

Network Rail awards £136m road fleet management contract to Hitachi Capital

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Network Rail has awarded a £136m contract to Hitachi Capital to provide integrated road fleet management services.

The four-year contract will run from 1 August 2019 to 31 July 2023, with the option of a one-year extension. It marks a new way of working for Network Rail, with the supplier overseeing the management of the organisation's entire owned and leased road fleet, as well as sourcing and supplying lease vehicles.

With this contract, Network Rail is moving away from managing 16 separate road fleet contracts directly to a more efficient and cost-effective 'one-stop shop' solution provided by Hitachi Capital. It also sees Network Rail's road fleet transitioning from an owned to a leased model.

The new integrated fleet management contract supports local decision-making by providing full visibility of information through one system across the company and promoting the use of local supply chains, with

suppliers mapped to the route geography.

Service, maintenance and repair of all road fleet vehicles will be scheduled as part of the contract, which also includes driver training, vehicle compliance, vehicle insurance and claims management and end-of-life vehicle management among other services.

Rob Morton, supply chain operations director for Network Rail, said: "This deal marks a turning point for our road fleet. We have one of the largest fleets in Britain and need to manage it accordingly. Working in partnership with Hitachi Capital, we will focus on providing the professional service that our drivers deserve, tailored to meet their individual needs. This will also include urgent replacement of older vehicles and using many local suppliers across Britain, sharing the benefit with regional economies."

Willie Crawford, head of road fleet for Network Rail, said: "This is a significant change for Network Rail, which will provide the platform for us to more effectively manage our road vehicle fleet across Britain and is tailored to our unique requirements."

Jon Lawes, managing director for Hitachi Capital Vehicle Solutions, said: "This is a fantastic win for Hitachi Capital Vehicle Solutions that will see us add 8,000 new contract hire vehicles to our fleet over the next five years. Our integrated leasing and fleet management model will focus on choosing the right asset, improving compliance and vehicle availability, which will support Network Rail to improve the safety of all Network Rail employees.

"As part of this contract we will be supplying Network Rail with our new asset utilisation proposition, including real-time insights from sophisticated telematics systems, which will be a key element in driving improved cost and environmental efficiencies across their fleet."