

Whitepaper



HR issues with fleet management

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Introduction

HR issues are complex before you start to even think about the HR department's link to the fleet. Daily challenges include recruiting employees, arranging and carrying out training, preventing discrimination and ensuring compliance, to name but a few.

These tasks are integral to the running of the company. And vehicle management should be taken just as seriously. For instance, business owners would never think of allowing employees to operate dangerous machinery without stringent safety measures and policies in place; but such measures are often overlooked when it comes to vehicles.

Research carried out by Brake, the road safety charity, found that in a single year*:

- 1,901 people were killed in road traffic accidents
- 23,122 were maimed or disabled
- 178,927 were injured

Or in other words, every single day...

- 5 people were killed
- 63 people had life-changing injuries
- 60,000 'bent metal' incidents occurred.

These powerful numbers speak for themselves. Vehicles need to be treated with the same caution and governance as any dangerous machinery if you are to avoid exposing your staff to unnecessary risk.

And what's more, those behind the wheel must be equally governed. Training, assessing and continuously educating staff about driving standards is crucial if you are to stand a chance of mitigating what is one of the greatest risks that companies – and ultimately their directors - face.

This whitepaper is designed to help you understand the HR challenges connected with fleet management, and the steps you can take to ensure they are under control.

*2011 statistics



ONE – Train your drivers.

All types of business rely on road logistics in one way or another. Most companies would be unable to function without some kind of transport happening during the working week.

Safe driving is an issue that extends far beyond work-related travel. Every road user has an obligation to contribute positively towards a universal culture of road safety and compliance; the consequences of ignoring this responsibility are just too drastic to overlook. When driving on business however, the impact of poor driving is even greater; affecting company reputation, employee well-being and increasing costs as well.

FACT: 31% of UK businesses with 100 or more employees are doing nothing to address driver behaviour, nor are 62% of companies with less than 100 employees.¹

Furthermore, 70% of British drivers claim that they aren't given any training or risk management by their employer, despite routinely driving as part of their jobs. The Masternaut study that uncovered these statistics also reveals that 40% of British business drivers are unaware of any legislation surrounding work-related road safety.

Fleet related law makes it clear that it is an employer's responsibility to ensure their staff that drive for the business are not a hazard to themselves or to other road users. The very fact that 70% of drivers in the workplace are not being given any form of training to ensure they drive safely and efficiently is a grave indication either of ignorance or incompetence on the part of business operators.

A common objection is that driver training can be too costly to consider. Even for companies who are focused on training, it is often seen as a luxury that can be trimmed down during lean trading periods. Both are misconceptions; in fact having a well-trained, qualified driving staff can have a positive financial impact:

- Better drivers use less fuel.
- Vehicles are exposed to less wear and tear.
- Accidents and repairs should be minimised.
- Insurance premiums are likely to be lower.
- Managed drivers are happier drivers, and happier drivers are more likely to be loyal and hard working.

1. Corporate Vehicle Observatory (CVO) Barometer



TWO – Identify, manage and monitor your incidents.

FACT: Businesses paid out more than £26m in insurance excess payments as a result of collisions involving company vehicles last year.

Despite the fact that RTAs have impacted 86% of fleets in the past 12 months, an alarming number of drivers are still driving without due consideration for basic road safety. 16% of business drivers report feeling 'invincible' when driving, claiming that they never consider their safety to be at risk (source: Masternaut.) Speeding is by far the most common driving offence committed by company drivers, according to figures released by Capital Solutions Fleet Services. Analysis of the company's 55,000-vehicle fleet shows that 41% of fines recorded in the last 12 months were for speeding. Other common offences such as congestion charge avoidance and parking fines only amount to around half of the same level.

Clearly companies need to invest in accident avoidance. Driver training, ongoing education programmes, telematics, vehicle safety checks, speed limiting technology and driver incentives are all highly effective, proven measures of risk reduction. However it's impossible to eliminate the risk of accidents completely therefore it's equally important to have a structured accident management process in place too, so that if the worst should happen, you're prepared.

Your accident response procedure starts at the point of impact. Drivers need to know exactly what to do, what information they need to give and gather, and who to contact. Erecting a warning triangle on the approach to an incident site, or moving a vehicle out of the path of traffic are simple enough tasks, but drivers need to know when to step in and when to leave the site untouched, as intervening with the best of intentions could be potentially unsafe, or could hinder the gathering of evidence.

Encourage drivers to take photographs. Most mobile phones have cameras, but some companies provide disposable cameras in vehicles as well. Note-taking is of paramount importance too and drivers should record vehicle and driver details, passenger information, incident location and time, weather conditions, visibility and anything else that could be relevant, plus of course vehicle damage, injury and details of police attendance. Detailed incident data will assist greatly with insurance claim processing, and will help to establish why the situation happened and how to avoid reoccurrence.



THREE – Don't overlook your 'Grey Fleet'

Britain has been revealed to be a nation of hidden business fleets, with a third of British drivers who drive as part of their job shown to be uninsured for business driving. On average, these drivers clock up 4,708 uninsured business miles per year whilst driving for work.

Despite this, HR departments are often uncertain of how to assess this risk and what action to take. Many are still unsure what constitutes a grey fleet. For clarity, any member of staff who uses their own car to make a business journey, however small, can be considered a grey fleet driver.

From an employee making occasional work-related trips, to a high mileage rep who has taken a cash option to purchase their own car – the same criteria applies. The employer is effectively making the decision to use the employee's car as a company vehicle and therefore, it must be treated as such.

So, the worst has happened; one of your grey fleet drivers has been involved in a serious accident that causes injury to either themselves or another road user. The police will of course launch an investigation into the circumstances surrounding the incident, and will inevitably pay close attention to the employer's fulfilment of their obligations under Health and Safety at Work legislation.

You must be prepared to answer questions such as:

- Did the driver have a valid driving licence?
- Was the driver correctly insured?
- Was the vehicle roadworthy?
- Was the driver in a fit state to drive?
- Did the employer have a driving policy in place?
- Did the employer make the driver aware of his/her own responsibilities when driving on behalf of the organisation?

If you're unable to answer these questions satisfactorily, and to prove that you have done your best to assess and minimise any risk associated with your grey fleet drivers, you risk facing legal action.

So, to ensure you deal with these risks appropriately you need to be certain you're treating your grey fleet with the same stringent measures as you have in place for your company fleet.



Starting with the fundamental basics:

Documented policies - have a written policy in place to govern work related driving, as well as a drivers' handbook that clearly details employee responsibilities and why they are important, both for the driver, and for you as their employer. Both documents should be read, understood and accepted in writing by every staff member with driving responsibility.

Licence checking – it's imperative that you check the driving status of your employees, to ensure they hold a valid licence, aren't banned from driving, and are permitted to drive the type of vehicle they're assigned. Furthermore it's essential to conduct regular rechecks, particularly on those with penalty points/endorsements as these drivers often carry an increased level of risk.

Insurance - an employee's private motor insurance policy for social, domestic and pleasure use will generally only cover them to travel between their home and one main place of business, so in commandeering them to use their own vehicle on business, you have a duty to ensure they adjust their level of insurance accordingly. If the employee doesn't have business motor insurance, you could be seen to be permitting them to drive without the correct level of cover in place, thus breaking the law.

Drivers clock up 4,708
uninsured business miles
per year whilst driving for
work.



FOUR - Know your drivers

Recent research has shown that there are an estimated 24,000 employees driving illegally for companies in the UK.

This includes drivers who have provisional licences, those with licences that have been revoked or suspended and those who have invalidated their insurance by amassing too many penalty points. It goes without saying that you wouldn't want anyone listed in the above categories driving for your business. Yet if you aren't checking, how would you know?

In 2003, HSE (The Health and Safety Executive) published 'Driving at Work', a comprehensive, common-sense guide to occupational driving, covering all key employer/employee obligations and giving invaluable guidance to companies to help them fulfil their legal duty of care. The guide specifically asks employers: "Do you check the validity of the driving licence on recruitment and periodically thereafter?" – thus making it clear that validating a driver upon joining the company is only the start, and that regular checking is the only way to ensure continued compliance in this area. .

For more information contact: FleetCheck