



Prifysgol Cymru
Y Drindod Dewi Sant
University of Wales
Trinity Saint David



Click PCO
Hire bird Cars

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DR M Rahman

*Trawsnewid Addysg; Trawsnewid Bywydau
Transforming Education; Transforming Lives*

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Introduction

- We are a hybrid PCO car hiring firm, we allow PCO drivers to come and rent a car for a fixed weekly price of £180. We are a group of six people with good knowledge and network of PCO drivers. We purchase our cars from Japan and we import them to the UK,
- As we are able to receive a good deal due to the cost savings achieved by purchasing from Japan.

Aim and Objectives

- Our aim is to grow our fleet of cars and expand into other cities in the UK and to keep our running costs low so we can provide a more efficient and productive service to Private Hire drivers.
- Our objective is to keep our expenditure and expenses low and maximise our profit.

Mission and Vision

- Public Carriers Office (PCO) hirebrid provides a unique car renting experience to PCO drivers. We are a company that focuses on drivers satisfaction first, to improve productivity of the workforce. Our goal is to provide PCO drivers with an enjoyable, honest service and to expand nationally.

Legal Compliances

- Has to fulfil Transport for London vehicle/licensing checks.
- Drivers bank details
- Drivers insurance policy
- One week rent in advance and a £500 deposit which will be paid back to the driver once the contract ends minimum of 6 months.

Management

- We operate from a base that has an office, a forecourt, a yard with car washing facilities, servicing, and car storage up to 100 cars. We are located in Mare street in London.
- All six of us, are the managers of the business and have the same authority and control as each other. When making a decision, we will have a democratic vote to see which option is most popular and go forward with that idea, hence everyone has a say.

Marketing and planning

- We will advertise our business through many topographical assessment centres around London where drivers take their assessment to become a private hire driver.
- We will create a website and we will promote our business through Social media, networks and word of mouth.
- We want to become a part of the mass market which will allow us to generate more profit for our business. When expanding, we will be aware of competition and how to deal with them.
- We have to carry out the appropriate market research to see if we understand and know our rivals.
- To corollate and benchmark our prices to them, as to ensure we don't lose any of our customers.
- As a group we will need to create a budget plan and abide by it stringently, to make sure we do not overspend as this may lead to debt which will worsen the business.

Market Strategies

- Increase fleet of cars
- Bring in new customers
- Introduce a new product or service
- Increase market share
- Better establish your brand
- Improve customer loyalty
- Launch an advertising campaign
- Encourage word of mouth
- We set our prices lower than our competitors which gives us a competitor advantage, as PCO drivers are likely to choose our company than our competitors

Market targets

Our target group are Private hire drivers. There are over 115,723 PCO drivers operating in London, and increasing every day. There is a growing demand for Hybrid cars. 90% PCO drivers desire to drive a hybrid car, which is good for our business due to our imports being hybrid cars.

Product and services

- We provide a fast and friendly car hiring experience for PCO drivers who may require a car at any given moment due to the nature of their work for £180 per week. Flat rate and includes all insurance and servicing cost.
- We service all our cars to the highest standard.
- All our cars are TFL approved.
- We provide a breakdown and recovery service.
- We provide accident management service as an extra cost and generating extra revenues for the company

Finance, planning and accounting

Our start-up cost is £144,000

Capital invest required by each of the six partners is £24,000

This money will be used to purchase our first fleet of 12 cars. Each car will cost £7000 each and the importing cost which is £1000 each. The import taxes are payed to DVLA. The cost covers V5 log book from DVLA. The twelve cars with the tax paid will total £96,000,

Which will leave us with £48,000 to use for other running costs such as renting our premises, car storage and breakdown services. We will retain our profit as we will reinvest back in the business by buying new cars.

Financial forecast 1

Types of income and expenses	Cost and income per annum
Income of 12 cars	£103,680 (8640 monthly)
Premises Rent	£23500
Business Rates	£5500
Servicing for vehicles	£10,080
Electricity cost	£1,200
Phone and Broadband	£720
TFL Vehicle MOT testing twice	£1,440
1 Fulltime employee salary	£15,800
Total first year running cost	£58,040
first year operating profit	£45,640

£40,000 of the first years profits will be used to purchase 5 more vehicles bringing the fleet to a total of 17 cars.

Financial Forecast 2nd year Annual

- Second year income: £146,880
- Servicing for 17 vehicles: £14,280
- TFL vehicle MOT testing twice per annum for 17 vehicles: £2,040
- Running costs (rent and utilities): £62,840
- Operating profits: £84,040
- Surplus profit: £89,680

Administration and operation

- Phone calls
- Drafting letters
- Managing office files
- Making appointments, maintaining schedules
- Implementing company procedures
- This would be the duty who is in the office that day. The rest of the team will be on standby
- Making arrangements for cars to be TFL approved

Human Resources and Payroll

- We will have 1 fulltime employee who will deal with day to day invoicing, admin and driver related issues.
- Zaahir and Tarik will lead the HR department due to their expertise in this field. Currently, there is 1 hired employees under our control, therefore we as a group we are managing each delegated tasks for all departments.
- When our drivers have a problem with the company they will contact the manager who will then deal with the issue.

Work Scheduling

- Each of us will share equal shifts to run the daily operations and schedules. We as a business would say we have a democratic and laissez faire style of management, therefore everyone has a voice in the business and will be happy with most of the decisions made. Since we would describe our management to be laissez faire, we would say our whole team is flexible. Our group will allow things to take its own course without interference which will give each member of the group to take responsibility and autonomy.

SWOT Analysis

- **Strengths:** One of our main strengths which gives us competitor advantage is that we are the cheapest in the market, therefore PCO drivers are likely to hire our cars than our rivals. We also have good knowledge and understanding of how to reach to a wider audience and how to advertise. Another strength of the business internally is that all members of the group know each other very well, hence conflict is likely to be low which will allow our business to run smoothly. All members of the group have a good network as we know have many friends who are PCO drivers, which will enable us to advertise through word of mouth.
- **Weaknesses:** One weakness within our business is health and safety issues in our premises as tools and equipment are put everywhere which can end up in possible risks of us hurting ourselves.
- **Opportunities:** Opportunities we can have is that we can expand into a mass market providing we have the right skills and resources.
- **Threats:** Competition is the main threat we will be facing as there are other companies out there providing the same service as us such as Addison Lee and Uber.

PESTLE Analyse

- **Political:** The government can affect how a business is doing. For example, if the government decided to give a grant or subsidy to the PCO industry, it will enable us to supply more cars to these drivers, therefore we will maximise our profits.
- **Economical:** Factors such as Brexit is likely to affect our business. For example, at the moment there is uncertainty in the economy, therefore consumers are saving more than spending which means consumption is falling making aggregate demand fall. This will impact the business negatively as it means it may affect how many PCO drivers hire our cars. Additionally, the pound is getting weaker, which is resulting in imports becoming more expensive and exports becoming cheaper. This shows that when we now import cars from Japan, our expenditure on inventory will increase. Furthermore, Mark Carney who is the head of the MPC in the Bank of England, had recently doubled the interest rates from 0.25% to 0.5%, which means the cost of borrowing will be more expensive, therefore if we decide to get a loan or mortgage, the interest on the repayments will be at a higher rate.
- **Social:** Due to population increasing, it helps improve our sales as it allows us to reach to a large audience.
- **Technological:** We have to ensure our business is updated with new technological changes. For example, at this point in time, our business should have an online platform to promote the business and reach to a wider audience, consequently will increase our sales.
- **Legal:** Laws and regulations affect businesses as we have to follow strict set of rules in order for our business to keep running. Laws like the consumer protection act will protect drivers renting our cars and any complaints they have will affect our business reputation, hence have to be careful when doing business. We have to make sure our consumers have job satisfaction and are happy with our cars.
- **Environmental:** One big environmental issue that we as a business will be involved in is giving out toxic emissions into the air which is harmful for the environment as well as people breathing the air as it can cause various types of illnesses. However, we minimise this effect into the environment by importing hybrid cars, which means these cars also run on electricity decreasing the amount of pollution in the air than normal cars.
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Conclusion

By having a business plan, it will enable us to set high targets and goals which will lead us to be a successful company. We want to go from a small business to a business where the brand is well recognised and to becoming number one provider in the market. Also, by planning out each element of the business, it will help us to increase our market share in the industry. We expect our competition to also grow and get tougher, therefore we will find effective ways to advertise to show consumers we have quality cars with good value for money. We expect our revenue to continually increase over the next years, as we will consistently retain our profit by investing in new cars, which will allow us to gain access to more revenue.

Team leader

Ashakur Rahman student number:1706495

TEAM MEMBERS

**ASHAKUR RAHMAN ESAR CHOUDHURY, ZAAHIR ALI, ABUL KALAM,
TARIK IMMON AND SHAFIKUL AHMED**

ALL TEAM MEMBERS CONTRIBUTED TO THE PRESENTATION