

Jan 02, 2018 15:00 GMT

Negative headlines about 'dirty diesel' pushing fleets to switch

Negative media coverage about so-called 'dirty-diesels' has led to businesses debating their next vehicle choice, according to new research.

A survey of 1,000 UK firms carried out by RAC Business found 62% of large businesses with between 250 and 499 staff are considering phasing out their diesel vehicles, compared to just 33% among small firms with less than 10 employees. And, nearly half (47%) of businesses of any size say they are thinking about moving away from diesel.

The research also shows that 35% of small businesses with between two and 50 employees are still more likely to choose diesel engines over any other type.

There was also strong widespread concern about the practicality of replacing diesel vehicles with alternatively fuelled ones. Thirty-nine per cent of all companies surveyed said the vehicles they need are only made with diesel engines. However, among businesses with 50 to 999 employees this percentage rose to 48%.

Four in 10 (40%) large firms (500-999 employees) said they are not confident in the range capability of most EVs currently available in contrast to the all-business figure of 30%.

More than a third of businesses claim they don't have the funds available to buy brand new vehicles but this rises dramatically to 58% among sole traders.

The findings from the survey carried out in Q4 2017, support latest industry

figures from the Society of Motor Manufacturers and Traders (SMMT), which said diesel sales were hit hard last year, with a year-on-year decline of around 219,309 units – a drop of 17.1%.

However the concern expressed by some businesses about diesel engines may be misplaced according to RAC Fuel Watch spokesman Simon Williams, who says the many new diesel vehicles perform significantly better in terms of nitrogen dioxide emissions than their predecessors and even some older petrol vehicles.

He said: "During 2017 there was a lot of debate about emissions from diesel vehicles being harmful to health and the possibility of charges being introduced for certain vehicles in some cities to combat the issue. This has undoubtedly affected attitudes among consumers and fleets and left them uncertain as to what type of vehicle to choose next.

"However, what isn't that well understood is that the newest diesel vehicles coming onto the market now are among the cleanest ever produced and also emit far less carbon dioxide than their petrol equivalents.

"Diesel engines have always been the go-to vehicle for businesses due to their superior fuel economy, their longer engine life and their ability to move heavier loads making them more cost-effective and practical.

"If businesses are now making a switch to other types of vehicles based on anti-diesel sentiment, which may not have been entirely accurate when it comes to the latest vans and cars, they risk losing out on that cost benefit."

Manufacturers have been introducing electric and hybrid commercial vehicles over recent years with some successes, but many businesses still remain sceptical about the capability of electric vans, with 25% of small firms with under 10 staff saying they can't carry the loads required.

While the benefits of switching to EVs and hybrids are clear in terms of reduction in fuel costs and avoiding fees such as the congestion charge in London, 45% of small businesses say the biggest barrier for them in making the switch is being able to afford the new EVs in terms of upfront costs.

This is likely to be because most advanced commercial EVs have not yet

entered the used van network, putting them out of reach for many small firms that rely on the used and approved markets for their vehicles.

Finally, 22% of businesses of all sizes agreed that a significant barrier to switching from diesel to EVs or hybrids, is the lack of infrastructure to keep electric vehicles charged across the country.

Simon Williams adds: "The archetypal diesel van has been the workhorse of UK industry for decades and nothing beats it in terms of MPG and load capacity, enabling thousands of small businesses to 'get the job done' every day.

"Our research also tells us almost three quarters of small businesses own their vehicles outright, and only refresh their fleet every two to three years, so it's going to be some time before the latest EVs are available through used dealer networks.

"However, we all recognise that it's high time to remove the most polluting vehicles from our roads, and older diesel vehicles fall into this category.

"We feel one of the best ways for the Government to encourage the take-up of ultra-low emission vehicles is by offering more support for plug-in hybrids, as these vehicles would then start to feed into the second-hand market and we would see a lot more of these vehicles on the roads.

"Every year technology and capability improves in electric vehicles and they will form a much larger part of the commercial vehicle fleet in years to come. But we would certainly echo concerns around the charging infrastructure and it should be a top priority for the Government if they are serious about increasing the number of EVs on the roads and being used by businesses."

Notes to Editors

About the RAC

First formed in 1897 the RAC has been looking after the needs of its members

and championing the interests of motorists for 120 years.

Today it has more than eight million members and is one of the UK's most progressive motoring organisations, providing services for both private and business motorists. Whether it's roadside assistance, insurance, buying a used car, vehicle inspections and checks, legal services or up-to-the-minute traffic and travel information – the RAC offers a solution for all motoring needs. The RAC is committed to making motoring easier, safer, more affordable and more enjoyable for drivers and road users.

The RAC is the motorist's champion and campaigns to support the interests of its members and UK motorists at a national level. This includes voicing concerns about the increasing cost of motoring, particularly the price of fuel and the high level of tax levied on it, advancing levels of road safety, and supporting the needs of all drivers, from young to old.

The RAC's annual <u>Report on Motoring</u> – first published in 1989 – provides a clear insight into the concerns and issues facing today's motorists.

For the very latest news on UK fuel prices, check <u>RAC Fuel Watch</u> or follow <u>#racfuelwatch on Twitter</u>. RAC Fuel Watch is a comprehensive guide to the latest UK unleaded petrol and diesel prices – both at the wholesale level and at the pump. RAC Fuel Watch analyses how prices changed through the previous month and compares the most recent prices with those from three, six and 12 months before.

Key facts:

- RAC patrols fix four out of five vehicles at the roadside and on average within 30 minutes
- RAC vans carry more than 500 parts and tools to get members' vehicles going again
- 92% of members would recommend RAC Rescue to their friends and family

Contacts



RAC Press Office Press Contact press.office@rac.co.uk Emails monitored during normal office hours. For breakdown queries, call 0330 159 0740 ISDN number on request