

[Fleet Risk Management Guide]

Simply expressed, risk management consists of a systematic and practical approach to the identification, analysis and financial control of the risks facing a business. An effective risk management approach to motor fleet operation must extend beyond insurance and must include a number of steps:

- Preparation and communication of a policy statement.
- Implementation of risk control measures.
- Measurement of performance.
- Continued improvement and learning from experience.

A Structured Approach to Fleet Risk Management

The Government strategy on road safety has set an objective to reduce fatalities by 40%, (compared to the 1994-98 average), by 2010. It is clear that targeting companies is seen as an effective way of achieving this target.

Driving Errors and Violations

Driving errors arise as a result of problems relating to concentration, observation or anticipation. All of these are more difficult to manage for drivers who are under increasing work pressures whilst driving. It is important to address the human failings that cause people to have such accidents. Dramatic improvements in the numbers of accidents and the associated costs have been seen within fleets where driver awareness training programmes have been instigated.

Your Legal Responsibilities

Negligence is the failure, by act or omission, of an individual to take care of another person when a duty of care exists. To bring a successful action against somebody it must be established that the defendant owed a duty of care to the claimant, that they failed in this respect and that damage or injury resulted. If a successful prosecution is achieved then penalties such as a fine and possible imprisonment could be imposed not only on companies but on directors and employees themselves.

Guidelines for Police

Police officers are to be provided with a series of guidelines on how to investigate companies whose employees have been involved in road accidents whilst driving for work. It builds on a recommendation made in previous reports that the 'health and safety' and 'road safety' enforcing authorities should develop a co-ordinated approach to investigate at-work road traffic incidents.

To develop more effective enforcement arrangements, a project group is to be established combining the Association of Police Officers and the Health and Safety Executive. Police officers dealing with work related road safety issues are to be issued with guidelines to identify 'management failings' and develop a toolkit of possible follow-up action to 'underpin investigations and strengthen the police preventative role'.

[Fleet Risk Management Guide]

Risk Management Case Studies

1. Failure to Maintain Correct Records

An employee driving on company business caused two deaths in a multi-vehicle accident on the M25 after dozing off at the wheel.

The company owner and a fellow director were jailed for 15 months and 12 months respectively. The court heard that the procedures used to monitor drivers' hours were wholly inadequate. The employee involved was also jailed for two years.

2. Failure to introduce a Risk Management Policy

An employee driving his own vehicle struck and killed a pedestrian on a pelican crossing after falling asleep at the wheel. Although driving on company business, the employee had failed to take out business insurance cover and the employer had no procedures to check this. The employers were also accused of asking the employee to operate longer hours in an effort to increase business.

The employee was jailed for three years and banned from driving for 10 years. The sales manager, fleet manager and managing director now await a verdict on a charge of Corporate Killing a pedestrian on a pelican crossing. Individually, they risk prison and/or an unlimited fine for not taking reasonable precautions due to the lack of a risk management policy. The company now faces collapse due to massive legal costs as a result of not checking for correct insurance cover.

3. Correct Policies and Procedures in Place

An employee using a non hands-free phone lost control of his vehicle and collided with another vehicle resulting in the death of another driver.

The employee was sentenced to three years in prison plus a four-year driving ban.

The employers were cleared of all blame when it was shown that all their procedures and policies were in line with the legislation and that specific written instructions had been issued to all employees regarding the use of mobile phones whilst driving.

Summary

It is clear obligations are now being imposed on employers to have in place a dedicated fleet policy, to complete risk assessments and devise safe systems of work for any member of staff who uses a vehicle in the course of their employment (see the document under the title, 'Driving at Work. Managing Work-Related Road Safety'. This document, which can be viewed on the HSE website, www.hse.gov.uk/pubns/indg382.pdf sets out the responsibilities of employers and should be studied carefully).

A fleet risk management programme should be viewed as an integral part of your health and safety programme.

[Fleet Risk Management Guide]

Essential Needs

Management involvement is crucial and it is important to ensure each key role within your organisation understands what their responsibilities are under the Health and Safety at Work Act. Commitment and support from the top of the organisation is critical to the successful implementation of the fleet risk management programme. The Company Board should be aware that in the event of a major incident and a subsequent investigation by the HSE, they could be held liable for a management failing.

All staff who drive your company's vehicles or their own vehicle should be issued with a drivers handbook along the lines of the guidance contained within the Fleetsafe Manager's Guide.

Under the Management of Health and Safety at Work Regulations 1999 (Reg 3), you have a responsibility to manage health and safety effectively. You need to carry out an assessment of the risks to the health and safety of your employees while they are at work and to other people who may be affected by their work activities. The regulations require you to periodically review your risk assessment so that it remains appropriate.

Note – FleetDirections can provide you with details of its 'suitable and sufficient' driver risk assessment via an online FleetDirections Plus assessment that will help the company identify high risk drivers who are more likely to be involved in a crash. The results enable a company to target training and risk reduction activity where it is most required.

Under the Management of Health and Safety at Work Regulations 1999 (Reg 8) you have a responsibility to provide relevant information and training for your employees based on the risks identified by the assessment.

Note – FleetDirections Plus assessment will rank a driver as high, medium or low risk. For high risk drivers we would recommend that they take part in a half day practical driver awareness course, for medium risk drivers we would recommend the completion of an online defensive driver safety awareness programme or attendance at a seminar on defensive driving techniques.

The benefits of investing in a comprehensive fleet risk management programme are easy to identify:

- Fewer days lost due to injury
- Reduced accident frequency
- Reduced accident costs
- Reduced risk of work-related ill health
- Reduced stress and improved morale
- Less need for investigation and paperwork
- Less lost time due to work rescheduling
- Fewer vehicles off the road for repair
- Reduced fuel costs
- Reduced running costs through better driving standards
- Fewer missed business opportunities so less risk of losing customer goodwill
- Less chance of key employees being banned from driving, e.g. as a result of points

[Fleet Risk Management Guide]

Mobile Phones

The law relating to the use of a hand-held mobile phone changed on 1st December 2003. As of this date it became illegal to use a hand-held mobile phone whilst driving. It should be noted that a driver might also be prosecuted (for not being in proper control of the vehicle) for using a mobile phone via hands-free equipment –best practice is to pull over to the side of the road and respond to any call then. Although company policy prohibits the use of mobile phones whilst in motion, a written statement should be included in company policy and the driver's handbook.

Accident Management

A formal post accident interview procedure should be introduced and carried out by management to ascertain whether the accident could have been avoided or the severity reduced. The opportunity should also be taken to determine remedial training needs and to learn from the experiences to help avoid any reoccurrence in the future.

Recommended Actions

A driving licence check is always advised, the original licence, not a copy. All users of company vehicles should be checked on a six monthly basis due to the ease of accruing penalty points and the possibilities of a driver driving whilst disqualified.

Drivers' eyesight should be checked for compliance with the legal requirements on recruitment and at least two yearly, but preferably yearly, thereafter.

It is an employer's legal responsibility to organise safe systems of work for employees. Employers must ensure that they plan the work patterns of their drivers to minimise the likelihood of fatigue. It is recommended that drivers should not drive more than 2 hours without having a break.

Vehicle specifications should be developed to ensure specific safety features are included (such as ABS, twin airbags, side airbags/curtains, air conditioning, immobilisers/alarms) as standard.