



MileageCount meets HMRC guidelines and brings major savings for Mears Group

Mears Group switches to MileageCount for peace of mind, gaining additional benefits of significant savings in driver time and improved accuracy in mileage claims.

“Recording accuracy has brought a reduction in business mileage of around 10% to 15%.”

Mears Group

Mears Group delivers planned maintenance, rapid response and care services to local authorities and social landlords nationwide, covering a portfolio of more than one million homes. It employs over 15,000 people in maintaining, repairing and upgrading properties throughout the UK, from inner cities to remote villages.

Carrying out more than 6,000 repairs every day requires an extensive, widely dispersed fleet. By the middle of 2015, Mears was running over 4,700 vehicles altogether. These included 700 cars and managing their mileages had become a growing issue. Its chief concern was meeting the guidelines for HMRC reporting requirements. Virtually every vehicle is used for both business and personal journeys, all of which need to be recorded, with some drivers making 10 or more trips within a single day.

"Drivers' time savings are worth in excess of £200k annually."



Critical accuracy

Mears must keep track of every one of the millions of miles covered annually by its drivers. It particularly needs full, precise and timely records of personal journeys, the cost of which are charged to drivers. Overcharging causes obvious difficulties for individuals, while undercharging exposes drivers to unexpected benefit-in-kind tax demands. For Mears, anything other than absolute accuracy in following the guidelines for HMRC reporting incurs a risk of disruptive investigations and potentially severe financial penalties.

After four years of recording its mileages using another solution, Mears no longer had confidence that its needs were being fully met. The system employed was time-costly, with each driver having to spend between two and three hours monthly on completing and submitting returns. More importantly, there was no assurance of the submitted mileages being accurate.

“There is no margin for error.”

Says Jo Hammonds, Group Asset Manager. “However diligent the drivers, estimates mean mistakes. A mile here or there per trip may not seem important, but they all add up. HMRC may want to be sympathetic, but reporting standards guidelines are absolute and have to be met. Any shortcoming in accuracy could trigger a complete audit of every journey by every driver throughout the year. The disruption alone would be hugely expensive, even without penalties being imposed. We had to find a better way.

The right choice

“MileageCount stood out as it offered everything that we needed in terms of accuracy and completeness,” says Jo Hammonds. “In addition, we were able to specify an option that makes it extremely simple for our drivers to use, while bringing much greater transparency to fleet information.”

Mears found its needs met perfectly with GPS dongles. Each driver is issued with a USB-powered dongle, which plugs into the vehicle's USB port or into the cigarette lighter socket via the provided adaptor. At the end of the month, the driver plugs the dongle into their laptop's USB port. They then follow simple prompts and their complete journey history is uploaded in seconds. MileageCount then uses trip co-ordinates to log each journey's start and finish postcode.

Unexpected benefits

“We now have absolute peace of mind on mileage reporting, because MileageCount does exactly what we want,” says Jo Hammonds. “We have the certainty that no journey is ever missed and each trip is measured with absolute precision. The complete, accurate information necessary to meet HMRC guidelines is readily available and easily presented in their specified format. If that were all that MileageCount delivered, we would be satisfied, but the additional benefits go well beyond expectations.”

With the previous system, Mears drivers each submitted a mileage report at the end of every month. Quite apart from the inherent lack of accuracy and completeness, the process took between two and three hours for each driver. Using MileageCount, submitting a monthly report takes a driver between 10 and 15 minutes, at most.

“Resistance to any change is part of human nature,” Jo Hammonds acknowledges, “but the majority of colleagues were quick to appreciate being freed from administration chores by MileageCount. For most, driving is just a means of travel to their ‘real’ work and mileage reporting used to be an unwelcome, time-consuming interruption.”

The major time savings translate straightforwardly to financial benefits, acknowledges Jo Hammonds. “The sums are simple: 700+ car drivers, each spending at least two hours less on admin each month, works out to time savings worth in excess of £200,000 annually. It means an impressively fast return on investment – and that is without considering the benefits of the 10% to 15% reduction in personal mileages since we implemented MileageCount.”

Into the future

The benefits of MileageCount include greater transparency of information and Mears is considering how this can be exploited at a local level. Efficiency improvements ranging from optimised route planning to job scheduling are among the options under review. The collaborative approach of MileageCount's specialists means that it encourages customer involvement in product development and evolution. Working with Mears has identified areas that, proposed as customisation, will be rolled out across the entire MileageCount customer base.

“Mears Group chose MileageCount after thorough examination of the mileage capture market. In practice, it delivers exactly what we required, with benefits well beyond expectations. We have gained the assurance we needed from accurate and complete mileage reporting, with significant and continuing time and cost savings.”