Driving for Better Business REVIEW

Grey Fleet

Produced in association with

acfo BVRLA energy saving trust enterprise rent-a-car FLEET CHECK FleetNews selenity

Contributors

Our Strategic Partners are those organisations who are actively engaged in work-related road safety and promoting the Driving for Better Business campaign within their business networks. We greatly appreciate help from the following partners in the production of this review. For a full list of our Strategic Partners, go to:

www.drivingforbetterbusiness.com/about-us/strategic-partners/

ACFO is the UK's premier representative organisation for fleet decision-makers in charge of cars and light commercial vehicles. Our aim is to help anyone involved in "business mobility by motor vehicle" to benefit from the collective experience and expertise of our whole membership, which includes most of Britain's major fleets as well as those drawn from the SME sector.

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Driving for Better Business is a Highways England programme, supported by Government, to deliver improvements in work-related road safety. Working in partnership with RoadSafe, our mission is to improve the levels of compliance for all those who drive or ride for work.

Our ambition is to bring about radical change in how private sector businesses and employers in the public sector think about work-related road safety by demonstrating the significant business benefits of managing work-related road safety more effectively.

Contents

David Williams is an award-winning transport and road-safety journalist, who writes for national publications including the Evening Standard, the Sunday Telegraph and Daily Telegraph.

Foreword

LOOKING back over 30 years in the fleet business, it's impossible not to reflect on how it has changed so very fundamentally.

It's also impossible to ignore the fact that many of the most dramatic changes – changes which today affect the lives of millions of workers across the UK – have taken place in just the last few years.

When I started, 'grey fleet' was barely mentioned: companies mostly had company cars – which were viewed as an important perk – or you used your own car for business and claimed a generous mileage rate. It was often viewed as a profitable side line – for the employee that is!

This was before we understood the environmental side-effects of transport, when it was still easy to park a car, before the emergence of residents parking permits – and before the diesel emissions debate. It was indeed a grey area – but without the official name.

Today 'grey fleet' is a major phenomenon in its own right. Across the UK, around 14 million vehicles – owned or leased by employees and used on business – are in use.

Some firms rely entirely on grey fleet vehicles. For many others, grey fleet exists alongside the traditional company car, retail or business car clubs and alongside complex travel plans involving car rental, public transport – or a mix of every option available.

It is against this background that grey fleet has become a hugely complex area which – as any good fleet manager knows – can no longer be viewed in isolation. It is only right in 2018, when we are increasingly aware of the impact that travel has on the environment, and road safety – and of course companies' profitability – that we should take a holistic view.

So what is the best approach to company travel today, against a background of changing government policy which has seen rises in company car tax, a re-evaluation as to whether a company car is still a 'benefit' at all, the reluctance of many millennials even to run a car, and shifting societal norms?

Throw the explosion of PCP into the mix – with workers signing monthly contracts to run a car of their own choice – and you can see why fleet managers are tearing up the rule book.

When I started – longer ago than I really care to remember! – it was relatively straightforward, if hugely time-consuming.

Administrative work that took weeks of spreadsheet-ticking can now be achieved in milliseconds thanks to computer apps. But today it's not just 'fleet', or 'grey fleet', or 'travel', or 'expenses'. A new word has entered our lexicon and it is 'Mobility'. And as society – and business – grapples with change, it's a word you will hear more frequently.

I believe that more businesses will turn to grey fleet as part of their transport solution. And they will find that with increasingly sophisticated methods of managing grey fleet, they can make a great success of it.

If I have one overriding message for them over the years ahead it's this: consider all the options, develop a thoroughly thought-out policy, put a process in place – and stick to it. Effective management will be absolutely key to making grey fleet the success it should be. ■

John Pryor
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Grey Fleet

THE term ‘grey fleet’ wasn’t coined until the mid-noughties when it became something of a phenomenon.

Millions of workers had – of course – used their own cars on business for decades, many happily viewing their private, or family car, as an extension of the workplace.

Generous mileage allowances often made business use of your own car a valued perk – even if many employees were persuaded to join the company car fleet and let the fleet manager take care of their insurance, MOT, servicing and repair bills, instead.

When the Corporate Manslaughter Act came into force in April 2008 however, companies were sharply reminded that out of sight did not mean that the grey fleet could remain out of mind, too.

The gulf between the regulated, well-ordered world of the company car fleet and that of the distinctly opaque grey fleet – as it fast became known – suddenly became glaringly obvious.

Predictions of senior company personnel being taken to court following accidents caused by the careless driving of a private car, by an employee while on business, failed to materialise but, under the glare of publicity, the grey fleet was never viewed in quite the same way again.

The role that grey fleet plays in keeping the wheels of industry turning in both the public and private sector received further attention when, in 2016, a major report quantified what it called the “shocking” scale of the phenomenon.

Research by BVRLA (British Vehicle Rental and Leasing Association) and EST (Energy Savings Trust) showed that some 12 billion business miles were being driven each year on Britain’s roads by employee-owned cars.

The report said this was costing organisations more than £5.5 billion a year in mileage claims and allowances. Other, often surprising, findings were that in total, the grey fleet comprised 14 million cars, 40 per cent of all vehicles on UK roads. In the private sector alone, the grey fleet was costing almost £5 billion, covering 11 billion miles, emitting 3.2 million tonnes of CO_2 and 7,038 tonnes of NOx.

There were similarly disturbing, though smaller, findings for the public sector too, with the report concluding that the grey fleet was older, more polluting and more dangerous than the company car. The report triggered calls for a root and branch review – and for a 50 per cent reduction in grey fleet mileage and costs by 2020.

Were those calls met? Do grey fleet statistics still have the capacity to shock? Has Britain begun to change its travel habits and does the grey fleet have a future? In this special Driving for Better Business Grey Fleet Review, we explore the answers to some of these questions – by talking to the experts who know. ■

Simon Turner

Campaign Manager

Driving for Better Business

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Driving for Better Business

or Black & White?

THERE is nothing inherently wrong with having a grey fleet. As long as your policy requires any driver using their own car for business to be managed in the same way as a company car driver – with licence checks, business insurance checks, provision of up-to-date annual servicing and MOT documents, compliance with behaviour expectations, etc. – then the only difference between the two is the way the car is funded.

There are plenty of examples where grey fleet happily co-exists with a company fleet. A successful policy usually requires a bit more stick than carrot: fail to provide the required information and a driver will not be reimbursed for business mileage. It's simple, and it works.

However, grey fleet management takes admin time, the right processes and resource. It also requires someone to take responsibility, but all too often it falls between a fleet manager and HR, with neither keen to take on the duty.

End result - far too few companies manage their grey fleet drivers adequately.

Grey fleet will become a more pressing issue due to the rising trend for company car drivers to opt for cash, persuaded by uncertainties over future benefit-in-kind tax, rising CO2 emissions due to the new fuel testing regime and the new Optional Remuneration Arrangements (OpRA), which mean an employee is taxed at the higher of either the car benefit or cash benefit.

Further fuelling this sentiment is the growing ease with which people can get around, thanks to a whole series of alternative mobility solutions, ranging from public transport to shared services and ride hailing. But this also provides better options for grey fleet drivers.

Employing a travel hierarchy can also help companies to manage occasional drivers. A typical scheme would first ask whether the journey is necessary, then whether public transport is an option, and finally break car options into hire, pool or lease. Only when all those options are exhausted could a private car be used, but typically with a strict limit of 50 miles for the journey and the relevant safeguards in place.

There is simply no excuse for companies to allow staff to drive around unchecked in their own vehicles. Introduce a strict policy to manage the car and the driver or introduce an alternative solution – either way, grey fleet should become much more black and white. ■

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FleetNews

Ditch your Grey Fleet

Can you really ditch your Grey Fleet? Enterprise show how it could save you time and reduce both costs and emissions

TWO years ago, a hard-hitting report caused a storm when it quantified a little-understood transport phenomenon that was costing the UK more than £5.5 billion a year in mileage claims and car allowance payments – while harming the environment.

The study, written by the Energy Savings Trust on behalf of the British Vehicle and Rental Leasing Association (BVRLA), revealed home truths that - today - already appear to have triggered an industry re-think, hastening the rise of car clubs and short-term rentals for business use.

Getting To Grips With Grey Fleet revealed that around 12.5 billion miles were being driven each year in the UK by 14 million 'grey fleet' users – those using cars not belonging to their employer – for business travel.

The report said that the private sector was running up 11 billion grey fleet miles at a cost of around £5 billion. The public sector meanwhile was running up 1.5 billion grey fleet miles at a cost of around £786 million.

The figures were alarming. The amount of CO_2 emitted by grey fleet vehicles in the public sector was enough to fill Wembley Stadium 56 times, while the CO_2 emitted by the private sector grey fleet was equivalent to driving around the world 430,000 times.

Cost wasn't the only issue. Grey fleet vehicles were considerably older than leased ones, which meant they produced more emissions. The average age of a grey fleet vehicle – emitting 152g/km CO_2 – was 8.2 years, compared to newer leased vehicles, emitting an average of just 119g/km.

Safety was another issue with 77 per cent of leased vehicles having a five-star Euro NCAP crash test score compared with just nine per cent of grey fleet cars.

Gerry Keaney, BVRLA Chief Executive, described the report at the time as 'shocking', adding: "For a sector that prides itself on making rational decisions based on a thorough understanding of costs of ownership and business requirements, this lack of clarity is mystifying and unacceptable."

No wonder the Energy Saving Trust used the report to call on employers to set fresh objectives on CO_2 emissions, congestion reduction and grey fleet mileage reduction, while reducing overall travel costs, reviewing duty of care policies and encouraging 'active travel'.

Throughout the report however there was one key, optimistic strand: the increasing use of car clubs and short-term rental by business and the public sector."It was an important turning point," says Oz Choudhri, Head of Public Sector at Enterprise, the UK's largest dedicated business car club provider, but better known for its 100,000-vehicle rental fleet. He has spent four years working to expand his firm's involvement in business car clubs with a high degree of success, as customers ditch grey fleet, pool and lease cars to save money, time and emissions.

For a sector that prides itself on making rational decisions based on a thorough understanding of costs of ownership and business requirements, this lack of clarity is mystifying and unacceptable

Today, Enterprise Car Club has more than 1,600 vehicles available to its nearly 55,000 members in 30 cities across the UK. Of those, 700 belong to more than 30 dedicated car clubs that are used by 15,000 business members from public and private sector organisations.

Enterprise Car Club supplements this, allowing businesses to dip in and out of on-street vehicles on a pay-as-you-go or a formal block booking basis. In some instances – for longer journeys over several days – Enterprise directs clients to its daily rental scheme instead, as many businesses find that the best results lie in mixing daily vehicle rental with hourly car clubs.

The results are impressive. Last year North Ayrshire Council celebrated the first successful 18 months of its dedicated business scheme by announcing that it had achieved a 37% reduction in CO_2 emissions, or 9.1 tonnes of CO_2 annually. Aylesbury Vale Council, in the first year of its own scheme, reported that it had saved £90,000 and halved tailpipe emissions, with a car club comprised of just eight vehicles.

Business car club customers ditch grey fleet, pool and lease cars to save money, time and emissions

These trends appear to be typical. According to the BVRLA report, car club vehicles compare extremely favourably with grey fleet cars. In October 2015 the average carbon emissions of club cars in England and Wales were 90 g/km, 42% lower than the 2014 UK average. Operators have also progressively introduced petrol and electric engines into their fleets, addressing concerns around the air quality impacts of vehicles in urban areas.

Setting up new schemes is complex, however. Enterprise first reviews new businesses' existing travel data in minute detail, analysing mileage, number of trips, reimbursement, lease car and cash allowance costs before agreeing how many cars are needed. They also assess journeys to establish at what point daily rental is a better option than a car club vehicle, typically based on mileage or number of days.

"We then calculate a standing charge, derived from this extensive set of data and of course their historic grey fleet usage," says Choudhri. "There are a lot of historic business miles to go fishing through so that we can get it right. They only commit to a fleet they know that they can fully use."

Once the scheme is up and running, says Choudhri, employees swiftly appreciate its simplicity. "Historically, an issue with pool vehicles was that the administrative and handover process was badly managed. In the old world, travel was often conducted either through grey fleet – someone using their own vehicle and being reimbursed – or a pool vehicle, so organisations put a vehicle in place on a first come first served basis."

"But car clubs came along and gave us technology that lets you automate it," says Choudhri. "The app shows you the closest vehicle, and you either get a code via your smartphone or a membership card to unlock it, as the keys are inside. Plus, if you're overrunning you can extend, or 'off-hire' early if you no longer need the car."

"This is where technology is really enabling fleets. It's taken away a lot of inefficiency and delivered enormous flexibility. In the old days it was all done through a manual process of giving back a set of keys to a colleague and so on. It's partly why, with our business car clubs, we're seeing very high vehicle utilisation."

Enterprise says that telematics and booking systems are giving customers '24/7 access and flexibility in booking smaller journeys', as club cars can be booked for efficient 30-minute trips or longer. "There's no minimum, no maximum – it's all about fitting in with the customer," says Choudhri. "It's about the whole criteria of what's the best, most efficient way to travel. It's not just cost, it's convenience and compliance, in a modern, safe, carefully looked-after vehicle that is under a year old."

Enterprise does not have the market to itself. Other players who have moved into the business car club market include Zipcar, Europcar, and Co-wheels.

Zipcar has over 13,000 London businesses with 'Zipcar4Business' accounts, typically using the firm's network of 2,500 vehicles on preferential rates. The organisation also provides more bespoke 'dedicated use' vehicles for some clients to best meet their needs.

"Once the scheme is up and running," says Choudhri, "employees swiftly appreciate its simplicity"

Most of Zipcar's business clients are SMEs which can't justify the 'expense and hassle' of their own vehicles, so the club provides larger pool car fleets for clients such as the London Borough of Croydon, which uses Zipcar vehicles in the working week and makes them available to residents in the evenings and weekends.

Europcar too offers a range of managed fleet services to clients, including local authorities, universities and private businesses, with corporate operations spanning the UK from London to the Scottish Highlands. Chris Morris, of Ubeeqo Europcar UK Group, says 'significant' numbers of small businesses also use its on-street vehicles usually reserved for B2C clients, as this provides a 'cost-effective ad-hoc transport solution for their businesses'.

Co-wheels, meanwhile, says it has pioneered the use of car club-style fleets 'to solve the cost, environment and health and safety risks of business grey fleet mileage.' Its innovations have included introducing the first hydrogen-powered zero emission vehicles on business car fleets with four vehicles: two Toyota Mirais and two Hyundai ix35s with Aberdeen City Council, says Managing Director, Richard Falconer.

The Co-wheels car club has more than 250 vehicles on business fleets at 90 locations in 37 towns and cities from Aberdeen in the north to Poole in the south. Ninety are 'crossover' vehicles available for business use Monday to Friday, 8am to 6pm, but available for public hire at evenings, weekends and Bank Holidays. Customers include local authorities, health authorities, universities, housing associations and fire brigades.

Grey fleet numbers are just off the scale and it tells me that, culturally, many organisations don't know how to manage that type of travel

Co-wheels own fleet sizes range from one shared car to fleets of up to 40 cars, with between 700 to 1,000 registered users able to book them. Altogether, the firm has more than 8,000 registered drivers for fleet vehicles.

"At Enterprise," says Choudhri, "providing cars is only part of the service. "We ensure our customers have a very clear travel policy in place first, with a clearly defined travel hierarchy. Our goal is to make it a smart travel policy, explaining the most efficient way to use the club."

In the background, Enterprise runs unique algorithms, fed by telemetry data, constantly checking that car club vehicles are being used efficiently – and reporting any anomalies to clients. "It's been a really exciting journey for us because no one has challenged running grey fleet vehicles in this way before," says Choudhri.

"We are pleased with the way it's gone because we feel we've been able to understand what the requirements have been from a customer standpoint," he adds. "It isn't about the product, it's about helping the customer challenge behaviour and a lot of that has been through getting data, spending time with the customer, analysing the data, helping them deliver a travel policy, and then really implementing relevant services.

"This is what the last four years has taught us to do: getting away from just selling transactional access to vehicle hire and repackaging it as a form of mobility that requires behaviour change – all while delivering important cost, time and energy savings."

"But still," says Choudhri, "there is much work to do. The next four years is about awareness and scaling up the offering as grey fleet numbers are just off the scale and it tells me that, culturally, many organisations don't know how to manage that type of travel. They don't have the structure in place, they don't have the experience, so what they need is an established business car club to come in and work with them, talk to them and give them real confidence that, together, we can do this."

It's not just cost, it's convenience and compliance, in a modern, safe, carefully looked-after vehicle that is under a year old

"And actually, it's not restricting people's choices – it's enabling them and giving them more choices when it comes to business. And what could be more important?"

Savings

The Energy Saving Trust says, in the report, that savings from reducing grey fleet mileage do not result from the alternatives having a lower cost per mile, but from reductions in the overall mileage driven and a range of 'associated savings' including elimination of mileage claims inflation, the rounding up of journey mileage and a reduction in the number of journeys, as there is no financial incentive to travel.

Some journeys are replaced by audio conferencing, while the requirement to pay essential user allowances diminishes. Firms also benefit from no longer having to provide car parking for essential users, while eliminating time spent making, processing and correcting paper-based travel claims. Other benefits include time savings for staff due to the reduction in overall travel.

"The exact percentage saving assignable to each of these factors varies between different organisations, but the overall reduction can be as high as 40%," concludes the report.

Enterprise Case Studies

enterprise rent-a-car

Costs and Emissions

DOWN

Aylesbury Vale District Council

Saved £90,000 and halved emissions

North Ayrshire Council

37% reduction in CO2 emissions
equivalent to 9.1 tonnes annually

York NHS Trust

Pilot scheme saved £24,000
Car club expanded to 10 locations

NHS Fife

Expected CO2 reduction of 82 tonnes

Housing association WDH launched their car club in partnership with Enterprise using brand new, low emission Ford Fiestas. WDH's sustainability manager Simon Gutteridge said: "We've been keen to move away from mileage reimbursement as it's expensive, increases our carbon footprint and makes it hard to manage our duty of care for driver safety.

How do employees react?

"Often we go back to speak to employees when we sign them up at road shows and they say they love it," says Choudhri, but he admits that getting to launch can be challenging, as Enterprise has to overcome a 'wealth of cultural perceptions about what a new type of travel will mean.'

"Once they access it they like it. Who wouldn't?" says Choudhri. "It's giving employees access to a vehicle that is a lot newer than the one they were driving, and you're not putting the burden on them. They may be giving up the reimbursement, but that might not be covering their costs anyway. A lot of people have taken vehicles out through PCP and the mileage you do really has an impact on what that car will be worth in three or four years' time. Not everyone wants to use their own vehicle and put mileage on it. Maybe they no longer have to run a second vehicle, which they can't fit on their drive. Suddenly they've been given choice." ■

Savings come from reductions in the overall mileage driven and a range of 'associated savings' including elimination of mileage claims inflation, the rounding up of journey mileage and a reduction in the number of journeys, as there is no financial incentive to travel

David Williams was talking to

Oz Choudhri
Head of Public Sector
Enterprise
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On a wing & a prayer

Research from Enterprise shows that grey fleet drivers across Europe are not undertaking basic vehicle maintenance

RESEARCH released in September 2017 found that many business travellers across Europe who drive their own cars for work, the so-called 'grey fleet', do not always carry out basic safety checks on their vehicles. Enterprise Rent-A-Car commissioned the study among more than 2,000 adults in the UK, Ireland, Germany, France and Spain who drive their own cars for business.

It found that more than two in five grey fleet drivers (43%) do not undertake any regular maintenance checks themselves on their cars. When asked why they didn't, a third (35%) said that they expected 'the car to tell them if something was wrong' and 36% said 'that's what services and MOTs were for'. One in six (17%) simply expected modern cars to work.

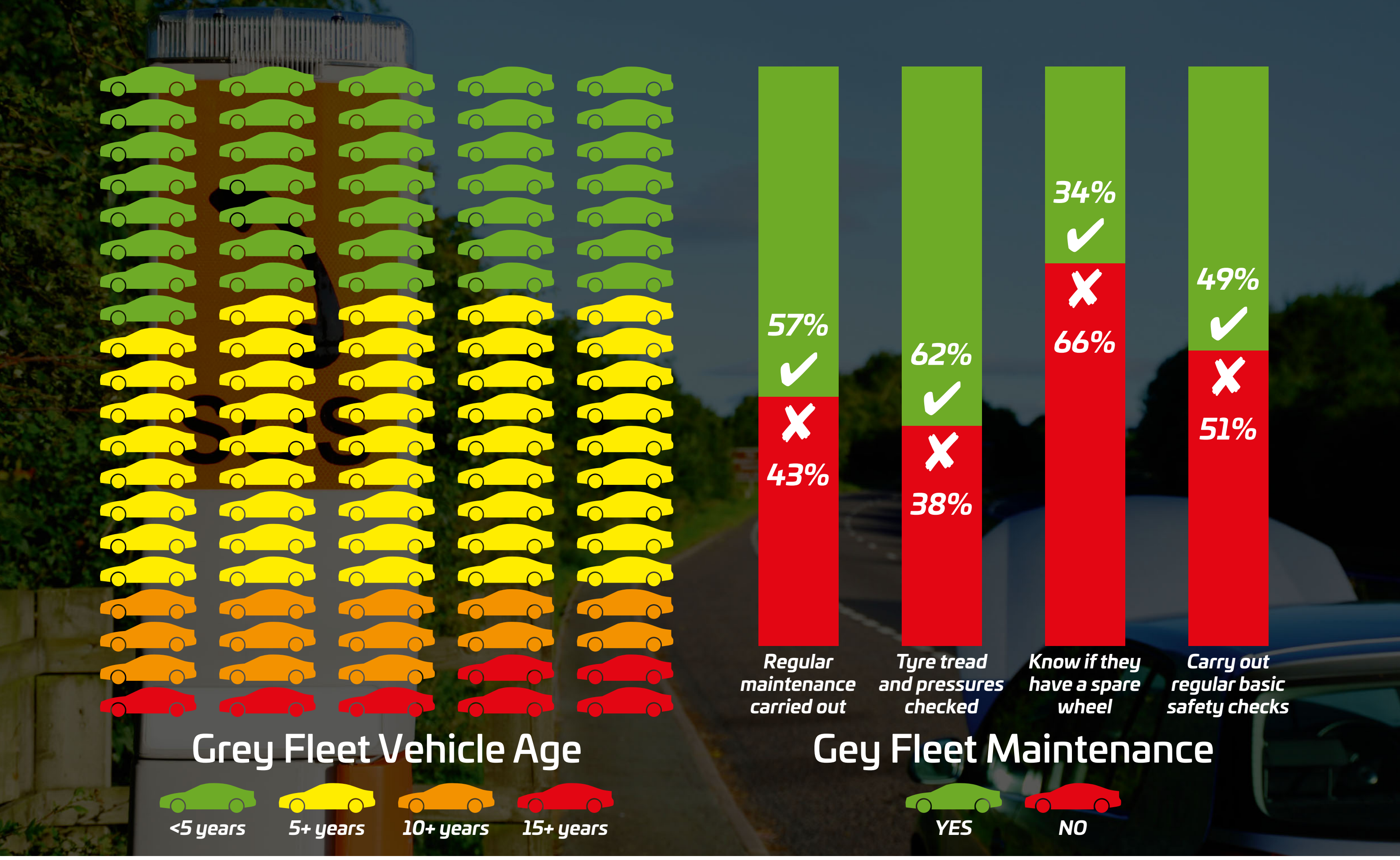
Even more (38%) have never checked the tyre tread, a third (33%) have not looked at engine oil levels and almost half (40%) have never checked if their brake lights are working. Almost a third (30%) admit they have never even opened the car bonnet.

Moreover, the research revealed that the personal cars Europeans drive for work are often less modern. Nearly half (44%) of the business drivers questioned are using a vehicle for business that is more than five years old, around one in eight (13%) drive a car that is more than a decade old and one in 14 grey fleet drivers (7%) is in a vehicle more than 15 years old.

Rob Ingram, director of business rental for Europe at Enterprise Rent-A-Car, comments: "All over Europe, businesses allow employees to use their own cars for work journeys. However, our research indicates that many drivers are not always checking their vehicles before a business trip."

"It's very likely that this is something that companies are simply not aware of, and equally, they may not be aware of some of the implications for the business should the driver be involved in an accident due to lack of vehicle maintenance."

"We would advise all European businesses with employees that drive their own vehicles for work to ensure their travel and transport policies cover areas such as vehicle maintenance and routine checks for personal vehicles used for business travel. Developing travel policy is an area where we often work with our business customers, not least because this is our day to day work."



"At Enterprise, for example, every daily rental vehicle is put through a 25-point check before each hire and Enterprise Car Club vehicles in the UK have an inspection every fortnight."

"It may also make sense to provide employees with other travel options when they are planning a trip, such as pool cars, rental car vehicles, car clubs or advice on the availability of public transport, especially where it may be difficult to monitor how privately owned vehicles are maintained. These options can be more cost-effective than the grey fleet and employees often welcome not having to use their own vehicle for business."

The research also revealed that many grey fleet drivers across Europe are unsure if the car they use for work contains vital safety equipment. More than a quarter (28%) don't know if they have a warning triangle, 36% don't know if they have a jack and a third (33%) are uncertain if their car holds a high-visibility vest or jacket, even though these and other safety tools are mandatory in many European countries. Two thirds of grey fleet drivers (66%) don't currently know if their car has a usable spare tyre.

The survey also looked at how grey fleet drivers behave when they're preparing for a trip of 100 miles or more. It revealed that 44% don't check that they have enough fuel and more than half (51%) don't do any basic safety checks on their vehicle.

In addition, almost two-thirds (61%) don't plan for breaks at least every two hours, even though driving safety organisations agree that regular breaks on long trips are vital to maintain driver focus and concentration.

Rob Ingram continues: "This research highlights that many personal vehicles aren't always equipped for business travel and that employees don't necessarily have the right equipment in the car if they break down. Staff may need a reminder before they set off on a trip of what they need to take in their vehicle especially if they drive abroad where the requirements may be different.

"In some cases, companies may wish to consider if it's appropriate to help with the cost of these items not least as they may be stopped and fined by the police on the highway. Again, this is an area that can be addressed by a travel policy designed to cover the grey fleet." ■

A Problem Ignored

IT made quite a splash when – in July 2016 – a hard-hitting report into Britain's grey fleet exposed the scale of the phenomenon in detail, for the first time.

Crammed with facts on the size of the fleet, mileage covered, and the environmental, economic and road safety impacts, it was an impassioned plea for a major overhaul of what the report – *Getting To Grips With Grey Fleet* – said were 'shocking' findings.

Published by the BVRLA (British Vehicle Rental and Leasing Association) and the EST (Energy Savings Trust), it called on government to 'tackle the challenges' in its transport strategy, demanding a 50 per cent reduction in the UK's grey fleet mileage by 2020 by highlighting alternatives – particularly in the public sector.

With more than 12 billion business miles driven annually by employee-owned cars, many of them old, emitting relatively high levels of CO2 and toxins compared to newer vehicles – and at a cost of more than £5.5 billion a year in mileage claims and car allowances, said the report – the argument appeared compelling.

Today, however – over two years later – the BVRLA is forced to concede that little has been done to address what it sees as a significant problem, and it now plans to re-launch its re-evaluation of grey fleet with a new, two-pronged strategy.

"We were disappointed it did not generate more debate at the time but it was overshadowed by the Brexit debate. Within a very short period after we made our findings known, the policy agenda was racing on," admits Toby Poston, BVRLA Director of Communications and External Relations.

"Within months, public discussion on transport had shifted towards air quality issues, with cities including London, Leeds, Nottingham, Derby and Southampton all discussing the introduction of clean air zones."

One of the key barriers to change, says Poston, is that it is hard for independent observers to detect whether the grey fleet issue has improved – or worsened – as there is a dearth of reliable evidence.

"Firms do not publish their figures on this; they are not beholden to publish their grey fleet mileage," says Poston. "They don't tend to publish their driving at work strategies either. On top of that, grey fleet is often not one of those areas completely under the control of one designated person within a company."

"Most companies that have a fleet, or a lot of people who drive for work, have a Fleet Manager, but often the grey fleet does not sit under their responsibility; it's a budget that floats around – it might come under Expenses or the Facilities Manager or the Finance Director, or even HR if it's mainly a perk fleet. This makes pinning the figures down difficult."

What the BVRLA is sure of is that most of the evidence it turned up for its report is still accurate. "It's basically the same story today," says Poston, who insists that the BVRLA and EST have just as strong a case now as they ever did. So what, exactly, were those findings, back in 2016?

One of the key barriers to change is that it is hard for independent observers to detect whether the grey fleet issue has improved – or worsened – as there is a dearth of reliable evidence

Getting To Grips With Grey Fleet reported that Britain's grey fleet comprised 14 million cars, which it said equated to 40 per cent of all vehicles on the road. In the private sector, it said, the grey fleet was costing almost £5 billion a year and covered 11 billion miles, emitting 3.2 million tonnes of CO2 and 7,038 tonnes of NOx. In the public sector, it said, use of grey fleet vehicles was costing £786 million a year with the bulk of the 1.5 billion miles driven by employees of the NHS, local authorities and civil service. These vehicles were emitting 447,000 tonnes of CO2 and 1,118 tonnes of NOx.

Grey fleet cars were, typically, older, more polluting and, said the BVRLA, 'more dangerous' than their modern counterparts. Grey fleet vehicles had an average age of 8.2 years and produced 8,156 tonnes of NOx, equivalent to twice the emissions from Transport for London buses.

Key Findings from *Getting To Grips With Grey Fleet*

PUBLIC SECTOR

1.5 billion

The number of miles driven in grey fleet vehicles every year in the **public sector** at a cost of

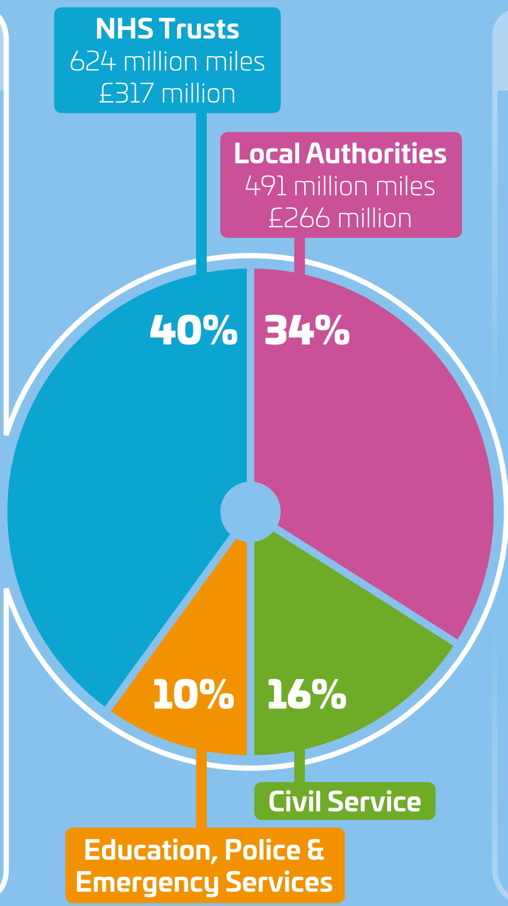
£786 million

Generating emissions totalling

447,000
tonnes of CO2

1,100
tonnes of NOx

40,000
Kg of PM



PRIVATE SECTOR

11 billion

The number of miles driven in grey fleet vehicles every year in the **private sector** at a cost of

£5 billion

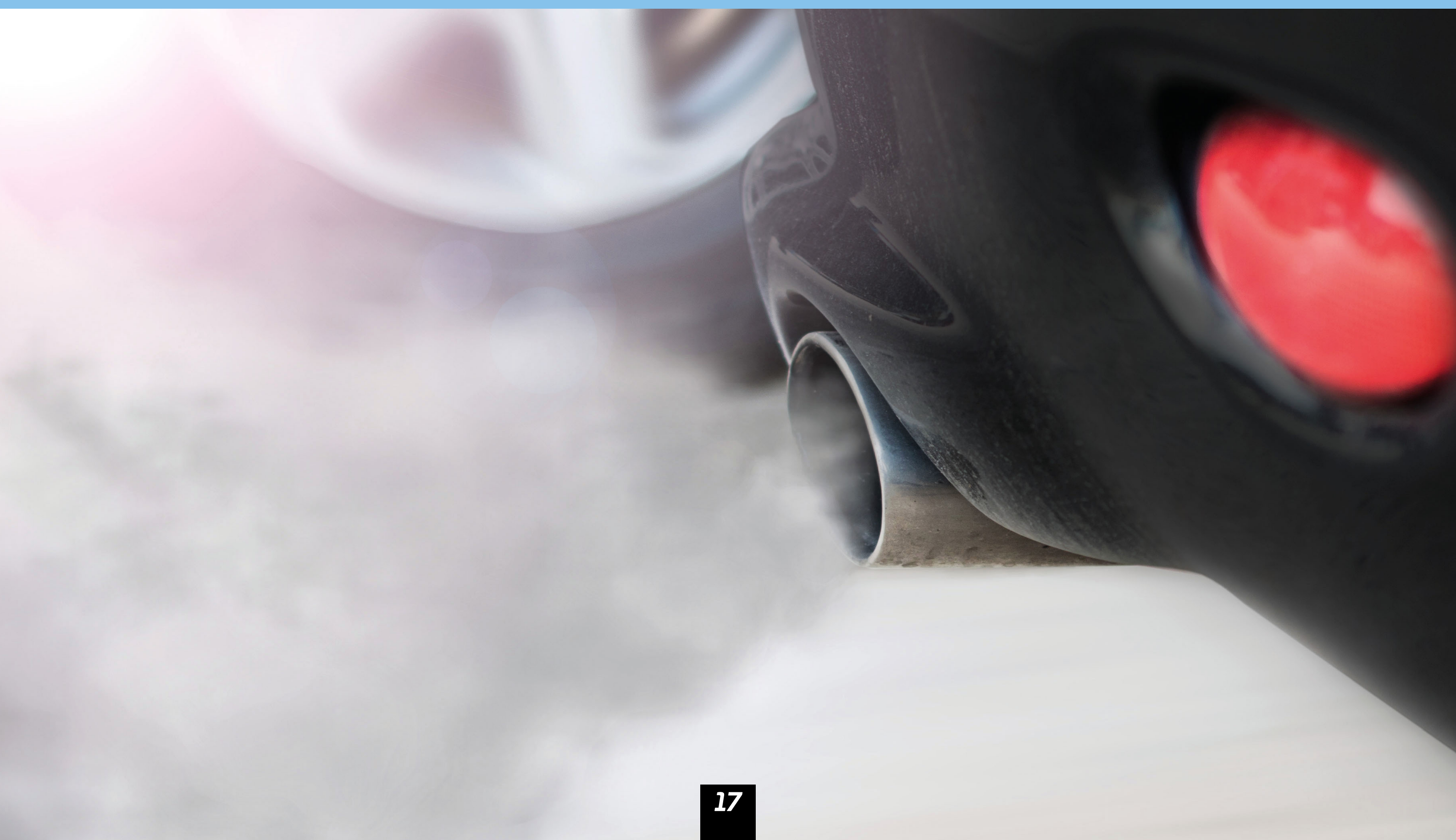
Generating emissions totalling

3,200,000
tonnes of CO2

7,000
tonnes of NOx

235,000
Kg of PM

A 50% reduction in public sector grey fleet mileage could result in a total saving of 157,000 tonnes of CO2 per annum.



And the BVRLA's latest strategy for injecting new life into its campaign for a re-think of grey fleet? "The public agenda has moved on – and so has ours," says Poston, who says that alongside issues of cost to the economy and business, the BVRLA will now highlight how overhauling the grey fleet can help improve air quality by curbing harmful emissions. It will also call on businesses to re-think their duty of care to their employees and society in general.

"We are not forgetting cost – it's an important issue," says Poston. "But we are going to take a fresh look at the important environmental impacts of grey fleet."

In the first instance, the campaign will be urging businesses, backed by local authorities where possible, to gather detailed data on travel habits, as a prelude to instigating behavioural change policies. In practice this means getting employees to consider alternatives to running grey fleet vehicles.

"At the moment grey fleet is falling through the cracks. Employers don't know how often private vehicles are being used, or even whether it's appropriate for that journey or job, how or whether it's being maintained, whether it's passed its MOT or if it has three bald tyres," says Poston.

"We need to understand these journeys; how they are travelling, why they are travelling, why they are choosing a certain car. Once you get that understanding and see what journeys they are making and what impact these journeys have, it's much easier to develop a policy."

"You could stipulate, for instance, that journeys under so many miles could be on public transport, that journeys over a certain number of miles should be by rental car or if you do more than 10,000 miles a year then you should be in a company car."

Poston says that companies should also be setting employees emissions targets for private cars, just as they do with company cars.

"But it all starts with getting that data – once we have that, aggregated on a national level, we would have a much better view. The logical step from there would be that just as you have a road safety duty of care, companies should have to record, and act on emissions too."

Poston admits this is a tricky area. "At the centre of the grey fleet is the fact that the more you drive, the more money you are going to earn; it's seen by a lot of people as a benefit along the lines of an annual bonus or little incremental increase. Unions can get very touchy about it and it's popular in the public sector too."

"But we believe that if the lack of official data charting the true scale of the problem is addressed, employers will have a deeper understanding of the problem. You can guarantee that there will be a cheaper way of getting your employees to travel than paying them 45 pence per mile in their own car."

There is also another heavy incentive lurking around the corner, believes the BVRLA. It's the prospect of companies being hit by steep daily charges as, city by city, more clean air zones – targeting older, more polluting cars, those that often make up the grey fleet – roll out across the UK.

"It won't be long before employers have staff coming to them saying 'I can't use my car anymore because I'm going to be hit by £12 charge for travelling around Birmingham – what are you going to do about it?' ".

Ideally, says the BVRLA, once data has been gathered on work travel patterns, grey fleet drivers' mileage should be audited more rigorously. "You provide the receipt for your lunch or taxi if you make an expenses claim; why should grey fleet mileage be any different? You should be giving proof of where you've travelled to, and the mileage you have done."

It won't be long before employers have staff coming to them saying "I can't use my car anymore because I'm going to be hit by £12 charge"

It is unclear who would be best placed to enforce this regime of data gathering but, says Poston: "Since October 1 2014, publicly listed companies have been required to report their greenhouse gas (GHG) emissions (CO2, methane, etc.) to DEFRA. This includes road transport, but DEFRA guidance only stipulates that it should include vehicles owned or operated by the company. Hence grey fleet is not included – we would like to see this changed."

Poston suggests that employers, as part of their CSR or their best practice, should set minimum emissions thresholds. "Now, you have a strange situation where you've got a portion of your fleet where you're given company cars with a threshold of, say 110g/km CO2, but you also have a grey fleet with no standards at all. There should be parity."

"We would like to see a maximum age set for grey fleet cars, and it should be a car that's fit for the job, so you haven't got someone shuttling around suburban areas visiting people in a 20 year-old Land Rover Defender that's chucking out pollution. It should also be possible to ensure that the vehicle is properly maintained, driving licences should be checked regularly and there should be emissions thresholds.

"We are wary of asking government to come in and add new red tape or regulation. Often you know your needs better than anyone but there are certain best practices, and common standards that should be followed."

Poston says that one starting point for companies is to have their fleet and travel plans professionally audited: "There are plenty of firms who will do that, in expectation of providing you with a fleet solution."

One area where the BVRLA would welcome more Government involvement is on AMAP (Approved Mileage Allowance Payments); "We believe that 45 pence per mile is too high as it does not accurately reflect the cost of motoring," says Poston. "This is why people do more mileage than they need to, and why they sometimes drive when another method of travel would be more effective. Look at VED, fuel duty and so on; there's a clear incentive to choose a low emission vehicle but AMAP is not in line with this. We've made this point repeatedly, but it's still there."

Adds Poston: "Clearly, there are times when a grey fleet vehicle is the best solution, but its use should not be at the level it is at now."

The BVRLA says it wants more emphasis on car clubs, car rental and 'Mobility' travel plans considering public transport, even walking and bicycles, where appropriate.

Poston admits this is a big ask. "If you set a policy and advertise it and give people alternatives, it would be OK, you must give employees help with alternatives. But if you say 'no grey fleet but I'm not giving you help with public transport or access to ways of getting a new car or leasing it' that would not be reasonable."

Poston agrees that other major hurdles lie in the way of grey fleet change.

"Asking staff who may already feel underpaid and overtaxed or have enough on their plate, to change their behaviour and abandon a bit of what they perceive as a freedom is a big cultural change. You must be quite brave to see that through as an employer, and the lower down the management chain you are, the harder it can be. If you are a fleet manager you will not tend to be board level so you need a champion who is, to support you, or you will quickly find yourself unpopular in the canteen."

The BVRLA does have a card up its sleeve, however. "We believe that before long, air quality issues – especially in London – will force grey fleet firmly back onto the agenda, because if people rely on their own car, and all of a sudden they need to pay £12 extra a day, it's going to add up. It will quickly land on the Finance Director's agenda when he realises his transport costs are rising."

"Before, we were trying to present overhauling grey fleet as a carrot, an opportunity to make economic savings. Now, as well as the economic case, the 'stick' will be clean air zones kicking in."

Claims Poston: "The writing is already on the wall for grey fleet. Connected and autonomous vehicles will eventually see to that. So will the gradual move from vehicle ownership to usership, which is gaining speed in cities. We believe that over the next 15-30 years personal car usage will wane. The stick will also come in the form of increasing taxes, the hassle and cost associated with ownership versus the flexibility and ease of getting a shared car via a smartphone app – and not having to drive yourself through traffic."

For now, the BVRLA plans to freshen up its grey fleet report to reinvigorate the debate, re-engage Government over AMAP and, presumably, work out how to persuade businesses to gather all that vital, background data in the first place.

"Grey fleet is an issue that needs to move with the times," says Poston. "The increased focus we are seeing on air quality and zero emission motoring in cities can provide the very momentum to tackle this often overlooked issue." ■

David Williams was talking to

Toby Poston

Director of Communications and External Relations

BVRLA

www.bvrla.co.uk

Out of Control

Why 'cash allowance' means companies are losing an element of control that is essential for monitoring safety, emissions and compliance

A KEY area of the grey fleet market that is frequently overlooked is the way it's being fuelled by a growing tendency for cash allowances to be offered to, and taken by, employees.

Cash allowance is a phenomenon which is potentially problematic

Offered instead of, or as an alternative to, a company car – which would incur more expense and more work for the employer – employees frequently jump at the opportunity, in some cases possibly using the cash to help run an existing private car.

Employees often see a cash allowance as a win-win situation; if they do already have a car in the household, it makes running it appear more economically viable. More commonly, and no longer subject to company car policy, they will choose the vehicle they really want to drive which may be older, less fuel efficient and therefore have a greater environmental impact.

But cash allowance is a phenomenon which – says Ian Featherstone, the Energy Saving Trust's Account Manager, Supply Chain – is potentially problematic.

He says that by shifting responsibility for a vehicle used on company business to the employee, the company loses a large element of control – control that is essential for monitoring safety, emissions and compliance.

"We know that there has been a recent falloff in the number of company car users for various reasons including rising company car tax," says Featherstone. "We also know that there's a rise in employees using cash allowances to seek Personal Contract Purchase (PCP) and Personal Contract Hire (PCH) schemes which, while adding to personal debt, may or may not include a maintenance element ensuring that the car remains in a good, safe condition."

You don't know if vehicles are running around with a couple of bald tyres or not

"But the take-up of car allowances certainly seems to be a growing trend – and that means there is less overall control over how that money is used than when, for instance, a company issues a company car."

In 2016, when the Energy Saving Trust co-authored *Getting to Grips with Grey Fleet* with the BVRLA, it found that there were an estimated 230,000 'cash allowance' vehicles on UK roads. Tracking that figure since has proved 'very difficult indeed' says Featherstone, but he believes the figure may have grown considerably.

"I suspect that many of those being offered a cash allowance choose a vehicle finance deal because they are quite attractive; you get a new car, you get the sort of vehicle you want, and so on. But there will always be certain people who would, if given the opportunity, go and buy a 5-6 year old vehicle. That is why the average age of a cash allowance vehicle (as found by our report) is 5.3 years. Within that of course there will be very new vehicles but there will also be some aged 10 or 12 years old, possibly even older. You would not see 10-12 year old lease or company cars."

"While 5.3 years is still younger than the average grey fleet vehicle age of eight-plus years, it's considerably older than a lease car at one and a half years, or a salary sacrifice car at 1.3 years."

There are other serious issues in addition to vehicle age, says Featherstone. Another problem is that – given a relatively free choice, with a cash allowance – users might be tempted to choose a larger car than they would if they had to choose a company car from a list. This might be a relatively large SUV, producing more emissions than a smaller company car offered by an employer.

"There isn't the pressure to have the lowest CO2 vehicle when your company car tax does not depend on it. People will often choose higher emitting vehicles with higher fuel consumption," says Featherstone. "A number of people, unless there are very strict rules in place, will tend to go for nearly new or used vehicles. Some may even choose something like a Range Rover when they might have been in a Ford Mondeo estate or similar as a company car."

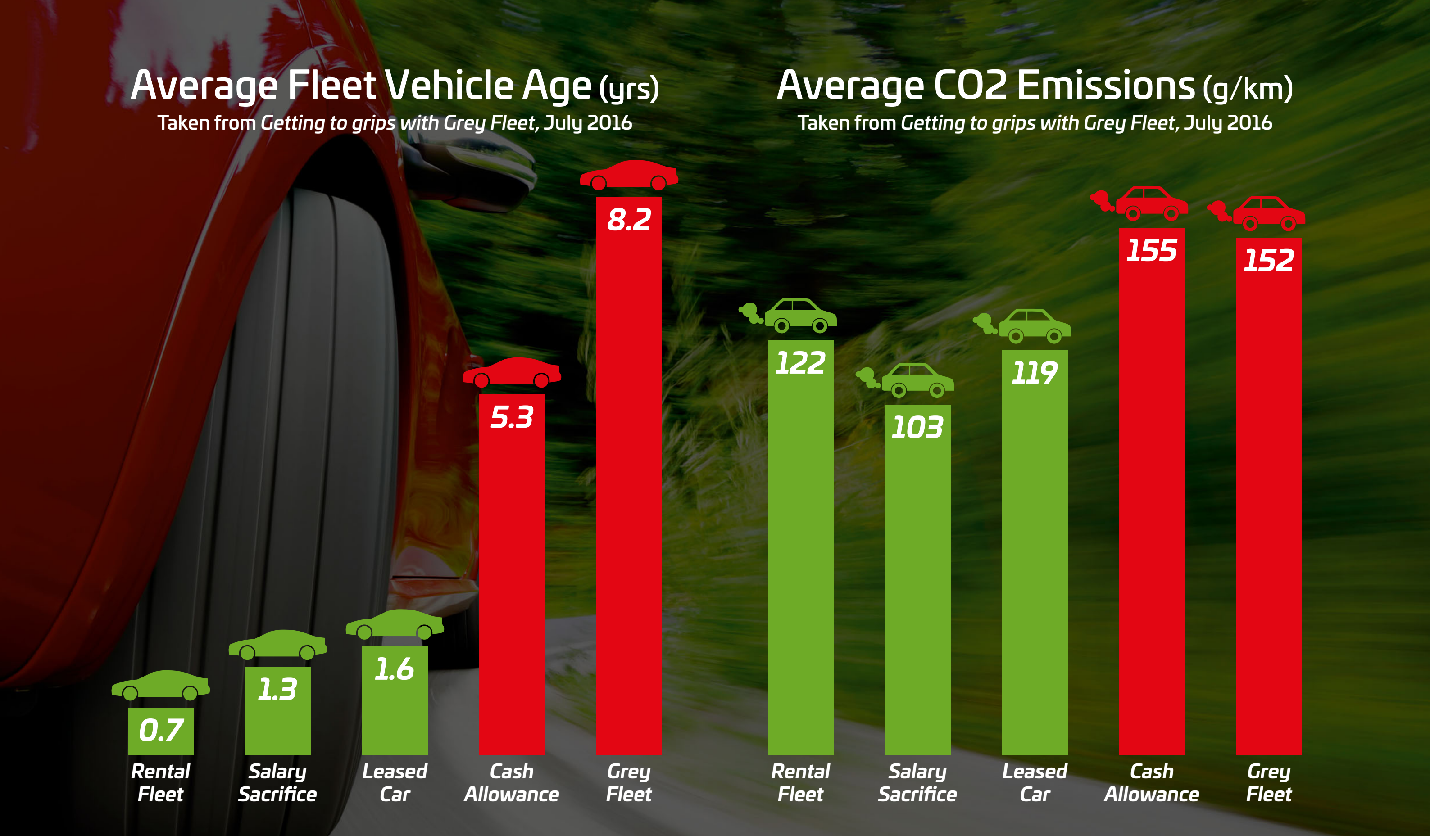
"Often, with cash allowance, the controls are not in place that would be there with a company car. All of the difficulties of managing grey fleet start to emerge including ensuring that people have insurance cover for business use, valid driving licences, and that vehicles are maintained properly. You don't know if vehicles are running around with a couple of bald tyres or not. If you have a paid-for company car then maintenance costs such as tyres will be paid for by your employer. If you've bought a vehicle yourself, maintenance costs may be inconvenient at a particular time. All of those control issues start to rear their heads."

It is a difficult issue to tackle, as – despite extensive research carried out for *Getting to Grips with Grey Fleet* – EST found that it wasn't possible to pinpoint which sectors would, typically, offer cash allowances and, therefore, which sectors to reach out to.

The average age of a cash allowance vehicle is 5.3 years and people will often choose higher emitting vehicles with higher fuel consumption

"Before we started to collate evidence for the report, we expected there would be industry sectors that would use cash allowance more heavily. But when we looked at it in more detail we found that there isn't really a particular sector or business size that is predominantly cash allowance. It seems to be random across industry," says Featherstone.

On a more positive note Featherstone observes: "There are some leasing companies that have schemes which provide cash allowance drivers with a more controlled company car-like structure around them. However," concedes Featherstone, "not all of the leasing industry has a handle on the amount of cash allowance within their lease customers' fleets, so the scale of the problem remains opaque."



"And for the fleets themselves, while some control cash allowance very tightly, others have almost no control at all. Compared with a traditional company car they are losing a certain amount of control over the vehicles themselves, the age of the vehicles and potentially the vehicle's safety. We must continue to highlight that companies need to be very careful when they offer a cash allowance scheme."

When errors like this occur it's symptomatic of a lack of control

"What is known," says Featherstone, "is that cash allowance is mainly a private sector issue, with the inroad of salary sacrifice schemes helping reduce the phenomenon of grey fleet within the public sector."

So what are the solutions to cash allowance-induced problems?

"Initially it's a case of highlighting the fact that cash allowance cars are grey fleet," says Featherstone. "It is also vital that companies have watertight data on the vehicles – and drivers – being used on company business."

By way of example, he says "it is 'not uncommon' when EST analyses an organisation's grey fleet to find that wrong registration numbers have been recorded. For instance, the registration turns out not to be for a car but for a three-axle truck because it's been input into the expenses system incorrectly. This should automatically be thrown out by the system and not paid but it isn't. When errors like this occur it's symptomatic of a lack of control."

Adds Featherstone: "If a grey fleet is being run properly, specific vehicle or vehicles will be recorded against an employee who is reimbursed for business mileage through their expenses claims. It should be a matter of course that any vehicle being claimed for is taxed, safe and insured for business use."

"If it is possible to accidentally put in the wrong registration number and still get paid then it basically demonstrates that the control process is not fully in place. Employees may in some cases claim for more than one vehicle, it is essential that the employer is certain that business insurance cover is in place on all the vehicles being claimed for. It's all about control of the data and having proper mileage records."

"One solution," says Featherstone, "is for companies to use a mileage management company. Drivers can input their business mileage via computer or smartphone app and the business will record and 'sense check' the submissions."

"Accurate recording of business journeys also avoids claim inflation which is quite common, although I don't think that, generally, people falsify their mileage claims intentionally – it's more about erring on the safe side. You record the journey, where you're going from and to, and mileage management suppliers will ensure that records are maintained and accurate."

If a grey fleet is being run properly, specific vehicles will be recorded against an employee who is reimbursed for business mileage through their expenses claims

"In addition," says Featherstone: "When monthly or weekly claims are submitted, it's possible for the drivers to declare that 'I've got a licence, my car's insured for business and it's maintained as it should be'. Depending on the service level of the contract, the supplier can administer driver compliance including keeping track of insurance, driving licence and maintenance records."

Featherstone sees this not as a problem for the supply chain, but an opportunity. "There's an opportunity for leasing companies to be more active in the cash allowance market and help their customers control the risks involved. What we would say to businesses is that if they are going to go down the cash allowance route, they should consider how they're going to structure the scheme, put in age limitations and similar CO2 limits and vehicle body style restrictions – limits that they would have had in a company car scheme."

When errors like this occur it's symptomatic of a lack of control

"This will ensure that the vehicles being used on business are still appropriate to the job and not significantly increasing emissions. Make sure all the controls are in place and take advantage of products that the leasing industry has developed in recent years."

He adds: "Any schemes really need to replicate a company car scheme as closely as possible to maintain that element of control. Unless the company puts rules in place, individuals may just choose the cheapest option, possibly including PCP schemes with low mileage allowances, so they may be hit by excess mileage charges at the end of the period. There is a duty of care towards employees to make sure they are making sensible decisions."

Featherstone says that the issue of cash allowance calls for better leadership from companies, but also more recognition of the need for control. "It's all about control of the data."

So what does the future hold on the cash allowance front? Future company car tax rates and low emission vehicle availability will 'all have an impact', says Featherstone. But he echoes the thoughts of John Pryor, who says that the emphasis on 'mobility' will be key to success for business travel.

"The vehicle leasing industry is transforming itself into a 'mobility' industry. It is getting involved in pool car provision and helping fleets manage cost for car schemes and so on. There is, I believe, a move towards controlling grey fleet and reducing it where possible. Things are going in the right direction – but overall awareness of the issues is still patchy and we have some way to go." ■

David Williams was talking to

Ian Featherstone

Account Manager, Supply Chain

Energy Saving Trust

www.energysavingtrust.org.uk

Just nipping to the Post Office

Your grey fleet may be bigger than you think

THERE are many hidden issues with running a fleet. Take the estimated 14 million drivers that include those who run errands for their employers such as nipping to the Post Office or the bank, those part-time workers who use their own vehicles as subcontractors, and employees who take advantage of a cash allowance as an alternative to a company vehicle and drive their own vehicle on company business.

Or in other words, your grey fleet.

Grey fleet drivers represent one of the single most at-risk groups for businesses today. Why? Because many businesses with active grey fleets simply do not realise the level of responsibility they have.

Just because an employee does not use a company-provided vehicle for a business journey does not absolve the company or the fleet manager from their duty of care responsibilities, and a company faces very unique challenges in managing the safety of those vehicles.

The law is clear: employers have a duty of care under the Health and Safety and Welfare at Work Act 1974 to ensure, so far as is reasonably practicable, the health, safety and welfare of their people at work, including those who are driving on business. The vehicle is defined as an extension of the workplace and the company is legally bound to safeguard the employee, regardless of vehicle ownership. Quite simply, the grey fleet needs to be managed in exactly the same way as company owned or leased vehicles.

Recent research by HR specialists Selenity found that 21% of grey fleet drivers do not have business insurance while driving for work. Many businesses with grey fleets mistakenly think that an employee's own insurance cover will protect the company from on-the-job accidents, which isn't the case. It is essential that every employee who uses their vehicle for a work journey, regardless of the distance travelled, has cover for business journeys included with their policy. Inclusion of cover for business use normally only incurs a nominal fee, and is even free of charge on some occasions.

Employers should inspect a driver's insurance certificate each year and it is sensible to keep a copy on file.

Another concern for businesses is the potential for inflated mileage claims, particularly as the Annual Mileage Allowance Payments (AMAP) is currently set at 45p per mile. Effectively this rewards your grey fleet drivers for travelling or claiming for additional mileage – a 100 mile journey can equate to a tax free payment of £45.00. Let's not forget too that privately-owned vehicles are often older and may produce far higher CO2 emissions than newer company vehicles. The combination of encouraging drivers to carry out unnecessary journeys in higher CO2 emission vehicles can seriously compound the challenges associated with identifying methods to reduce CO2 emissions.

So what should companies do when faced with these concerns? Firstly, they should have a clear policy on the type of vehicles approved for business use, including the maximum age that will be permitted. Think carefully about the safety of your drivers, as well as other road users, and consider where the boundaries should lie. Is a convertible vehicle appropriate for business use? Or a high-performance sports car? It is vital that the vehicles approved are fit for purpose and that you do not authorise the driver to drive a vehicle whose age, type or condition could impact on its safety and road worthiness.

Secondly, you will need to carry out the same driver licence inspections that you conduct for your other company drivers. This is a legal requirement under the Road Traffic Act and it is a criminal offence for anyone to drive without a legal licence. Not only would the driver be uninsured, but the company could easily be heavily fined for failing to have appropriate processes in place.

Next, the company needs to ensure that all vehicles used are taxed and that they hold a valid MOT. Organisations should also remember that anything they do for an employee using an owned or leased vehicle must also be offered to employees in the grey fleet.

The ability to accurately record and analyse driver and vehicle data is essential. A robust audit trail of all fleet activity, including your grey fleet, is a fundamental element of fleet risk management

Grey fleet drivers should be issued with the same policies that are provided to company vehicle drivers.

A professionally produced drivers handbook is crucial, as it will clearly define company policy and reinforce legal responsibilities of both the company and the driver. Make sure that your drivers have signed to confirm they have received, read and understand the document.

With all of this in mind, companies need to have a reliable method of recording the relevant information about all drivers and all vehicles being used – whether company owned or not. The information needs to be accurate, up to date and easily accessible.

Information stored should clearly demonstrate the legal condition of vehicles, along with all relevant information about the drivers – exactly the same level of data and validation as for company vehicle drivers. Further consideration should also be given to check the health and experience of grey fleet drivers and ensure all policies including mobile phone use are being adhered to.

In conclusion, the ability to accurately record and analyse driver and vehicle data is essential in order to manage it effectively and ensure excessive risks and costs are identified and mitigated quickly and appropriately. A robust audit trail of all fleet activity, including your grey fleet, is also a fundamental element of fleet risk management to demonstrate that appropriate actions have been taken to minimise risk where possible, in the event one of your drivers is involved in a serious incident. ■

Peter Golding
Managing Director
FleetCheck
www.fleetcheck.co.uk

The consequences of poor record keeping

Relying on spreadsheets and multiple data sets to manage vehicles and drivers

Potential consequences...

- Incomplete or out-of-date lists for drivers and vehicles and risk of lost data caused by multiple users updating spreadsheets at the same time.
- Key dates missed including MOT, insurance or road tax.
- Time wasted by team members searching for data across different systems and formats.

A lack of management information

Potential consequences...

- Inability to analyse fleet activity, usage, and productivity.
- Inability to identify and address key cost and risk issues.
- No audit trail – a fundamental element of robust fleet management with numerous legal implications.

No robust audit trail of vehicle and driver activity

Potential consequences...

- Falling short of legal obligations.
- Fines and prosecution.
- Risk exposure for the business and its directors

Not actively managing fuel spend

Potential consequences...

- Over-inflated mileage and fuel claims.
- High cost drivers overlooked.
- Failure to notice fuel theft.

No way of identifying high risk drivers

Potential consequences...

- High risk drivers inevitably cost your company more than low-risk drivers.
- Failing to spot high risk drivers and solve the problems they pose will increase the risk of accidents, lost-time injury and damage to vehicles.
- Risks to the business remain unaddressed.

1 in 5 drivers fail insurance checks

THERE are an estimated 14 million grey fleet vehicles on UK roads being used for business journeys. Regardless of the reason for the journey – whether your employee is driving to a customer meeting half way across the country or driving to the shop to pick up milk during the working day – their private car insurance must cover them for business use. Our experience at Selenity is that not all employees have the right cover.

As part of our expenses management solution, we provide an outsourced insurance validation service, which checks employee insurance records within their expenses system. In helping our customers we've discovered a disturbing trend – we've found that 21 percent of drivers are failing our insurance checks and may not be eligible to drive for work purposes, that's one in five motorists.

Specifically, 12 percent don't have business insurance so it is illegal for them to make work-related journeys of any kind. Worryingly, nine percent of drivers that failed our Duty of Care insurance checks had out of date insurance policies meaning they're not insured to drive at all.

It's a shocking set of statistics that points to an issue that business owners shouldn't be ignoring – their employees are breaking the law, either inadvertently or potentially on purpose. In one instance, we discovered that an employee didn't have a driving licence, yet they were regularly making work-related journeys.

The implications for the employee are fairly obvious – a roadside fine of £300 and six penalty points. If the case goes to court then there is an unlimited fine, driving disqualification and the vehicle could be seized and destroyed. However, employers too, can be on the hook for fines and potentially worse, if it's deemed they haven't carried out the necessary checks.

As an employer, you need to put processes in place to demonstrate that you are meeting your duty of care obligations. It's very easy for companies to do these checks themselves – MOT certificates, driving licences, and insurance documents should be checked at least once per year for every single driver. For the higher risk drivers – those with penalty points – more regular checks would be advised. And keep copies of these documents!

Unfortunately, you can't stop risky drivers from speeding and you certainly can't prevent accidents just by checking documents, but it does demonstrate that you are taking the issue seriously and trying to manage the risk appropriately.

There are a few challenges in checking documents; it's time consuming and takes up storage space, either electronically or physically for paper copies. And, most challenging of all, sometimes it can be incredibly difficult to determine whether an employee actually has the right insurance cover.

At Selenity, we've seen documents from 26 different insurance providers and each one is worded differently. Some clearly state if the policy holder has business insurance and some don't make it clear at all. It's easy to see why some employees think they do have the right cover when they don't.

There is potential for your employees to push back on having to change their insurance, not least because their premium is likely to go up. Some of our customers cover the extra cost to include business cover and some don't, it's down to the individual company.

If they do push back on the cover, my advice is to withhold paying out travel expenses until the employee provides proof of cover. You have a legal responsibility to ensure they are eligible to drive and there are potentially very serious consequences for employers that fail to carry out what are very simple checks.

Adam Bamford
Expedite Services Manager
Selenity
www.selenity.com

selenity

How do our Champions manage grey fleet?

ARVAL
BNP PARIBAS GROUP

FOR over a decade all employees have also been through Arval's in-house 'Drive4Life' road safety training programme. As a result of its initial success, this training was extended from company car drivers to all employees and there has been widespread positive feedback from staff showing that they feel more valued because of the training. They perceive Arval as a "company that cares about them" and one that goes beyond the minimum legal requirements in support of their welfare. What's more, much of the support that Arval employees receive is being opened up to their friends and family to ensure the widest possible reach.

Tracey Fuller

Customer Engagement Manager, Arval

BEFORE you put things in place to manage it, look at how you can minimise it! Too few people really know their true 'grey fleet' audience or consider that they should firstly understand the audience, the driving, the miles, etc. Then look at how you are going to manage it in order to reduce the risk.

ALL of our grey fleet drivers are required to complete an online driver risk audit and driving licence check. Part of the online driver audit requires them to read the Clancy Group driving Standards Policy and answer key questions to test their understanding. We require all grey fleet drivers to report to us that they have completed their vehicle checks and whether they have been involved in any road traffic collisions. Grey fleet drivers are required to undergo driver development if they have been involved in own fault or 50/50 collisions just as our company vehicle drivers would.

WJ recognise the major work related road risks associated with grey fleet and are working to minimise this within our business. Anyone driving on behalf of WJ must comply with our 'Driving at work Policy', have the appropriate business use insurance cover and an appropriate licence check.' This is to ensure their safety and that of all other highway users.

think exceptional

THERE has been a 26% reduction in the number of miles our employees (car drivers, those receiving a car allowance, casual allowance or car sharing) are driving on business in the first quarter of 2018 compared with the same period in 2017.

This has been achieved partly through the use of Skype which has increased 70% since 2014 and the cycle to work scheme in which 227 employees have participated, helping to reduce the overall miles driven.

TO support the Driver Safety Policy, all employees who drive on business using their own car or a hire car must first undergo an individual online driver assessment in order to obtain a McLaren Driving Permit.

If a driver fails one of these assessments they are not permitted to drive for work on behalf of McLaren Automotive unless they retake the assessment and subsequently pass to the required level.

Driving for Better Business

7 STEPS to EXCELLENCE

Getting Started – Your Driving for Better Business Journey

Get the basics right with our free guides and resources

1

REGISTER

Become a member of our community now – For FREE

2

LEADERSHIP

Why top down commitment is important for you and your business

3

RISK ASSESS

Find the gaps and learn how to plug them

4

POLICIES

Tell your drivers what you expect of them

5

MEASURE

Understand your risks and costs

6

COMMITMENT

Are you operating in line with current guidance and legislation?

7

GOOD PRACTICE

Even bigger benefits come through constant improvement and innovation

www.drivingforbetterbusiness.com/getting-started