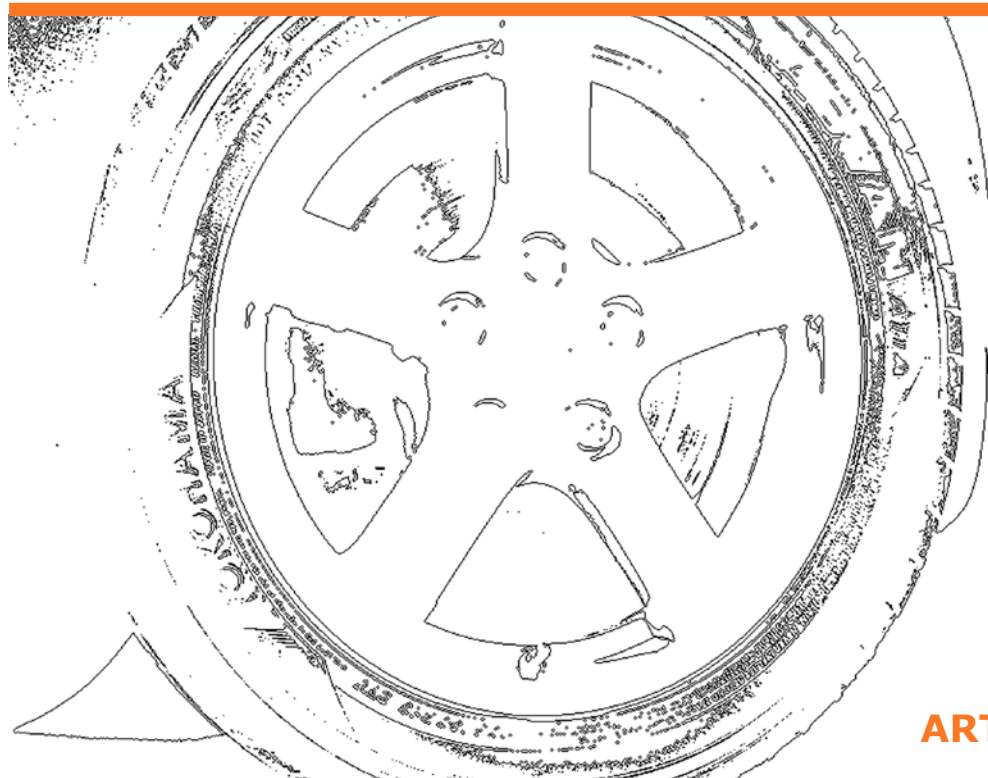


**business car**  
**manager**  
The business motoring magazine

**Knowledge**

**BANK**



**ARTICLE 1**

A background to whole life costs

### Whole-life cost

Whole-life cost reflects the total cost of using the car over the period in which it will be retained by the business. It therefore includes depreciation, interest, fuel, servicing, maintenance and repairs.

It is generally agreed that whole-life cost represents the best form of allocation policy.

If you decide to base your fleet allocation policy on whole-life cost you will need to assemble whole-life cost data. There are several sources, including magazines, fleet management and contract hire companies, motoring organisations and specialist publishers.