



The Premier Organisation for Fleet Operators



From A to B

**The ACFO guide to UK
journey planning**

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Executive summary

Cost management, carbon footprint reduction, risk management, business efficiency and effectiveness and time management are all issues that impact on business travel.

Travelling to a face-to-face meeting may or may not be vital, but it is important that employers have assessed alternative forms of business mobility and communication.

Historically, car travel has almost always been the preferred form of travel for 'meetings' with prospects, clients, suppliers, colleagues etc.

But, the car may not always be the optimum option in terms of cost, time, reducing risk exposure or carbon-cutting, for example.

This guide is not about reducing business travel - although, clearly that may be possible. But, ACFO hopes it provides a thought-provoking basis from which public, private and voluntary sector organisations can look at just how effective - and sustainable - their existing mobility options are.

It may be that radical changes to the way businesses operate and the apparent necessity for employees to commute are required to improve corporate efficiency.

A report by the influential employers' group the CBI argues that time and money wasted on Britain's congested roads can be saved.

The report - *'Tackling congestion driving growth - a New Approach to Roads Policy'* calculates that with vehicle traffic having grown by a quarter in just 20

years, road congestion now costs the economy an estimated £7-8 billion a year, which is likely to more than double by 2025 unless action is taken.

Central to the business mobility decision-making process should be a desire by employers to reduce travel costs, reduce the carbon footprint of themselves and their employees and reduce the risk exposure of the organisation and staff. That means for the majority of employers a radical overhaul of how work-related travel is presently conducted.

Simultaneously, employers must ensure that both they and their employees have all the information available to make a clear decision on whether to travel by car, train or plane; whether to use a company car, their own vehicle or a hire; for short journeys whether to walk, cycle or use public transport; or alternatively whether car share, taxi or one of the many technology options such as video or tele-conferencing are viable.

The opportunities for employers to implement a diverse, multi-faceted, sustainable mobility plan and display corporate social responsibility have never been greater.

But, it is not only vital to implement a business mobility policy - it is critical to fully communicate it to staff, thereby addressing the relevant issues relating to cost, safety and environmental matters set against whether the need for a journey is essential or if the objective can be achieved equally successfully using technology, while always being focused on ensuring optimum business efficiency.



Introduction

Given the dog-eat-dog nature of today's business world there is always a clear requirement for business people to move quickly

What is business mobility? It is a term that has become increasingly used in business as an array of options have become available to enable employees to 'travel' or 'network'.

Today the phrase 'business mobility' relates to various strategies and technologies that organisations across the public, private and voluntary sectors use to conduct their business.

As a result, there are a number of different kinds of business mobility. Some, such as the traditional company car fleet, are in the main aimed at enabling employees such as sales people to travel on company business.

However, in the 21st century we are seeing the increasing availability of alternatives to the company car, the uptake of flexible benefits and the increased use of technology to conduct business meetings without the requirement for those involved to leave their offices.

Against that background how can employers weigh up which option is best for each employee when they find the need to conduct some form of business meeting?

The decision-making process is made even more complex by a variety of other factors. These include:

- Cost
- Time of journey
- Distance of journey
- Associated risks for both employer and employee
- Environmental considerations

Given the dog-eat-dog nature of today's business world and the 24/7 economy in which we live, there is almost always a clear requirement for business people to move quickly.

Almost certainly many organisations will already be using many of the business mobility options outlined in this guide to a greater or lesser extent.

However, it is almost certain that the options have been introduced in a fragmented way. That is not to say that business mobility is disorganised - simply that old habits die hard and neither employers nor employees may be too certain as to how the decision-making responsibilities should work in the new age of business mobility.

This guide does not differentiate between right and wrong. Indeed, it can be argued that there is no right or wrong. The guide is designed to serve as a reminder of the key issues that need to be focused upon when implementing a true business mobility strategy that will cut costs and improve business efficiency and effectiveness.



The traditional company car fleet is in the main aimed at enabling employees such as sales people to travel on company business

The business mobility manager

How many employers have a business mobility manager? A glance through ACFO records shows very few.

In reality yesterday's fleet manager should have morphed into today's 21st century mobility manager. But, in the main that has not been the case.

What has happened is that responsibilities for business mobility have been disseminated across organisations in an ad hoc manner with employees often unsure which travel option to take from the menu of business mobility and virtual meeting alternatives available which have sprung up.

It is almost certain that in larger organisations the decision-making process will reside not in one department but across many - fleet, HR, finance, corporate social responsibility and procurement to name just five.

Which one of those departments takes responsibility for deciding whether, at its simplest, car or train is best for a specific journey will almost certainly be unclear. Equally if it is a car journey is it a trip made in a company car, an employee's own

car or a hire car? Who decides?

There may also be conflicting agendas between the employer and the employees.

For example, the employer may expect a meeting to take place utilising in-house video conference facilities, but the cash-strapped employees decided a face-to-face meeting is required not necessarily through business necessity but the fact that they want to claim mileage.

When it comes to business mobility the law of unintended consequences is most definitely at work.

And, quite where management of today's sophisticated technological options - video-conferencing, tele-conferencing, VoIP (Voice over Internet Protocol) and the rest - resides is anyone's guess. Therefore, should not the business mobility strategy - taking into account cost, risk and environmental issues - based on business need and operational effectiveness and efficiency be designed and managed with a business mobility manager at the head of their own department?



Yesterday's fleet manager should have morphed into today's mobility manager

Mobility options: Planning and flex

There is much more to mobility management than simply considering whether a journey should be made by car, train or other option

Business trips are hugely diverse, with start and finish journey locations differing widely and travel time invariably a vital factor. In planning travel - or deciding to use alternative options such as telephone or video-conferencing - numerous other factors must be considered. Critically they include journey cost, but other issues that must be taken into account include employee duty of care and an organisation's carbon footprint.

Therefore, every single journey made by each employee must be considered on its own individual merits, taking into account the issues highlighted above.

But, that is not all. Also added into the mix must be 'local factors' such as:

- If an employee is travelling by train, how will that individual travel to and from the station and what will the cost, if any be - station car parking, taxi, bus, walk, cycle etc. On leaving the train what will be the mode of travel to the final destination - taxi, bus, walk or underground etc
- If travelling by car then issues such as car parking at the destination must be considered and if travelling to central London then the cost of the congestion charge must be accounted for
- Depending on the duration of the journey and length of the meeting/appointment an overnight stay may be required. Therefore hotel bills and a subsistence allowance need to be factored in to the cost/time equation
- Employee welfare is also essential so organisations must consider whether lone workers should be allowed to travel early in the morning or late at night.

As can be seen, there is much more to mobility

management than simply considering whether a journey should be made by car or train or another option.

The charts (*right*) highlight costs and travel times associated with three 'mythical journeys'. Both costs and time do not take account of travel to the point of departure.

The charts do not seek to draw any conclusions, but merely serve to illustrate.

Of course, another travel option is plane and for some journeys that may be the favoured option over and above car or rail travel, as illustrated by Chivas Brothers Ltd in the case study (*page 9*).

Equally, if travelling for a meeting in Paris or Brussels then travelling by Eurostar is likely to be the preferential option over both car and air travel, as highlighted in another case study.

When compiling the charts (*right*) the cost of journeys by train and coach was considered on the assumption that the journey would be 'next day'.

However, ticket prices for both can be significantly cheaper - and also for air travel - if booked as far in advance as possible. But, dates and times of meetings and appointments have a habit of changing.

Therefore, advance booking to obtain preferential rates must be considered against their lack of flexibility and loss of money if the journey does not occur as a result of a meeting/appointment cancellation.

Ultimately organisations that want to optimise mobility solutions must take a flexible multi-modal approach that mixes a wide cross-section of options while stressing to employees and their line managers the multitude of variables that must be considered in making the final travel decision.

Organisations that want to optimise mobility solutions must take a flexible multi-modal approach



Journey 1: A 234-mile round trip from central Birmingham to central London

Method	Company car: Ford Focus 2.0TDCi	Grey fleet	Hire care: Ford Focus 1.6	Car club: Ford Focus	Motorbike	Train	Coach
Explanation	33.48p/mile (3yrs/60,000 miles)	45p/mile (AMAP rate)	24hrs + fuel	Hourly fee + fuel	24p/mile (AMAP rate)	Anytime next day return	Anytime next day return
Price	£78.34	£105.30	£51.09+£36 = £87.09	£27.90+£51.48 = £79.38	£56.16	£149	£19.60
Saving/cost	-	+£26.96	+£7.22	+£1.04	-£22.18	+£70.66	-£58.74
Time	4hrs 30mins	4hrs 30mins	4hrs 30mins	4hrs 30mins	4hrs 30mins	2hrs 28mins	6hrs 5mins

Journey 2: A 399-mile round trip from central Manchester to central London

Method	Company car: Ford Focus 2.0TDCi	Grey fleet	Hire care: Ford Focus 1.6	Car club: Ford Focus	Motorbike	Train	Coach
Explanation	33.48p/mile (3yrs/60,000 miles)	45p/mile (AMAP rate)	24hrs + fuel	Hourly fee + fuel	24p/mile (AMAP rate)	Anytime next day return	Anytime next day return
Price	£109.14	£179.42	£51.09+£58 = £109.09	£46.50+£87.71 = £134.21	£95.69	£279	£51.70
Saving/cost	-	+£70.28	+£0.05	+£25.07	-£13.45	+£169.86	-£57.44
Time	7hrs 28 mins	7hrs 28mins	7hrs 28mins	7hrs 28 mins	7hrs 28mins	4hrs 18mins	13hrs

Journey 3: A 160.5-mile round trip from central Exeter to central Bristol

Method	Company car: Ford Focus 2.0TDCi	Grey fleet	Hire care: Ford Focus 1.6	Car club: Ford Focus	Motorbike	Train	Coach
Explanation	33.48p/mile (3yrs/60,000 miles)	45p/mile (AMAP rate)	24hrs + fuel	Hourly fee + fuel	24p/mile (AMAP rate)	Anytime next day return	Anytime next day return
Price	£53.73	£72.23	£51.09+£19.50 = £70.59	£21.70+£35.31 = £57.01	£38.52	£209	£22
Saving/cost	-	+£18.50	+£16.86	+£3.28	-£15.21	+£155.27	-£31.73
Time	3hrs 14mins	3hrs 14mins	3hrs 14mins	3hrs 14mins	3hrs 14mins	4hrs 38mins	4hrs

Case study 1

John Pryor, ACFO director and group facilities manager, Arcadia Group, headquartered in London

Business mobility is a balancing act with no 'right answer' and many variables, according to John Pryor.

Fleet and travel management are all part of Mr Pryor's wide-ranging job brief giving him a 'complete overview' of who travels, how, when and where they travel and the cost of travel.

"My job is to ensure that the group policy is implemented and the best value is given to the traveller to make their trip, while also taking into account other factors such as duty of care," explained Mr Pryor.

"For example, our policy is lowest price but we don't want to save a few pounds on a hotel bill if it means young female staff member who we employ having to take taxis late at night when a more suitable hotel is conveniently located for the meeting/appointment."

The company has undertaken a 'trip modelling' analysis that highlights that, if possible, tickets for plane and air travel should be booked at least 14 days in advance of the scheduled trip to deliver financial savings.

In March 2011 almost 2,400 train tickets were booked by staff - more than 1,100 at 14 days notice with the remainder closer to the time of travel. On average advance booking saved £7 per ticket (£7,252 for the month) - a significant saving given the number of rail journeys made by staff in the course of 12 months.

Similar rules exist for airline travel but the savings are less pronounced due to the mis-match between the volume of short haul and long haul flights.

Mr Pryor explained: "We aim to explain the trip cost to employees so they make the wise choice."

"If four people are travelling from London to Birmingham the preferred option would be to travel by hire car and not by train. But almost every trip is different."

"Equally if travelling from London to Glasgow then flying may be the best option, but travelling from London to Paris then Eurostar will be the time-effective solution."

"Every month all finance directors across the business receive reports on the overall cost of travel per individual employee. Reports also highlight the overall average ticket price and whether employees are above or below that level and question if above why that has occurred."

With offices in London, Leeds and Hong Kong, both video and tele-conferencing play a role in reducing business travel if deemed appropriate for use.

Additionally, the organisation continues to operate a company car fleet and allows employees to drive their own vehicles on business.

Mr Pryor concluded: "As a company we have joined up mobility policies and procedures, but the key to successful implementation is how they inter-relate and how they are taken into account by employees when they make their travel-related decisions."

We aim to explain the trip cost to employees so they make the wise choice

Case study 2

Tristan Campbell, ACFO National Council member and fleet adviser, Chivas Brothers Limited, headquartered in Paisley

Geographical location can pose its own business mobility issues but for the company that distils Chivas Regal and is part of the international Pernod Ricard Group that is no barrier to utilising a wide cross section of travel options.

Headquartered in Paisley, the company has a number of locations in the surrounding area and the south of Scotland as well as approximately 15 sites in Speyside in the north - 220 miles away from head office.

In addition to a 320-strong company car fleet, which includes 50 vans, the company operates a 50-vehicle pool fleet with cars strategically located at most of its various sites.

The pool car fleet is composed of Honda Civic hybrids and Volkswagen Golf Estate Bluemotion models to maximise MPG and limit vehicle emissions and are the preferred option of travel for employees who may otherwise drive their own cars on business trips - a last resort option.

Trips from Paisley to Speyside - an eight-hour, 440-mile round trip - are a frequent occurrence and company policy dictates employees stay overnight.

For many organisations a 220-mile journey may seem a relatively straight-forward trip but, explained Tristan Campbell: "The journey means driving along dual carriageways, A roads and B roads and takes four hours. We don't want employees driving when tired as duty of care is important to us. Staff are told to split journeys over two days."

To facilitate an overnight stay, Chivas owns two houses in Speyside, one of which is used for hosting clients and the other by staff thus limiting the need for hotel accommodation.

With real-world fuel economy of more than 60 mpg, use of the pool fleet is not only more cost-effective than train travel - particularly if more than one person is making the journey - it is also quicker. The train journey from Glasgow to Keith via Aberdeen or Inverness can take up to five hours.

Only during the winter months when the roads in Scotland can be impassable is rail travel the recommended option instead of car travel.

Chivas Brothers and Pernod Ricard also have a number of offices in London. For travel between Glasgow Airport (the closest to the Paisley head office) and the capital and Aberdeen Airport (which serves Speyside) flights to and from London Heathrow are the option.



Mr Campbell said: "A car journey from headquarters in Paisley to our London office is 420 miles and takes about seven hours. We would never ask anyone to make that journey by road. By train the trip can take between five and six hours and is not cheap.

"Gate-to-gate the flight option takes between 60 and 80 minutes and while there is little difference with the price of train travel it is much quicker so time is the decisive factor."

Due to the frequent number of flights, the company has negotiated a 'route deal' with British Airways so is guaranteed flexible tickets at a pre-negotiated price no matter when the journey is booked in relation to the time of travel.

Additionally, all the company's sites have video-conference facilities, which, said Mr Campbell, were used when employees needed to have 'input' into a meeting. However, if employees need to perform a 'task' or 'specific job' then travel is a necessity.

So how do staff decide the optimum mode of travel? Mr Campbell said: "That is left to the individual. In Scotland it is taken for granted that in virtually every circumstance travel will be by company car or pool car. For other journeys it is almost always a flight but if video or tele-conferencing will suffice employees will use that option.

"Each department has its own travel booker who knows the travel policy and makes reservations online through our agents to ensure that the company takes advantage of any pre-negotiated 'route deals', which helps to keep costs under control."

Mobility options: the company car

The company car could be termed as the historic first choice to achieve employee business mobility.

This guide is not intended to focus on the different acquisition mechanisms for company cars and the minutiae of the myriad of factors that need to be considered when making a funding decision.

But clearly businesses may choose to outright purchase their company cars or utilise one of the plethora of contract hire and leasing companies that can supply vehicles on contract hire, contract purchase, finance lease etc.

Additionally, as the concept of flexible or 'cafeteria' benefits grow in popularity company car salary sacrifice schemes are being launched by employers.

Used by some employers to replace a company car scheme they can also bring employees who have never had a company car into the fleet fold for the first time.

However, all company car policies should be based around total cost of ownership figures while ensuring vehicles are fit for purpose.

The environment

All organisations have a corporate desire to reduce their carbon footprint. In the case of company cars that means compiling a choice list around their published CO₂ emissions figure.

Many organisations have decided to 'cap' choice lists at a pre-determined figure. In many cases that figure is 160 g/km, but some employers have chosen 140 g/km.

The technological advances made by motor manufacturers are helping to drive down vehicle emission levels and simultaneously that improves vehicle MPG and cuts operating costs and tax levels for both businesses and drivers.

Company car replacement cycles are typically



three or four years and fleet departments and/or leasing providers ensure cars are serviced and maintained in accordance with manufacturer schedules so costs remain under control.

Road safety

Like environmental issues, occupational road risk management is one of the key issues confronting business.

Employers have a legal and moral duty to ensure the health and safety of their employees and all other road users.

There are also well-established economic benefits that reward the implementation of a comprehensive at-work driving safety strategy.

The company car is, in the main, the risk-free



All company car policies should be based around total cost of ownership figures while ensuring vehicles are fit for purpose





known as the 'spy in the cab'.

Today, in many cases, they are established as a 'must have' in the armoury of many fleet decision-makers as they utilise the 'track and trace' systems to improve fuel economy, boost productivity, limit at-work driving risk exposure and reduce their organisation's transport carbon footprint through effective journey and mileage management.

Cost

In terms of a company car, best practice says the cost of operation should be based on pence per mile figures.

For the purposes of this guide and in a bid to illustrate different business mobility examples we are using a 2.0 TDCi derivative of Britain's best-selling car, the Ford Focus. Over three years/60,000 miles the car will cost 33.48p per mile to run, according to CAP. That means the cost for the 234-mile round trip from central Birmingham to central London will be £78.34.

Time

Running the right vehicles, for the right people at the right time and at the optimum cost clearly takes time and typically at least one person - the fleet manager - or in larger fleets a department will be responsible aided by a recording system which provides transparency with accountability.

In the case of our 'mythical journey' from central Birmingham to central London the time taken will be two hours 15 minutes, according to the RAC.

Business flexibility

The provision of company cars offers huge business flexibility - journeys can be made as and when required - and they continue to be hugely important staff recruitment and remuneration tools in many areas of business.

approach to ensuring that best practice is adhered to when compared particularly with employees driving their own cars on business.

Telematics

The trend for company-owned vehicles to be fitted with 'black boxes' or telemetry devices started with HGVs, migrated to LCVs and is now migrating to cars.

The range of data that is downloadable is huge and, for the first time, enables fleet chiefs to gain real-time cost control over their fleet.

But, if fleet decision-makers do not set aside time to analyse the data and use it to improve fleet operating efficiencies then the benefits will be lost.

A decade or more ago telemetry devices were

Mobility options: Employees driving

Employees who drive their own cars on business are known as the 'grey fleet' because it is a 'grey' management area often overlooked by employers and employees alike

In recent times, perhaps this is the most controversial area of business mobility because of the conflicting demands that are encompassed within 'grey fleet' operation.

Collectively, employees who drive their own cars on business are known as the 'grey fleet' because it is a 'grey' management area often overlooked by employers and employees alike. 'Grey fleet' drivers include those who take a cash allowance from their employer and use it to purchase their own car which they use for business.

Whether employees drive their own cars bought second hand perhaps six or seven years ago or have opted to fund their own vehicle through a funding mechanism of an employee car ownership or salary sacrifice scheme, management control is essential.

However, industry research and anecdotal evidence suggests that in many cases across the public and private sectors there is a laissez-faire attitude to 'grey fleet' use that undermines environmental, risk and cost management issues.

The environment

Industry research suggests that the majority of

'grey fleet' vehicles are older than company cars and therefore are higher polluters.

A report by the Office of Government Commerce (OGC) suggests that the average age of an employee-owned car used for business in the public sector is 6.7 years. Meanwhile, data from the Society of Motor Manufacturers and Traders reveals that in 2010 the average CO₂ figure for a new company car was 143.5 g/km - a near-20% reduction on a decade ago.

Additionally, ACFO research has revealed that where employees give up their company car and now drive their own car on business, emission levels could be around 20 g/km of CO₂ higher than the car they gave up.

Road safety

Employers have a legal duty of care to manage the safety of all employees who drive on business, including those who take to the wheel of their own vehicles.

Both management and employees can be prosecuted for road traffic crashes involving work-related journeys, even when the driver is using



Many employers have become aware not only of the safety and environmental concerns around the driving of privately-owned cars on business, but the financial costs associated with their use

ing their own cars on business

their own vehicle. This makes it imperative that employers' occupational road risk management policies and procedures embrace staff who drive their own cars on business.

That means that far from the 'grey fleet' being an 'out-of-sight out-of-mind issue' employers must, for example, undertake checks to ensure that employees have the correct business use insurance in place, that vehicles are serviced and maintained in accordance with manufacturer

recommendations, a valid MoT certificate is in place on vehicles over three-years-old and vehicles are roadworthy. In short, an auditable trail of vehicle documentation must be in place.

Additionally, as a result of the age of privately-owned vehicles being driven on business some employers have discovered that staff are driving cars that are not equipped with the very latest safety features, such as ABS brakes, electronic stability control and did not offer the best protection in the event of a crash as determined by the European New Car Assessment Programme ratings.

Cost

Many forward-thinking employers have now become aware not only of the safety and environmental concerns around the driving of privately-owned cars on business, but the financial costs associated with their use.

Many employers have found that mileage reimbursement costs - 45p per mile for the first 10,000 business miles and 25p per mile thereafter if claimed under tax-free AMAP rates - have rocketed as employees discovered that they could 'make money' from business travel.

With few vehicle use controls in place, employers



have found that mileage being travelled was rising - if they were not recording it effectively - and so were costs.

As the number of miles travelled on business increased, emission levels associated with vehicle use were also rising and, as a result, so was the risk of staff being injured in a road crash.

Almost one-third of companies (31%) allowed employees to drive more than 7,000 miles a year on business in their own vehicles with the average employee being paid almost £3,500 a year in mileage reimbursement costs, according to research last year by Sewells, sister company of industry publication *Fleet News*, in association with the Energy Saving Trust. The research also revealed that 24% of 'grey fleet' vehicles covered more than 10,000 miles a year on business-related travel.

Across the sample of 197 companies, Sewells calculated that the potential mileage reclaims could potentially reach more than £200 million a year.

Meanwhile, the OGC report examining 'grey fleet' use in the public sector suggested it could account for 57% of total road mileage in the sector - 1.4 billion miles annually - with some organisations paying reimbursement rates of 81 per mile and even higher.

Therefore, it is not surprising that the OGC report

'Grey fleet' drivers include those who take a cash allowance from their employer and use it to purchase their own car which they use for business

Pro-active fleet decision-makers have been quick to spot the link between cost, safety and the environment

concluded: "Often 'grey' fleet is not the most cost-effective method of transport available." The report added: "In some cases, the mileage rates offered may act as an incentive for people to drive their own vehicles." In terms of this guide's 'mythical' return journey from central Birmingham to central London using AMAP rates (45p per mile) the cost would be £105.30 - £26.96 more expensive than in a company car.

Time

Managing and administering the 'grey fleet' should amount to just as much of a focused operation as managing the company car fleet - however, research and anecdotal evidence suggests that this is often not the case.

Frequently there are 'black holes' in terms of employer record keeping in relation to checks on employee driving licences and vehicle-related documentation. Additionally, it is rare to find that an employer knows exactly what their total 'grey fleet' mileage is; the cost of journeys; the reason for those journeys and the destination of journeys. This is all data that needs to be gathered if the 'grey fleet' is to be effectively managed.

Therefore, it is essential that management time is set aside to truly manage the 'grey fleet'.

In the case of our 'mythical journey' from central Birmingham to central London the time taken will be two hours 15 minutes, according to the RAC, the same as in a company car.

Business flexibility

Just as with a company car fleet, the 'grey fleet'

delivers flexibility in terms of 'business mobility'.

However, that flexibility must be balanced against financial cost. That cost should not just be measured in terms of mileage reimbursement but also in the cost of the time taken to manage the 'grey fleet' in accordance with best practice policies and procedures.

Pro-active fleet decision-makers have been quick to spot the link between cost, safety and the environment and have taken swift action. For example, some ACFO members have:

- Introduced a cap on 'grey' fleet mileage. For example, if an employee travels more than 5,000 business miles a year then they must drive a company car. This is particularly happening in the case of employees who have opted for a cash allowance instead of a company car.
- Introduced CO2 emissions and MPG caps thereby allowing staff to drive their own cars on business but only if they meet the predetermined levels
- Introduced an age-related cap to 'grey' fleet use

And, in some cases, ACFO is aware of organisations that have banned 'grey' fleet use or made it abundantly clear that own car use is a last resort for a business trip with permission having to be obtained.

Instead, these organisations are promoting the cost-effective, safety-focused and environmental benefits of alternatives such as public transport, audio or video conferencing, car hire and, in some cases, have reintroduced pool cars. Additionally, anecdotal evidence suggests that demand for company cars is rising for the first time in many years.



Mobility options: Daily rental

Over the years daily rental has frequently only been considered as a temporary stop-gap measure when, for example, a company car is being repaired or when a member of staff is waiting for their new vehicle to be delivered.

However, an effectively managed daily rental policy can be a very useful cost-effective alternative to car travel, particularly for employees who have historically driven their own cars on business.

Simultaneously, daily rental vehicles are invariably among the most modern cars on the UK's roads so meet best practice in terms of low CO₂ emissions and being equipped with the very latest safety features.

The environment

As mentioned, daily rental cars are among the newest on the roads and therefore among the most environmentally-friendly. In today's carbon-conscious environment there are a number of daily rental companies that are dedicated to only renting low-emission vehicles, such as hybrid models like the Toyota Prius.

Additionally, many rental companies either categorise vehicles by their CO₂ figure or have a fleet of 'green' vehicles, which are among the lowest emission models available, often below 120 g/km.

Road safety

As daily rental cars are rarely older than 18 months they are invariably equipped with all the very latest safety features and serviced on schedule, which can put employers' minds at rest in terms of occupational road risk management compliance. Not surprisingly, many rental companies are billing car hire as the solution to combat the 'grey fleet' use particularly from a health and safety perspective.

Cost

For our 'mythical' return journey from central Birmingham to central London we were able to hire a Ford Focus 1.6 Zetec five-door or equivalent model for £51.09 including damage liability waiver and theft liability waiver with unlimited mileage.

Added to the cost of the car hire must be the cost of fuel (approximately £36). However, it should be remembered the car is hired for 24 hours so it may be possible for the business, with good journey planning, to schedule other appointments/deliveries

into the rental window thus making the hire more cost effective. As can be seen car hire for certain journeys - particularly longer journeys - can be cheaper than paying a mileage allowance to staff, particularly if they are intending to drive their own car.

Time

Many employers already have relationships with daily rental providers, but often employees are unaware of the policy governing vehicle hire.

Additionally, many small organisations operate outside the heart of the fleet community and therefore rental is typically viewed as an option only when a temporary vehicle for a few hours or a day or two is required. With many rental companies now offering a car delivery/collection service the inconvenience of having to journey to and from the rental company to pick-up the car is confined to history.

All-in-all vehicle rental can be an administratively time effective solution to business mobility as it eliminates many of the management issues associated with both company car and 'grey fleet' use.

In the case of our 'mythical journey' from central Birmingham to central London, according to the RAC, the time taken will be two hours 15 minutes.

Business flexibility

Vehicle hire can offer huge flexibility for businesses in terms of the length of hire and also in the type of vehicles available for hire.

Virtually any size of vehicle can be hired from a city car to a luxury saloon to an MPV thus making rental for meetings that may require the attendance of several people hugely cost-effective. However, such are the opportunities available that many rental companies now offer hire terms significantly longer than the traditional daily or weekly arrangements.

Equally, contract hire and leasing companies offer vehicle solution opportunities significantly shorter than the traditional three or four-year terms.

Additionally, some leasing companies also have their own short-term 'pool' of vehicles and virtually all have forged partnerships with rental companies so they can provide a one-stop shop solution for all client vehicle requirements over the short, medium and long term. Therefore, if employees know what their employer's daily rental policy is and how it fits into an overall business mobility plan, as long as the hire is signed off by their line manager, it can prove to be administratively efficient.



An effectively managed daily rental policy can be a very useful cost-effective alternative to car travel

Mobility options: car sharing

A key part of any corporate travel plan should be car sharing - also known as lift sharing and ride sharing - which is defined as two or more people sharing a vehicle.

The UK's largest car share organisation, Liftshare.com - which also believes it may be the largest in the world - runs some 1,345 schemes including hundreds for public and private sector organisations and has almost 430,000 registered members.

It estimates that in the next year the mileage shared in such schemes will be 347,471,915 - or equivalent to nearly 14,000 trips around the Earth.

The Government advocates car-sharing because it 'can help to alleviate the problems of congestion and carbon emissions'. Additionally, say supporters, it has become very clear to organisations the amount of money they are spending on taxis to and from airports and rail stations and mileage reimbursement."

But, despite surveys suggesting interest in car sharing is at an all-time high, in reality the initiative amongst employees is in its infancy, although the concept is one that the Government is keen to

promote.

The Department for Transport estimates that there are 10 million empty car seats every day on Britain's roads. If car users, currently travelling solo, can team up with others in a similar position to share a vehicle, congestion and pollution levels will reduce.

With most cars costing between 25p and 40p a mile to run, an employee with a 10-mile commute to work, who leaves their car at home twice a week can save up to around £800 a year.

As AA president Edmund King says: "Car sharing is something that we really believe in - not only is it a good way to reduce emissions and congestion on the road, but can also save on motoring costs."

Meanwhile with Nottingham City Council set to be the first local authority to introduce a workplace parking levy in 2012, the new charge could accelerate employer interest in car sharing schemes. A number of other local authorities are reported to be interested in introducing a similar charge and car sharing schemes would help reduce the financial burden.

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In the next year the mileage shared in such schemes will be 347,471,915 - 14,000 trips around the Earth
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Employer benefits of car sharing

- Save money on car parking spaces
- Relieve local congestion
- Reduced fuel bills
- Mileage reimbursement savings
- Demonstrate CSR commitment
- Contribute towards sustainability
- Improve corporate image
- Widen recruitment market
- Create internal social networks

Employee benefits of car sharing

- Save money on fuel and vehicle running costs
- Save money on car parking if paid for
- Time savings if priority parking provided
- Free up spaces for those unable to car share
- Enable non car users to have another travel option
- Increased safety and security for staff
- Improve work/life balance

Source: National Business Travel Network

How to set up an employee car share scheme

There are two main types of car sharing:

- 'Open' car sharing, where anyone in a defined geographical area can join a sharing scheme. This involves no input from the employer, and is likely to be most appropriate to micro-businesses where their few staff do not live close to each other.
- 'Closed' car sharing - setting up an in-company car-matching scheme.

Companies are typically concerned with 'closed' formal schemes that match people who register with others making the same trip.

The best developed schemes are targeted at the daily commute, but those aimed at sharing vehicle travel to business meetings are rising in popularity. Such schemes may operate within a single company or across a number of different employers in the same area, for example on a business park. Meanwhile, local authorities can promote car sharing across an entire area involving many employers.

The most popular method of encouraging car sharing in the workplace is to facilitate journey matches via web pages on an internet or intranet site.

The financial business case for car sharing

Costs and benefits are scaleable depending on the size of the organisation, the number of employees and how many staff currently drive to work individually.

Liftshare calculates that payback can occur within two months and sometimes even faster with car sharing which is much cheaper to introduce than other travel plan alternatives such as cycle schemes, where infrastructure costs can be expensive.

But when calculating the cost of establishing a car share scheme, employers should take into account:



- The number of car parking spaces
- The assumed cost of parking spaces
- Savings as a result of reducing the number of parking spaces
- The cost associated with administering a car sharing scheme
- The cost of car share software
- The cost of any incentives to encourage the uptake of car sharing
- The cost of marketing car sharing to employees

Department for Transport research suggests that, on average, organisations that have implemented successful car share schemes have been able to reduce the number of car park spaces provided per staff member from 0.8 to 0.4 - halving the number of parking spaces required at their sites.

As an incentive for employees to travel together, HM Revenue & Customs has in place a 5p per passenger business mile allowance which drivers can claim free of tax and National Insurance contributions. Unlike with AMAP allowances there is no relief if drivers receive less, or nothing at all from their employers.

Passenger payments, which apply to drivers of cars and vans and were extended to include volunteer drivers in the March 2011 Budget, only apply for carrying fellow employees on trips which are also work journeys for them.

Costs and benefits are scaleable depending on the size of the organisation, the number of employees and how many staff currently drive to work individually

Mobility options: Car clubs

Car clubs have grown in popularity, particularly in major conurbations, as a flexible alternative to owning a vehicle.

When first established, they were particularly aimed at two types of individual, those who needed a car occasionally and didn't want the expense and hassle of owning and running one and those who currently own a car but clock up only a few thousand miles a year and may feel that it is becoming too expensive to run

However, businesses are now finding car clubs a useful option particularly as an alternative to pool cars and 'grey fleet' use, according to Carplus, a national charity promoting responsible car use which is supported by the Department for Transport and Transport for London.

Car clubs typically offer businesses 'self-serve' 24/7 access to a range of vehicles for 60 minutes or longer with bookings made via telephone or internet. Pay-as-you-go charges include fuel and maintenance costs. Vehicles are also fully insured and have comprehensive breakdown cover.

Accounts are sent to employers monthly detailing costs, mileage and times of every trip or can be viewed online.

There are currently more than 2,000 car clubs operating across the UK.

The environment

Car club cars - like rental cars - are usually amongst the newest on the roads therefore they represent a 'greener' option for businesses.

Carplus calculates that:

- One car club vehicle can encourage the 'disposal'

of at least eight privately-owned cars

- 30% of corporate drivers said that car club membership had reduced their amount of driving to and from work

- Car club vehicles emit 63% CO₂ compared to those they replace

Road safety

As car club vehicles are amongst the newest on the roads they are invariably equipped with the very latest safety features.

Additionally, encouraging employees to use car clubs instead of their own cars for business trips negates the many issues around monitoring 'grey fleet' use and limits employers' risk exposure.

Cost

Value for money is usually achieved by using car clubs for short journeys. The charging structures of the majority of car clubs means that for hire periods above approximately four hours and for journeys of any distance the cheaper vehicle alternative is traditional short-term rental.

The typical car club has an annual membership charge - City Car Club, the UK's largest charges £50 per member.

A Ford Focus or equivalent vehicle costs £6.20 per hour to hire (£52 for 24 hours) and there is a mileage charge of 22p per mile.

Therefore, the cost of our 'mythical' 234-mile return journey from central Birmingham to central London, which takes four hours 30 minutes would be £79.70 (£51.48 for fuel and £27.90 for the rental of the vehicle, which assumes no congestion hold-ups and an immediate return journey).



Car clubs for businesses offer the potential to transform the way organisations think about vehicles

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Car clubs typically offer businesses 'self-serve' 24/7 access to a range of vehicles for 60 minutes or longer
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On this journey the cost is little different to that for traditional vehicle rental. However, factor in a two-hour meeting in central London and car hire becomes the more cost-effective and flexible choice as rental is charged per 24-hour period.

Businesses that are using car clubs instead of pool cars also point to financial savings when all fuel, maintenance, parking, depreciation and administration costs were calculated.

Car clubs also overcome issues around employee business mileage reimbursement and whether journeys were necessary.

Most car clubs offer special terms for businesses on application.

Time

There should be a car within a five to 10-minute walk of home or work, in a marked parking bay specially designated for car club cars, according to Carplus.

It says that with operators expanding all the time

that if there isn't one close by then the organisation will pass on the request.

Business flexibility

Car clubs for businesses offer the potential to transform the way organisations think about vehicles.

Instead of a company car or a pool car being an expensive asset, it becomes another tool that can be used as and when required.

By outsourcing vehicle needs to a car club, employers can cut down on not just the vehicle costs, but the time it takes to manage vehicle usage.

Ultimately, claim supporters, car clubs for businesses are just as flexible as owning a vehicle, but without having to actually pay up front for it.

In short car clubs for businesses are billed as the 'low cost, low risk and low carbon alternative' particularly to pool cars and 'grey fleet' use but also to company cars.



Businesses are now finding car clubs a useful option, particularly as an alternative to pool cars and 'grey fleet' use

Mobility options: Bicycles

Cycling isn't just for sport or leisure, it is a viable transport option that tens of thousands of people use every day to get to work and to do their jobs.

It is affordable, environmentally-friendly, often faster than travelling by car in heavy urban traffic because bicycles can pass stationary traffic queues, whilst cycling also keeps riders fit at the same time.

In addition to financial benefits from savings in fuel, maintenance and depreciation compared with running a car, the Department for Transport points to studies that have shown cycling for at least 30 minutes a day gives people a level of fitness 'equivalent to being 10 years younger'.

The Government aims to encourage cycling by pointing out that if more people chose to make their journeys by bike, this will have a positive impact on local pollution and congestion levels in addition to their own health.

The environment

Clearly there are many environmental benefits to cycling, particularly at a local level in urban areas as the majority of people are unlikely to cycle long distances.

It has been calculated that if all the commuters in England with a journey of under five miles travelled by bike rather than car or bus, in just a week they would save a collective 44,000 tonnes of carbon dioxide (CO₂), the equivalent emissions produced by heating nearly 17,000 houses.

Road safety

Cycling must be considered within the health and safety context that every other method of business transport is covered by, particularly if bicycles are going to be used for work purposes.

This means cycle schemes, as part of an all-embracing travel to work policy, need to be well thought through and planned before they are launched to employees to ensure they are safe as well as popular.

Making advice and information available on cycle training schemes and the importance of ensuring that cycles are well maintained, lights are used during dark mornings and evenings and appropriate clothing, including helmets, are worn will all contribute to safety.

Cost

To encourage cycling, employers should provide a range of facilities that cyclists need. For example, lockers may be required for equipment, along with showers and changing facilities, but the most important facility is secure parking. The fear of theft is one of the biggest deterrents to growth in cycling.

Cycle parking can range from individual stands for one or two bicycles next to doorways, up to large, covered (or indoor) cycle stores with swipe card access.

Individual cycle lockers are more expensive than sheds but are popular because they are more secure and permit the safe storage of clothes, helmets and accessories along with the bicycles.

Cost estimates range from about £500 for a cycle shed to several thousand pounds for a bike park surrounded by a security cage.

Government-backed Cycle to Work schemes, including salary sacrifice, encourage employees to bike by offering significant

reductions in the cost of buying a new bike and safety equipment by using tax and National Insurance incentives. Salary sacrifice schemes also deliver National Insurance savings to employers.

When an employee covers business mileage on a bicycle, a 20p per mile Approved Mileage Allowance Rate can be claimed tax-free.

Time

While the majority of cycling by employees is to and from work it may be an option for work-related journeys particularly at a local level when traffic congestion is at its worst.



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Studies have shown cycling for at least 30 minutes a day gives people a level of fitness 'equivalent to being 10 years younger'
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Mobility options: Motorbikes

Businesses and employees are rising to the increasing transport challenges they face on the road by taking to two wheels instead of four.

Daily business journeys by car are becoming more unpredictable, as crowded roads lead to traffic jams, accidents, delays and rising costs.

Add in the volatility of fuel prices and for tens of thousands of riders every day, the motorbike offers a solution to many travel issues, by cutting commuting times and reducing costs.

However, companies considering motorcycles as a transport option for employees need to ensure any programme is carefully considered and well managed when launched.

The environment

Scooters and motorcycles are an excellent tool for reducing fuel use, but in the battle against pollution, they may have a long way to go.

While emissions from cars are reduced via catalytic converters and a range of engine management systems, bikes tend to have a more basic approach, especially on scooters.

So although a scooter can achieve up to 100 mpg, a car may be as clean because of the way fuel is burnt.

A study by the Swiss Federal Laboratories for Materials Testing and Research revealed that compared to cars, motorbike hydrocarbon emissions were 16 times greater; carbon monoxide three times greater and other pollutants are released in 'disproportionately high' amounts.

In addition, while motorbikes are often the favoured means of transport for travelling around busy cities, using one in urban traffic generates average annual hydrocarbon emissions nearly 50 times higher than that of the typical car.

Road safety

While there may be benefits in terms of efficiency and reduced congestion, riding a motorcycle is more hazardous than driving a car, so careful planning is needed to minimise risk and maximise the skills of any riders.

To support employees, especially those considering motorcycling for the first time, it would



help to provide information for them about suppliers and training.

Cost

Just as for cyclists, motorbikers will require safe and secure parking facilities that should be well lit and covered if possible, with sturdy posts or stands for motorcycles and mopeds to be secured to.

Companies should also provide lockers for equipment such as helmets and jackets, while riders would appreciate changing rooms and potentially showers if they are going to be riding in rain or through winter.

Companies could consider the provision of interest-free loans for employees wishing to travel by motorcycle/moped for commuting or work-based trips. Loans can be provided tax-free up to a value of £5,000.

Benefit-in-kind tax for the private use of motorbikes is much simpler than that for company cars. Employees are taxed on 20% of the cost of the bike to the employer including VAT, which is reduced by the proportion of private use.

Gross fuel benefit for business mileage is added to the benefit-in-kind valuation for assessment at 20%.

If employees use their own motorbikes for business, then the employer can reimburse them

Although a scooter can achieve up to 100 mpg, a car may be as clean because of the way fuel is burnt

- ▶ tax-free through the Approved Mileage Allowance Payments system at a rate of 24p a mile with no mileage threshold.

In terms of this guide's 'mythical' return journey from central Birmingham to central London using AMAP rates the cost would be £56.16 - cheaper than the cost of travelling either by company car or a privately-owned car.

Time

Motorcycles can be company 'jam-busters', working both for commuters and employees visiting other business premises during the day - if they don't have much to carry.

Journey times in London can be reduced by between 40%-60% when travelling by motorcycle, moped or scooter, it has been claimed, while scooters cut journey times in London by an average of 48% compared to all other forms of transport.

Business flexibility

Up to five motorcycles can be parked in a space occupied by one car thus enabling organisations to possibly give-up expensive car parking spaces.

Just as businesses can buy or lease cars for company use so motorbikes can be bought or leased – the latter through specialist organisations such as Motorcycle Management.

In the same way that specialist vehicle leasing providers work hand-in-hand with businesses to supply and manage company cars and vans so organisations such as Motorcycle Management have established relationships with companies both large and small.

Its business approach supplements the core financial planning element with full administrative and ancillary support, which can include the supply of training, equipment, management of services and customised reporting systems.

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Motorcycles can be company 'jam-busters', working both for commuters and employees visiting other business premises during the day
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Just as businesses can buy or lease cars for company use so motorbikes can be bought or leased

Mobility options: Public transport

Eliminating business travel may not always be possible. However, there may be lower carbon, safer and potentially cheaper travel options available.

Public transport - buses and trains - falls into that category with buses probably best suited to shorter journeys and trains for longer journeys.

Of course, when considering business travel to European destinations Eurostar should also be analysed as potential alternative to car as well as plane travel. The latter may also be suitable for journeys in the UK.

The environment

Air travel is now the fastest-growing contributor to global warming, and avoiding a flight when there are alternatives is probably the biggest single thing that any individual can do to cut their carbon footprint and limit their own impact on the environment.

Eurostar commissioned independent research to assess the CO₂ per passenger produced by a London-Paris Eurostar journey versus that emitted by a passenger on a London-Paris flight.

The research concluded that the return train journey produced 91% less CO₂ and was also quicker.

Carbon footprint comparisons can be made for journeys across different forms of travel - car, motorbike, bus, rail and air at <http://calculator.carbonfootprint.com/calculator.aspx>

Safety

Train, bus and air travel are all safer options than to travel by car, motorbike, pedal cycle or walk, according to official statistics.

Cost

The financial cost for businesses of purchasing tickets for bus, rail or plane travel is difficult to calculate due to the wide range of ticket options available.

However, to obtain the optimum price it is best to book in advance and avoid peak travel times. Accepting less flexibility, e.g. over return journey times, can also reduce costs.

By way of illustration checks revealed that an

anytime next day return journey by train for our 'mythical' trip from central Birmingham to central London would cost £149 (an anytime day travelcard cost £160.60) assuming arrival in London before 11am and arrival back in Birmingham by 6pm. A similar trip by coach would cost £19.60 return.

Time

The length of time it takes to make journeys is invariably a crucial factor from both an employee and employer perspective.

Our 'mythical' train journey would take one hour 24 minutes to travel to London and an identical time on the return journey. By coach the outward journey would take three hours 15 minutes and the return journey two hours 50 minutes.

Factored in to the time (as well as the cost) must of course be travel to and from the start of the journey and the finish of the journey as well as timetable flexibility.

Business flexibility

Clearly the choice of transport is dependent on the type of journey being undertaken and the time of the journey.

Rail journeys can often be far more time-efficient than car journeys, but against that must be factored in the cost and also how flexible the journey timetable is in relation to the business timetable.

However, some organisations may find it more cost and time effective to allow employees to travel by car and book overnight accommodation for them.



Buses are best suited to shorter journeys and trains for longer journeys

Mobility options: Technology and s

It has been calculated that company car drivers 'waste' a total of 11 days per year stuck in traffic jams - and that congestion is getting worse. The net result is a multi-billion pound loss to UK plc in terms of business inefficiency and lost productivity and significant environmental damage through vehicle pollution as well as dicing with death on the roads.

In the UK, 25 million people commute to and from work every day. Most use a car (71%), with walking (11%), buses (8%), rail (6%) and cycling (3%) the next most popular forms of commuting, and motorcycles last at 1%.

Workers in the UK have the second longest average daily commute in Europe: in many cases adding an entire working day each week. The average daily commute is 8.7 miles, taking on average almost 48 minutes. One in ten commuters has a daily journey in excess of two hours, with 3% of UK workers being 'extreme commuters', travelling at least three hours every day.

The answer is 'smart working' and the use of a range of technologies to limit the need for travel.

Smart working

To keep skilled staff, a mix of working from home, working in local offices and allowing more autonomy over the hours of work can help as well as meeting employees' aspirations for reducing their commute journeys, according to an analysis by www.flexibility.co.uk, which claims to be Europe's leading website for smarter working.

The most common approach to 'smart working' is for employers to reduce commute and in-work travel by developing a 'travel plan'.

The aim of a 'travel plan' is to reduce the amount of single-person car travel, and to promote alternative means of work-related mobility - public transport, cycling, walking and car share as well as flexible working.

The growth of home working has helped to cut average commute times to a 10-year low of 47 minutes and 48 seconds per day, according to a TUC analysis.

Using figures from the Labour Force Survey (LFS), the TUC has calculated that £339 million worth of working time is spent travelling to and from work every day.

Other factors reducing commute times include better traffic management by government and local authorities, and greater use of flexible working by employers, says the TUC.

The analysis shows that being flexible - staggering work journeys - and home working doesn't just benefit individuals and their employers. If more people are allowed to work from home the daily commute becomes shorter and more pleasant for those who still travel.

Apart from business and transport benefits, there are also obvious environmental benefits of reducing the need to travel as well as a reduction in risk exposure for both employers and employees.

The average commuter driving an average car, covering the average commute distance will produce almost one tonne of CO₂ per person per year, says Work Wise UK.

With 25 million people in the UK commuting, that is the equivalent CO₂ emissions to fill almost 50 billion one litre water bottles every day, or enough to fill 89,000 typical three-bedroom homes, which is a city of some 200,000 inhabitants, says the organisation

In conclusion smarter working requires a cultural change and can take a number of forms, some very simple, with few cost implications, through to full organisation-wide workflow reviews. The options include:

- Allowing flexible working hours by staggering journeys, introducing flexitime/self-rostering, flexihours or flexiworking
- Allowing flexible working location by encouraging staff to work from more convenient locations such as from home, on the move, conveniently located satellite offices and hot desking

Technology also has an important role to play in facilitating smarter working practices and below we highlight some of the frontline options.

Telephone conferencing

A telephone conference call is when three or more people located in different places physically, are connected through a central switchboard system.

The cost of putting in place a conference telephone system is relatively small compared to the cost of travel and, if required, hotel overnight

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Workers in the UK have the second longest average daily commute in Europe: in many cases adding an entire working day each week
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smart working

accommodation. Additionally, if not travelling to a meeting or an appointment - particularly by car - there are clearly environmental and road safety benefits to be added to the financial as well as time savings.

Video-conferencing

Video-conferencing is a communications technology that integrates video and voice to connect remote users with each other as if they were in the same room.

Each user needs a computer, webcam, microphone, and broadband internet connection to enable participation. Users see and hear each other in real time, allowing natural conversations not possible with voice-only communications technology such as telephone conferencing.

As video-conferencing requires hardware and software to be installed, an organisation will typically partner with a specialist provider who will also provide ongoing support.

While communications companies have been dabbling in video conferencing technology for half a century, it took the advent of broadband internet and affordable web cameras in the 1990s for video-conferencing to really take off.

Just like tele-conferencing the benefits to employers are many and include reduced employee travel thereby saving both time and money as well as reducing an employer's carbon footprint and the safety of both employers and employees. The net result is a boost to productivity.

Instant messaging

Communication has been revolutionised by the internet with e-mail the most frequent form of conducting a dialogue with another person or colleagues.

However, sometimes the people being emailed may not be online or e-mail isn't fast enough or, e-mailing backwards and forwards with someone may not be too convenient.

Hence the development of instant messaging (IM), which is in reality a form of real-time direct text-based communication between two or more people using personal computers or other devices, along with shared clients. The more advanced



instant messaging software also enable live voice or video calling.

Major providers of instant messaging include the likes of AOL, Google and Yahoo.

VoIP (Voice over Internet Protocol)

VoIP is a technology for transmitting ordinary telephone calls over the internet.

It can send voice, fax and other information via the internet instead of a traditional telephone network as well as sending information, such as video, which is impossible on a regular telephone line.

A major advantage of VoIP is that it avoids usual phone charges as the network carrying the call is the same as that used for email so having paid the usual internet charges there are no further fees to be paid regardless of where the call is being made to in the world.

On a regular telephone line users can only talk to one person at a time but in case of VoIP they can talk with as many people - who are connected to the internet - at any given time without any additional charge.

Hence, say experts, VoIP telephony due to its flexibility and cost-effectiveness threatens the traditional distance and even time-based pricing model upon which all major voice line telephone services are currently based.

To get started an analog telephone adapter (ATA) is required to convert the human voice into data packets. In most cases, all that is required is to connect the ATA to a broadband modem and a conventional phone and then calls can be made to any phone in the world.

Experts say that one of the greatest disadvantages of VoIP can be the quality of voice delivered, while the other main drawback is the need for a reliable broadband connection or a steady but fast internet connection.

Skype is probably the best know VoIP, which is also available on the very latest mobile telephones and televisions.

The growth of home working has helped to cut average commute times to a 10-year low

Mobility options: The future

The European Commission has set out plans to ban petrol and diesel cars from cities by 2050 with a 50% reduction by 2030.

The goal is part of the Commission's comprehensive Transport 2050 strategy to reduce carbon emissions by 60% while also increasing mobility.

UK Transport Minister Norman Baker immediately condemned the idea, saying that the Government would not be involved in banning cars from cities.

But, it seems some vehicle manufacturers may have already anticipated the Commission's proposals.

For example, Peugeot's mobility service, Mu, which it claims is 'destined to revolutionise perceptions of transport in towns and cities' has already arrived in London and Bristol.

Mu account holders can rent for half-a-day or more cars, vans, scooters and bicycles, along with accessories such as roofboxes and bike racks. Hiring a bicycle for a day costs £10, a 308 costs £40 for the day and an RCZ, for example, is £140 for a weekend.

Peugeot UK managing director Jon Goodman said: 'Mu by Peugeot is leading the race to find solutions to current economic and environmental challenges.'

Meanwhile, BMW has launched the BMW i brand, which is focused on offering 'intelligent sustainable mobility solutions'.

BMW i is claimed to 'represent a new movement in premium mobility' with the first models - the electric BMW i3 and plug-in BMW i8 - due for launch in 2013.

But the BMW Group is also developing a range of mobility services with strategic partners. The first of these is a mobile phone application, My City Way, which provides users with information on public transportation, parking availability, and local entertainment for over 40 cities in the US. Another 40 cities, including London, will be part of the global rollout.

A second development under the i brand banner sees the BMW Group combine with Sixt AG to launch a car sharing venture, initially in Munich and Berlin, with a global roll-out plan. By 2020 the plan is for DriveNow to have one million members

worldwide. Initially 300 BMW 1 Series and Mini vehicles are available for hire in Munich with customers having no more than 500 metres to walk to the nearest available car. Vehicle can be hired and dropped off wherever customers need them.

Customers are able to find available vehicles via the website www.drive-now.com via a smartphone app or at the roadside. Vehicles can be used immediately without advance reservation or they may be booked in advance via internet or smartphone app.

Ian Robertson, member of the board of management of BMW for sales and marketing, said: "As a mobility provider, the BMW Group is not simply an automobile manufacturer. There is a growing demand for flexible mobility products in urban areas. DriveNow's premium car sharing services are aimed precisely at this gap in the market."

He believes that car sharing also has a role to play in cutting down traffic volumes, by reducing the time spent searching for parking spaces and in providing an alternative replacement for little-used, old and inefficient vehicles.

Meanwhile, leasing and fleet management companies have for many years talked about providing a one-stop travel service.

Well, the first move in that direction could be here as earlier this year LeasePlan UK signed a five-year contract with Atos Origin, an international IT services company, to offer a card designed to simplify the process of organising and paying for business travel.

Claimed to be the first of its, the LeasePlan TravelCard, is said to offer a more efficient way for users to pay for fuel, rail tickets, hotels and car parking.

LeasePlan UK commercial director Matt Dyer said: "The service is aimed at removing the hassle from managing everyday travel costs for our customers.

"We are confident that the LeasePlan TravelCard will make life easier for drivers when they need to plan, organise and expense business travel. Equally for employers the service will make it easier to manage and control business travel-related expenditure."



The goal is to reduce carbon emissions by 60% while also increasing mobility



Further information sources

ACFO - www.acfo.org

Act on CO2 - <http://actonco2.direct.gov.uk/home.html>

Bike 2 Work Scheme - www.bike2workscheme.co.uk

BMW - www.bmw-i.co.uk

Carbon Heroes - www.carbonheroes.com

Carplus - www.carplus.org.uk

CBI - www.cbi.org.uk

Cycling England - www.cyclingengland.co.uk

Department for Transport - <http://www.dft.gov.uk/pgr/sustainable>

Driving for Better Business - www.drivingforbetterbusiness.com

Energy Saving Trust - <http://www.energysavingtrust.org.uk/Travel>

Flexibility.co.uk - www.flexibility.co.uk

Highways Agency - www.highwaysagency.gov.uk/traffic

HM Revenue & Customs - <http://www.hmrc.gov.uk/rates/travel.htm>

LeasePlan - www.leaseplan.co.uk

Liftshare - www.liftshare.com

Motorcycle Industry Association - www.mcia.co.uk

Motorcycle Management - www.motorcyclemanagement.co.uk

Office of Government Commerce 'Grey Fleet Best Practice' guide - http://www.ogc.gov.uk/documents/Grey_Fleet_Best_Practice.pdf

National Business Travel Network - <http://www.nbtn.org.uk/>

Peugeot - www.mu.peugeot.co.uk

RoadSafe - www.roadsafe.com

Transport for London - <https://london.liftshare.com/companies.asp>

Transport Scotland - www.transportscotland.gov.uk/journey-information

Work Wise UK - <http://www.workwiseuk.org/>

About ACFO

ACFO has been working hard for fleet operators since the early 1970s. It is a not-for-profit organisation, and is the largest UK body representing the interests of organisations that operate cars and vans as part of their normal commercial activities. There are some 800 members, collectively responsible for over 500,000 vehicles in the UK fleet market.

ACFO's main purpose is to help fleet operators to improve the quality and cost-effectiveness of their business travel operation.

Members are represented within ACFO by a named delegate, usually the fleet or transport manager of the member organisation. There is, however, a very wide range of job titles involved, reflecting the different styles of fleet operation.

ACFO provides both a national representation platform, and regional networking opportunities, to support its key objective of improving the discipline and craft of fleet management, and its status.



The Premier Organisation for Fleet Operators

ACFO Limited
35 Lavant Street
Petersfield
Hampshire
GU32 3EL
Tel: 01730 260162
Email: info@acfo.org
Web: www.acfo.org