

NEWS RELEASE

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FUEL EFFICIENT STRATEGIES – FUEL CARDS

Jenny Powley, sales director for the card division at Arval, comments:

“There is a misconception that fuel cards are just about reducing administration or giving employees free fuel. In reality, they are an essential tool for a company to control fuel costs from a total fleet level down to individual vehicles or drivers.

“While cost savings vary from fleet to fleet, an effective fuel reduction strategy built upon the intelligence gathered from a fuel card can remove around 10% of cost from a fleet’s annual fuel bill.

“The first step in improving control of fuel expenditure is to understand your total fuel bill. Fuel cards tell fleet managers exactly how much fuel drivers are buying, where they are purchasing it, the price they are paying and their mpg performance. This information can then be used to identify areas for cost saving, set realistic goals and monitor driver performance against them.

“In some cases, fuel card data will be used to highlight heavy fuel users within the fleet so that corrective action can be taken such as targeted communications or driver training. In other instances the data will highlight drivers that are purchasing fuel at a high price. Resulting action will include directing them to the cheapest fuel sites in the area and even setting pence per mile benchmarks that can be monitored and managed going forward.

“Implementing a clear fuel policy that specifies where drivers should buy their fuel is a very simple way of cutting fuel bills. However, not all fuel cards can support this approach because they operate on a restricted network. Therefore the size of the fuel card network should be a key consideration when selecting a fuel card.”

“Companies using fuel cards will reimburse the exact amount that their drivers spend on fuel, no more and no less, so they don’t increase costs by overpaying expenses while at the same time, drivers aren’t left out of pocket.

“Collating receipts for fuel purchases is an administrative burden, taking time and resource. It can also mean that businesses fail to claim all of the VAT that they could. Fuel cards eradicate this problem as drivers are not required to collect and retain individual receipts each

time they make a purchase. Instead, a single consolidated invoice allows the business to easily recover all VAT on fuel purchases.”

Ends