

fleet *Car*

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Revealed: Ireland's Best Fleet Cars 2020



Toyota Corolla



BMW 3-Series



Audi A6



Kia e-Soul



Mitsubishi Outlander PHEV



Peugeot 508

FEATURES

INTERVIEW: Patrick Magee, Renault Ireland

PREMIERES: Cars due for launch at cancelled Geneva Motor Show

TESTED: ALLY driving app from DriverFocus

LAUNCH PAD: BMW 2 Series GC • Ford Puma • Land Rover Defender • Mini Electric • Opel Corsa • New Peugeot EVs & Hybrids • Renault Koleos • Seat Leon • Škoda Octavia & Superb iV • Volkswagen Caddy MPV

Staying compliant and safe with ALLY app from DriverFocus



Budget 2020 brought mixed news for the corporate sector, especially company car drivers. The announcement that exemption for Benefit-in-Kind (BIK) for employer supplied electric cars and vans (up to a cap of €50,000) continues to 31 December 2022 was welcomed as an important incentive towards encouraging businesses to move to more environmentally friendly vehicles. Against that was the removal of the SEAI grant on electric and hybrid vehicles for business registered vehicles, adding to the cost of purchasing these already expensive vehicles.

One area of change from the previous year's budget that came into effect on January 1st, 2019 might have slipped under the radar somewhat, but can have a significant impact on company and fleet car drivers. That relates to PAYE reporting, something that impacts on business mileage for company car drivers. Whereas in the past, a year end reporting of PAYE was sufficient, employers are now expected to submit a return each payday.

Specifically in relation to company BIK and business mileage reimbursement, Revenue has advised employers of the following: - "You will need to calculate the 'cash equivalent' of your employee's private use of the company car. The cash equivalent is a percentage of the Original Market Value (OMV) of the car. The percentage is based on the amount of mileage for business purposes". Revenue has also advised employers: - "You should review notional pay regularly (at least quarterly) to ensure the payments reported to Revenue are as accurate as possible".

According to DriverFocus, the Irish award-winning app and cloud services company specialising in driving for work applications, accountancy firms with knowledge in this field are advising that "business mileage and BIK tax have consistently been among the top areas of interest when Revenue engage in what they refer to as "Timely Targeted Interventions". With tapering relief on BIK tax for higher levels of business mileage, if anything, there can be a temptation for some individuals to claim more business kilometres than actually driven. Coupled with recently increased resources and REAP - Revenue's compliance profiling system - it is anticipated non-compliance

risks will be targeted earlier and more frequently."

Furthermore it advises that there are increased penalties for underpaid tax, and in cases where PAYE tax on mileage and travel expenses is not correctly withheld, the tax will be recouped by Revenue on a grossed-up basis, meaning that every €1,000 paid to employees will cost the employer €2,309 including tax and employer PRSI.

All this means that company car drivers need to ensure that their business mileage is recorded in an up-to-date and accurate manner. Traditionally this has been done manually or via an Excel spreadsheet. However this type of recording is open to claims of fictitious business travel, leaving the business exposed to potential extra costs or penalties.

An alternative is to use a specialist telematics tracking device, with many of the latest offerings providing comprehensive reporting technology including trip distance functionality. The issue with these is that they can be expensive and complex to use, depending on what functionality is included, while some company car drivers are not comfortable with every aspect of their driving being recorded and analysed.

To address these concerns, while providing business drivers with an easy to use tool to record business mileage, DriverFocus has created ALLY, an app and cloud-based service. Its primary function is to record all trips with the functionality to then easily allocate the trip as business or private travel. Crucially only trips logged as business travel are shared with company payroll if the driver so chooses.

ALLY also offers additional functionality, notably monitoring driving behaviour such as aggressive acceleration and braking, harsh cornering and adherence to speed limits. From this data it creates a score ranking out of 100 judging the driver's performance relative to other users of the app.



Living with ALLY

Having an app monitoring your daily driving may be an alien concept for many drivers. **Fleet Car** put ALLY to the test over a period of weeks to find out.

The first thing to note is that setting it up is very straightforward. The hardware consists of a small bluetooth plug similar to a regular USB fob that slots into the car's 12V or 24V socket, while on the software front there's an app to download to a smartphone and a website that provides a summary of trips undertaken and generates BIK reports.

Installation involves downloading the free ALLY app to the Android or iOS smartphone, then, sitting in the car with the engine on, connecting the plug and app via the onscreen instructions. Initial set-up includes entering the car's mileage which allows the driver to periodically compare the odometer against the app recording.

Once the app is initially set-up it will automatically record all journeys provided you have your smartphone alongside, though you can also manually add journeys via the website if you neglected to bring your phone on your journey. A message notifies at the start of each journey that a new trip is being recorded, though this can be turned off if necessary.

As I don't need to record business mileage, this functionality isn't particularly relevant to me, however allocating trips as company travel is a piece of cake, whether on the

smartphone app or via the website. Upon completion of the journey, the trip appears as an individual entry. Within the trip there's the option to choose the type of journey with the following choices:- 'Private', 'Customer Meeting', 'Delivery', 'Service Call', 'Commute', 'Site Visit', 'Supplier Meeting', 'Company Office' and 'Other', with 'Private' the default setting.

Generating a BIK report is done from the webpage, with customers able to generate on a yearly or monthly basis. It's perfect as a simple yet precise tool to record and monitor business mileage.

The driver monitoring side of ALLY is perhaps more relevant to me. As somebody who does reasonably large mileage - around 45,000—60,000 km per annum, having a clean license is critical, and anything that can help to keep that has to be welcomed.

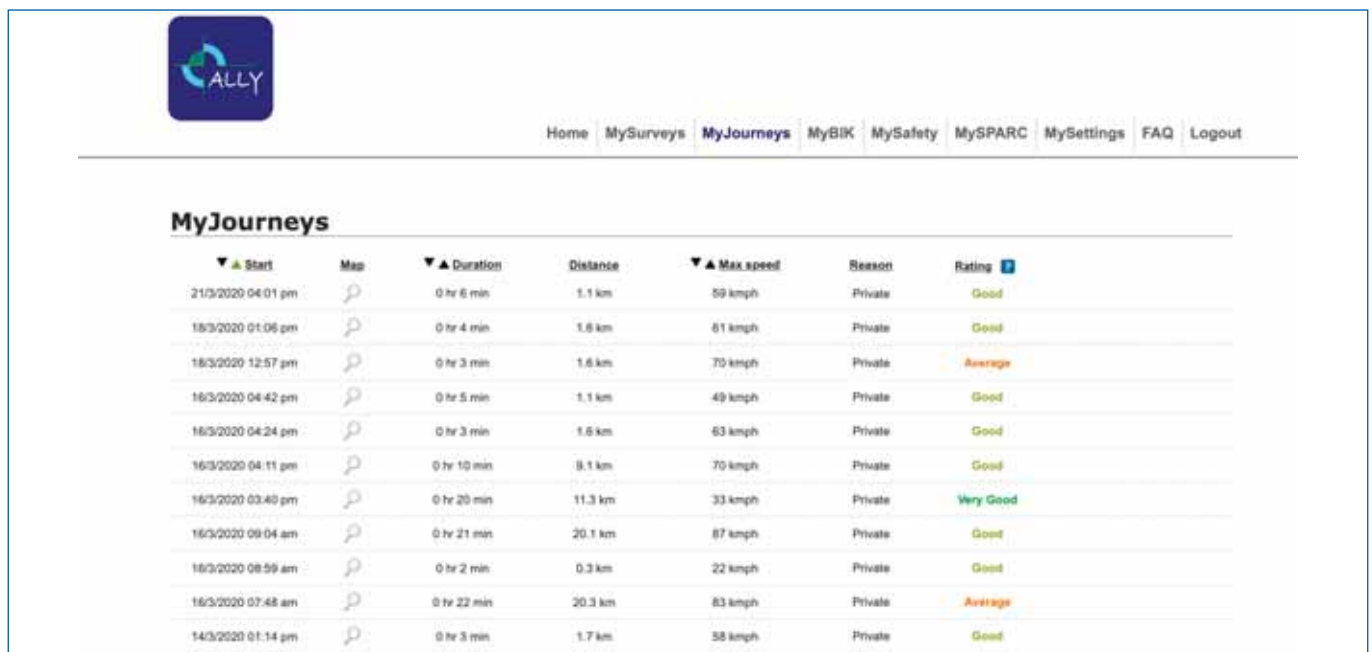
Getting a good score on the ALLY app is challenging, and really calls on the person behind the wheel to reassess their driving habits. For me, the area I fall down on most often is cornering - even when I think I'm taking bends quite sedately, the app tells me otherwise. Equally, although I'm generally pretty aware of speed limits, it's notable how easy it is to fail to slow sufficiently when entering urban areas with 50km/h and 60km/h speed limits.

Has it changed my driving since I started using it? Most certainly. Similar to trying to

reach your daily step target on your Fitbit, maintaining or improving your overall ALLY score quickly becomes an obsession. Interestingly, on longer cross-country runs, I'm noticing that although I'm more aware of how I drive than getting there by a certain time as would have been the case previously, the actual journey times differ little compared to before. Food for thought....

From a company perspective there's significant value in a driver monitoring app such as ALLY, even if Ron McNamara, CEO and founder of DriverFocus notes that the majority of customers for the app are interested primarily in its BIK reporting functionality. Ron's analysis shows that those utilising the driver monitoring functions have seen huge reductions in the number of collisions and road incidents, with resultant falls in insurance costs. Additionally he has calculated that using ALLY can save up to €750 per vehicle per annum in reduced fuel, CO₂ emissions, servicing, depreciation, maintenance and repair costs.

Pricing for the ALLY app depends on the number of users and usage, but in the scheme of things will be a very small outlay for businesses compared to the potential savings on offer. As a simple to use mechanism for recording business mileage it makes sense, but combined with its driver monitoring functions it really is a very useful tool for employers and company car drivers alike.



Start	Map	Duration	Distance	Max speed	Reason	Rating
21/3/2020 04:01 pm		0 hr 6 min	1.1 km	59 kmph	Private	Good
18/3/2020 01:06 pm		0 hr 4 min	1.6 km	61 kmph	Private	Good
18/3/2020 12:57 pm		0 hr 3 min	1.6 km	70 kmph	Private	Average
18/3/2020 04:42 pm		0 hr 5 min	1.1 km	49 kmph	Private	Good
16/3/2020 04:24 pm		0 hr 3 min	1.6 km	63 kmph	Private	Good
16/3/2020 04:11 pm		0 hr 10 min	8.1 km	70 kmph	Private	Good
16/3/2020 03:40 pm		0 hr 20 min	11.3 km	33 kmph	Private	Very Good
16/3/2020 09:04 am		0 hr 21 min	20.1 km	87 kmph	Private	Good
16/3/2020 08:59 am		0 hr 2 min	0.3 km	22 kmph	Private	Good
16/3/2020 07:48 am		0 hr 22 min	20.3 km	83 kmph	Private	Average
14/3/2020 01:14 pm		0 hr 3 min	1.7 km	58 kmph	Private	Good