

Private Hire Board

To walk with Dinosaurs

by EDDIE TOWNSON
Chairman Private Hire Board



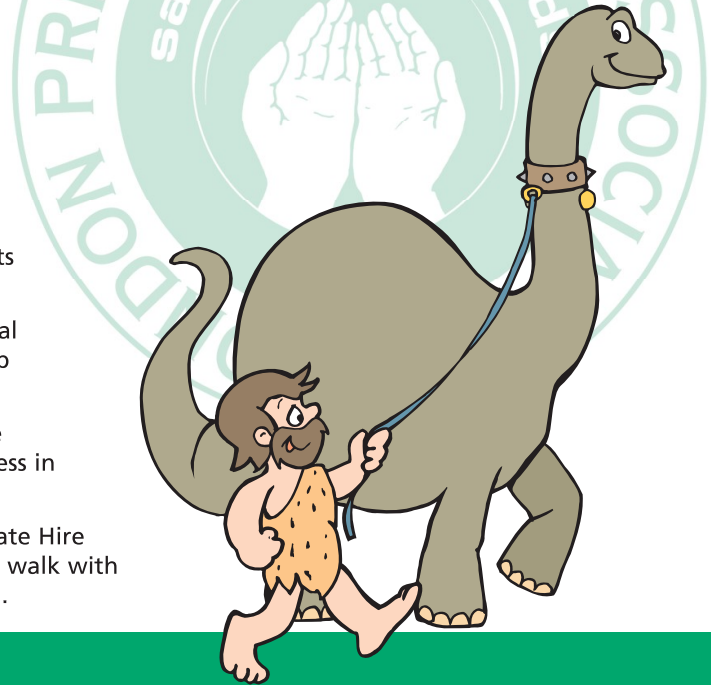
Many of you will know that **The Private Hire Board** was formed in 1995 to give support to the main active **Trade Associations** to promote the **Private Hire Sector** ethically, politically and socially.

In the near future the **Board** will be re-constituted to embrace the changes that have taken place in the 12 successful years of its history.

Hopefully new mandates will be adopted that enable the original objectives to be sustained and new blood will be enlisted to help continue and maintain our important role.

The success of the **Inaugural Private Hire Ball** shows what can be achieved and we have a great opportunity to build on that success in other areas.

As much about regulatory issues are covered in this issue of Private Hire News I have put an article about Private Hire & Green Issues - To walk with Dinosaurs – by Bernard Hall in the Board's pages this time round.



"To walk with Dinosaurs" by Bernard Hall



"To walk with Dinosaurs" is an expression used in the Orient to describe people who are blind to what is happening around them. Open any Newspaper on any day and what do we read? How the **USA's subprime fiasco** is blighting **British Banks**; how **housing stock** is desperately needed yet values are falling and news of the latest exploits of the great and glamorous.

Read more closely and we are made aware of two of the most significant events ever to confront Mankind:

Never mind whose fault it is but we'd be **walking with Dinosaurs** if we ignore the evidence. For example:

Globally, we emit over 26 billion tonnes of CO² into the atmosphere every year.

Globally, we consume 85 million barrels of oil every day.
That's about 35,000 gallons every single second.

Since **CO² is a Greenhouse gas** that hangs around in the stratosphere for over a hundred years, it's little wonder that the **World's environment and ecosystems are changing** with possibly catastrophic consequences.

Given the amount of oil we use, it's little wonder that *demand is outstripping supply and will continue to do so* as populations rise and the economies of developing nations continue to, well, develop.

Most existing oil fields are said to have already 'peaked' with production not being matched by new discoveries of **'Light Crude'** sources.

Maybe not a problem today, we may think, but if we continue with our 'business as usual' attitudes, our world will be a very different place quite soon. 2050 may seem a long way away, but 70% of the current population will still be here.

The question is **"Who owns the problem?"**

The simple answer is that **we all do since we all consume oil and emit greenhouse gases.** Governments set targets and impose **'climate change' taxes** on both businesses and individuals.

Last year, 'green taxes' amounted to £26 billion in the UK, £24 billion of which was collected from forecourt pumps. It seems a bit unfair to hammer the motorist since our **27 million cars** are only responsible for about **10% of the UK's annual emissions** of around **770 million tonnes.**

The transport sector is an easy target for revenue it appears.

All fleet operators, whether in the **private hire/courier or haulage** sectors are subjected to something of a double whammy. On the one hand we have taxation whilst on the other, the cost of fuel.

Light crude is now selling at around **\$96 a barrel** and is soon expected to rise through the **\$100 dollar a barrel barrier** – and then some more!

Diesel at the pumps is already **over £1 a litre** and again is expected to rise. According to the indicators, probably quite quickly and who knows to what level? *We're not talking about a blip here but a measurable trend.*

Customer perceptions

Private hire/Courier customers are people and people are becoming increasingly savvy about environmental issues. According to recent surveys conducted by the **Office of National Statistics** and **British Social Attitudes Surveys**, **81%** of us admit to being 'fairly' concerned about the potential consequences of climate change. **72%** of us believe that road transport is the most obvious culprit whilst **40%** of us cite aircraft emissions as being particularly villainous.

In fact, the guilt burden is about 10% and 2% respectively. Nonetheless, the vast majority of us are expressing concern and this concern is increasingly expanding into businesses and organisations of all sizes and across all sectors.

Whilst trying to improve their own environmental performance (or 'carbon footprints') they pose the question - "What are your environmental credentials?" to their suppliers and subcontractors. To ignore or dodge the question does not make business sense - especially in a highly competitive market. So, the solution seems to be to get some credentials.

Why bother?

Well, if you're not convinced already, consider this equation: sound environmental management practices save money and enhance reputations. Good business is also good for the Planet! Consider this example:

A car with a **CO₂** emission rating of **220 grammes per kilometer** will emit about **14 tonnes of CO₂ every year** with an average **annual mileage of 40,000**. The fuel bill (at today's prices) will be around **£5,860 per annum**. Over the vehicle lifespan of, say, 5 years this amounts to **71 tonnes of CO₂** and a fuel bill of **£30,000**.

Compare these estimates against a car with a **CO₂** emission rating of **140 g/km**. This car will emit around **45 tonnes of CO₂** over its **5 year lifespan** and present its owner with a fuel bill of about **£17,800**. This represents a saving of **26 tonnes (37%)** and **£12,200 (40%)** respectively over its **220 g/km** counterpart.

Now picture two fleets of, say, 50 cars each. Fleet 'A' runs cars that fit the **220 grammes per kilometer** scenario whilst fleet 'B' runs cars with ratings of **140 g/km**. Fleet 'A' will produce about **3,550 tonnes of CO₂** over 5 years and spend **£1.5 million** on fuel whilst fleet 'B' will emit about **2,200 tonnes** and spend **£890,000** on fuel.

In this scenario Fleet 'B' would produce **1,300 tonnes less CO₂** and **make a financial saving of around £610,000** against fleet 'A'.

Now consider the fleet you operate.

We maintain, and update monthly, a listing of new cars producing less than **140 g/km** and which are potentially suitable for private hire work. Some (the Toyota and Honda hybrids) claim as little as **109 g/km**. Currently there are **26 cars** on the list and this is set to grow each month as manufacturer's trip over each other to produce desirable low emission models.

Private hire companies are in the business of providing vitally important services to their clients and cannot avoid using fuel and emitting greenhouse gases. But there are choices and opportunities to limit these emissions and to benefit through the savings.

The upshot of all this is that you have to provide your clients with the services they require and expect. There could be a trade-off between offering luxury or straightforward safe and reliable journeys and most fleets will, necessarily, need to offer a balanced mix.

Gaining your credentials

To gain recognition for your environmental credentials is not difficult when working through a logical process:

Make your commitment to the environment a matter of policy.

Identify the emissions (and fuel cost) values across your fleet. If your fleet consists mainly of owner/drivers, then a program of education could be developed.

Identify your use of electricity, gas, water and paper, etc. All are resources and should be managed effectively.

Check on how you segregate and manage waste from your premises.

Set sensible targets and goals to reduce your 'carbon footprint' over time.

Plan how you intend to achieve your objectives.

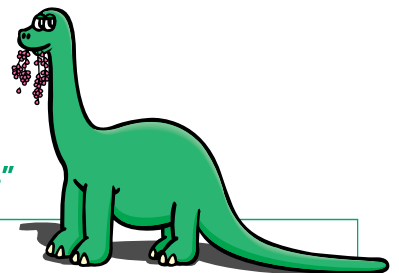
Measure your performance and seek further opportunities.

Review your progress.

If you can do all this you'd be well on the way to achieving accredited (**UKAS or European equivalent**) certification to **ISO 14001**, the internationally recognised standard for "Environmental Management Systems".

Certification, already achieved by a number of private hire firms, is an invaluable marketing tool and a symbol of recognition for your customers, suppliers, visitors and staff. Certification is not compulsory, but effective environmental management is both important and makes good business sense.

Whatever you do, please don't get caught taking a "walk with the Dinosaurs"



About the Author

Bernard Hall is an independent quality and environmental consultant specialising in the transport sector. For copies of his monthly 'green car' updates or for further information on ISO 14001 or any issues raised in this article, please contact Bernard on 020 8 641 8141 or 07833 330295 or e-mail him at consultindigo@aol.com

Thanks to Eddie for giving most of his PHB slot over to Bernard and the issue of becoming more environmentally aware and responsible. The LPHCA will be incorporating 'Green Credentials' in its next Grading review and we are already in touch with accrediting bodies and consultants like Bernard.

We have also been asked by members for draft 'Environmental and Recycling Policies' following these as requirement in recent procurement and tendering to our sector. So you will all need to be on the case. *Steve*