

# Vehicle Procurement in a Changing World



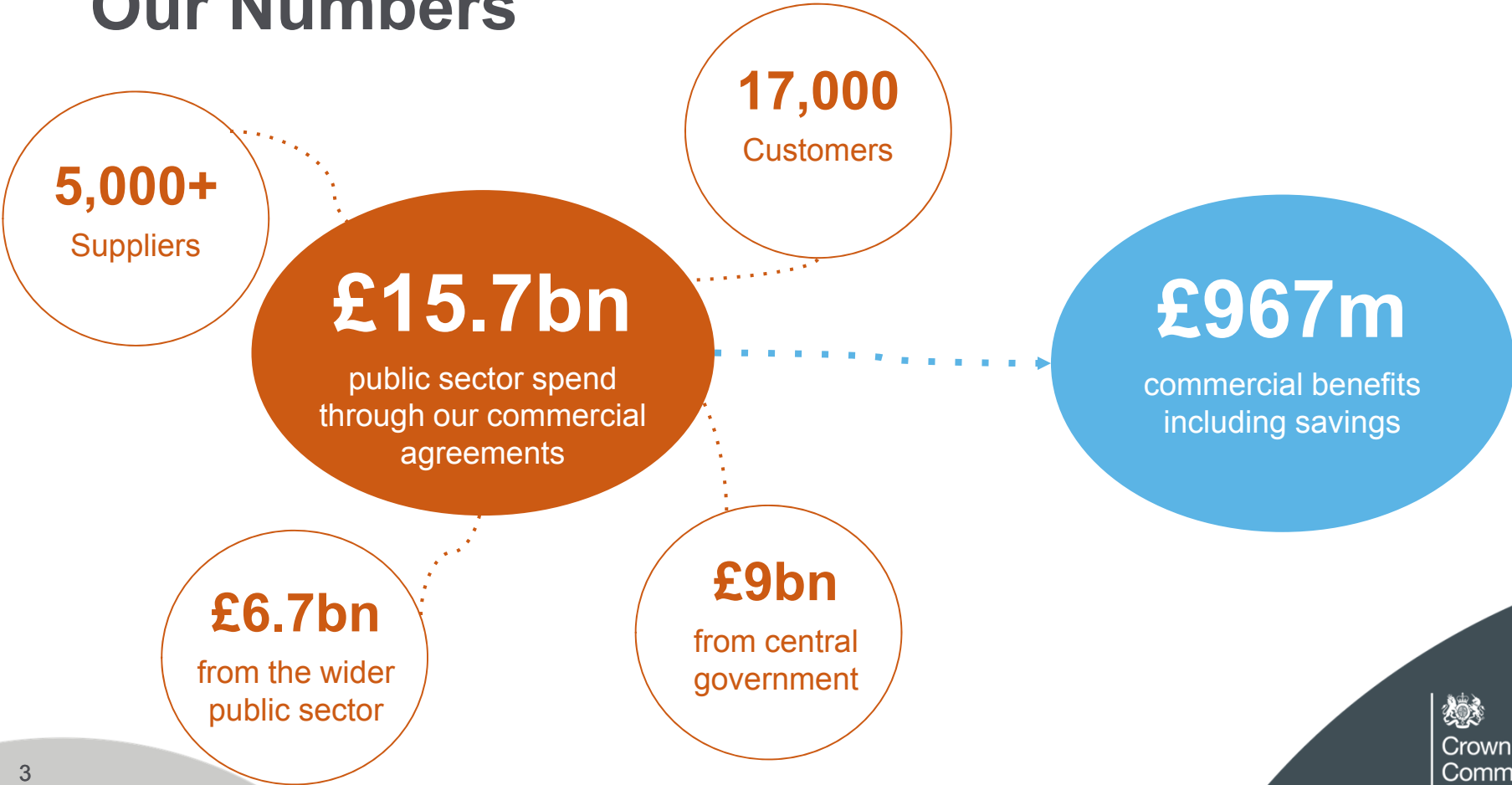
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# About CCS

We help organisations across the entire public sector save time and money on buying their everyday goods and services...

- Commercial expertise
- Supporting frontline services
- Significant savings
- Customer focused
- Bulk buying power

# Our Numbers



# How we work

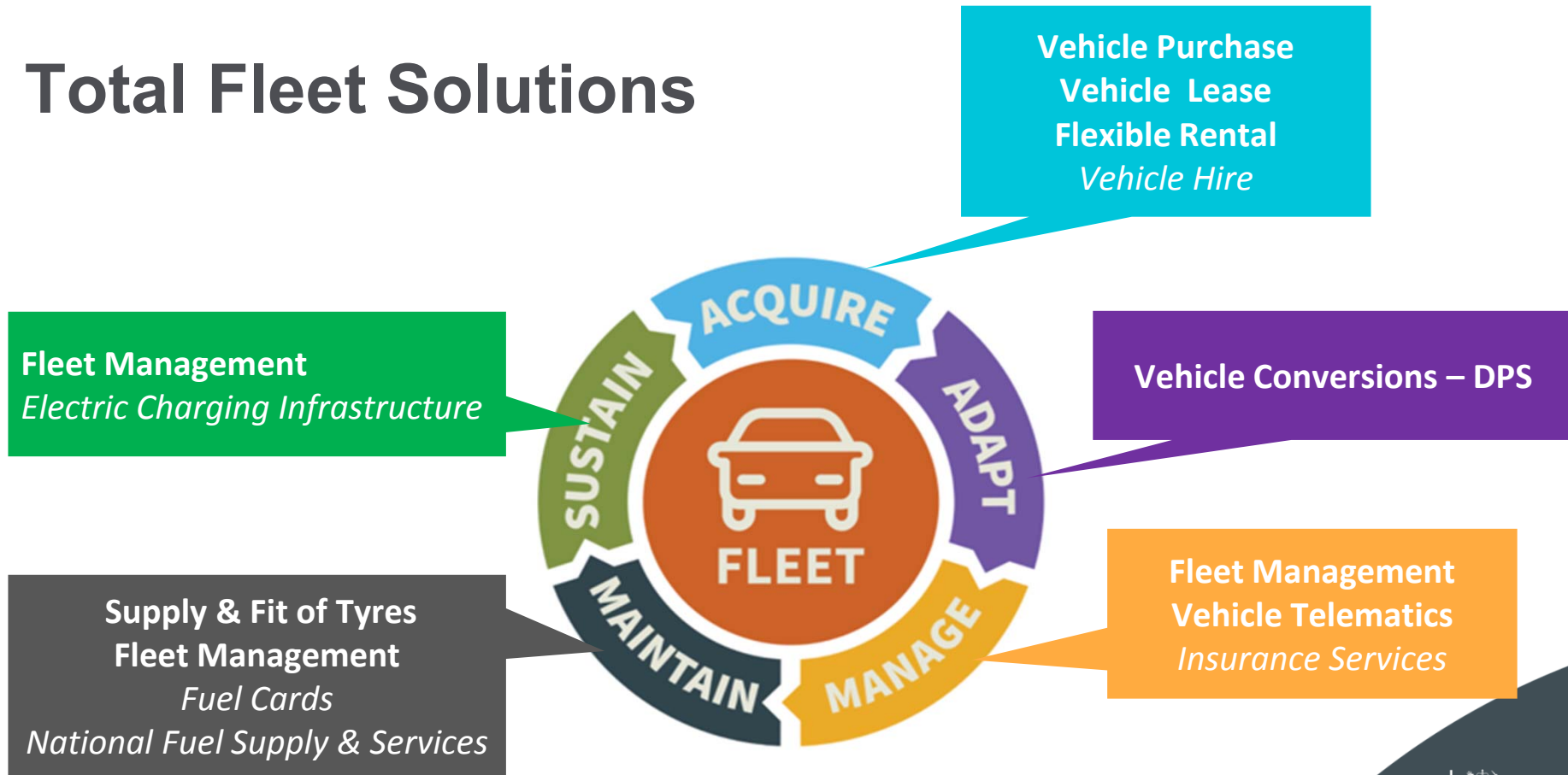
## Developing category strategies and commercial agreements:

- Industry engagement and market research
- Strategic supplier relationships
- Aligning customer needs to market opportunities
- Benchmarking and savings

## Managing commercial agreements:

- Managing the procurement process
- eAuctions and aggregation
- Supplier performance management
- Category advice and guidance

# Total Fleet Solutions



# Flexible Fleet Solutions



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# Vehicle funding options



## Vehicle uses:

- Operational
- Business travel
  - e.g. pool cars, daily rental
- Salary sacrifice

## A blended approach

- Purchase or Lease (contract hire)
- Hire or rent
  - e.g. daily rental, flexible rental

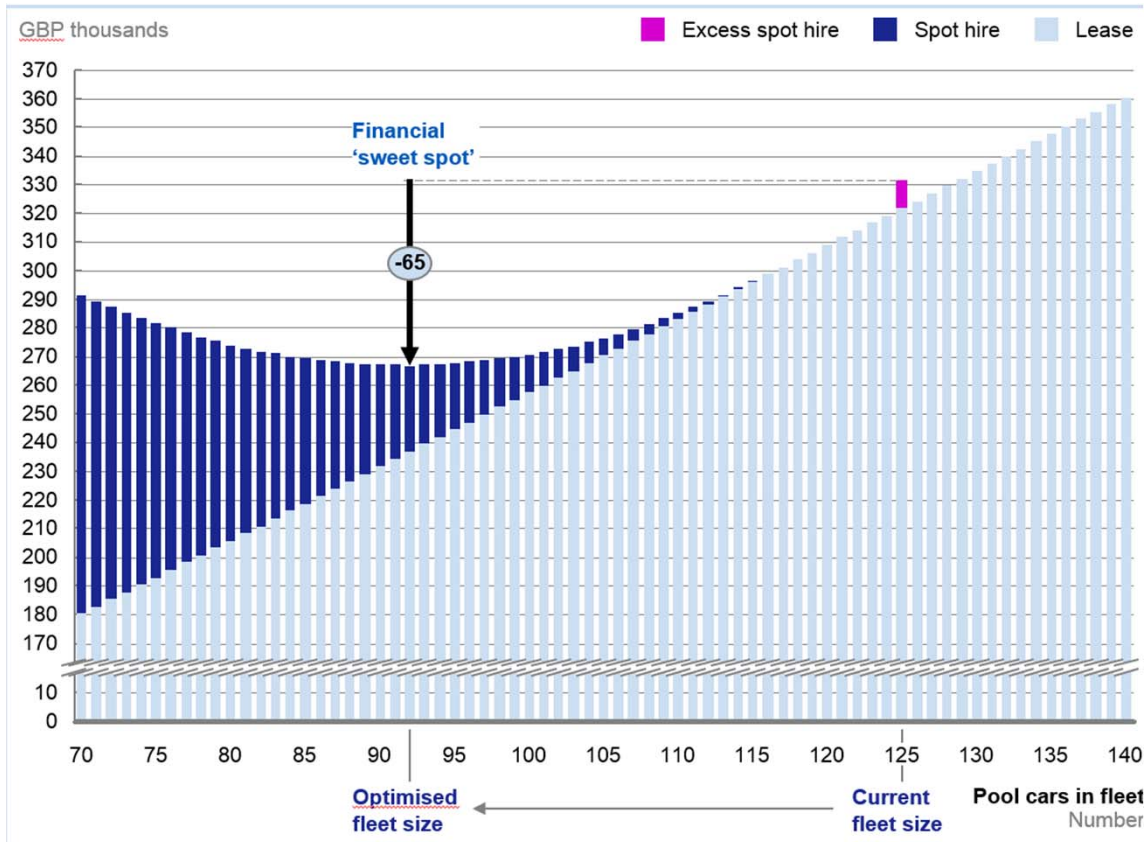
# What is Flexible Rental?

- Bridges gap between committed lease and ad-hoc daily rental
- Usually for 28+ days
- Relatively quick order to delivery
- No delivery or collection charges
- No early termination of contract costs
- Lower daily rates than hiring a vehicle (but not quite as good as a lease/purchase)
- Supports peaks/troughs in demand
- Legitimate place in any fleet





# Optimum Utilisation - a blended approach:



## Case Study:

- CCS worked with a customer to conduct a pilot study
- Used telematics to capture leased/owned vehicle data
- Used supplier data for hired vehicles
- Established baseline of utilisation
- Identified the optimum level for fleet operations

# Whole Life Costing for Fleets



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# Whole Life Costing

Takes into account all costs over the period of usership e.g.

- Purchase price
- Depreciation and residual value
- Servicing, maintenance and repair costs
- Running costs such as fuel, insurance, telematics
- Emissions
- BIK / Taxation implications for vehicles with an element of personal use
- Disposal costs

## Lease vs. Purchase vs. Rental

The newly upgraded CCS Fleet Portal can help!

# Influencing the value

## Acquisition

- Funding method
- Specification
- Timing to market
- Modifications
- Competition & bulk buying

## Disposal

- Timing
- Route to market

## Operation & maintenance

- Optimise utilisation
- Damage costs (direct & indirect)
- Retain residual value
- Telematics

# CCS Fleet Portal

- Web portal for customers
- Vehicle selector to identify vehicles fit for purpose
- Live quotations for standard build cars, LCVs and factory fit options
- Supports direct award
- Powered by cap hpi New Vehicle Data
- Pricing for purchases (RM6060)
- Pricing for leases (RM6096 Lot 1)
- Simple, easy and quick

# Take action:

- Pre-tender market engagement
- Keep to standardised products/services where possible
- Know market trends and behaviours
  - e.g. new vehicle registrations & year-end sales targets
- Don't pay more due to poor timing
  - e.g. limited vehicle converter market capacity
- Build in innovation and future-proof
- Consult with others
  - Trade bodies, CCS, collaborative groups, appointed fleet management companies

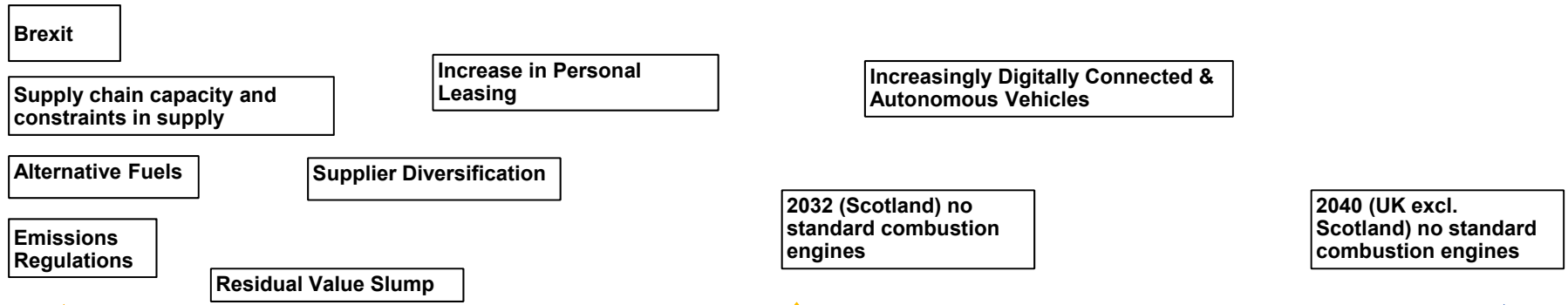
# The Road to Electrification



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# Fleet Category Horizon

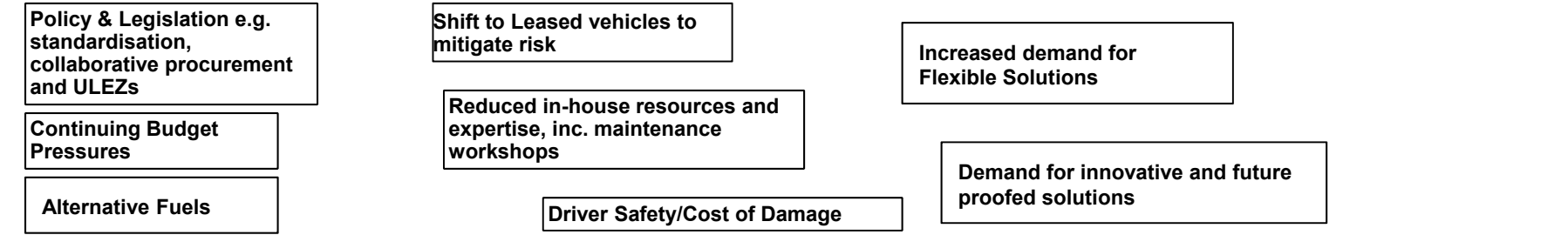
## Market Factors



**Short Term (2020)**

**Medium Term (2030)**

**Longer Term (2040)**



## Customer Factors





ACQUIRE

ADAPT

- Full range of current and future vehicles from all manufacturers in the UK market
- Availability of all fuel trains and future technologies
- Post-production conversions or modifications
- Lease, purchase, flexibly rent or hire
  - Fleet Portal - Direct Award
  - Further Competition
  - eAuctions





### Infrastructure:

- Consultancy and design services
- Installation, commissioning and maintenance of electric vehicle charging infrastructure

### Manage & Maintain:

- Telematics solutions
- Fleet management services
- Fuel cards

**Smart solutions for the public sector**

- **Education** - sharing our knowledge about the smart sector with customers
- **Consultancy** - advice and support for creating a smart environment
- **Diverse supply base** - range of suppliers, including SMEs
- **Commercial route creation** - working with companies that supply smart solutions to create standard supply models
- **Direct award** - variety of routes to market to purchase smart environments including catalogue buying options
- **Application of smart related technology to assets, both new and existing**

Crown Commercial Service

## Keep in touch

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