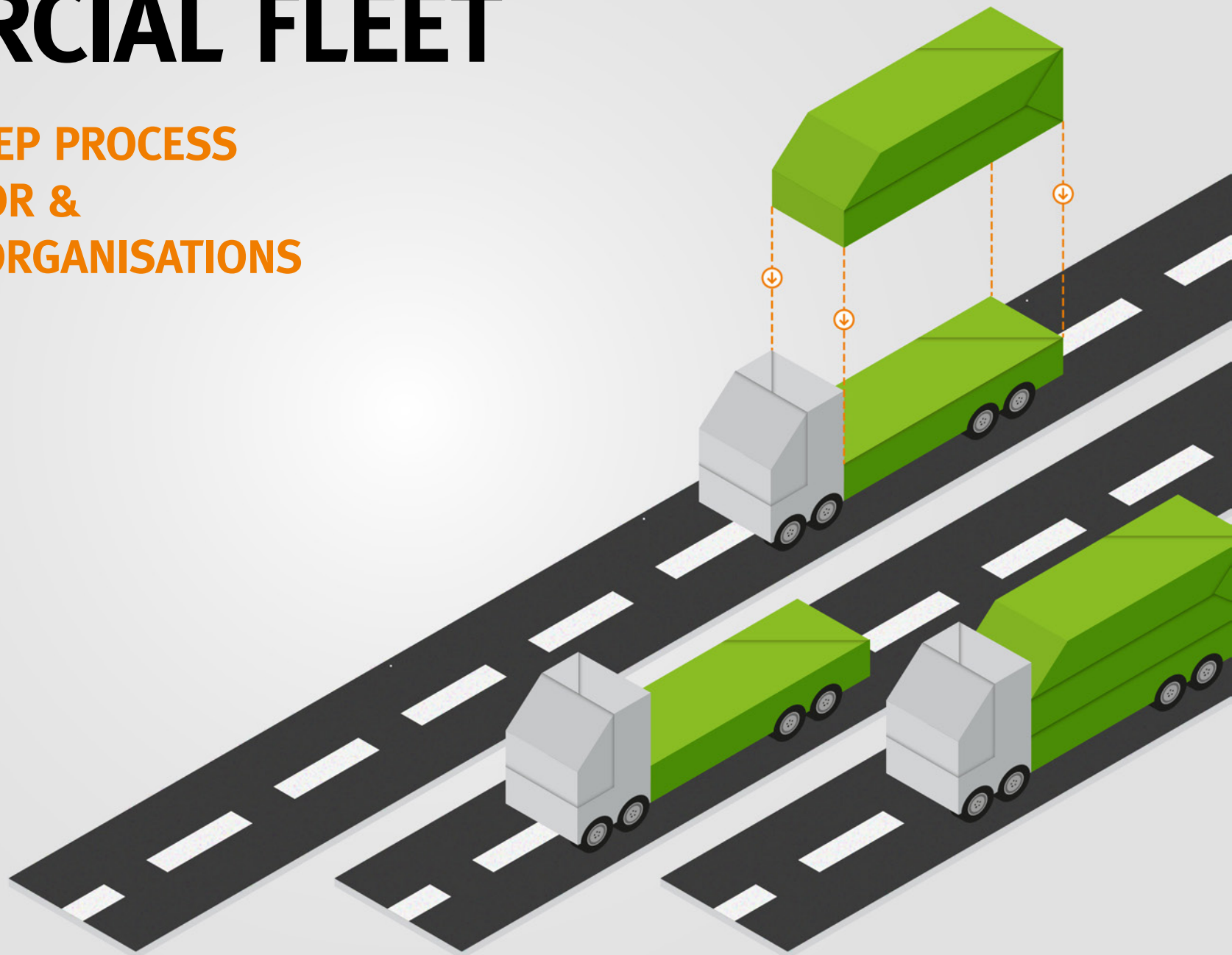


BUILD A WORLD-CLASS COMMERCIAL FLEET

AN EASY FOUR-STEP PROCESS
FOR PUBLIC SECTOR &
NOT-FOR-PROFIT ORGANISATIONS



What does C stand for in your organisation? C is for... Commercial Vehicle Fleet

Costly...just when your funding is under pressure and you need to get best value

Consuming...when it's hard to keep on top of your workload already

Complex...when your departments need it simple - to get services running smoothly

Crazy...at least that's how it makes you feel sometimes!

Your Commercial Vehicle Fleet enables you to deliver and support services to your community, whether it's local citizens, students, patients or others.

We're thinking of the hundreds of thousands of public sector and not-for-profit vehicles, highly visible on the street. The fleet bears your logo, whether it's on vans, minibuses, goods carriers, rapid response vehicles, motorcycles, road sweepers, gritters, mobile libraries, laundry vans ... the list could be a long one!

The right kind of fleet will enable you to operate efficiently - at a time when everyone's looking to avoid waste.

But are you getting the best possible deal with your commercial vehicle fleet? Are you keeping downtime to the minimum? After all, each vehicle can cost you as much as £700 per day (or more) when it's off the road.

The cost-cutting headache

Cutting your overall spend isn't straightforward because the big figure is formed of many smaller costs. You have to think about the whole-life cost. It's difficult to make savings that improve services yet decrease your risk.

Sound familiar? Let us help take some of the pain away with a tried-and-tested approach to finding, delivering and managing performance and savings.

Getting on track

This ebook offers a four-step guide to the stages that count when it comes to creating an optimum commercial vehicle fleet profile tailored just to you. Importantly, this is not just about keeping your drivers on the road but managing both performance and costs on an ongoing basis too.

Let's get going.

Commercial vehicle fleet costs you need to consider

We all know commercial vehicle fleets are complex. Running a lean, efficient commercial fleet is completely different to running your organisation's car fleet – especially if that commercial fleet is made up of a lot of highly specialist vehicles.

There are big costs associated with running a commercial vehicle fleet at less than optimum performance – from repair costs to damage to your organisation's reputation.

Legislation and Duty of Care are vital considerations in the world of the commercial vehicle fleet – with severe penalties for organisations that fail to comply. Everyone expects the public sector to set the highest standards. Today, 'I didn't know' doesn't cut it – the responsibility for keeping up with changing requirements and laws is yours and yours alone.

Consider the list of key factors on the next page. Some will look familiar, some might give you pause for thought, and some might not be on your radar at all.



What you know	What you know you don't know	What you don't know you don't know
Contract hire contract purchase or outright purchase? Funding your fleet is a given – but what's the best way to do it?	 NHS supplies van broken down? It's going to happen – what you need to know is whether you can get a replacement vehicle on the road in 30 minutes or 24 hours.	 Maximum vehicle payloads, changing Duty of Care requirements... Are you on top of all the regulatory obligations and restrictions that apply to your commercial fleet and drivers?
Fuel costs are huge – the largest cost you're likely to face.	 Of course, precisely how huge is uncertain and difficult to budget for.	 How can you optimise journeys, driver behaviour and vehicle choice to minimise costs?
A housing maintenance van that's unexpectedly off the road means you'll need to reschedule work.	 You may then fail to achieve targets for service quality.	 You may also suffer damage to the reputation of a particular service and your wider organisation.
Quickly replacing an unavailable van will incur daily rental costs.	 But rental vans, of course, will not have the tools your people need on board, leading to further delays.	 Using a replacement vehicle without your organisation's logo can make you appear less professional.
Failing to provide a vehicle that can handle the task at hand is both inefficient and risks breaching Duty of Care requirements.	 All too often, fleet operators don't know if their vehicles are being overloaded and need to ensure drivers are educated on safety, fuel consumption and route planning.	 With spot checks increasing, overloaded, unsafe vehicles run the risk of attracting legal penalties – ignorance is no defence.

There's a lot to think about. Unexpected knock-on costs. A whole world of regulation and restrictions. And best practice insider knowledge that can save you both time and money.

It's time you got to know the four-stage approach to optimising your commercial vehicle fleet.

Does your current fleet do the job? When it's time to renew, of course it's easiest simply to stick with what you know.

But here's the good news (one of the things you already know). It's completely possible to get the full picture of the shape and size of your current fleet, see how it measures up against the fleet that you need, and finally get an idea of what your best, most productive fleet profile looks like.

Using real information and data is the best way to get the full picture of your fleet. At one level this is about understanding what you've got, how you're using it and where there are opportunities to improve.

At another, it's about putting your data into a wider context, helping you benchmark your organisation against others in your sector. You can't do this by focusing on the cost of your fleet.

You do it by understanding your drivers, the tasks they need to perform and whether they can do them efficiently.

Ask the right questions and you'll get the fleet that best fits your needs and the needs of the people you serve.

Some questions to ask:

- **How has your organisation changed?**
If you used to bring your own goods to site but now your supplier delivers them, the chances are you need a cheaper, sleeker option. You don't want the same as before.

- **What are you carrying – people or goods?**
It's not necessarily about loading and unloading. You might find that you need ancillary tools to make the job quicker and more efficient.
- **Have you spotted the green shoots of innovation?**
More vehicles are going green - and not just cars. Lower vehicle emissions, fuel-efficient vehicles and electric vehicles (EVs) enable a healthier environment for your community - and can reduce your costs for every mile.



DISCOVERING WHAT YOU'VE GOT (VS WHAT YOU ACTUALLY NEED)

- **What are your expectations?**

You might believe you've a good service level agreement. But you might not have the specialist skills you need to get your team back on the road in time to meet your organisation's tough demands.

- **Do you set targets for your drivers?**

You might be happy if their performance improves. But if the consequence is higher fuel costs, more risk taking and law-bending then your hidden costs are likely to explode.

- **How do you qualify drivers?**

The rules for commercial vehicle driving are stringent. Many fleets employ drivers "secure" in the knowledge they are approved and licensed. Only to find out they're not.

- **Is your team aware of the law?**

It's a complex legal environment from loading limits to seat belt rules. If people don't know the law, they don't know when they're breaking it.

With an operational focus you can take care of the things that count with your fleet choice: duty of care, time on the road, safety...

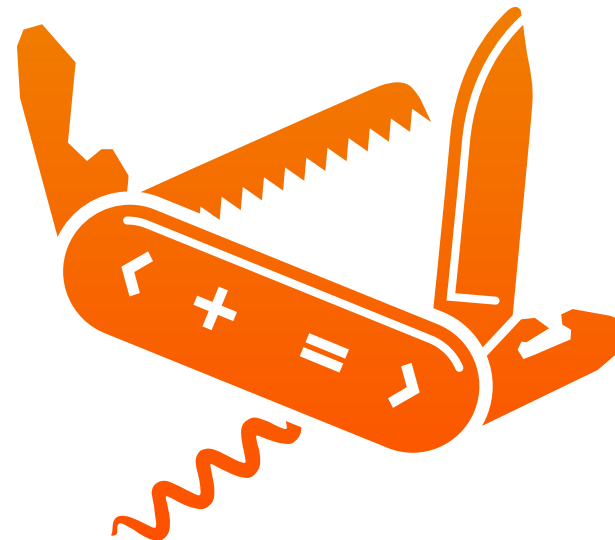
You need to pick a commercial vehicle that's right for your organisation. And, to do that, you need to start by understanding how the fleet supports your organisation's aims.

THE PROBLEM:

Improving fleet productivity and efficiency is the goal – but without the right tools it's hard to get the whole picture or the most informed answers.

THE BENEFITS OF GETTING IT RIGHT:

You can identify hidden costs, make meaningful comparisons and get a real understanding of what you actually need.



Now you've got a solid understanding of what your optimum fleet profile should look like, the next question is how to fund your fleet. Outright purchase or Contract Hire?

There's no right answer – it'll depend on how long you'll use the vehicles, and a host of other variables.

- You might choose to take a large outlay upfront and purchase your vehicles – but don't forget that depreciation starts as soon as they've left the dealership.
- Contract Hire often makes sense – as long as you ensure that you can get the right residual value (RV) on your trucks and vans. A commercial vehicle fleet consultant can help with this, providing in-depth insights to give you the complete picture. This can help ensure there are no surprise end-of-contract costs.

- Depending on the industry you're in, you'll have to take very different variables into account when you consider which funding route is best. Each factor will act as a lever on your other costs – a saving in one place can activate a cost somewhere else.
- Remember, it's the whole-life cost that really counts. The lowest monthly cost might lead to other costs down the line (for example, cheaper vehicles might not comply with next year's emission thresholds).

MIRROR, MIRROR

In the passenger fleet world, handing back a well-worn three-year old Ford Focus at the end of your contract may cost you in terms of unfair wear and tear. A commercial vehicle however, that's been working at maximum capacity for a few years might still be 100% up to the job, but look a little the worse for wear. As a result, the depreciation value curve should look very different for commercial vehicles than passenger cars.



You might be happy that you're procuring vehicles at a great price. But there's a huge difference between price and cost.

- Purchasing a significant amount of vehicles from suppliers with long-standing relationships with a wide range of manufacturers can get you the best price – and access to experts who can audit fleets to give a more holistic picture.
- A partner that fully understands the many fleet procurement frameworks available - and can spot one that's right for you - could save you tens of thousands of pounds.
- A provider with a specialist supply network can give you exceptional purchasing power, expertise and leverage (this is why Automotive Leasing has its own appointed commercial vehicle dealers and convertors).

...Plus benefiting from suppliers' buying power and expertise

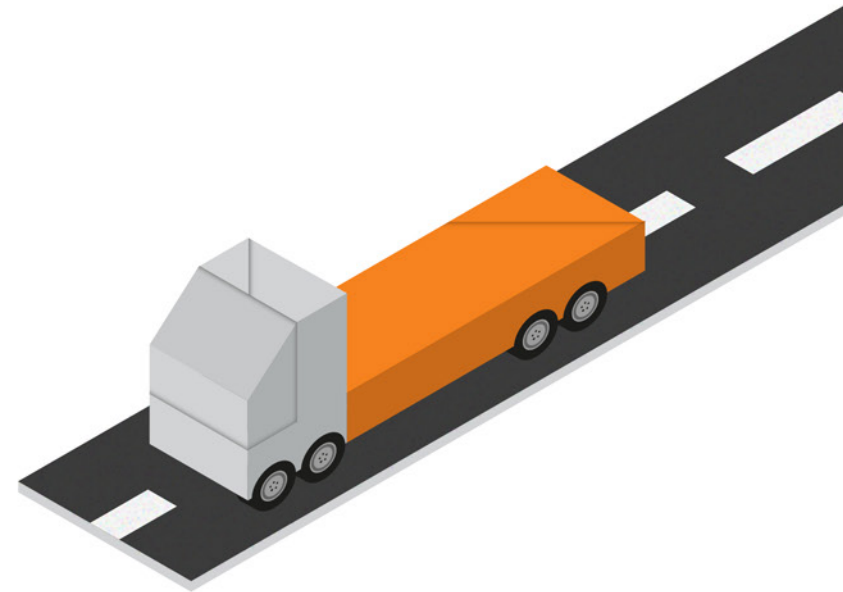
- Your commercial vehicles are the engine room of your organisation. Bespoke fit-outs, specialist replacement vehicles – are you dealing with a supplier who can deliver exactly what you need?
- Working with an extended supplier and manufacturer network means that you get the leverage to demand the highest standards. It means ongoing partnership, and industry benchmarked standards too.

And it's not just about supplying your commercial vehicles either

- Optimising your fleet's performance means getting better control over another one of those Known Unknowns – service, maintenance and repair (SMR).
- Book your passenger fleet car in

for a service, and you're happy to hear that it'll probably be ready for you by tomorrow lunchtime. But for hardworking vehicles, every moment of downtime has a huge potential knock-on effect on your services.

- Use a nationwide network of specialist commercial vehicle SMR centres and you know you're dealing with service providers that really 'get it'. Drop it off for a service at 7pm, and pick it up by 9am the next day.



HERE'S AN 'UNKNOWN UNKNOWN' EXAMPLE OF HOW UNEXPECTED COSTS CAN MOUNT UP:

A faulty vehicle means you can't get equipment on site.

You've got five staff there already – but no tools...

Finally, you find a garage to take it in – call-out charges will be on top, of course. They can't fit it in until later either.

COST: £500

More calls and you find a replacement vehicle, at a premium price of course. But it won't get there until 2pm.

COST: £300

You've lost half a day which impacts other employees and the people they serve. And you've still got to pay your workers.

COST: £350

Finally the original vehicle is back, and the replacement returned. But you get landed with a fuel charge for not refilling the tank...

COST: £100

TOTAL: £1,250

GET THE BENEFIT OF ONGOING OUTSOURCING AND OPTIMISATION

Getting the right fleet on the road is only part of the story. The key to gaining a real advantage in the commercial fleet world is all about keeping a tight rein on operational costs while maintaining your service delivery obligations. It's about how you manage your ongoing fleet requirements.

That means everything from making sure that your drivers are educated about the maximum load capacity they're legally permitted to carry, to ensuring MOTs are scheduled and fuel costs are under control. We're talking Duty of Care, driver behaviour and making sure that the treads on your tyres meet the statutory guidelines.

- **Optimisation**


Get acquainted with the tools and technology that can help you reduce risk and cost. Telematics devices capture data such as driver speed and fuel consumption. Use mapping and scheduling applications to optimise your fleet's on-road time and most efficient journeys. Educate drivers, or introduce solutions like fuel cards to get a handle on your fuel charges.

- **Ongoing Outsourcing**

Job assignment, MOTs, driver education, duty of care, managing relationships with SMR centres – administering your fleet is a quite an undertaking. Outsource it and you get the peace of mind of knowing that an expert partner has it covered – all with your specific priorities and performance targets in mind.

LICENSE TO AUDIT

The Freight Transport Authority (FTA) is trying to raise the profile of commercial vehicle drivers. We're authorised to look at a fleet and their processes and give them a seal of approval. It's about support, education and safety: all the things a world-class commercial fleet does on its quest for excellence.

 0133	Mileage management	✓
	Driver management	✓
	Route planning	✓
	Fuel and CO ₂ management	✓
	Job scheduling and optimisation	✓
	Ancillary equipment	✓
	Full reporting	✓

So there you have it, the Automotive Leasing four-stage approach to how public sector not-for-profit organisations can excel in the commercial fleet world.

Working through the four stages might not be necessarily right for everyone. Every commercial vehicle fleet will require a different approach, tailored for their specific requirements, and as flexible as they need it to be.

But understanding what you need, then working with real commercial vehicle specialists to deliver it – that’s potentially game-changing for your organisation.

See the fast-mounting costs of having a vehicle off-road – and the positive impact of introducing better processes, systems and partners. Know when to bring in commercial vehicle experts, then create a framework where specialists can deliver to the standard you require.

To find out how Automotive Leasing can help you get most out of your commercial fleet, get in touch.

Tel: 0844 493 5840 / 0844 493 7656
email: hello@automotive-leasing.co.uk



IT'S YOUR RESPONSIBILITY:

Don't forget. The one thing you can't outsource is responsibility. It's your fleet. But outsourcing with LeasePlan will go a long way to better operational understanding, cost-efficiency and uptime. It means total fleet knowledge and peace of mind.

OUR SECRET SAUCE:

At Automotive Leasing, our dedicated commercial vehicle consultancy team are experts in the market with access to our extensive database of commercial fleet profiles. Simply, no-one has greater insight. We use this knowledge to compare, benchmark and assess new clients' needs, making sure they get the very best commercial vehicle solutions – solutions that match their individual needs and specific requirements.



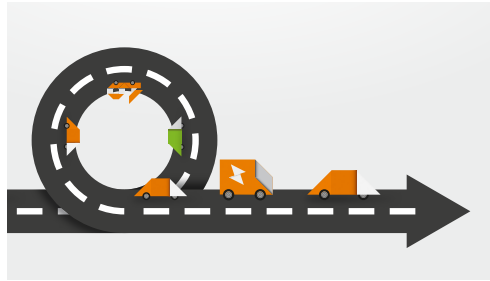
Telematics Video



Find out what this telematics thing is all about by watching this video.



Fleet Renewal



Expert shortcuts to help you get a fleet that's truly fit for purpose.



Taking Green Strides ISO14001



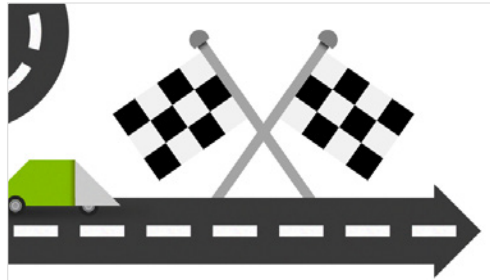
Want to ensure your fleet provider has green credentials watch our ISO14004 video.

Telematics Self-presentation



To find out how you can save money and improve efficiency via telematics, read our eBook.

Outright Purchase



Maybe the best way to get most out of your fleet is to sell it, to see why check out our infographic.

7 Levels of Optimisation



Find out how to better finance and manage your fleet in this eBook.

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