CASE STUDY:

Delivering an effective LCV fleet management solution for Ford Parts Plus

Ford Parts Plus, owned by Ford Motor Company, supplies genuine Ford parts and accessories to thousands of franchise dealers, independent garages and bodyshops right across the UK. These are managed and delivered using a substantial fleet of around 530 Ford vehicles, almost all vans, with the numbers being dominated by Ford Transit and Transit Customs.

The company is structured around 25 semi-independent operations – called agents - which are based at 60 locations. Until 2018, each of these made their own vehicle arrangements based on a fixed budget, then reclaimed the costs from Ford Parts Plus. However, there was a feeling that this arrangement was not delivering the required results – which was where Arval came into the picture.







Because each Ford Parts Plus agent was responsible for its own transport, the fleet structure suffered from a lack of strategic overview and operational visibility, as explained by Financial Controller Harj Bhachu.



Under the old arrangements, each agent sourced their own vehicles, bought their own fuel, sorted out their own insurance and so on. This created problems from both a strategic and day-to-day managerial point of view.

"On one level, it was very difficult to ensure that everyone was compliant with our fleet standards and that costs were being controlled - for example, just looking at all the different insurance policies in place was something of a nightmare, but it also meant that we simply weren't maximising our overall buying power.

"In choosing to work with Arval, what we wanted to achieve was to bring a high degree of consistency across the fleet that removed as many of these problems as possible. By opting to acquire everything via a single fleet-related source, we achieved this consistency and a single strategic focus.



METHOD

With Arval appointed as the single supplier across all of the Ford Parts Plus agents in 2018, a process has since been underway when as each van has come up for renewal, it has been replaced with a new vehicle from Arval. This means that almost the entire fleet is now on the new programme.

Most of the Arval vans are supplied on a three year lease complete with Arval Total Care, a product that means the user gets everything required – an insured leased vehicle with maintenance, all in one monthly payment.



RESULTS

Harj said: "It's been a complete departure from our previous way of doing things. Our visibility over the entire fleet has been improved beyond recognition. We now have online access to Arval's detailed reporting tool, which means that we can identify areas where action is needed, from strategic decisions through to issues with individual vehicles and drivers.

"The system where our agents still reclaim their vehicle costs from us has been retained, but because everything is provided by Arval and access to management information is easy, there are no nasty surprises for either the agents or for us."

Harj said that an important part of the Ford Parts Plus relationship with Arval was a weekly meeting where the two companies looked at potential areas for improvement on both sides and any issues that may have arisen.

"Our three Regional General Managers, who work with our 25 agents, are very engaged with this process and are very much involved with the practicalities of sorting out any fleet issues.

"The relationship we have developed with Arval is extremely good. Their team are very responsive to our needs and it really feels like a genuine partnership. Any points that we raise are discussed and a solution is found and implemented.

"It's fair to say that the nature of our fleet means that this is a work in progress. We are now almost at the end of completing the first phase, with the vehicles moved over to

Arval, and what we now want to do is move on to taking a look at things at a more in-life level."



One important area where Arval has made a specific impact is in the use of rental vehicles. Previously, a number of mediumterm rental vans were retained to add flexibility to the Ford Parts Plus day-to-day operations. But calculations showed that these could be replaced with a

permanently leased pool fleet, providing annual savings of around £200,000.

Kevin Bridgeman, Arval's Corporate Business Manager in charge of the Ford Parts Plus relationship, said: "This is an account that calls upon expertise from right across Arval – from the consultancy team that helped us decide on a three year replacement cycle, right through to our driver desk which handles maintenance bookings.

"The savings achieved through the change from rental to lease is a good example of all of these skillsets coming together to deliver the kind of positive, value-added changes that Arval looks to bring to the table as part of our long-term relationships with clients."

Arval works closely on a day-to-day basis with the three-strong team of Ford Parts Plus Regional General Managers – **Scott Smith** (South East and Northern Ireland), **Chris Elliot** (North and Scotland) and **Mike Redden** (Midlands and South West).

Scott said:

The whole fleet roll-out process over the last few years has been done very quickly and been pretty demanding but Arval has carried it out with little fuss and a lot of efficiency.

Chris added:

At the point when we get involved with the fleet, we tend to need issues sorting out very quickly and Arval are always fast to act to help us get vehicles and people back on the road.

Mike concluded:

We're very much at the sharp end of operations and we have found Kevin and his colleagues very responsive and genuinely willing to go that extra mile. The support team especially are fantastic.

Arval UK Limited (Whitehill House, Windmill Hill, Swindon, SN5 6PE. Registration number 1073098. VAT Registration GB 202 1441 76) is authorised and regulated by the Financial Conduct Authority | Email: info@arval.co.uk | Telephone: 01793 887000

