

# What do Companies need to manage?

The situation that most organisations face is that their grey fleet is not well managed and they face significant challenges, from the employees and HR, when contemplating change.

Assuming that a proven and effective risk management programme is in place, and that you have the necessary policies, procedures and driver handbooks in place, and that the employees have actually read these (see earlier), then you can start to focus on the three fundamental areas of work-related road safety – the driver, the journeys they make and the vehicles they use.

## **The driver**

The driver has the most influence over whether they are going to be involved in a collision, regardless of ‘blame’, so most emphasis should be placed here. Whatever you do for an employee using an owned or leased vehicle should also be the same for employees in the grey fleet.

Fitness to drive is one of the key areas that need managing, which will include areas such as:

- health
- fatigue
- eyesight
- alcohol/drug (medicines and recreational) use.

Organisations should remember that anything they do for an employee using an owned or leased vehicle must also be offered to employees in the grey fleet. As an example, if eyesight screening is mandatory for an organisation car driver (and, of course, it should be), it must also be mandatory for the user of a private vehicle, and if the organisation pays for one to have the test, they must also pay for the other.

Mobile phone use is another area where uniform management standards must apply. Best practice is not to allow any phone use whilst driving, but where this has not yet been implemented, just because an employee is using a privately-funded vehicle, organisations should not assume that they are exempt from any rules on phone use that exist – in fact this situation is often more difficult to manage, as the employee may have their own phone and is unlikely to have any funded hands-free equipment.

Risk assessments are another area where consistent implementation is required. These are required as part of the risk management process (see page 8 earlier) and should give a comprehensive risk profile of each driver (including their core competencies) as well as for the journey and vehicle aspects (covered on pages 15-16 later).

Some organisations only risk assess their managed fleet employees, as they argue that these tend to be the highest mileage drivers and hence are at most risk of being involved in a collision. Others use the collision history of an employee to determine who needs assessing. Both of these approaches are flawed in that, until a risk assessment has been undertaken, it is not possible to determine where (and what) the actual risks are. Mileage exposure and collision history are certainly indicators of risk, but a good comprehensive risk

assessment will address many other issues and give an accurate indicator of which employees are more likely to be involved in a collision. Indeed, the grey fleet driver, using these simple criteria, is unlikely ever to be assessed, as they tend to have lower mileage exposures and the organisation rarely has any collision data.

Once the risk assessment process has been completed, the organisation can then decide on what the appropriate interventions are, and again, these should be applied uniformly regardless of vehicle ownership. As discussed earlier, risks should be addressed using a hierarchical approach (eliminate, substitute, reduce) with management interventions given priority as these are most likely to produce a sustainable reduction in the risks faced.

Where interventions focused on the individual are involved, there will generally be a cost implication (whether that is the employee's time, organising an internal training course or undertaking some externally-supplied coaching). Any budgets for risk management must include the grey fleet, as these drivers will face similar risks to those in the managed fleet, and need to be addressed in the same way.

## Licence and insurance

<sup>3</sup>Licence checking is also an area where the grey fleet needs to be 'in scope'. Best practice is to check directly with the DVLA, to eliminate any possibility of fraud. This is possible with employees holding UK or Irish licences, but not with any other nationalities (although best practice is to get any foreign nationals to take a UK driving test if they are to be driving here regularly).

It is also best practice to use a risk-based approach for determining the frequency of licence checks, with drivers at higher risk of losing their licence checked more frequently. These checks need to include the grey fleet drivers to minimise the possibility that they are making work-related journeys whilst unlicensed (and hence uninsured).

One area that is significantly more difficult to manage with the grey fleet is checking that they have the appropriate insurance for the vehicle and the types of journey they will be undertaking. In organisations where these checks are carried out, it is most common to find some sort of self-declaration. Occasionally physical checks will be made, although there is a significant administrative burden associated with this.

There are a couple of issues to consider here – the first is the person carrying out any checks needs to know what to look for, and what class of business cover is applicable to what the employee is actually doing when making work-related road journeys. The second is that there is nothing stopping an employee cancelling their policy the day after they show it to their employer. A pragmatic approach here would be to undertake annual checks with some random checks in between.

## The journey

The journey has the next biggest influence over whether an employee is likely to be involved in a work-related collision.

Any travel plans that exist in the organisation should include the grey fleet employees. Assessing the need to travel is one of the fundamentals from an H&S and also an environmental perspective. The grey fleet need to be in-scope here to ensure that their journeys are being managed effectively.

<sup>3</sup> For more information refer to 3 on p.21.

‘Fatigue is the biggest issue associated with journeys, so any limits on the total length of the working day, including driving, should include the grey-fleet. It is common to find, despite their (generally) lower mileage profiles, that the grey fleet driver faces significant risks in this area (which should be covered in the risk assessment discussed earlier). These drivers are often managers who have opted out of the company car scheme/are classified as perk drivers, and tend to have a long working hours culture, so even though their mileage profile is less, they still face a significant risk of suffering fatigue and/or falling asleep at the wheel towards the end of their working day/on their early morning journeys if they don’t get sufficient sleep.

## The vehicle

After the driver, who is always the most challenging to manage effectively, the vehicle used by the grey fleet employee is the most difficult to manage, although has the least influence about whether a collision is likely to occur.

Most policies we see when working with customers have very little in the way of risk management built into them, and in general employees using their own vehicles do not have to abide by the principles of vehicle management that their colleagues using owned or leased vehicles. This disparity leads to increased risks.

Ideally, the criteria for being able to use a privately-owned vehicle should be clear and fully align with the organisation’s wider fleet risk management programme. There are a few organisations that do this and are able to manage the grey fleet effectively, as these issues are covered in contracts of employment as well as the organisation’s various policies and procedures.

The first area to address is vehicle choice and fitness for purpose – is the vehicle suitable for the job that the organisation is asking the employee to do? Where specialist tasks are involved (e.g. carrying equipment) then it is often easier for the employer to dictate the type of vehicle that is acceptable to be used, in line with its managed fleet vehicle selection policy. For general driving, however, the situation is much more difficult.

One of the best starting points is from an H&S perspective – it is reasonable for an organisation to dictate minimum safety specifications for a vehicle to ensure the safety of an employee, and this needn’t limit vehicle choice in today’s market.

Some examples are provided on the next page.

<sup>4</sup> For more information refer to 4 on p.22.

## Stipulate:

### Active safety systems

Electronic Stability Control (ESC) can be specified and are available on a wide variety of vehicles, and this list is increasing as new models are introduced. Anti-lock Braking Systems (ABS) should also be seen as a minimum standard (these are fitted to all vehicles with ESC as they make up part of the operating system), although if these are specified then training is required as there is widespread uncertainty as to what the main benefit of ABS is and how it operates (this goes for the managed fleet as well).

### Passive safety systems

Now widely available. Probably the best way to summarise these is to use EuroNCAP ratings as a minimum specification. Most vehicles, with the exception of some low-volume models, are subjected to these tests and there are a wide range of 5\* vehicles available, so again choice should not be too limited. Some care should be taken when interpreting these test results, as you there are still differences between different classes of vehicle, so you should only really compare EuroNCAP ratings within a particular class of vehicle, not between classes – in general the larger the vehicle the safer it will be.

### Age and mileage profile

Should finally be taken into account. This type of data should be available from the risk assessment, so you can see what issues need managing, but is not uncommon to find very old vehicles being used for work-related journeys. Older vehicles are likely to have fewer active and passive safety systems, and certainly they will not have the most up-to-date systems, and as such their occupants will face an increased risk of injury either because they cannot avoid the collision or the vehicle provides less protection in the event of a crash. Older and higher mileage vehicles, in general, are more at risk of suffering a malfunction, putting the occupants at risk due to the need to get the vehicle to a position of safety (e.g. from lane three to the hard shoulder of a motorway) and also putting them at risk of injury when they are stationary on the carriageway (many collisions occur on the hard shoulder of a motorway).

Whatever vehicle specification is agreed on for grey fleet employees, it is vital that they are maintained to a minimum standard. There are two aspects to this:

1. **The maintenance schedule laid down by the manufacturer.** It is important that this is followed, using approved garages, to minimise the risk of malfunction and associated risks discussed above. For grey fleet employees there may be a temptation to cut costs and either carry out servicing/maintenance themselves, or go outside of the approved garage network. Whilst this route may lead to a good standard of maintenance, it is difficult or impossible to verify, and as such, from a Duty of Care perspective, it should not be allowed. Maintenance records (and MOT certificates where appropriate) should be checked by the employer on a regular bases (at least annually), with random checks being carried out in the interim. The required level and standard of maintenance should be incorporated into any relevant policies and procedures.

2. **Routine maintenance,** and this is an area where organisations have difficulty managing their owned/leased fleet drivers. It is important that drivers regularly carry out their 'POWER' checks:

**P**etrol/diesel (fuel)

**O**il levels

**W**ater levels – coolant and wash bottle

**E**lectrics – primarily lights

**R**ubber – tyres and windscreen wipers.

In reality, very few employees carry these checks out, but they are vital to minimise the risk that any malfunction associated with these checks leads to a collision.

'POWER' checks should be undertaken at least once per week and before any long journey.

There is no practical way of ensuring that routine maintenance is being carried out, so the best way to manage this is by regular safety communications with employees and also undertaking random vehicle audits, where any deficiencies may be uncovered. This raises problems with the grey fleet as, being privately-owned, a common natural reaction of the employee is to say that the organisation has no right to do this. In reality, this view is probably correct unless the contract of employment and relevant policies and procedures have been written with this process in mind.

## Tyre spotlight

Arguably the biggest safety issue here is checking tyre pressures and condition. Whenever tyre maintenance companies are invited into an organisation's car park to undertake tyre checks, it is not uncommon for them to find a significant number (20%+) of vehicles with one or more illegal tyres, suggesting that routine maintenance is not routinely carried out by employees. Tyre pressures contribute to the overall stopping distance of any vehicle and also the tyre wear rate and fuel consumption, so this is one of the fundamental areas that employees should be checking on a regular basis.

When setting guidelines as to when to change them, best practice is to replace them at 3mm as research has shown that performance, especially in the wet, significantly deteriorates below this figure. Any policy associated with tyre changing must be applied uniformly across all drivers. There is a major cost implication for the individual employee, and consideration needs to be made in any cash allowance.

## Safety in the event of a breakdown

An area often neglected with the grey fleet is breakdown cover – this is normally provided for owned or leased vehicles and, because of the safety benefits, it should also be provided to the grey fleet employee, even though this is another additional cost. The prime reason for doing this is the safety benefits of having a breakdown specialist deal with any maintenance issue, for example changing a wheel, compared to the risks associated with an employee attempting even minor repairs at the roadside, especially on a motorway.

Some fleets supply additional ancillary equipment to enhance the safety of the driver – examples would include high-visibility jackets for use in the event of an emergency, 'life hammers' to help cut seatbelts and break windows following a collision, and tyre pressure and tread-depth gauges. If these are being supplied from a safety perspective then it follows that these should also be supplied to grey fleet drivers (and indeed to users of hire vehicles). This is another example where there is a cost implication not necessarily thought about when setting up any opt-out scheme.