



A BUSINESS ON THE MOVE

- An outsourced management partnership for a 550 vehicle fleet
- Full cost transparency; detailed and meaningful MI
- Fully automated multi-bid procurement
- Cost savings of £26.16 per vehicle per month
- 25% rental savings for short-term hire vehicles
- Vehicle off-road (VOR) times managed and minimised

Mitchells & Butlers' partnership with fleet management specialist Fleet Operations epitomises its strategic drive to achieving business excellence.

The company is one of the largest operators of restaurants, pubs and bars in the UK, with more than 1,700 restaurants and high profile brands including Miller & Carter and All Bar One.

THE FLEET CHALLENGE

Mitchells & Butlers were looking for a fleet management partner, with a transparent business model, to oversee full day-to-day responsibility for all fleet-related matters.

A focus on best practice fleet management and proactive cost control, delivering high value and company-wide service excellence, was considered paramount.

ACTION STATIONS: A PARTNERSHIP SOLUTION

A wide range of potential suppliers were evaluated before appointing Fleet Operations – the UK's leading independent provider of fleet management services – as the company's management partner for its 550-strong vehicle fleet.

Darrell Wilson, Director of Procurement & Supply Chain at Mitchells & Butlers, explains: "Fleet Operations clearly demonstrated how they work solely in the best financial and operational interests of their clients. The business was very professional from the outset, but the gravitas and deep subject matter expertise of the Fleet Operations' team remains impressive and gives them a level of credibility not attained by other businesses.

"With fleet policy set by Mitchells & Butlers' HR department, a successful joined-up fleet management approach has now become established between Fleet Operations and the company's HR and Procurement teams.

"As a Procurement Director, I'm always challenging cost but I'm also a strong advocate of value and service. Fleet Operations delivers against that value criteria, giving us a unique blend of cost efficiency, service enhancement, greater support to our employees through highly personable people and systems, along with detailed and meaningful MI."

“ Fleet Operations clearly demonstrated how they work solely in the best financial and operational interests of their clients ”

RAISING THE BAR IN MULTI-BID PROCUREMENT

Mitchells & Butlers is no stranger to multi-bid fleet procurement, but the company felt that the time was right to move their service provision to the next level and, in so doing, gain greater transparency and an advocate for their business.

Fleet Operations' long-established procurement model, a multi-bid proposition, is underpinned by the award-winning MOVE solution, which interfaces with any UK leasing company or dealer.

For Mitchells & Butlers, this has meant that the multi-supplier procurement process has become fully automated. Drivers can select their vehicles, build them to their exact specifications, select optional extras, compare them in a digital showroom and arrange test drives. Benefit-in-kind, P11D declarations and employee contributions are displayed and calculated automatically.

This has delivered unprecedented levels of continuity,

consistency and efficiency to the ordering process. The MOVE driver portal brings together all the information drivers need in one place enabling orders to be tracked online, boosting speed and service delivery.

During the first 12 months of its contract with Fleet Operations, 89 vehicles were ordered saving the restaurateur £26.16 per vehicle per month. This equates to a lifetime saving over four years of £1,255.68 per vehicle, from the vehicle procurement process alone.

Furthermore, Mitchells & Butlers and Fleet Operations have worked closely to negotiate enhanced manufacturer support terms, delivering even further discounts. These savings have been passed on to the company's drivers, offering them a better choice of vehicles.

For short-term hire vehicles, Fleet Operations went to the market with an open tender. The resulting contract has led to a 25 per cent saving on Mitchells & Butlers' overall rental spend.

UNLOCKING THE DOOR TO MAINTENANCE EFFICIENCY AND SAVINGS

Although Mitchells & Butlers have used 'pay as you go' fleet maintenance services for several years, the company were looking to change supplier. Fleet Operations managed a full RfP process for its service, maintenance and repair (SMR) requirements.

"Underpinning their commitment to independence and transparency, they negotiated a managed third-party SMR contract that provides us with a fully-disclosed cost and net price on every item of spend" said Wilson. "Given the total value of our corporate fleet spend, delivering a solution that now provides us with a full understanding of all costs, without 'hidden' margins in the supply chain, has proved an important aspect of Fleet Operations' overall service provision."

The specialist maintenance provider actively manages vehicle off-road (VOR) times, ensuring these are minimised, with maintenance ETAs pursued to ensure the highest service standards are met.

A SPOTLIGHT ON COMPLIANCE AND SAFETY

With Fleet Operations on board, further administrative resource savings are being realised in the completion of key compliance tasks. Regular 'permit to drive' licence checks are carried out, for example, on all company drivers, including grey fleet and occasional drivers. The company has demonstrated an impressive 'driver status' compliance record of more than 95 per cent.

A review of all criteria, including endorsements and accident history, is now set to be used to categorise drivers as low, medium or high risk to support a structured driver training programme.

A GLANCE TO THE FUTURE

Fleet Operations is sharing its best practice expertise on sustainable transport as part of an ongoing strategy to develop and shape the company's future green fleet policies

"During the life of this contract, the corporate fleet sector is likely to face a number of challenges and opportunities," added Wilson. "With this in mind, Fleet Operations' proven ability to provide professional and genuinely impartial fleet consultancy is seen as a major benefit of our evolving relationship."

