



# Whole Life Cost

## What is it?

Whole Life Cost is a **smarter way of selecting vehicles for your fleet** which takes into account all the costs associated with running a vehicle, not just the monthly lease payment.

## How will it help your business?

Adopting Whole Life Cost **reduces your overall fleet costs** by helping you select vehicles with better fuel consumption and lower tax and National Insurance levels.

- Neva Consultants understands Whole Life Cost and has helped clients achieve savings using this approach for many years.
- The systems Neva Consultants has developed makes the adoption of Whole Life Cost **simple and straightforward**.
- To help you see the benefits, we can provide examples of savings based on the current vehicles on your fleet or a vehicle you are considering.

To show the importance of Whole Life Cost and the savings that can be made, we compared two fleet vehicles over a three year contract hire agreement.

Despite the Nissan Qashqai having a highly monthly rental than the Kia Sportage, its lower CO2 output means it's **cheaper to operate over the lifetime of the contract by more than £2,700**.

Multiplied across a typical 50 vehicle fleet, the vehicle with the higher monthly rental would actually **save you more than £135,000 over the duration of the contract**.

Element	Kia Sportage	Nissan Qashqai
Combined Miles Per Gallon	52.3	74.3
CO2 (g/km)	143	99
Monthly rental*	£410	£442
Total rental cost*	£15,951	£17,196
Total fuel cost*	£7,497	£5,277
Insurance*	£1,500	£1,500
National Insurance	£4,401	£3,389
Tax on Lease Rental Restriction	£364	£0
Whole Life Cost over contract*	£30,113	£27,362
Whole Life Cost per month	£668	£605

\*Monthly rental includes maintenance. Total rental cost includes disallowable VAT. Total fuel cost based on combined MPG. Insurance assumes an average yearly cost of £500. Assumes 20% Corporation Tax. Vehicles compared: Kia Sportage Diesel Estate 1.7 CRDi and Nissan Qashqai Diesel Hatch 1.5 dCi Tekna.