleeted. Reduce the days to sell, reduce your costs.

Part of New York Stock Exchange-listed Kar Global, Adesa launched in the UK four years ago with the acquisition of GRS Remarketing. Online remarketing is its calling card: globally, the business sells 3.8 million vehicles, of which 60% are via the internet.

In the UK, it took the decision to go 100% online, although Adesa is reluctant to reveal the number of vehicles that pass through its business – like many of its remarketing competitors, those particular cards are kept close to the chest.

"We've been at the forefront of moving from the downstream physical environment to the upstream online market," says UK managing director Jonathan Holland.

"Our strategy for the UK is to be entirely online to disrupt the marketplace. We felt it best to go into the UK with this play rather than do what everyone else is doing."

## TWO DE-FLEET CENTRES

Adesa's physical presence is restricted to two de-fleet centres, a 14-acre site in Newbury and a 21-acre site in Doncaster, which offer storage, vehicle inspection and refurbishment services.

The remarketing service is called Upstream. It lists vehicles for sale the moment they become available, with 24/7 buying at the reserve price or bidding at the daily e-auctions.

Upstream is supported by Adesa IVI, an artificial intelligence (AI)-based appraisal tool, which is key to stripping out inspection costs. The conventional

approach is to send a trained assessor to inspect a vehicle and then move it to a storage compound ahead of auction. Adesa places the job in the hands of the driver: they self-inspect using a smartphone or tablet. AI identifies any damage and removes the potential for human error. The process takes 10 minutes and means Adesa can list a vehicle online within half an hour.

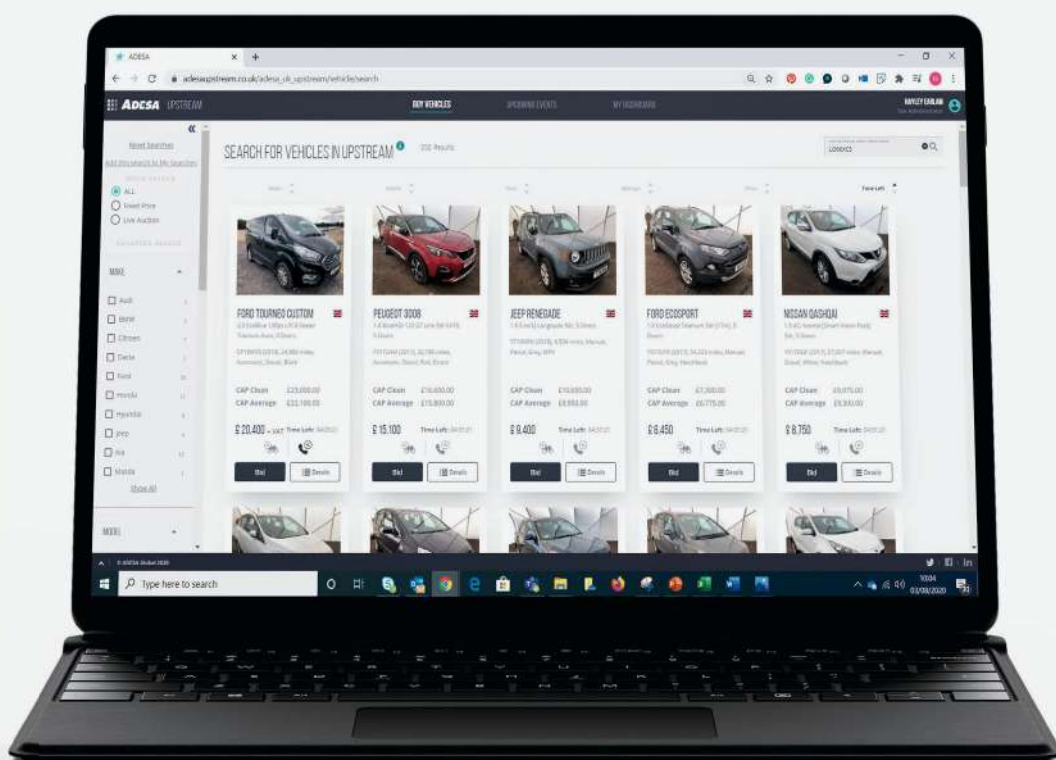
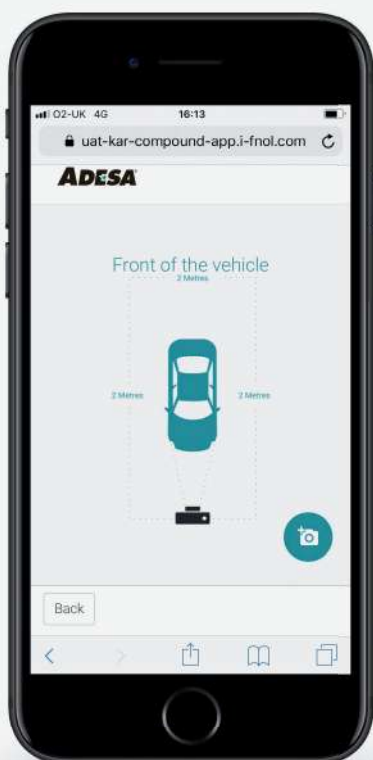
"They walk around the car taking images and we annotate the damage either remotely or using our machine-learning algorithms," says Holland. "The process is already used by the insurance industry. It's consistent, accurate, cheaper and faster."

Consequently, on average, a car takes three days from allocation to sell through Adesa. "The industry average is around 21 days," claims Holland.

He adds: "Everyone measures on Cap, but for us that is Cap at the point of availability, not at the point of sale."

Adesa's own calculations put the potential savings in terms of days to sell, average vehicle value, depreciation and stocking interest costs at between £50 and £300 per vehicle dependent on the model.

"Our approach enables us to expose the true costs of remarketing a vehicle that are too often





“WHILE A VEHICLE IS WAITING FOR AN AUCTION, IT IS DEPRECIATING AND THERE ARE STOCKING COSTS – THERE MIGHT EVEN BE A BOOK DROP”

**JONATHAN HOLLAND, ADESA**

not taken into account when an asset is disposed of,” says Holland.

“While a vehicle is waiting for an auction, it is depreciating and there are stocking costs – there might even be a book drop. Then there’s the inspection, refurbishment and logistics costs that have to be identified and tracked to get the true performance.”

The ultimate goal is to sell the vehicle prior to the end of the contract, potentially up to two weeks before, so it can be taken from the seller to the buyer, pausing only to undertake any refurbishment work (although even this could be carried out prior to the car coming off lease).

The challenges presented by the recent lockdown due to the coronavirus pandemic have created the ideal circumstances to begin trialling this service.

“Our conversations with vendors show there is a real desire to review and challenge the status quo; for them, digital remarketing now makes more sense than ever before,” Holland says.

“As a result, we have started to transact a small, but growing, number of end-of-contract vehicles still in their driver’s possession, addressing the issue of vehicles stuck in limbo on driveways during the lockdown.”

#### RESULT OF SOCIAL DISTANCING

He believes one outcome of the social distancing and sanitisation measures which have quickly become an accepted part of daily life is to accelerate a move towards remote appraisals and online remarketing.

“Each time a vehicle is touched or moved, it’s a potential issue,” he says. “Our AI inspection service is a valid solution. And for disposals, there is an opportunity for a paradigm shift to online digital transactions.”

“We’ve been approached by a number of fleets, leasing and rental companies to discuss these types of opportunities.”

He takes a typically bullish view of the future for vehicle remarketing in the UK. “Our model is potentially the dominant one going forward, especially with the current situation,” he says.

“Before coronavirus, we had a niche; now there are far more opportunities for us. Some of the changes we have seen will be with us forever.”

**COMPANY:** Adesa UK  
**HEAD OFFICE:** Chester  
**PARENT:** Kar Global, USA  
**UK MANAGING DIRECTOR:** Jonathan Holland  
**TIME IN ROLE:** Four years  
**UK EMPLOYEES:** 111  
**DE-FLEET CENTRES:** Newbury and Doncaster  
**KEY PRODUCTS:** Upstream, IVI





# Fleet & Mobility Live goes VIRTUAL

Never a more vital time for fleet decision-makers, suppliers and manufacturers to come together, says *Stephen Briers*

**F**leet & Mobility Live is heading online for 2020.

Due to the uncertainty caused by coronavirus pandemic over the immediate future for live events, we have taken the decision to postpone Fleet & Mobility Live at the NEC in October and, instead, put all of our efforts into creating a virtual extravaganza in November – one that will offer fleet decision-makers many of the features and benefits they are used to enjoying when attending.

The fleet sector has an essential role to play in driving the UK's economic recovery.

Fleets are responsible for acquiring half the UK's annual new car registrations, and the vast majority

of its vans. They provide the services and supply the products we all depend on.

That's why it's so important to hold Fleet & Mobility Live this year. There has never been a more vital time for fleet decision-makers, manufacturers and suppliers to come together.

As a result of going online, Virtual Fleet & Mobility Live will also change dates and will now be a three-day event. Put November 17, 18 and 19 in your diaries now. Full details of seminars, exhibitors and feature zones will be revealed shortly.

*Fleet News* editor-in-chief Stephen Briers says: "We may have been prevented from staging the real event this year, but Virtual Fleet & Mobility Live promises to be a fabulous alternative, offering

visitors, exhibitors and sponsors many of the things they love – plus some exciting new features – over the three days.

"Our stunning digital platform will put you right in the room, replicating the familiar surroundings of the conventional show. You'll be able to meet old friends, make new contacts, listen and learn from the best expert speakers and find out about the latest products and services that will help you run an efficient and effective fleet operation."

Among the exclusive features at the virtual event will be a special EV & Hybrid Showroom which will bring to life the latest electric models with interactive displays that will enable you to get up close to the UK's best fleet suppliers.

"While it doesn't replace the real thing, we hope our virtual show will still be informative, enjoyable and useful – and as worthwhile attending as going to the real thing," adds Briers.

"I can't wait, and I hope to see you there."

## OFFICIAL EXHIBITORS TO DATE

- ARI
- ALPHABET
- ASSETWORKS
- ATHLON UK
- BP FLEET SOLUTIONS
- CHEVIN FLEET SOLUTIONS
- CIVICA
- DRIVETECH
- DRIVING FOR BETTER BUSINESS
- E-DRIVING
- FCA
- FLEET OPERATIONS
- FORD
- GEOTAB
- GROSVENOR LEASING
- HIGHWAYS ENGLAND
- HITACHI CAPITAL VEHICLE SOLUTIONS
- JAAMA
- KWIK FIT
- LEASEPLAN
- LICENCE CHECK
- LOCKS4VANS
- LYTX
- MASTernaut
- NEXUS VEHICLE RENTAL
- NORTHGATE VEHICLE HIRE
- QUARTIX
- REFLEX VEHICLE HIRE
- SAMSARA
- SG FLEET UK
- TCH LEASING
- THE AA
- THE FLEETWORKS COMPANY
- TTC GROUP
- TRAKM8
- VOLKSWAGEN FINANCIAL SERVICES
- VOLVO
- WEBFLEET SOLUTIONS
- ZENITH

## ONLINE EVENT SET FOR BUMPER AUDIENCE

Fleet decision-makers are no strangers to attending virtual events; almost 60% have already attended one this year, according to the findings of a Fleet & Mobility Live survey of previous visitors.

More importantly, 89% of survey respondents said they would 'definitely attend' a virtual Fleet & Mobility Live event in 2020.

"We've already hosted a Fleet200 event virtually and held several webinars, so we are confident that our audience is eager and willing to engage online," says FN's Stephen Briers.

The decision to go virtual was made easier by the fact that around 40% of fleets already have or expect to shortly have a company travel ban that would prevent them from attending live events this year, while a similar proportion did not anticipate attending live events until sometime in 2021.

Learning remains a primary reason for attending Fleet & Mobility Live, whether a physical or virtual event. A little more than three-quarters want to understand industry trends and new developments, while 56% have a specific topic or topics in mind that they want to know more about.

Two-thirds attend to discover new products and services and to have conversations with potential

## VIRTUAL FLEET & MOBILITY LIVE FEATURES TO INCLUDE:

- Main auditorium with 24 showcase suppliers with interactive stands
- Second auditorium hall for static stands
- Manufacturer EV/Hybrid showroom
- EV manufacturer theatre
- Seminars across all three days
- Networking area

new suppliers. Just 6% of previous visitors to FML said they would not be interested in speaking to suppliers virtually, while 38% said they were interested in having online conversations.

Almost half said they valued the opportunity to network with peers and suppliers, something that is still achievable via a virtual platform.

Suppliers also appreciate the value offered by a virtual event, with one exhibitor saying: "Virtual events have proved an effective way of engaging and presenting to a wide audience while reducing costs and avoiding travel time."

Meanwhile, one previous visitor said: "The virtual attendance is an interesting concept – we're all having meetings remotely at the moment anyway, so watching a seminar from home would be fine."

## THE VIRTUAL FLEET & MOBILITY LIVE VISITOR ADVISORY BOARD

The Virtual Fleet & Mobility Live visitor advisory board was created to ensure the show meets the needs of fleet decision-makers, whether fleet managers, travel/mobility managers, procurement, finance or HR.

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.



Chris Connors,  
Countryside  
Properties  
(UK), head  
of facilities  
& fleet



Jerry Ward,  
John Lewis  
Partnership  
manager, Legal  
Operations



Debbie Floyd,  
Bauer Media  
fleet & risk  
manager



David Oliver,  
Specsavers  
senior  
category  
manager



Lorna  
Carpenter,  
Western Union  
fleet manager



Lorna McAtear,  
National Grid  
fleet manager



Peter Weston,  
Arcus fleet  
manager



Rory Morgan,  
Iron Mountain  
head of  
logistics  
support



Dale Eynon,  
Environmental  
Agency



Stewart  
Lightbody,  
Association  
of Fleet  
Professionals  
(AFP) deputy  
chair



Alison Moriarty,  
Drive fleet risk  
director



Caroline  
Sandall,  
LeasePlan  
specialist  
consultant  
and former  
co-chair AFP

"I'm looking forward to the first virtual FML this year. With so much going on, even before Covid-19 struck, it meant attendance more than ever would be beneficial. Ensuring it goes ahead virtually is a great idea and means none of us lose out. Continually adapting to change is what we do, so this virtual format really suits our collective new safer ways of working both for exhibitors and visitors."

David Oliver,  
Specsavers senior category manager



**WINNER:**

BEST SMALL CAR

**PEUGEOT  
208**

BEST COMPACT SUV

**PEUGEOT  
2008**

**ORGANISATION:** PSA Group  
**DIRECTOR – FLEET AND USED VEHICLES:**  
Martin Gurney

**2020 CAR FLEET SALES YTD:** Peugeot:  
15,589 (down 43.2%), Citroën: 8,363  
(down 58.9%), DS: 915 (down 37.5%)

**2020 VAN FLEET SALES YTD:** Peugeot:  
11,232 (down 38.5%), Citroën: 7,523  
(down 30.1%)

**KEY CAR FLEET MODELS:** Peugeot 2008,  
3008, 508, 208; Citroën C5 Aircross, C3  
Aircross, C3; DS 3 Cross Crossback

**KEY VAN FLEET MODELS:** Peugeot  
Partner/Citroën Berlingo, Peugeot Boxer/  
Citroën Relay, Peugeot Expert/Citroën  
Dispatch

Despite future challenges  
involving Brexit and Covid-19,  
Martin Gurney remains optimistic

# ‘Really attractive’ EVs underpin PSA’s grounds for optimism

Fleet and used vehicles boss believes BIK incentives will bring drivers back to company cars. *Sarah Tooze* reports

**T**here are two schools of thought about the impact of the Covid-19 pandemic on company car drivers.

One is that increased home working, fewer face-to-face meetings and reduced mileages will lead to more drivers opting out of company car schemes (or possibly having the benefit removed if mileage no longer warrants a car).

The second is that the reverse will happen –

drivers who have previously opted out of company cars will be tempted back into schemes, perhaps to avoid public transport and, thanks to a wider choice of hybrid and pure electric cars, with low or zero benefit-in-kind (BIK) this tax year – an acceleration of a trend that was happening pre-Covid-19.

Martin Gurney, Groupe PSA director - fleet and used vehicles, who is responsible for fleet sales for Peugeot, Citroën and DS in the UK (Vauxhall is

managed separately), subscribes to the latter view.

“What I’ve tended to see, with new electric vehicles (EVs) joining our range – we’ve got the Peugeot e-208, e-2008, the DS 3 Crossback E-Tense, and the new Citroën e-C4 just around the corner – it’s quite clear that the BIK rates on EVs are driving a trend the other way.

“A number of leasing companies have said to me that they’re seeing people who have opted out of car schemes, and therefore become part of the grey fleet, viewing EVs as a really attractive company car or salary sacrifice option.”

He acknowledges that demand for used cars has been “really robust” recently but puts that down to people seeking an alternative to public transport for their daily commute rather than company car drivers switching to used cars.

Gurney expects fleet to account for a third-to-half of sales of PSA’s new electric cars, with e-C4 sales being closer to 50% and e-208 being about a third. However, he stresses that “we’re not constrained by that” as PSA does not allocate vehicle supply on a retail/fleet basis, instead preferring a first-come, first-served approach.

Demand from leasing companies, salary sacrifice schemes and public sector fleets has meant



Peugeot e-Boxer (shown at the 2019 Commercial Vehicle Show), and the e-Berlingo and e-Partner.

A new dealer training and support programme on vans, covering product knowledge/specification, LCV terminology, LCV financing options, the UK LCV market, taxation and LCV customer consultation to ensure suitability for user needs, has been introduced to non-Business Centre dealers, while specific training on electric vans has been introduced to all dealers (see [www.commercialfleet.org/psa-van-training](http://www.commercialfleet.org/psa-van-training)).

**Fleet News: Now we've passed the halfway point for fleet sales, how much of a recovery are you experiencing?**

**Martin Gurney:** Year-to-date our true fleet car share is up for Peugeot (3.39%, from 3.2%) and DS (0.26%, from 0.18%) at the end of July, whereas we've seen a planned decline for Citroën. This is a result of the implementation of our channel mix improvement and residual value protection strategy which we started work on and started delivery on slightly sooner in the Peugeot franchise as we had new models coming along. We're now applying that to Citroën as well. What that means is that we're moving away from shorter cycle, high churn business, which is potentially damaging for residual values and focusing on the better quality business.

On the flip side, Motability share has grown for all three brands (Peugeot 5.46%, up from 5.11%, Citroën 3.48%, up from 3.37% and DS 0.2%, up from 0.14%). Year-to-date, true fleet LCV share is up for both Peugeot (11.7%, from 10.72%) and Citroën (10.53%, from 9.99%).

**Fleet News: Last time we spoke, 65% of the fleet team had been furloughed (see [www.fleetnews.co.uk/Covid-19/PSA](http://www.fleetnews.co.uk/Covid-19/PSA)), what's the situation now?**

**Martin Gurney:** We furloughed staff in waves so we furloughed some of the back office and field team early April and then some more mid-April. But we were careful to make sure we retained sufficient cover for all our customer requirements at all times through that process. Since the beginning of June, though, 100% of the customer-facing team are back at work but, obviously, still working virtually. And we've been bringing back the remaining HQ support staff progressively, as demand dictates. We've had the full team, including all the back office support teams back since the beginning of August, albeit they are home working.

It's the group's stated intention to adopt a home-working culture with a target of spending, on average, probably a day to a day-and-a-half a week in the office. So, as we move forward, home-working is going to become our norm with the office facility that we've got in Coventry being used more for big team meetings, collaborative sessions and all those parts of working together as a team, which, of course, are important.

**FN: What else is being done virtually?**

**MG:** We've been carrying out customer meetings either by tele- or video-conference. We did quite a bit of virtual meeting training fairly early on in the process to make sure we're handling those virtual meetings in the best possible way. We also intend to make greater use of our virtual showroom concept. That started off primarily as a retail ☺

that fleet is getting "its fair share" of EVs, according to Gurney.

"We're also seeing emerging EV subscription service providers following close behind in terms of demand," he says. "Corporate orders are starting to build as well. We do have some stock available of our battery electric vehicles (BEVs) but certain models we're starting to see lead times push toward the back of the year and into 2021."

He adds that, in general, PSA keeps a "core definition" i.e. the vehicles that make up 80% of its sales in stock.

"What we're finding is that the production we lost during the shutdown has been balanced by the lower demand we saw in April and May," he says.

"I don't see any abnormal issues from the perspective of current or expected lead times.

"If you wanted to place an order for an e-208 tomorrow, provided you weren't asking for something outlandish, then you would find it in stock."

Along with new electric cars, PSA is gearing up for demand for its electric light commercial vehicles with order books open for the Peugeot e-Expert and Citroën e-Dispatch, and Citroën e-SpaceTourer and Peugeot e-Traveller passenger van, followed next year by the Citroën e-Relay and



**BEST SMALL CAR JUDGES' COMMENTS**

The new 208 is a complete transformation from the old car with significant improvements in looks and the quality of the interior fit and finish. It is packed with clever technology and has low running costs and CO<sub>2</sub> emissions.

**BEST COMPACT SUV JUDGES' COMMENTS**

Offering a size that will meet the needs of most drivers, the new 2008 has fresh, modern and distinctive styling with a high-quality interior that elevates the brand to even higher levels. The electric version further transforms the model range. Peugeot has taken a good car and made it excellent.

**WINNING TWO FLEET NEWS AWARDS MEANS...**

"I am delighted with the success, on both fronts. The previous 208 was a Fleet News Award winner and it's great to have that accolade behind it, it can do nothing but help us as we present a new model to the fleet industry," says Martin Gurney

"As a spin-off from that, with the new 2008 in that huge D segment, it's fantastic to have that car as a winner at the same time.

"I'm absolutely delighted that the Fleet News Awards judges selected them as the best in their segments."



## FLEET NEWS AWARDS: BEST SMALL CAR/BEST COMPACT SUV



Peugeot 208 earned the Best Small Car accolade



And the Peugeot 2008 was voted Best Compact SUV

**C** initiative. But, what we're trialling at the moment is actually giving our fleet customers the opportunity to dial into that facility. So, if we have a fleet customer that wants to see a particular vehicle first-hand, and perhaps we can't get a fleet demo to them for a week or two, they'll be able to make use of that facility which, obviously, will bring some additional colour to that virtual relationship.

**FN: Will customer meetings continue to be virtual?**

**MG:** We're not back out seeing customers at the minute, except for where customers specifically request our presence for something. But we are absolutely determined to maintain a face-to-face presence, certainly for first meetings and for important tender presentations.

However, we do think that a lot of those normal account reviews, which might take place every two or three months, can take place remotely.

And I think there are several benefits to that: it will save our fleet team a lot of dead travel time and it will mean we're much more accessible and available to respond to customer requests. That said, we're very customer-led in our approach, and if we have customers that still want to see us face-to-face all the time that's what we'll do.

**FN: How many of your fleet customers have chosen to extend contracts or delay purchases?**

**MG:** There's no simple answer to that. If I look at our fleet order books for all three brands they remain really strong and well above last year's levels. You might say that's understandable, given we've had a period of two-to-three months where we've not delivered many vehicles. But we're not seeing huge waves of cancellations. Instead, we're seeing this backlog of Q2 orders still to be delivered.

We're taking a really flexible and pragmatic approach with our customers. We're looking customer-by-customer at the situation they're in, working in partnership with them, and of course, their supplying dealers to ensure we can supply the vehicles that they've got on order as soon as they're required.

And I would say, more generally, we're seeing as many customers perhaps extending contracts or diverting business to flexi-rent as we are seeing customers coming the other way – coming out of flexi-rent agreements and deciding that now's the right time to buy a vehicle. So it really does vary. I don't have a single number to say 'this many customers have chosen to extend or delay' because that's not the norm.

**“HOMWORKING IS GOING TO BECOME OUR NORM WITH THE OFFICE FACILITY WE'VE GOT IN COVENTRY BEING USED MORE FOR BIG TEAM MEETINGS”**

**MARTIN GURNEY, PSA**

**FN: Do you see flexi-rent as a growth area?**

**MG:** Yes, I do. I suspect, as we move through the rest of the year, we'll probably see flexi-rent demand up 5-10%. Some customers are demanding a lot more, some are demanding less. But, certainly, I expect that positive trend to be inflated, at least through until Christmas.

**FN: What are your expectations for public sector fleet sales?**

**MG:** Public sector is going to be helped enormously by our electric vehicle offering. Our order books are very strong for the public sector; we are something like 85% up on this point last year and a significant proportion of that growth is driven by orders for EV.

We're also finding there's a lot more resilience in the public sector space than might otherwise be the case in the corporate world.

So, for example, where we saw no change at all in the pattern of our deliveries throughout the lockdown was in supplying vehicles to police forces.

**FN: What are your expectations for C4?**

**MG:** It's going to give me and my team a completely new string to our bow in having a full battery-electric C segment hatch. It really does stand out and I think there's going to be an awful lot of fleet interest in that car.

It will have a 100kW electric motor, really high torque, the ability to quick charge 80% in 30 minutes, 200-mile-plus WLTP range and an eight-year factory warranty or 100,000 miles. It's going

to be complementary to what we're already seeing with huge success and demand for e-208, e-2008 and DS 3 E-Tense. It's an amazing opportunity for 2021 for Citroën.

**FN: Is PSA still on track to meet the Clean Air for Europe (CAFE) CO<sub>2</sub> emissions targets?**

**MG:** Absolutely. DS Automobiles has achieved average fleet CO<sub>2</sub> emissions of just 79.9g/km for the first half of 2020, the only multi-energy premium brand to meet the current 95g/km CO<sub>2</sub> target. There is no way the group is going to pay to pollute.

Our assumption is that post-Brexit, CO<sub>2</sub> targets will be more stringent, not less, than the ones currently in place or set by the European Commission and we're ready to deal with those if that arises.

**G**urney views the outcome of the Brexit transition period, the recovery from the current pandemic and ensuring the country is not hit by a 'second wave' as key challenges for the remainder of the year.

In light of these, he says it is "critical that we've got certainty of what the Government's support packages will be in place for our sector".

However, he remains positive about the future, including that of the mobility market for PSA's Free2Move, with the launch of a new online rental platform and app called Free2Move Rent, which replaces the Peugeot car and van rental programme with a wider, multi-brand (Peugeot, Citroën, DS and Vauxhall) dealer-based rental solution (see [www.fleetnews.co.uk/free2move-rent](http://www.fleetnews.co.uk/free2move-rent)).

A new car subscription service, Car on Demand, is in the offing, following a successful 12-month trial in France.

While not able to confirm any details, Gurney says: "The ambition (for Free2Move) remains to offer a range of solutions for fleet and retail customers that are either complementary or substitutional to traditional car ownership."

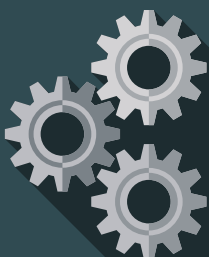
Even car sharing will recover and is "here to stay", in Gurney's view.

Also on the horizon is the PSA-FCA merger, which will create a new manufacturer super group, named Stellantis, next year, subject to the necessary approvals and the satisfaction of anti-trust and other regulatory requirements.

It is an interesting proposition for fleets but Gurney was unable to comment on the implications until the merger is confirmed.

# EFFICIENT AND EFFECTIVE SMR

The coronavirus pandemic has put a new focus on vehicle servicing, maintenance and repair, reports *Matt de Prez*



**S**ervice, maintenance and repair: three words that can mean cost, downtime and potential headaches for fleet operators if not managed correctly.

There are a number of options when it comes to SMR management, ranging from doing it all in-house to fully outsourced.

Whichever you choose, the priority should always be keeping the vehicle, and its driver, on the road.

Since the coronavirus pandemic, SMR has come under new focus for many operators, with workshops restricting work to essential services fleets and parts supply limited by production shutdowns. In a mixed picture, some fleets saw vehicles placed under much heavier demand, while others had assets parked up for months as staff were furloughed or started working from home.

While many of the lockdown measures have been lifted, there are a number of factors that continue to put pressure on fleet SMR strategies.

Technology solutions company Epyx has identified three trends through its 1link Service Network platform, which is used by fleets to book SMR work on more than four million vehicles.

First, is the need to minimise spending at companies hit hard by lockdown. While some businesses have flourished, such as those in the grocery and home delivery sectors, others have been closed or suffered significantly reduced trade, affecting cashflow.

The second is a potential shortage of capacity from SMR providers, notably around MOT testing, as garages adapt to social distancing measures and many operate at reduced staff levels, leading to longer turnaround times for vehicles.

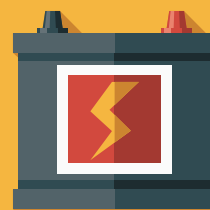
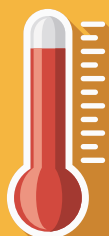
Finally, because new car sales are expected to fall by 27% this year, according to the Society of Motor Manufacturers and Traders (SMMT), there is going to be a general ageing of the company car and van parc, increasing the need for SMR.

Debbie Fox, commercial director at Epyx, says: "We've been looking closely at how coronavirus is likely to affect SMR over the next few months and into next year, and these factors are the main trends we have identified."

"In a sense, the budgetary factor is the main one. We're already in unprecedented, tough economic times and they are probably only going to get ↻







“Worse in the short-to-medium term. Money pressures are becoming very real. What we would say to fleets is to seek advice about strategies that can be adopted to reduce expenditure without, potentially, straying into areas where safety could suffer.”

Peter Golding, managing director of FleetCheck, highlights the difficulty of businesses trying to reduce SMR costs while also delaying vehicle replacements.

“This strikes us as the most acute point of weakness for fleets,” he explains. “Because of the current economic uncertainty, many companies are pulling the purse strings tight. This means they are often putting off their normal car and van replacement cycles at the same time as looking at ways of cutting service and maintenance costs.

“Clearly, these two objectives are not always compatible. The longer you keep hold of a vehicle, the more closely its SMR needs to be monitored and the more likely it is that serious problems start to develop that cost a lot of money to put right.

“What fleet managers need to do is to try to arrive at strategies that allow them to keep all the vehicles on their fleet in a fully roadworthy condition while, at the same time, minimising expenditure. This can be done, we believe, but it is not easy.”

Golding advises fleet operators to look at SMR costs as closely as possible, ensuring that the work is done to a high standard at a competitive price.

“How this is achieved will depend very much on each individual fleet,” he says.

“Some will have people on board with the technical knowledge to look at their service and maintenance buying almost on a line-by-line basis to identify areas where savings can be made. Where this is being done, they can use fleet software to help automate that process. Others will lack that degree of proficiency and require external support.

“In both instances, the solutions employed may mean, for example, looking at using more independent repairers, reviewing tyre brands bought and watching for areas of accidental over-charging, such as sometimes happens with oil and other fluids.”

#### WORKSHOP AVAILABILITY

Workshops face overload this autumn as vehicles that have been off the road since the coronavirus lockdown started begin to flood in for SMR work.

More than five million fewer MOT tests were carried out during April and May, compared with the same period in 2019.

Any car or van with an MOT test due from March 30 was automatically granted a six-month extension by the Government.

By October, the RAC says garages anticipate a 70% increase in bookings, which could make it difficult for some fleets to get their vehicles booked in and lead to vehicles having an expired MOT and becoming unusable.

In recent weeks, nearly 20 franchised dealers have either closed or are set to close as a result of the economic impact of the lockdown. Supply chain management firm Fleet Assist warns that these closures will increase servicing and warranty challenges for fleets.

“Over recent weeks, as new scenarios emerged, my team has provided a comprehensive mapping service to our fleet customers to ensure, wherever possible, alternative garages are available for work direction and business continuity,” says Vincent St Claire, Fleet Assist’s managing director.

“With the challenges prompted by Covid-19, including the potential for further spikes and subsequent lockdowns, we have highlighted how a robust SMR garage network management with the scale and capabilities to meet these ever-changing requirements, is key to keeping drivers’ cars roadworthy.

“In today’s environment to simply say you have a list of garages with assumed terms, is not good enough. A network of garages with contracted terms, defined service-level agreements and a clear indication of their capabilities proactively and continually managed by a dedicated team, is essential,” he adds.

Amey’s fleet consists of job-essential vehicles that work on its infrastructure and construction contracts with 3,000 vans and 2,500 HGVs. It also has a car fleet of 2,000 and around 3,000 ➔

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CPC-trained operators driving vehicles as part of their role. Other than two contracts for installing street lighting upgrades that were put on pause during the lockdown, Amey has continued its other services during the pandemic, including moving prisoners under its facilities management division.

The business has relied on its own five workshops to keep vehicles on the road with support from its contract hire provider Hitachi Capital Vehicle Solutions (HCVS).

While MOTs have been deferred for six months, Amey compliance manager Julie Davies has been continuing with six-weekly inspections on all its HGVs. She says: "With our own workshops playing a very supportive role, Amey has manage to keep inspections and maintenance schedules up-to-date and rarely use the relaxation period. We use third-party suppliers, via Hitachi, and are fortunate to be able to have a wide selection of maintenance providers to choose from within a radius of our operational depots."

British Gas, meanwhile, is Britain's third largest fleet with around 11,400 vehicles, the majority of which are job-need vans. Keeping them on the road is an ongoing priority for head of fleet Steve Winter.

He says: "We are pre-booking work, combining MOT tests and services, much more to minimise downtime. As we have extended MOT and service intervals, we are able to combine work much more easily and this will help to reduce overspend."

The business keeps surplus vehicles strategically placed with its repair network centres to act as an internal hire fleet. So, in the event of a incident or breakdown a like-for-like vehicle can be quickly supplied to keep the engineer mobile.

"This keeps engineers mobile as customer work that was postponed will need our engineers to work to cover the workloads," explains Winter.



"THE LONGER YOU KEEP HOLD OF A VEHICLE, THE MORE CLOSELY ITS SMR NEEDS TO BE MONITORED AND THE MORE LIKELY IT IS THAT SERIOUS PROBLEMS START TO DEVELOP"

PETER GOLDING, FLEETCHECK

#### SERVICING ON REST DAYS

Services are carried out during an engineer's rest day, using a 'pick up and drop off' service to further reduce downtime.

The increased cleaning and care of equipment and vehicles is adding to the list of challenges for SMR providers and creating additional downtime, according to HCVS.

"Although essential, these additional tasks will mean those conducting SMR need to consider how they ensure vehicle downtime is minimised," says the company's managing director Jon Lawes.

Fleet managers should prepare for the long-term increased cost and resource implications of introducing these new measures, as more time and equipment is needed to ensure SMR services are at the highest standards possible and ready to deal with larger fleets.

Lawes adds: "Ensuring specialist expert providers are reviewed and appointed to ensure the highest level of Covid-19 security can be provided to our customers and partners while seeking to mitigate additional downtime and costs during the ongoing pandemic has been a priority for us."

There is no right or wrong way to manage SMR, it depends on what works best for your fleet and the priorities of your business.

As mileage profiles change due to reduced (or increased) vehicle use following the coronavirus pandemic, fleet operators are assessing how their SMR needs might change.

While the initial set-up costs are high, operating your own workshops provides the most flexibility, especially during a pandemic. Fleets with a large number of heavier or specialist vehicles may find this the most effective method of performing SMR.

Vehicle funders often provide their own SMR services, which can be bundled into contracts. This shifts responsibility for managing the SMR to the provider, who will often require it to be taken to specific garages, but costs will be fixed.

Using a third party to manage SMR on your behalf is often the most cost-effective way, as you remain in control of your spend and have the option to change supplier if you wish. These companies work by negotiating discounts nationwide based on the collective fleet sizes of their clients and fleets pay for services as they use them.

Epyx says there is a lot of work going into using large fleet buying power in the most effective way.

Fox explains: "This is happening whether the fleet primarily uses franchised or independent dealers, or a mix of both – but they are more often entering into long term arrangements with service and maintenance providers that deliver keen pricing for high volumes of work.

"Also, there is more thought going into which kinds of suppliers are most appropriate for which jobs, rather than pushing almost all SMR through a small number of established channels."

Smaller fleets may prefer to manage their own SMR, often using local garages or dealerships. This option can be more time-consuming for a fleet manager as they will need to manage relationships, bookings and invoices with suppliers directly.

## TWO SMR SCENARIOS

Keith Cook, senior manager – group finance operations at Computacenter, faces two scenarios. His run-out fleet is supplied with SMR, for legacy reasons, while his current fleet is on pay-as-you-go maintenance.

Computacenter will receive a full refund of any SMR underspend on its older vehicles, while Cook says the new fleet will accrue a monthly SMR budget and he expects a natural surplus at the end

of the contract period due to the lower mileages.

"I have no plans to adjust the budgets as I prefer to be prudent and it has no cash flow impact on the business," says Cook.

Lawes says inclusive maintenance contracts offer greater security and a cost-effective approach to fleet management.

"The key aim for SMR is to ensure the vehicles are road-ready when needed, while reducing downtime as much as possible, and this shouldn't change if the mileage patterns do," he says.

It's important to take into consideration the purpose of any fleet and adjust SMR requirements accordingly. While some fleets will have increased their mileages, others may have been off the road for months due to the coronavirus pandemic.

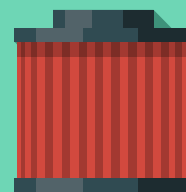
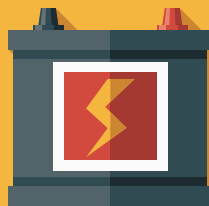
"For these vehicles, there could be a greater emphasis on keeping them turning over, and this is something fleet management may need to factor into their time, so that wear and tear doesn't increase from vehicles sitting idle," Lawes adds.

Marcus Bray, sales director of fleet management provider Fleet Service GB, warns these services sometimes fall short of expectations because they are too heavily focused on costs.

He thinks it's paramount that the driver is at the centre of any fleet management solution and says leasing companies can be inflexible because they often rely on outsourced suppliers to provide services, meaning a driver can only go to a specific tyre outlet, for example.

"We don't outsource anything," says Bray. "We let drivers decide where they want to go. If they have a puncture and they are outside Kwik Fit, then they can go there. It's all about service to the driver.

"Sending him to the other side of town to get a puncture repair is going to end up costing you more and defeats the point."





# ŠKODA OCTAVIA

Easy to live with and to drive, hybrid newcomer represents great value for money



By Matt de Prez

Škoda has established itself as the no-frills, sensible arm of the VW Group, making the previous Octavia ideal for fleets looking for safe, reliable and cost-effective transport. The Octavia has also proved popular as a rapid response vehicle with its 245PS VRS version.

In its latest generation, the new Octavia has welcomed more tech, more soft-touch materials and, for the first time, a plug-in hybrid engine, making the car more attractive for drivers.

The Octavia is based on the same platform as the new VW Golf and Seat Leon, which is an excellent start. It's also the largest of the three,

growing 19mm compared with the previous Octavia and offering the biggest boot in the segment with 600 litres.

There is an estate body too, which provides even more load space (640 litres to the parcel shelf) for those that need greater practicality.

Compared with its stablemates, the Octavia looks the most grown-up given its almost saloon-like appearance and restrained styling.

The addition of larger wheels, more luxurious interior trim options and a higher specification level across the range serves to lift the Octavia's appeal and bring it closer to premium models.

Inside, there's a renewed focus on infotainment with a 10-inch touchscreen at the centre of the

dash. It's used to control the key functions, such as climate control, audio and sat-nav. Škoda has also included a row of buttons to call up key features, which saves the driver messing around with the screen too much when driving.

Materials are of a higher quality and there is more focus on the design of the interior, meaning it's a nicer place to be and more comfortable.

The SE L Launch Edition model we tested had sporty seats with microsuede upholstery, which extends to the dashboard, giving a more tactile feel. Leather trim is also available.

Škoda has introduced a new two-spoke steering wheel for the Octavia. It features a pair of premium-feeling rotary controllers for the volume and trip



A 10-inch touchscreen controls the Octavia's key functions



Larger wheels serve to lift the appeal as well as the car itself



computer settings and an array of not-so-premium-feeling buttons to control the various displays on the digital instrument cluster.

The cruise control, which was adaptive on our test car, remains on a separate stalk, however.

Interior space and storage is impressive. There are smartphone pockets on the seat backs for rear passengers and a useful array of cubbies and cupholders in the front console.

DSG versions feel more spacious up front as they use a toggle switch to select gears, rather than a conventional lever in the centre console.

The Octavia is available with four chassis options: standard, sports, rough road and dynamic chassis control, which uses adaptive dampers.



	<b>DIESEL</b> 2.0 TDI 115 SE Technology	<b>ENTRY LEVEL</b> 1.0 TSI 115 SE First Edition	<b>FLEET PICK</b> 1.5 TSI 150 SE Technology
<b>SPECIFICATIONS</b>			
P11D Price	£23,280	£20,735	£22,410
CO <sub>2</sub> emissions (g/km)	113	117	127
Monthly BIK tax (20%)	29%/£113	26%/£90	28%/£104.5
Fuel efficiency (mpg)	65.7	54.3	50.4
Fuel cost (ppm)	7.8	9	9.7
Annual VED	£215 then £150	£175 then £150	£175 then £150
Class 1A NIC	£932	£744	£866
Residual value (4yrs/80k)	£5,950/25.5%	£5,675/27.3%	£6,300/28.1%
AFR (ppm)	9	10	12
Running cost (4yrs/80k)	33.3	31.2	33.3

Go to [www.fleetnews.co.uk](http://www.fleetnews.co.uk) for tax figures from April 2020-2022

## RIVALS



**FORD FOCUS**  
1.5T 150 Titanium



**VAUXHALL ASTRA**  
1.2 Turbo 145 SRi



**VOLKSWAGEN GOLF**  
1.5 TSI 150 Style

<b>SPECIFICATIONS</b>			
P11D Price	£23,420	£22,420	£25,865
CO <sub>2</sub> emissions (g/km)	132	121	127
Monthly BIK tax (40%)	29%/£113	27%/£101	28%/£121
Fuel efficiency (mpg)	48.7	54.3	50.4
Fuel cost (ppm)	10.1	9	9.7
Annual VED	£215 then £150	£175 then £150	£175 then £150
Class 1A NIC	£937	£835	£999
Residual value (4yrs/80k)	£6,575/28.1%	£4,550/20.3%	£8,025/31%
AFR (ppm)	12	10	12
Running cost (4yrs/80k)	34.8ppm	34.7ppm	35.6ppm

The latter offers a comfortable motorway ride, with good body control when required. However, the Octavia is noticeably less dynamic than the Leon and Golf. Over speed bumps and undulating surfaces the suspension feels too soft, leading to a 'bouncing' sensation. We've not yet tried an Octavia with standard suspensions, which most fleet models are likely to feature.

The engine line up consists of 1.0-litre (115PS) and 1.5-litre (150PS) petrols, a 2.0-litre (115PS or 150PS) diesel and the 1.4-litre 'iV' plug-in hybrid.

All the powertrains are frugal, with the diesel easily topping 60mpg on a sedate run and the 1.5 TSI achieving more than 50mpg. From a benefit-in-kind (BIK) tax perspective, the iV is the most attractive; it develops 204PS and can cover 37 miles on electric, placing it in the 10% tax bracket.

There will also be a VRS iV with 245PS and an electric range of 32 miles. With a sportier look and chassis to match, it's likely to attract user-choosers for its balance of driver engagement and running costs.

The full model range is yet to be announced, but a fleet-focused SE Technology model is already available (see panel) and comes with LED headlights, front and rear parking sensors, sat-nav and a built-in e-SIM for connected services.

P11D prices start at £22,410 for the 1.5 TSI SE Technology Hatch, which has a BIK rate of 28%. The diesel starts at £23,280. Estate models are £980 more.

A number of new safety systems debut on the Octavia, including Collision Avoidance Assistance, which can perform a "controlled evasive manoeuvre" if it thinks you're going to collide with a pedestrian or cyclist.

There's also an Exit Warning system that lets the occupants know if another vehicle or a cyclist is approaching from behind when a car door is open.

Of course, the Octavia wouldn't be a true Škoda if it didn't have some 'simply clever' features and on this new model there are plenty of them. In the driver's door you'll find an umbrella, along with an ice scraper mounted in the fuel filler flap.

New features for the Octavia include a funnel integrated into the lid of the windscreen washer tank and water channels on the windscreen, which allows rainwater to drain optimally, contributing to lower drag.

The new Octavia isn't the best looking or most exciting car from the VW Group stable, but it is excellent value for money, endlessly practical and easy to both live with and drive. These should do it big favours in the fleet market.



# MERCEDES-BENZ E-CLASS

Change to the look is noticeable, but the new E-Class hasn't changed a whole lot – not that it needed to



By Matt de Prez

**W**ith a new S-Class around the corner, we weren't expecting the new E-Class to be revolutionary, but then it doesn't really need to be as it's already among the best in its segment.

It narrowly missed out on the coveted Executive Car of the Year trophy at this year's Fleet News Awards, but that was largely because BMW has updated the winning 5 Series with cleaner engines.

Perhaps you can guess what one of the major changes for this facelifted generation of E-Class is then? Mercedes has coined the EQ Boost phrase for its 48v mild hybrid technology and it's fitted across the petrol line-up.

It uses a small battery and motor/generator to provide a small power boost and enable extended

engine-off coasting and longer stop-start intervals.

Two EQ Power plug-in hybrids are also offered.

The E-Class is now fitted with Mercedes' MBUX infotainment system, featuring 'Hey Mercedes' natural voice commands, improved online services and augmented reality sat-nav.

Visually, the E-Class has been given a noticeable makeover. The front end borrows more styling cues from the CLA and CLS, with a sleeker appearance.

At the back, the E-Class has lost some of its retro curves that mirrored the E-Classic 300SL 'Gullwing', for a more conservative squared-off tailgate.

Inside, the dashboard is much the same as before, bar the glaring omission of a rotary controller for the infotainment.

As with other new Mercedes models, the E-Class is now fitted with a laptop-style touchpad.

Simply, it's a disappointment. Other manufacturers are following this trend and we can't understand why, as the rotary 'knob' is much easier for drivers to use on the move.

To mitigate this, Mercedes has made the infotainment screen a touchscreen; although its position on the dashboard makes it difficult for the driver to reach it, unless their name is Mr Tickle.

Talking of screens. The E-Class gets two high-resolution 12.3-inch displays as standard across the range now, in the same widescreen layout that the old car offered.

You can also tell the E-Class what you want it to do by saying the magic phrase 'Hey Mercedes' followed by 'I'm cold' or 'I want to go home'. The system responds well to commands and uses artificial intelligence to better itself.



The dashboard is largely unchanged but the touchscreen is not easy to reach



At the back, the E-Class has lost some of its retro curves



The front end borrows styling cues from the CLA and CLS

The other big change inside is the new steering wheel. Two are available, dependent on trim level, and both feature touch-sensitive panels rather than buttons. We thought these would be a bit fiddly, but they are surprisingly effective and easy to use. They control the majority of functions, including audio, cruise control and can control either display.

The powertrain line-up starts with the E 200, which uses a 2.0-litre turbocharged petrol. It develops 197PS and can achieve 38.7mpg with CO<sub>2</sub> emissions from 165g/km.

Fleet customers are likely to favour the E 220 d or one of the two plug-in hybrids, however.

Priced at just less than £40,000, the diesel-powered E 220 d has an output of 194PS and 400Nm. It can deliver up to 53.3 mpg and emits



	<b>DIESEL</b> Mercedes E 220 d Sport	<b>DIESEL PLUG-IN</b> Mercedes E 300 e AMG Line Edition	<b>FLEET PICK</b> Mercedes E 300 de AMG Line Edition
<b>SPECIFICATIONS</b>			
<b>P11D Price</b>	£38,785	£47,425	£46,175
<b>CO<sub>2</sub> emissions (g/km)</b>	139g/km	33g/km	37g/km
<b>Monthly BIK tax (40%)</b>	30%/£387	10%/£158	10%/£153
<b>Fuel efficiency (mpg)</b>	53.3mpg	176.6mpg	235.4mpg
<b>Fuel cost (ppm)</b>	9.8ppm	9.7ppm	12.5ppm
<b>Annual VED</b>	£215 then £150	£0 then £465	£0 then £465
<b>Class 1A NIC</b>	£1,606	£654	£637
<b>Residual value (4yrs/80k)</b>	£11,825/30.5%	£14,375/30.3%	£14,750/32%
<b>AFR (ppm)</b>	9ppm	9ppm	12ppm
<b>Running cost (4yrs/80k)</b>	49.2ppm	56.75ppm	57.75ppm

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## RIVALS



**BMW 530E**  
M Sport



**AUDI A6**  
50 TFSIe Quattro Sport



**VOLVO S90**  
T8 R Design

<b>SPECIFICATIONS</b>			
<b>P11D Price</b>	£50,065	£52,735	£55,250
<b>CO<sub>2</sub> emissions (g/km)</b>	38g/km	35g/km	42g/km
<b>Monthly BIK tax (20%)</b>	10%/£166	10%/£175	10%/£184
<b>Fuel efficiency (mpg)</b>	166mpg	176mpg	165
<b>Fuel cost (ppm)</b>	9.7ppm	6.6ppm	4.7ppm
<b>Annual VED</b>	£0 then £465	£0 then £465	£0 then £465
<b>Class 1A NIC</b>	£691	£728	£762
<b>Residual value (4yrs/80k)</b>	£11,775/23.5%	£13,625/25.8%	£14,500/26.2%
<b>AFR (ppm)</b>	12ppm	12ppm	12ppm
<b>Running cost (4yrs/80k)</b>	63.6ppm	61.1ppm	62.5ppm

from 139g/km. It's RDE2-compliant, so sits in the 30% benefit-in-kind (BIK) band.

The E 300 e combines a 2.0-litre petrol engine with a 13.5 kWh battery. Together they have a maximum output of 320PS and 700Nm. It can deliver 176.6mpg and emits 37g/km of CO<sub>2</sub>. The E 300 e has an all-electric range of between 33 and 35 miles.

The E 300 de uses a 2.0-litre diesel engine and the same 13.5 kWh battery. It produces 306PS and 700Nm, with claimed fuel consumption of 235.4mpg and CO<sub>2</sub> emissions of 33 g/km of CO<sub>2</sub>.

Both plug-ins can cover around 34 miles on electricity, meaning they sit in the 10% BIK band, but they are priced higher at £46,175 for the e and £47,425 for the de. Overall running costs are still slightly higher, but this might be offset by the green credentials of running hybrids, along with ULEZ savings if travelling to London.

There is also an E 400 d diesel and E 450 petrol, both of which have all-wheel drive.

Dynamically, the E-Class has retained its comfort-focused drive, which is a good thing as it delivers a sublime motorway cruising experience.

The E 220 d will suit the highest mileage users that will require consistently high mpg, but it's hard to ignore the plug-in models for their low

BIK and strong economy. When we tested the E 300 de last year we achieved almost 70mpg over 8,000 miles.

All trim levels come with the same 'Agility control suspension', so there's no impact on handling or ride quality as you move through the range. This may upset keener drivers, but they could always opt for a BMW 5 Series instead.

Entry-level Sport models feature most of the equipment fleet users will require; including leather upholstery and heated front seats, parking sensors, reversing camera, blind spot monitor and LED headlamps.

AMG Line Edition adds AMG styling features and is the base trim for plug-in models.

Upgrading to AMG Line adds a faux-leather dash, Multibeam LED lights and the new six-spoke AMG steering wheel.

Drivers who want a 360-degree camera, the new augmented reality sat-nav or keyless entry will need the AMG Line Premium, while a range-topping AMG Line Night Edition Premium Plus includes a panoramic sunroof and Burmester sound system.

The new S-Class will move the game on more than this facelifted E-Class does, but that's fine with us because it's still one of our top picks.





# POLESTAR 2

Sister brand Volvo's concept car is made a reality, but it won't be sold through dealerships

By Matt de Prez

**W**hat do you get if you take the best bits of a Volvo and then make them all a bit better? Well, the answer is the new online sales-only Polestar 2.

It's the first mainstream production car with an all-electric powertrain to arrive in the UK from the Geely-owned brand (see also page 10).

The underpinnings are shared with the soon-to-be-launched Volvo XC40 Recharge, but that's about where the similarities end.

Polestar took inspiration from a Volvo concept car and made it a reality. It's lower than an XC40 and has a bespoke interior, with an all-new Android-based infotainment system.

The twin electric motor set-up puts out 408PS to all four wheels, giving a 0-62mph time of just 4.7 seconds. Acceleration is instant and relentless, with the 50-70 mid-range punch especially aggressive.

A 78kWh battery provides a WLTP range of 292 miles (250 miles should be easily achievable) and a rapid charge time of 0-80% in 40 minutes.



Polestar 2's infotainment system is smart, effective and simple to use

What's most impressive about the Polestar 2, when considering its platform, is how it drives. We like Volvos at *Fleet News*, but dynamic they are not.

The £49,900 Polestar, however, lives up to the brand's performance promise. The battery weight helps keep the car planted, while its specially-tuned suspension takes corners with ease. The electric motors divide power between the axles to maximise grip. After a few laps of Millbrook's Alpine course, we were impressed with the 2's abilities.

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

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

For an extra £5,000, an optional Performance Pack adds manually adjustable suspension and Brembo brakes for the full track-spec experience. The ride is less forgiving, it must be said.

While we are dishing out complements, the Polestar 2's infotainment system also deserves

praise. Apps like Google maps and Spotify are smartly integrated into the central touchscreen, enabling a smartphone experience.

Operation is simplistic, as are all the car's features. You don't even need to switch it on or off, just jump in and select 'drive'.

The interior is beautifully finished with a variety of materials, including real wood and vegan fabrics. There's plenty of space for passengers too, with similar cabin space to a large saloon.

The boot is about the same size as you'll get in a VW Golf, plus there's an extra storage space under the bonnet, ideal to store the charging cables.

Cheaper models, including a single motor version, will be launched. But for now the fully-loaded launch edition is the only model offered.

There aren't many negatives. Polestar 2 is reasonably priced, great to drive and highly desirable (rivals the Audi e-tron is priced from £59,900 and the Mercedes-Benz EQC from £65,665).

Like all electric cars, however, supply is limited to a few thousand units per year, so user-choosers need to get their orders in sharpish.

## FLEET PICK POLESTAR 2

SPECIFICATIONS	
P11D price	£49,845
Monthly BIK	0%/£0
Class 1A NIC	£0
Annual VED	£0
RV (4yr/80k)	£20,450/41%
Fuel cost	3.5ppm
AFR	4ppm
Running cost (4yr/80k)	46.9ppm
CO <sub>2</sub>	0g/km
Range	292 miles





# BMW 2 SERIES GRAN COUPE

Gran Coupe looks better in the flesh than early pictures suggested

By Matt de Prez

**W**hen pictures of the BMW 2 Series Gran Coupe first appeared one could be forgiven for blurting out "what were they thinking?" when looking at it from certain angles.

BMW design is in a state of flux at the moment. The 3 Series and 5 Series are handsome, well proportioned vehicles, while models in the 2 and X ranges have gotten a bit... well, unattractive.

That said, in the flesh, the 2 Series Gran Coupe is easier on the eye, thankfully. While it is based on the 1 Series, the front end, which you might expect to stay the same, is sleeker with smaller grilles. In M Sport guise, the deeper bumpers give it strong road presence.

Around the back it's a bit of a different story. The last 2 Series was quite a looker, but this one isn't so much. It looks like a squashed SUV rather than a sleek four-door coupe.

Compared with its key rival, the Mercedes CLA, the BMW has a lot of catching up to do.



The interior of the 2 Series Gran Coupe is top drawer



The rear of the 2 Series Gran Coupe isn't much of a looker

There are two trims, Sport and M Sport, and three engines. The 1.5-litre 218i is the only petrol. It develops 140PS and emits 136g/km of CO<sub>2</sub>.

The 218d uses a 150PS 2.0-litre diesel. It's more efficient, with emissions of 123g/km and the promise of 60mpg.

We tested the 220d; with 190PS it emits from 129g/km and can return 58mpg.

The diesels are RDE2-compliant, so drivers won't pay the 4% BIK surcharge, making even the more powerful model relatively tax-efficient from around £150 per month.

Interior quality is top drawer. Like the 1 Series, it combines high-quality materials with a tidy layout.

There's a bit less space in the back than the 1, but refinement is high with little wind or road noise.

We found the front-wheel drive 2 Series a bit less enjoyable to drive than the 1 Series long-term we recently tested. With more power from its diesel engine, the 220d seemed too keen to understeer and struggled for traction on wet roads.

BMW clearly agrees, as it has already announced the next model will return to rear-wheel drive.

A baby 3 Series the 2GC is not, but it does have a number of positive attributes.

First, it's a lot cheaper, with prices starting at £26,140. Comparatively, a 220d is around £4,000 less than a 320d and, crucially, it's £1,000 cheaper than a CLA 220d AMG Line.

It comes well equipped, too. Sport models feature LED headlights, lane departure warning, parking sensors and BMW's package of connected services delivered via an 8.8-inch touchscreen as standard.

The M Sport adds a 10.2-inch infotainment screen, leather upholstery, heated front seats, digital cockpit and electric folding mirrors.

There is more boot space (430 litres vs 360 litres) than in the 1 Series, but the saloon body makes it less practical overall.

Love it or hate it, the 2 Series Gran Coupe certainly stands out.

For drivers that want the power of a 320d, but can't quite manage it, the 220d may be more attainable. But, for us, we'd sooner pick the 1 Series as it's a better all-rounder.

## FLEET PICK 220D GRAN COUPE M SPORT

SPECIFICATIONS	
P11D price	£34,290
Monthly BIK	29%/£165
Class 1A NIC	£1,372
Annual VED	£215 then £150
RV (4yr/80k)	£11,725/34.2%
Fuel cost	9.1ppm
AFR	9ppm
Running cost (4yr/80k)	41.6ppm
CO <sub>2</sub>	131g/km
Fuel efficiency	56.5mpg





# VOLKSWAGEN T-ROC CABRIOLET

We once tagged the T-Roc SUV as 'boring', but the T-Roc convertible is quite the opposite

By Matt de Prez

**I**t's fair to say that the Covid-19 pandemic may change the shape of the company car parc somewhat, as many businesses switch their workforce from office- to home-based working.

At the same time, more meetings are taking place electronically, meaning company cars are likely to be used less in future.

Some drivers may choose to exit the company scheme as a result, but to continue to attract those who enjoy the benefits of a company car, it may be necessary for choice list compilers to expand the options to include cabriolets.

Last year, fleet customers took delivery of about 7,500 convertibles and there's every chance that number could increase as more user-choosers find themselves with fewer business miles to cover.

Enter the VW T-Roc Cabriolet. Yes, it's a convertible SUV. But wait, before you turn the page, consider this – the running costs for the Cabriolet are about the same as a run-of-the-mill Nissan Qashqai.



With the roof retracted, the T-Roc feels spacious inside

## FLEET PICK T-ROC CABRIOLET 1.5 TSI DESIGN

SPECIFICATIONS	
P11D price	£28,915
Monthly BIK	32%/£154
Class 1A NIC	£1,277
Annual VED	£215 then £150
RV (4yr/80k)	£8,750/30.2%
Fuel cost	11.2ppm
AFR	12ppm
Running cost (4yr/80k)	39.8ppm
CO <sub>2</sub>	146g/km
Fuel efficiency	43mpg

It doesn't cost the driver any additional tax, either. What they get is a practical-ish SUV, that is safe, well equipped and cheap to run but they can also drop the roof and enjoy driving something a little bit different.

VW is convinced that the T-Roc is the way forward for convertible drivers. It axed the Beetle convertible last year, the Eos is a distant memory and the Golf convertible is rumoured to not be making a reappearance.

When we tested the T-Roc SUV for six months last year we found it to be a well-built and easy-to-live-with compact SUV, but we criticised it for being a bit boring. The T-Roc Cabriolet, however, is anything but.

There are two engines to choose from, both petrol: the 1.0-litre TSI and the 1.5-litre TSI. Prices start at £27,140 for the 1.0 TSI Design, which emits 142g/km of CO<sub>2</sub> and returns 45mpg.

The 1.5 TSI is priced from £28,915 with the option of a seven-speed DSG. It emits from 146g/km and achieves 43mpg.

All versions (Design or R Line) get sensible features such as sat-nav, parking sensors and adaptive cruise control as standard.

We'd recommend the £305 Winter Pack, which adds heated seats for all-season roof-down action.

The boot isn't particularly big at 284 litres, but you can fold the rear seats for larger items or, of course, open the roof for really large items.

Passenger space is ample, even in the back. Although it's worth pointing out there are only two rear seats, rather than the usual three.

Dynamically, the T-Roc, like any convertible version of a regular car, isn't the sharpest. The R Line model we tested had extremely firm suspension, which mitigated some of the body roll but made the ride uncomfortable on anything but the smoothest roads.

With the roof up, the T-Roc still feels spacious inside. It's fairly quiet too, although it wouldn't be a great choice for someone that regularly does long motorway trips as the wind noise at higher speeds is more intrusive than in a normal T-Roc.





seats, adaptive LED headlamps, keyless entry and Volvo's 'Pilot Assist' semi-autonomous driver aid come fitted as standard.

Powering the S90 is a 2.0-litre petrol engine that is both supercharged and turbocharged, delivering 303PS to the front wheels. An electric motor powers the rear axle, adding an extra 87PS.

The hybrid battery, mounted in the centre of the car, can provide up to 31 miles of zero-emission running thanks to its 11.6kWh capacity.

CO<sub>2</sub> emissions of 44g/km put the S90 T8 into the 10% benefit-in-kind (BIK) tax bracket, meaning monthly bills of less than £200 for a 40% taxpayer.

Finished in Onyx Black, with a contrasting 'Blonde' leather interior and wood trim, the S90 is the epitome of Scandinavian luxury. It's cleanly styled, there's no hint of aggression or 'sportiness' in its design. But, with that hybrid powertrain supplying almost 400PS and all-wheel drive, the phrase "wolf in sheep's clothing" springs to mind.

## ▶ VOLVO S90 FIRST TEST

T8 INSCRIPTION

By Matt de Prez

In an unexpected change to the scheduled programme, we've taken delivery of a Volvo S90 T8 to see us through the next three months.

We were expecting to receive an S60 but, due to the coronavirus pandemic, its arrival has been delayed until October.

No trouble. The S90 is a firm favourite of *Fleet News* having previously featured on our long-term test fleet. This latest version has been updated with a new battery and revisions to the powertrain.

Volvo has axed all but plug-in hybrid T8 versions of the S90, now known as 'Recharge', from the range, as part of its strategy to make half of its global sales hybrid by 2025.

We've opted to test the luxurious Inscription trim, rather than the sporty R Design this time around.

Prices start at £56,100, while our test car features a £3,000 Bowers & Wilkins audio system, 360-degree parking camera (£525) and blind spot monitoring (£500).

Leather upholstery with heated and cooled front



the rear bench seat, while the electric motor is integrated with the six-speed DSG gearbox.

Despite that battery weight, the Passat GTE handles well on the road, but is perhaps better suited to munching the miles on the motorway, rather than negotiating country roads.

The GTE's 18-inch alloy make the ride a little firm but opting for Dynamic Chassis Control (standard on the 243PS diesel, optional otherwise) allows you to choose different settings, adjusting the suspension's firmness between Comfort, Normal, Sport, Individual and GTE modes.

Comfort gives a more relaxed feel, while GTE stiffens the suspension and adds extra weight to the steering, which is needed. There are also some fake engine sounds pumped into the cabin to add a degree of excitement.

But the Passat estate isn't about thrills and spills. It's about refined, relaxed driving which the GTE delivers, making it an attractive proposition for high-mileage company car drivers.

## ▶ VW PASSAT

ESTATE GTE ADVANCE 1.4 TSI PHEV

By Gareth Roberts

Power for the new Volkswagen Passat GTE comes from a 13kWh battery and electric motors paired with a 1.4-litre TSI petrol engine.

Starting the Passat up, the plug-in hybrid system offers a choice of fully electric mode – equating to some 30 miles in our test car when fully charged – or a hybrid setting, where the GTE automatically makes use of both power sources to optimise its zero-emission range and cut fuel consumption.

There is even some computer wizardry in the

sat-nav system which, when plotting a journey, will decide when to use a particular power source.

Driving our test car, the transition between power sources is so smooth it is actually very hard to spot.

The 1.4-litre TSI petrol engine provides 156PS but, combined with electric power, that increases to 218PS, offering some punchy performance and just 7.6 seconds to get from 0-62mph in the estate and 7.4 seconds in the saloon.

The 13kWh lithium-ion battery is located under





## ▶ VOLKSWAGEN CRAFTER

CR35 TRENDLINE MWB 2.0TDI 140

**By Trevor Gehlcken**

The launch of the current Volkswagen Crafter back in 2017 was a massive deal for VW.

Until then, the Crafter had been a clone of the Mercedes-Benz Sprinter and had come off the same production line, albeit with its own set of engines. As such, the Crafter had played second fiddle to the Sprinter for many years – a situation VW was determined to change.

So, with a new factory in Poland, Volkswagen finally presented the world with a van which could

not only compete with the mighty Sprinter, but might actually beat it.

This launch had another significance too – VW is now the only major manufacturer to have its own unique range of vans. All the others use tie-ups with other van makers for some part of their offerings.

Mind you, there are plans afoot for VW to join with Ford to develop vans and pick-ups together, so this present state of affairs might not last long.

I was at the original press launch of the Crafter



in 2016 and all the journalists there were impressed with what was on offer. Since then, Volkswagen has been busy hoovering up award after award for its efforts, including large panel van of the year at the 2019 Commercial Fleet Awards.

So when the Volkswagen press office offered us a Crafter for a three-month stint, we did not need to stop and think before saying 'yes'.

Our Crafter had been due to arrive a month or so earlier, but the coronavirus pandemic somewhat spoiled those plans.

Our test model is the mid-range Trendline variant in medium wheelbase format, which offers a mighty 11cu m of space and a payload of 1,404kg, which should be plenty for most fleet purposes.

Under the bonnet is a 2.0-litre turbodiesel powerplant with 144PS on tap, which means that, while not offering Tarmac-burning performance, this van is never going to be short of oomph, even fully loaded.



## ▶ ŠKODA SUPERB

1.4 TSI IV 218PS DSG SE L HATCH

**By Stephen Briers**

The Superb has bugs. Not the creepy-crawly type, but minor software glitches that need over-the-air updates. The issue is, those updates can only take place when the car is stationary, and they aren't quick, so rather than sit on the driveway with the engine running, I've been cancelling them.

Don't worry, ŠKoda, I will find the time to baby-sit the car soon to allow the updates to complete.

There are a couple of other annoyances that have come to light now I'm more mobile post-lockdown.

The automatic six-speed gearbox is refined, with effortless changes and a rapid reaction when stepping on the accelerator to overtake. However, selecting reverse is another matter; then, the gearbox can take a second or so to engage, leaving the car temporarily stranded.

We've encountered this on previous test cars, and it becomes frustrating if, like me, you always reverse park.

Remote locking of the car is also a little hit-and-miss – the key needs to be pointed at a particular



spot because often I wave it in the general direction of the car, press lock and nothing happens. I would prefer it to be a bit more sensitive.

Talking of sensitivity, what could've been a gripe should really be praised as a valuable safety aid – the tyre pressure monitoring system (TPMS).

As I write, the tyre pressure warning light has lit after just 1,500 miles, or two months since we took delivery. Unchecked tyres can lose 1-2 PSI a month, so it's a timely reminder to frequently check tyres, even when mileages are low.

However, the TPMS generally comes on when the tyre pressure falls below 75% of the recommended value, which, in the Superb's case would be 27 PSI (recommended 36).

My experiences with other test cars suggest that most systems are much more sensitive than this – but that's no bad thing if it encourages more regular safety checks.

And, of course, checking the tyre pressures will give me the stationary time for the software updates to finish!



## WARDY'S WORLD

By Martin Ward



It seems the choice of double-cab pick-ups is reducing, almost by the month. Lately, many have been discontinued in the UK for a number of reasons, but lack of popularity is not one of them.

As some of the pick-ups have many common components, it only takes one maker to decide to cut production from a factory, or move to another, and you have the domino effect.

It is such a shame this is happening. But, rest assured, the Ford Ranger, Toyota Hi-Lux and the Isuzu D-Max will remain.

Not long before lockdown, I went to Isuzu's import centre in Sheerness (a journey and a half) and saw the amount of conversion work done in-house. I was so impressed.

Mitsubishi is the latest company to announce it is gradually pulling out of UK and Europe markets, so the L200 will be another casualty.



I attended my first new car launch since March a couple of weeks ago. It was the

press launch of the Honda e, the brand's first all-electric city car. Honda took safety very seriously, giving attendees a long list of can-dos and don't dos before we had even set off.

On arrival at Amber Lakes near Windsor, all the cars had been thoroughly sanitised and had seals on the doors.

Social distancing was very much in evidence. Tea, coffee and refreshments were served in a responsible way, and everything was regularly cleaned.

Then I went out to my pre-assigned car, broke the seal and got in. In front of all the cars was a huge screen, and the sound came through the cars speakers, like a drive-in movie. We had an hour-long presentation, with all the technical and safety subjects well covered.

Then we set off. My car was 98% charged, and had a range of 111 miles.

I went onto the M25, past Heathrow and headed to the Surrey Hills. The small city car performed perfectly well on all roads. The Honda e doesn't have any door mirrors, but cameras instead, with small screens on each side of the dash.

Initially, I found them difficult to use, but after a short while, I soon got used to these very odd bits of technology.

The interior materials are a blend of the traditional, such as a 'wood-dashboard', with the ultra-modern. A clever car, a great drive with brilliant looks.

Well done to Honda for looking after our safety in these difficult times and being brave enough to hold a new car launch.



**MAZDA CX-30**  
2.0 180PS 2WD SPORT LUX

By Sarah Tooze

Practicality is a key selling point for crossovers and SUVs and company car drivers may want more than some bag hooks or cargo nets in the boot.

Enter Mazda's smart cargo system – essentially a boot divider which can be used in multiple ways to better stow items and ensure they don't roll around.

Mazda has recently made this standard on the CX-30 (SE-Lux and above) so our Sport-Lux model has had it fitted. Otherwise, it's a pricey £360 on the entry-level SE-L. It is not compatible with a spare tyre.

We tested a similar feature with the Nissan Qashqai last year, except Nissan calls it a 'luggage board system' and promises 16 combinations. We didn't manage all 16, but did find several useful configurations.

Mazda makes no such numerical claim but there are more than enough ways to use the divider to store shopping bags, luggage or boxes in the 430-litre boot. It even allows me to protect my bulky pushchair with room for luggage.

I also like the fact that when the smart cargo system isn't required and you want to use the full cargo volume (1,406 litres, with seats down) it can be kept folded up vertically on the side.



**AUDI A4**  
35 TDI TECHNIK

By Andrew Ryan

I have a set routine when I get ready to start a journey: if the car has Android Auto (which our Audi A4 does, along with Apple CarPlay), then I plug in my phone and use the Google system.

This allows me to listen to podcasts and use Google Maps for navigation. For me, it's a tried and trusted method, but on one recent trip (because I forgot my phone) I, instead, used Audi's built-in MMI Navigation Plus infotainment system.

It really opened my eyes as to how impressive it is. Displayed and operated through an excellent 10.1-inch touchscreen at the top of the centre console, it works in a similar way to a smartphone, with clear icons representing different functions.

These allow you to select features such as

sat-nav as well as access a range of other functions such as the radio, media, vehicle information, news headlines and weather forecasts, which – brilliantly – it reads to you.

The sat-nav is particularly impressive as it is easy to programme and follow, and uses real-time traffic updates to plot the optimum routes as you go along.

As our car is fitted with the Audi Virtual Cockpit, a map is also displayed in the digital instrument cluster, further increasing its usability.

The infotainment system allows you to personalise a number of the car's characteristics, such as driving mode, efficiency assist and interior lighting. For me, this is a particular highlight and offers a rainbow of colour choices. My choice is Caribbean (cool blue).





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# CommercialFleet



## VN5 could double van operating cycles

Three years in service could increase to six or seven, claims LEVC

PLUS: AVs WITHIN A DECADE ■ VALUE OF EXTRA SPEC WHEN REMARKETING ■ ON TEST: DAF XF480 FAW



# Courts decide Vivaro and Kombi operated by Coca-Cola are cars

Ruling could mean fleets will pay increased NI contributions and drivers extra BIK tax

By Gareth Roberts

**H**MRC is remaining tight-lipped for the time being about the future tax status of thousands of vehicles, after winning a case in the Court of Appeal.

The case involved drinks giant Coca-Cola and the use of three vehicles – two Volkswagen Kombis and a Vauxhall Vivaro – and whether they should be treated as cars or vans for tax purposes.

Three judges have now decided the vehicles should all have been classified as ‘cars’, increasing the amount of tax due from both the employer – Coca-Cola European Partners Great Britain – and the employees.

It is unclear whether Coca-Cola intends to appeal the decision to the Supreme Court, after failing to respond to enquiries from *Commercial Fleet*. But, if unchallenged, the ruling could set a legal precedent impacting the amount of National Insurance Contributions (NICs) paid by fleets and the level of benefit-in-kind (BIK) tax incurred by drivers.

In handing down the judgement last month, one of the three Court of Appeal judges deciding the case, Lady Justice Asplin, recognised the wider impact of their ruling.

“The question is of considerable importance,” she explained. “Large numbers of employees are supplied with Kombis or Vivaros, or vehicles which share their attributes.”

## VAN OR CAR?

The case was first heard in August 2017, when a First Tier Tribunal (FTT) ruled that, although two modified Kombi T5 vehicles were originally classed as vans for tax purposes, once it considered the characteristics of the two vehicles as provided to the employees in 2016 – and not just at construction – they should be classed as cars, attracting a higher tax rate ([fleetnews.co.uk](http://fleetnews.co.uk), October 2, 2017).

The same court, however, ruled in favour of Coca-Cola, agreeing that a Vauxhall Vivaro provided to an employee in 2011, was “primarily suited to the conveyance of goods” and, as such, qualified for the much-reduced rate offered by company van tax.

The rules regarding classification can be found in the Income Tax (Earnings and Pensions) Act 2003 (ITEPA).

It says that every mechanically propelled road vehicle is a “car” unless it is a goods vehicle (a vehicle of a construction primarily suited for

the conveyance of goods or burden of any description); a motor cycle; an invalid carriage; a vehicle of a type not commonly used as a private vehicle and unsuitable to be so used.

Lady Asplin said: “The fact that a vehicle may look like a van is not conclusive.

“Nor is it the fact that some vehicles bear company logos. The presence of a logo does not go to the question of whether a vehicle is of a construction primarily suited for the conveyance of goods.”

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

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

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

As the mid-sections were equally suitable for carrying goods and passengers in the Kombis, the FTT decided they could not be regarded as goods vehicles.

The Vivaro also featured a number of modifications including a second row of removable seats and one rear passenger window.

The FTT concluded that by a “narrow” margin, the construction of the Vivaro was primarily suited for the conveyance of goods.

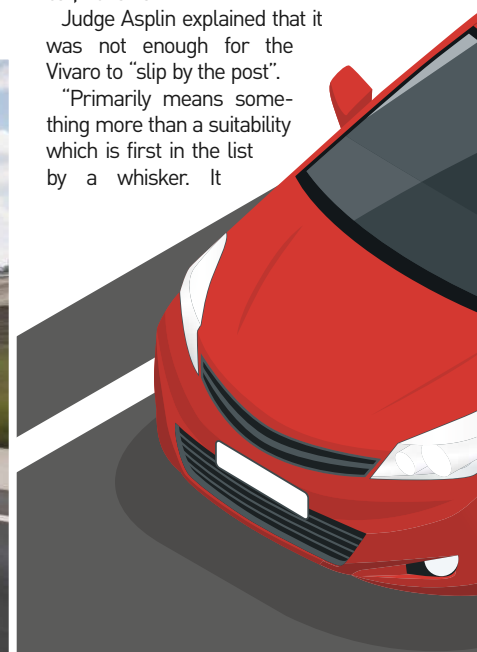
Appeals were lodged with the Upper Tribunal (UT) by both HMRC and Coca-Cola, with HMRC disputing the decision of the FTT on the Vivaro and Coca-Cola on its Kombi ruling. The UT upheld the original decisions made by FTT, publishing its decision last year ([fleetnews.co.uk](http://fleetnews.co.uk), March 26, 2019).

Further appeals were lodged by HMRC and Coca-Cola with the Court of Appeal. The drinks firm lost its appeal on the Kombis, with the Court of Appeal agreeing with the earlier decisions of the FTT and UT.

However, in a change from the original rulings, the three judges decided the Vauxhall Vivaro should now also be classed as a company car, not a van.

Judge Asplin explained that it was not enough for the Vivaro to “slip by the post”.

“Primarily means something more than a suitability which is first in the list by a whisker. It



means 'first' and 'foremost'. It cannot express very narrow margins," she said.

She added both the FTT and UT had been "swayed" by a difference in layout, between the Kombis and the Vivaro, with the latter having space for goods/tools in its mid-section.

"The difference is insufficient upon which to differentiate the Vivaro from the Kombi and to decide that the Vivaro is primarily suited for the conveyance of goods."

HMRC told *Commercial Fleet* that, while it was "pleased" the court agreed with its interpretation of the tax rules, it was "considering the decision carefully", pending the possibility of an appeal, before commenting further.

### LOWER TAX TAKE ON VANS

Double-cab (combi) vans and double-cab pick-up vehicles have become popular in recent years thanks, in part, to the low level of tax a company van attracts.

Employees are liable for the van benefit charge if there is 'significant' private usage – 'insignificant' private usage would be considered no more than a few days' private use.

The van benefit charge currently stands at £3,490 (2020/21) and is multiplied by the rate of income tax paid by the employee, typically either 20% or 40%, meaning a 20% taxpayer would be liable for £698 this tax year.

Company car tax, however, is determined by a sliding scale according to CO<sub>2</sub> emissions, which would prove much more costly if it was applied to a vehicle instead of company van tax.

In 2017/18, the last year figures from HMRC are available, there were 80,000 employees paying the van benefit charge (company van tax) – a 33% increase on the 60,000 reported in 2012/13 – which was worth some £60 million to the Exchequer.

Company car tax, meanwhile, was worth £1.59 billion from just 10 times the number of employees, showing the difference in 'value' of how vehicles are classified to the Treasury.

Tax officials have previously tried to clarify the situation for double-cab pick-ups, with specific guidance that relies on the payload being one tonne or more to dictate whether it should be classed as a car or a van.

The Ford Ranger Raptor, which meets the rules for flat-rate van VED (N1 type-approval) but does not meet the payload standard, is considered a car for BIK purposes.

HMRC told *Commercial Fleet* that the

decision by the Court of Appeal has no bearing on the treatment for tax and benefit purposes of double-cab pick-ups. The Coca-Cola case centred around the classification of combi vans.

Tax expert John Messore, managing partner and director at Innovation, was disappointed with the court's decision. He explained: "The vehicles in this case both started life as panel vans, they were most likely insured as vans, registered at DVLA as vans, held out to be vans by the manufacturer, retailer, employer, driven by staff assuming they were vans for tax purposes and, indeed, used as vans."

"The problem was that HMRC concluded that they would raise more taxes if they argued that the vehicles were cars, not vans."

Messore believes what counted against Coca-

Cola was the second row of seats and rear passenger window so that there was, arguably, a dual purpose.

"The vehicles could have been used to carry goods, but they could equally, in the view of the Court of Appeal judges, have been used to carry people," he said.

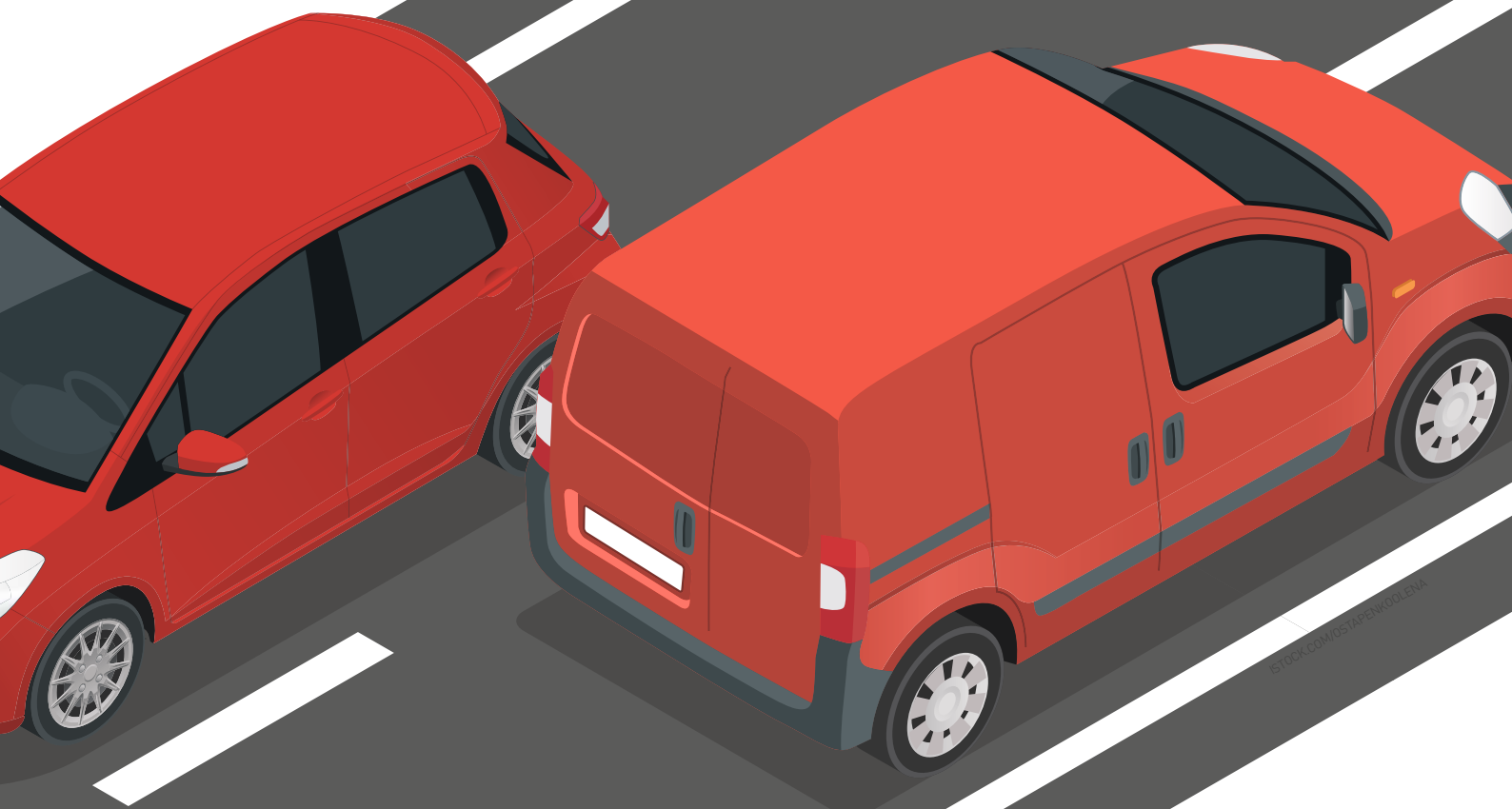
"Far from providing clarity, this case has probably caused more confusion and uncertainty for taxpayers and manufacturers alike."

"I would not be surprised if HMRC now use this case as a precedent to challenge any van that has rear seats or benches, to collect more tax."



“THE FACT THAT A  
VEHICLE MAY LOOK LIKE A  
VAN IS NOT CONCLUSIVE”

LADY JUSTICE ASPLIN, COURT OF APPEAL





# Autonomous trucks could be on roads within decade, says Zenzi

Roadmap needs to be rolled out successfully to allow self-driving vehicles to operate



Daf Trucks (left) has been participating in UK platooning trials as has MAN Trucks (right)

By John Lewis

**S**elf-driving trucks could appear on Britain's highways by 2030 thanks to a connectivity revolution, says Mark Cracknell, head of technology at Zenzi.

Created by Government and industry to champion a connected and self-driving environment in the UK, Zenzi is investing £200 million in a variety of programmes with the aim of making autonomous vehicles (AVs) a reality.

The benefits of AVs will include safer roads, said Cracknell. "By replacing human drivers with automation, we will harness the ability to vastly reduce the number of serious incidents," he said.

Citing figures from the Department for Transport (DfT), Zenzi says that more than 85% of road incidents are attributable to human error.

However, a study released in May by America's Insurance Institute of Highway Safety (IIHS), found the perceived safety benefits of AVs could be significantly lower than commonly believed (*Fleet News*, June 25).

It claimed self-driving vehicles might prevent only one-third of crashes if automated systems drive too much like people.

The trucks Cracknell is referring to will feature Level 4 or Level 5 technology according to classifications set out by SAE (Society of Automotive Engineers) International.

Level 4 will enable them to drive

themselves in geofenced areas. Level 5 will make them completely autonomous, and capable of journeying from one location to another – a warehouse to a supermarket, for example – without any human intervention at all.

Such trucks could be deployed during off-peak hours from 2028 onwards, leading to their appearance during peak hours by 2030.

Come 2030, 0.9% of the UK vehicle parc is likely to feature self-driving technology said Cracknell; a small percentage, but equating to several hundred thousand vehicles.

The percentage penetration of the truck parc is liable to be higher, he suggested, and autonomous vehicles are likely to be concentrated in certain regions of the country; areas where the layout of the road network and the investment made in it lend itself to their use.

Before this happens, the UK Connected and Automated Mobility Roadmap to 2030 compiled by Zenzi will have to be rolled out successfully.

"It's a tool for decision-makers, investors and policymakers for our mobile future," Cracknell said.

Businesses and organisations providing input into its creation include Bosch, Highways England, Transport for London, the Advanced Propulsion Centre and Coventry University.

"More than 150 organisations and upwards of 250 individuals are contributing to its development," continued Cracknell. "We've been



**IT'S A TOOL FOR DECISION-MAKERS, INVESTORS AND POLICYMAKERS FOR OUR MOBILE FUTURE**

**MARK CRACKNELL, ZENZI**

working with the Freight Transport Association (now being renamed Logistics UK) to help define policy."

Areas being addressed include the transmission of V2V (vehicle-to-vehicle) data and the introduction of platooning – likely to be commercially available from 2026 onwards – which should lead to more efficient use of the road network.

Not all truck manufacturers are convinced by platooning's benefits however, especially when it comes to cutting fuel consumption.

Many of these ideas were outlined

in a recent webinar entitled Autonomous Freight Ahead! held in conjunction with the Department for International Trade.

Urban freight consolidation centres form part of the plan as does the introduction of an over-arching national freight traffic control system by 2027.

"It's more about the consolidation and exchange of data than it is about control though," said Cracknell.

Other changes will include a gradual move away from conventional road signs as the relevant information starts to appear on in-cab digital displays.

All these changes will need to be underpinned by a new legislative and regulatory framework along with the appropriate vehicle approvals.

Cyber resilience and digital security will be given top priority, he stressed. "They represent the biggest of the golden threads that run through the whole roadmap."

While much of the interest in self-driving vehicles has centred around cars, Cracknell believes the Covid-19 pandemic has caused the focus to shift to freight. "People are recognising that its movement is essential to society," he said.

He also argues that the advent of semi- or fully-autonomous trucks will help solve the shortage of drivers and cut overheads.

According to Deloitte, up to three-quarters of the cost of operating a truck are associated with the driver in one way or another, so fleets could achieve potentially major savings.

# FTA ADVICE

By Ray Marshall, senior transport advisor, FTA

**Q** Is it legal for a driver to work more than 48 hours in a week if they are less than 48 hours at the end of the 17-week reference period?

**A** A driver can work more than the 48-hour limit provided that, by the end of the reference period, they are under the 48-hour limit and they do not exceed the maximum of 60 hours in any week.



ISTOCK/MLADENBALINOVAC

## HSE urges businesses to become Covid-secure

The Health and Safety Executive (HSE) is calling for businesses to ensure they're Covid-19-secure as more sectors open their doors and start operating again.

Inspectors are touring workplaces, putting employers on the spot and checking that they are complying with health and safety law. Being Covid-secure means being adaptable to the current guidance and putting measures in place to control the risk of coronavirus to protect workers and others.

There are five practical steps businesses can take:

**Step 1.** Carry out a Covid-19 risk assessment in line with HSE guidance.

**Step 2.** Develop increased cleaning, hand washing and hygiene procedures.

**Step 3.** Take all reasonable steps to help people work from home.

**Step 4.** Maintain two-metre social distancing where possible.

**Step 5.** Where people cannot be two metres apart, manage transmission risk.

Philip White, HSE director of regulation, said: "Becoming Covid-secure should be the priority for all businesses. By law, employers have a duty to protect workers and others from harm and this includes taking reasonable steps to control the risk and protect people from

coronavirus. It is important that workers are aware of the measures that will be put in place to help them work safely.

"Ensuring workplaces are Covid-secure will not only reassure and increase confidence with workers, but also customers, partners and the local community. Nobody wants lockdown measures to be reversed and the Government has made clear that it will not hesitate to do so if the virus is not properly controlled."

HSE has been monitoring businesses with a combination of site visits, phone calls and through collection of supporting visual evidence such as photos and video footage.

Some of the most common issues inspectors are finding include: failing to provide arrangements for monitoring, supervising and maintaining social distancing, failing to introduce an adequate cleaning regime – particularly at busy times of the day – and providing access to welfare facilities to allow employees to frequently wash their hands with warm water and soap.

HSE will support businesses by providing advice and guidance; however it will take action against employers who do not manage the risk.

**Q** Can you confirm that a nine-seater vehicle (eight passengers plus the driver) is considered a car and not a minibus? And therefore, can it be driven by a driver who holds a full Category B licence?

**A** A minibus is defined as a motor vehicle constructed or adapted to carry more than eight passengers, but not more than

16 in addition to the driver.

A driver holding a full Category B entitlement is permitted to drive vehicles with a maximum authorised mass not exceeding 3,500kg, and not more than eight passenger seats in addition to the driver's seat. So, if the vehicle has eight passenger seats and is less than 3,500kg, it can be driven using a Category B entitlement.



## DVSA to issue more certificates of temporary exemption (CTEs)

The Driver and Vehicle Standards Agency (DVSA) has announced it will start to issue Certificates of Temporary Exemption (CTEs) of up to 12 months for certain low-risk vehicles; longer exemptions will only be applied to vehicles and trailers specified on operator licences.

The aim is to remove lower-risk vehicles (those run by operators in the Earned Recognition scheme, those in the 'top end' of the green score in the Operator Compliance Risk Score – OCRS – and all vehicles two years old or less) from the need for commercial vehicle testing.

This should help to ensure test capacity is sufficient to meet demand from the remainder of the industry. There will be greater-than-normal volumes of tests due as a result of the continued issuing of CTEs since March.

Operators in Earned Recognition or 'upper' green on OCRS will be issued with CTEs of up to 12 months, so the vehicle's test date in 2021 will be the same as it was originally due in 2020. It is essential vehicles in the fleet are correctly specified on Vehicle Operator Licensing

(VOL) from August 21, 2020.

For operators who do not meet the lower-risk criteria, but do have vehicles that have not yet been issued a CTE (original test date September 2020 onwards), DVSA has confirmed that all vehicles with test dates due before March 2021 will be issued with a three-month CTE.

This will mean, for example, vehicles originally planned to be tested in September will now be due in December. Operators wishing to avoid taking a vehicle off the road during the Christmas peak may still want to have the vehicle tested on the original date; however, test centres have been instructed to prioritise vehicles with tests due that month.

All exemptions will be applied automatically, and DVSA will aim to notify upper-green OCRS operators who qualify for the 12-month exemption, but this cannot be guaranteed. An eligible operator will not need to do anything unless it has vehicles not specified on the licence (e.g. trailers or PSVs), but they should check online to ensure the date of a vehicle's test expiry has changed.





# Versatile VN5 could double fleets' operating cycles

Three years in service could increase to six or seven, says LEVC. *John Lewis* reports

**T**he first deliveries of the new British-built VN5 electric van from LEVC (London Electric Vehicle Company) are expected to arrive at fleet customers in early November.

Using the same eCity range-extender technology as the company's TX taxi and the same front end, it has a range of 58 miles on zero-emission battery power, says head of product management James Drake-Lee. That increases to 301 miles when the vehicle's 60kW 1.5-litre petrol-powered range-extending generator kicks in, he adds.

The figures are subject to WLTP certification.

Maximum gross payload is 830kg with a gross weight of 2.9 tonnes, and the newcomer comes with a 5.5cu m load area. "VN5 is 400mm longer than TX," Drake-Lee says.

Using the range-extender approach rather than going the pure battery-electric route makes sense for many fleets because it matches their duty cycles more closely, he adds.

"The vast majority of the journeys vehicles operated by logistics companies make are not solely within cities," Drake-Lee points out.

"Let's suppose you have to drive from Heathrow Airport to central London to make four deliveries," he continues. "That's a round trip of 47 miles, much of it on the M4, with just 10 miles driven in

the Ultra Low Emission Zone (ULEZ). VN5 can do that run six times a day. A battery-electric van of a similar size can't because it doesn't have the range."

When VN5 enters the ULEZ it can switch to battery power only in line with zero-emission requirements, thereby avoiding the £12.50 daily levy. As a consequence, it gives fleets the best of both worlds, according to LEVC.

The VN5's range-extender engine enables it to handle situations where urgently-needed items have to be taken non-stop by road from, say, Heathrow to central Manchester; a distance of almost 200 miles. No driver of a pure electric van would attempt such a journey without an interim battery recharge.

"Battery-electric vans are fine for last-mile deliveries, but VN5 can be more versatile," says Drake-Lee.

Even when the generator kicks in, the rear-wheel-drive VN5 is always driven by its rear-mounted 110kW electric motor. Like the centre-mounted onboard chargers, it sits under the floor.

"All the vans have a 50kW DC charger and a 11kW AC charger fitted," he says. "A 22kW AC charger is optionally available."

A 400v/31kWh lithium-ion battery is installed. A full charge can take as little as 30 minutes, says LEVC.

Volvo Cars and LEVC are both owned by Chinese automotive giant, Geely. Many of the components used in VN5 are also found in Volvo's XC60 and XC90 cars.

Access to the purpose-built load area is by means of twin asymmetric rear doors split 60/40. "Customers can specify a sliding nearside door, a sliding door on the offside too, or no side doors at all," he adds.

Benefiting from slim rear wheel boxes and having eight tie-down points, the cargo bed can accommodate two Euro pallets. The sliding door apertures are wide enough to allow one to be side-loaded, with the other fork-lifted through the rear.

The van sits on 17-inch wheels and is equipped with electro-hydraulic power steering delivering a 10.1m turning circle. The suspension features MacPherson struts and an anti-roll bar at the front along with a five-link set-up and a transverse composite leaf spring at the rear.

VN5 is covered by a five-year/150,000-mile warranty increasing to eight years/150,000 miles for the battery, and the service interval is set at 12 months/25,000 miles.

LEVC is embarking on a fleet trial programme with operators such as the Royal Mail and DPD among the 25-plus businesses involved, and is steadily developing a network of sales and service



Its front end may look like a taxi, but the VN5 from LEVC is an electric vehicle that capable of carrying a lot more than paying passengers



“YOU ARE  
LOOKING AT A FUEL  
COST OF AROUND 2p  
A MILE COMPARED  
WITH 11p A MILE FOR  
AN EQUIVALENT  
DIESEL MODEL”

JAMES DRAKE-LEE, LEVC

outlets. More than 50 locations should be in place by the end of the year.

The fleet trial vehicles are in fact TXs with the rear passenger area converted into a cargo bay. “We decided to adopt that approach to give operators some experience of the technology in advance of the van’s launch,” he says.

Equipped with LED headlights, the van is based on an all-aluminium monocoque that is bonded together, with no welding or riveting, and clad with SMC (sheet-moulding compound) panels made from a glass-fibre reinforced polyester material which are bonded into place.

The entire structure is light and strong, and will not corrode. The body is 30% lighter than a conventional steel body says LEVC, which claims that pound-for-pound it can soak up twice the crash energy mild steel can be absorb.

SMC is by no means unknown in the commercial industry and has a long pedigree. ERFs were fitted with cabs using SMC panels fixed to a steel frame.

VN5’s rot-proof structure and the technology it uses – electric motors require next to no servicing – ought to prompt fleets and leasing companies to revise their views on how long newly-acquired light commercials should remain in service, says Drake-Lee.

“Our vehicle makes a shift to a longer first-life possible, from a typical three years to six or seven,”

he contends. “Some of the contract hire companies are very receptive to this idea and recognise that we’re seeing a paradigm shift in the market.”

Lex Autolease has arrived at a half-way house, quoting a monthly rate of £493.92 plus VAT based on a 60-month/20,000-miles-a-year contract excluding maintenance.

Three VN5 spec levels are listed – Business, City and Ultima – with all models equipped with autonomous emergency braking system (AEBS), driver and passenger front and side airbags, cruise control, a nine-inch touchscreen and dual-zone climate control. City additionally features extras such as front and rear parking sensors and lane departure warning, while Ultima includes a rear-view camera and the aforementioned 22kW AC onboard charger.

Option packs listed include Comfort (with sat-nav and a heated windscreen among other items) and Safety (including road sign information system and speed limit intelligent function).

Prices will start at £46,500 excluding VAT and excluding the Government’s plug-in van grant. “It should qualify for the full £8,000,” says Drake-Lee.

That still makes it pricier than a diesel. “Remember though, that you are looking at a fuel cost of around 2p a mile compared with 11p a mile for an equivalent diesel model,” he adds.

Like the cab, the van is built at LEVC’s Ansty, Coventry plant. It can produce 20,000 vehicles a year, says the company.

Geely has pumped more than £500 million into LEVC since 2014 and the all-new factory began assembling vehicles in January 2018. Since then, it has built in excess of 4,000 cabs.

That means it has been running at significantly below capacity, but LEVC aims to have it operating at maximum output come 2022. The van is expected to account for 70% of its total volume.

LEVC has also developed the TX Shuttle. Using exactly the same technology as TX and VN5, it is aimed at public transport operators wanting to offer demand-responsive ring-and-ride services.

A short test drive along dual carriageways and around roundabouts close to the Ansty factory showed that TX Shuttle offers strong acceleration, rides and handles well, is well put together and is, of course, remarkably quiet. VN5 looks set to share these characteristics.

LEVC plans to expand the VN5 range and is making the model available to converters. Modul-System has already kitted one out with racking so it can be used as a mobile workshop.

“We have no plans to produce it as a chassis cab however,” Drake-Lee says. “At least not in the short term.”





# EXTRAS CAN PAY OFF WHEN REMARKETING

Being 'fit for purpose' is not the only consideration when spec'ing vans, reports *John Lewis*

**D**eliberately opting for extras on vans with an eye to boosting their second-hand value can pay dividends. Yet it is a policy that fleets do not always pursue when making acquisitions.

"It doesn't come into the conversation," says Activa Contracts remarketing manager Martin Hughes.

Venson Automotive Solutions marketing director Alison Bell adds: "Their decision is driven primarily by what they need the vehicles for and whether they are fit for purpose, rather than specifying them with the resale value in mind. Other considerations include how good a manufacturer's dealer network coverage is, and whether there are a lot of warranty and maintenance issues associated with its products."

James Davis, customer strategy and insight director for commercial vehicles at automotive services organisation and auctioneer Cox Automotive, says: "Fleets mainly look at the transaction price and the level of support they're getting from the manufacturer concerned."

However, additional features that add to safety and comfort can help a fleet discharge its duty of care to its drivers, says Davis, as well ensuring better residual values (RVs); and healthier resid-

uals can help drive down regular payments if vehicles are acquired on contract hire.

"Reversing cameras and sensors make a van safer and can reduce the amount of accident damage it suffers as well as adding to its desirability second-hand," he says.

If it suffers less accident damage while in fleet service then repair costs will fall, and RVs should improve.

Although used buyers may find safety devices appealing, that is not to say they will pay extra for them. "They'd rather have heated seats and air conditioning than side airbags," says Hughes.

Shoreham Vehicle Auctions managing director Alex Wright says: "Air conditioning is starting to have a positive impact second-hand and is becoming the norm."

A study conducted by BCA last year revealed that air-conditioning added well in excess of £1,000 on average to the price realised by used light commercial vans (LCVs).

"A van such as a Renault Trafic with air-con, sat-nav and finished in an appealing colour can make bundles," says Wright. He has known Trafics factory-finished in lime green fetch £1,000 more than those in more common tones.

"They're all things the small business

buyer is looking for," he remarks.

His comments apply to younger stock, he stresses. "Once a vehicle is five or six years old and has covered 100,000 miles or more then small business buyers are not worried about the specification," he says. "They just want something that will do a job of work."

Used van buyers may like to see cruise control, but may not be so interested in sat-nav, says Davis. "A lot of people have got smartphones and use Google Maps instead," he says.

Hughes stresses: "A van must have Bluetooth though. If it hasn't, you've got a big problem."

Automatic and automated manual boxes have a definite appeal.

A Volkswagen Caddy or Transporter with a dual-clutch DSG (direct shift gearbox) transmission has a massive advantage over one with a manual box, says Wright. "They're like gold dust," he comments.

Says Davis: "I've known cases where a DSG box has added more to a van's price than the option costs new."

Geoff Flood, commercial vehicle sales manager at auctioneer Aston Barclay, sounds a note of caution, however. "The presence of an auto box can mean that a van will fetch £700 less than a



## SPONSOR'S COMMENT

By Gary Sullivan, managing director,  
Van Monster Remarketing



The word "remarketing" isn't new. It has been used within the motor trade to describe a sales channel as a way to "buy and sell" used vehicles, predominantly via

physical auction, for decades.

But, times are changing. It's clear buyers want choice and accessibility to vehicles without having to drive for hours around the country. Also, perhaps time stood in auction halls isn't always productive and, as a result, the ability to buy online is growing significantly in popularity.

As a fleet manager or operator you may not yet have explored the possibility of selling your vehicles through a remarketing channel dedicated to the CDV and LCV buyer – this choice is now available to you all whether you have one vehicle or hundreds – opening up the opportunity to sell your vehicles directly to trade buyers who are ready and waiting.

In this 'new normal' – considering transport costs and your plans to reduce carbon emissions – you don't always have to transport vehicles to a physical auction, other options such as Van Monster Remarketing are available.

You should be able to manage all this directly from your desk if you so choose. Options may range from joining your vehicles in a virtual sale alongside other sellers or having an online auction solely for your vehicles.

It will pay in the long run to be agile, given today's challenges. It is as well to be aware of all the vehicle disposal options available as your needs will no doubt change. Access to buying and selling commercial vehicles in an online world should be top of your consideration list.

To find out more, visit  
[www.vanmonsterremarketing.com](http://www.vanmonsterremarketing.com)



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manual if it is high-mileage and several years old," he comments.

Potential buyers may fear hefty repair bills if the box goes wrong.

"If it is newer and low-mileage though then it may attract a premium price," Flood adds.

More power than the fleet operator may need can play well in the second-hand sector, but has to be balanced against the potential risk of more fuel consumption, accidents and speeding tickets for the fleet's drivers.

Aston Barclay has an auction site in Leeds, among other locations. Flood says: "We find that in a hilly area like West Yorkshire, used buyers want the 140hp rather than a 102hp Transporter."

Perhaps surprisingly, Citroën Berlingos with three-seater cabs are extraordinarily popular second-hand, says Flood, despite the limited elbow room for the centre passenger. They appeal to customers who use their vans for personal transport in the evenings and at weekends.

"They can accommodate a child as well as the driver and spouse," he points out. The ability to use them as family transport as well as for business purposes means crew vans, with a second row of seats plus a load area at the back, have a ready audience among used buyers too. ➔



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THE VANS WE  
SELL ARE NOT  
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ASTON BARCLAY



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“A VAN SUCH AS A RENAULT TRAFIC WITH AIR-CON, SAT-NAV AND FINISHED IN AN APPEALING COLOUR CAN MAKE BUNDLES”

ALEX WRIGHT, SHOREHAM VEHICLE AUCTIONS



Even the type of doors fitted can make a difference to a van's second-hand desirability. Hatch- or tailgate-type back doors rather than twin rear doors can be more appealing on certain medium-size panel vans because it's easier to convert them into campers.

Hughes says: "A Vivaro with a tailgate can make up to £500 more than one with twin doors."

As group fleet manager at Auto Windscreens, Shaun Atton understands that opting for cheaper, entry-level vehicles does not necessarily translate into lower leasing costs. The bulk of his firm's 310-strong all-Ford van fleet is made up of Transit Customs and he is upgrading one rung, from entry-level Leader trim to Trend.

As a consequence, Auto Windscreens drivers will benefit from safety-related features such as front and rear parking sensors and front fog lights. Atton additionally specifies its Customs with adaptive cruise control plus air-con.

The safety systems specified mean the vans sustain less damage – good news from the RV viewpoint – and are at less risk of being involved in an accident.

"We're meeting our duty of care, we've got a happier workforce and we're getting a better leasing rate," Atton comments.

Obtained through three lessors – CVM, Arnold Clark-owned Activa, and Rivervale – the Customs stay in service for three years and each cover around 30,000 miles annually.

#### A QUESTION OF PRESENTATION

How should an ex-fleet LCVs be presented to prospective purchasers?

Any business or personal data that the vehicle may hold must be deleted prior to disposal and the spare ignition key plus the keys for any extra locks that may have been fitted must be available. "Having all the keys present is a real must," Wright says.

A full service history adds to the van's used credibility and should be accompanied by the V5C logbook and MOT certificates, if applicable.

"You should certainly ensure the van is given a good clean, inside and out, and the livery is removed," Wright continues. The fleet's name, address, logo and so on should all be stripped off, and a cutting compound and plenty of elbow grease should be used to remove any tell-tale outlines they may have left behind.

"The vehicle has to look presentable," he says.

This is especially the case given that auctions have increasingly enabled buyers to bid online in recent years. Online gives purchasers more time to peruse photographs of a vehicle from all angles before they decide whether to bid or not.

Stuart Pearson, BCA's chief operating officer, UK remarketing, says: "With increasing volumes of vehicles being sold digitally, presentation is important for online buyers in combination with high-quality imaging and accurate appraisals."

Vendors who use auctions do so because the process is transparent, there is no comeback from the buyer and they can expect to see their money quickly.

What they receive, however, is the trade rather than the retail price, and there is likely to be a difference of several hundred pounds.

Some operators sell their vehicles themselves – always an option if they have been bought outright – which, potentially, allows them to achieve a price closer to retail. On the downside,

however, it is time-consuming, the van is likely to take longer to sell than at auction, a warranty may have to be provided and complaints and demands for compensation may ensue if buyers have problems with their purchases.

Outright purchase can be accompanied by a buy-back deal under which the manufacturer agrees to buy the vehicles at a pre-agreed price at a future date. An open buy-back deal gives the fleet the option of selling the vans itself if it reckons it can get a better price than the manufacturer's buy-back figure – worth considering.

If a van has been vinyl-wrapped, the wrap should be removed, Pearson says – hopefully revealing pristine paintwork underneath – and BCA can deploy a variety of smart repair techniques to deal with damage to paint and trim.

Really extensive refurbishment is unlikely to yield a return on the expenditure required unless the van happens to be late year, low mileage and with a high specification.

"Have a bonnet re-sprayed to get rid of a few stone chips and prospective buyers may think you're trying to disguise a major front-end shunt," remarks Steven Botfield, senior commercial vehicles editor at Cap HPI.

Flood says that "92% of all the vans we sell are not refurbished and are, instead, sold 'as seen'. Auction bidders prefer to see them in the raw".

Replacing the load area's ply lining may be worth considering, though. "Some buyers may be suspicious that you're trying to hide something, but they also know that if it's badly-stained with old oil for example then they'll have to change it anyway," Hughes observes.

Damage and excessive wear and tear due to driver abuse are likely to be minimised, and residuals enhanced accordingly, if fleets monitor their LCVs closely while in service.

That is likely to involve installing a tracking package with driver behaviour telematics to pick up instances of speeding and harsh acceleration; issues that can be raised with the individual concerned with an eye to



A Vauxhall Vivaro with twin rear doors could be worth £500 less than one with a tailgate



implementing a driver training programme.

An incentive scheme that rewards drivers with zero own-fault accident damage can be beneficial too, suggests Hughes.

Adherence to manufacturer maintenance schedules is vital, but long service intervals mean that interim checks are likely to be necessary to ensure the van's condition is not allowed to deteriorate. "Many LCV fleets utilise mid-life inspections to identify any issues before they become expensive to repair," says Pearson.

Hitachi Capital Vehicle Solutions managing director Jon Lawes says: "Effective maintenance procedures are key to protecting a van's RV. So, to help fleet managers and drivers stay on top of maintenance, we operate a driver app and booking portal.

"Our advice to drivers is to conduct regular checks and quickly report any instances of damage so they don't turn into more serious issues further down the line."

If drivers who work from home have to attend periodic meetings at head office or regional



## OUR ADVICE TO DRIVERS IS TO CONDUCT REGULAR CHECKS

**JON LAWES, HITACHI CAPITAL VEHICLE SOLUTIONS**

centres then ensure they bring their vans with them, Hughes advises.

"Then audit their vehicles, if necessary using an independent third party, while the meeting takes place," he says. "If they know their vans are going to be inspected every few months that will ensure they look after them, and that issues such as

bumper damage are reported and dealt with."

A fleet should avoid disposing of a large quantity of vans with an identical spec at one go, says Botfield. Doing so will depress the price.

"It makes far more sense to follow a policy of phased de-fleeting and drip-feed them into the market," he observes.

### DEMAND FOR USED VANS WILL RISE

Wright is confident the second-hand van market will come back strongly post-lockdown as the economy gets moving and SMEs try to catch up with a backlog of orders.

"It looks as though the big infrastructure projects will begin to get underway again and the demand for used vans will rise as sub-contractors return to work," he says. "Ex-lease stock will start to come back into the market in late summer at a time when SMEs will be looking to replace existing vehicles, or acquire more.

Wright suggests that this all bodes well for a stronger market in quarters three and four.

Flood adds: "We could find it's red-hot."

## IT'S A SIMILAR STORY WHEN REMARKETING TRUCKS

As with vans, the priority for truck fleet operators is to ensure the vehicles they buy most closely suit their needs, but it is worth considering likely residual values (RVs).

If a truck with clear resale advantages can work for a fleet without too many compromises, then it may be a different story.

Paul Young, regional asset manager UK, Ireland and export at PACCAR Financial Europe, and thus closely involved with the remarketing of Dafs, says: "We have customers take XF Space Cab tractor units rather than the smaller CF Space Cab, which may be equally suitable for their purposes, because the RV is higher."

The better residual can result in a lower leasing rate, says Young. Furthermore, the bigger XF is likely to appeal to a wider pool of drivers than the CF; an important consideration given that truck drivers remain thin on the ground.

The CF's more-compact dimensions give it an advantage over XF when it comes to used truck exports. Young says: "They make it £500 to £600 cheaper to ship."

Truck manufacturers are eager to fund the new vehicles they sell, wherever possible. "Around 80% of the trucks we supply to the UK market are funded through MAN Financial Services on contract hire with maintenance agreements," says Chris Sharp, UK head of MAN's TopUsed approved used vehicles operation.

Every attempt is made to retail them through MAN dealerships when they come back. If that is not possible then they may be shipped overseas rather than sold to traders or packed off to auction; an approach that helps maintain UK residuals.

Sharp adds: "Roughly 15% of the trucks we get back are exported. We don't use auctions."



Daf XF often fetches higher RVs than the CF

Tighter restrictions on the age of the trucks some countries will allow in, plus tough competition from Chinese manufacturers who pitch their new trucks against used ones from the West, is making exporting more difficult. "There are still some markets that will accept trucks up to 10 years old though," Sharp says.

Is there any one feature that can immediately enhance the value of a truck?

"Pre-plumbing for a PTO (power take-off)," Young replies. "It adds £100 to the cost of a truck if you have it done on the production line, but can cost you £1,000 if you have to have it retrofitted."

Other features likely to appeal to second-hand buyers who need to attract and retain drivers are a fridge in the cab and a high-specification driver's seat, says Young. Compliance with London's Direct Vision Standard can help, too.

One fleet that specifies trucks with an eye to residuals is Northern Ireland-based RAS Haulage. "The more extras there are on a truck, the easier it is to sell," says Paul Spence, who helps run the family business.

It is a policy illustrated by the firm's latest acquisition: a Renault Trucks Range T520 High 6x2 tractor unit. As well as adaptive cruise control and an axle weight indicator, it features Kelsa light bars, twin roof-mounted air horns, and Alcoa Dura-Bright aluminium wheels; the sort of truck that attracts and helps to retain drivers.

MAN stresses that, overall, the trucks must be right for the customer.

Sharp says: "You can't shoehorn them into trucks that aren't right for them. You have to be a true business partner for them.

"You don't want a customer to say 'well those vehicles didn't really work out for me, I won't be going back to MAN.'"





# DAF XF480 FAW

Daf tridems continue to increase in popularity with the XF480 FAW

By Tim Campbell

**T**he transition from a double-drive-fits-all scenario to the emergence of single drives and tridems in the multi-wheeler market has taken a few years, but it is well and truly established now.

Driven by demand for more economical and emission-friendly transportation, truck manufacturers and transport operators are questioning some of the traditional ways of moving a product from one place to another in an efficient way.

The result has been a widening in the product offerings to six- and eight-wheeler operators, based around the various niches contained in this very diverse and demanding sector. This is where the Daf FAW multi-wheeler with a tridem configuration

steps in, offering good off-road traction, improved payload over a three axle, and a lifting steered trailing axle for improved manoeuvrability.

Daf Trucks marketing manager Phil Moon says: "Many construction operators have moved from 6x4 to 8x4 to take advantage of the extra 4-5 tonne payload. But they have had to tolerate a reduction in easy access to tight locations. The FAW allows them to regain that manoeuvrability and take advantage of the extra payload."

The FAW can be specified with either the CF or XF cab, the former in a 2,300mm wide day, sleeper and Space cab and the latter in a 2,490mm wide Space and Super Space cab. All cabs sit on a four-point mechanical suspension with air as an option.

Inside, the trim colour is a light beige, officially described as Dark Sand and is contrasted with very dark grey (virtually black). In fact, it's piano black on the XF.

A 'Comfort Air' seat comes as standard with a fixed co-driver seat, behind the driver is a single bunk without drawers and the cab climate is controlled by either air-con or an auxiliary cab heater.

Remote-controlled central locking, electrically-controlled and heated mirrors and LED daytime running lights are also standard.

The CF cab offers the full range of Paccar MX-11/ MX-13 Euro VI engine starting at 375PS, then 416PS and, finally, the top power rating of 456PS at 1,600rpm. Torque levels increase from 1,800/1,900Nm, 2,000/2,100Nm and 2,200/2,300Nm respectively, and all develop around 900-1,125rpm.

The CF also offers the 12.9-litre Paccar MX-13 engine starting at 436PS, through 487PS to the most powerful 537PS, the respective torque figures

start at 2,150/2,300Nm, then 2,350/2,500Nm and finally 2,500/2,600Nm – all developed at 900rpm except for the 537PS which is 1,000rpm. The XF models take the high output MX11 and all the MX 13 power ratings with both engines having a three-stage engine braking system controlled via a stalk on the right hand side of the steering wheel.

Behind the engines is the TraXon 12 speed automated gearbox with options of a manual 16-speed, 16-speed automated TraXon, and an option to have an overdrive on the top gear.

As we drove along the dual carriageways the MX13 487PS sat at 56mph comfortably and well within the green economy zone. Even when driving down the very narrow roads and in small towns, the visibility was good considering we were in such a large cab.

Perhaps the biggest issue was my poor driving skills. In the first 10 minutes I tried to get used to the very noticeable effect of the rear steer and its increased steering angle.

For the early part of the drive, the truck tended to cut into the corner and kerb slightly, but this was soon cured by reducing the steering input and, after that early lesson, all was well!

Later in the day we entered a private quarry to test out the tighter turning circle and, having switched to manual drive, the truck took corners that would only be possible for a conventional eight-wheeler with a reverse and shunt manoeuvre.

The FAW is the relatively new kid on the block and offers a greater payload potential against a six-wheeler, better turning circle and has one of the largest cabs on the market.

If you have the need, it's well worth a trial.

## DAF XF480 FAW

SPECIFICATIONS	
Engine	Paccar MX13
Power	487PS (355kW) @ 1,600rpm
Torque	2,300-2,500Nm @ 900rpm
Gearbox	12-speed TraXon Automated
Front axle	10,000kgs
Rear axles	8,000kgs
GVW	32,000kgs
Chassis weight	10,150kgs
Wheelbase	4.55m
Warranty	two-year unlimited mileage vehicle warranty and third year driveline warranty



# THE LAST WORD

## RUSSELL THOMS

MANAGING DIRECTOR, DRIVESMART

After close to 30 years in fleet, Thoms is a believer in persistence and taking responsibility for your actions and decisions. You could say he 'swears' by these tenets, but no rude words, please

The advice I would give to my 18-year-old self is never look back – whatever decision you make, see it through to the end.

If money was no object, I'd buy a house by the sea – I was born in a northern steel town and a summer weekend trip to the coast was always a top choice for family outings.

My favourite movie quote is: 'Momma always said life was like a box of chocolates – you never know what you're gonna get.' Tom Hanks in *Forrest Gump*.

My hobbies and interests are fixing the things my grandchildren break – if grandad can't fix it, it really is broken.

If I were made transport minister for the day I'd abolish traffic lights – if we could all just learn to compromise and let others go first.

A book that I would recommend others read is *Thriving on Chaos* by Tom Peters – more than 30 years old and just as apt in today's business world.

My first memory associated with a car is holding a portable radio out of the window of my father's car so I could listen to England's 1966 World Cup win.

My pet hate is swearing – we've got enough words in the English language to get by without using the rude ones.

The song I would have on my driving playlist is Mama Cass – *Make Your Own Kind of Music* (two years ago this song was covered by Paloma Faith to accompany a TV advert for Škoda UK).

### Why fleet?

Fleet business relies on long-term relationships and this suits my character better than the more transient nature of retail sales.

### How I got here

From HMRC to the City, then global management consulting and a desire to run my own business.

### Latest products, developments and achievements

The 'DriveSmart' and 'iceorelectric' websites – these combine tax, data analytics and nearly 30 years of experience in fleet.

### My company in three words

Knowledge, practice, persistence.

### Career influence

Everywhere I've worked – you learn as much from your worst employer as your best one.

### What makes a good MD?

Responsibility – take it for everything your business does, but give the credit to everyone else – staff, suppliers and customers.

### Advice to fleet newcomers

Study and persist – learn about your customers and your trade, then keep going back to them no matter how many times they say 'no'.

### If I wasn't in fleet

I can't help tinkering with things, so I'd probably be a repairer or restorer.

“LEARN ABOUT YOUR CUSTOMERS AND YOUR TRADE, THEN KEEP GOING BACK TO THEM NO MATTER HOW MANY TIMES THEY SAY 'NO'”

Next issue: David Morris, channel manager at Goodyear