

## Supermarket fuel strategy is a winner for Quadron Services



South West based property maintenance firm, Quadron Services Limited, has cut its £1m fleet fuel bill by 2.5% after switching from oil company volume discounts to a low-price buying strategy.

More than 90% of the fuel for Quadron's 600-vehicle fleet is purchased at supermarket sites, where fuel prices are typically 3 pence per litre lower than the national average.

"We spend around £1 million a year on fuel and estimate that the low-price strategy is saving us £25,000," said Darryl Gahame, Quadron's Fleet Manager, who has overall responsibility for the fleet.

Quadron issues its drivers with Arval multi-brand fuel cards, which are accepted by more than 90% of fuel stations in the UK including all major supermarkets.

Arval's comprehensive management information enables Quadron to check whether staff apply the low-price purchasing policy. Drivers face disciplinary measures if they persistently ignore the policy.

Quadron's fleet ranges from cars to 3.5 tonne medium sized vans. They are driven by the company's teams of skilled tradesmen, engineers, grounds care professionals and conservationists who service Quadron's growing list of public and private sector clients.

"Several reasons prompted the company's switch from an oil company card to Arval multi-brand fuel cards in 2005", said Darryl Gahame.

"Our supplier at the time was closing outlets or relocating them on to motorways and the reporting they offered was limited and inflexible. It meant we couldn't manage fleet fuel the way we wanted to.

"Cost was another factor. Prices at the branded outlets we used were almost always higher than the lowest-priced forecourts – i.e. the supermarkets. Although the oil company branded cards offer a volume discount, when we took into account the shrinking number of sites and the higher starting price, the actual cost of purchasing fuel was still often higher than other outlets.

"Arval offered us much wider network coverage, including almost every supermarket site in the country, superior management information reporting and online account administration. With these advantages, we had what we needed to introduce the low-price fuel purchasing policy."

Discipline and education both play a part in making the purchasing policy work, according to Darryl Gahame.

"The discipline side involves insisting that drivers refuel at retail supermarkets wherever possible and report their registration numbers and mileages accurately at the point of sale to give the company good reporting data."

"We also educate the drivers to make them aware of price differentials and get them to think about when they'll need to fill up so they can pick and choose where to buy."

Arval's management information reports are sufficient for Quadron's needs. If more information is needed, the company can log securely into its account, via Arval Online, to view the latest situation at any time of the day or night.

Quadron can also order or cancel cards and transfer them between cost centres using Arval Online.

"With Arval, new cards arrive within days. Before, it sometimes took weeks, which meant extra work processing expense forms and VAT until the card arrived."

The burden of administering VAT on Quadron's £1 million fleet fuel spend is considerably eased by Arval's consolidated invoices, which are accepted by HMRC as VAT documents and remove the need for Quadron to collect thousands of forecourt receipts from drivers.

"Quadron is delighted with the outcome of its switch to the Arval multi-brand fuel card", said Darryl Gahame.

"It's made managing our fuel easier. The service when we telephone Arval's fuel card team is excellent and above all it's enabled us to buy 90% of our fuel at the lowest prices available."

## About Quadron

Quadron is a successful private company with a core focus on property and grounds maintenance. It has also introduced new growth areas in the private and retail sectors.

The company has regional offices in Caerphilly, Farnham, Newton Abbot and London. It employs nearly 1000 people and has a 24 hour call centre.

## For more information

To find out more about how Arval fuel cards could reduce your fuel costs please contact Arval on **0870 013 1212** or **[www.arval.co.uk](http://www.arval.co.uk)**