Skanska UK

Driving for Better Business Case Study

Business Sector

Project development and construction group with expertise in building, facilities management, utilities, civil engineering, mechanical and electrical engineering, and highways maintenance.

Fleet Size (on 07/02/2019)

Up to 3.5t - 752

Over 3.5t - 389

Bus - 58

Company Cars - 1874

Grey Fleet - 759

Introduction

Skanska, established in 1887, is one of the world's leading project development and construction groups. Operating around the world in selected markets in Europe and the US, Skanska is listed on the Stockholm stock exchange and headquartered in Sweden's capital city.

Our UK operation is one of the country's top construction and development companies. It is an inclusive and responsible business that is helping to build for a better society. Known for major projects, such as the Gherkin and Crossrail, we are building, upgrading and maintaining the country's infrastructure for future generations.

Drawing on our Scandinavian heritage, we are green, innovative and progressive. We bring together people and technology, as part of our objective to make construction a safer and more collaborative industry.

In all our markets, we are well positioned to deliver the sustainable solutions that customers and societies need, today and in the future. We take an active role in developing society, working with customers, politicians and other stakeholders to continually improve standards in safety, green. ethics, diversity and inclusion, and community investment.

Through Our Journey to Deep Green™, our aim is for all Skanska projects to have a near-zero impact on the environment.

Our Values

We are committed to building for a better society by acting ethically and transparently and focussing particularly on our Care for Life values. IFE (injury free environment) is a company-wide initiative giving all employees a voice when it comes to health and safety – road safety included. We also have regular 'stand-ups' to discuss safety and well-being related subjects.

The safety of all employees and the public is a priority in all that Skanska does.

Sustainability

The Skanska Color Palette™ was introduced in 2009 as our strategic framework for green construction and development. The palette ranges from Vanilla (basic compliance with laws and standards) to Deep Green (near zero environmental impact through construction and past hand-over).

Our key Care for Life value also encompasses reducing our impact on the environment (before, during, and after projects are completed).

A new 'Low Carbon Roadmap' is due to be released, outlining Skanska's commitment to the environment and setting targets for all aspects of the business including car and commercial fleet management.

Nature of Operation and Driving Activities

The Skanska fleet consists of cars, light commercial vehicles (vans and tippers) and heavy goods vehicles (tippers, MEWPS, traffic management vehicles, vacuum excavators, jet patchers, gritters and coaches).

The predominant use of the vehicles is for transportation of workforce and equipment to work sites, apart from the specialist vehicles listed above. Skanska works all over the UK.

Work Related Road Safety Policy and Procedures

The Skanska fleet is managed across two teams – Car Fleet and Commercial Transport & Logistics; though the management of occupational road risk is managed as a single, whole-fleet unit. We currently have the following policies and procedures in-place to manage this (this list is not exhaustive):

- DVLA licence checks through our fleet management system, provided by Jaama
- Online risk assessments with e-modules, provided by Licence Bureau
- HGV drivers are risk-assessed in-cab by fully trained Transport Managers
- All traffic incidents are reported through a single management system
- Occupational Road Risk Policy
- Commercial Driver's Handbook (newly redesigned in 2018)
- Company Car and Driver Manual
- Car Drivers Driving at Work Policy
- Telematics Policy (ensuring the data is properly managed and utilised)

Works Related Road Safety Guidance for Drivers

The documentation detailed above has been produced to provide both policy and guidance in relation to all driving activities including road safety. All employees who drive on Skanska business are inducted in line with the relevant driver manuals.

There are a number of safety briefings and toolbox talks available on the intranet for drivers and managers to refer to or present to drivers.

Road safety awareness sessions are also offered across the business to departments and projects who wish their employees to learn more about the risks associated with driving and preventative measures for these. These interactive sessions are conducted as and when requested, often align with the 6-part Brake Pledge, and tend to be car-driver focussed – often the forgotten drivers in a construction company.

Auditing and Review

Skanska holds a number of external accreditations, covering all aspects of the organisations operations, and as such is subject to rigorous audit from its internal audit team and third party auditors.

Our Compliance Manager conducts specific audits of each depot, scheduled into a yearly planner which all projects/contracts have access to. These audits run alongside FORS and other accreditation audits.

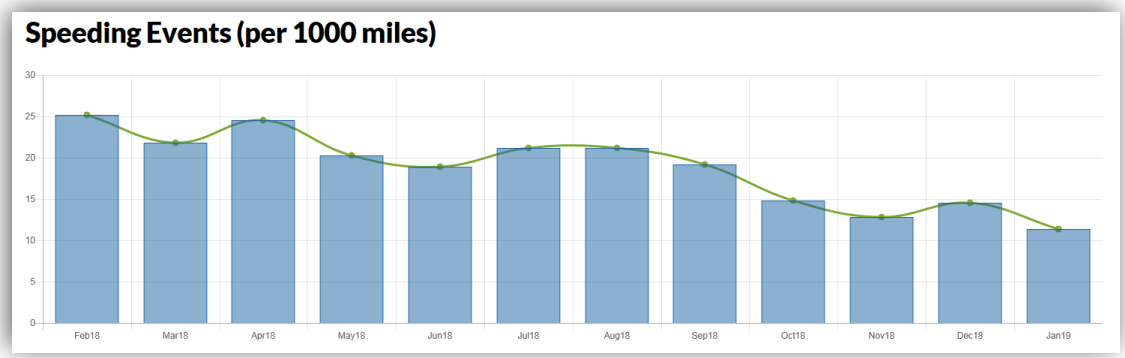
The centralised road risk team is also responsible for monitoring and auditing the compliance and safety-related data within our computer management system; ensuring that all relevant on-boarding and training requirements are met by each driver.

Performance Measures

Skanska works very closely with its supply chain partners, including organisations such as FMG, Leaseplan, Licence Bureau, Jaama, TomTom Telematics and BP to gather information allowing for meaningful analysis of performance measures. These include:

- Collision frequency
- Crash damage cost
- Percentage of drivers who have gone through the risk assessment and associated training process
- Telematics information (speeding events, harsh driving events…)
- Fuel consumption

Also, by working with TDS, managers are able to see telematics, fuel, utilisation information, and trend charts in useful monthly 'Ultra Reports'. An example of an 'Ultra Report' trend chart is below; showing the decrease in speeding events across the telematics-fitted fleet over the year 02/2018 to 01/2019.



By collating many data-types into a single report, managers are able to monitor performance and bring about change efficiently and in-line with their other commitments.

The road risk team also schedule-in regular visits to our projects to discuss their telematics performances, highlighting potential safety risks, praising areas seeing marked improvement, and going through contract-specific improvement plans.

Accident Reduction (as a result of WRRS measures)

The following statistics include all reported incidents/damage through our accident management company.

WHOLE FLEET	2016	2017	2018
Fleet Size	2740	3167	3085
Total Incidents Reported	1029	1072	1110
Annualised Incident Rate	38%	34%	36%

Car statistics in particular are affected by a change in company policy whereby all un-reported damage at off-hire is charged to the driver themselves – this has resulted in an increase in reported 'incidents'; many for minor aesthetic damage not as a result of collisions.

CAR FLEET	2016	2017	2018
Fleet Size	1981	2058	1911
Total Incidents Reported	815	840	896
Annualised Incident Rate	41%	41%	47%

These commercial vehicle statistics are more representative of the improvement in the safety of our drivers and fleet, aided particularly by the implementation of telematics during these years. Regular monitoring of telematics data helps to direct driver training topics to areas where particular focus is needed. The result of this is a vastly improved incident rate.

COMMERCIAL FLEET	2016	2017	2018
Fleet Size	759	1109	1174
Total Incidents Reported	214	232	214
Annualised Incident Rate	28%	21%	18%

As always there is still plenty of room for improvement, and we are also currently looking into the best way of dealing with non-incident related damage that doesn't skew our overall incident figures.

Financial and Other Benefits (data collected on 07/02/2019)

Along with a reduction in cost of our insurance premiums, and despite an increase of incidents being reported, the average NET cost of damages reported through our accident management company has reduced since 2016:

WHOLE FLEET	2016	2018	Difference
Incidents with Costs	810	850	**+40**
Total NET Cost	£1,018,885.04	£970,733.08	**-£48,151.96**
Average NET Cost	£1,259.44	£1,142.04	**-£117.40**

These figures reflect the improvements made in regards to road safety across the business, and overcome the data issues mentioned when looking at the incident rates (minor, zero-cost incidents were removed from this calculation).

Lessons Learned

For road risk measures to be successful in the construction industry, road safety needs to be accepted as a risk on-par in terms of seriousness with those experienced on construction sites; therefore absorbed into the overall safety culture of the business.

Having skilled and trained drivers driving fully compliant vehicles is one step, but ensuring that those drivers and vehicles are utilised safely when it comes to meeting contractual obligations and targets is another thing altogether.

Changing the behaviours of drivers and their operational managers is the only way of effecting permanent and meaningful change.

Current and Future Developments

A refreshed Road Risk Strategy is in development and will further consolidate all types of road risk (safety, vehicle and driver compliance, operational risks…) under one umbrella. Part of this strategy will be to engage stakeholders from across the wider business through a Road Risk Forum where policies, processes, new technologies, best practise case studies, and specific risks will be discussed. This group will comprise members of the following teams – HR, Health and Safety, Car Fleet, Commercial Transport & Logistics, Projects Operational Managers, Environment.

Smart CCTV/dash-cam systems are currently being looked at centrally so that a specific suite of solutions can be offered across the business; managed centrally to ensure a One-Skanska approach.

Alongside this, an electronic driver daily walk-round check and defect-reporting solution is also being investigated and developed to fit with our requirements and way of working. Once implemented this will make the reporting process far more efficient and also allow us to record trends in defects; some of which may be rectifiable through specific driver training needs.

Skanska is currently looking to meet the ISO 39001 standard (Road traffic safety management systems).

Expectations for our Supply Chain

Our supply chain is expected to meet or exceed Skanska's standards as set-out in our policies and procedures documentation. This includes stringent code of conduct and safety requirements.

Skanska founded the Supply Chain Sustainability School in 2012, which focussed on helping suppliers and sub-contractors to develop their sustainability knowledge and competence.

Additional Information

Skanska has a strong safety culture and holds numerous awards from ROSPA, British Safety Council and specific industry sectors.

Skanska holds the following fleet-associated accreditations:

- FORS Bronze (Silver in some specific depots)
- CLOCS Champion