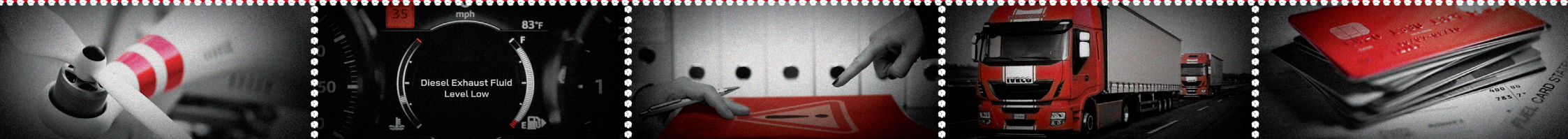


Fleet Matters

Best practice in fleet management

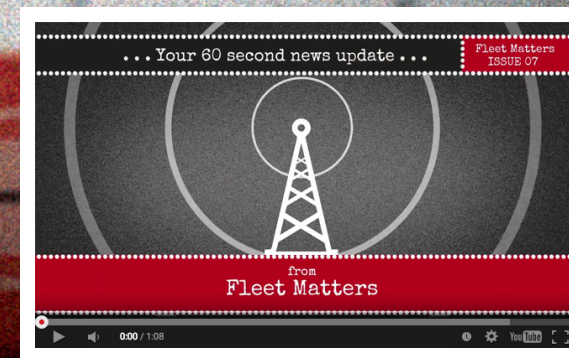
ISSUE 07



Best practice in fleet management

Fleet Matters:
ISSUE 07

We bring you the news that matters, selected for its impact on fleet management best practice. In this issue, we cover five hidden costs and threats to fleets. These include one warning for future reference – and four challenges that require immediate action by many fleet managers.



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You may be liable if one of your vehicles is involved in a road accident. Much depends upon witnesses, including your own driver. This gives you some protection against prosecution and claims for injuries and damage, but it could change.

The Modern Transport Bill has not been published, but the [Queen's Speech](#) set out the intention to, "ensure the UK is at the forefront of technology for new forms of transport, including autonomous and electric vehicles."

Trials of driverless vehicles are planned for [Bristol](#), [Coventry](#) and [London](#) streets. Tests are already under way on pedestrianised areas of [Milton Keynes](#). Manufacturers are investing heavily in autonomous vehicles, with [Audi](#) expecting to come to market during 2017.

BMW, Ford, Jaguar, Land Rover, Nissan, Toyota have all announced launch dates and even [Google](#) is getting in on the act.

Current autonomous vehicle R&D is focused on cars, but the scope will widen. Sooner or later, every fleet manager will have to contemplate the issue of driverless road vehicles. More immediately, thousands of other unmanned vehicles are already in daily use nationwide and the commercial possibilities need consideration.

Anyone can buy a drone and start to fly it. Usually, that is exactly what happens although drones are not toys, they are vehicles. As such, commercially used drones should be the responsibility of fleet managers. Before any organisation considers operating drones, the law should be checked. It is very clear:

"You must be in possession of a Permission issued by the CAA before you conduct any aerial work with your drone."

If your organisation uses an unmanned aerial vehicle commercially without CAA permission, your risk begins with the potential for prosecution. If you have a drone involved in an accident, the possible consequences range from reputation damage to unlimited legal penalties.

Action Point: If your organisation uses drones, or may do in the future, take ownership to ensure legal compliance.

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Finance – the hidden cost of additives

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Despite the controversy over VW's behaviour on emissions testing, diesel-powered vehicles continue to be popular with fleet managers. Emission levels are important, for both financial and social reasons, but there are plenty of other reasons for choosing diesel over petrol.

One of the key differences between diesel and petrol, only a minor factor at procurement time, is easily overlooked and can become an unpleasant surprise for drivers. Euro 6 means diesel cars and vans registered since September 1, 2015, face a NOx emission limit of just 80 mg/km, less than half of the previous maximum. This is not normally a problem, as many older vehicles already met this standard.

The issue is the way in which such vehicles comply. An additive injected into the exhaust system, based on urea,

catalyses a reaction to convert the NOx emissions into harmless nitrogen and water vapour. The best-known brand is AdBlue, although generic brands are commonplace. As with any consumable, AdBlue runs out and has to be replaced. This is typically carried out during a normal service, but this is often not frequently enough.

Who pays for AdBlue replenishment? With some vehicles needing a top-up every 3,000 or 4,000 miles, drivers will not welcome the cost. It is possible to find it

for around £1 to £2 per litre, but a typical car or van will take 20 to 30 litres. With the vehicle being undriveable without AdBlue, drivers cannot afford to wait. Forecourt prices can be much higher, even assuming that on-forecourt replenishment is possible. Being designed for HGV use, AdBlue pumps operate with a high flow rate that makes use with a relatively small tank problematic.

The cost of AdBlue can be covered by the employer, but this presents its own issues. A vehicle can not be refilled while out on the road and the additional expense may not have been factored into pre-procurement whole-life costing. However it is handled, diesel-powered cars and vans are likely to need regular replacement of diesel exhaust fluid and somebody will have to pay for it.

Action Point: Ensure that all drivers of relevant vehicles know who is responsible for AdBlue replenishment.

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Safety – ignorance is no excuse

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A recent report suggested that more than one-third of company car drivers are so ignorant of the Highway Code and basic road laws that they represent a high risk. Even allowing for the possible vested interest of the training company conducting the research, this is worrying. It is only partially mitigated by drivers' better scores for attitude, hazard perception and concentration/observation.

It raises a serious question, yet to be researched. Do fleet managers realise that many of their drivers may be putting themselves, other employees and the public at risk? It is not just that individuals may be vulnerable. If a prosecution is brought against a company driver for dangerous or careless driving, the employer could also find itself in the dock.

In an ideal world, every fleet manager checks licences before allowing employees to represent them on the road, with regular and frequent rechecking.

In reality, rechecking is far from the norm. Worse, this is the bare minimum needed to check that a driver is safe. An apparently experienced driver may have qualified so long ago that their knowledge is now decades out of date.

Even lane-hogging and tailgating, obviously dangerous practices, have only become illegal during the last three years. Other new laws may be less well known.

No fleet manager will be complacent about whether their drivers are qualified; most of them conduct initial checks, at least. That should be only the start, for the organisation's sake as much as for individuals.

Action Point: Create a strategy for testing drivers, including remedial actions, and implement it across the fleet.

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Truck platooning – watch this space

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One of the latest government transport initiatives has received only a little coverage, but is likely to create headlines once it is introduced. Starting later this year, motorists passing a convoy of trucks on the motorway may notice something unusual. They may find themselves glancing across at empty cabs, as the first UK trials of truck platooning get under way.

The concept, already trialled in the Netherlands and elsewhere, is simple. A convoy of trucks, all travelling the same route, are electronically linked so that the leading vehicle controls the actions of those following. In theory, only the front truck needs a driver, controlling the steering, acceleration and braking of everyone behind.

The idea is that safety improves, with the removal of driver reaction time. If the first vehicle needs to brake, every following vehicle does so at exactly the same time. The constant speed also means lower fuel consumption and reduced emissions. Short gaps between vehicles should mean that trucks occupy less road space and, according to the theory, traffic flow is improved and tailbacks reduced.

One of the first groups of drivers to notice truck platooning will be those who leave it as late as possible before changing lane ready to leave the motorway.

Pulling alongside a gap between trucks and making 'let me in' gestures is unlikely to be effective when there is no driver to give in to the bullying tactic.

Then, other motorway users may also feel the effect, as the frustrated car driver vents their anger at being unable to take their preferred junction.

Action Point: Treat HGV convoys with even more respect than usual, as they may be trialling an innovative concept.

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Costs – don't overlook the obvious

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Whole-life costing, covered in the last Fleet Matters, should no longer be a new idea to most fleet managers. Realistic procurement decisions can only be reached through comparative analysis of the costs of competing vehicles, evaluated over their whole life with the fleet.

The various forms of procurement have to be considered and fleet managers can readily discourse on the relative benefits and disadvantages of purchase versus contract hire, for example. It is straightforward to make realistic assessments of annual servicing, maintenance, repairs and tyres and other consumables.

Insurance and taxes can be assessed with some confidence. Any of these are prone to unanticipated change, but the effects of increased tax are likely to be very similar across a whole vehicle class rather than a particular model. Even driver training costs can be expected to be comparable regardless of vehicle choice. Despite the general recognition of detailed whole-life costing being essential, there is one cost area that too many fleet managers still overlook. Fuel, a major cost for any vehicle, is taken for granted.

Everyone does the comparisons and sums, then picks one or more fuel cards, according to the organisation's specific refuelling requirements. The subject is then forgotten, sometimes for years.

Meanwhile, oil prices rise and fall, new fuel cards are introduced while others disappear, fuel card suppliers come and go. Worse, existing suppliers introduce new additional charges for existing fuel cards. Those fleet managers who have taken their eyes off the ball find that their best refuelling option is now costing them more than had been planned – except that, too often, they fail to realise.

Action Point: Review your refuelling strategy, comparing the whole fuel card market, regularly and frequently.

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What help is available?

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Fuel Card Services has many years' experience in helping with cost-effective fleet management, gaining an invaluable depth and breadth of expertise. Its help is readily available to fleet managers through a widening range of specialist services and products.

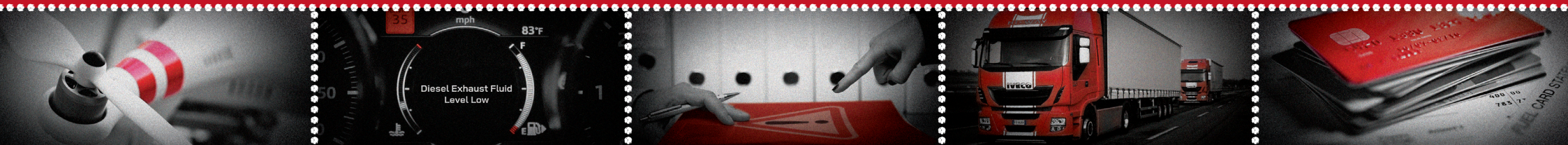
Whatever the fleet management question, either Fuel Card Services or one of its expert, specialist partners is likely to have met the issue many times already. You can be assured of straightforward answers, based on deep fleet insight and long experience.

Its services include emissions recording, mileage capture solutions and automation of fleet management tasks, from service scheduling to licence checking. There is also access to exclusive deals in such areas as tyres, insurance and more.

Action Point:

Contact Fuel Card Services with your fleet management issue. At the same time, ask for an illustration of how much money and time you could save, with solutions that exactly meet your specific refuelling and fleet management requirements.

Call 0844 870 9988



Contact us

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