



Leasing Broker Conference

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MECHANICAL ENGINEERS), WESTMINSTER, LONDON



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Fleet Procure
VEHICLE PURCHASING SYSTEM

LEASYS

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SPECIALIST CARS



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Welcome and Agenda

Alan Carreras, Director, Bridle Group and Chairman
BVRLA Leasing Broker Committee

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10:30	Welcome from Conference Chairman	Alan Carreras, Director, Bridle Group and Leasing Broker Committee Chairman
10:35	Keynote Session: The economy, the car industry, and the dangers of over financing the auto sector	James Woudhuysen, Visiting Professor, London South Bank University
11:00	Session One: Motor Finance Compliance	Joanne Davis, Partner, Locke Lord LLP Jinmi Macaulay, Senior Policy Advisor, BVRLA Peter Ewing, Technical Specialist, Financial Conduct Authority
12:00	Our business and you: 5 points in 5 minutes – Sebastiano Fedrigo, Leasys UK	
12:05	Coffee & Networking: opportunity to explore the exhibitor stands	
12:25	Session Two: Under the Spotlight – your committee	Chair: Jay Parmar, Director of Policy & Membership, BVRLA Panel: Chris Tubbs, Hitachi Capital Vehicle Solutions; Paul Hyne, Arval UK Ltd Paul Parkinson, Synergy Automotive ; Rod Lloyd, Low Cost Vans Spencer Blake, Wessex Fleet Solutions; Stephen Greenstreet, Greenfleets Ltd
12:50	Session Three: Putting customers at the heart of your business strategy	Mark Hollands, Ombudsman and Sarah Conway, Ombudsman Leader, Financial Ombudsman Service Adam Lawrenson, Co-Founder, Bowbridge
13:25	Our business and you: 5 points in 5 minutes – Lee Jones, Fleet Procure	
13:30	Lunch & Networking: opportunity to explore the exhibitor stands	

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Afternoon Agenda

14:30	Session Four: Enhancing Business Opportunities	Chris Cotterill, UK Regional Development Manager, Institute of Motor Industry Jill Sidebottom, Commercial Manager, Fleet Alliance
15:10	Our business and you: 5 points in 5 minutes – Stephen Thornton, i247	
15:15	Coffee & Networking: opportunity to explore the exhibitor stands	
15:35	Our business and you: 5 points in 5 minutes – Nora Leggett, BVRLA e-Learning Platform and Professional Development	
15:40	Session Five: Sector Critical Issues	David Watts, Senior Consultant, Arval UK James Davis, Director of Customer Insight and Strategy (Commercial Vehicles), Cox Automotive Jay Parmar, Director of Policy and Membership, BVRLA
16:35	Closing Comments	Alan Carreras, Director , Bridle Group and Leasing Broker Committee Chairman Jay Parmar, Director of Policy & Membership, BVRLA
16:45	Event ends: Drinks Reception and further networking	

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Keynote Session

James Woudhuysen, Visiting Professor
London South Bank University

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SPECIALIST CARS



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Economy, car industry, financialisation

Presentation to the

BVRLA

@JamesWoudhuysen

May 2019

1. World economy

Meanings of the car

1 Symbol of freedom

2 Emblem of citizenship

3 Rite of passage

**Threat to US national
security**

A middle-aged man with glasses, wearing a dark suit, white shirt, and blue patterned tie, is seated in an office. He is looking slightly to the left of the camera. The background shows a window and a desk with a printer.

WHAT IS THE 4TH INDUSTRIAL REVOLUTION

with

PROF KLAUS SCHWAB



It's the economy, stupid.

(James Carville)

The
Economist

Is the German model broken?

Iran, 40 years after the revolution

China's embrace of intellectual property

On the economics of species

FEBRUARY 9TH-15TH 2019

Crude awakening

The truth about **Big Oil** and climate change





Greta Thunberg

19 hrs · 🌐

"Now I Am Speaking to the Whole World."

I'm on the cover of Time Magazine.

#FridaysForFuture #SchoolStrike4Climate #ClimateStrike

[http://time.com/.../.../greta-thunberg-next-generation-leaders/...](http://time.com/.../.../greta-thunberg-next-generation-leaders/)



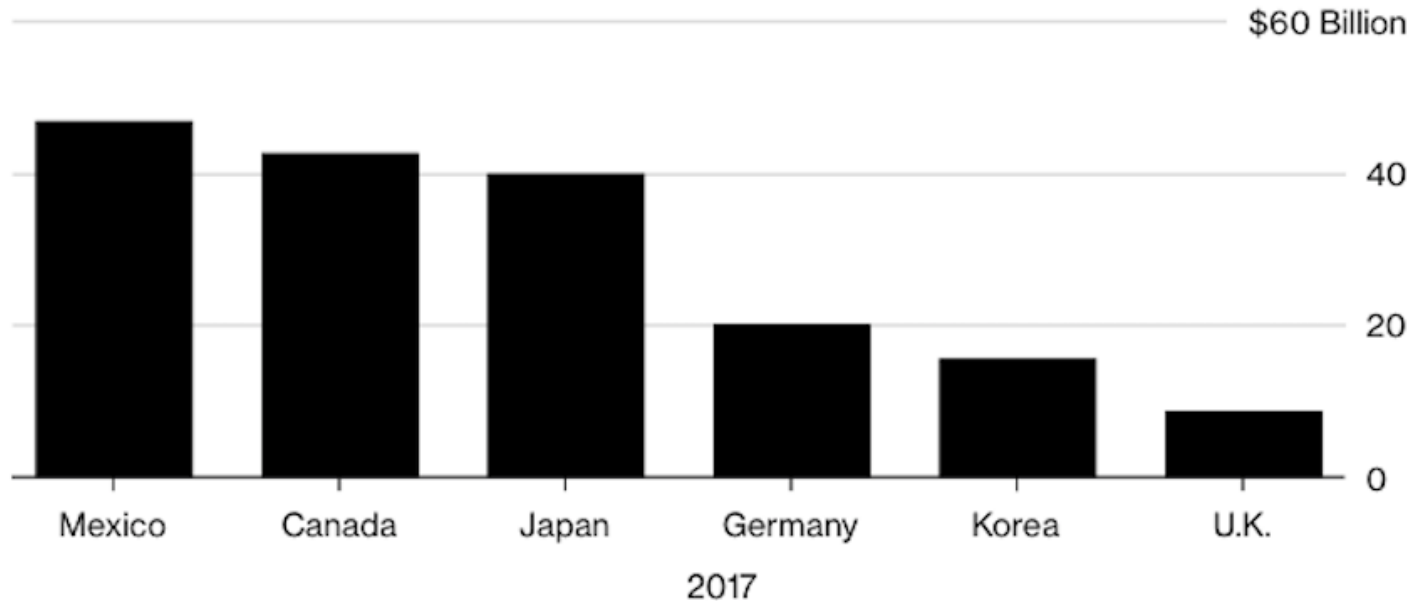
World economy

1 It's **not just** the economy, stupid



Coming to America (1): value of car & LPV imports, by country, 2017, \$bn

The main suppliers of cars into the U.S. are among America's top allies



Source: International Trade Administration, citing data on U.S. imports of new passenger vehicles and light trucks.

Coming to America (2): value of NAICS 3361 motor vehicles imports, by country, 2014-8, \$n

Partner	2014	2015	2016	2017	2018
World	180,907,200,275	195,078,545,752	197,808,093,638	206,127,394,751	208,441,775,805
Mexico	46,169,766,311	50,034,562,189	49,336,886,703	57,448,324,127	64,487,369,896
Japan	34,361,678,072	36,252,482,952	39,672,134,552	40,388,183,913	40,947,527,718
Canada	44,156,687,013	43,411,185,917	46,254,190,310	44,641,568,693	40,906,402,327
Germany	26,018,501,083	26,613,448,801	22,010,068,734	20,641,950,889	18,783,594,373
South Korea	14,573,149,053	17,279,022,959	16,068,664,287	15,731,946,446	13,823,066,144
United Kingdom	5,212,633,073	6,711,999,554	8,660,681,154	8,593,562,463	9,537,995,578
Italy	1,997,734,017	3,834,987,511	3,869,781,760	4,780,082,722	4,473,480,827
Slovakia	1,061,385,744	1,293,797,051	1,561,502,790	1,996,469,991	2,963,536,018
Sweden	794,109,611	1,324,126,204	1,763,812,892	2,025,691,922	1,957,201,852
Finland	4,474,981	1,948,495	1,858,598	1,147,126,944	1,715,985,585
China	101,168,814	226,531,097	1,190,032,444	1,610,931,804	1,436,850,439



Home > Politik > Pompeo sagt seinen geplanten Berlin-Besuch ab

Klimaneutral reisen

7. Mai 2019, 13:55 Uhr **Pompeos Absage**

Die deutsch-amerikanische Freundschaft liegt in Scherben



Handlanger der "Methode Donald Trump": Mike Pompeo (Foto: AP)



Wie US-Außenminister Pompeo seinen Besuch in Berlin kurzfristig abgesagt hat, ist schwer zu entschuldigen. Berlin muss eine Strategie für die Zeit nach der Ära Trump entwickeln.



Kommentar von [Daniel Brössler](#), Berlin

[Feedback](#)

In der Welt der Diplomatie gibt es Unhöflichkeiten. Dazu gehört es, als Außenminister an wichtigen internationalen Treffen nicht teilzunehmen oder sich mit dem Antrittsbesuch bei Partnern viel Zeit zu lassen. Und es gibt Unverschämtheiten. US-Außenminister [Mike Pompeo](#) hat an diesem Dienstag nur Stunden vor einem Termin mit Bundeskanzlerin Angela Merkel und einem Gespräch mit seinem deutschen Kollegen Heiko Maas eine Reise nach Berlin abgesagt. Das ist schwer zu entschuldigen. Jedenfalls solange nicht klar ist,



Trump says EU 'treating US worse than China' on trade

Home / US / Foreign Policy

Sat May 18, 2019 06:06AM [Updated: Sat May 18, 2019 06:06AM]



US President Donald Trump addresses the National Association of Realtors Legislative Meetings & Trade Expo May 17, 2019 in Washington, DC. (Getty Images)

US President Donald Trump says the European Union's trade barriers are damaging American manufacturing, making the bloc even more harmful to the US than China, which is engaged in a trade war with Washington.

"The European Union treats us, I would say, worse than China, they're just smaller," Trump told a gathering of real estate agents in Washington on Friday.

"They have trade barriers. They don't want our farm products, they don't want our cars. They send Mercedes-Benz's in here like they're cookies. They send BMWs here. We hardly tax them at all," he added.

In a proclamation released Friday, Trump declared that some imported vehicles and parts from the EU and Japan pose a national security threat to the US.



Zero Emissions. Almost.
How the interior smells is still up to you.



Home > Automakers

February 18, 2019 04:00 AM

German automakers at most risk from Trump tariffs

Wire reports

TWEET

f SHARE

in SHARE

EMAIL

PRINT



SUVs pictured outside BMW largest global factory plant in Spartanburg, South Carolina.

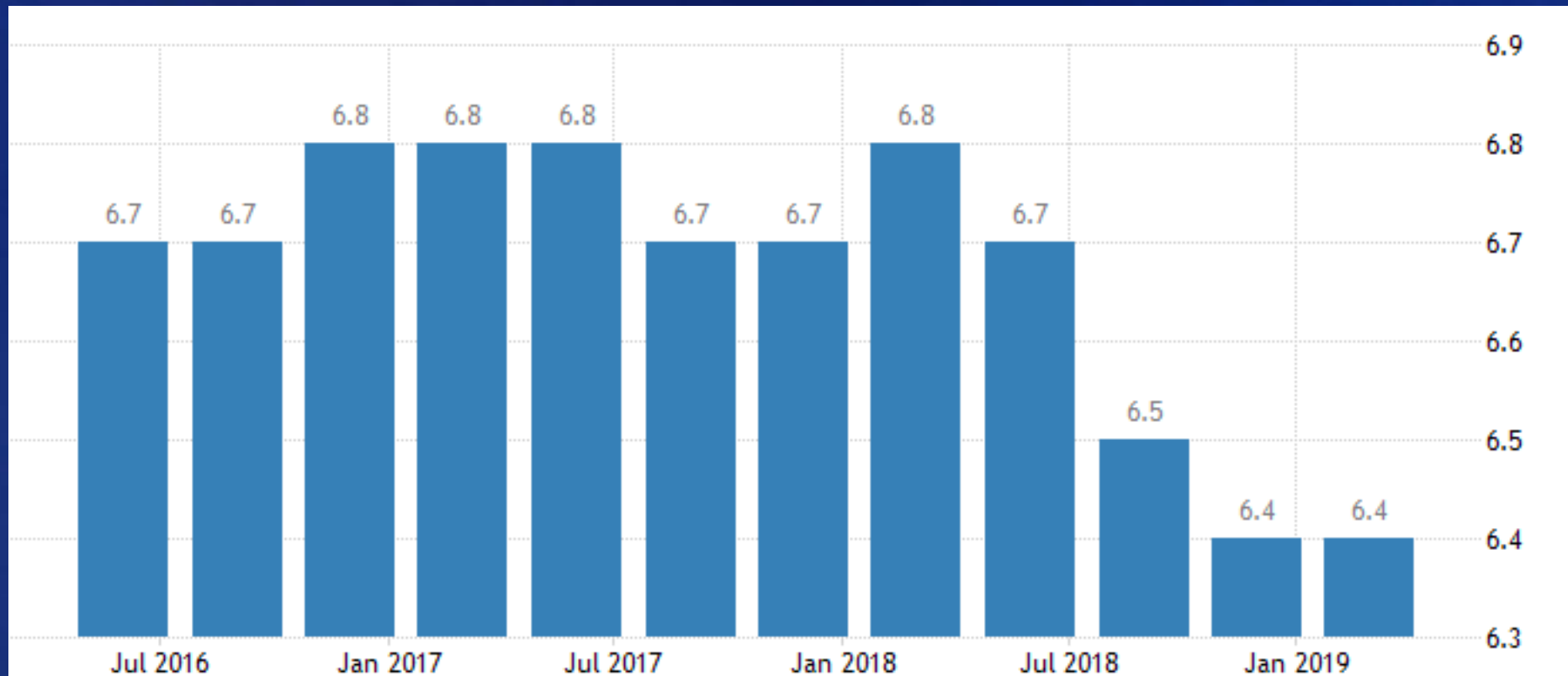
The U.S. Commerce Department sent a report on Sunday to President Donald Trump that could unleash steep tariffs on imported cars and auto parts. Profits at German automakers are seen most at risk from tariffs on cars they export to the U.S. from Europe.

U.S. government officials have not given any insights into the findings of the report by Commerce Secretary Wilbur Ross on whether vehicles built abroad

World economy

- 1 It's **not just** the economy, stupid
- 2 Trump vs Xi in cars: **not the real drama**

China's not-so-big GDP slowdown



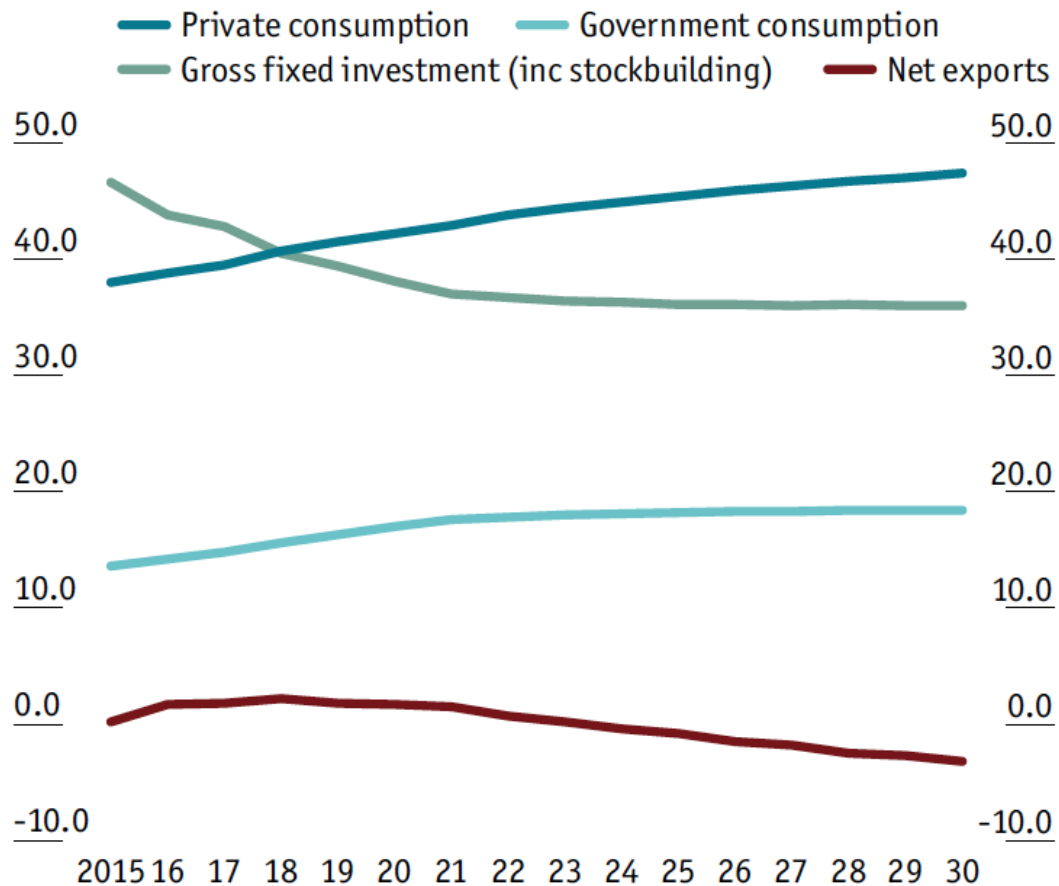
SOURCE: TRADINGECONOMICS.COM | NATIONAL BUREAU OF STATISTICS OF CHINA

The Chinese consumer in 2030

A report by The Economist Intelligence Unit



Structure of China's nominal GDP, per cent



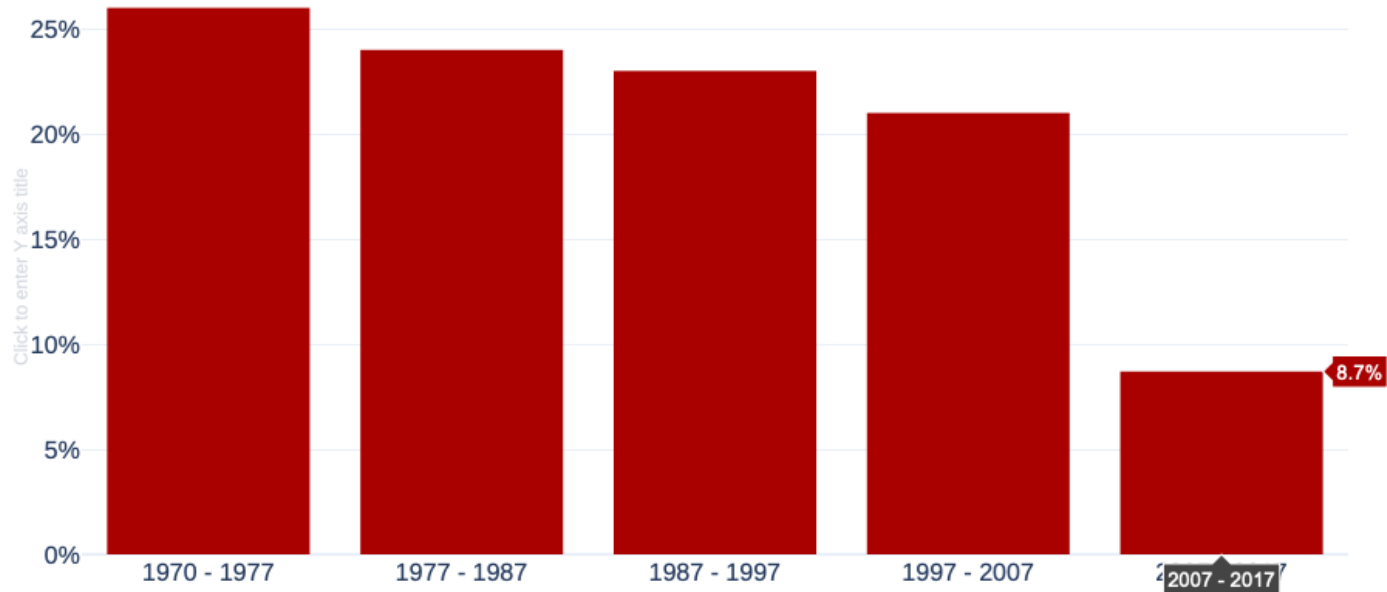
Source: The Economist Intelligence Unit.

World economy

- 1 It's **not just** the economy, stupid
- 2 Trump vs Xi in cars: **not the real drama**
- 3 China's continental economy has its **own dynamic**

	decade▼	productivity growth	C▼	D▼	E▼	F▼	G▼	H▼	I▼	J▼	K▼	L▼	M▼	N▼	O▼	P▼
1▼	1970 - 1977	26														
2▼	1977 - 1987	24														
3▼	1987 - 1997	23														
4▼	1997 - 2007	21														
5▼	2007 - 2017	8.7														
6▼																

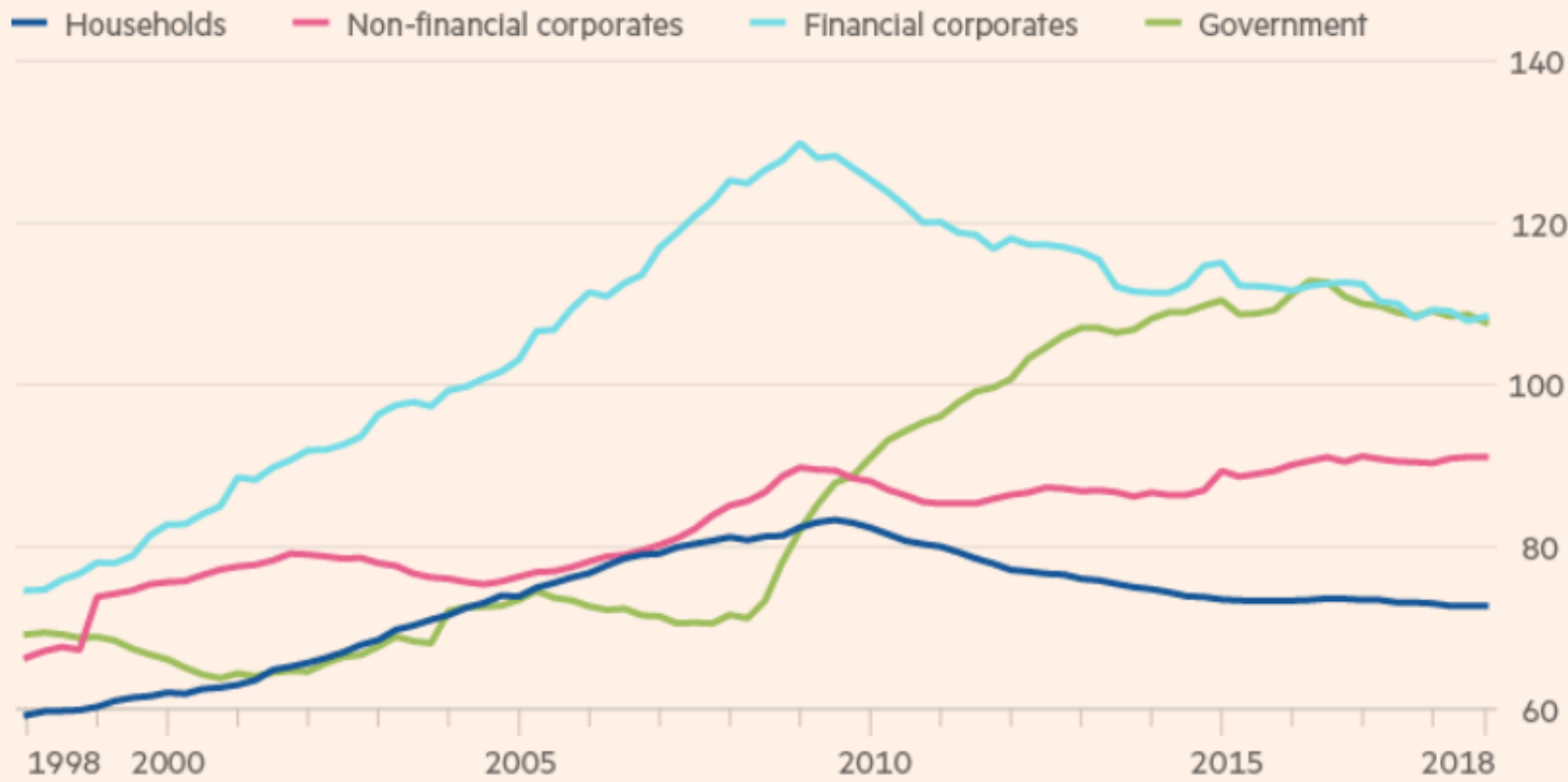
Productivity Growth, OECD countries



Source: OECD

Government debt jumps as financial and household debt shrinks

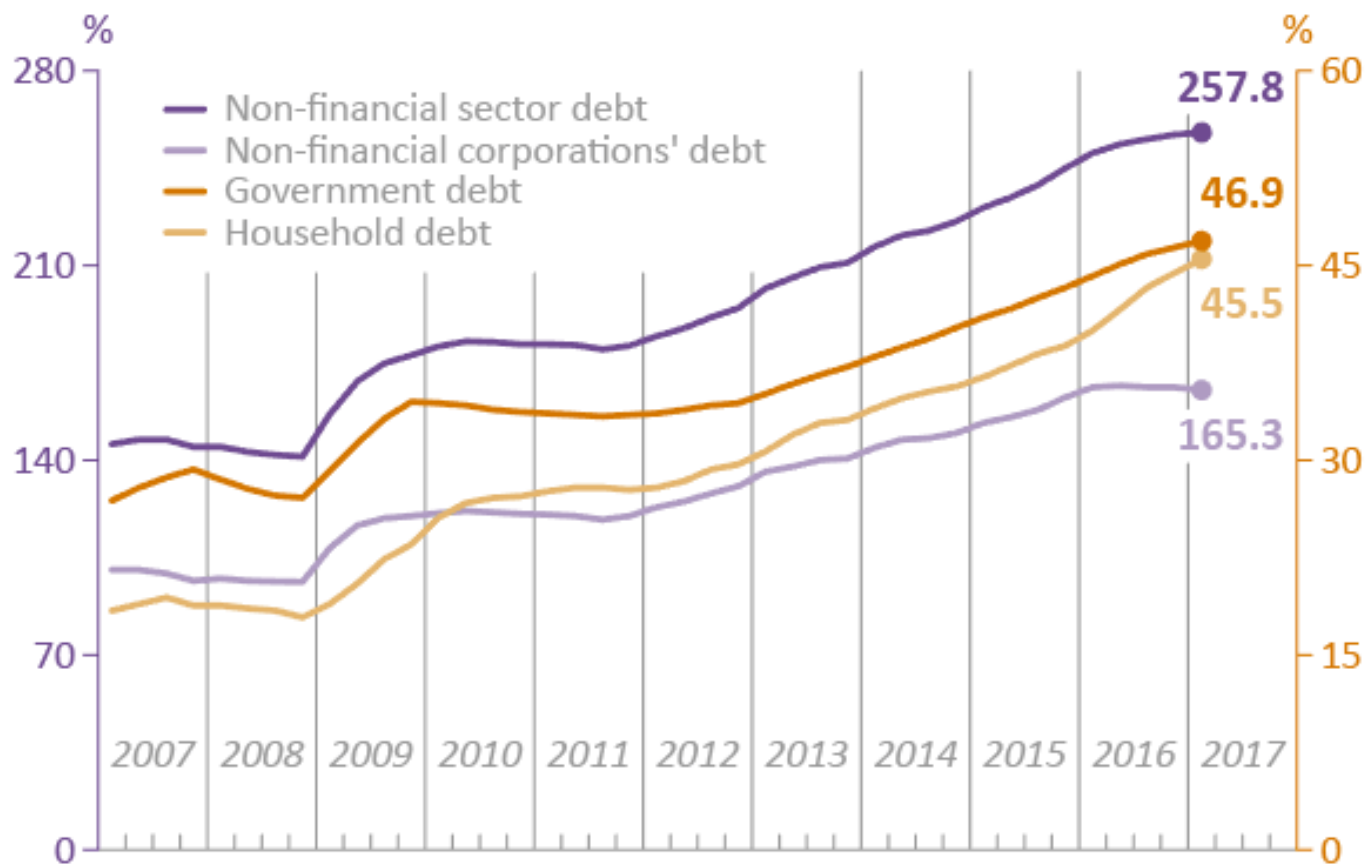
Debt as a % of GDP In developed economies*, by sector



* 21 countries, weighted by GDP

Source: Institute of International Finance

China Debt to GDP



Source: Euromonitor International from the BIS

China recorded a government debt equivalent to 47.60 percent of the country's Gross Domestic Product in 2017. Government Debt to GDP in China averaged 29.75 percent from 1995 until 2017, reaching an all time high of 47.60 percent in 2017 and a record low of 20.40 percent in 1997.

1 | Download PDF (Free)

File size: 23KB. OS: Win/MacOS 1clickpdf.com

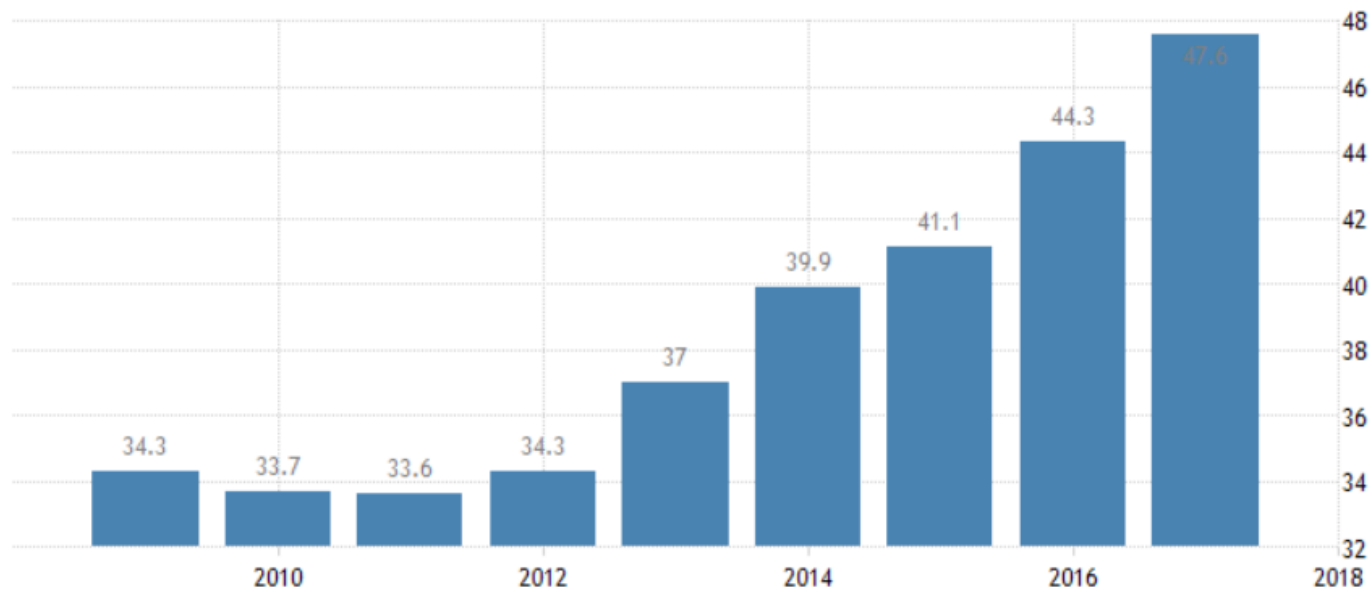


2 | Mis-sold a SIPP?

Advised to invest in a SIPP that lost money? You may be due compensation. Find out now. Hugh James



Historical Data API



World economy

- 1 It's **not just** the economy, stupid
- 2 Trump vs Xi in cars: **not the real drama**
- 3 China's continental economy has its **own dynamic**

**Slow productivity growth,
rising debt**

2. What seems new in cars?

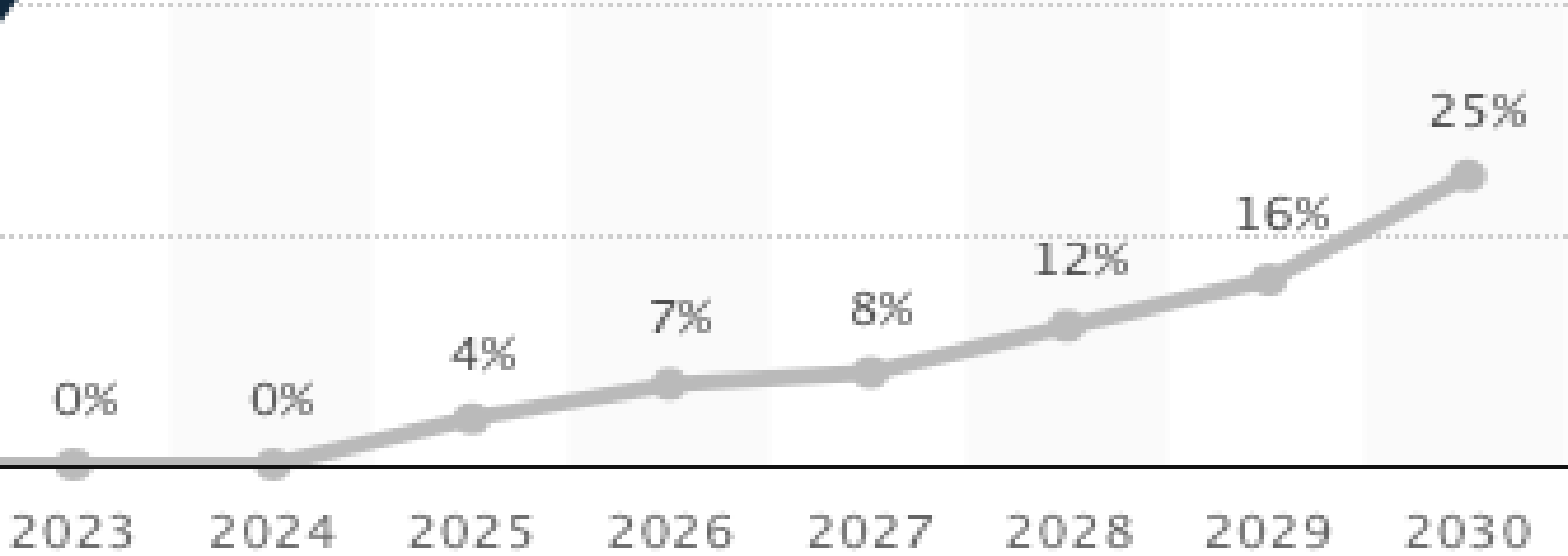
Download as ...

Options

Graphic (PNG)

Settings

Projected market penetration of autonomous vehicles (including cars, trucks, and pods) in the United Kingdom (UK) from 2015 to 2030, by level of automation



The case vs driverlessness

Statista: 25 per cent of new UK sales of cars, trucks & pods will be Level 4/5 AVs by **2030**

Woudhuysen: make that 25% deadline **today**

Then given 2018 car sales of 2.8m, that replaces **700k** cars each year of the UK's fleet of **32.8m**

**So the UK will go fully AV
in... 2066**

Mark Beach



NEW VIDEO

**TAKING
ACTION**

**DRIVERLESS UBER CAR INVOLVED IN CRASH IN TEMPE
POLICE SAY OTHER DRIVER FAILED TO YIELD**

abc 15
ARIZONA

6:06 81°



TEMPE



ONLY ON

SELF-DRIVING VEHICLE HITS BICYCLIST



SPORTS

CURRENTS

SCOTTSDALE: CLEAR



55°

5:01

53°

The case **vs** driverlessness

Iffy scenarios: turns into heavy traffic, roadworks, changing surfaces, eye/hand duties and gestures in others

Technology robustness: long shifts, weak maintenance, network overload, storms, accidents, systems integration

Seen as dear, polluting, hackable jobkillers; may demand **dedicated lanes**

Regulation: who's liable for what, when?

What seems new in cars?

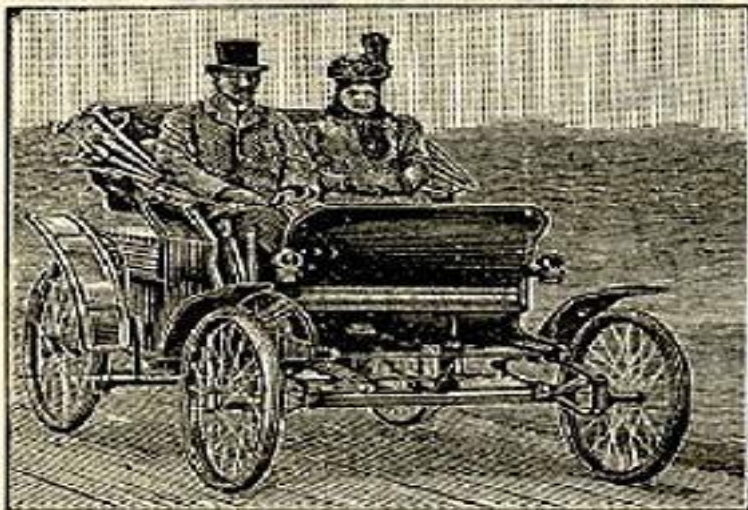
- 1 The AVs are coming

Forecasting: the key rule

- Tunnel down **beneath appearances...**
- Find both **tendencies + counter-tendencies**
- Then **synthesise** them

Ad, Scientific American, 1898

DISPENSE WITH A HORSE



Price \$1,000. No Agents.

and save the expense, care and anxiety of keeping it. To run a motor carriage costs about $\frac{1}{2}$ cent a mile.

Carbon motor is simple and powerful. No odor, no vibration. Suspension Wire Wheels. Pneumatic Tires. Ball Bearings.  Send for Catalogue.

THE WINTON MOTOR CARRIAGE

is the best vehicle of its kind that is made. It is handsomely, strongly and yet lightly constructed and elegantly finished. Easily managed. Speed from 3 to 20 miles an hour. The hydrocar-

THE WINTON MOTOR CARRIAGE CO., Cleveland, Ohio.







SEARCH

Rio Tinto [+ Add to myFT](#)

Rio Tinto shifts to driverless trucks in Australia

Part of growing trend of miners embracing technology to cut costs and improve safety



OCTOBER 10, 2015 by [Jamie Smyth](#) in Sydney

Rio Tinto has rolled out fully automated driverless truck fleets at two of its iron ore mines in the Pilbara in Western Australia, in what it says is a world first.

The Anglo-Australian miner is also trialling driverless trains and deploying autonomous drills in the region as it embraces new technologies to [cut costs](#) and boost safety.

“Our autonomous fleet outperforms the named fleet by an average of 12 per cent, primarily by eliminating required breaks, absenteeism and shift changes,” said Andrew Harding, Rio’s iron ore chief executive. “Innovation and technology is critical in our efforts to improve safety.”

MIT study: Driverless truck platoons will save fuel and money, especially if they tailgate

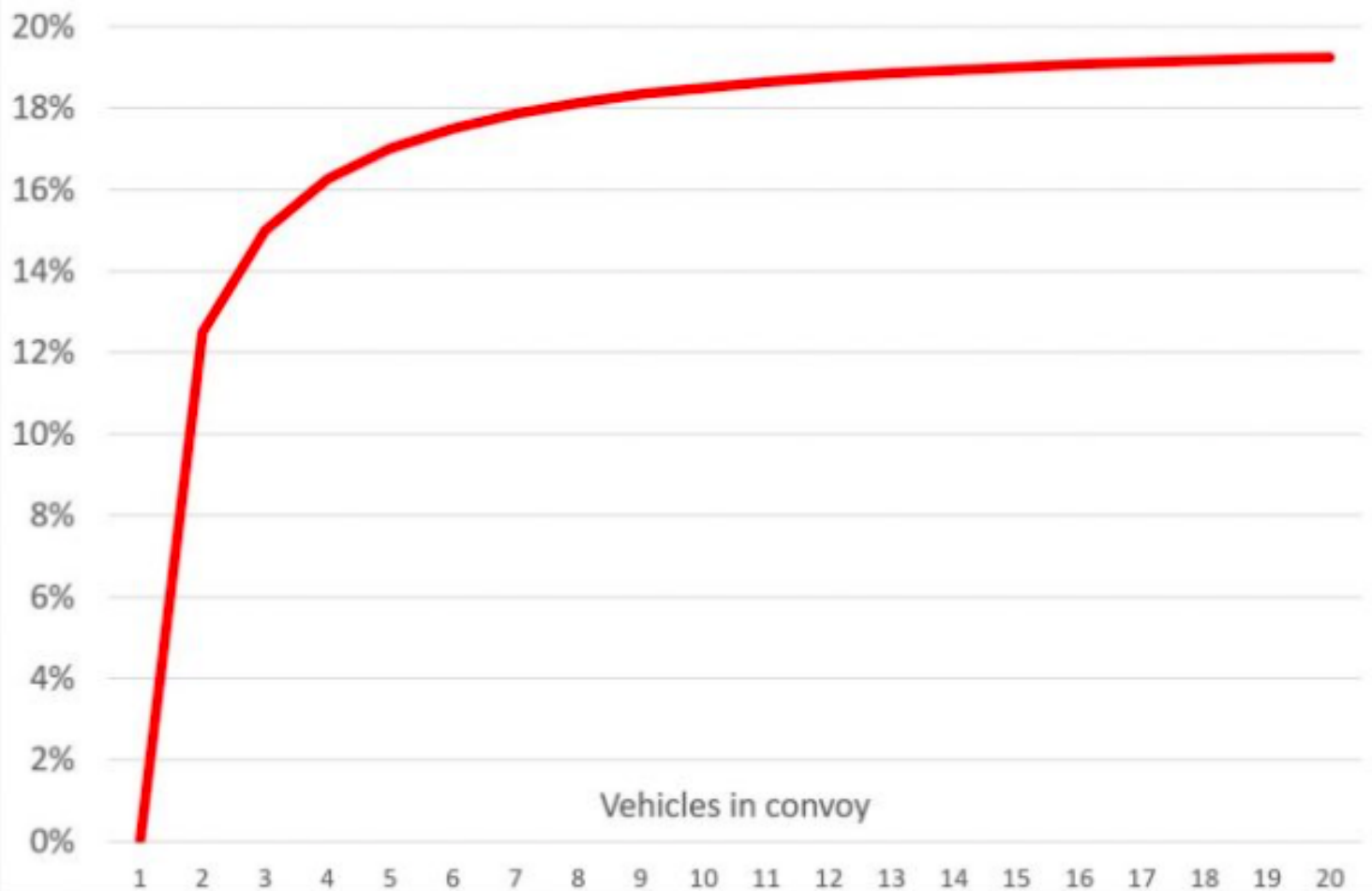
By Bill Howard on December 21, 2016 at 2:43 pm | [23 Comments](#)

211
shares



Percentage fuel efficiency gains of truck convoy

Assume 20% gain for trucks in middle, 10% first truck, 15% last truck

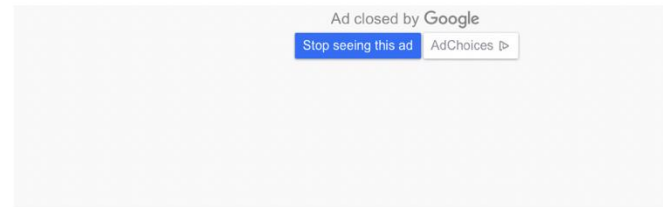


• Home / Business / Technology

JD develops automatic delivery vans

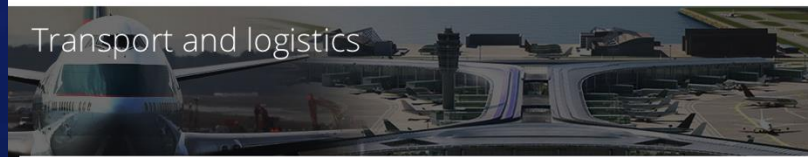
By Fan Feifei | China Daily | Updated: 2017-09-29 07:28





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Business / Companies



Transport and logistics

Alibaba to deploy 1 million smart delivery vehicles to improve logistics efficiency

PUBLISHED : Tuesday, 23 May, 2017, 8:02am
UPDATED : Tuesday, 23 May, 2017, 8:02am



Where AVs make sense

Farming & mining

Factories & warehouses

Trucking

Home delivery

The Sharing Economy



BookMooch

New life for Old books

Cookening



U B E R



RelayRides



taskrabbit
Life is busy. We can help.



NeighborGoods



lyft

LendingClub



ParkatmyHouse.com

zipcar
wheels when you want them

TIME

STRANGERS
CRASHED MY CAR,
ATE MY FOOD AND
WORE MY PANTS.
TALES FROM THE
SHARING ECONOMY

BY JOEL STEIN



Deloitte Review

Issue 20 | 2017

Complimentary article reprint



The rise of mobility as a service

Reshaping how urbanites get around

By Warwick Goodall, Tiffany Dovey Fishman, Justine Bornstein, and Brett Bonthron

Illustration by Traci Daberko

Breakthroughs in self-driving cars are only the beginning: The entire way we travel from point A to point B is changing, creating a new ecosystem of personal mobility. The shift will likely affect far more than transportation and automakers—industries from insurance and health care to energy and media should reconsider how they create value in this emerging environment. Deloitte offers a suite of services to help clients tackle Future of Mobility-related challenges, including setting strategic direction, planning operating models, and implementing new operations and capabilities. Our wide array of expertise allows us to become a true partner throughout an organization's comprehensive, multidimensional journey of transformation.

Deloitte.

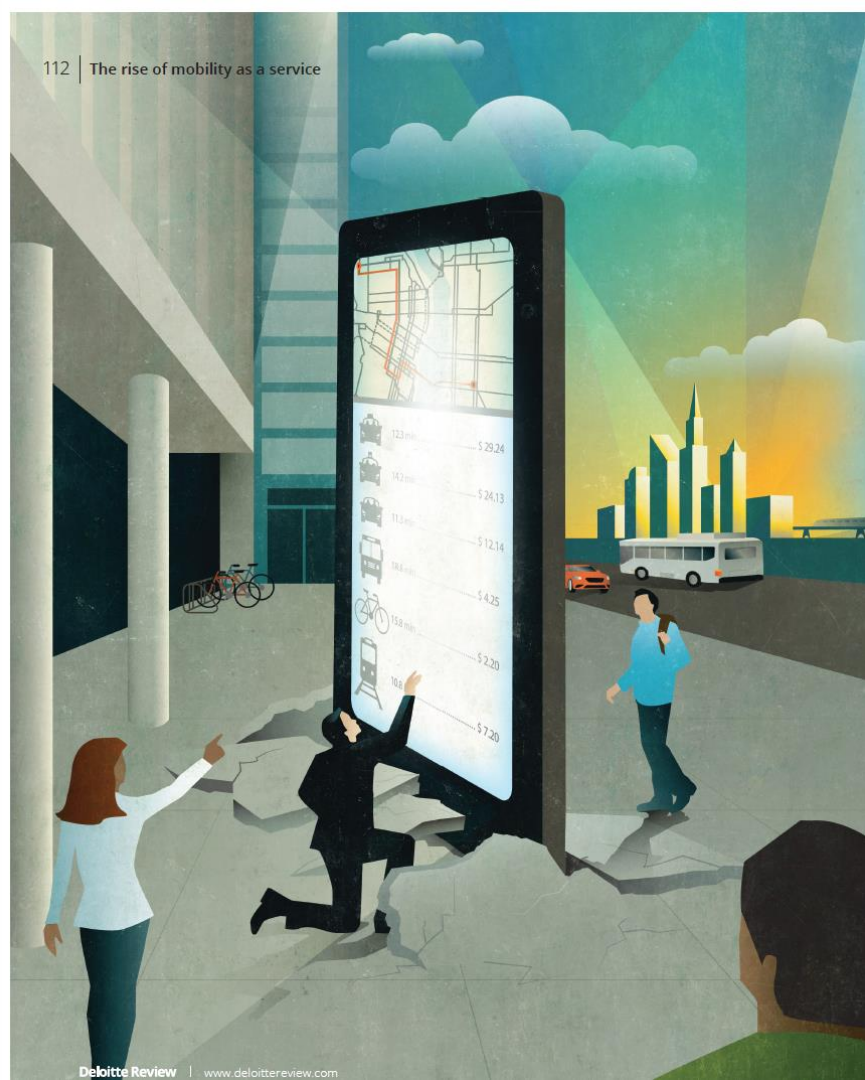
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The logo for RethinkX, featuring the word "Rethink" in white and "X" in a stylized orange and white font.

Disruption, Implications and Choices

Rethinking Transportation 2020-2030

*The Disruption of
Transportation and
the **Collapse** of the
Internal-Combustion
Vehicle and Oil
Industries*

A RethinkX Sector Disruption Report
May 2017
James Arbib & Tony Seba

September 2017

The 2017 Strategy& Digital Auto Report

Fast and furious: Why making money in the “roboconomy” is getting harder



strategy&

www.strategyand.pwc.com



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Future of mobility 3.0

The Future of Mobility 3.0

Reinventing mobility in the era of disruption and creativity



Elevating the future of mobility

Passenger drones and flying cars



Off to a flier The five-seater vertical take-off and landing Lilium Jet has completed a successful first test flight at the Lilium headquarters in Germany. The flying taxi has a top speed of 205mph and a range of 186 miles and, thanks to electric engines, has no operation emissions, unlike other forms of air travel. It's also much quieter.

TRANSPORTATION \ CARS \ AVIATION \

Electric air taxi startup Lillium completes of its new five-seater aircraft

The Lillium Jet will have a range of 300 kilometers and a top speed of 300 km / hour

By [Andrew J. Hawkins](#) | [@andyjayhawk](#) | May 16, 2019, 12:01am EDT

f TWEET SHARE



Mythology as a Service (MaaS)!

Urban ETaxis that are ATaxis =>

Big cuts in national fleets &
parking space

...tho' it's admitted that they
also mean...

big rises in passenger-km

Where MaaS is **weak**

Intercity journeys

IT, EV charging and **physical**
infrastructure

Outside of special areas,
robotaxis will need **Level 5**
automation and safety

What seems new in cars?

- 1 The **AVs** are coming
- 2 **MaaS** is coming

NetZero in cars: all new car sales must be, er, at least hybrids, 2040, said Chris Grayling

 HM Government



The Road to Zero

Next steps towards cleaner road transport and delivering our Industrial Strategy

 Department for Environment, Food & Rural Affairs

 Department for Transport

UK plan for tackling roadside nitrogen dioxide concentrations
Detailed plan
July 2017



Our mission is to put the UK at the forefront of the design and manufacturing of zero emission vehicles, and for all new cars and vans to be effectively zero emission by 2040. As set out in the NO₂ plan, we will **end the sale of new conventional petrol and diesel cars and vans by 2040**. By then, we expect the majority of new cars and vans sold to be 100% zero emission and all new cars and vans to have significant zero emission capability. By 2050 we want almost every car and van to be zero emission.

We want to see **at least 50%, and as many as 70%, of new car sales and up to 40% of new van sales being ultra low emission by 2030**.



Government cannot deliver these ambitions alone. At the heart of this strategy is a commitment to work in **partnership with industry, businesses, academia, environmental groups**, devolved administrations, local government, consumers and international partners.

Cleaner air, a better environment, zero emission vehicles, a strong clean economy

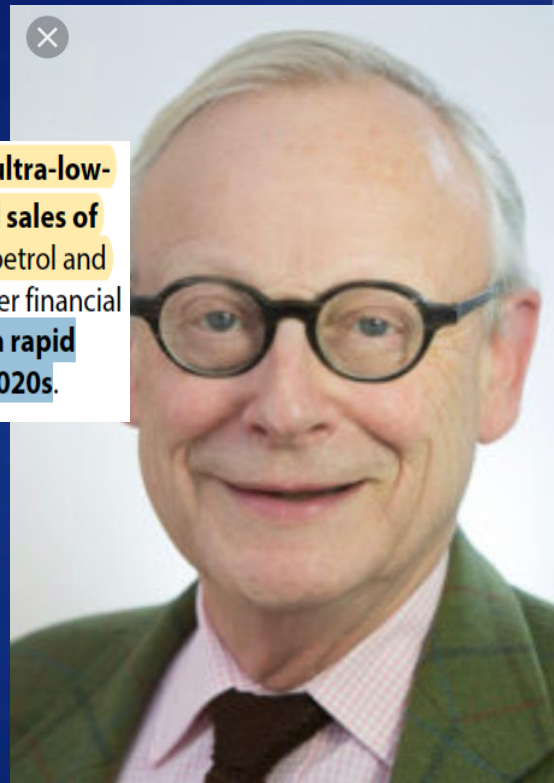
NetZero in cars: all new car sales must be ULEVs, 2035/2040, says Lord Deben



Net Zero
The UK's contribution to
stopping global warming

Committee on Climate Change
May 2019

Electric vehicles. The need to switch the entire fleet of light-duty vehicles to ultra-low-emission vehicles (ULEVs) by 2050 means that by 2035, at the very latest, all sales of new cars and vans will need to be ULEVs. If possible, an earlier end to sales of petrol and diesel vehicles would be preferable (e.g. by 2030 if feasible), as this will have lower financial costs, lower cumulative CO₂ emissions and lead to better air quality. This means a rapid ramping up of the market share of EVs, from around 2% today, during the 2020s.





TELL THE TRUTH

NetZero: in 2025, says Extinction Rebellion

“... old cars would have to be permanently taken off the road, and not be replaced by electric models.”

Source: Rupert Read, part of XR's political strategy group, as reported by Adam Vaughan, 'The science behind Extinction Rebellion's three climate change demands', *New Scientist*, 25 April 2019, <https://www.newscientist.com/article/2200755-the-science-behind-extinction-rebellions-three-climate-change-demands/>



**extinction
rebellion**

**RupertRead.net
@GreenRupertRead**

What seems new in cars?

- 1 The AVs are coming
- 2 MaaS is coming

The EVs must
come

What the CCC mumbled

“Financial incentives will be required in the near term to support the still early market of electric cars, vans, small HGVs and motorbikes, until cost parity is reached with conventional vehicles from the view of a private consumer, likely in first half of the 2020s. Electric car and van charging infrastructure roll-out must be monitored to ensure that sufficient deployment occurs in readiness for the growing proportions of the fleet being fully electric.”

What the CCC is really saying

In 2035, Britain's installed base of pure-electric cars and vans will have grown big through incentives

So when that base is added to over 15 years by some mostly electric version of our current annual 2.6m sales of new cars and vans...

Then the ICE will exit the UK's national fleet of 35.5m cars and vans by 2050

What the CCC didn't mention

- 1 8m **used** ICE cars & EVs sold a year
- 2 Future **prices** in those two markets
- 3 2017 sales of **R&L cars** = 1.4m
- 4 **Most EVs = ex-L&R**, 2019-25
- 5 **Plug-in hybrids**, to any extent

Government-subsidised plug-in cars may never have been charged

By Joe Miller
BBC Business Correspondent

9 November 2018



Most plug-in hybrids in the UK are bought for company fleets

Tens of thousands of plug-in hybrids (PHEVs) bought with generous government grants may be burning as much fuel as combustion-engine cars.

Data compiled for the BBC suggests that such vehicles in corporate fleets averaged just 40 miles per gallon (mpg), when they could have done 130.

Many drivers may never have unwrapped their charging cables, The Miles Consultancy said.

Subsidies for new PHEVs were recently scrapped, after seven years.

The plug-in grant was introduced in 2011, gifting buyers up to £4,500 off new cars.

The incentive helped the UK become the biggest market for PHEVs in Europe.

The majority of the tens of thousands of eligible vehicles sold were bought by company fleets, including more than 70% of the 37,000 plug-in hybrids sold so far in 2018.

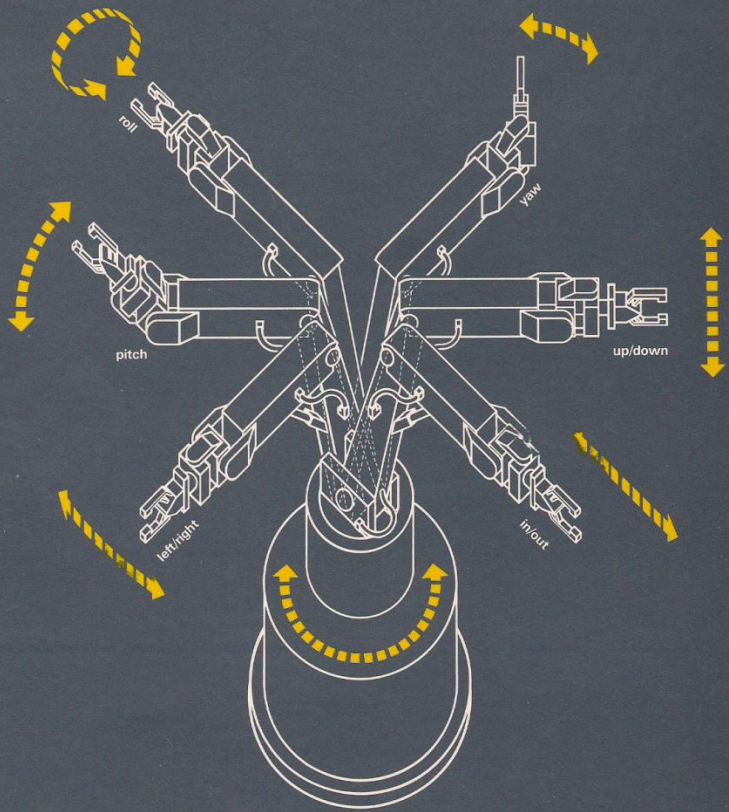
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- 4 **Most EVs = ex-L&R**, 2019-25
- 5 **Plug-in hybrids**, to any extent
- 6 **Financial incentives for hybrids failed**
to make drivers use the **E** in their
PHEVs!

3. What's *really* new in cars?

China saw roads grow from
3.5m to 4.8m km, 2008-19.
It builds 10k km of motorways a year





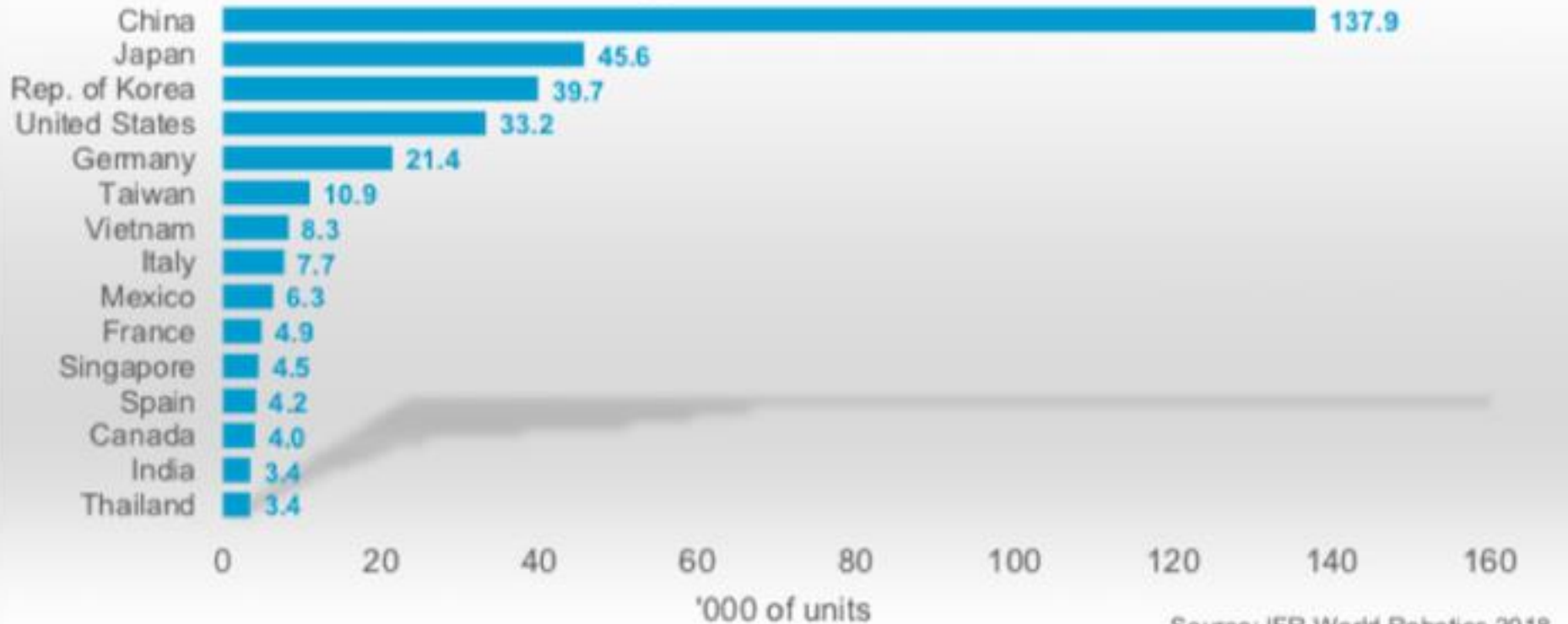
ROBOTS

World industrial robots, sales, thousand



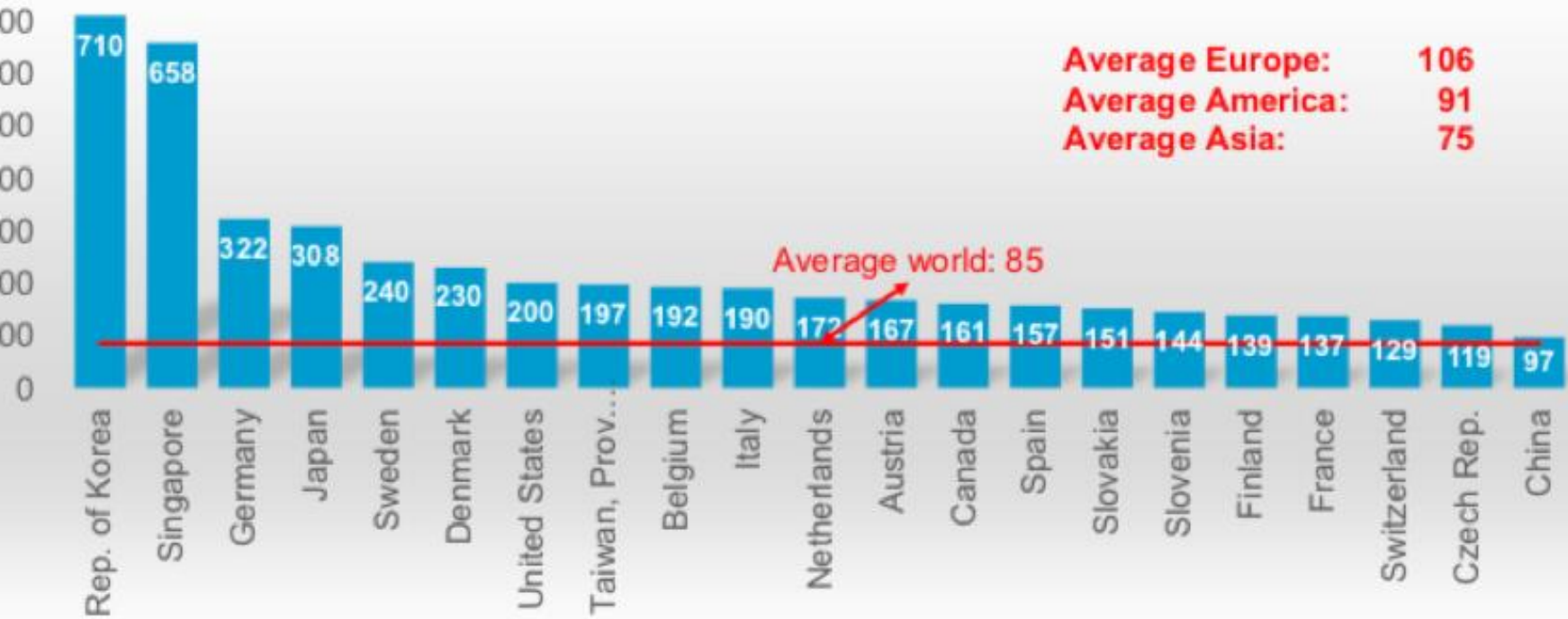
Source: IFR World Robotics 2018

Robots: where supply is greatest, thousand, 2017



Source: IFR World Robotics 2018

Robots/10K manufacturing workers, 2017



Source: IFR World Robotics 2018

Batteries for EVs: China leads

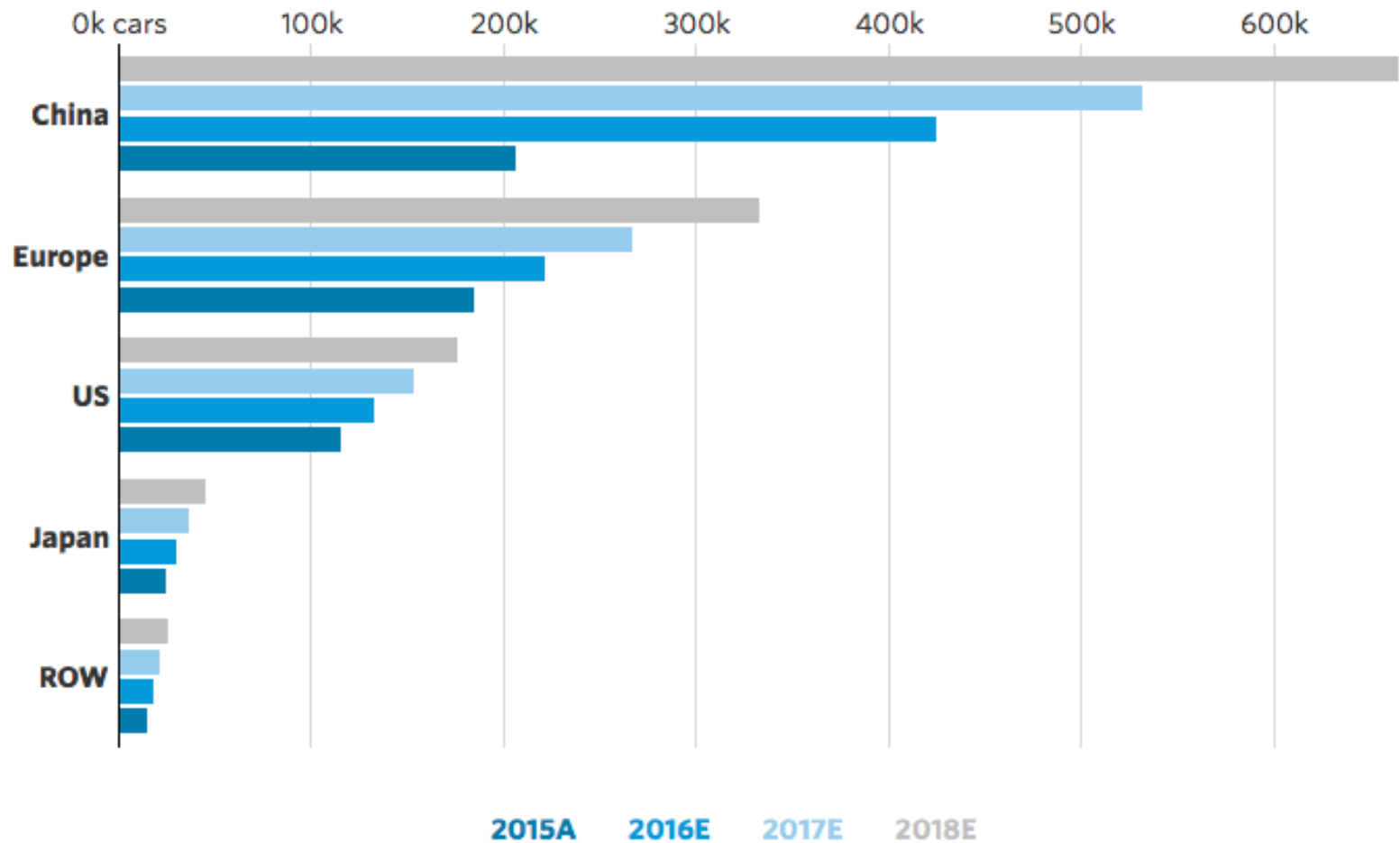
	2016 Capacity (GWh)	2020 Capacity (GWh)	% of Global Total (2020)
United States	1.0	38.0	22%
China	16.4	107.5	62%
Korea	10.5	23.0	13%
Poland	0.0	5.0	3%
Total	27.9	173.5	100%

Above estimates on battery capacity courtesy of [Benchmark Mineral Intelligence](#).

GAC Motor's all-electric GE3: range 310km, 0-100mph in 9.3s



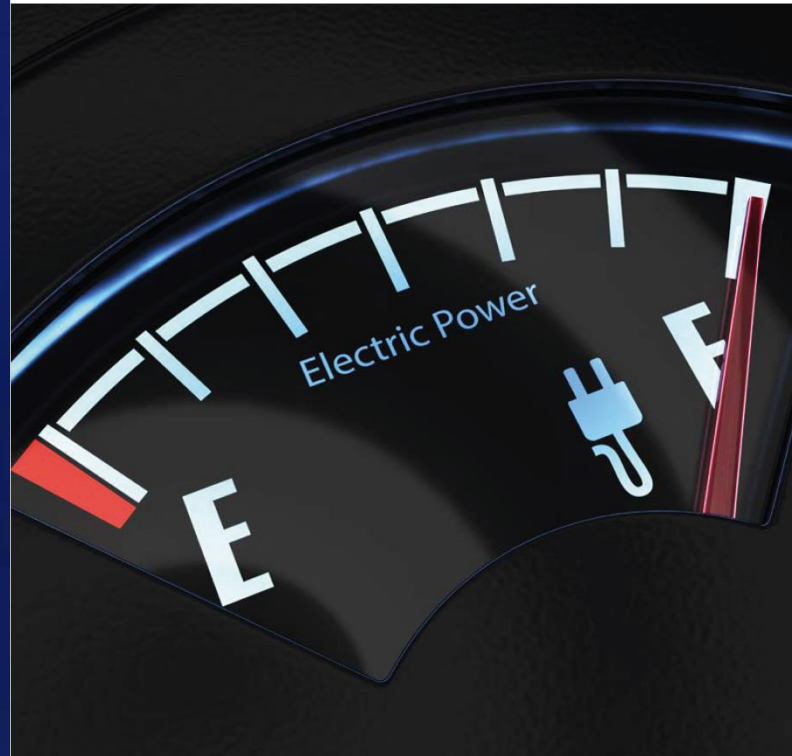
Estimated electric vehicle sales by major market



Source: UBS

Electric cars: EU vs China

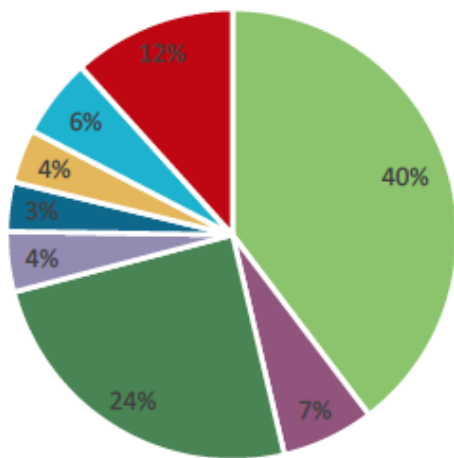
- 1 In the **EU** in 2017, little more than **700k** electric cars were on the road
- 2 In **China**, **1.2m** were. That was a giant **40 per cent** of the **world's stock**



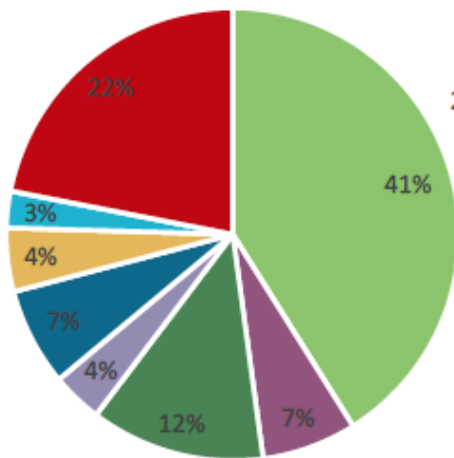
Global **EV** Outlook 2018

Towards cross-modal electrification

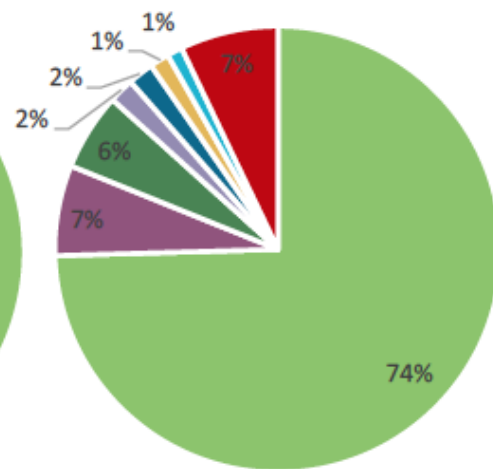
Electric car stock
3.1 million



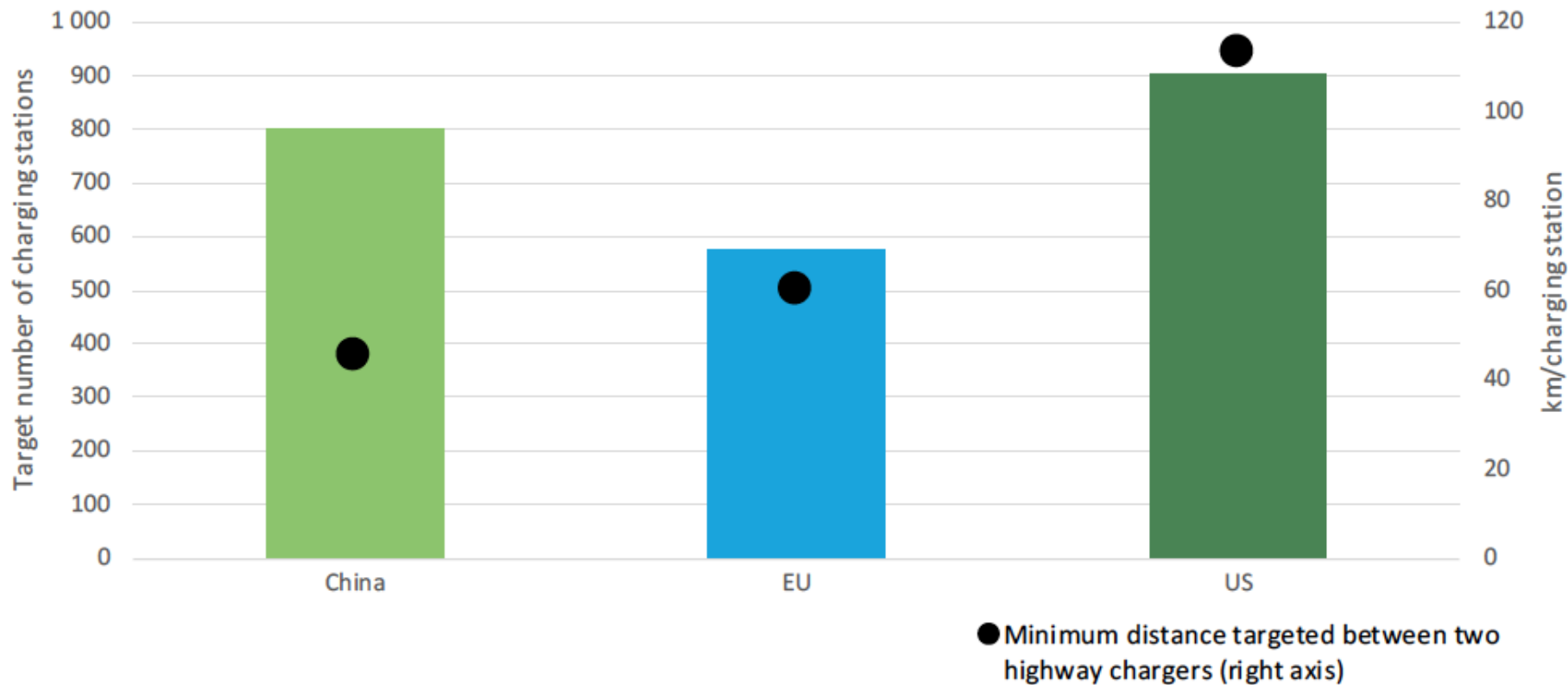
Publicly accessible slow chargers
318 000 outlets



Publicly accessible fast chargers
112 000 outlets



- China
- Japan
- United States
- United Kingdom
- Germany
- France
- Norway
- Others



Notes: The values for **China** refer to a governmental target (**2020**). The **EU** values refer to the targets set in the AFI Directive (2020). The **US** values refer to the targets set by the Electrify America project (**2030**).

What's really new in cars?

1 China: robots, EVs,
charging infrastructure



C40
CITIES

CLIMATE LEADERSHIP GROUP

“As Mayor of Paris, Anne Hidalgo has developed some of the world’s most innovative policies to confront climate change and reduce air pollution, and as co-host of the Climate Summit for Local Leaders at Paris City Hall during COP21, her leadership was instrumental in securing a strong global climate agreement. I know she’ll bring the same commitment and vision to her role as C40 Chair, and I look forward to continuing to work together.”

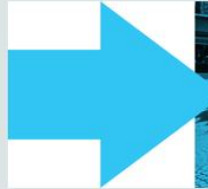
C40 Board President & UN
Secretary-General’s Special Envoy
for Cities & Climate Change
Michael R. Bloomberg

Green and Healthy Streets

Fossil-Fuel-Free Streets Declaration - Planned Actions to Deliver Commitments

C40
CITIES

Cities Networks Programmes Research Events Media Blog About ▾



Our Commitment to Green and Healthy Streets



Fossil Fuel Free Streets Declaration

As mayors of some of the world's great cities, we are committed to transforming them into greener, healthier, and more prosperous places to live.

Our streets must be safe and accessible for everybody and our air must be clean and free from harmful emissions. This will improve the quality of life for all citizens, and help tackle the global threat of climate change.

We envision a future where walking, cycling, and shared transport are how the majority of citizens move around our cities. This shift towards zero emission mobility will result in less congestion and less pollution, while making our roads quieter and the air we breathe cleaner.

One third of greenhouse gas emissions from C40 cities come from **transport** and traffic is the biggest source of air pollution, globally responsible for up to **one quarter of particulate matter in the air**. As cities continue to grow they are becoming more congested, with people spending more time in traffic. A **study** across the US, UK, France and Germany showed that congestion on our roads is costing the economy on average almost one percent of GDP. This is not only holding back our economies through lost time and productivity, but also harming our health and the environment through

[Signatories](#)

Paris
London
Los Angeles
Copenhagen
Auckland
Barcelona
Cape Town
Heidelberg,
Medellin
Mexico City
Milan
Oslo
Quito
Rome
Rotterdam
Santiago
Seattle
Seoul
Tokyo
Vancouver
Warsaw
Birmingham
Honolulu
Oxford
Greater Manchester
Santa Monica
West Hollywood

C40
CITIES

Koen Lenaerts, European Court of Justice



Jean-Claude Juncker, European Commission



What's really new in cars?

1 China: robots, EVs,
charging infrastructure

2 The EU's (and the Dems')
war on the car

4. Financialisation

CENTER FOR MICROECONOMIC DATA

WWW.NEWYORKFED.ORG/MICROECONOMICS



QUARTERLY REPORT ON
**HOUSEHOLD
DEBT AND CREDIT**

2018:Q4 (RELEASED FEBRUARY 2019)

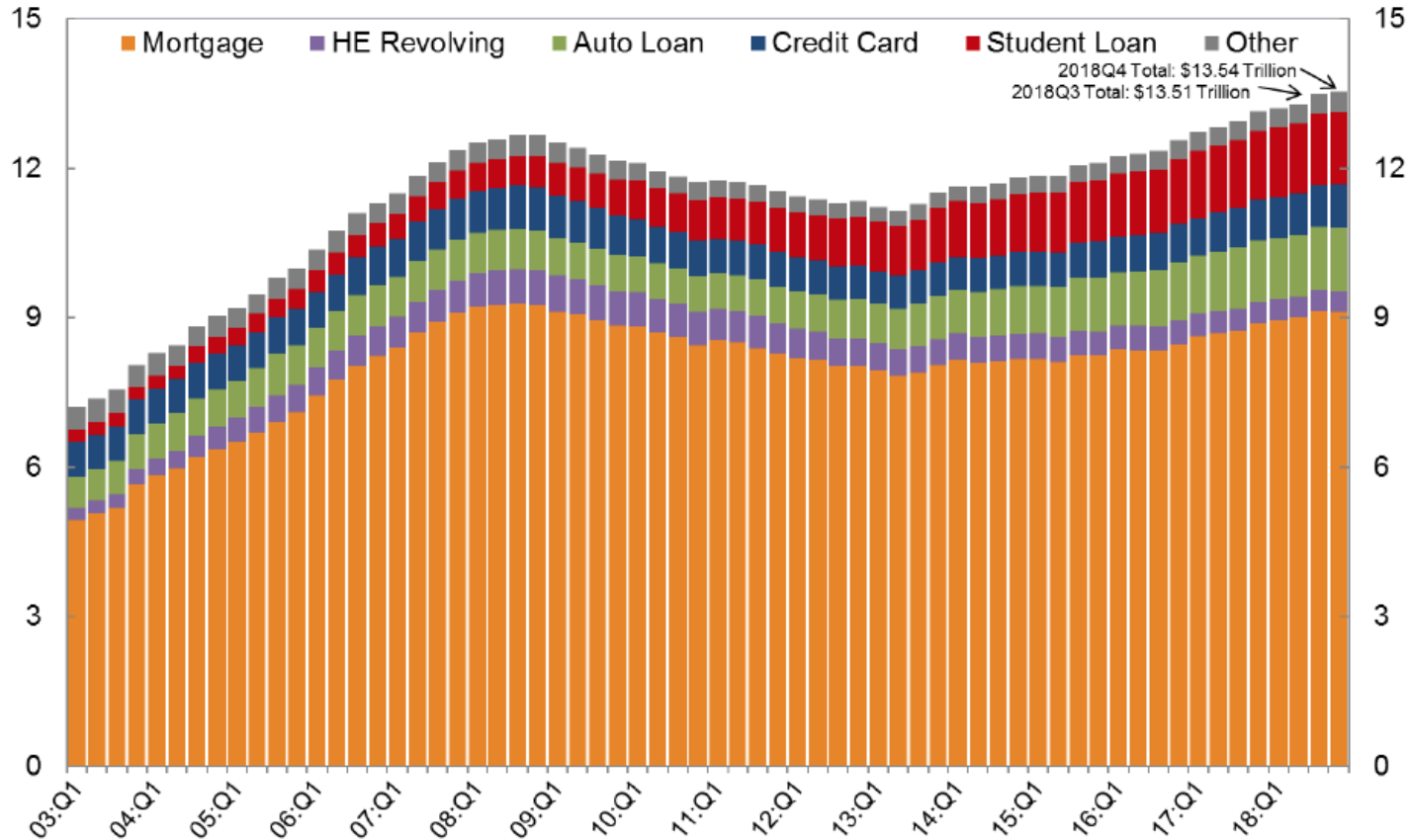
FEDERAL RESERVE BANK *of* NEW YORK
RESEARCH AND STATISTICS GROUP

ANALYSIS BASED ON NEW YORK FED CONSUMER CREDIT PANEL/EQUIFAX DATA

Total Debt Balance and its Composition

Trillions of Dollars

Trillions of Dollars

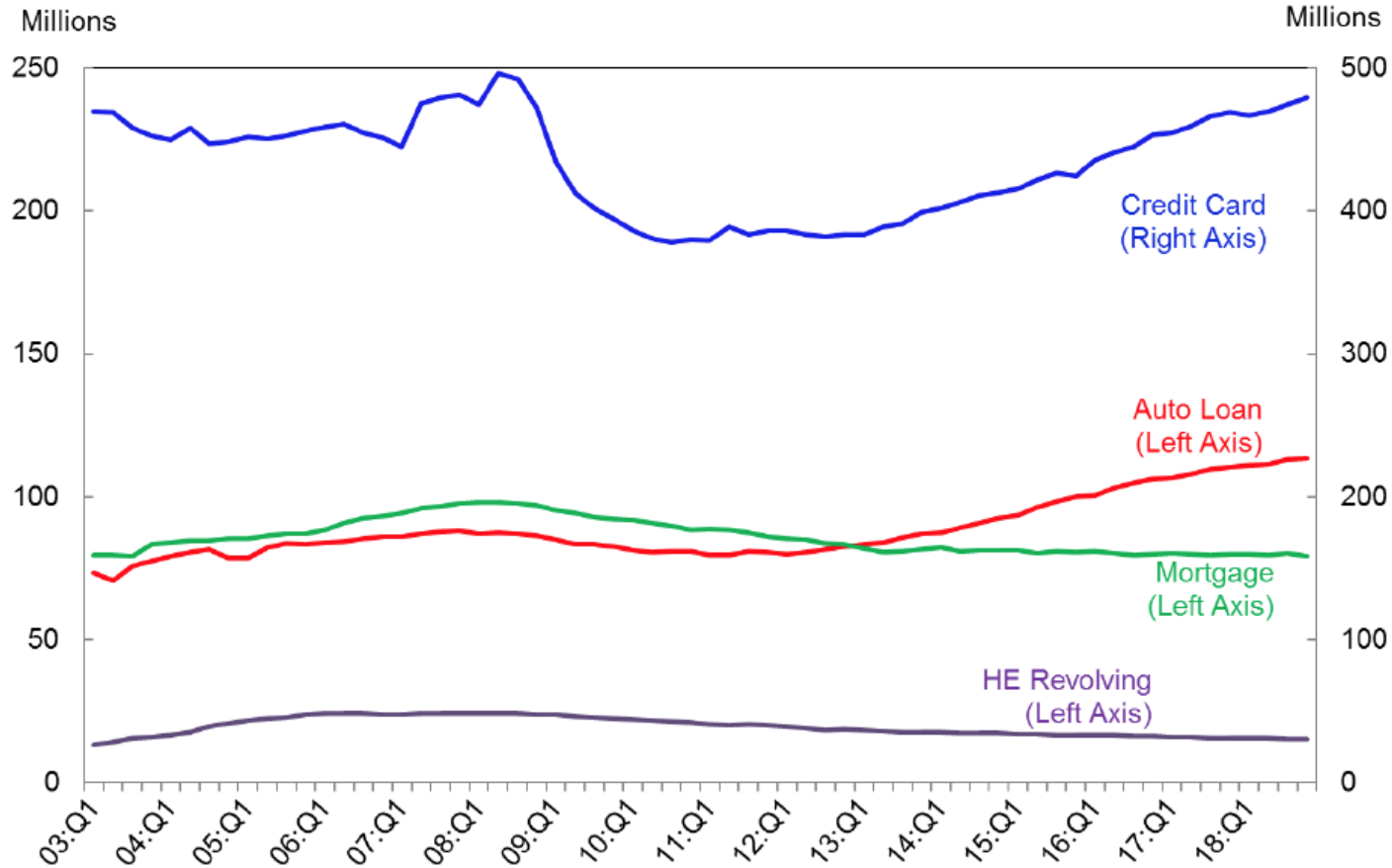


Source: New York Fed Consumer Credit Panel/Equifax

New extensions of credit for mortgage and auto loans slowed in the fourth quarter. Mortgage originations, which we measure as appearances of new mortgage balances on consumer credit reports and which include refinanced mortgages, were at \$401 billion, a decline from the volume seen in 2018Q3 and the lowest level seen in nearly four years. There were **\$144 billion in newly originated auto loans in the fourth quarter of 2018, continuing the nine year growth trend in new auto loans. Auto loan originations totaled \$584 billion in 2018, the highest year in the 19-year history of the data for auto loan originations (in nominal terms) and an increase from 2017's \$567 billion.** The aggregate credit card limit rose for the 24th consecutive quarter, with a 1.5% increase.

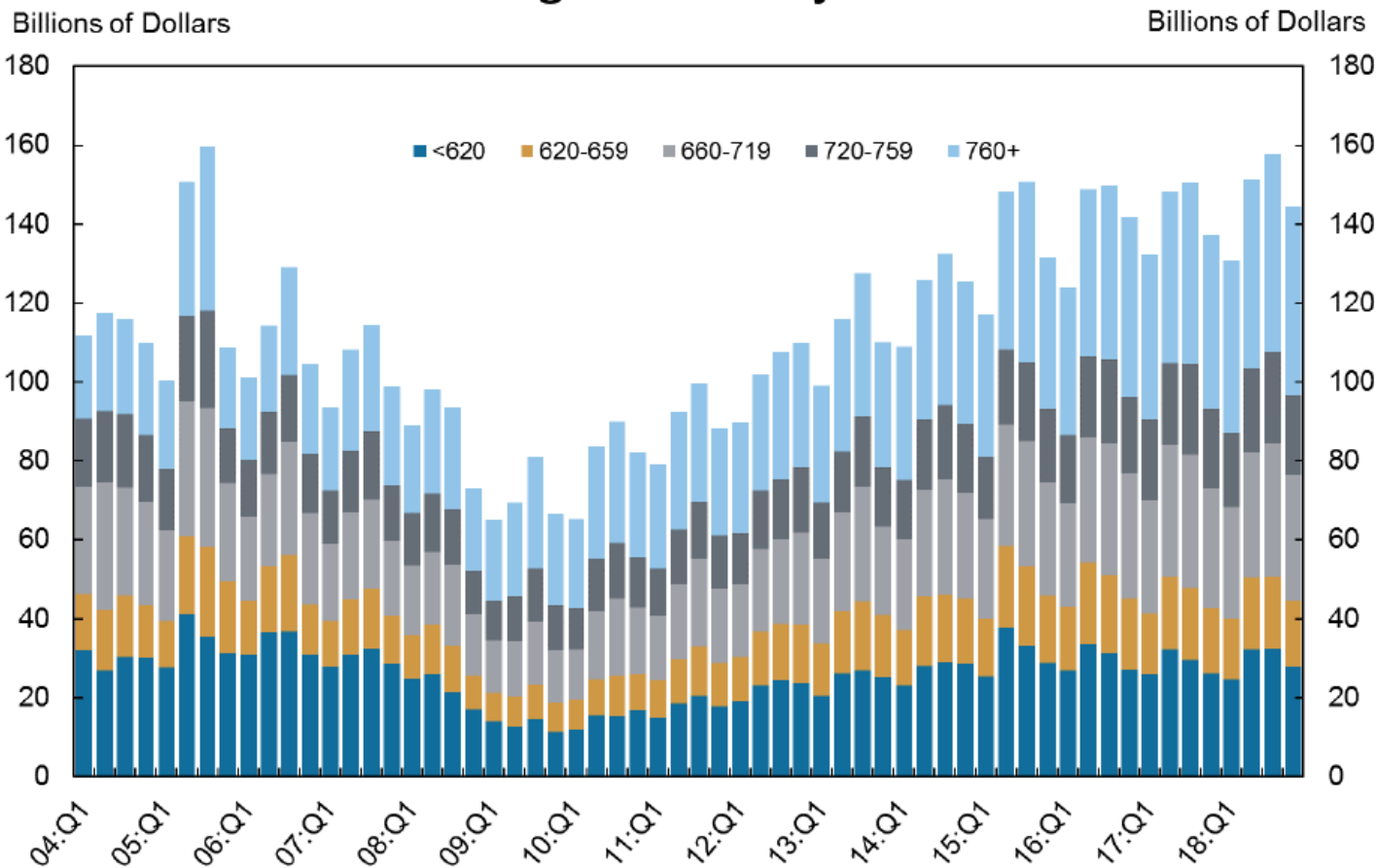
The median credit score of newly originating borrowers was mostly unchanged; the median credit score among newly originating mortgage borrowers was 758, as mortgage underwriting standards remain tight. Only 10% of newly originated mortgages were to borrowers with **credit scores under 660, compared to 31% of new auto loans in that category.** For auto loan originators, the credit score distribution was flat, and individuals with subprime scores received a substantial share of newly originated auto loans.

Number of Accounts by Loan Type



Source: New York Fed Consumer Credit Panel/Equifax

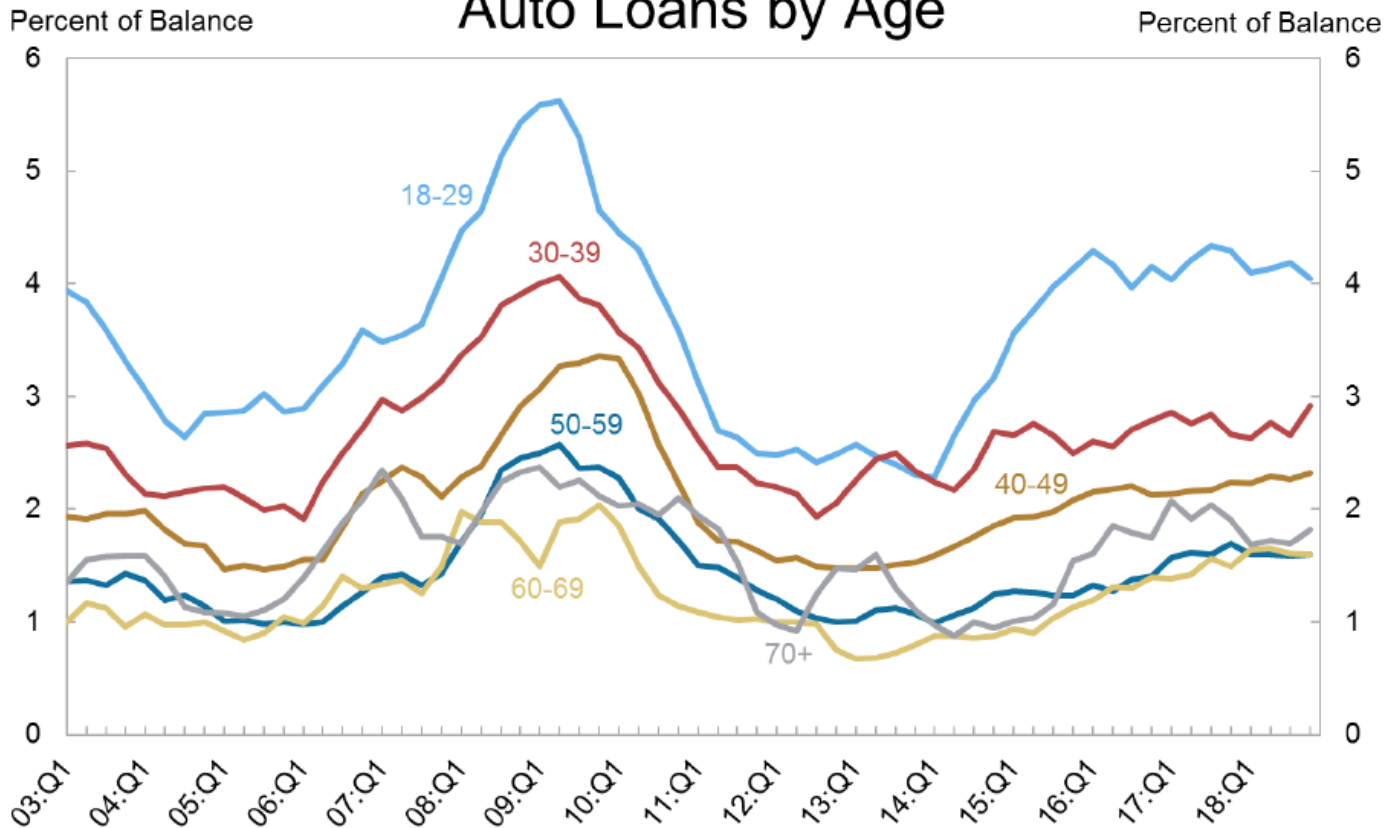
Auto Loan Originations by Credit Score*



Source: New York Fed Consumer Credit Panel/Equifax

* Credit Score is Equifax Riskscore 3.0

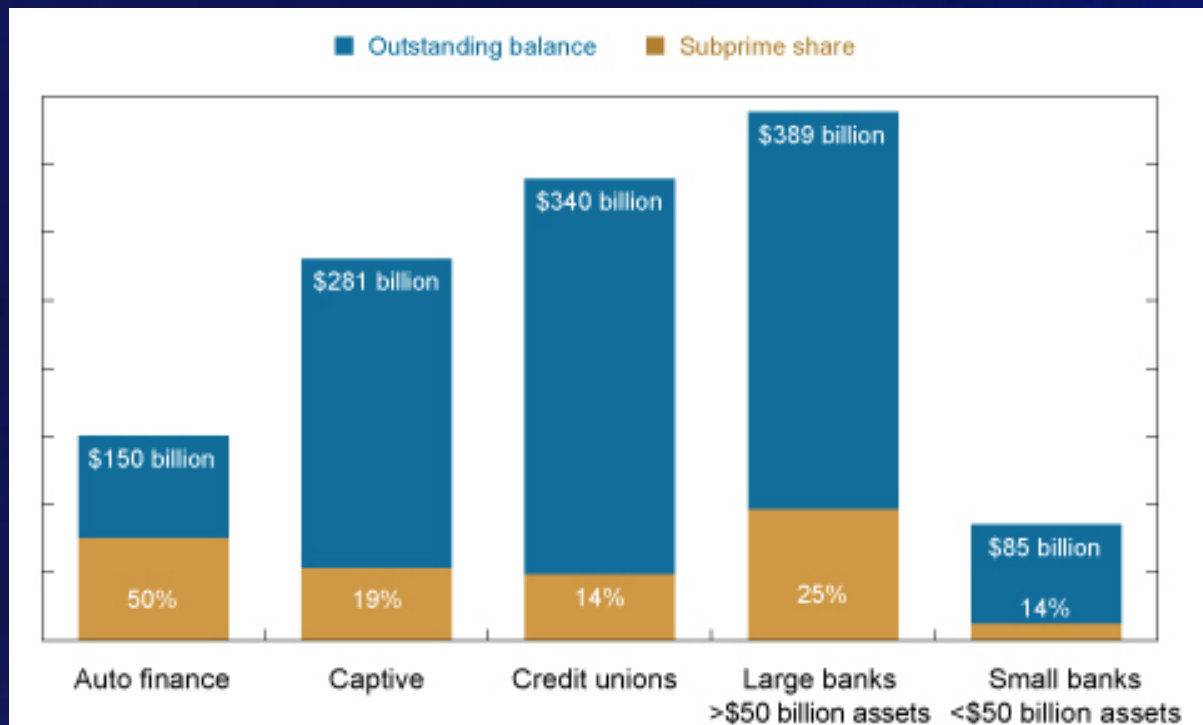
Transition into Serious Delinquency (90+) for Auto Loans by Age



Source: New York Fed Consumer Credit Panel/Equifax

Note: 4 Quarter Moving Sum.
 Age is defined as the current year minus the birthyear of the borrower.
 Age groups are re-defined each year.

Loans on US cars: outstanding balances, and shares that are subprime, by lender, Q3 2018



Sources: New York Fed Consumer Credit Panel / Equifax; Philadelphia Fed Auto Detail.

Note: Subprime reflects loans with borrowers who had a credit score less than 620 in 2018:Q3.

Financialisation

- 1 **US: a backward, unreconstructed car sector is unhealthily reliant** on what, next to homes and students, is the country's **biggest loans business: cars**
- 2 **Sub-prime borrowers using auto finance houses are big & growing bigger**

Position Paper

Q1-2019 update



Motor Finance

In its interim report in March 2018, the FCA found that most of the growth in motor finance has been to those with higher credit scores, with just 3% of outstanding motor finance going to those with poor credit scores.

The value of motor finance

In recent years there has been significant growth in the uptake of motor finance, particularly in PCP and PCH products, as people move away from 'ownership' to 'usership'. This reflects broader societal changes where a subscription-based culture, especially amongst the younger generation, is becoming the norm.

50%

of millennials – those aged 19 to 35 – are more likely than older buyers to obtain a car using finance

30%

of 18 to 34-year olds used Personal Contract Purchase (PCP) or Hire Purchase (HP) as an option for acquiring a car last year.

36%

had used some form of finance to purchase their last vehicle in 2017, with 10% opting for PCP and a further 10% using HP.

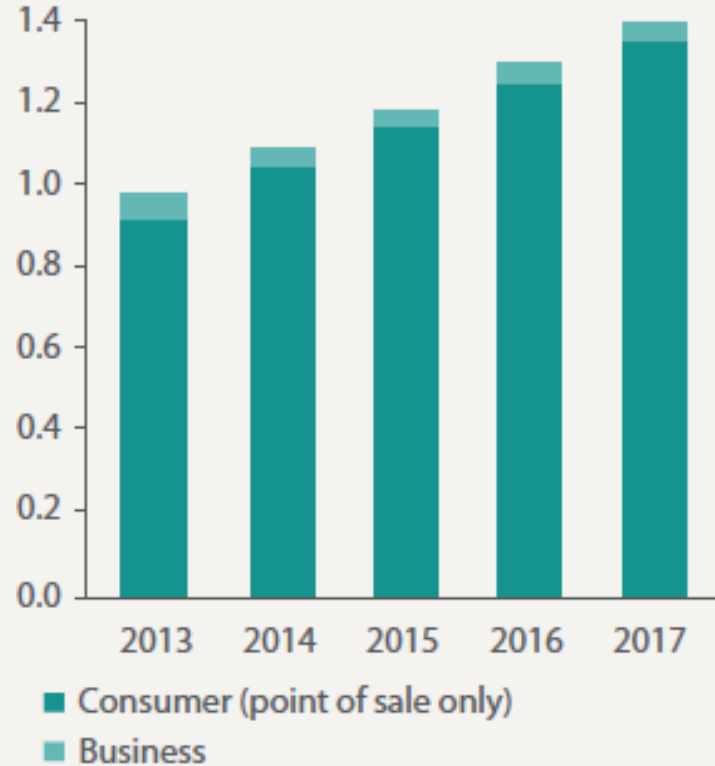
47%

of dealerships see new finance products as the biggest growth opportunity for their business.



Annual Review | 2018

■ Number of used cars financed by FLA members (millions)



Financialisation

- 1 **US**: a **backward, unreconstructed car sector** is **unhealthily reliant** on what, next to homes and students, is the country's **biggest loans business: cars**
- 2 **Sub-prime borrowers using auto finance houses** are big & **growing bigger**
3. **UK**: few borrowers for cars are sub-prime, but **many are young**. At **£46bn**, new FLA motor biz in 2018 was **5 per cent up** on 2017...

Value of FLA dealership advances to consumers,
year to March 2019

*£37.3bn, up 7 per
cent on the
previous year*

Thank you!

@JamesWoudhuysen

www.Woudhuysen.com

Session One

Motor Finance Compliance

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Detailing the key themes from the Motor Finance review

Joanne Davis, Partner
Locke Lord LLP

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MOTOR FINANCE AND COMPLIANCE

Key Themes from the Motor Finance
Review – What are the Key issues and
takeaways for members

Joanne Davis

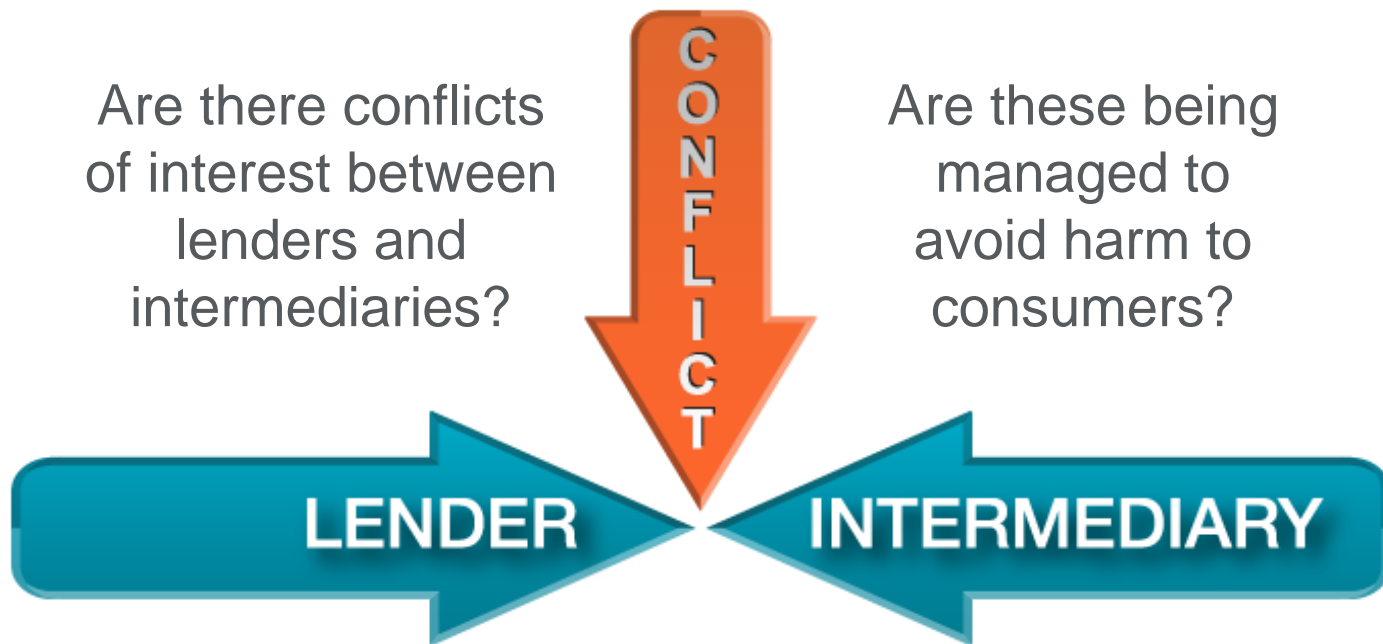
Partner – Head of Asset & Consumer Finance

BVRLA Broker Leasing Conference : 21 May 2019
One Birdcage Walk, Westminster, London SW1H 9JJ

Areas examined in the report



Commission arrangements

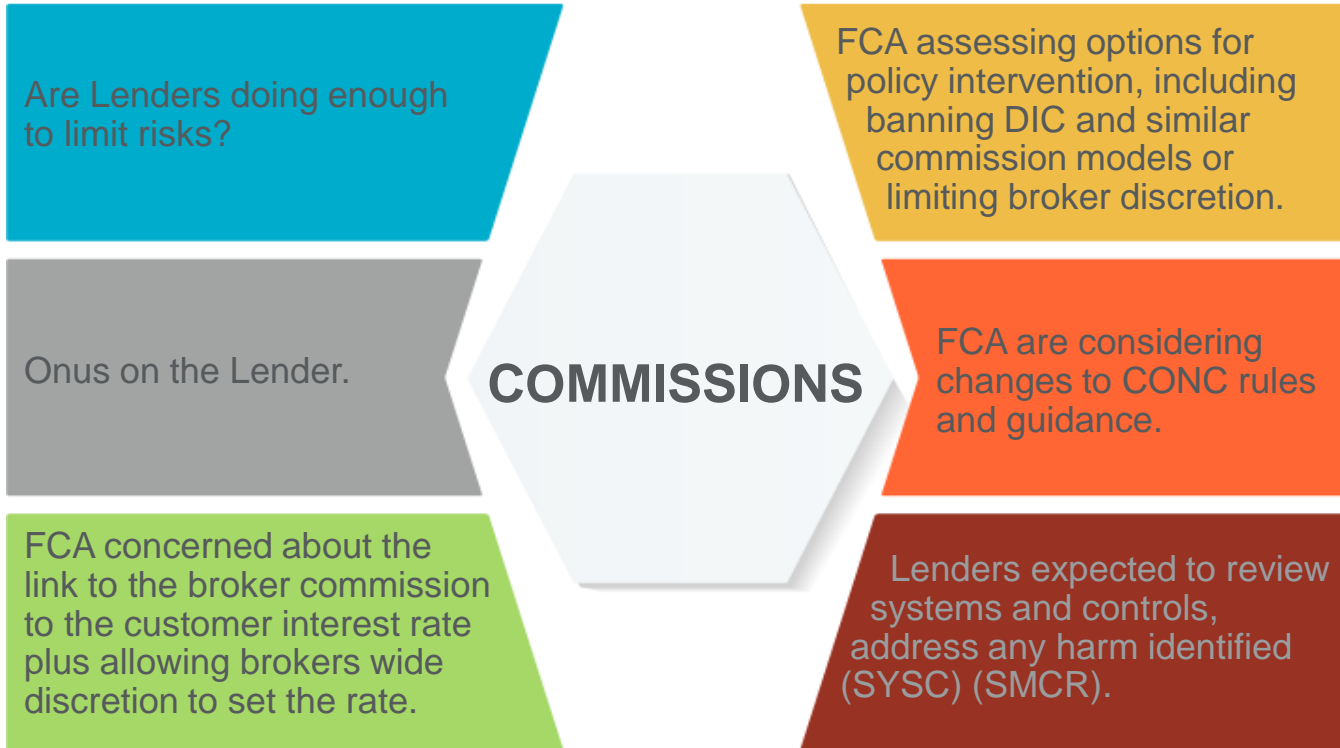


FCA reviewed four Types of Commission

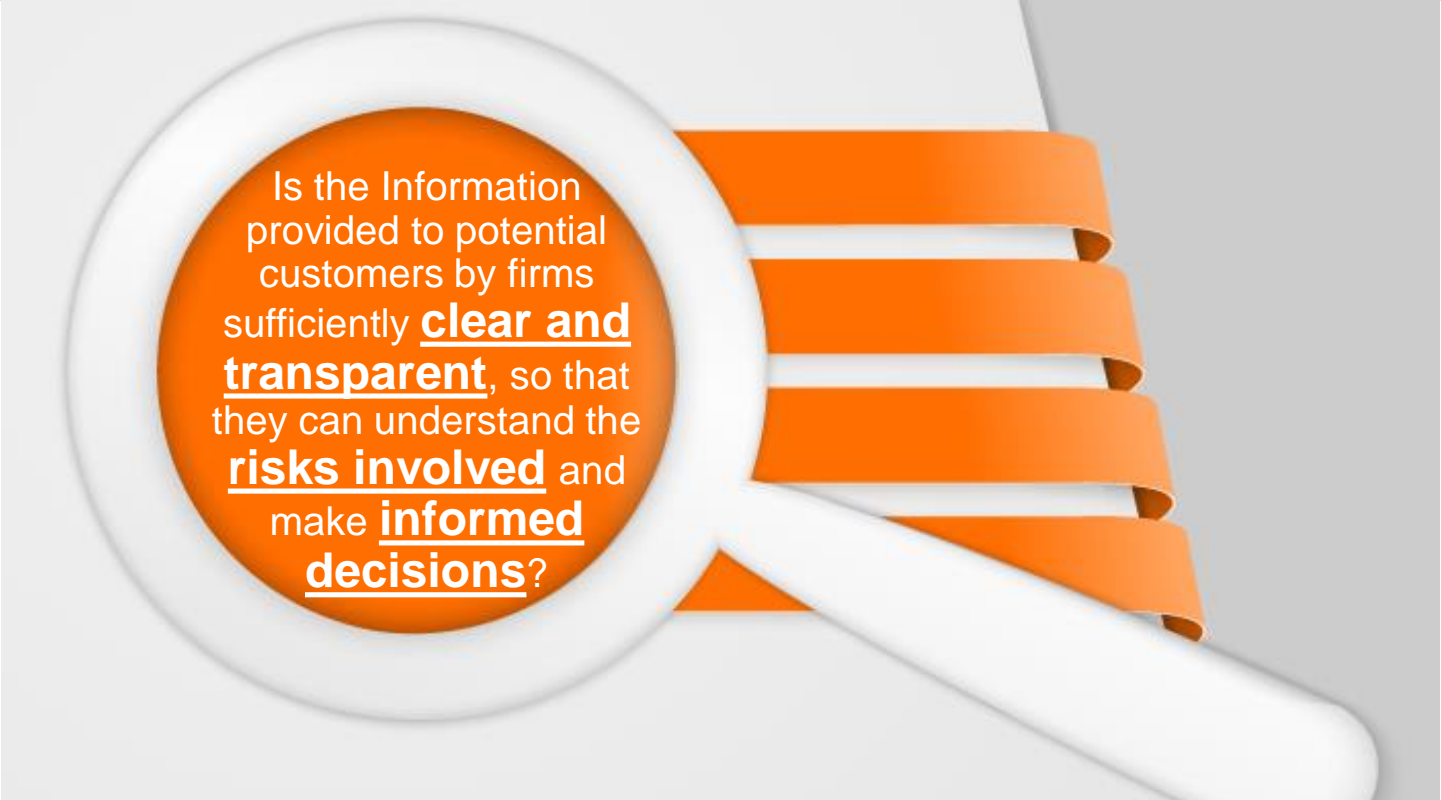
- 1 Increasing Difference in Charges (DiC)
(Increasing DiC).
- 2 Reducing Difference in Charges
(Reducing DiC).
- 3 Scaled Commission.
- 4 Flat Fee Commission.

Increasing DiC, Reducing DiC and
scaled commission = problems.

Impact of report



Pre-Contract Information, Disclosure and Explanations



Is the Information provided to potential customers by firms sufficiently **clear and transparent**, so that they can understand the **risks involved** and make **informed decisions**?

2) Communication of information to customers

Concerns that firms are not complying with regulatory requirement (incomplete and possibly misleading).

Pre-contact disclosures must be pre-contract 'in good time' before the agreement is being entered into. Question: Are they?

Are brokers carrying out their disclosure requirements (status and remuneration) and are they evidencing?

Are lenders complying and taking reasonable steps to ensure brokers acting on their behalf comply – might look okay on paper but are they put into practice?

Are lenders too reliant on contractual provisions and their standard documents and procedures rather than monitoring brokers sufficiently closely and act where issues are found.

Lenders taking view that just because broker/dealer authorised in own right is not enough.

3) Affordability Assessments



Are lenders complying with rules of creditworthiness, affordability and sustainability?



Firms reminded of new rules from 1 November 2018. Implement the obvious test!



Policies, procedures need full review to include the ability to demonstrate compliance – really important per deal. Describe lending decision in words not just numbers!



Detail the information and data you access, how verified, indications of affordability, risk v costs and risk per customer and metric assessment.

Lender Controls

- 1 FCA doubts as to whether and what extent controls are implemented in practice in all cases.
- 2 Are lenders unduly reliant on contractual requirements and the provisions of standard documentation and procedures?
- 3 Are lenders monitoring brokers sufficiently closely and act where issues found.
- 4 Lender control on commissions and mitigation on risks on commissions.

Q/A Conclusion

Any other questions?



Contact:

Joanne Davis

0207 861 9010

07741 240114

jo.davis@lockelord.com

Atlanta | Austin | Boston | Chicago | Cincinnati | Dallas | Hartford | Hong Kong | Houston | London | Los Angeles
Miami | New Orleans | New York | Princeton | Providence | San Francisco | Stamford | Washington DC | West Palm Beach

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Motor Finance Review: BVRLA Reaction

Jinmi Macaulay, Senior Policy Advisor
BVRLA

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Motor Finance Review: BVRLA reaction

Jinmi Macaulay
Senior Policy Advisor BVRLA



Friday, August 11, 2017 5:53 AM ET **Exclusive**

Bank risk muted as UK watchdogs sound alarm over car finance surge

UK financial watchdog investigates car loans market

FCA is concerned about transparency, conflicts of interest and irresponsible lending in fast-growing sector

FCA to probe UK motor finance sector for 'irresponsible lending'

Are we facing a car loan credit crunch? Here are the facts

Financial Services UK

Car finance in the headlights: what prudential and conduct risks do UK regulators see?

Britons put a record £3.6bn worth of new cars on finance in March as 'perfect storm' of borrowing continues

Car finance – is the industry speeding?

How the BVRLA responded

The BVRLA 360° governance programme raises standards

STOP

BVRLA conciliation service... is a government-approved Alternative Dispute Resolution service available free to members and their customers who find themselves unable to resolve a dispute directly. By highlighting trends and emerging issues, the conciliation service alerts members of areas of concern and works with the BVRLA inspection team to consider what more can be done to improve standards and help to deliver a better customer experience.

GET
READY

BVRLA inspection programme... is an ongoing programme designed to ensure that members are meeting the appropriate standards in line with the Code of Conduct and regulatory requirements. The inspection regime consists of desktop audits and on-site visits. A post-inspection report provides advice and guidance on steps to take to make necessary improvements where needed, to get ready for delivering the highest industry standards.

GO

BVRLA advice, guidance and training... is available for members to help build corporate knowledge, develop employees' skills and ensure compliance with industry best-practice. The association supports members via a range of tools including telephone advice, factsheets, guidance documents and a wide range of learning and development resources, including an e-Learning Platform, forums, training courses, seminars, webinars and conferences.

The BVRLA Code of Conduct sets the standard

Enhanced governance regime

- Strengthened the BVRLA governance programme
- Produced a series of guidance documents and training
- Tool for members to evidence their employees' training via the BVRLA e-Learning Platform

Key stakeholder engagement

- Regular discussions with senior officials at the FCA
- Met with the Consumer Credit team at HM Treasury
- Discussions with Treasury Select Committee, who were reviewing personal debt
- Regular discussions with ombudsmen at FOS



UK
Parliament



HM Treasury



Financial
Ombudsman
Service

Meeting FCA expectations: the BVRLA Inspection Programme

- 12 subject areas which broadly follows the FCA handbook
- 44 graded areas

Category	Focus Area	Grade
1. Firm	Permissions	Green
	Products and Services	Green
	Organisational Structure	Red
	Appointed Representatives	Red
	Introducers	Red
	Outsourcing regulated activities	Red
2. Incentives	Sales Remuneration	Red
3. Conflicts of Interest	Conflicts Policy	Red
	Conflicts Register	Red
4. Compliance	Compliance Oversight	Green
	Compliance Procedures	Green
	Compliance MI	Green
	Compliance Monitoring	Green
5. Financial Promotions	Compliance Reporting	Green
	Approval Process	Green
	Website	Green
	Records	Yellow
6. Training	Approved Persons Training	Yellow
	General Training	Yellow
	Compliance Training	Yellow
	Training Records	Yellow

Category	Focus Area	Grade
7. Complaints	Complaints Training	Yellow
	Complaints Procedures	Green
	Complaints Handling	Green
	Complaints Records	Green
	Complaints MI	Green
8. Sales Process	Fees	Green
	Sales docs and process	Green
	Sales Records	Green
	Suitability/Affordability	Green
	Vulnerable Customers	Green
9. Data Protection	Performance Management	Green
	DP Registration	Green
	Data Protection Policy	Green
	Data Security	Green
10. Dealing with FCA	Training	Green
	FCA Reporting	Yellow
	Breach Notifications	Yellow
11. BVRLA	General Notifications	Yellow
	Code Awareness	Green
12. Outcome Tests	Premises	Green
	Sales Files	Green
	Complaint files	Green

2018 Inspection Programme: key trends

138

Audits conducted in
2018

39

New members
audits conducted in
2018



Lack of sufficient training



Incomplete compliance
procedures



No reference to BVRLA or FOS
within complaints procedures

Meeting FCA Expectations



The BVRLA Governance Programme will help to:

- Protect your customers
- Protect your firm and reputation
- Protect your funders
- Protect the integrity of the BVRLA and its ability to influence the FCA
- Ultimately, protect your marketplace

SM&CR – the best approaches to Supervision

Peter Ewing, Technical Specialist
Financial Conduct Authority

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Senior Managers and Certification Regime

BVRLA Leasing Broker Conference
21 May 2019

Peter Ewing, Technical Specialist, Accountability

Firms' Culture & Governance

- A continuing priority for the FCA
- Drive behaviours and produce outcomes to benefit consumers and markets
- Extending SM&CR is a key part

Aim of the SM&CR

To reduce harm to consumers and strengthen market integrity by creating a system that enables firms and regulators to hold people to account.

As part of this, the SM&CR aims to:

- encourage staff to take personal responsibility for their actions
- improve conduct at all levels
- make sure firms and staff clearly understand and can show who does what

Design of the SM&CR

Three main elements:

Senior
Managers
Regime

Certification
Regime

Conduct
Rules

Senior Managers Regime



What do firms need to do to prepare for commencement?



Senior Managers Regime

All firms need to:

- Check if they're Limited Scope, Core or Enhanced
 - [Guide to the Regime](#)
 - [Firm Checker Tool](#)
- Identify individuals who will hold new Senior Manager Functions
 - [Firms may need to change existing approvals or add new ones](#)
 - [Check which APR approvals will lapse](#)

Remember: APR remains for Appointed Representatives

Senior Managers Regime

Before commencement:

- Senior Managers must have a Statement of Responsibilities (SoR)
- Firms must allocate Prescribed Responsibilities (PRs)
- Determine process for new hires
 - Criminal Records checks
 - Regulatory references
 - Fitness and propriety checks
- Determine process for annual fitness and propriety checks

Certification Regime



What do firms need to do to prepare for commencement?



Certification Regime

Identify:

- which certification functions apply
- certification staff

Set up processes for:

- new hires
 - regulatory references
 - fitness and propriety checks
 - updating the Directory
- existing staff
 - annual fitness and propriety checks / issuing of certificates

Conduct Rules



What do firms need to do to prepare for commencement?



Conduct Rules

Firms need to:

- Identify which staff will be subject to the conduct rules and when
- Train staff on conduct rules:
 - by 9 December 2019 for SMFs and certification staff
 - by 9 December 2020 for all other conduct rules staff
- Have processes in place to comply with ongoing requirements
 - breach recording and reporting, training for new hires

Moving to the new regime



Next steps

Make use of resources to prepare for 9 December 2019

- Video overview of the SM&CR
- Firm checker tool
- Guide to the SM&CR for Solo-regulated firms
- Guidance on preparing Statements of Responsibility and Responsibilities Maps



Questions?

Our business and you: 5 points in 5 minutes

Sebastiano Fedrigo, Managing Director UK
Leasys UK

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BVRLA CONFERENCE

London, 21st May 2019

Digitalisation Journey – Next Steps

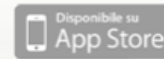
LEASYS

Leasys App is a mobile application to **support the driver on managing all the phases of his contract hire experience.**

The easiest way to use all the Leasys services available today.

All the information related to the customer agreement are on hand.

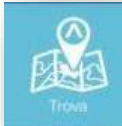
A solution ready to be integrated with future new functionalities and tools.



The main menu summaries all the functionalities. The icons are linked to dedicated pages.



ROADSIDE ASSISTANCE



FIND localization of the following points of interest

- ▲ **Leasys Service Points** for Service, maintenance, repairs and MOT
- ▲ **Leasys Return Points** for handing back the vehicle at the end of the contract
- ▲ **Petrol Stations** useful in case of fuel card management service



ACCIDENT and THEFT ASSISTANCE

to fill the accident or theft report



I-CARE

to track the vehicle through the operation center in case of theft



FAQ

- ▲ **Contacts**
- ▲ **Procedures**
- ▲ **Service Booklet**
- ▲ **Find my vehicle**



SETTINGS

- ▲ **Your personal data**
- ▲ **Localization preference**
- ▲ **My driving license**



COMMUNICATION

- ▲ **Alert about event, promotions and news**
- ▲ **Fine notification**
- ▲ **Service Questionnaires**



MY CONTRACT

to visualize the main info of the contract hire agreement

Peer-to-peer platform: What is U-Go?

- ❖ First peer-to-peer car sharing platform launched in Italy by a LTR Company with the aim to develop sharing economy applied to transportation
- ❖ It allows the customers to reduce the cost of their vehicles, by sharing them when not utilised





U Go Player

- ✓ You have a car but, from time to time, you don't need it
- ✓ You want to share your costs
- ✓ You can decide who you share your car with



U Go User

- ✓ You need a car
- ✓ You want to be free from commitments
- ✓ You don't want to spend too much



Mobility becomes sustainable, given its affordability, safety and timeliness

A NEW FORM OF INNOVATIVE
MOBILITY

BE FREE



ORDINARY AND
EXTRAORDINARY
MAINTENANCE



ROAD TAX



ROADSIDE
ASSISTANCE



TYRES

FEATURES

- ✓ One monthly subscription
- ✓ No early termination fee
- ✓ Flexibility
- ✓ Clear and easy offer
- ✓ Easy and flexible to satisfy the private needs



PRIVATE CUSTOMERS &
BUSINESSES



**Leasys UK
Q2 Call to Action**

LEASYS

Q2 CALL TO ACTION



Jeep



Fiat
500 1.2 Pop 69hp

£93



Jeep
Compass 1.4 MultiAir 140
Limited [2WD]

£199



Alfa Romeo
Giulia 2.0 TB Veloce E6d

£301



Abarth
595 1.4 Turismo

£161



Jeep
Renegade 1.0 GSE Sport
E6d

£170



Alfa Romeo
Stelvio 2.0 Turbo 280
Speciale E6d

£336

Rentals shown are business contract hire, based on a 10+35 profile, 8000 miles per annum

LEASYS
FCA BANK GROUP

Q2 CALL TO ACTIONS



Maserati
Ghibli V6 Auto MY19

£588



Maserati
Levante V6 Auto

£485



Maserati
Ghibli Ribelle Edition
MY19

£603



Maserati
Levante Gran Sport Auto

£578

Rentals shown are business contract hire, based on a 10+35 profile, 8000 miles per annum

Broker Set-up requirements

LEASYS

SET-UP REQUIREMENTS



Broker Set-up Requirements

Dear Broker,

I am delighted to welcome you to Leasys UK. In order to ensure we can transact business with you as quickly as possible we now need to set-up your account. Please could you therefore complete all fields in the following forms and provide the additional information as detailed.

If you have any queries regarding the requirements, please do not hesitate to email us at campaigns@products.uk@leasys.com

The set-up process is simple, all you need to do is email (campaigns@products.uk@leasys.com) the required documentation detailed below using the 'Requirement Checklist' as your header and we will do the rest. Thank you in anticipation of your prompt response.

We are looking forward to building a prosperous relationship with you over the coming years.

Yours sincerely,

Sebastiano Fedigo
Managing Director
Leasys UK Ltd

Enclosed:
1. Broker Details
2. Financial Conduct Authority (FCA)
Status Document
3. Broker Bank Account Details

www.leasys.com

Leasys UK Ltd
240 Bath Road, Slough, SL1 4DX
Tel: +44 (0)344 561 4723
Registered in England & Wales
Registered Number 3881187

Calls may be monitored or recorded for security and quality purposes.
Leasys UK Ltd is authorised and regulated by the Financial Conduct Authority (Firm 664868)

3643 001 147

Leasys UK Ltd Broker Terms & Conditions (TCV5.0)

In this Agreement:

- (a) 'We', 'our' or 'us' shall mean Leasys UK Ltd, registered in England and Wales, (reg. No. 3385187) of 240 Bath Rd, Slough SL1 4DX.
- (b) 'You' means the person, company or entity set out in the Offer Letter.
- (c) 'CCA' means the Consumer Credit Act 1974.
- (d) 'Finance Agreement' means both personal contract hire and business contract hire.
- (e) 'FCA' means the Financial Conduct Authority.
- (f) 'BVRLA' means the British Vehicle Rental and Leasing Association.
- (g) 'ICO' means the Information Commissioner's Office.
- (h) 'Offer Letter' shall be the most recent offer letter and/or campaign note that we agree in writing with you. The Offer Letter and these Terms and Conditions shall together be 'the Agreement'.
- (i) 'Products' means any finance products, including Finance Agreements, which you may sell on our behalf to the customer.
- (j) 'VRB' means Volume Related Bonus.
- (k) Any reference to a 'vehicle' shall include a motor vehicle and when applicable a motor bike, caravan and motor home.
- (l) Any reference to a statute or regulation shall include any amendment, modification or re-enactment and include all relevant statutory instruments.

You are authorised to sell our Products that are described in the Offer Letter in accordance with the terms of this Agreement.

1. Proposed Business
We are willing to receive, on an ongoing basis, business proposals from you for us to purchase vehicles from suppliers and for us to enter into Finance Agreements with customers in relation to those vehicles. We are under no obligation to accept any proposal submitted and enter into any Finance Agreements.

2. Commissions **Commission:**

Commission will be built into the customer quote produced by yourselves and will be £ to you per transaction when we have received your VAT invoice along with the correctly signed customer documentation, any requested proofs and satisfactory supplying dealer invoice and associated paperwork.

Volume Related Bonuses:

VRB shall be calculated and paid to you, in accordance to the thresholds specified within the Offer Letter.

Debit back of finance commission and VRB

We will debit back commission and VRB on any contracts in the first 12 months that are

- (a) Early terminated directly by the customer or
- (b) Early terminated through the vehicle being written off.
- (c) Where vehicles have been repossessed following default by the customer.
- (d) Where you suffer a loss following fire or misrepresentation by you or the customer.

The following claw back rates will apply:

- (A) Within the first 3 months – 100%
- (B) Between months 4-6 – 75%
- (C) Between months 7-9 – 50%
- (D) Between months 10-12 – 25%

All debit backs of commission and VRB to be made are repayable by you on demand.

Debit back queries

All queries with regard to debit backs of commission and VRB must be resolved within 3 months of the debit back being effected.

Periods and advance rental are variable and are dependent upon the status of the applicant. Our Products are available subject to satisfactory customer status.

3. Misleading

If there is a finding by a competent authority that you have acted in a manner contrary to the FCA principles of Treating Customers Fairly in relation to the sale of any Finance

Data Processing Conditions

Background

As we all know, GDPR comes into effect on 25 May 2018. We both process a great deal of Personal Data. We are joint Controllers of much of the Personal Data of our Customers together we 'control' what happens to that Personal Data. These DP Conditions are being introduced because of GDPR which requires us to document what we do with our Personal Data in a written contract. These Data Processing Conditions ("DP Conditions") are the contract required under GDPR.

Please refer to Schedule 2 for the definitions and interpretation in these DP Conditions. The Broker and the Company are also each referred to as a "Party" and together as the "Parties". The provisions of Schedule 1 and Schedule 2 and any appendices to them are all part of the DP Conditions.

The Company may wish to market to our mutual Customers from time to time. As a result, you shall act as a joint Controller for marketing purposes in the limited circumstances described below.

1. THE BROKER AS FINANCE INTERMEDIARY

- A. We are joint Controllers with you, usually, when you are acting for (have acted) in your capacity as a Finance Intermediary.
- B. We are also joint Controllers for the Customer Personal Data that you process on the Company IT System, including the Personal Data of all New Customers and Existing Customers.
- C. You are solely responsible for processing Customer Personal Data, except when you process it on the Company IT System, when we share responsibility. When you process Customer Personal Data on an IT system other than a Company IT System, you are solely responsible for this. Similarly, if you store physical copies of documents containing Customer Personal Data, you are solely responsible for the Personal Data.
- D. When you first collect the Customer Personal Data and before it is transferred to us, you shall deliver and adequately explain the wording in the DPA Agreement to the Customer. If the Customer is present, you shall enable them to tick "I accept" or "I do not accept". If they are not present, you undertake to ensure that all Customers have had the opportunity to review the wording in the DPA Agreement before the Customer Personal Data is sent to the Company. You shall also record their acceptance for audit purposes.
- E. When you process Customer Personal Data on the Company IT System, you shall do so securely, in accordance with DP Laws and in accordance with the Company's Information Security Policy.
- F. We are responsible for the Company IT System and we make this available to you to carry out the Business Activities. We expect you to keep the Company IT System safe and secure and you shall, in respect of the Shared Personal Data, comply with the requirements regarding security of processing set out in DP Laws (as applicable to Data Controllers) together with our information security Policy.
- G. If you have any software or application which integrates with the Company IT System ("Broker IT System"), you are solely responsible for any Customer Personal Data that is delivered from it to the Company IT System. Further, the Company is not responsible for the accuracy of any of the Customer Personal Data delivered from the Broker IT System.
- H. You accept that you are fully liable to the Company for any damage or loss covered (a) to the Company IT System caused by the Dealer IT System and (b) by your use of the Dealer IT System.

2. MARKETING

OUR LAWFUL BASIS OF PROCESSING CUSTOMER DATA FOR MARKETING

Existing Customers (imposed prior to 25 May)

We are relying on our "legitimate interest" to market to our customers. We are also relying on our Customers' soft opt-in. What does this mean?

When our Customers signed their finance agreements with us, they consented to receiving marketing communications and they are given an opportunity to opt-out. We are relying on this. This option to opt-out is also known as a "soft opt-in" (under the Privacy Regulations 2003).

We have updated our Customers in our new Customer Privacy Policy on how we process their Personal Data and they have been given nine days since 15 April 2018 to opt-out of marketing. All future marketing communications to email and SMS will give our customers the option to opt-out.

*“Imagine a vehicle without
the costs, risks and the
obligations of ownership.
Take a journey with us.”*

LEASYS



Coffee & Networking

Back at 12:25 please

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Session Two: Under the Spotlight

Your committee – chance to pose questions

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Committee Objectives

- To provide an opportunity for committee members to hear the views of fellow colleagues
- To help develop new ideas of benefit to the industry
- To share experiences and knowledge both within and outside the industry

Committee Members:

Alan Carreras	Bridle Vehicle Leasing
Andy Chatwin	ALD Automotive
Chris Swallow	Hitachi Capital Vehicle Solutions
Jane Pocock	Vansdirect
Martin Brown	Fleet Alliance
Mike Thompson	LeasePlan UK
Nigel Brain	Leasing Options
Paul Parkinson	Synergy Automotive
Richard Chadwick	Alphabet (GB)
Rod Lloyd	Low Cost Vans
Spencer Blake	Wessex Fleet Solutions
Stephen Greenstreet	Greenfleets
Steve Cocks	Lex Vehicle Leasing
Todd Williams	Arval UK
Vince Pemberton	Rivervale Cars

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Session Three

Putting customers at the heart of
your business strategy

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Treating Customers Fairly

Mark Hollands, Ombudsman &
Sarah Conway, Ombudsman Leader
Financial Ombudsman Service

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Financial
Ombudsman
Service

treating customers fairly – key trends in complaints

Sarah Conway, ombudsman leader

Mark Hollands, ombudsman manager

21 May 2019

what we'll cover

- who we are and what we do
- what we're seeing
- credit broking and lending in motor finance
- technical resources for businesses



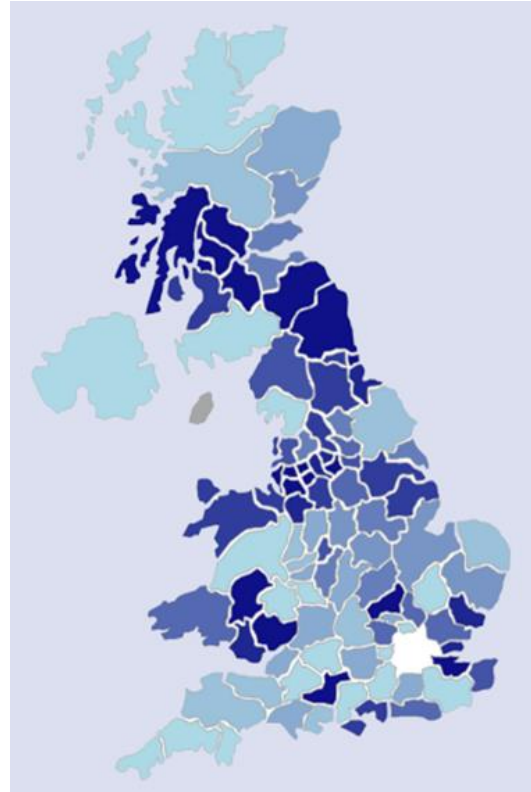
who we are and what we do

- set up by law with statutory powers
- able to look at most financial matters
- independent and impartial
- we decide cases based on what's fair and reasonable
- free for consumers and small businesses



what we're seeing

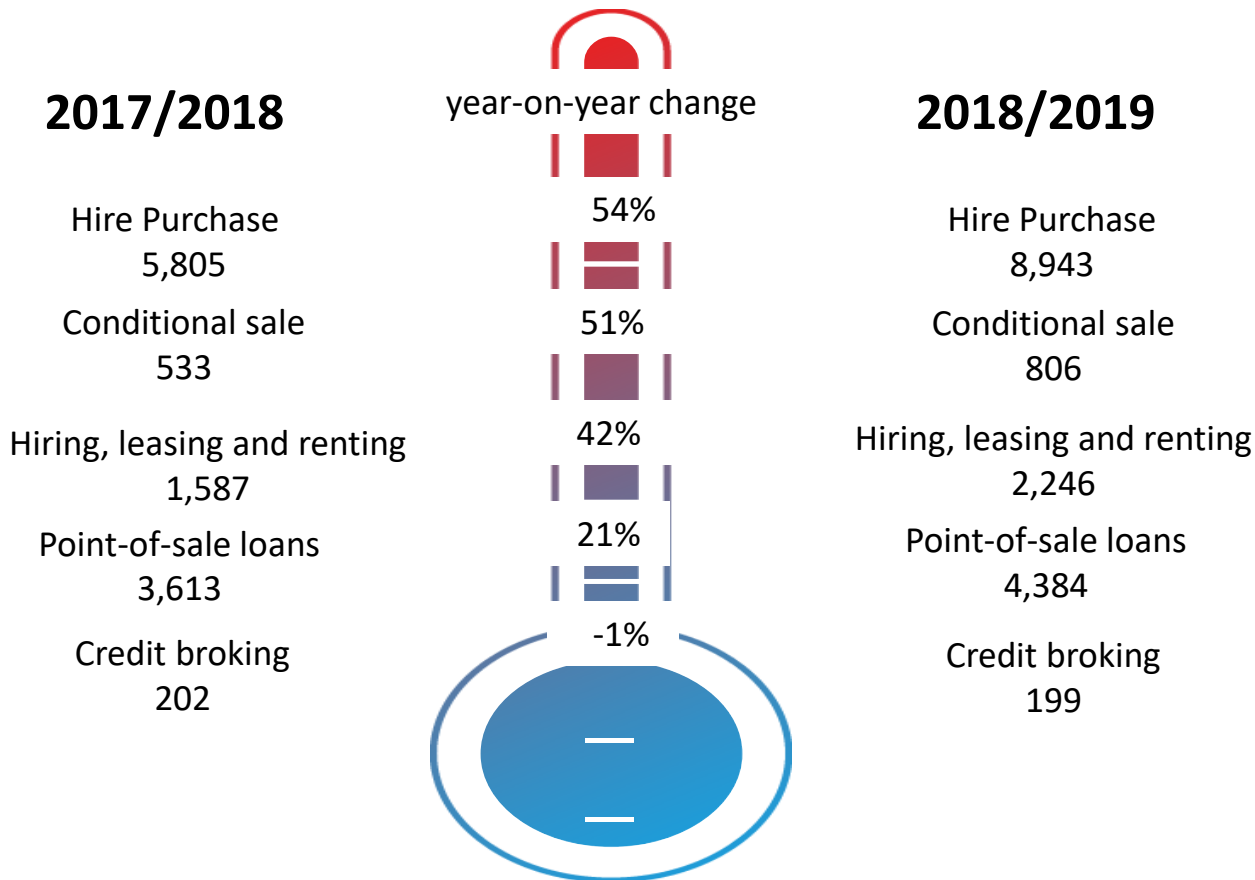
- demand on the service is the highest it has been for five years
- in 2016/2017 we saw an 89% rise in complaints about consumer credit which includes services such as credit broking in motor finance – numbers have continued to rise



1. South East	26%
2. North West	19%
3. Midlands	16%
4. North East	9%
5. Scotland	9%
6. South West	8%
7. East Anglia	5%
8. Wales	5%
9. Northern Ireland	2%

complaints by region

volumes of new complaints



credit broking and the ombudsman

Types of complaints we see:

- mis-sale/misleading information
- affordability



mis-sale/misleading information

- the car
 - features, specification
 - MPG/MPC
- the finance
 - type of credit – PCP, HP, conditional sale, lease/hire, fixed sum loan
 - amounts payable including balloon payments
 - restrictions – mileage cap, usage



what we're seeing

“I can't afford the credit; the monthly repayments are too high”

unaffordable and irresponsible lending



CONC Consumer Credit Sourcebook

- CONC 5.2A creditworthiness assessment
a firm must undertake a reasonable assessment of the creditworthiness of a customer before... entering into a regulated credit agreement
- CONC 5.4 conduct of business: credit brokers
a firm must pay due regard to whether the credit product is affordable and whether there are any factors that the firm knows, or reasonably ought to know, that may make the product unsuitable for that customer



unaffordable and irresponsible lending

- need to consider circumstances at the time
- the type of credit and amount being borrowed
- cost of the credit
- other financial commitments
- proportional assessment



working together



020 7964 1400 (9am – 5pm, Mon to Fri)
technical.advice@financial-ombudsman.org.uk

- new website, launching in June
- continue to learn from our decisions
- continue to work closely with the BVRLA and its members

Customer Retention & Scaling your Business

Adam Lawrenson, Co-Founder
Bowbridge

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bowbridge.

Adam Lawrenson | Director

We help business owners protect, enhance and crystallise value

Combining financial, operational, digital and M&A expertise in a lean and effective way

Providing the platform and strategy to maximise value
through changes in ownership, funding structure or management

OUR MODEL

Focused

Our expertise is broad, but our focus is targeted at identifying efficiencies and unlocking growth to build and protect value ahead of a specific owner goal

Flexible

Our capital structure allows us to work with owners well in advance of their transition, gear our fees to success and therefore align our respective outcomes

skype®

King

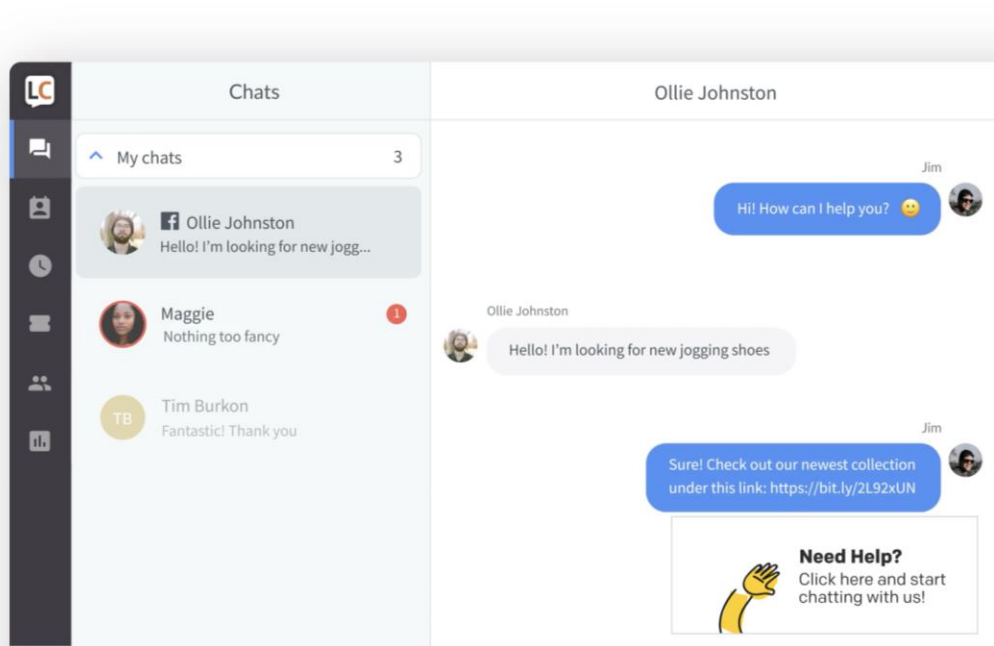
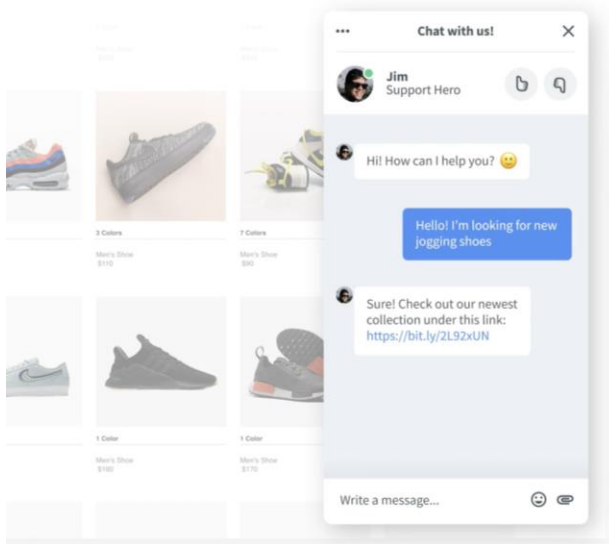
Zoopla

ZOPA

giffgaff™

ada

In what way are Chatbots, AI (and all the other modern sounding things newspapers like to write about) changing the way companies interact with customers?





Qualify Leads

Collect information from visitors and create leads in Salesforce



Smart Suggestions

Intelligently suggest help articles to users based on the questions they ask



Close Conversations

Conversations with users that get answered by an article never land in your inbox



Article Feedback

Collect feedback when a user reacts negatively so you can improve



Collect Contact Info

Ask visitors for their email or phone number to be notified of your reply if they leave



Integrations

Get notified when a GitHub issue related to a conversation is resolved



Insights

Keep track of conversations Operator closes and review them



Team Availability

Calculate and show customers when your team is likely to reply



Conversation Ratings

Prompt leads and users to rate their experience when you close a conversation





招商銀行

CHINA MERCHANTS BANK





I'm Ada.
I can help if
you're feeling
unwell.

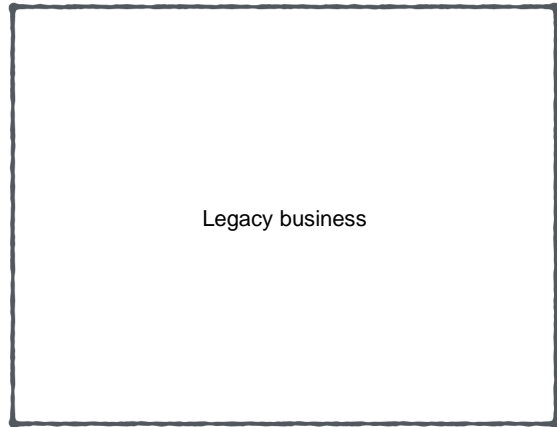
With Ada, the innovation isn't
the 'chatbot', the 'app', or even the 'AI'

It's the new business model, the new service proposition,
and the new way of working required to pull it off.

Parity Business

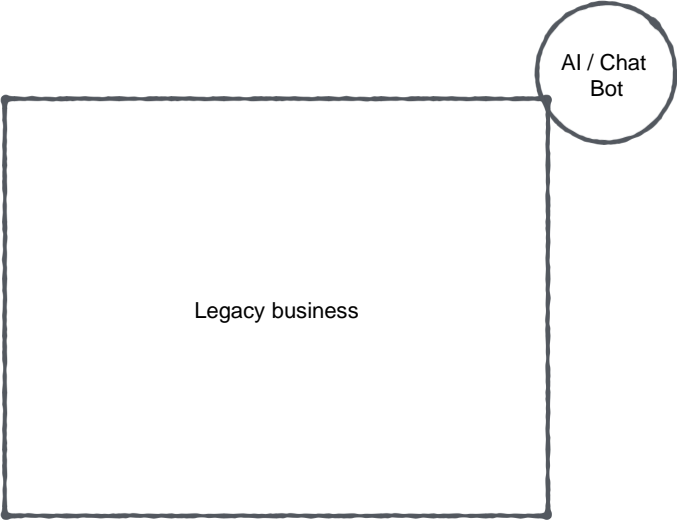
Disruptive Business

Parity Business



Disruptive Business

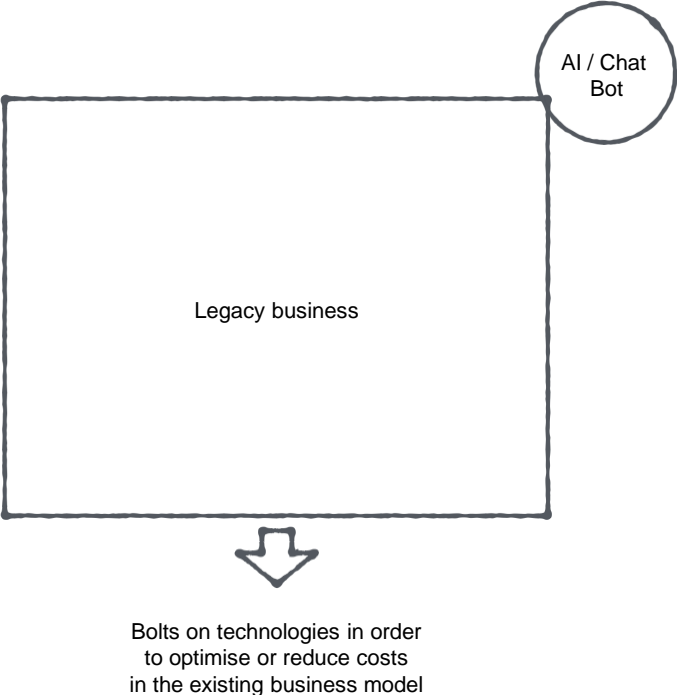
Parity Business



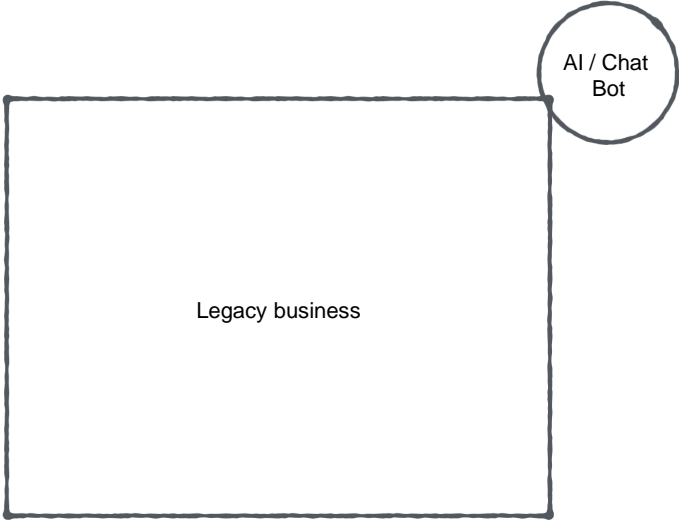
Disruptive Business

Parity Business

Disruptive Business



Parity Business



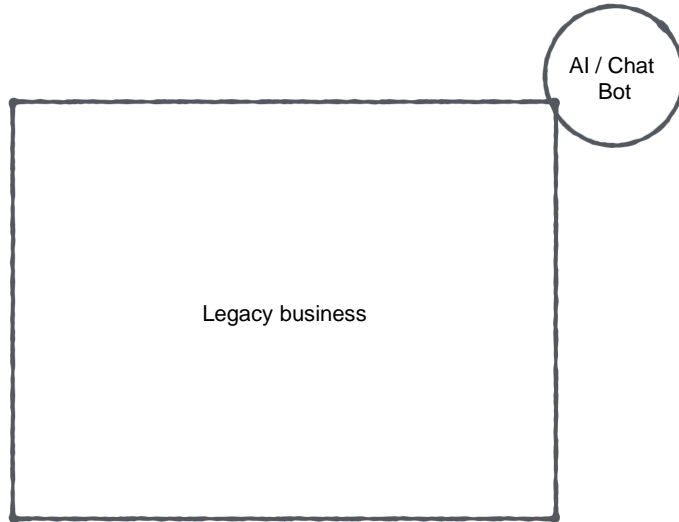
Bolts on technologies in order to optimise or reduce costs in the existing business model

Disruptive Business

Reimagines a category from a customer perspective then uses technology to re-engineer every process in the stack



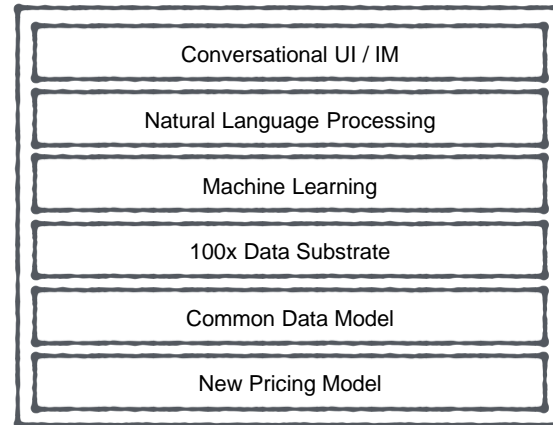
Parity Business



Bolts on technologies in order to optimise or reduce costs in the existing business model

Disruptive Business

Reimagines a category from a customer perspective then uses technology to re-engineer every process in the stack



Parity Business



Disruptive Business



The 3 Second claim



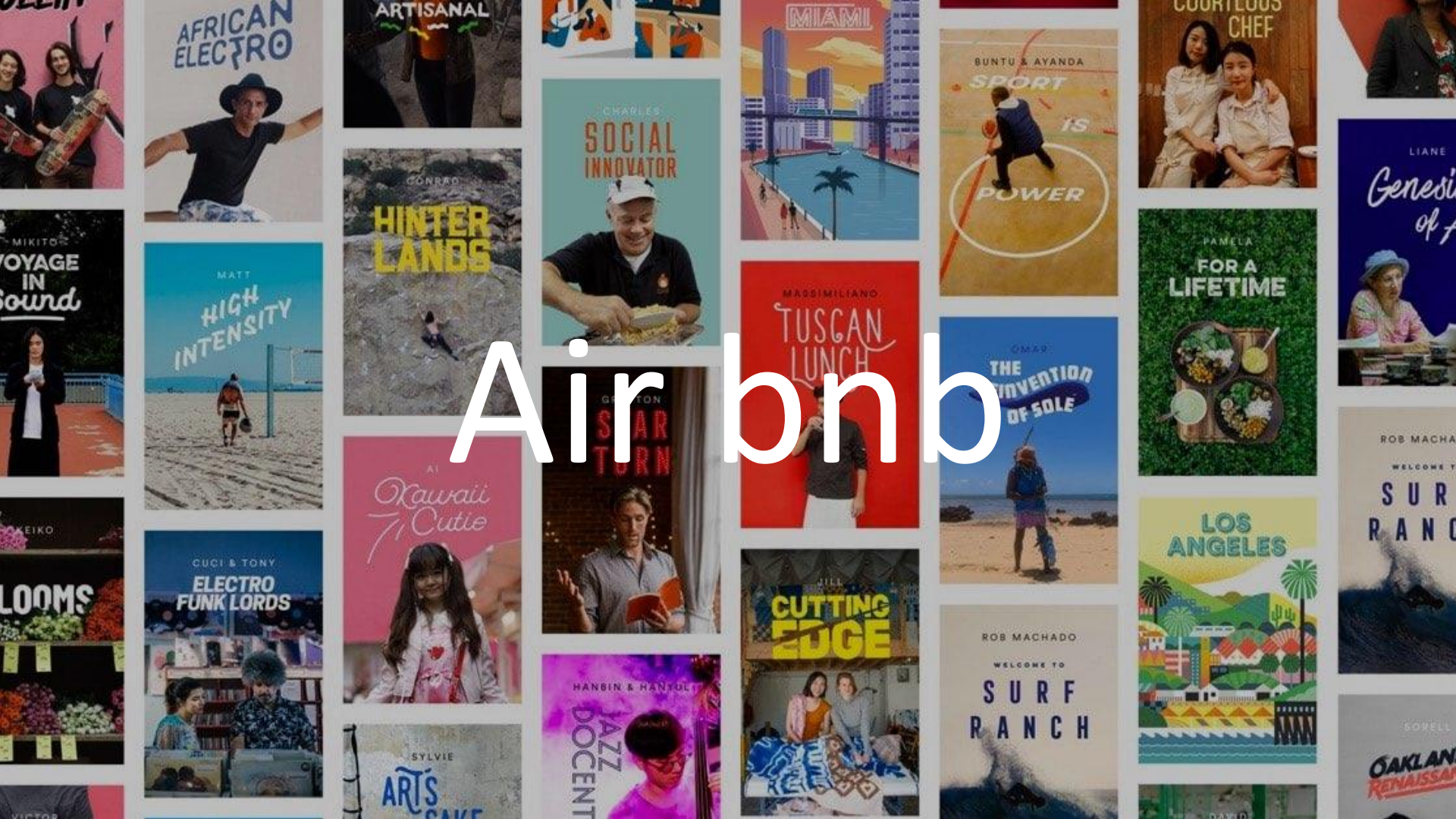
The 3 Second claim

Between 5:49:07 and 5:49:10, A.I.Jim, Lemonade's claims bot, reviewed Brandon's claim, cross-referenced it against his policy, ran 18 anti-fraud algorithms on it, approved it, sent wiring instructions to the bank to transfer \$729, and informed Brandon of the good news. In 3 seconds!



So what does this mean for you?

Airbnb



An aerial photograph showing a vast field of bicycles, densely packed and organized into rows. The bicycles are in various colors, including red, yellow, blue, and black. The perspective is from directly above, looking down on the field. The text 'Ofo / Mobike' is overlaid in the center of the image.

Ofo / Mobike

Syncing...

City Mapper





Citymapper PASS

What if an app and a card gave you access to all mobility?

Citymapper PASS

We're proud to announce Citymapper Pass, a subscription to all mobility, with a beautiful smart travel card, integrated with our everyday multistop mobility app.

FAQ

Everything you wanted to know about the Citymapper Pass and were unafraid to ask.

Our Passes

SUPER Pass £31 / week
Unlimited public transport

SUPER DUPER Pass £39 / week
Public transport + cycles + e-car

Get your Pass (only in London)

Download the app

What is the 10x improvement to your category that
you are well placed to deliver?

Our business and you: 5 points in 5 minutes

Lee Jones, Director
Fleet Procure

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Lunch & Networking

Back at 14:30 please

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Session Four

Enhancing Business Opportunities

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New Talent: how apprentices can enhance your business

Chris Cotterill, UK Business Development Manager,
Institute of the Motor Industry

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BVRLA Leasing Broker Conference

How apprentices can enhance your business

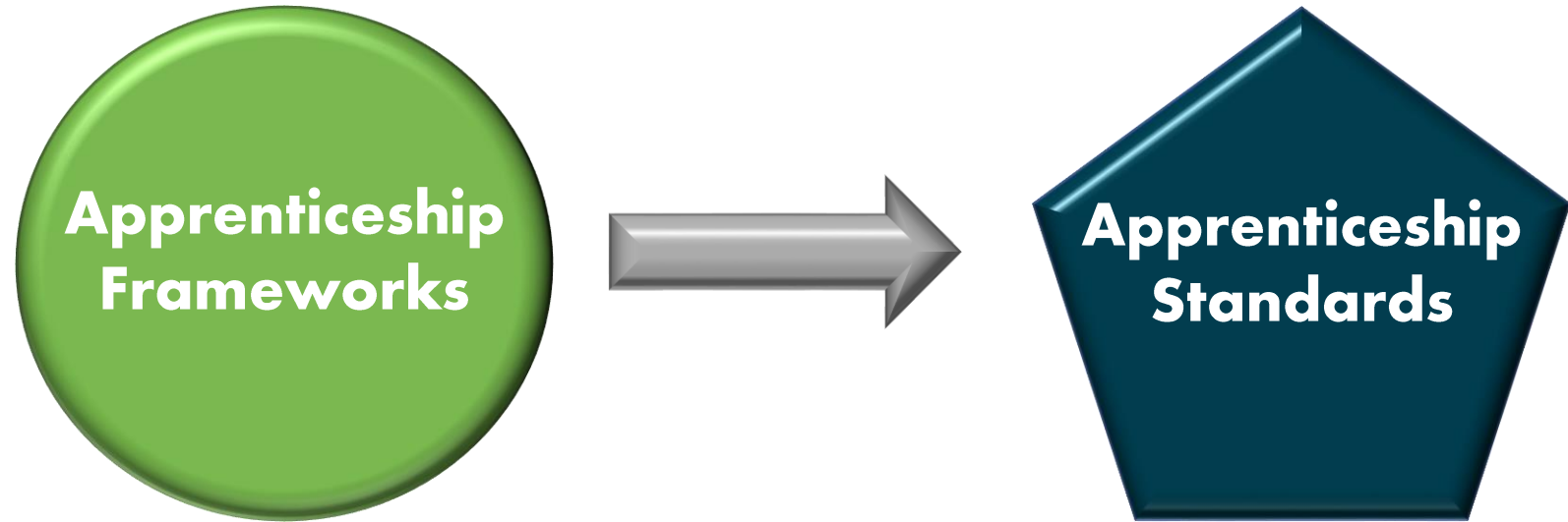
Chris Cotterill | UK Business Development Manager



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Are apprenticeships the same as they have always been?

NO – Apprenticeships have changed radically over recent years



- Contained Knowledge & Competence Qualifications which were often not aligned to employers needs

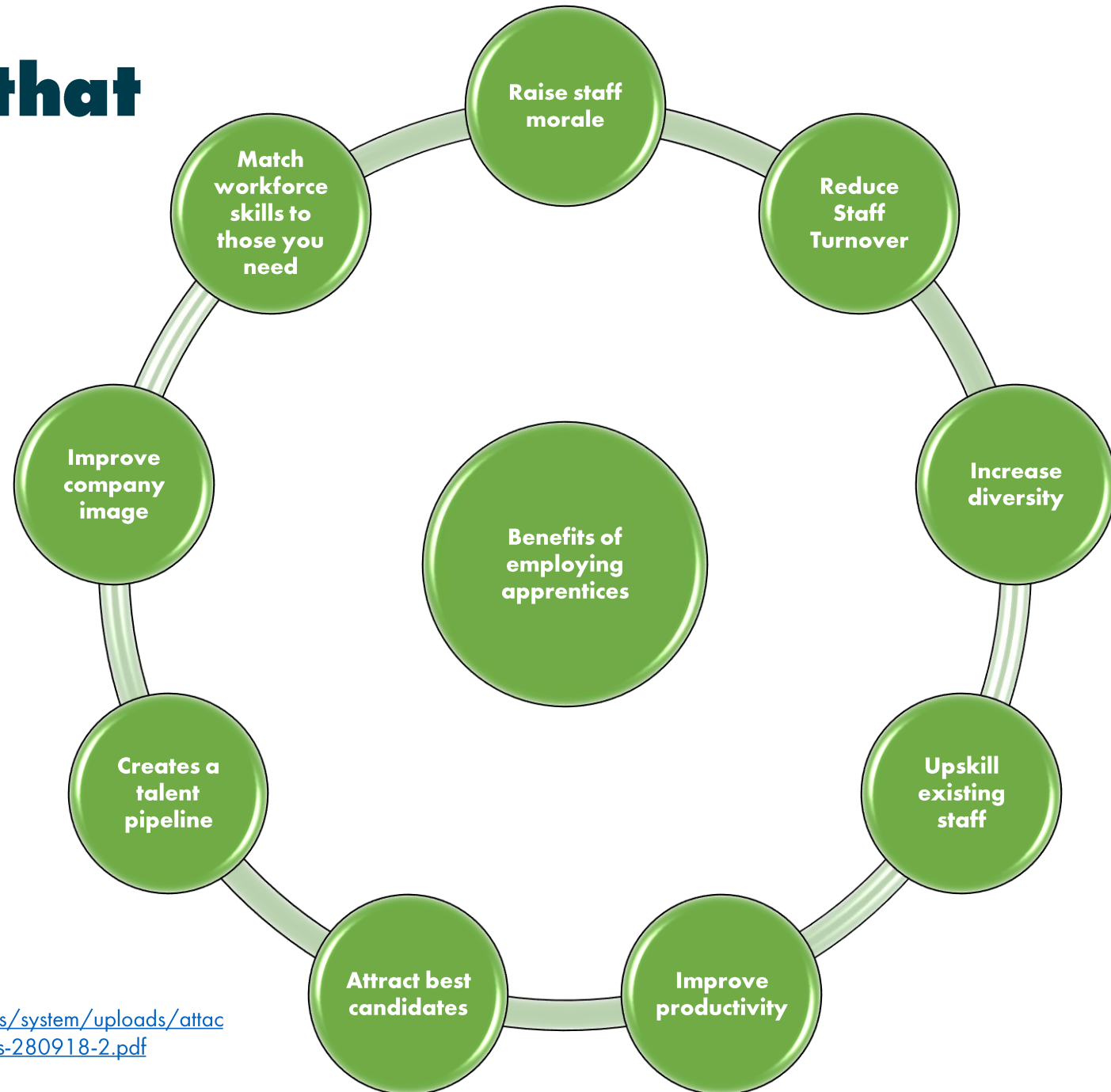
- Apprenticeships are now written by employers for specific job roles
- Independently assessed, synoptic end-point-assessments ensure apprentices have the skills, knowledge and behaviours employers need



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Apprenticeships

The benefits that apprentices can bring to your business



Source Data:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/750903/Apps_A5_Achieving_the_benefits-280918-2.pdf



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Apprenticeships

Are you an Apprenticeship Levy paying employer?

If so, you can only spend money in your digital account on Apprenticeships. If you don't spend it you will lose each monthly payment 24 months after it's taken

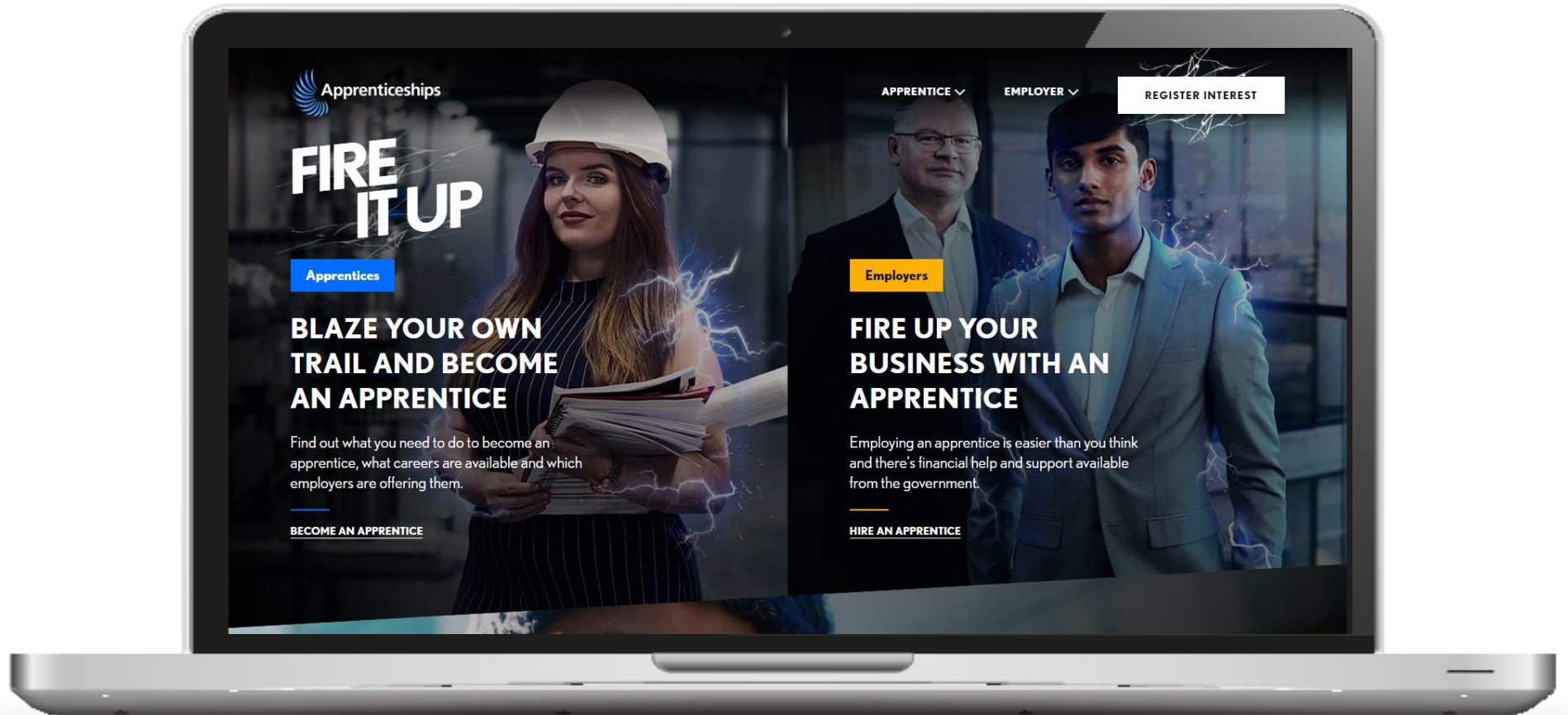
If not, Government will fund 95% of the cost of the apprenticeship training and assessment. If you employ fewer than 50 people, this changes to 100% Government funding



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Apprenticeships

Where to go for more information

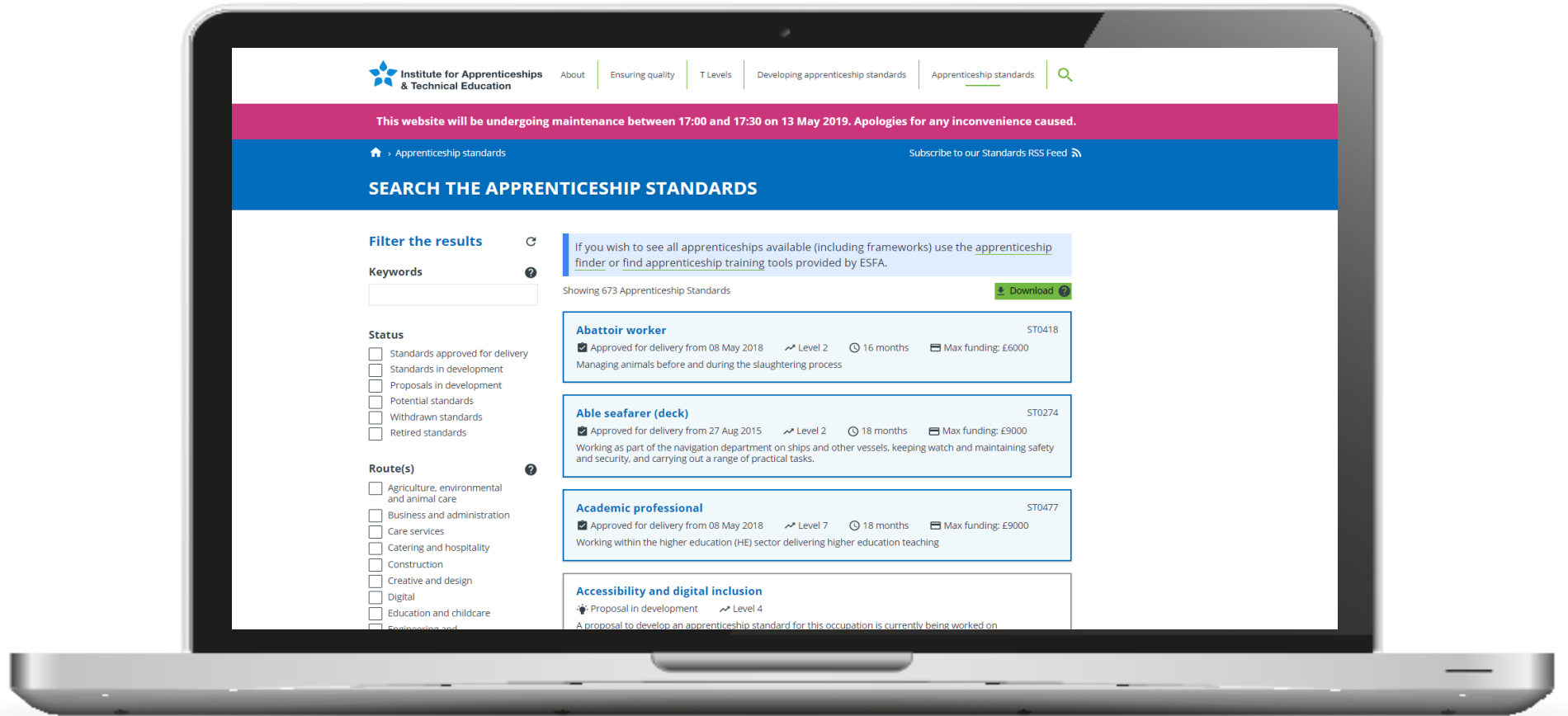




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Apprenticeships

Where to go for more information

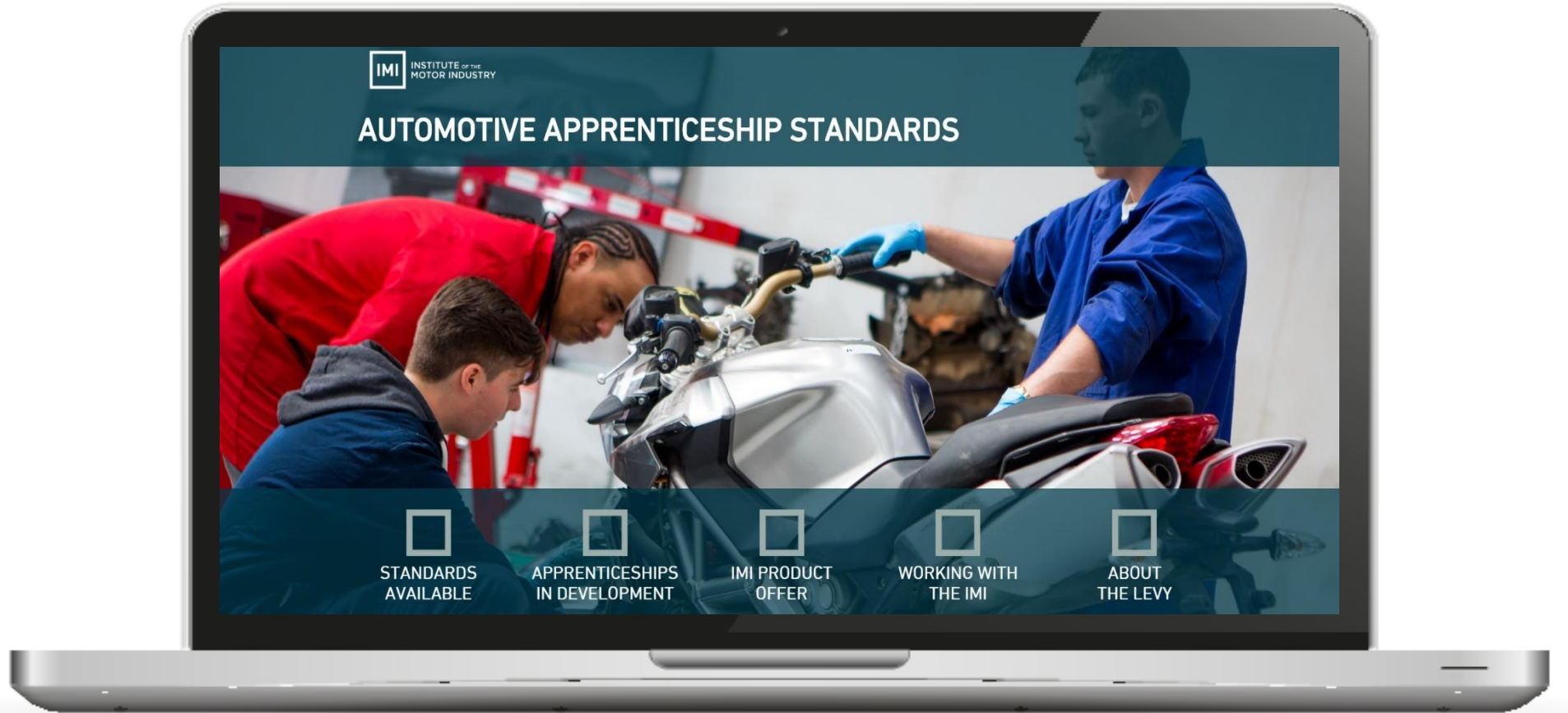




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Apprenticeships

Where to go for more information





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Questions & Answers



QUESTIONS?

Case Study

Jill Sidebottom, Commercial Manager
Fleet Alliance

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Our business and you: 5 points in 5 minutes

Stephen Thornton, Commercial Director
i247

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Coffee & Networking

Back at 15:35 please

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Our business and you: 5 points in 5 minutes

Nora Leggett, Director of Member Services
BVRLA

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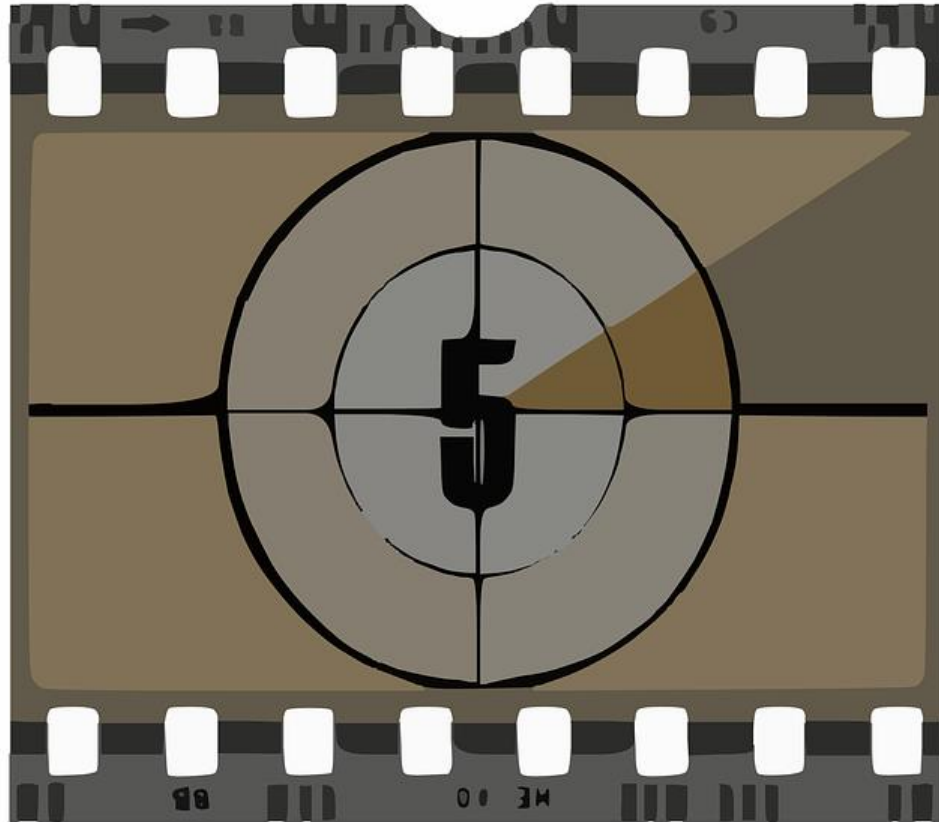
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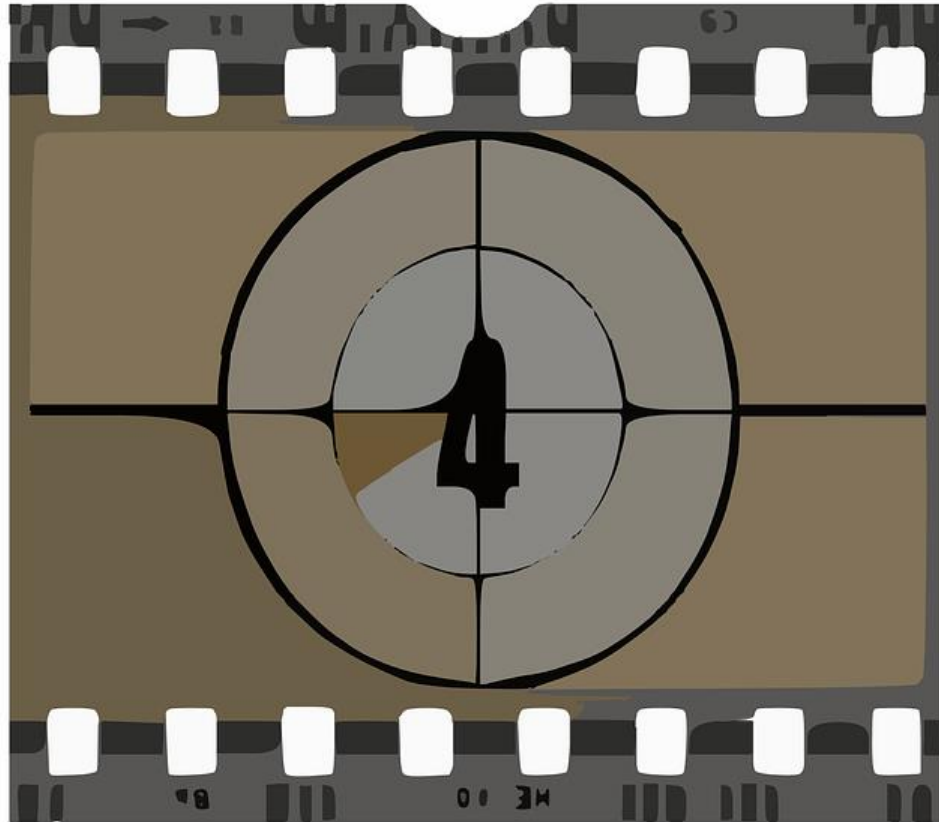


**e-Learning ...and
professional development
for leasing broker
businesses**



BVRLA Professional Development:

- **Promote the industry standard of competence for vehicle leasing broker professionals**
- **Support leasing brokers in evidencing their learning to multiple Funders at the same time**
- **Demonstrate compliance with BVRLA Code of Conduct and FCA's regulatory regime**
- **Promote a cost-effective delivery model**

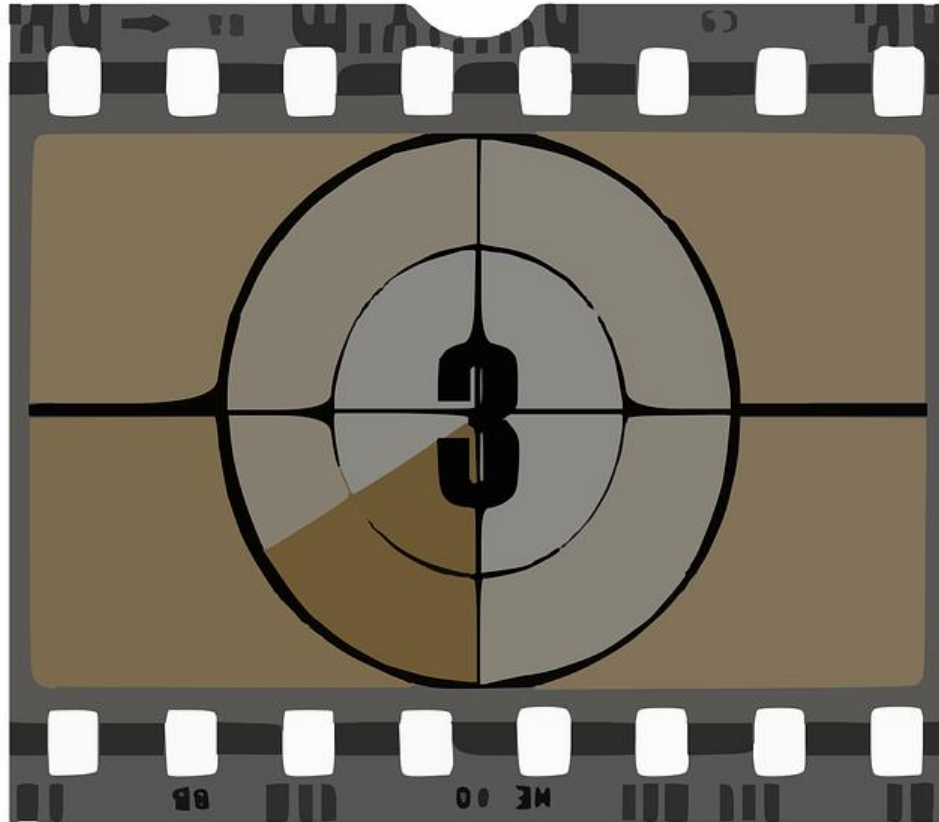




BVRLA's learning management system...

Personalised branded learner experience for your employees that also tracks learner progress in real time





BVRLA e-Learning

Three packages available, 30 different topics

Anti-Bribery
Anti-Money Laundering
Complaints Handling
CONC – Consumer Credit Sourcebook
Data Protection (GDPR)
Fraud Avoidance
Personal Conflicts of Interest
Safeguarding the Vulnerable
Treating Customers Fairly
Whistleblowing

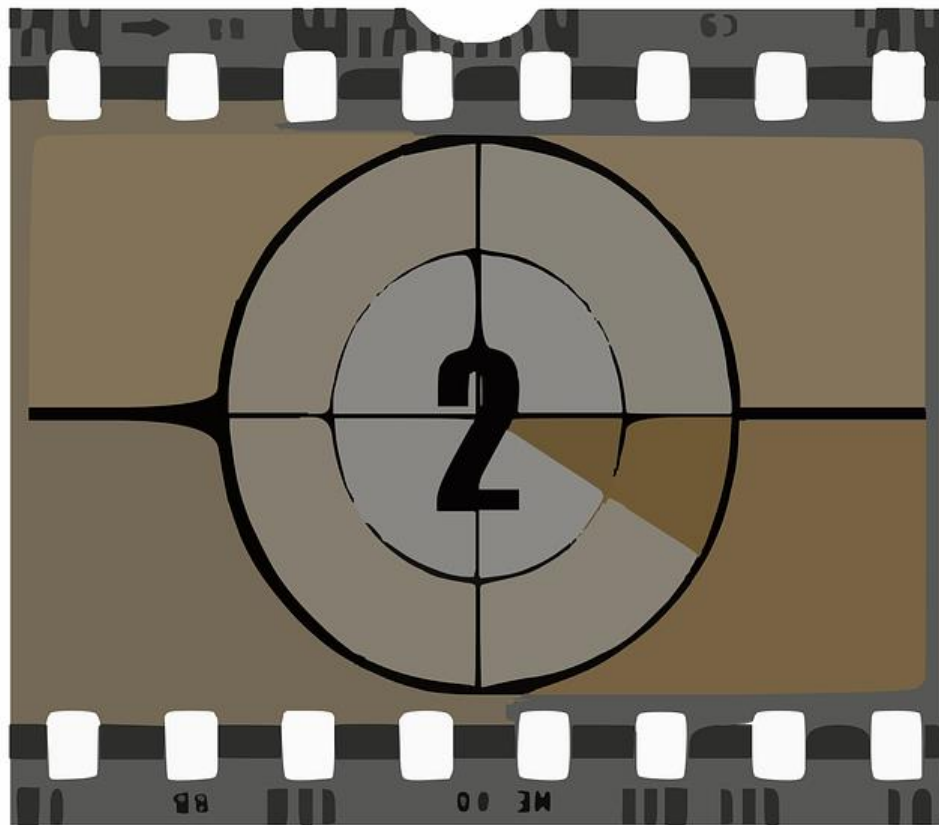
More information via BVRLA website:

[Essentials](#)

[Essentials Plus](#)

[Managers & Compliance](#)

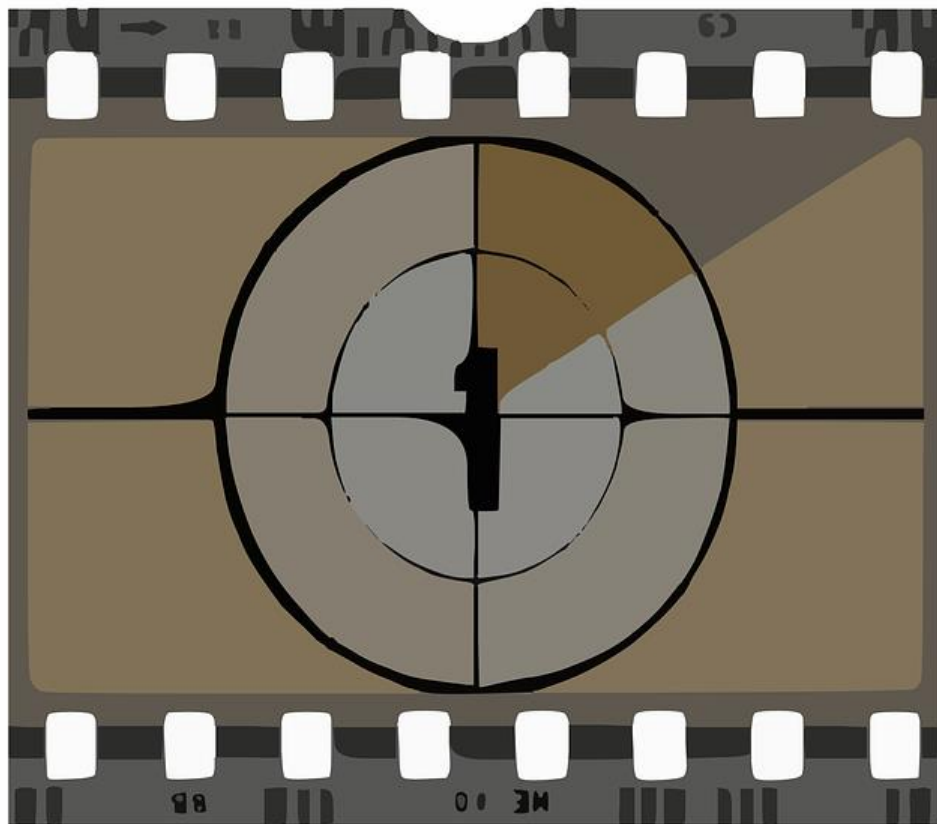




BVRLA e-Learning...

Thanks to Funder support, competitively priced...£59.95 plus VAT per package.

Each package contains ten modules



Your chance to ask for more information...visit Ina at our stand or check out our new website, and ensure you receive regular updates from us!

Thank you!

Nora Leggett, Director of Member Services



BVRLA

e-Learning

For leasing broker professionals

BVRLA Professional Development
Developing capability, raising standards and promoting professionalisation.

The BVRLA learning management system - features and benefits:

- Evidence your compliance with the BVRLA's Code of Conduct and the Financial Conduct Authority's (FCA) training and competence regime.
- Demonstrate your learning to multiple Funders at the same time
- Track learner progress in real time
- Provide a personalised and branded learner experience for your employees
- Three packages available covering 30 different topics
- Competitively priced at £59.95 + VAT per package
- Convenient and easy to use

Developed in partnership with:

ALD Automotive | **ARVAL** part of the ALD group | **HITACHI** Inspiring The Next | **LEX AUTOLEASE**

www.bvrla.co.uk/training | If you would like to know more, please contact the BVRLA Professional Development team at training@bvrla.co.uk

Session Five

Sector Critical Issues

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Navigating change in an unpredictable fleet market

David Watts, Senior Consultant
Arval UK

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MANAGING CHANGE IN FLEET

THE FUEL DEBATE

DAVID WATTS
May 21st 2019



ARVAL
BNP PARIBAS GROUP

We care about cars. We care about you.

Introduction The Fleet Industry is creating barriers

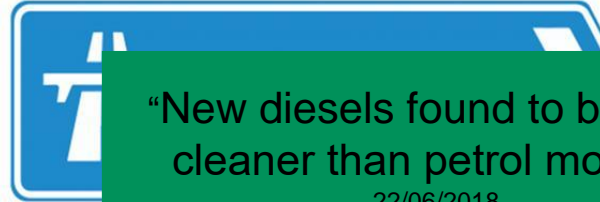
ELEC



The Diesel Dilemma

“Al
€ “Diesel remains the only realistic
fuel type for fleets”

22/06/2017



“New diesels found to be 71%
cleaner than petrol models”

22/06/2018

“New diesels can help cities
meet air quality targets, says
ACEA”

06/11/18

“Petrol is increasing but you can't
use it for corporate fleets
because the TCO is not right”

March 2019



ARVAL
BNP PARIBAS GROUP

We care about cars. We care about you.

Diesel Sales



Company Car Tax Comparison (2019/20)



VW Golf 1.6 TDI Match (P11d = £23,155, CO₂ = 108)

Tax Cost = £2,686



VW 1.4 TSI SE Nav (P11d = £22,600, CO₂ = 107)

Tax Cost = £2,350



VW Passat 2.0 TDI SE (P11d = £27,270, CO₂ = 114)

Tax Cost = £3,500



VW 1.5 TSI (P11d = £27,270, CO₂ = 124)

Tax Cost = £2,868



BMW 320d M Sport (P11d = £27,110, CO₂ = 120)

Tax Cost = £2,868



BMW 320i M Sport (Nav/Servotronic) (P11d = £23,900, CO₂ = 134)

Tax Cost = £2,868



BMW 320d M Sport Step Auto (P11d = £38,825, CO₂ = 135)

Tax Cost = £5,436



BMW 320i M Sport Step Auto (P11d = £36,005, CO₂ = 142)

Tax Cost = £4,609

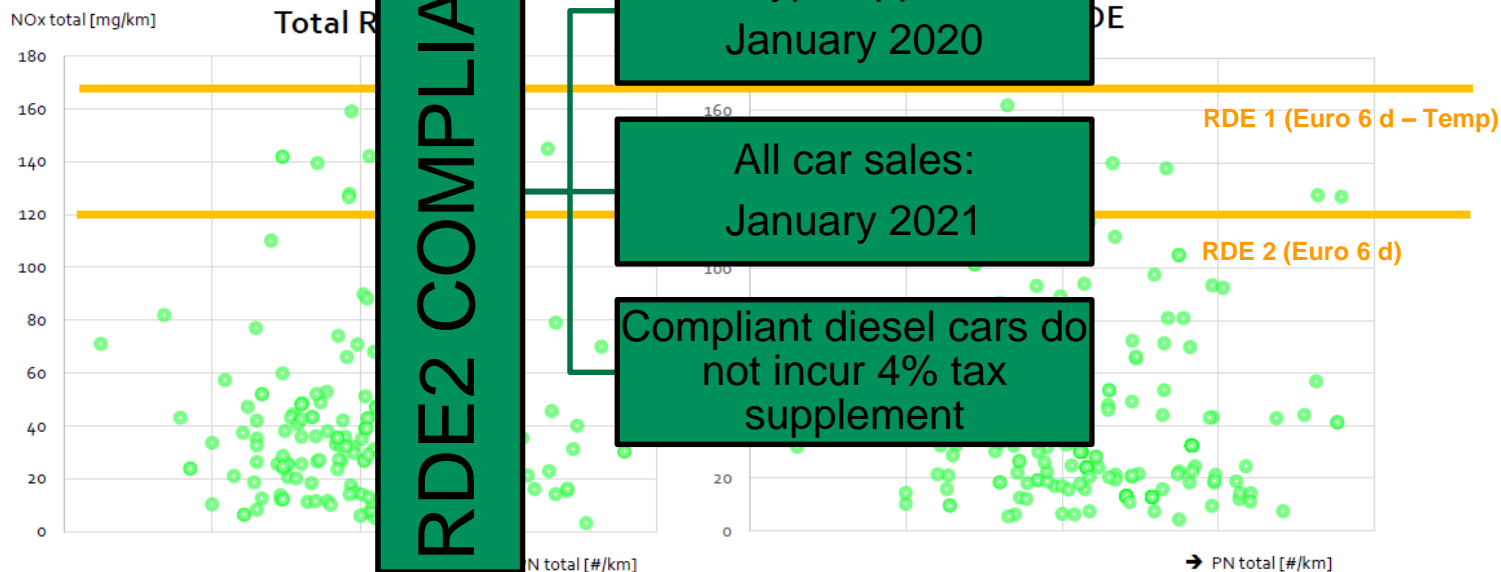
Diesel shift to petrol is temporary

Impact of RDE2 (Euro 6d)



LATEST RDE APPROVAL RESULTS

October 2018: 270 RDE approvals for 100 different vehicle types



What difference does this make?

A200d Sport Edition (2018)	A200 Sport Edition (2018)	A200d Sport Auto (2019)	A200 Sport Auto (2019)
P11d = £25,065	P11d = £24,440	P11d = £28,605	P11d = £27,505
CO ₂ = 111g/km	CO ₂ = 132g/km	CO ₂ = 110g/km	CO ₂ = 123g/km
2018/19 BIK % = 27%	2018/19 BIK % = 27%	2019/20 BIK % = 26%	2019/20 BIK % = 28%
BIK = £6,768	BIK = £6,599	BIK = £7,437	BIK = £7,701
Tax Cost: £2,707	Tax Cost: £2,640	Tax Cost: £2,975	Tax Cost: £3,081

Clean Air Zone Confusion



“A third of fleets have no plan in place to deal with clean air zones”
03/10/2018

air
opts against Clean Air

10.07.2018

“Clean Air Zones come into force with varying degrees of success”
28/03/2019

The expected CAZ standard is:
Euro 3 for motorcycles (13 years old in 2020)
Euro 4 for petrol cars, vans and minibuses (<13-14 years old in 2020)
Euro 6 for diesel cars, vans and minibuses (<4-5 years old in 2020)
Euro VI for lorries, buses and coaches (<6 years old in 2020)

						
Birmingham	✓	✓	✓	✓	✓	✓
Derby	✗	✓	✓	✓	✗	✗
Leeds	✗	✓	✓	✓	✓	✗
Nottingham	✗	✓	✓	✓	✗	✗
Southampton	✓	✓	✓	✓	✗	✗

April 2019

- London ULEZ: Class D (*All vehicles*)

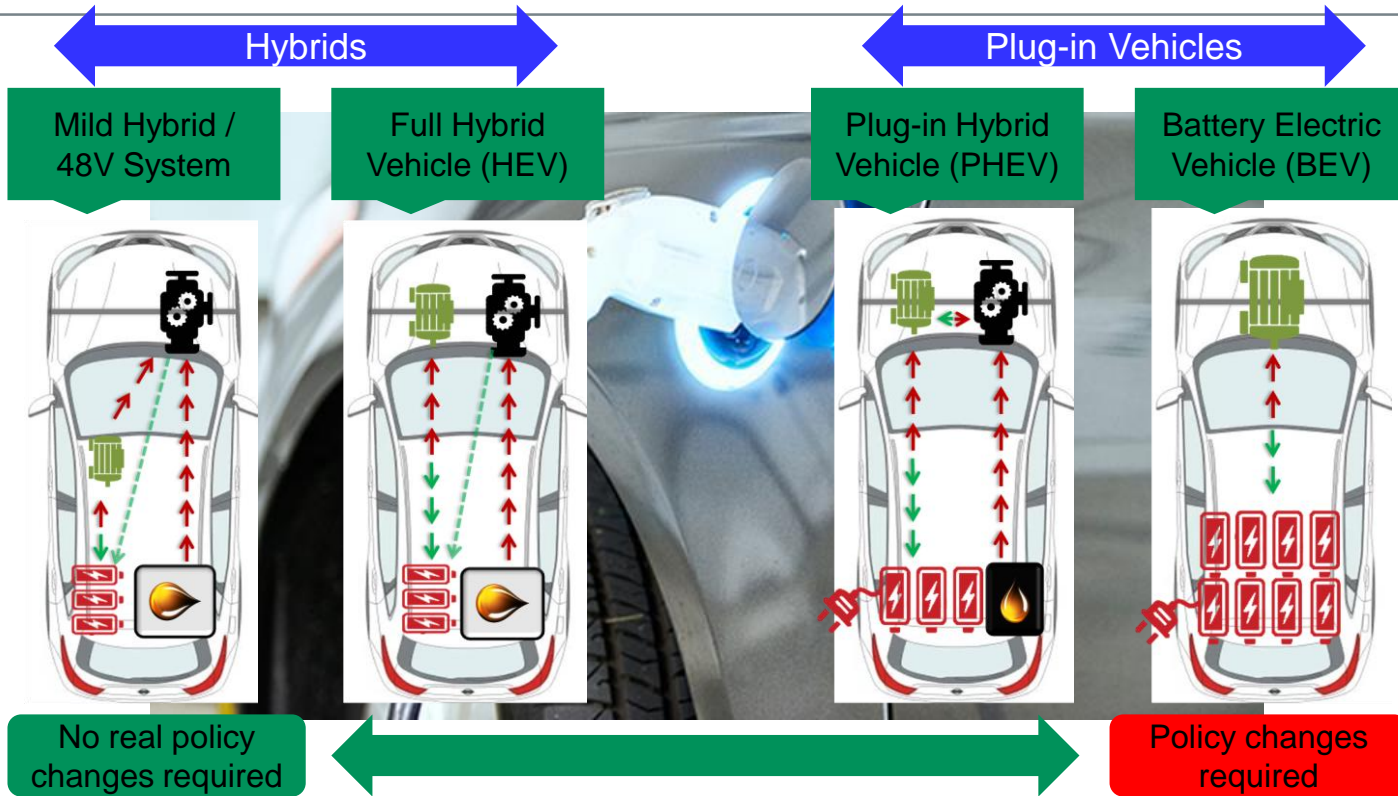
January
2020

- Birmingham: Class D (*All vehicles*)
- Leeds: Class B (*Not cars and LCVs*)

Late 2020 /
Early 2021

- Bath: Class C - under consultation (*Not cars*)
- Bristol: Class C or D – waiting for plan to be announced
- Sheffield: Class C - under consultation (*Not cars*)

What is Fleet Electrification?



“BEVs contain a battery that powers 100% of the vehicle and have a range of between 70-100 miles between charges”

“Electric vehicles have a typical range of 80 - 100 miles on a full charge”

“We’ll see the ‘tipping point’ by 2025 where a number of factors will push electric into being a more feasible fleet option”



Plug-in Vehicle Myths:

Pure EVs are low mileage vehicles

- Is 25,000 miles a year suitable for an EV?
 - Yes, No, Maybe.....

What's your annual mileage?

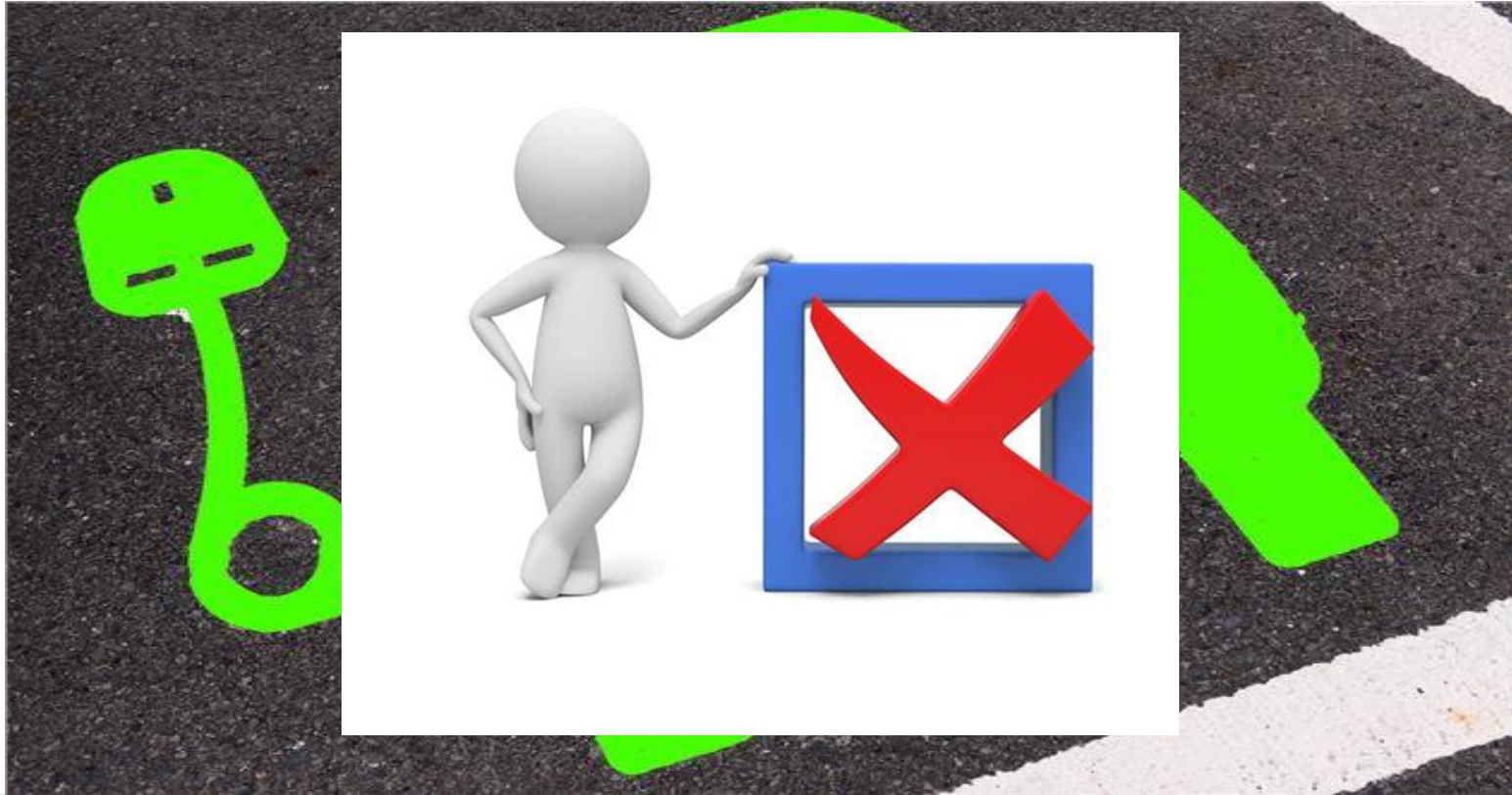
110 miles a day
5 days a week
46 weeks a year

... shouldn't currently switch?
...ing 40,000 km PA (E.g. international sales)

275 miles a day
2 days a week
46 weeks a year



Myth #2: Poor PHEV mpg will cost the business more



How to include plug-in vehicles (PHEVs) on the car fleet

Choice list structure

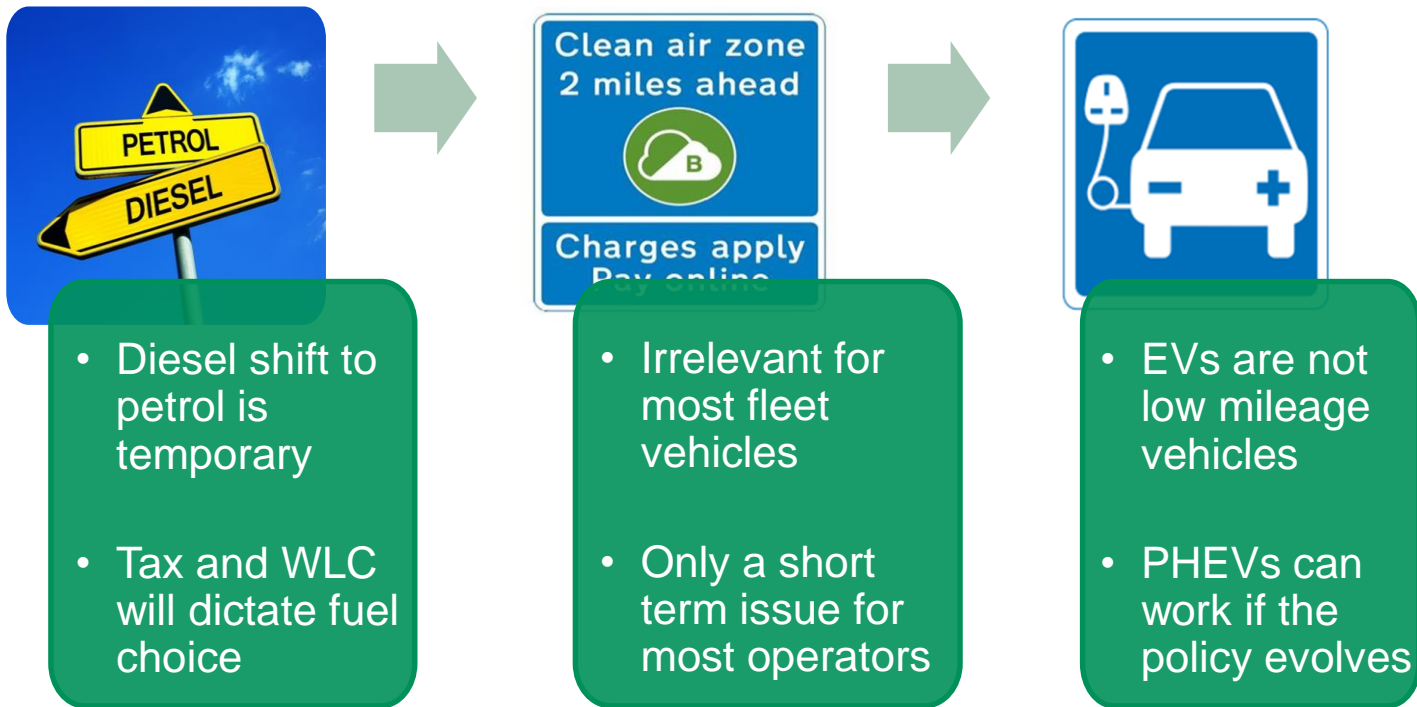
- WLC (incl fuel)
 - Needed to balance Petrol vs Diesel
- Fuel Cost: based on *ppm* not mpg

Fuel reimbursement policy

- Business mileage reimbursement
 - Use the AFRs?
- Fuel cards can still work



Summary



Thank you



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We care about cars. We care about you.

Clean air zones and WLTP vehicle availability

James Davis, Customer Insight and Strategy Director
(CV)

Cox Automotive

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The background is a collage of images: a highway at sunset with light trails, a top-down view of a car lot, and a group of people. The collage is overlaid with various geometric shapes in shades of blue, yellow, and green.

LCV Insight Overview

21st May 2019

JAMES DAVIS
Customer Insight & Strategy Director – CV

Philip.Nothard@coxauto.co.uk 07798 602736

 @PhilipN_Auto

LinkedIn



- 30+ years in the automotive industry
- 7 years at CAP hpi
- Director of the Vehicle Remarketing Association

James.Davis@coxauto.co.uk 07767 845848

 @CoxAutoLovesCV

LinkedIn



- 20+ years in wholesale: CMA, NCA and Manheim
- 3 years in contract hire asset management
- CV specialism

Contents

Our Business

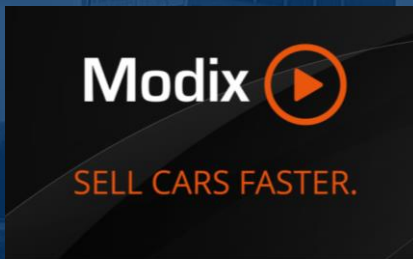
New and Wholesale LCV Markets

Hot Topics

- 1) Clean Air
- 2) WLTP
- 3) VED
- 4) Outlook - Euro 5 vs Euro 6



COX AUTOMOTIVE™



1996

Manheim enters UK market in JV with ICA Auctions and expands through acquisitions

1997

AutoTrader.com online classifieds website launches in the US

2008

Acquire German based digital marketing business Modix

2014

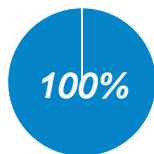
Wholesale funding provider NextGear Capital launches in the UK

2015

Acquire US software business Dealertrack and UK logistics platform Movex

Cox Automotive UK in numbers

Client reach



FRANCHISE DEALERS



CAR SUPERMARKETS



LEASING COMPANIES



INDEPENDENT DEALERS



OEMs



500,000
VEHICLES SOLD



630,000
VEHICLES INSPECTED



100,000
VEHICLES FUNDED



18,000
VEHICLE RECONS



550,000
VEHICLES MOVED



27
UK OFFICES



DIGITAL
ENGAGEMENT

42% OF VEHICLES SOLD ONLINE
MANHEIM & DEALER AUCTION

2 MILLION
VEHICLES SEARCHES
MANHEIM

36 MILLION
CUSTOMER VISITS
VIA OEMs UVLs
MODIX

1.5 MILLION
VEHICLES VIEWED
MANHEIM



2,300+
TEAM MEMBERS



WINNER AUCTION HOUSE
OF THE YEAR
WINNER TRADE-TO-
TRADE REMARKETER OF
THE YEAR

New LCV Market (UK)

SMMT - actual and forecast annual registrations

YEAR	REGISTRATIONS (‘000s)
2007-2016 (Avg)	288
2016	376
2017	362
2018	357
2019 <i>f (Jan)</i>	345
2020 <i>f (Jan)</i>	334

- 2016 was an all time UK van registration record
- 2018 vs 2016: -5%
- 2020 vs 2016: -11.2% (According to Jan 19 SMMT forecast 42,000 reduction)

Strong EU demand, weak £/Euro exchange rate and potential for tariffs **could see further list price increases** and OEMs favour other EU markets

SMMT forecasting 2 year softening of LCV registrations. Economic uncertainty vs demand due to Clean Air and Zero Emission Zones

General uncertainty around WLTP impact on vans and models with 2 year derogation. Increase in H1 order bank could see extended lead times

Q1 2018



57.8m

Ave. Age



75,010

Ave. Mileage

Q1 2019



57.8m

Ave. Age

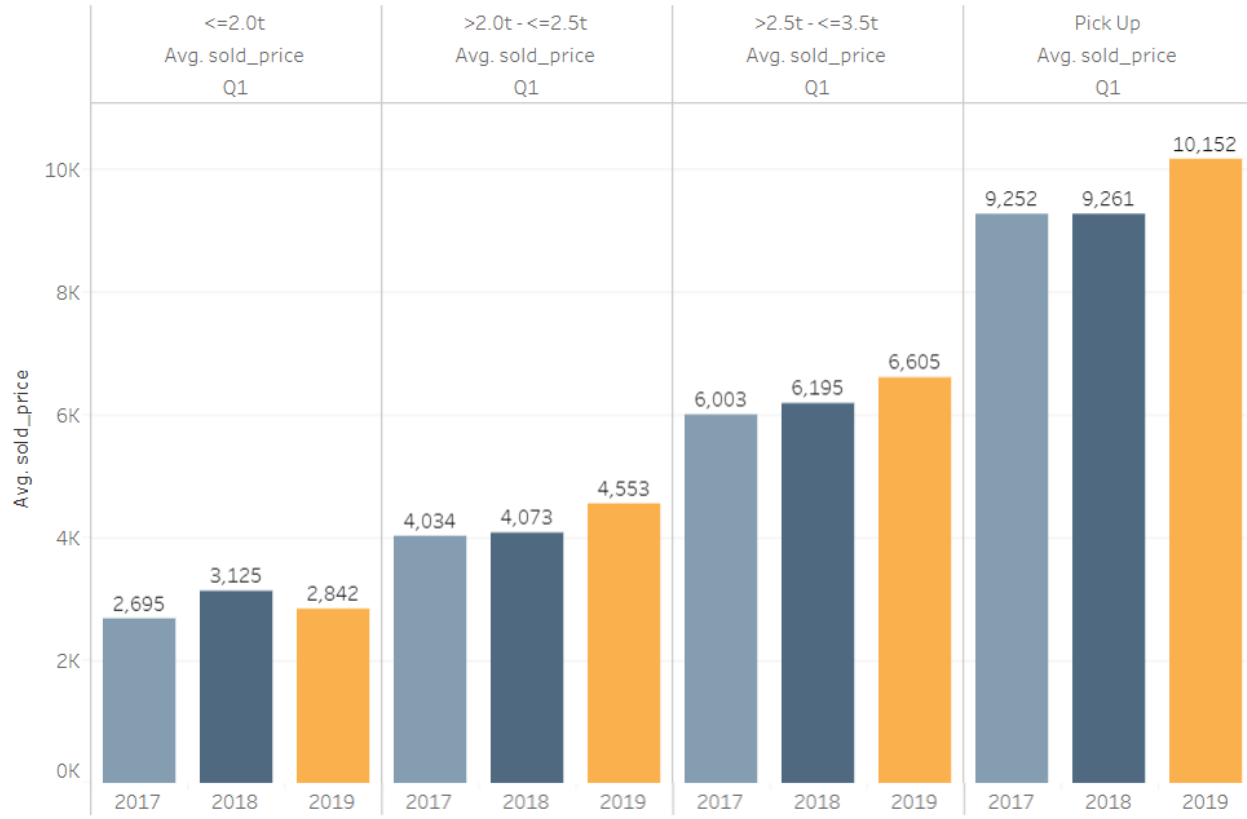


76,638

Ave. Mileage

- Identical average age of sold units in Q1 2019, mileage increased by 1,628 versus the same period
- **Average sale price +9% or +£561 to £6,344**





- Only one sector (sub 2t) showed a reduction in average selling price however it also **recorded a significant increase in age (11.75m) and mileage (7,300)**,
- In the remaining 3 sectors age and mileage was lower in Q1 2019 than Q1 2018

QoQ 80.6% first time conversion rate (+2.6%) and 44% of vans selling online (+7%). **Effects of Easter and bank holiday vs North and South retail markets**

Duplicate models need to be managed strategically into physical and online sales channels to optimise values and speed of sale

Continued focus required to set realistic reserves for damaged and high mileage vans, Q2 de-fleet volumes will likely offer buyers more choice

Hot Topic 1

Clean Air - The Ageing UK Van Parc

Data from the SMMT shows:

- » There are 4.3m vans in the UK parc
- » There has been a 75% growth in vans over 10 years old in last 10 years (2009: 730k to 2019: 1.3m)
- » 30% of the vans in the UK parc are over 10 years of age (c1,300,000),
- » There are only c6500 zero emission vans in the UK van parc (2018)

Taking the above facts we have developed further:

- Euro 6 for new LCVs was mandatory from September 2016
- In April 2019 these Euro 6 vans will be a minimum of 2 years 7 months old
- The average of the last 3 year's annual new van registrations is 365,000. We therefore believe there to be upwards of 1,000,000 Euro 6 registered vans on the road. This would represent 23% of the total UK van parc today
- **The balance of the UK van parc, 77%, are therefore pre-Euro 6: c3,300,000 vans,**

The prevalence of older diesel vans is the real issue. In order to meet EU air quality targets action will focus on all older higher emitting vehicles, including vans.....

Local authorities conducting feasibility studies

Local authority 'wave'

- First wave
- Second wave
- Third wave

1,2,2,4,5 Local authorities working together in joint feasibility studies



Source: Air Quality News

Headlines

- Choice of 4 DEFRA LEZ bands, A to D, locally defined pricing
- Round 1:** London and 5 cities are all due to be live by 2020
 - London ULEZ (Band D) went live 8th April in the CCZ. Greater London rollout due in 2021
 - 3 out of the 5 cities have ruled out a road charging scheme (Southampton, Nottingham and Derby). Birmingham Band D and Leeds Band B, even then numerous timebound exemptions
- In reality a multi-action approach is required to improve air quality: public transport and cycleway investment, low emission bus replacement, traffic management, lower speed limits, SMART motorways, anti-idling and introduction of workplace parking levies,
- Rounds 2 & 3:** 60+ regional/local authorities in feasibility stage
 - If a similar proportion of authorities (as in Round 1) rule out road charging, then fewer than half may implement a charging scheme and **not necessarily for vans**
- [BVRLA Interactive UK CAZ Map](#)

56,000 Daily Journeys: 2 Typical ULEZ CV Operators

Keeping It Real From 8th April 2019

Convenience Shop:

- 1 van, 2009 '09' plate and Euro 5
- 2 visits per week to the wholesaler, 104 visits per annum
 - **Daily CCZ Fee £11.50: £1,196**
 - **Daily ULEZ Van Fee £12.50: £1,300**
- **£2,496 (+109%)**



Civil Engineering Company:

- 5 vans and 1 truck, all 2013 '13' plates and Euro 5
- Weekday visits to clients, 241 visits per vehicle per annum
 - **Daily CCZ Fee £11.50: £16,629**
 - **Daily ULEZ Van Fee £12.50: £15,062**
 - **Daily ULEZ Truck Fee £100: £24,100**
- **£55,791 (+236%)**



London Ultra Low Emission Zone (ULEZ)

The Detail – 80% of vans pre-Euro 6



- What are the options?
 1. **Pay Up:** absorb or pass on
 2. **Re-invent:** retro-fit Euro 5 (balance of cost and availability/practicality, HGV specialist, LCV potential?)
 3. **Relocate:** larger fleets re-shuffle UK fleet to draw in compliant vehicles
 4. **Replace:** new or used Euro 6 or EV/PHEV (latter availability/suitability/affordability vs scrappage schemes)
 5. **Revolutionise:** flexi-rental, van-share, new delivery services (Amazon 20,000 unit global van order),

But.....

Hot Topic 1

Clean Air – The Future

- A number of different naming conventions: Zero Emission Zones (ZEZ) aka City Fringe Ultra Low Emissions Streets (CFULES) aka Low Emission Neighbourhoods (LEN)
- Mayor of London's Environmental Policy has brought forward previous target deadlines:
 - ~~2025~~.
 - **Now 2020**: a series of 'Zero Emission Zones' across the capital
 - ~~2030~~.
 - **Now 2025**: a 'Zero Emission Zone' in Central London
- **July 2018**: Hackney and Islington ZEZ went live; residential streets around schools. Penalty Charge for non ULEV use inside 3 hour AM and PM windows. ZEZ plans drawn up for Barbican, Greenwich Town Centre, Ilford Garden Junction and Marylebone
- **2022**: City of London is planning to introduce Zero Emission Zones across the Square Mile and cut the speed limit to 15mph
- **2050**: London's population estimated to grow by 30% in next 30 years - from 8.7m to 11.1m,
- **2050**: London-wide 'Zero Emission Zone'



Hot Topic 2

WLTP – Ahead of the LCV Deadline this September, Where are We?

EU Categorisation	Equivalent Industry Terminology	Illustrative Model Examples
N1 Class i	Car van	Corsa, Fiesta, Courier, Bipper, Nemo
N1 Class ii	Car derived van	Berlingo, Kangoo, Partner, Connect, Caddy
N1 Class iii	Panel van or chassis cab	Vivaro, Custom, Trafic, Transporter, Master, Relay

- Car Van: Fell under the September 2018 car WLTP deadline
- Sep 18: All NEW Class ii and iii vans had to be WLTP tested
- Sep 19: All EXISTING Class ii and iii models have to be WLTP tested (there is a 2 year derogation however)

What Issues Require Clarification?

- Factory spec, options and conversions will clearly impact kerb weight and hence CO2 – but a van is a tool to do a job
- Certificate of Conformity may become a more crucial document – depends on MOT and/or “roadside” testing regime
 - Whole Vehicle Type Approval and N1 Enhancements Scheme – Body Builder or Motor Dealer only (not a mobile supplier)
 - Vehicle Certification Agency (VCA) inspection required – potential bottleneck? DVLA will need to update V5,
- RDE2 is still to come
- Negligible HMRC BIK implication and thus unlikely to cause the lead time/extension issues as noted in fleet car sector

Hot Topic 3

Proposed Road Fund Bandings for LCV For April 2021 Introduction

- A consultation summary report was published by the Treasury in October 2018
- The bands below are indicative and the final version will depend on the impact of WLTP:

Weight Category	CO2 Output	Proposed First Year Rate	Standard Rate	Weight Category	CO2 Output	Proposed First Year Rate	Standard Rate	
Small / Medium Vans	0	£0	£0	Large Vans	0	£0	£0	
	1-50	£10	£125		1-50	£10	£125	
	51-75	£100	£265		51-75	£100	£265	
	76-90	£150	£265		76-100	£150	£265	
	91-100	£190	£265		101-130	£190	£265	
	101-110	£230	£265		131-160	£270	£265	
	111-130	£270	£265		161-190	£310	£265	
	131-150	£310	£265		191-220	£350	£265	
	151-170	£500	£265		221-255	£390	£265	
	171-190	£1,000	£265		>255	£500	£265	
	191-225	£1,500	£265					
	Over 225	£2,000	£265					

- We'd draw attention to the **proposed** differential between first year VED by weight category. We believe it is skewed logic to price the most emitting large vans' first year rate at 25% of that of its equivalent CO2 output small/medium van cousins,
- However, the subsequent **proposed** "standard rate" will not penalise the owner in following years

Hot Topic 4

LCV Euro 5 vs Euro 6 Outlook for Values

- Average age of first life vans in wholesale market is 5 years
- Euro 5 was mandated January 2012
- Euro 6 was mandated September 2016
- Since 2017 used volumes of Euro 6 have grown, still relatively small in wholesale due to van lifecycles (less than 15%)
- 2021 is a key date for compliance to EU air quality targets
 - 2021 will be Euro 5's 9th birthday
 - 2021 will be Euro 6's 5th birthday
- By 2021 we believe c1.8m (42%) of vans on UK roads will be Euro 6
- Contract extensions are now more costly for large van fleet operators (LEZ charges)
- Not all towns and cities will charge vans
- We believe over the next 5 years demand will match supply and there will no sharp collapse in Euro 5 values due to the Low Emission Zone rollout schedules

Today:

- ✓ Copy of Manheim Clear Air Zone – Operator Guide:
<https://www.manheim.co.uk/news/2019/clean-air-zones-180219>
- ✓ Copy of first ever SMMT LCV Sector Report
<https://www.smmt.co.uk/reports/light-commercial-vehicles-delivering-for-the-uk-economy/>
- ✓ Option to receive the Monthly Car Insight Overview

12th June: 2nd Annual Cox Automotive Insight Report, produced with Grant Thornton

- ✓ LCV report debut along with 2019 used van volume forecast,

Q4 2019: Mobility as a Service (MaaS) Special Cox Automotive Industry Report

Thank You For Listening

JAMES DAVIS

Customer Insight & Strategy Director – CV



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CAPITAL

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Company Cars - securing the future for our industry

Jay Parmar, Director of Policy & Membership
BVRLA

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BVRLA Leasing Broker Conference

Jay Parmar – Director of Policy & Membership



Vehicle taxation objectives

A fair and well-signposted motoring tax regime that recognises the role that BVRLA members can play in delivering cleaner, cheaper, safer and more reliable transport. The key focus will be to:

Secure a fair deal for company car drivers and businesses

- **Engage** with HM Treasury and parliamentarians to influence a positive outcome with the implementation of WLTP
- **Use BVRLA research and communications** to demonstrate the impact that a rising BiK and VED burden will have on drivers and members' businesses
- **Collaborate** with members and other stakeholders to strengthen campaign messages ahead of the 2019 Budget submission

Accelerate the upgrade towards zero emission vehicles

- **Engage** with government officials to influence the tax implications for the sector resulting from the Comprehensive Spending Review and longer term help shape the transition from the current tax regime to one that is appropriate for zero emission transport

Develop a fiscal roadmap that supports the deployment of increasingly connected, autonomous, shared and electric vehicles

- **Collaborate** with relevant stakeholders to influence HM Treasury thinking on the development of future motor taxation
- **Produce insightful research** that helps inform long term motor taxation policy
- **Engage** with government to ensure long term policies fit with the fleet investment cycles to prevent any adverse impact and seek a national framework to guide the interaction of local charging schemes

A fair deal for company car drivers

1

Resolution of the tax impacts of the transition to WLTP

2

4-5 year view of future CCT Bands

New WLTP testing means the exact same car records 20-30% higher CO₂ than before – costing drivers more with an unintended tax rise

BVRLA

NEDC,
101g/km CO₂
21% BIK tax



WLTP,
125g/km CO₂
30% BIK tax

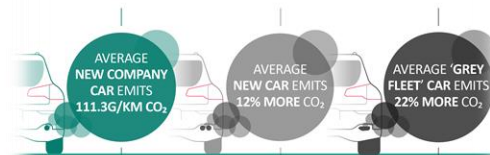
BVRLA

The average company car driver's annual tax burden has risen by £1,100, or 56%, since 2013



Company cars are the greener option

BVRLA



Accelerate upgrade to zero emission vehicles



BVRLA

Our Plug-in Pledge



By 2025, the UK rental and leasing sector will increase its annual purchase of new plug-in vehicles from **17,000** to **300,000** per year. The industry's share of annual plug-in hybrid and pure EV registrations will rise from 36% to 60%.

As a result, BVRLA members' total plug-in fleet will rise during this period, from **50,000** vehicles today to **720,000** in 2025.

bvrla.co.uk

The Road to Zero

Next steps towards cleaner road transport and delivering our Industrial Strategy



BVRLA

Developing a fiscal roadmap



National road pricing?



London ULEZ



Congestion charge

Clean air zones



Developing a fiscal roadmap





**Thank you for
listening**

Jay@bvrla.co.uk



Closing Comments

Alan Carreras, Director, Bridle Group and Chairman
BVRLA Leasing Broker Committee &
Jay Parmar, Director of Policy & Membership
BVRLA

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Final Thoughts

- Thank you to all of the sponsors for supporting the conference
- Thank you to our speakers and you for participating in today's conference
- **Feedback:** please spend a few minutes to complete the survey, which will be emailed tomorrow
- **Presentations:** you will be emailed a link to download these from the website
- Safe journey home and see you next time: **20 May 2020**
- **Future events are displayed on the [Events Calendar](#)**

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INFORMATION FOR DELEGATES
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MECHANICAL ENGINEERS), WESTMINSTER, LONDON



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