Industry Monitor

2021 edition

In association with

MotorTransport Commercial Motor

Welcome...

As we emerge from the most challenging set of circumstances in our lifetime, we felt the time was right to survey the road transport sector again and discover how operators are feeling. This is our third Industry Monitor report in association with *Motor Transport* and *Commercial Motor*, and I'm pleased to say it's the most in-depth yet. We're very grateful to have received a record number of responses, and I'd like to thank all those who took part.

As you will see, the results are a mixed picture with some caution and some confidence showing through. I was buoyed by the fact that almost half of respondents predict this year will offer more growth than the past 12 months. Yet, there are also a variety of challenges on the horizon, highlighted by our respondents and by contributions from our key industry bodies – Logistics UK, the RHA and the SMMT.

Driver shortages, tighter legislation and vehicle crime are issues that face us all and we'll need to work together as a sector if we are to make headway in tackling these problems at pace. We will also need to work together on introducing alternative fuels in a meaningful way. We hope you'll find the summary of what is available from all major manufacturers a useful guide and that you'll be interested to discover that a third of fleets expect to have non-diesel vehicles in their fleets in the next three years. Exciting times ahead!

I believe there is a lot to be optimistic about, and I hope this report is helpful to you and your team as you make plans and discuss the future. At Asset Alliance Group, we will continue to listen to operators and work to provide the most flexible and cost-effective ways of supporting the acquisition of commercial vehicles. Should you require tailored and independent advice on financing your fleet, please do get in touch.

Willie Paterson
CEO, Asset Alliance Group

This report is an overview of the trading conditions and confidence that UK operators are experiencing today. It provides analysis of key challenges – such as urban regulations, a national driver shortage and truck crime – and gauges the impact this is having on operators, both large and small. There is also an in-depth look into expected buying patterns for the year ahead, from the numbers of new trucks anticipated to be bought to choosing the latest alternatively fuelled models.

Contents

Number crunching

We drill down into the detail of fleet size, turnover, operating sector and licensing trends

The 2021 Asset Alliance Group Industry Monitor research uses a robust, 625-strong sample from the readership of Commercial Motor and Motor Transport.

Of this sample, one-third (33%) were company owners, MDs or board directors, while a further 18% were in senior management positions, and 13% in middle management. The remainder comprises junior management, engineers and a range of other business job functions.

The average HGV fleet size of those surveyed was 123 vehicles. At the larger end of the scale, 12% of operators ran fleets of 101-plus vehicles, while 30% ran fleets of between one and five trucks and the rest somewhere in between.

Average company turnover was £57m, with the top 10% of those surveyed recording more than £101m in revenue per annum and, at the smaller end, 38% of businesses achieving turnover of less than £2m.

Just over one-third (34%) of businesses described their main business function as general haulage; 14% own-account; 13% supply chain and warehousing; and 8% third party logistics provider. The rest worked in varied sectors such as car transportation, public sector and waste and recycling.

79%

OF DOMESTIC FREIGHT WAS MOVED BY ROAD

*DFT TRANSPORT STATISTICS GB 2020

TOTAL O-LICENCES, BY TYPE, IN GB: 2018-19/2019-20

Type of licence	Restricted		Standard national		Standard international		Total licences in issue	
Year	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020
Eastern traffic area	6,380	**6,264**	4,453	**4,392**	1,949	**1,949**	12,782	**12,605**
North Eastern traffic area	5,280	**5,120**	4,284	**4,129**	1,215	**1,216**	10,779	**10,465**
North Western traffic area	5,110	**5,027**	3,653	**3,526**	1,007	**989**	9,770	**9,542**
South Eastern traffic area	4,730	**4,533**	2,711	**2,546**	1,146	**1,106**	8,587	**8,185**
West Midlands traffic area	4,076	**3,972**	2,904	**2,820**	830	**838**	7,810	**7,630**
Western traffic area	5,505	**5,441**	3,600	**3,518**	1,252	**1,245**	10,357	**10,204**
Scotland	2,772	**2,649**	2,498	**2,447**	542	**546**	5,812	**5,642**
Wales	2,622	**2,536**	1,837	**1,782**	407	**392**	4,866	**4,710**
TOTAL	36,475	**35,542**	25,940	**25,160**	8,348	**8,281**	70,763	**68,893**

Source: Office of the Traffic Commissioners

The overall number of O-licence holders in GB fell by 2.5% year-on-year, according to the latest available data published in the Office of the Traffic Commissioners annual report 2019-20. This continues a downwards trend that has been clear to see over several years: for example in 2012-13 there were 80,894 O-licences in GB, 14.7% higher than the latest figures reported. The most recent year-on-year decline has predominantly come from restricted and standard O-licence holders, with the figure for international operators remaining broadly static.

TOTAL O-LICENCES AND VEHICLES: NORTHERN IRELAND

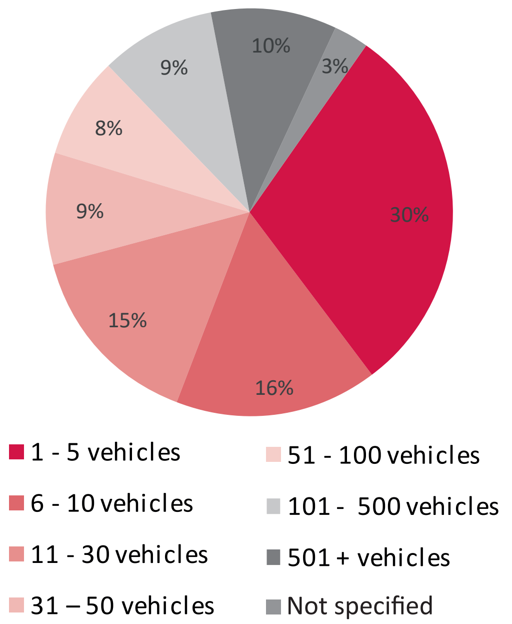
	Vehicles				Operators			
	Standard international	Standard national	Restricted	Total	Standard international	Standard national	Restricted permits	Total
2017-18	10,348	**2,033**	10,318	**22,699**	1,765	**376**	3,917	**6,058**
2018-19	10,583	**2,060**	9,529	**22,172**	1,809	**370**	3,507	**5,686**
2019-20	10,692	**1,992**	9,041	**21,725**	1,828	**362**	3,165	**5,355**
2020-21	10,923	**1,962**	9,089	**21,974**	1,861	**352**	3,198	**5,411**

Source: Transport Regulation Unit

The number of HGV O-licences in force in Northern Ireland as at the 31 December 2020 was 5,411, an increase of 0.7% on the previous year, and a drop of 3.2% on three years ago. Whilst the total has decreased over this period, within this the number of standard international licences continues to increase, with the figure of 1,861 accounting for 34.4% of all goods vehicle operators. Associated to these operators, again as at 31 December 2020, were 21,974 HGVs. This is an increase of 0.9% when compared with the same point in 2019, although a decrease of 1.4% when compared with 2017.

NUMBER OF VEHICLES SPECIFIED ON GB O-LICENCES

	Year	Restricted	Standard national	Standard international	Total number of specified vehicles
Eastern traffic area	2019-20	**16,821**	35,255	**17,658**	69,734
	2018-19	**16,695**	36,464	**17,947**	71,106
North Eastern traffic area	2019-20	**13,811**	29,813	**13,773**	57,397
	2018-19	**14,056**	30,921	**13,985**	58,962
North Western traffic area	2019-20	**13,247**	26,423	**11,388**	51,058
	2018-19	**13,441**	27,042	**11,873**	52,356
South Eastern/Metropolitan traffic area	2019-20	**13,440**	20,059	**8,987**	42,486
	2018-19	**13,948**	21,225	**9,713**	44,886
Western traffic area	2019-20	**13,700**	27,316	**10,686**	51,702
	2018-19	**13,851**	28,330	**11,142**	53,323
Scotland	2019-20	**6,578**	19,595	**5,167**	31,340
	2018-19	**6,714**	20,079	**5,481**	32,274
Wales	2019-20	**5,680**	10,656	**3,169**	19,505
	2018-19	**5,836**	10,815	**3,274**	19,925



How big is your HGV fleet (above 3.5-tonne GVW)?

Looking ahead

Operators taking part in this latest survey have done so against the backdrop of one of the most challenging years of all time for the industry

Not only have businesses had to contend with the complexities of the UK leaving the European Union, but they have found themselves playing a leading role in the midst of the global coronavirus pandemic. From a surge in home deliveries and adapting to social distancing requirements, to dealing with swingeing customer volumes from heavily affected sectors such as live events and catering.

Indeed, 80% of those surveyed had, to some extent, seen their businesses affected by Covid-19: 42% only slightly, 17% affected to a great extent and 21% significantly affected.

However, top of the list when it comes to the biggest challenge facing operators for the next 12 months is the perennial difficulty in recruiting skilled HGV drivers, with 29% reporting this as their biggest concern.

Shutterstock

Next in line was the fear of a poor economic outlook for the UK with 17% of the vote, while legislation featured in third and fourth place: 16% were concerned about the affect of localised urban regulations, such as clean air zones, while a further 11% feared the uncertain legislative environment outside of the EU.

And like the picture across the whole of the UK, when it came to Brexit, there was an even spread of responses as to how it will affect the prospects of the UK's road transport sector going forward: 37% of respondents thought prospects would be slightly or significantly better now the UK is flying solo, while 38% thought the opposite. The rest sat firmly on the fence.

ELIZABETH DE JONG, POLICY DIRECTOR, LOGISTICS UK

LOGISTICS UK

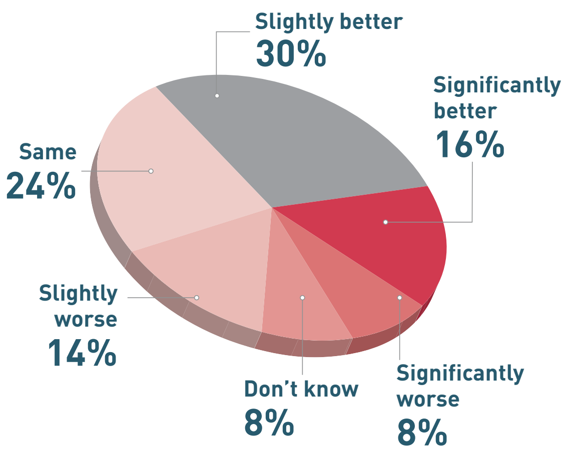
The Covid-19 pandemic has highlighted how critical the logistics industry and its people are to the success of the UK economy. Logistics UK is proud of the way in which its member businesses, and the wider industry, have worked together to service the needs of the nation during this critical time. But while restrictions under Covid-19 continue to lift – and we start to return to normality – operators still face myriad challenges over the next 12 months.

While logistics workers were categorised as "key workers" in March 2020 – and praised widely for their contribution to society – commercial vehicle drivers still do not have access to adequate welfare facilities across most of the country. This poor work environment does nothing to attract new talent into the sector: it is no secret that the industry has a severe shortage of workers, with 76,000 additional HGV drivers needed to support operations. As well as needing improved driver facilities, Logistics UK is asking the government to provide interest-free loans or grants to train and reskill potential employees for a road haulage career and catch-up on driver tests lost during the pandemic.

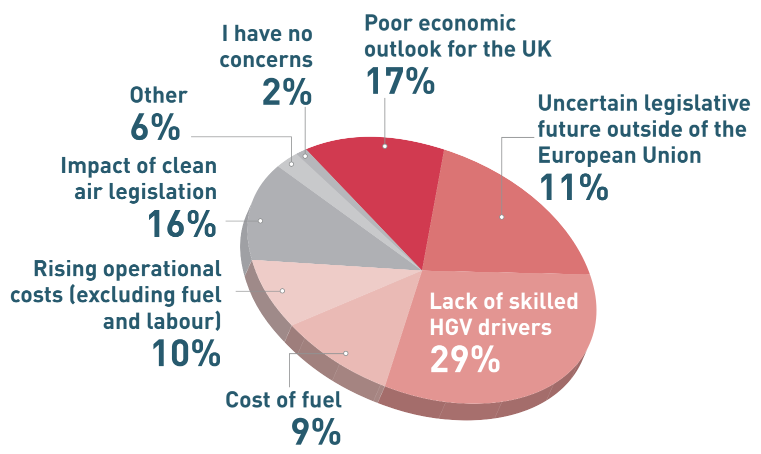
Road haulage is committed to decarbonising its operations, in line with the government's net zero target by 2050. But infrastructure, technology, and policies must be in place first; Logistics UK will continue to update government on the barriers and opportunities on the path to decarbonisation to support our members through this exciting, but potentially challenging, transition.

January 2022 will see the introduction of further EU-UK border controls following the end of the Brexit transition in 2020. It is now vital that both the government and industry prepare effectively for the new processes to keep trade moving as smoothly as possible.

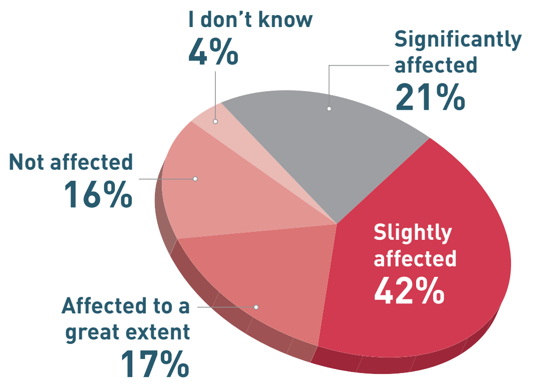
As the business group representing the sector, Logistics UK will continue to speak to the government and the public with one voice on behalf of the sector, to support, shape and stand up for efficient logistics.



How do you predict your business will perform in 2021 compared with 2020?



What is your biggest concern for the road transport and logistics sector for the next 12 months?



How has your trading position been affected by the Covid-19 pandemic?

AND ANOTHER THING...

When it comes to the issues that bug UK operators the most about the industry, a few key themes came through on respondents' answers, from the need for clearer legislation and government leadership, through to boosting industry image.

"The general public's perception of the vital part the industry plays in the wealth and wellbeing of the nation," said one operator, reflecting the views of many that answered. "Better roadside facilities to make it easier to promote a driving career to potential young drivers," said another, bringing in two key themes of the driver shortage and lack of secure parking. "Tougher punishments for drivers/operators who break rules and regulations," was a third strong viewpoint coming through from respondents on the need to stamp out rogue operators.

And finally, the issue of squeezed margins and low rates was prevalent: "Drive haulage rates up. They are far too cut-throat and nowhere near enough profit for the effort put in," said one respondent.

When it came to "if you could change one piece of legislation, what would it be?" there were some key frontrunners coming through in responses: Driver CPC was seen as teaching drivers "to suck eggs" by many and featured heavily alongside the Working Time Directive. These were followed closely by urban-centric regulations such as London's Direct Vision Standard, clean air zones and delivery time restrictions.

BUSINESS CONFIDENCE

Looking ahead for the next 12 months, business confidence among operators shows a robust level of optimism, with nearly half of respondents (46%) predicting growth performance to be either slightly better than in 2020 or significantly better. Just under a quarter of operators (24%) believed they would fare the same in terms of performance, while 22% were expecting a slightly worse or significantly worse year ahead.

Expectations around company growth remained relatively modest, which is understandable given the continuing coronavirus situation and uncertain UK economy. Of those operators expecting business growth, one-third of respondents predicted this to be between 0.1% and 4.9% and a further 36% put it between 5% and 9.9%. At the more ambitious end of the scale, only 9% of those expecting company growth predicted this to be at a level above 20%.

Of those operators expecting a downturn in the next 12 months: one-quarter expected this to be more than 20% overall, with a further 22% putting the downturn figure between 10% and 19.9%. Just less than half (47%) expected a slight dip in fortunes of between 0.1% and 9.9%.

46%

OF OPERATORS PREDICT GROWTH PERFORMANCE TO BE BETTER IN THE NEXT 12 MONTHS

RICHARD BURNETT, CHIEF EXECUTIVE, RHA

2020 was the most challenging year in the industry's history and the nation's economy and there's still a way to go before we're out of the woods – but we're getting there. Despite the many hardships, it was the haulage and logistics industry that carried the nation through the pandemic, delivering goods and vital stocks of PPE to frontline workers. Lockdown changed the way we shop. Food retailers remained open and social distancing became the norm – as did the massive rise in home shopping.

Social distancing is a legacy that will remain with us for the foreseeable future and, as such, warehouse operations are increasing investment in automated systems to improve productivity and increase safety.

But the backbone of the industry will always be its workforce and the driver shortage stumbling block has grown considerably. According to the IRU Driver Shortage survey for 2021, the number of HGV drivers under 25 is down to 5% across Europe. 2019 saw the UK driver shortage reach 59,000 and by 2020 this had increased to 76,000. One recent report predicts that by 2022, the figure could reach 257,000. The solution is simple: government must up its game and do all it can to make it easier for young adults to become lorry drivers – that includes addressing the barriers to the profession such as insurance. For example, recent changes to IR35 mean that tax and National Insurance contributions for agency drivers will go up and recruitment agencies are likely to raise their costs to cover this increase.

We'll soon be halfway through 2021 and if there's one prediction that can be guaranteed, it's that the logistics industry will continue to do all it can to make up for lost time. But it can't do it on its own. If the nation's economy is to recover and flourish, government must step in and acknowledge that the UK haulage and logistics industry forms the essential foundation needed for growth and future prosperity.

Unprecedented times for all

A degree of normality is slowly returning to operators' investment programmes

Knowing when to invest in new vehicles, replace older trucks and trailers, or extend their lifetime in times of business downturn is a key part of any commercial fleet operation. However as 2020's unprecedented Covid-19 pandemic took hold, operators found themselves faced with a far more complex trading environment to base their fleet decisions on.

Customer volumes became far more unpredictable as some sectors contracted severely, while others saw record demand for home deliveries.

At the same time, new truck sales took a nosedive as lockdowns kicked in and HGV registrations tumbled by 73.4% in the second quarter of 2020, according to the Society of Motor Manufacturers and Traders (SMMT).

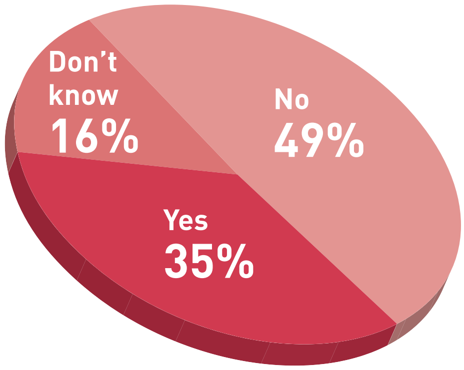
CASE STUDY: TRANS HAUL

Dunstable-based logistics specialist Trans Haul turned to Asset Alliance Group in 2020 to upgrade part of its fleet with eight new DAF XF530 tractor units on a four-year full-service contract hire deal. The agreement means the operator now benefits from all safety inspections, maintenance, servicing, and repairs, plus tyre cover and full roadside assistance covered by one monthly upfront cost.

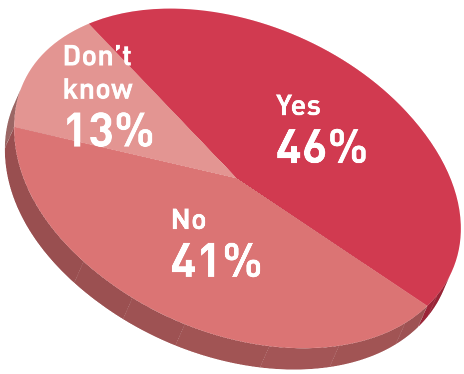
Trans Haul MD Nigel Machado said: "After discussions with several contract hire providers, Asset Alliance Group really stood out for us. We approached them with what we were looking for, and they came back with a higher-spec vehicle that still fitted within our budget. That made our decision very easy.

"The quality of service we have received from them throughout the whole process has been second to none. Their attention to detail and excellent customer support has been refreshing for us, and we are very happy with this new relationship."

The latest tractor units joined a 50-strong fleet transporting a range of FMCG consignments across the UK seven days a week.



Have you/are you planning to add trucks to your fleet in 2021?



Have you/are you planning to replace trucks in your fleet in 2021?

This was in stark contrast to the strong demand for new trucks seen in Q2 2019, fuelled by a surge in sales as operators looked to buy vehicles ahead of the introduction of smart tachographs.

By the end of 2020, the SMMT reported that trucks above 6 tonnes dropped from 48,535 units in 2019 to 32,918, a fall of 32.2%. A pre-Christmas resurgence saw the Q4 market down by 10.9%, but this wasn't enough to counter the effects from earlier in the year.

We asked operators what their fleet plans were now 2021 is well under way and there are glimmers of a return to normality as the year progresses and the Covid-19 vaccine programme continues to progress.

Nearly half (49%) did not plan on buying new trucks in the next 12 months, while 35% said they would be purchasing vehicles. The remaining 16% had not yet decided. This compares with near-identical percentages when we last carried out this survey in 2019, perhaps suggesting that confidence is back at a pre-Covid level once again when it comes to fleet investment.

Of those looking to buy new trucks, 70% would be adding between one and five vehicles; 12% between six and 10; 5% between 11 and 30; and the rest from 31 to 100-plus trucks.

We also examined operators looking to simply replace existing vehicles on the fleet and found that 46% planned to do so in the next year, with the average number of replacement trucks being five units. 41% had no plans to replace vehicles and the remainder were undecided.

The most popular method of acquiring new vehicles was by outright purchase, with 31% opting to do this, followed by one-quarter looking to either rent/lease or use contract hire. One-fifth of respondents planned to outright purchase used vehicles, while 19% of operators used a combined approach to vehicle acquisition.

When it comes to which truck to pick, it seems reliability tops the bill for making operators stay loyal to a particular marque, followed by whole-life costs and fuel economy.

CASE STUDY: BUNZL RETAIL SUPPLIES

Bunzl Retail Supplies took delivery of 23 DAF XF 530 Super Space Cab 6×2 tractor units from Asset Alliance Group at the start of the year after being impressed by the commercial vehicle specialist's superior knowledge, service and rates during a competitive tender process.

Transport manager Craig Duddle said: "We have worked with Asset Alliance Group previously on smaller agreements but never on a deal of this size. Finding a partner that understood our needs and that was able to point us in the right direction was essential for us, so we approached several contract hire providers before making our decision.

"Asset Alliance Group provided us with exactly what we were looking for. The company's sector expertise, attention to detail and competitive full-service contract hire rate were miles ahead of the rest.

"The aftermarket service that Asset Alliance Group offers was another major draw for us. Our customer base is extensive and we need to make sure our vehicles are on schedule, so ensuring maximum possible uptime is key."

The tractors, provided on a two-year full-service contract hire agreement, will be in operation five days a week, clocking up approximately 160,000km on the road annually. Each unit will deliver goods not for resale, such as cleaning products and packaging, to major supermarkets across the UK.

NEW TRUCK SALES: NIGEL BASE, COMMERCIAL VEHICLE MANAGER, SMMT

SMMT DRIVING THE MOTOR INDUSTRY

The impact of the pandemic saw truck registrations stall in 2020, with approximately 15,600 fewer HGVs entering service. Operators across the country chose to sweat their existing assets, rather than risk making large capital investments during a time of great economic uncertainty.

However, fleet investment plans won't be put on hold indefinitely. The UK truck market is very mature and while the circumstances of 2020 were unlike any we've encountered before, most in the industry will have been through at least one recession and will be well-versed in dealing with downturns.

The challenge isn't over yet, but as the vaccine programme starts to restore normality, operators can start to focus on the next 10 years, rather than the next 10 weeks. Part of that focus will be on decarbonisation. Operators will need to invest in new technologies and low-emission trucks to futureproof their fleet. Truck fleets will soon come under the same pressure as those running cars and vans – and in the year the UK will hold the COP26 Climate Change Conference, the government will be eager to demonstrate Britain's green credentials.

Last year shone a light on just how essential the truck sector is in keeping the country going, with government and policymakers now acutely aware of the industry's importance. Over the next year, there is going to have to be a focus on fleet renewal. Hopefully, the goodwill gained by the industry during a very dark time can be translated into policies that will promote growth in the sector, and assist the transition to zero-emission truck operations.

We thought it prudent to ask operators how long they kept their HGVs and trailers, and whether they felt they were sweating these assets more today than five years ago. Results revealed that the average amount of time HGVs were kept in service was five years: 11% of operators only kept them between one and three years, whereas at the other end of the scale, we found that 4% of operators keep vehicles for 13 years or more – perhaps reflecting vehicles of a more specialist design.

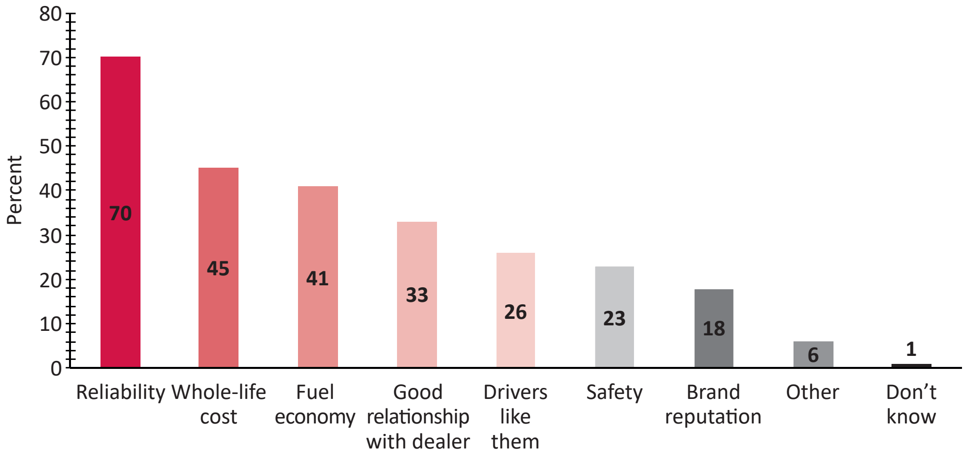
The average duration for keeping trailers was eight years.

When it comes to the second-hand market, commercialmotor.com saw a surge in demand for tractor units and trailers in the pre-Christmas 2020 peak, according to *CM* deputy editor George Barrow.

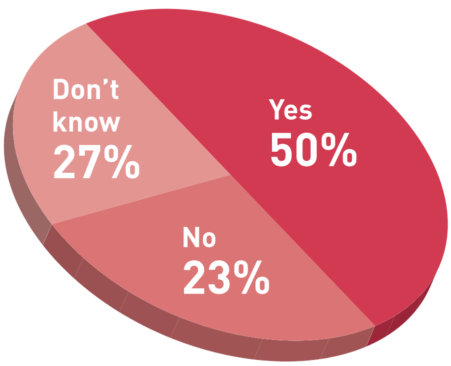
"Commercialmotor.com searches continued to increase in January, building on the highs seen in October and November – with the traditionally quiet December still outperforming its usual level," he said.

However, February proved to be a turning point as interest declined throughout Q1. "While construction equipment continued to perform well in search results and enquiries, rigid box and curtain-sided vehicles became less desirable and there were fewer searches for standard specification units," Barrow added.

Page views to classified listings began to stabilise in Q2 at a level lower than the close of 2020, but still 10% higher than the previous year.



Which are your top three reasons for your brand allegiance? (please select up to three)



Are you increasingly sweating your fleet assets more in today's trading climate than five years ago?

CASE STUDY: LAW DISTRIBUTION

Returning customer Law Distribution once again turned to Asset Alliance Group to upgrade its fleet with the order of five new DAF XF 530 tractors with Super Space Cabs on a two-year full maintenance contract hire basis.

The draw for Law Distribution was a mix of the commercial specialist's competitive pricing, exceptional customer service and quality support services.

Law Distribution director John Law said: "We have worked with Asset Alliance Group in the past, and we have always been thoroughly impressed by the high level of service it provides. It provided everything we needed with the right units at the right price and the new vehicles were readily available."

Truck manufacturers have a prominent role to play in decarbonising the industry

Got to be green

The UK has set itself a binding target to reduce carbon emissions to net zero by 2050, with some tough interim goals on the way: a 68% reduction in carbon emissions by 2030 and a 78% reduction by 2035 (when compared with 1990 levels).

Decarbonising the HGV sector has a prominent part to play in the government's strategy, as it represents approximately 16% of domestic transport greenhouse gas emissions (as per 2019 government figures).

At the time of writing this report, the government was poised to publish its Transport Decarbonisation Strategy, which is expected to detail some of the policies needed to help the sector reach net zero. And in its earlier Road to Zero strategy released in 2018, the government called on the freight and logistics sector to make a voluntary commitment to reduce HGV greenhouse gas emissions by 15% by 2025, from 2015 levels.

TRANSITION

This commitment, it said, would be supported by a number of measures to help operators make the transition to cleaner technology, although it was recognised that technology needed to first catch-up to reach the zero-emission ambition.

A hugely significant factor that will see an acceleration of the pace of HGV sector decarbonisation is the EU's legislation aimed at truck manufacturers. This requires OEMs to slash the CO_2 emissions of their vehicles listed in the regulations by 15% by 2025, compared with baseline emissions set in 2019/20. The target will be increased to a 30% reduction by 2030. The tool used to calculate the emissions reductions is called VECTO (vehicle energy consumption calculation tool) and

will apply to all vehicles exceeding 7.5-tonne GVW. A review next year could also bring trailers under the regulations. Failure to reach VECTO targets can lead to substantial fines for manufacturers.

Tackling the challenge head on, Europe's largest manufacturers have set themselves their own, even tougher target: to halt the sale of fossil fuel vehicles completely by 2040. Daimler, Scania, MAN, Volvo, DAF, Iveco and Ford have formed an alliance and signed a pledge to phase out traditional combustion engines and focus on hydrogen, battery technology and clean fuels. The pledge also calls for widespread investment in energy grids and a higher tax on carbon across Europe to help drive the change.

To achieve their goal, the truck manufacturers will work alongside the European Automobile Manufacturers' Association and leading scientists from the Potsdam Institute for Climate Impact Research.

This survey asked operators if they felt the pace of change away from fossil fuels was right when it came to the manufacture of new trucks. Only one-quarter (24%) felt manufacturers were moving quickly enough, while half said they were not. The remaining quarter (26%) were unsure.

IN THE HERE AND NOW

While truck manufacturers have their sights clearly set on the zero-emission vehicle designs of the future, there are already a number of sustainable fuel sources that can be used today, such as the latest generation of biofuels and renewable natural gas (see pages 12-15 for latest model information for all alternative fuels and technology).

Zemo Partnership, formerly the LowCVP, is a public-private partnership working to accelerate a sustainable shift to zero carbon vehicles and fuels. In a recent study, Zemo revealed that the use of high blend renewable fuels (HBRF) could slash 46 million tonnes of greenhouse gas emissions by 2030 and speed up the decarbonisation of the road transport sector. It highlights how a near-term policy to encourage HBRF can complement and enhance the long-term electrification strategy for transport. Renewable fuels in the study include biodiesel, hydrotreated vegetable oil and biomethane.

To boost operators' confidence in adopting HBRF, Zemo has launched a Renewable Fuels Assurance Scheme, which approves companies supplying HBRF on the basis of meeting three performance criteria: life-cycle GHG emissions; feedstock sustainability; and supply chain traceability. A unique feature of the scheme is a Renewable Fuel Declaration that operators receive with batches of the renewable fuel purchase. The declaration includes a colour-coded GHG emission-savings banding system, similar to energy efficiency labels encouraging operators to strive to achieve higher GHG emissions savings.

Find out more at zemo.org.uk

Zemo Partnership

An alternative market

Operators are seeking incentives before switching to alternative fuels for their fleets

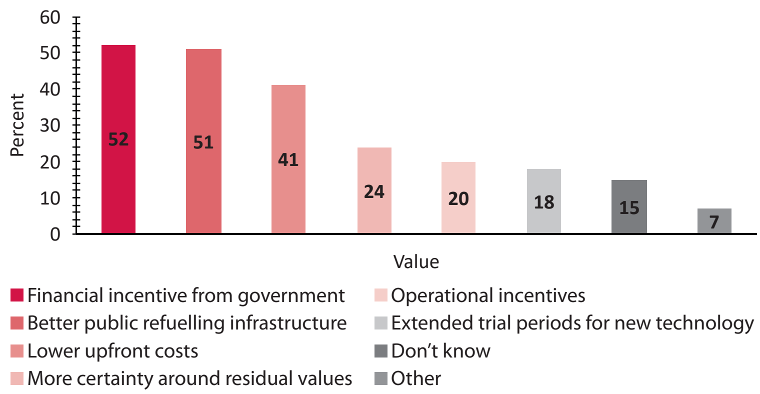
Euro-6 diesel lorries are certainly going to remain the de facto choice for the majority of operators in the next few years: they are proven, reliable, emit very few emissions and perhaps, most importantly, accessible to most businesses.

However, there is a rapidly growing appetite for alternatives, with manufacturers stepping up swiftly to meet demand and bringing a range of different fuels and technologies to market.

The surge in interest for non-diesel delivery vehicles is driven partly by ever-tightening urban restrictions, but also from operators looking for ways to reduce their carbon footprint and that of their customers.

We asked operators if they would be looking to acquire any alternatively fuelled HGVs in the next three years: 20% were looking to do so, while 29% had no plans now, and a further 51% had no current plans but this might change.

Of those looking to make the switch, gas-powered trucks came out on top, with 8% looking at liquefied natural gas (LNG) and 6% considering compressed natural gas (CNG). A further 9% were planning on plugging into battery electric vehicle technology, while 6% were exploring range-extended electric options. Drop-in fuels such as hydro-treated vegetable oil (HVO) and gas to liquid (GTL), as well as hydrogen were also being looked at by 2% of operators exploring alternatives to diesel.



What factors may influence your decision to operate alternative fuelled vehicles?

41%

OF OPERATORS ARE PUT OFF ALTERNATIVE FUELS BY THE INITIAL UP-FRONT COSTS

PROMINENT BARRIER

With 80% of those we surveyed not yet planning to move away from diesel, we drill down into some of the key factors preventing the switch. Unsurprisingly, cost was the most prominent barrier cited by operators. More than half (52%) would be more inclined to try alternative fuels if there was a financial incentive from the government, such as reduced tax or maybe a scrappage scheme. A further 41% were put off by initial up-front costs that can be associated with new technology.

Half of operators (51%) would also be encouraged if the national refuelling infrastructure was improved.

Uncertainty regarding residual values also remains a blocker for a quarter of those we surveyed, while extended trial periods for testing new technology on the job was selected by 18%. Operators would also be keen to see non-financial incentives being explored for new technology. For example, this could be in the form of dedicated kerbside space for zero-emission vehicles, or maybe an exemption from night-time delivery restrictions if using near-silent electric delivery trucks.

They would also be influenced by a range of other factors, such as additional permitted payload to take into account the weight of alternative fuel technology; longer range for electric trucks; major contracts stipulating use of alternative fuels; and legislation to mandate the use of cleaner vehicle technology.

DENNIS EAGLE

Which alternative fuels are available across the Dennis Eagle range?
We can offer the Elite 6 to suit both HVO and BIO 100 at 320bhp.

The eCollect integrated fully electric RCV is also available to order today as a 6x2 rear-steer narrow chassis, with Olympus OL19N rear-loading body and Terberg automatic split-bin lift. Other configurations and sizes will be available in due course.

The eCollect uses Li-NCM battery packs with a combined capacity of 300kWh.

With a 50kW rated charger, it will typically take approximately 7 to 8 hours to recharge the battery packs from 15% to 100%. And the vehicle recharges up to approximately 80% relatively quickly, at which point the charger then balances voltage across the cells to optimise battery life.

DAIMLER/MERCEDES-BENZ TRUCKS

Which alternative fuels are available across the Daimler range?
Daimler is a world leader in eMobility, working towards providing sustainable, CO_2-neutral transport for both people and goods. Daimler Truck AG aims to have all new vehicles in Europe, North America, and Japan 'tank-to-wheel' CO_2-neutral by 2039. To achieve this, we're focusing on battery power and hydrogen fuel cells – a combination that enables us to offer customers the best vehicle options, depending on application. Battery power is suited to lower cargo weights and shorter distances; fuel-cell power will be preferred for heavier loads and longer distances.

Which makes and models are alternative fuels available on?
2018 saw the first customer deliveries of the FUSO eCanter – the world's first fully electric light truck. The 7.5-tonne truck's 4-tonne payload and 100km range have proved to be ideal for UK customers including DPD, Hovis, Wincanton and Yodel over the past two years. This year will see the world premiere of the first fully electric series-produced Mercedes-Benz truck – the eActros. With its 200km range, the eActros will serve the daily needs of our customers perfectly, with no compromises compared with a conventional Actros.

What's in the pipeline?
The eActros will be followed by the Mercedes-Benz eEconic, a battery-electric version of the low-entry Econic. The first customer tests of this truck are being planned, and we know municipal operators are excited about a truck with zero emissions and the maximum five-star rating under TfL's Direct Vision Standard.

We recognise that it's not only electric distribution and municipal trucks that are needed, so we've also announced the Mercedes-Benz eActros Long Haul. This battery-powered tractor unit should be ready for series production in 2024, with a range of 500km on a single charge, more than meeting the needs of nationwide hauliers.

Looking further ahead, we have our fuel-cell concept – the Mercedes-Benz GenH2 Truck. The production truck will have an operational range of up to 1,000km on a single tank of liquid hydrogen when it comes to market in the second half of the decade. In the meantime, Daimler Truck AG and Volvo Group recently formed cellcentric GmbH – a joint venture committed to accelerating the development of hydrogen fuel cells. In addition, we have also signed an agreement with Linde to jointly develop the next generation of liquid hydrogen refuelling technology for fuel-cell-powered trucks.

SCANIA

Which alternative fuels are offered across the Scania range?
Driving the shift to sustainable transport solutions is an instrumental part of Scania's philosophy and, as such, the company offers an array of alternative fuels. The entire Euro-6 range can operate on HVO and blends of up to 10 biodiesel, specific preparations are available for certain engines to support B100 biodiesel, these preparations are available on two engines in the 9- and 13-litre ranges and one engine in the 16-litre V8 range to cover the widest range of applications: 9 litre – 320hp; 9 litre – 360hp; 13 litre – 410hp; 13 litre – 450hp; 16 litre – 590hp.

Gas engines can be specified as either 280hp or 340hp in the 9-litre range and 410hp in the 13-litre range, while storage options covering both compressed and liquefied versions can be selected for either tractor unit or rigid vehicles in multiple axle configurations.

Electrified vehicles are now available to specify with the company offering hybrid electric vehicles (HEV), plug-in hybrid electric vehicles (PHEV) and battery electric vehicles (BEV). Initially available in 4x2, 6x2 and 6x2*4 configurations, the solutions are positioned to support urban operations in the transition to electrified transport.

Hybrid vehicles can be specified with a single battery, while the plug-in solution uses a three-battery set up; these solutions maximise flexibility allowing customers to operate a conventional powertrain and support their final delivery with zero emissions. Electric drive is delivered by the 130kW electric motor via the Scania gearbox, range is dependent on operations but typical values for the single battery are 20km with the three-battery extending to 60km. Further CO_2 savings can be achieved by operating the 9-litre combustion engine of HVO or biodiesel.

BEVs are powered by a 230kW electric motor (295kW peak) via a 2-speed gearbox, the five or nine battery options offer an installed capacity of 165kWh or 300kWh respectively, giving a maximum range of 250km (nine battery). These options are again focused on the urban applications in 4x2, 6x2 and 6x2*4 configurations with P and L cab options.

What support is available to help customers

Scania is dedicated to driving the shift and believes strongly that we must act now if we are to play our part in achieving the demands of the Paris accord. This commitment has led to a breadth of customer options allowing for the transition to renewables now. Many alternatives are already achieving or going beyond cost parity with traditional fossil fuels and the maturing infrastructures are promoting real choice. This offers alternatives in almost all sectors of road transport, allowing cost-effective, environmental alternatives in a commercially viable manner.

Support is offered through the 84-depot dealer network with maintenance contracts offered on all alternatives along with dedicated handover specialists to ensure the best can be achieved from the vehicle.

Scania has partnered with a supplier to support customers, if required, in the qualification and installation of chargers and the associated infrastructure. Scania Financial Services is well positioned to support customers with products relevant to the offer.

What's in the pipeline?
We continue to work with a continuous improvement process, as such there will be developments around our three key pillars – energy efficiency, renewable fuels and electrification and smart and safe transport – using these cornerstones we can bring to market not only zero and low-carbon alternatives but also improve the emission properties and enhance operational benefits.

VOLVO TRUCKS

Which alternative fuels are available across the Volvo Trucks range?
Liquefied natural gas (LNG) and full electric are available.
Which makes and models are alternative fuels available on?
Electric on Volvo FL and Volvo FE. LNG on Volvo FM, Volvo FMX and Volvo FH.

Volvo is also starting production for Europe next year on three new all-electric FH, FM and FMX models. The move is part of wider plans to ensure its electric truck portfolio makes up almost half of the manufacturer's European truck sales by 2030.

The Volvo FH Electric is designed for regional and intercity transport, while the Volvo FM Electric is aimed at the heavy local transport and regional distribution market. The Volvo FMX Electric is for operators looking for cleaner and quieter construction transport.

The three new models offer a 300km range, continuous power at 490kW, maximum torque of 2400Nm, battery capacity up to 540kWh and a combination weight (GCW) of up to 44 tonnes.

What support is available to help customers make the transition to alternative fuels? (from financial to operational)
Finance and R&M packages for both LNG and electric products are available through Volvo Financial Services (VFS). We also have partners regarding infrastructure for both solutions.
What's in the pipeline?
We are working on a project with Daimler to deliver hydrogen fuel cell technology. No confirmed date to come to market yet, but hopefully in the latter half of the decade.

MAN TRUCK & BUS

Which alternative fuels are available across the MAN truck/van range?
First and second generation biodiesel for truck; battery electric for MAN TGE van.
Which makes and models are alternative fuels available on?
First-generation biodiesel on our D26 engines; HVO (second-generation biodiesel) all truck engines since Euro 6-c; battery electric for TGE.
What support is available to help customers make the transition to alternative fuels? (from financial to operational)
We offer advice from our MAN subject matter experts. Electric charging points are being fitted at workshops.
What's in the pipeline?
Battery electric series vehicles from 2023. We have sold 100 eTGEs in the UK in right-hand-drive to DPD. MAN recently announced a research project into hydrogen alternative drives.

DAF

Which alternative fuels are available across the DAF Trucks range?
A range of electric DAF vehicles is now available including the LF electric and the CF electric. DAF is also an advocate for the use of renewable alternative drop-in fuels including HVO or renewable diesel, which delivers a 90% well-to-wheel carbon saving compared with fossil diesel. DAF vehicles can also be operated on blends of FAME biodiesel up to B20/B30.
Which makes and models are alternative fuels available on?
LF electric: available as a 19-tonne GVW rigid. Based on the market-leading 4x2 chassis, the LF electric has a range of up to 175 miles. It is equipped with an on-board charger for overnight replenishment of the 282kWh (252kWh effective) batteries, or it can be quick charged (150kW) making it possible to charge the batteries from 20% to 80% in just one hour and from 0% to 80% in only two hours. CF electric: available in two configurations; a 37-tonne GCW 4x2 tractor unit, which is ideally suited to supermarket deliveries and to high-frequency shuttles between production locations, and a 27-tonne GVW 6x2 rear-steer rigid that lends itself to refuse collection or builders merchants applications. Trucks are equipped with 350kWh (315kWh effective) batteries giving a maximum range of up to 155 miles and with quick charging (250kW) the CF electric can be fully charged in just 75 minutes.

The entire DAF range of internal combustion engines can operate on HVO without modification or adaption.
What support is available to help customers make the transition to alternative fuels? (from financial to operational)
DAF offers a consultative approach for operators considering a switch to the LF electric or CF electric to ensure suitability for the operation and to help operators understand the total cost of ownership. DAF also offers a range of vehicle-charging solutions through its PACCAR Parts organisation. PACCAR Parts offers a tailored approach to charging solutions that include best-fit options with charging levels from 20kW up to 360kW charging power. Mobile chargers are also available to provide maximum flexibility.

DAF can help operators interested in the use of HVO by explaining the environmental and operational benefits and putting them in contact with suppliers.
What's in the pipeline?
DAF is conducting operator trials with hybrid electric vehicles. DAF CF Hybrid Innovation trucks being tested in the field are equipped with a 10.8-litre PACCAR MX-11 diesel engine (up to 330kW/450hp) and a ZF electric motor (75kW/100hp, peak power: 130kW/175hp) integrated with a special ZF TraXon gearbox for hybrid drivelines. The electric motor is driven by an 85kWh battery pack that recharges when the diesel engine is being used. When the battery is fully charged, the truck – depending on the total weight – has an electric range of up to 50km, which is adequate for urban transport.

DAF is also looking at hydrogen as one of the options on the road to even cleaner and more sustainable road transport. There are two options: a fuel cell that uses hydrogen to generate electricity to power the electric motor; or using hydrogen as a fuel for the combustion engine. In both cases, a 100% reduction in CO_2 emissions is possible when using green hydrogen.

Together with Toyota and Shell, DAF's parent company PACCAR has been exploring various hydrogen options.

The first hydrogen-powered trucks have already been tested in LA.

RENAULT TRUCKS

Which alternative fuels are available across the Renault Trucks range?
Renault Trucks is a pioneer in electric vehicles with the widest offering available in the UK. As well as electric, Renault offers compressed natural gas (CNG), biodiesel and non-carbon diesel alternative fuels, such as HVO, as appropriate across its model ranges.

Which makes and models are alternative fuels available on?
Renault Trucks D and D Wide ZE fully electric models are offered at 16-tonne and 26-tonne GVW, with the D Wide model also offered with a low-entry cab, optimised for urban operations including multi-operator waste applications.

Master ZE LCVs are available at 3.1-tonne GVW in van and platform cab versions, with 3.5-tonne van, chassis and platform cab models also available. CNG can be selected for D Wide models and biodiesel specified in certain T models.

Every Renault truck can be operated with non-carbon diesels such as HVO or GTL without adaption or any change to warranty terms or servicing regimes. Every Renault truck is tailored to the needs of each operator and application by our UK engineering team. With such a wide choice of alternative energies, including a zero-tailpipe emissions offer, the customer has choice to suit their needs and ambitions. Urban operators seeking to improve their CO_2 performance and/or future proof their fleets should look particularly closely at electric, as these comply with all emissions legislation. Batteries can be configured to suit many applications, with the Renault Trucks battery energy promise offered on 16-tonne and 26-tonne models providing confidence for operators. Those looking to reduce CO_2 emissions of an existing fleet should consider HVO as the best way of reducing the impact of their current vehicles. CNG and biodiesel will suit specific applications.

What support is available to help customers make the transition to alternative fuels? (from financial to operational)
All Renault Trucks D ZE models are offered with an energy promise that guarantees the performance of the battery for up to 10 years. Renault Trucks' engineers work with operators to assess their vehicle usage and to specify the right truck (and battery configuration) for each application. The energy promise is included in the vehicle warranty as part of an R&M agreement. Where possible, vehicles will be offered with the government's Plug-in Vehicle grant.

What's in the pipeline?
Renault Trucks' line-up is constantly evolving and, in particular, the electric range offer will continue to develop at pace in the coming months. From 2023, an all-electric Renault Trucks offering will be available for distribution, construction and long distance, with preparations under way to market a ZE tractor unit. The manufacturer has committed that 10% of its total sales (vehicles over 12 tonne) will be electric by the end of 2025 and the UK is expected to be one of the leading adopters of electric vehicles in the world.

IVECO

Which alternative fuels are available across the Iveco range?
A choice of gas (CNG and LNG) options in its LCV and truck product line. Battery electric is expected to re-join the light commercial range in 2022.

Which makes and models are alternative fuels available on?
Daily NP (CNG: 3.5 tonne to 7.2 tonne, available as van, chassis cab, crew cab or minibus and also uniquely featuring the 8-speed HI-MATIC automatic gearbox); Eurocargo NP (CNG: 11 tonne to 16 tonne); S-WAY NP rigids (19-tonne 4x2 to 26-tonne 6x2); S-WAY myriad AY NP tractor unit (CNG/LNG 40-tonne 4x2 or LNG only 44-tonne 6x2).

What support is available to help customers make the transition to alternative fuels? (from financial to operational)
The Iveco dealer network is trained to work on electric and natural power vehicles, the popularity of which has been increasing substantially over the past few years. A wide range of gas-powered demonstrators is available for customer appraisal and is looked after in exactly the same way as diesel counterparts, parts supply being no different. Iveco also offers a consultancy service to assist customers making the change to gas, running through the benefits and making introductions to fuel supply partners.

What's in the pipeline?
The new Iveco S-WAY has been launched with CNG and LNG options with new X-WAY NP expected to follow soon with a 4x2 tractor. A new version of the battery electric-powered Daily is expected in 2022, covering a range of panel vans and chassis cabs on a variety of weights – Iveco is also working closely with Nikola Motor Company on hydrogen power while sharing expertise to engineer a battery electric truck based on the S-WAY architecture.

City life problems

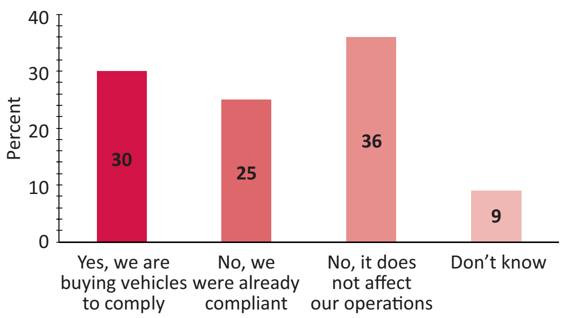
Operating in urban areas is a complex and costly challenge for freight carriers

Traditional problems faced by hauliers working in busy towns and cities include lost time from lorries stuck in congestion, penalty charge notices from a lack of suitable kerbside loading capacity, time-restricted delivery windows and the heightened safety risks from sharing road space with increasing numbers of vulnerable road users.

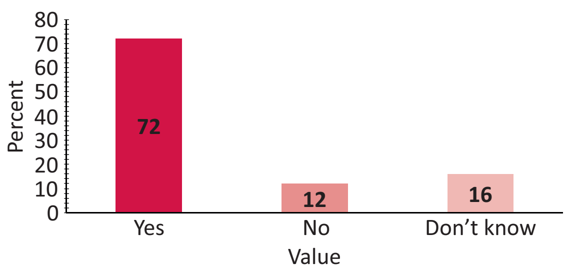
However, the past few years has seen a raft of city-centric legislation emerging, driven by a desire to make urban areas cleaner, safer environments for those who live and work there. And unfortunately, HGV operators have found themselves facing punitive charges for simply carrying out an essential job function.

At the time of writing this report, 2021 has already seen London's Low Emission Zone strengthened in March across the whole of the capital, requiring all HGVs over 3.5 tonnes to meet a minimum Euro-6 emissions standard or pay daily fees between £100 and £300 depending on the age of a vehicle.

The world's first Direct Vision Standard (DVS) also came into force in the capital, requiring trucks over 12 tonnes to meet a minimum star safety rating to operate in London, or else fit mandatory safety equipment such as cameras and additional mirrors. Failure to do so results in operators receiving a penalty charge notice (PCN) of up to £550 (reduced to £275 if paid within 14 days).



Has incoming urban legislation influenced your fleet purchasing decisions?



Would you consider exiting a contract if city regulations made it not cost-effective to work on?

Elsewhere in the UK, clean air zones (CAZ) are rolling out in major cities, following a temporary delay in their launches due to the Covid-19 pandemic. These also require a minimum Euro-6 emissions standard for HGVs. Bath was first off the mark in March, with a city centre zone charging non-compliant vehicles £100 to enter. Birmingham is going live with its CAZ in June, with a zone covering all the roads inside the A4540 Middleway Ring Road and charges for older lorries of £50 per day.

CAZs are also under discussion for a number of other cities, including Bradford, Bristol, Greater Manchester, Newcastle, Oxford, Portsmouth and Sheffield, but plans are constantly evolving and not all have decided on the final shape of schemes and launch dates.

But what impact is such legislation having on operators? How much is it affecting their bottom line and buying patterns, and are we at a tipping point whereby some businesses may throw in the towel for urban deliveries?

Our survey asked operators if incoming city legislation had influenced their fleet purchasing decisions. A significant 30% said it did factor into their buying factors, while a further 25% said they were already compliant with regulations. Just over a third of operators (36%) said such regulations did not impact their operation at all.

We then asked if operators would be brave enough to end a customer contract if the cost of city regulations made the work no longer cost-effective and a staggering 72% said they would. This has increased from 57% answering the same question in 2019 for the previous survey, perhaps reflecting the increased burden as more restrictions are rolled out.

Low wages and poor conditions are just two of the barriers to recruiting drivers

Desperately seeking drivers

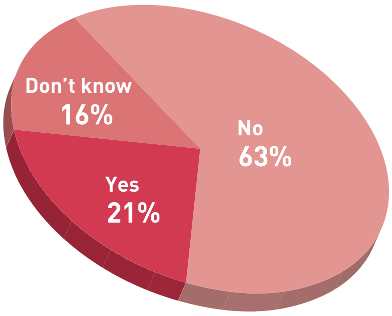
Recruitment of skilled HGV drivers remains the most significant challenge facing road transport operators taking part in this survey (see p6).

The RHA and Logistics UK put this shortfall at approximately 76,000, with the figure continuing to increase year on year, exacerbated by an ageing workforce and lack of take-up from younger generations.

PRESSURE

This past year has also seen the Covid-19 pandemic put even more pressure on operators trying to source staff, with a backlog of potential candidates unable to book essential HGV driving test slots with the DVSA during April, May and June.

Both Logistics UK and the RHA are urging the DVSA to put in place a strategy to ramp up testing of key HGV drivers and help fill the vacancies that operators are struggling with.

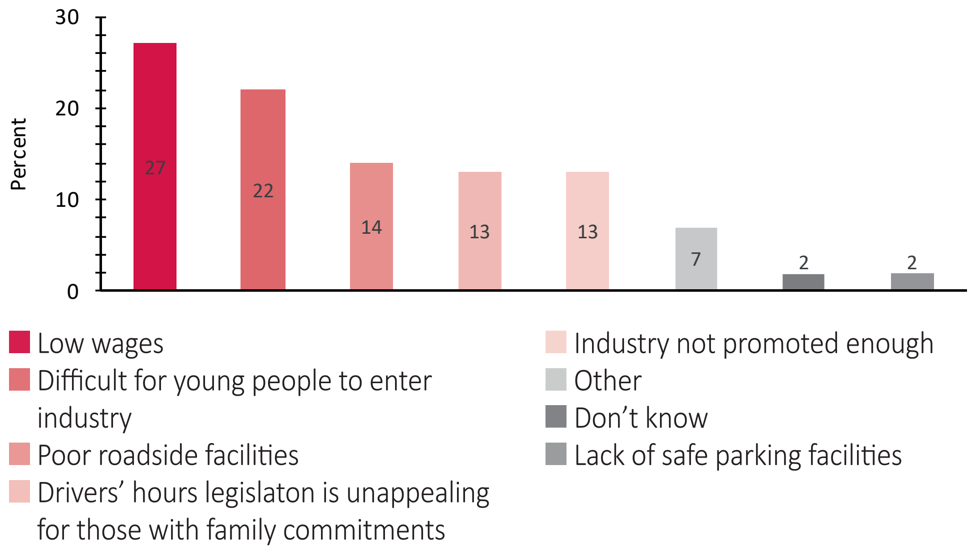


Do you think we will see autonomous trucks on UK roads within the next decade?

ANNUAL HGV DRIVER PRACTICAL TESTS*

Year	Conducted	Passes	Pass rate %
2014-15	55,161	**30,574**	55.4
2015-16	70,233	**39,000**	55.5
2016-17	78,237	**44,346**	56.7
2017-18	70,619	**40,808**	57.8
2018-19	73,895	**43,065**	58.3
2019-20	70,288	**41,434**	58.9
2020-21 ytd	27,006	**15,547**	57.6

* runs financial year



What do you believe is the number one reason that there are not enough skilled HGV drivers in the UK?

Alongside the testing capacity issues, changes to the IR35 tax status have created a new challenge for recruiting firms.

Under IR35, large and medium-sized haulage companies with a net turnover of more than £10.2m or 50 or more staff will not be able to take on drivers that work as limited companies.

Instead, drivers will need to be employed as a PAYE worker – either by the haulage company or the driver agency, or through an umbrella company.

Motor Transport has recently reported how such a change could leave larger operators even worse off when it comes to recruiting drivers, as individuals may leave so they can still enjoy the tax benefits afforded as a limited company.

BARRIER

We asked operators what they felt the biggest barrier was to sourcing new drivers. Low wages compared with similar jobs came out on top, taking more than one-quarter (27%) of the votes.

This was followed by 22% of operators believing the main issue to be the difficulties for young people in entering the industry, such as high insurance and training costs.

A fairly even split was seen between other cited barriers, including poor industry image, inadequate roadside facilities for drivers, drivers' hours legislation and lack of secure parking.

Looking further ahead, we asked operators whether a driverless future would likely be a reality in the next decade. Nearly two-thirds of respondents (63%) thought this unlikely, however a not insignificant 21% could see this possibility coming to fruition.

Freight crime has increased substantially and is costing the industry millions

Time to stop crime

Freight crime increased in 2020 by approximately 50% compared with 2018, at a cost of £95.7m, according to recent figures released from the National Vehicle Crime Intelligence Service (NaVCIS).

Data published in the NaVCIS Cargo Crime Annual Update 2020 show that the organisation received 4,468 notifications in the UK of HGV, freight- and cargo-related crimes. This is the third year that figures have increased: in 2018, 2,697 notifications were received, and in 2019, 4,365 notifications were received.

The NaVCIS freight team works closely with the haulage industry, which is victim to millions of pounds worth of stolen goods each year. It is supported by organisations such as the RHA and specialist insurance experts and uses an intelligence-led approach to target crime that affects freight operators in the UK, namely cargo thefts and thefts from trailers.

According to NaVCIS, the most vulnerable situations are overnight stops at unsecured truck parks, laybys and motorway services. Here, a truck's curtain sides may be cut or the rear container doors forced open, sometimes while the driver is resting in the cab.

Easily disposable consumer goods, such as TVs or clothes, are always a favoured target and can be big business for organised crime groups, while costing the UK millions in terms of the impact to producers, transporters and consumers.

NaVCIS gathers and analyses international and national crime data, looking for trends and identifying tactics to support cross-border investigations that pursue offenders and prevent crime. Its work uncovers the many ways criminal gangs operate and it shares information with the international freight industry through regular bulletins to help operators identify risk and protect drivers and goods from harm.

DCI Brett Mallon, head of NaVCIS, said: "Cargo crime has wide-reaching consequences – shop prices are driven up, supply chains are disrupted, brand reputations are harmed, and contracts have been lost following failed deliveries. It's important to remember that in addition, the drivers can also be hurt or left traumatised.

"Fortunately, violence towards lorry drivers is rare in the UK (see box). But the fear of crime is significant, with drivers regularly having to stop at insecure sites for regulated rest breaks.

"NaVCIS is working closely with industry and the police to improve awareness of secure parking standards and boost numbers of lorry parks in the UK with enhanced security.

"Only a small amount of parking locations in the UK are deemed secure or safe. It's important to recognise this as more than 70% of offences take place at unsafe or unsecure locations."

Approximately one-third of operators we surveyed had been a victim of freight crime in the past 12 months, with vandalism of vehicles being the main issue, followed by load theft and theft of the vehicle.

Of those experiencing crime incidents, the majority confirmed what the NaVCIS data showed: incident rates have increased on previous years.

2018 30 INCIDENTS OF DRIVER ROBBERY
2,697 HGV, FREIGHT & CARGO CRIME NOTIFCATIONS

2019 73 INCIDENTS OF DRIVER ROBBERY
4,365 HGV, FREIGHT & CARGO CRIME NOTIFCATIONS

2020 35 INCIDENTS OF DRIVER ROBBERY
4,468 HGV, FREIGHT & CARGO CRIME NOTIFCATIONS

IN THE PAST 12 MONTHS, HAVE YOU SEEN MORE OR LESS FREIGHT CRIME THAN PREVIOUS YEARS? (%)

	A lot more than previously	Slightly more than previously	About the same	Slightly less than previously	A lot less than previously	Don't know
Vandalism against vehicles	31	28	33	3	0	5
Load theft	35	24	22	4	2	13
Theft of vehicles	18	14	38	5	7	18

Joining forces with Arbuthnot Latham puts Asset Alliance Group in unique position

Strength to strength

Asset Alliance Group is going from strength to strength in its ambition to provide the most competitive finance and outstanding service packages in the sector.

This follows the recent acquisition of the business, in April this year, by private and commercial bank Arbuthnot Latham and Co Ltd.

Asset Alliance Group CEO Willie Paterson said: "Joining forces with Arbuthnot Latham is a fantastic step for our group.

"The certainty in funding it provides truly sets us apart, gives us a strong foundation to meet our growth targets as a business and, most importantly, makes us more competitive for customers.

"Coupled with our excellent service standards and commitment to continuous improvement, customers can have complete confidence that the products and services we offer represent the best value in the market today."

Since its launch in 2012, Asset Alliance Group's unique approach to purchasing, refinancing and procuring commercial vehicles using its own funds and considerable buying power, has seen the business supply, finance and sell thousands of fleet assets.

The business operates from five UK sites in Wolverhampton, Manchester, Ringwood and Newmains, as well as its Hanbury Riverside operation in Ipswich.

Asset Alliance Group operates more than 4,500 commercial vehicles, including trucks, trailers, coaches and buses in the UK.

Key contacts

Vehicle Sales, Fleet Operations & Finance
Edwin House, Boundary Industrial Estate,
Stafford Road, Wolverhampton WV10 7EL
Telephone 01902 625330

Bus & Coach and General Asset Finance
6 Pullman Business Park, Pullman Way,
Ringwood BH24 1HD
Telephone 01425 485685

Vehicle Sales
Hanbury Riverside, London Road,
Capel St Mary, Ipswich, Suffolk IP9 2JR
Telephone 01708 866187

Vehicle Sales
85 Main Street, Newmains,
Lanarkshire ML2 9BG
Telephone 01698 389945

Vehicle Sales
Finlan Road, Manchester M24 2SS
Telephone 0161 3182034

ASSET ALLIANCE GROUP

assetalliancegroup.co.uk

enquiries@assetalliancegroup.co.uk

03331 300380