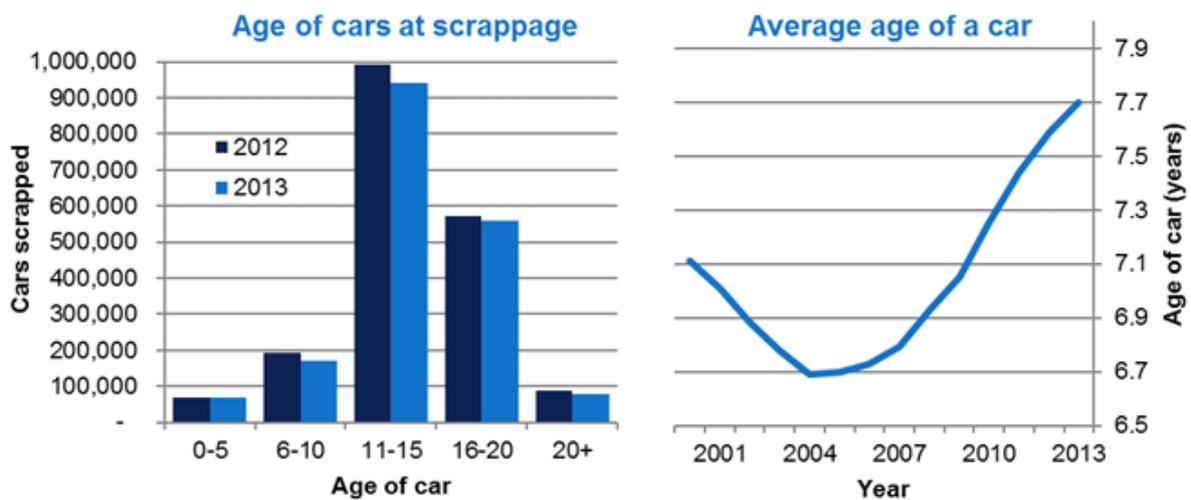


FMI NEWS April 1st 2014

News gathered from press releases, Headlineauto, Motoring4Media, IAAF e-Bulletin and AM-online during March 2014

Record UK Car Parc growth

Rising new car registrations and longer lasting cars combined to push up the UK car parc by more than 436,000 units, according to a new study by The Society of Motor Manufacturers and Traders (SMMT). The 1.4% rise in the 2013 parc marked the fastest rate of growth for 10 years. This saw the number of older cars rise at a pace as ever increasing reliability and economic factors combined. Cars older than 12 years rose 11.3% against 2012 with 2.06 million more cars recorded in the latest census. Compared with a decade ago, the average age of a car increased by a full year (to 7.7 years old), as the trend grew longer for cars remaining on the road.



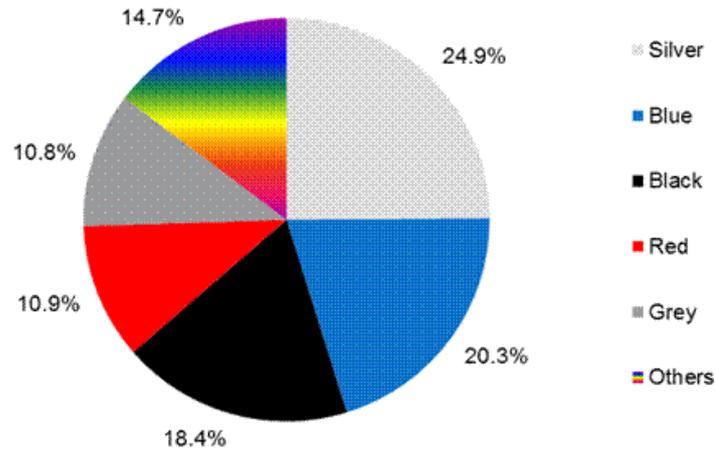
Almost a fifth of models on UK roads were built here, with only Germany boasting a higher market share. Spain, France and Japan make up the top five, which collectively accounts for more than three quarters of the 31.9 million cars on UK driveways. There are more than 1,453 different models on UK roads, but Ford Focus takes the top spot for popularity, boasting almost 1.5 million owners. The smaller Ford Fiesta secures second place, setting the scene for much of the UK top 10, which features the family car and supermini offerings from Vauxhall and Volkswagen – highlighting demand from motorists for affordable, fuel-efficient, well-equipped vehicles.

UK car parc top 10

Make	Model	Total on UK roads
Ford	Focus	1,462,735
Ford	Fiesta	1,423,254
Vauxhall	Corsa	1,246,650
Vauxhall	Astra	1,188,385
Volkswagen	Golf	998,645
Renault	Clio	680,890
Volkswagen	Polo	625,144
Ford	Mondeo	562,948

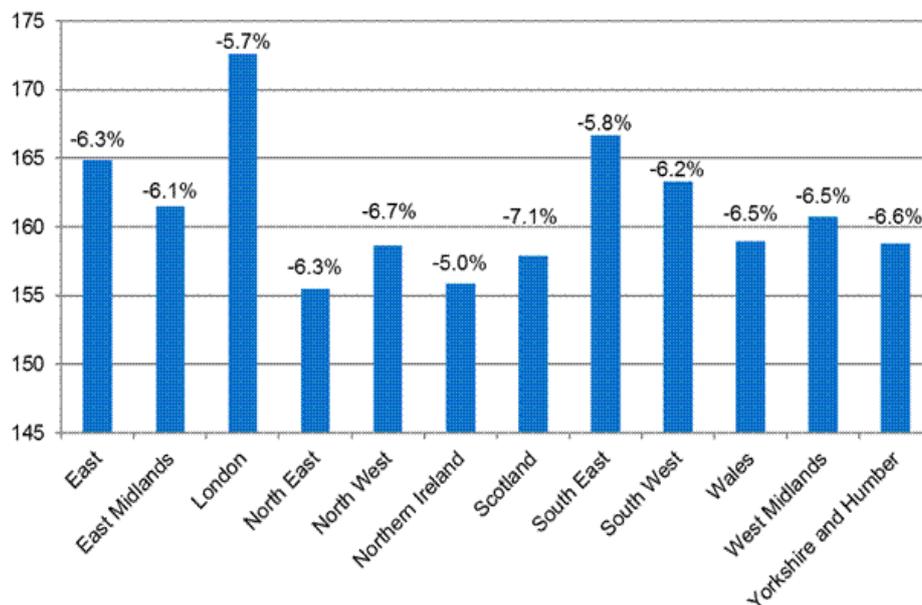
The motor parc changes colour slowly due to the numbers of vehicles involved, but the top five colours nationwide reveal a trend to a monotone palette. In the past year, the parc has lost blue (-2.7%) and red (-0.5%) models in favour of black (+4.8%) and grey (+5.6%).

Top UK car colours



Lower CO₂ (carbon dioxide) emissions mean better fuel economy figures, a fact that seems to interest motorists nationwide. Thanks to innovative new engines and the introduction of hybrid and electric cars, the UK car parc has cut CO₂ by 7.3% in the past five years (to average 160g/km CO₂). Scotland has made the biggest improvement since 2009 (dropping emissions by 8.8% on average), but the greenest regions are Northern Ireland and the North East, which share a parc average CO₂ value of just 156g/km. The country-wide improvements have been led by the latest models that have cut emissions 14% in the past five years to average just 128.3g/km CO₂.

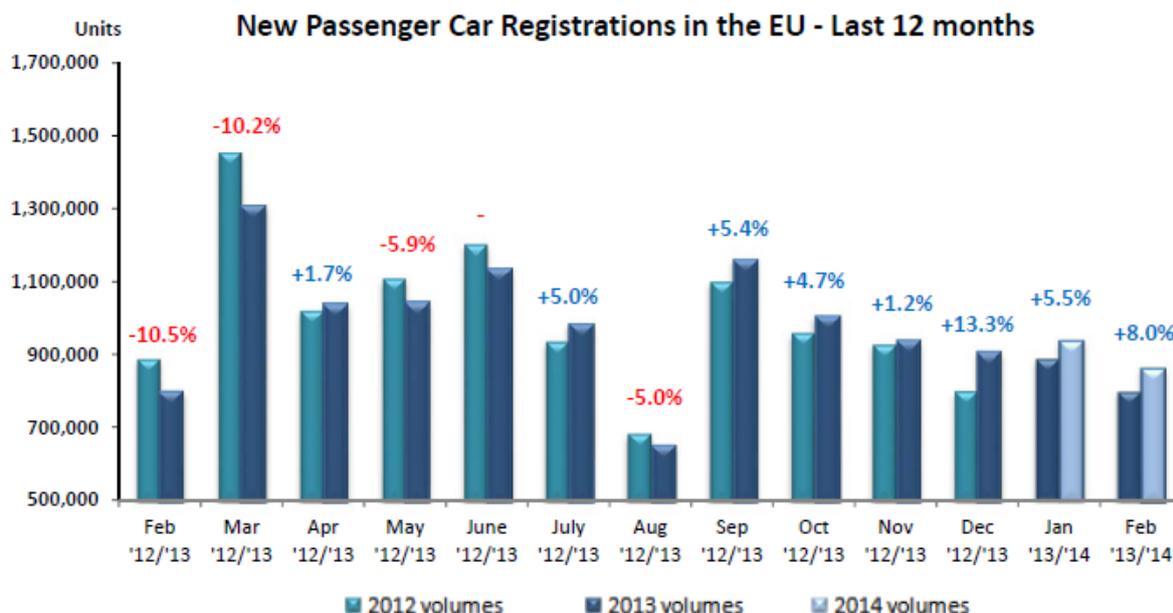
Average parc CO₂ emissions by region with % improvement since 2009



More information about SMMT's Motorparc and new vehicle registrations data services can be found at www.smmt.co.uk/data.

EU Passenger car registrations continue to rise

In February 2014, demand for new passenger cars in the EU* increased for the sixth consecutive month, with a rise of 8.0% in registrations compared to February 2013. However, in absolute figures, the total of 861,058 units registered marked the second lowest result to date for a month of February since ACEA began the series in 2003 with the enlarged EU.



From January to February, new passenger car registrations increased by 6.6%, totalling 1,796,787 units.

In February 2014, France was the only major market to face a downturn (-1.4%). All other significant markets contributed positively to the overall 8.0% expansion of the EU* market, with growth ranging from +3.0% in the UK, +4.3% in Germany, +8.6% in Italy to +17.8% in Spain.

Two months into the year, most major markets posted growth contributing to the overall 6.6% upturn of the EU* market. Demand for new passenger cars increased by 5.7% in Germany, 6.0% in Italy, 6.1% in the UK and 13.1% in Spain. France (-0.5%) was the only significant market where new passenger car registrations declined in this period.

* EU28, data for Malta unavailable

Used car values fall in February as volumes rise

BCA's latest Pulse report on UK used car volumes shows that average values fell in February by £51 (0.7%) to £7,330, compared to the previous month. Year-on-year, February 2014 was ahead by £274 or 3.8%, compared to the 3.4% year-on-year increase reported in January. Both average age and mileage rose

slightly over the month while average performance against CAP Clean improved by a point to 98.74%.

Simon Henstock, BCA's UK Operations Director commented, "Volumes rose in February and we expect to see that trend continue over the coming weeks. The SMMT is forecasting a strong March and, as every new car sale typically generates a chain of used car activity, there will be greater volumes from fleet and contract hire sources as well as increasing numbers of dealer part-exchange vehicles."

"Feedback from main dealers suggests they are expecting a busy March and April, which in turn will generate a significant rise in volume through remarketing channels."

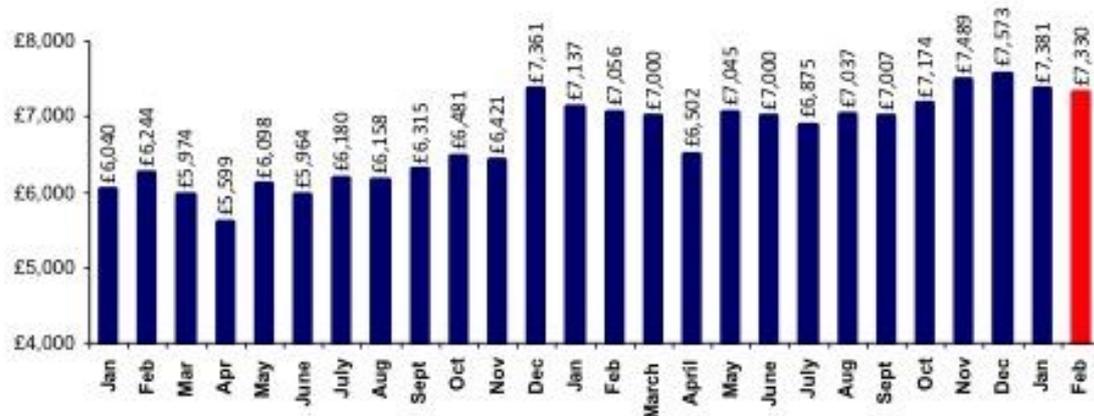
"Even though we are reporting some pressure on average values, used car demand remains very strong, particularly for retail quality vehicles. However, as volumes rise, the supply and demand dynamics of the market will change and sellers should be planning for this with their remarketing partners. As always, the best cars will continue to sell well, but for vehicles that are in poorer condition, lower spec or higher mileage it is vital they are valued to sell in line with market sentiment."

"Sellers should consider pre-conditioning vehicles to sell first time, if necessary using Smart Prepared techniques to make sure their cars look 'retail ready' when they are offered for sale. Post-Easter values have typically dropped in previous years and sellers should avoid 'chasing' the market with stock that appears over-valued."

Year-on-year table: All cars

All cars	Avg Age (mnths)	Avg Mileage	Avg Value	Sale vs CAP
Feb 2013	60.45	56,341	£7,056	98.67%
Feb 2014	62.15	56,994	£7,330	98.74%

Average Used Values - All Sectors - 2012 - 2014 by Month

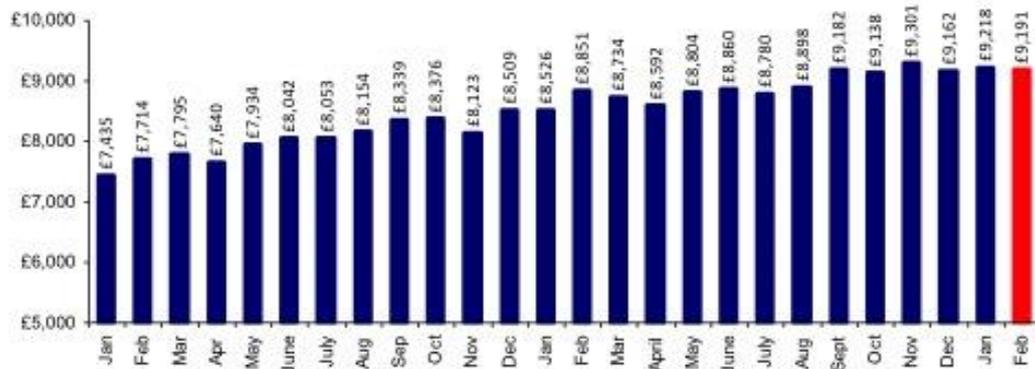


Fleet & lease cars averaged £9,191 in February, a fall of just £27 compared to January, which was one of the highest months on record. Values were up by £340 (3.8%) year on year. CAP performance improved by a point over the month to 98.64% and was broadly static year-on-year. Retained value against original MRP (Manufacturers Retail Price) was up half a point at 43.05% compared to January and was up by a similar degree, year-on-year.

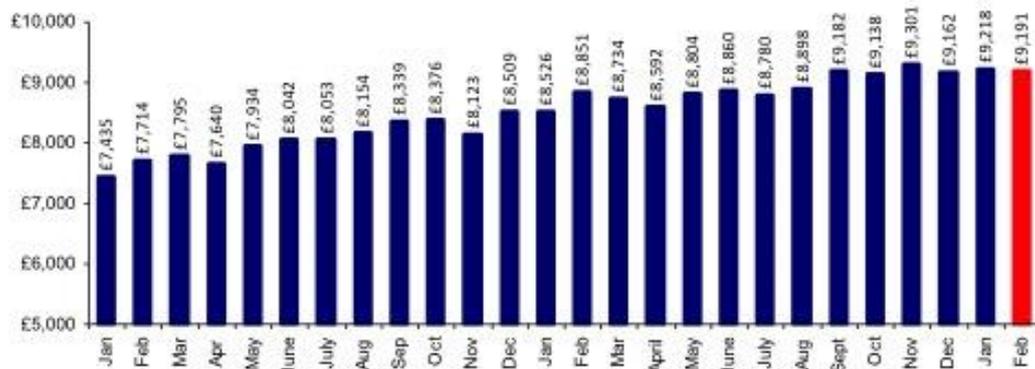
Year-on-year table: Fleet & lease

Fleet/ Lease	Avg Age (months)	Avg Mileage	Avg Value	Sale vs CAP	Sales vs MRP
Feb 2013	40.28	46,246	£8,851	98.80%	42.60%
Feb 2014	40.15	46,094	£9,191	98.64%	43.05%

Fleet & Lease 2012 - 2014



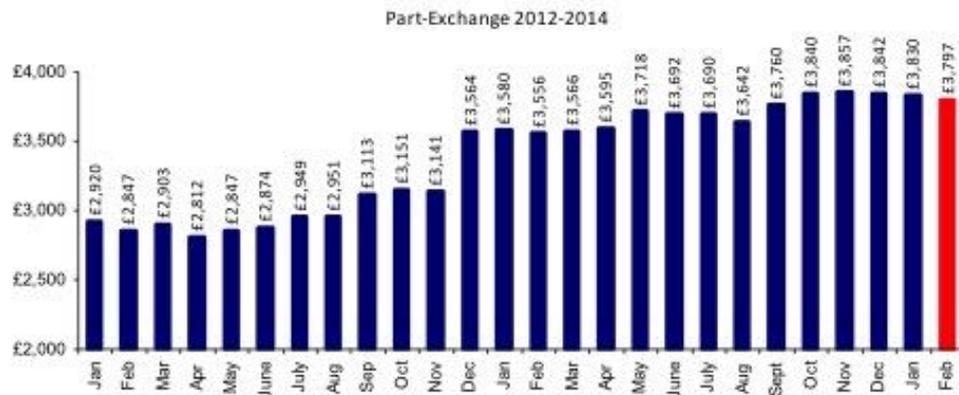
Fleet & Lease 2012 - 2014



Average dealer part-exchange values have been broadly static since October last year and fell by just £33 (0.8%) in February. Year-on-year, values were ahead by £241 (6.7%) compared to February 2013 with average age rising and mileage static over the year. CAP performance improved to 97.54% in February, up one point compared to January.

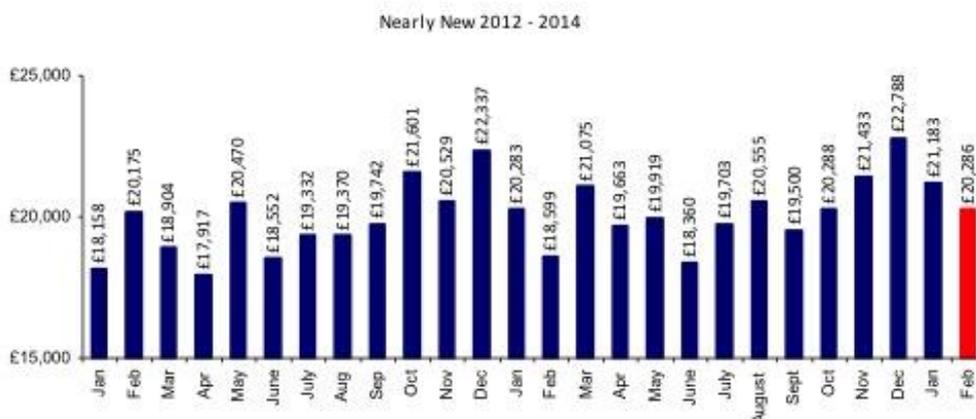
Year-on-year table: Part-Exchange

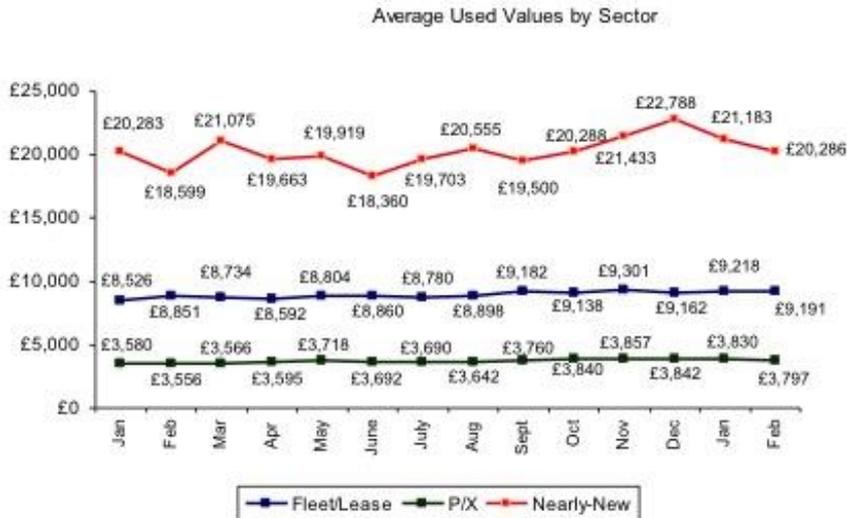
Part-Exchange	Avg Age (months)	Avg Mileage	Avg Value	Sale vs CAP
Feb 2013	87.89	73,290	£3,556	97.21%
Feb 2014	88.98	73,442	£3,797	97.54%



Nearly new values fell for the second month running, down to £20,286 from £21,183 in January, but volumes remain very low and model mix remains the most significant price factor.

Nearly-new	Avg Age (months)	Avg Mileage	Avg Value	Sale vs CAP
Feb 2014	8.69	9,456	£20,286	100.58%





Website: bca.co.uk

Continued market stability for part exchange

Manheim's latest monthly Market Analysis in 2014 shows that part-exchange values have risen again for the second month in a row, with February witnessing an all-time high of £3,216, which is a £7 increase when compared with the previous month. This differs from the BCA Pulse report because the sample includes a higher proportion of older and higher mileage cars based on auction sales rather than dealer sales.

On the whole, average selling prices have been on a positive trajectory over the past six months, with values rising by £587 over the period. In fact, the positivity goes even further back, as average values in February 2014 are £280 higher when compared with the same period last year.

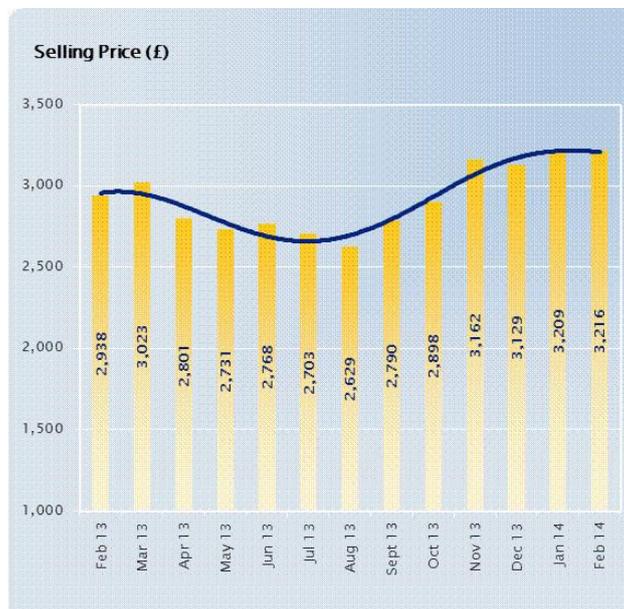
These figures signal a clear trend and reflect the current strength of the used car market, as values increased despite the rise in both vehicle age (from 100 to 101 months) and mileage (from 76,947 to 77,747) respectively. They also echo the performance in the new car market, which saw registrations rise for the 24th consecutive month in February 2014, according to the latest SMMT data.

Daren Wiseman, valuation services manager at Manheim Auctions, commented, "The strong demand for used cars has continued throughout the first quarter of the year, which has helped keep average part-exchange values high. When you compare February 2014 with previous years, the values have been remarkably strong and I can only see this trend continuing for the foreseeable future."

When looking at Manheim's monthly barometer in more detail, the average selling price rose for six of the 10 segments covered by the report. The most notable increase was seen in the supermini segment, which saw values increase by 10.7%, which is reflective of a fall in both average age of one month, to 97 months, and average mileage by 2,449, to 55,265.

The supermini segment has also performed well in the new car market, with the latest SMMT figures showing a 16.4% increase between February 2012 and February 2014, thanks to the introduction of a number of new models on the market, as well as a growing number of motorists looking to reduce running costs, factors that also stand true in the used car market.

Wiseman concluded, *"It will be interesting to see how the market reacts as we head towards summer. We are continuing to see an increase in the number of vehicles coming to auction following the plate change, while February has seen both the average age and mileage increase. However, the growing volumes have not impacted upon the selling price. This means that there continues to be high demand among buyers for quality used cars and, from what I have seen at the auctions so far in 2014, I would predict that, unless there is a considerable incident on a global scale or the weather in the UK gets decidedly worse, values will remain stable until the summer."*



Don't buy a used car on face value

Most used car buyers may think that if their new purchase develops a problem, there's nothing they can do, but that's not the case. Vehicle information expert, HPI®, the provider of [HPI Check®](#) urges used car buyers to establish their legal rights before they part with their hard-earned cash. With 1 in 3 cars checked by HPI® found to have a hidden history, it pays to get a vehicle history check, but many consumers still take the risk and could end up out of pocket.

"Whether you buy through a dealer or a private seller, consumers need to do their homework before handing any money over," says Shane Teskey, [www.hpichack.com](#) Senior Consumer Services Manager. "The private market often has some of the most tempting offers, but it offers very little legal protection for buyers. We advise 'Caveat emptor', the legal term for buyer beware".

"It's easy to be taken in by a charming seller with an answer for everything, but if it turns out to be a pack of lies, you can take them to the small claims court. However, the legal bill could be more than the value of the car."

Forewarned is forearmed

When buying privately, head to [www.hpichack.com](#) to conduct a vehicle check, providing one of the best forms of protection. The HPI Check® includes a mileage check against the National Mileage Register as standard, now with over 160 million mileage readings. HPI® also confirms whether a vehicle is currently recorded as stolen with the police, has outstanding finance against it or has been written-off, making it the best way for consumers to protect themselves from fraudsters looking to make a fast profit. In addition, the HPI Check® offers a £30,000 Guarantee in the event of the information it provides being inaccurate, offering added financial peace of mind to used car buyers.

Sale of Goods Act

Most car buyers think that just because they have bought privately that they are not entitled to a refund but that's a myth. Used car buyers can go back to the vendor under the Sale of Goods Act if the car is not as described or a satisfactory quality and fit for purpose and ask for a refund or for the car to be repaired.

Make sure you keep a copy of the description of the car noted in the advert and then talk to seller about the discrepancies - if you still want the car rather than a full refund you could negotiate and ask the seller to pay for what is needed to meet the description in the ad - that way you keep the car and get what you thought you paid for.

Buy from a reputable dealer

If buying from a dealership, ask to see the history and mileage checks they should have conducted, as advised by the Office of Fair Trading (OFT). Check that they are part of an organisation such as the Retail Motor Industry Federation (RMIF) or that they have signed up to the Motor Codes scheme [www.motorcodes.co.uk](#) which demands a strict code of practice. If you buy from a reputable dealer, your rights are comparable with buying from any other retail outlet.

Shane Teskey concludes, *"With a little bit of research, consumers can arm themselves with the facts and reduce the risks of falling foul of fraudulent sellers. We encourage all used car buyers to understand their rights when buying a car from dealers and private sellers. Before you complete the deal, head to www.hpcheck.com for a full vehicle check that could reveal whether that car is a bargain or a banger with something to hide."*

Funding boost for roads hit by bad weather

An extra £140million is being made available to help repair roads hit by weather damage, Transport Secretary Patrick McLoughlin announced yesterday (Sunday 9 March 2014).

As part of the government's response to the damage done during one of the worst winters on record, support for councils to fix the roads most damaged by severe weather will be increased by £36.5m, to **£80million**. On top of this, following the exceptionally severe weather of recent months, an extra **£103.5million** is also being made available to all councils across England. This is in addition to almost **£900million** already made available for road maintenance this year, bringing total government investment allocated to road maintenance to more than **£1billion** in 2013/14.

Transport Secretary Patrick McLoughlin said, *"Having the right infrastructure in place to support businesses and hardworking people is a crucial part of our long-term economic plan. This extra money will help make a real difference to the millions of road users and local residents who rely on local roads, giving them safer and smoother journeys."*

Councils have a responsibility to maintain their roads properly, but the exceptional weather has caused significant additional damage, increasing the amount of damage to the local road network. As the flood waters have receded and councils have been able to assess the impact, it is clear that these have been particularly severe in certain areas.

This additional money will be allocated on a formula basis, and will be distributed to the majority of councils in England within 7 days, to ensure that they can make use of it as soon as possible and complete works before the summer holidays.

In order to qualify for this extra funding, local authorities will be required to publish information on their websites by the end of August 2014 showing where this money has been spent.

The Freight Transport Association has welcomed the Government's decision to offer local highway authorities £80 million to fix the roads most damaged by severe weather.

However, with the possibility that we will see more occasions when severe weather will affect our road network, highway authorities must look at their whole life maintenance plans to build and maintain more reliable, resilient roads.

Good practice examples exist and have been highlighted by the Highway Maintenance Efficiency Programme, which produced a pothole review last July. That report looks at how to embed good practice recommendations and what further action highway authorities must take to deal with the issue.

Malcolm Bingham, FTA's Head of Road Network Management Policy, said, *"We have suffered from years of missed opportunities in highway maintenance and now is the time to take action to create resilience in the network - something that is vital to the economic future of the freight and logistics industry."*

Car sharing

Dedicated corporate car sharing solutions are becoming far more prevalent in a company's mobility requirements, as the attractiveness and awareness of such offerings increases.

A recent analysis from Frost & Sullivan estimates the number of vehicles used in corporate car sharing schemes to stand at about 2,000 vehicles in such fleets in 2013. It forecasts that by 2020, there could be between 75,000 and 100,000 such vehicles in operation, as key providers such as OEMs, leasing arms, rental companies, car sharing organizations (CSOs) and technology providers continually enter the market and expand geographically with competing solutions.

Analyst Quote; "Frost & Sullivan believes the Corporate Car sharing market is set for a considerable growth stage, due to the visibility and cost effectiveness provided to fleet managers, set against the perks and flexibility of car sharing for their employees. This is already tempting several corporate mobility providers into developing competing solutions leveraging this technology led service to their customers."

Is there such a thing as Road Tax?

Last year a young driver boasted on Twitter about hitting a cyclist. The tweet went viral and this driver later appeared in court. She was charged with driving carelessly and failing to report an accident. She later said in a TV interview that she regrets the tweet and didn't drive badly. Her tweet enraged cyclists because she claimed right of way because #bloody cyclists "don't pay road tax".

Cyclists often report that aggressive motorists justify their behaviour on the basis that they alone pay "road tax". But there is no such thing. In fact road tax was abolished in 1937 and replaced by Vehicle Excise Duty.

Vehicle Excise Duty is a tax on cars not roads. This tax goes into the general Treasury fund. Sometimes referred to as VED, 'car tax' it could be classified as a pollution tax since it is now based on the size of the engine of the car and the emissions. Ultra low emission vehicles are exempt.

The word "road tax" implies that the tax should pay for roads and that drivers have more right to road space than pedestrians, horse-riders and cyclists. In another confrontation recorded by helmet-camera a cyclist accuses a driver of

missing him by just a few inches. He is asked in return "do you pay road tax?" In another a cyclist is told he has no right to be on the road "no pay, no say".

Motorists who've been cut up by aggressive cyclists or seen them jump red lights may have some sympathy with the idea that the roads would be better if those in cars had formal priority. The "but I pay road tax" syndrome so annoyed cycle journalist Carlton Reid that he set up a website, ipayroadtax.com. Its purpose is to persuade official bodies to lead the way in banishing this durable phrase. *"It's dangerous if motorists think that because they pay car tax they have an entitlement to the road,"* he says. *"A small minority of drivers seem to think it gives them the right to drive badly. Language is very powerful. If we can persuade all official bodies to use the term car tax then maybe in a generation or two Mondeo Man will have stopped calling it road tax."*

So we pay 'car tax' not 'road tax' but the motorist is still paying either way? What do you think should cyclists pay a tax? Should anyone riding a horse pay a tax?

New website provides road safety resources to professionals

A new website has been launched to give fleet and road safety professional's tools and advice to support the vital work they do promoting road safety and helping to prevent road deaths and injuries.

The website, www.brakepro.org, is aimed at a range of professionals including road safety practitioners, employers of at-work drivers, driver trainers, road and vehicle engineers, emergency and health workers, road safety academics and campaigners.

Brake Professional replaces Brake's former Road Safety Forum and Fleet Safety Forum websites, combining all the resources both practitioners need into one place. Current subscribers will continue to receive their current benefits, but through the new site.

Resources subscribers can access through the site include:

- Guidance reports on a range of road safety topics, containing research and best practice advice
- Advice sheets to give to drivers providing key road safety advice
- Posters on a range of topics to display in workplaces and communities
- Pledge toolkit consisting of resources to help professionals deliver the key messages of the Pledge to drivers
- Survey reports on Brake's surveys with fleet operators on road risk management practices, and with drivers on their attitudes and behaviour towards road safety
- Research library providing access to road safety research from around the world
- Fleet Safety Forum resources to help fleet managers to tackle the risk of at-work drivers

The site also provides information on events for professionals and other ways to work in partnership with Brake, for example by fundraising for the charity and taking part in Road Safety Week.

To celebrate the launch, Brake is offering a special discounted rate for subscribing. For just £50 + VAT, the first fifty people who go on to email professional@brake.org.uk quoting discount code 'bp-sub'- will receive a 12 month subscription giving them access to all these tools. The standard rate for an annual subscription to Brake is £155 + VAT.

Make your fuel go further

Which? reveals how you could cut your fuel bills by as much as £400 a year by following a few simple tips.

- **Driving more efficiently (£190 a year saving):** Driving smoothly and gradually building up speed will ensure the engine is using the lowest revs and preserve fuel, as will reading the traffic flow ahead to help maintain a steady speed, cruising at the optimum speed of 55mph, using 'Eco' mode if your car has it, and turning off air con.
- **Make your car more efficient (£239 a year saving):** Regular servicing helps to keep your car lean and green, under-inflated tyres can increase fuel usage by as much as 4%, and carrying unnecessary weight, like an unused roof rack, will reduce fuel efficiency.
- **Find the cheapest fuel:** Keep an eye out for supermarket fuel promotions, especially around Easter and Christmas, and use loyalty cards such as Nectar and Tesco Clubcard to earn points at the pump.

Britain's safest and most dangerous counties for car condition/use

New research by IntelligentCarLeasing.com shows the safety levels of vehicles across all UK counties by looking at penalties applied to driving licences in 2013. The DVLA provided Intelligent Car Leasing the number of cases where driving licence penalty points were applied for 'construction and use' offences in 2013 broken down by county. Construction and use offences are those which relate to the condition or use of a vehicle posing a dangerous risk to the driver and others.

Interestingly the majority of results in the overall top 40 most dangerous are from areas in **Scotland**. It's difficult to tell whether this is down to a genuinely less safe record of vehicle maintenance/use or more vigilant policing. Regardless of the explanation the highest number of points applied in relation to population size is very top heavy towards Scottish counties.

The DVLA's provided data has been further filtered by Intelligent Car Leasing to create a comparative set of results on a points applied per capita basis. Put simply, the refined data shows the number of cases of 'construction and use' penalty points applied per 10,000 residents for each county. This allows all areas to be evenly compared for vehicle condition and safety levels allowing for the best/worst to be identified.

The most dangerous out of all counties in the UK is **Stirling in Central Scotland**; with 99.67 incidences of 'construction and use' penalties being applied per 10,000 residents.

On the opposite end of the spectrum **Gloucestershire in South West England** reveals itself as the safest; with only 4.99 incidences of points being applied per 10,000 residents. When looking at individual penalties in the category of 'construction and use' penalties you see a variety of counties cropping up on top:

- **Moray North Scotland** - Defective brakes (CU10)
- **Caerphilly South Wales** - Using an unsuitable or generally dangerous vehicle (CU20)
- **Caerphilly South Wales** - Defective tyres (CU30)
- **Edinburgh (City) and Greater London** - Defective steering (CU40)
- **Durham North East England** - Unsafe load or passengers (CU50)
- **Stirling Central Scotland** - Breach of requirements to control the vehicle (CU80)

Time for action on older drivers

The IAM is calling on the government to introduce a national strategy of driving health checks and better information for elderly drivers and their families. The call comes after a poll showing that forty-two per cent of the population are worried about an elderly relative driving, yet they are unlikely to do anything about it.

The IAM and Vision Critical poll of 1297 people shows that while concern about elderly drivers is evident, acting on our concerns is another issue. Fifty-eight per cent of those concerned did nothing about it. When we do talk to our relatives about their driving it does not always go down well. Of those that had done this, nearly half of respondents (47 per cent) were met with negative reaction.

IAM chief executive Simon Best said: *"Talking to an elderly relative about their driving is a difficult conversation to have. Driving is associated with independence, so giving up the car keys can be a very stressful process. This is especially true for drivers with dementia as they often underestimate the impact of the condition on their driving skills."*

"Voluntary online and on road driving assessments will provide an unbiased view and help everyone make the right decision at the right time. We are finding while there are some elderly drivers who should not be on the road, most get it right and as many as 15% give up too early."

"But with ever increasing numbers of elderly drivers, this is a growing mobility and road safety issue that won't go away. The government needs to act now."

The IAM wants a government action plan for older drivers, widespread availability of voluntary on road driving assessments, more car manufacturers considering older drivers in vehicle design, better information and online assessment tools for older drivers, their families and health professionals, road designs that make it easier for older drivers to keep driving.

There are now more than four million drivers over 70 years old, a figure that is set to increase to 5.8 million in 2032.

One in ten thinks MoT is optional

Nine per cent of drivers (3.4 million) admitted they were not aware that an MoT certificate was a legal requirement for cars over three years old in the UK. A recent Kwik Fit study also highlighted similarly widespread levels of ignorance with regards to other motoring obligations, with nine per cent of drivers admitting they didn't realise car insurance was compulsory and 10% saying the same about a valid tax disc.

While some drivers are unaware of which items are legal requirements, other motorists think regulations are stricter than they are in reality. As part of the study, Kwik Fit questioned motorists about the need to service their car annually and found that a fifth (20%) incorrectly believed this was a legal obligation. A further 46% mistakenly thought that the law required them to carry a spare tyre in the UK and 18% incorrectly said the same about an emergency warning triangle.

The research also uncovered confusion amongst motorists as to what checks are included in an MoT, raising concerns that millions of drivers could be relying on this test to ensure the safety of items that are not part of the checklist. Around 40% of motorists said they expected their car's oil levels to be checked as part of an MoT and 38% expected their battery condition to be assessed. The same applies to air filters (30%), brake fluid (58%) and even cleanliness (five per cent).

Roger Griggs, director of communications at Kwik Fit, commented, *"This widespread confusion amongst motorists is alarming and raises real concerns over driver safety and compliance with the law. It's vital that car owners don't rely entirely on an MoT test for vehicle maintenance, as servicing is a fundamental part of maintaining both the safety and value of a vehicle, even though it isn't a legal requirement."*

Of those questioned in Kwik Fit's survey, seven per cent - equivalent to 2.6 million motorists - admitted to having driven without a valid MoT certificate in the past and 21% say they have attempted to try and fix vehicle faults and damage themselves to ensure their car would pass its MoT test.

Ignorance surrounding what is or is not mandatory for driving in the UK was most prevalent amongst younger drivers, with 15% of those aged 18 - 24 saying they thought a tax disc was optional and 15% saying the same about insurance. A third (33%) of these young drivers also said they thought an annual service was compulsory.