

Flexible Rental Solutions

What is Flexible Rental?

Flexible rental describes a way in which vehicles can be acquired and used within a fleet. In essence it is the hiring of a vehicle, as opposed to the outright purchase or longer-term commitment of a financial or operating lease.

The daily rental market typically provides vehicles for short periods from 1 day to several weeks. Flexible rental picks up from here and offers solutions from 28-days and more, all the way up to 2-years plus.

Flexible rental solutions can therefore be used to bridge the gap between vehicles taken onto the fleet for longer periods of time, and those spot-hired for short periods. Effective fleet management balances the fleet operational requirements across these solutions.

What are the benefits for fleets?

The use of flexible rental supports fleets in responding to peaks and troughs in demand for output, for example with seasonal grass-cutting or road gritting. They also help fleets continue operations when there are uncertainties or delays in vehicle replacements, due to a change in business model, new drivers or particularly long lead times for new vehicles built to order.

Leased or owned vehicles will result in lower day rates than rental vehicles due to the longer committed durations. However, the longer term flexible rentals deliver better value than daily rented vehicles which are extended on an adhoc basis.

When purchasing a vehicle outright, or setting up a contract hire, vehicles are usually both new and built to order. This means that lead times will typically be at least 10 weeks from order and up to several months in some cases.

In comparison, vehicles which are rented/hired are taken from the suppliers own stock resulting in much shorter lead times.

A huge advantage of a flexible rental over a longer-term lease is that there are no early termination charges. Vehicles will be priced at the rate for the initial estimated rental period, but if requirements change and the vehicle is not needed for the full rental period, it can be returned without penalty.

As vehicles will be hired out for reasonable lengths of time, there are usually no delivery, collection or refuelling charges incurred.



What are the differences between RM6096 Flexible Rental and RM6013 Vehicle Hire?

The key differences between the flexible rental solutions on both agreements are the service levels. RM6096 reflects vehicles required for fleet provision, whilst RM6013 reflects the requirements for business travel. The table below highlights the variances:

RM6096 Flexible Rental	RM6013 Vehicle Hire Flexible Rental
Standard vehicles delivered within 72 hours	Delivered within 4 hours
No Delivery and collection charges	Delivery or collection charges apply
Rates based on 30,000 miles per annum	No mileage limitation
Delivery and collection fuel levels agreed at call-off	Full tank of fuel on delivery and collection
Insurance excluded	Insurance available
Best fit for fleet requirements	Best fit for business travel requirements



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How can I access Flexible Rental Solutions via RM6096?

The CCS Vehicle Lease, Fleet Management and Flexible Rental Solutions agreement (RM6096) has a dedicated Lot 4 for Flexible Rental Solutions.

Using Lot 4 of the agreement you can access the rental of vehicles for typically 28 days or longer. Vehicles include a full range of cars, light and heavy commercial vehicles. In scope are both standard build or bespoke specialist vehicles.

The options for both Direct Award and Further Competition are available under this agreement.

CCS understand that when flexible rental is needed, the ability to understand best value and Direct Award a contract with a supplier quickly is important. With this in mind, CCS maintain Rate Cards of pricing offered by suppliers for varying rental terms. There are two forms of Rate Cards:

Short Rate Card – reflective of pricing from all suppliers for the vehicles most commonly used via flexible rental. These vehicles are of standard build.

Full Rate Card – includes all vehicle types available from each supplier, reflective of their specialisms and capabilities. This will include standard specification and specialist vehicles

To request to access either Rate Card, email RM6096@crowncommercial.gov.uk and advise of your requirement.

For a more complex, longer-term or bespoke contract, the recommended approach would be to undertake a further competition across all Lot 4 suppliers, against your specification and evaluation criteria. More information on this process can be found in the main RM6096 Customer Guidance document on our website.

Access more information via the CCS website using this <u>link</u>.

Suppliers appointed to RM6096 Lot 4

Arnold Clark Vehicle Management	
Arval UK Ltd	
BT Fleet Solutions	
CLM Fleet Management	
Dawsongroup Truck and Trailer Ltd	
Days Rental	
Enterprise Rent-A-Car UK Ltd	
GAP Group Ltd	
LeasePlan UK Ltd	
Lex Autolease	
Limesquare Vehicle Rental Ltd	
Ryder Ltd	
Scot Group Ltd T/A Thrifty Car & Van Rental	
TCH Leasing	
Venson Automotive Solutions Limited	
Volkswagen Financial Services (UK) Ltd	
Wessex Fleet	
West Wallasey	
Zenith Vehicles Limited	



If you require any help with this guidance



0345 410 2222



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