

Transport Choices for Business

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= Objectives of this Webinar

- Be able to benchmark your current solution
- Set out to become an employer of choice
- Effectively explore the different options
- Prioritise the needs of your Business
- Make the right choice for all stakeholders

= Why discuss this?

- Cars on the road are set to quadruple to **four billion by 2050**
- Almost **two thirds of fleet incidents could be prevented**, and,
- They cost UK businesses **hundreds of millions of pounds** each year; up to **36 times the insured amount**
- Transport Systems account for **20-25%** of world energy consumption and CO2 emissions
- **5 people die** on Britain's roads every day

= 'Sustainable Transport Solutions'

- Support basic access needs safely
- Are affordable, fair and efficient
- Offer choice and support a competitive economy
- Limit emissions and use renewable resources

= Your transport needs?



= Consider your priorities

- Cost
- Company image
- Employee preferences
- Convenience
- CSR
- Health and Wellbeing

= Explore the options

- Company Cars
- Grey Fleet
- Hire cars
- Vans
- Public Transport
- Cycling or Shanks' Pony!

= Company Cars

Advantages

- Convenience
- Lower mileage rates (AFR)
- Guaranteed fit for purpose
- Image control
- Employee status symbol

= Company Cars

Disadvantages

- Purchase and maintenance costs
- Fleet costs
- 'Whole life' costs
- Environmental impact
- Taxable benefit
- Class 1A NIC's
- Early starts and long days

= Company Cars

Potential hidden costs

- Time off road for maintenance and repair
- High cost of parts of some models
- Fluctuating cost of fuel (where fuel card provided)
- High fuel consumption depending on model and driver
- Corporate Manslaughter Act 2007

= Company Cars

Potential cost savings

- Lower cost models
- Remove fuel cards
- Limit choice to dual fuel vehicles
- Monitor driver behaviour
- Provide best practise training
- Introduce policy to support best practise

= Grey Fleet

Advantages

- No purchase or maintenance costs
- No fleet costs
- No 'whole-life' costs to consider
- No taxable benefit
- No Class 1A NIC's implication
- Convenience
- Car allowance

= Grey Fleet

Disadvantages

- Higher mileage rates (AMAP)
- Monitoring fit for purpose
- Lack of image control
- Environmental impact
- Early starts and long days

= Grey Fleet

Potential hidden costs

- Time off road for maintenance and repair
- Monitoring fit for purpose
- Mileage rates may vary
- Corporate Manslaughter Act 2007

= Grey Fleet

Potential cost savings

- Consider hire cars
- Provide best practise training
- Introduce policy to support best practise

= Hire Cars

Advantages

- No purchase costs
- No maintenance costs
- No fleet costs
- No 'whole-life' costs to consider
- No taxable benefit
- No Class 1A NIC's implication
- No need to monitor fit for purpose

= Hire Cars

Disadvantages

- Lack of image control
- Less convenient
- Requires advance planning
- Early starts and long days

= Hire Cars

Potential hidden costs

- Fluctuations in the cost of fuel
- Corporate Manslaughter Act 2007
- The business day rule

= Hire Cars

Potential cost savings

- Restrict model of car
- Plan ahead
- Contract with a provider to get preferential rates

= Company Vans

Advantages

- Convenience
- Image Control
- Advertising opportunity
- Can accommodate large or heavy equipment

= Company Vans

Disadvantages

- Purchase and maintenance costs
- Fleet costs
- 'Whole life' costs
- Environmental impact
- Taxable benefit
- Class 1A NIC's
- Monitoring 'insignificant private use'

= Company Vans

Potential hidden costs

- Time off road for maintenance and repair
- High cost of parts of some models
- Fluctuating cost of fuel (where fuel card provided)
- High fuel consumption depending on model and driver
- Corporate Manslaughter Act 2007
- Monitoring 'insignificant private use'
- High cost of insuring equipment being carried
- Driver behaviour

= Company Vans

Potential cost savings

- Lower cost models
- Remove fuel cards
- Limit choice to dual fuel vehicles
- Monitor driver behaviour
- Provide best practise training
- Introduce policy to support best practise
- No private use of company vans

= Public Transport

Advantages

- No purchase or maintenance costs
- No fleet costs
- No 'whole-life' costs to consider
- No taxable benefit
- No Class 1A NIC's implication
- Opportunity to work during journey
- Environmental impact
- Easier international travel

= Public Transport

Disadvantages

- Limited routes
- Limited journey times
- No availability
- Impacted by unforeseen circumstances

= Public Transport

Potential hidden costs

- Cost of linking aspects of the journey
- May require overnight stays
- Fluctuating costs
- Cancellations

= Public Transport

Potential cost savings

- Advance bookings
- Choose meeting times carefully
- Consider 'grey fleet' or hire cars in some scenarios

= Cycling or Walking

Advantages

- Low cost or no cost
- No taxable benefit or Class 1A NIC's implication
- Environmental impact
- Promotes employee or worker fitness
- Lower mileage rates (AMAP)

= Cycling or Walking

Disadvantages

- Limited range
- Longer journey times
- Requires a certain level of physical ability or fitness

= Cycling or Walking

Potential hidden costs

- Appearance
- Provision of washing facilities
- Theft

= Cycling or Walking

Potential cost savings

- Salary sacrifice

= Summary of approach

What are your:

- Transport needs?
- Business priorities?
- Transport options?

What are the:

- Advantages and disadvantages?
- Potential hidden costs or cost savings?

= So what next?



= What of the future?

- Fuel cell technology
- Driverless vehicles

= References

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= Questions?

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