# **Case Study - nkl automotive ltd**

## Profile

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| Company Name: | nkl automotive ltd |
| Business Sector: | Autos |
| Postal Address: | Carmen House, New Potter Grange Road, Goole, E. Yorkshire, |
| Postcode: | DN14 6BZ |
| Fleet Size Overall: | 2 |
| HGV: | 0 |
| LGV: | 0 |
| Company Cars: | 2 |
| Private vehicles used for business purposes: | 2 |

## Company Overview

http://www.drivingforbetterbusiness.com/pool/casestudy-nkl.jpgnkl automotive ltd. are one of the largest suppliers of employed trade plate drivers in the UK.

Vehicle distribution in the UK falls broadly into two categories:

* those vehicles moved on lorries and transporters
* and those driven on their own wheels.

In many cases (particularly with dealer to dealer movements) the vehicles will not be in possession of a valid road fund licence, hence will be moved using trade plates.

nkl automotive ltd specialise in the latter category of vehicle distribution, focusing on cars and light commercial vehicles which can be driven on a normal car licence.

nkl automotive ltd’s vision is to lead its sector of the industry, by example, into a new phase of professionalism and enhanced safety. We believe that enhanced road safety can be brought about by a combination of training and information.

## Nature of Operation and Driving Activities

In 2011 nkl automotive ltd moved 50,000 vehicles throughout the United Kingdom and off-shore islands. Given an average movement length of 120 miles, this equates to about 5.5 million miles. During this period we only had nine vehicle incidents that required insurance involvement and of those, six were third party liabilities. The three remaining incidents were all low speed impacts and only one resulted in a minor physical injury. nkl automotive ltd attributes its record to its policy of training and briefing its drivers.

At nkl automotive ltd we have an extensive and integrated work related road safety (WRRS) programme. It comprises several components which are linked to provide comprehensive identification of risk and management of road safety. Our programme is focused on the safety of our drivers and the safeguarding of our clients’ assets.

nkl automotive ltd has no vehicles in its fleet. But our complement of approximately 250 employed drivers moves our clients’ vehicles. We do not use self employed or ‘agency’ drivers. Although the firm does not need to manage those vehicle related items which have an impact on road safety, such as servicing schedules, it takes the roadworthiness of any vehicles in its charge very seriously.

In addition, nkl automotive ltd seeks to eliminate all risk for all its drivers who need to travel between jobs either by the use of public transport (trains, buses or taxis), or by hire cars. All drivers are issued with a company credit card for hire cars, fuel and rail tickets and all other receipted costs are refunded by the company. The incentive to hitch-hike is thereby eliminated. As all drivers are paid on an hourly basis, there is no incentive to speed or cut corners. nkl automotive ltd thus reduces the risk to its personnel.

The company has a dedicated driver co-coordinator team at head office whose sole job is to manage the drivers out on the road, thereby relieving them of any unwanted distractions.

## Organisational Structure

The average age of our employees is 58 years young. This provides a superb blend of the wisdom and experience of maturity along with the energy and enthusiasm of youth. Each department has its own blend of age groups and works tremendously well together, so much so that in fact that we were used as an example, prior to the introduction of the new age discrimination laws, by the Local Authority as a role model for employers in the region.

## Work Related Road Safety Policy and Procedures

nkl automotive ltd bases it policy and procedures for work related road safety on a combination of training and information. As part of the overall strategy, nkl automotive ltd has developed a method of rest reporting that ensures that all drivers receive their allocated minimum eleven hour break between shifts, or compensatory rest the following day. These reports take data from the bespoke transport planning system and also from the time recording system, and by comparing one with the other, the rest time is presented to the traffic planners who ensure that the necessary rest is allocated.

Unusually within our industry all our drivers are hourly paid, thus reducing any incentive to rush or speed. There are no bonuses paid for the speed at which jobs get done, nor the number of jobs that get done in any day. nkl automotive ltd is acutely aware of the dangers of hitchhiking and as such does not allow any driver to hitchhike. All travel to, from and between jobs is both organised and managed by the driver coordinators, or is by the use of public transport. All expenses incurred by the driver for this transport are refunded.

nkl automotive ltd participated fully in the TRL study on work related road safety policy and procedures. TRL graded nkl automotive ltd very highly in its audit of their procedures and practices.

## Work Related Road Safety Guidance for drivers

Following a stringent selection process, our new drivers all undergo a full day induction course, immediately followed by a period of training with an appointed mentor. The mentor identifies areas of concern which may require further training. This is then provided if required and not until the mentor is satisfied can the driver be ‘signed off’. By the use of this thorough process an overall risk profile for each driver is established.

The course encompasses both classroom and ‘on road’ learning, covering all aspects of safe driving in conditions ranging from country lanes to busy motorways. The first day covers the classroom work including a section on the Highway Code and also some time on the road which establishes the current competency of the candidate. The second day focuses on improvements to existing skills and the introduction of new ideas. The current average age of an nkl automotive ltd driver is fifty seven, hence many traditional traits are common and the importance of implementing newer systems of driving is understood. In all 22 driving competencies are assessed each given a score between 1-5:

* System I-P-S-G-A /MSM
* Pre-drive Checks
* Highway Code
* Consideration for others
* Concentration
* Observation/Planning
* Mirror use
* Use of signals
* Hazard negotiation
* Use of speed
* Space Management
* Overtaking
* Safe Progress
* General Positioning
* Position on bends
* Steering
* Acceleration
* Braking
* Gears
* Left or right reverse
* Reverse parking
* Attitude

The aim is to establish an improvement between Day 2 and Day 1 (irrespective of first day score) and to have no score lower than 3by the end of Day 2.

At the time of compiling this submission the scores achieved for Day 1 range from 52 to 88, and for Day 2, 66 to 103. This places all nkl automotive ltd drivers in the low or low moderate risk categories. An average of 26% improvement has been shown between Day 1 and Day 2.

We follow this up with a further two day RoSPA approved Fleet Driver Safety Course which is supplied by our training partner OccuDrive Ltd. The course encompasses both classroom and ‘on road’ learning, covering all aspects of safe driving in conditions ranging from country lanes to busy motorways.

Two additional courses, the ‘Task Observer’ and ‘Low Speed Manoeuvring’ courses which are being supplied by the RAC, are currently being planned into our operation.

All nkl automotive ltd drivers, not just those who have a high risk profile, are subject to this training. Our drivers are issued with a mobile telephone together with a safe usage policy (which they sign-up to), an insurance approved camera accident pack for use should there be an occurrence and a drivers’ handbook which, in addition to normal company procedures, covers our overall road safety policy and more specifically the policies of the safe use of mobile telephone and satellite navigation systems.

The standard nkl automotive ltd vehicle appraisal, to which all vehicles are subject prior to moving, covers the major safety items such as tyres, brakes, lights, oil coolant etc in addition to the general vehicle condition.

Should it ever be the case that a driver ends up at the side of the road, they are all equipped with mobile telephones so that they can call for assistance and with hi-visibility vests to enhance their safety. Should any driver suffer a vehicle breakdown, standing instructions are that they should leave the vehicle (if possible by the nearside door) and move to a place of safety while waiting for assistance.

## Specific examples of procedures

Whilst none of the elements of our road safety strategy are particularly ground-breaking, we believe the way in which they are inter-linked and the overall road safety culture within the company makes them particularly effective. The total is greater than the sum of the parts.

CONDOR is the nkl automotive ltd confidential occurrence reporting scheme. As our drivers often work in teams with two or more drivers travelling in a vehicle, we have a system by which any of the staff can report near misses or instances of poor driving. This system is fully confidential and allows us to target training on specific topics in particular areas. Part of the training takes the form of group sessions where and accidents or near misses are analysed and the risk reduction methods discussed. If required these sessions are supported by our fleet driving trainers.

Our traffic planners have to schedule well over two hundred vehicle movements each working day and they plan the routes to induce the least amount of stress in the drivers. The routes are planned to minimise the travel between jobs and also take into account the method by which the driver will travel between jobs. For instance, a collection will be planned to be easily accessible from the previous delivery – this is not necessarily the closest.

Finally we have our driving licence validity checks carried out directly with DVLA by an external agency. These provide the company with a comprehensive view of licence validity and cleanliness. Currently only 3.5% of the driving force has more than six penalty points and no-one has more than nine.

## Auditing and review

## Performance measures

## Accident reduction (as result of WRRS measures)

There have been, however, some minor collisions and mishaps but by keeping records of all incidents, they can be analysed, trends established and preventive measures put in place. A recent examination of this data has highlighted a problem in some drivers with low speed manoeuvring. Armed with this knowledge we have been able, in partnership with the RAC risk reduction team, to put in place some addition training in this area. To date all of these incidents have involved inanimate objects (low walls, plant pots, posts etc), but by putting in place this training we hope to prevent the case where the object is not inanimate.

## Financial and other benefits

We have recently renewed our insurance policy and have been inspected by our insurer’s Risk Assessor. His comment was that out of approximately 700 companies he has assessed within the last three years, nkl automotive limited’s procedures, policies and overall commitment to road safety places them in the top five. A year on year reduction in our insurance premium is testament to our safety record.

Since introducing its work related road safety strategy in 2005, nkl automotive limited has achieved the following:

* A 46% reduction in their Insurance Premium over the last two years.
* A 56% reduction in ‘at fault’ collisions in the first 12 months of its implementation. This was maintained in 2007/08.
* A 50% reduction in the cost of claims over the last two years.
* All claims in 2007/08 were low speed low impact shunts.

## Lessons learned

Driver fatigue is seen as being a very real risk, and in order to ensure that this is kept to a minimum, nkl automotive ltd have implemented a daily and weekly report into their bespoke traffic planning system that records all rest hours. The policy being worked is in line with the Health & Safety Executive rules and ensures that all drivers receive at least 11 hours rest between shifts, or the appropriate compensatory rest within 24 hours.

Getting across the road safety message is seen as being of paramount importance and nkl automotive ltd have looked at new ways of achieving this. The old-fashioned notice board is cost effective, but lacks some dynamism. To bring these issues to life nkl automotive limited have invested in a TFT monitor located on the wall of the driver’s room linked to a dedicated PC which runs a looped ‘powerpoint’ presentation highlighting road safety issues. The messages displayed are changed on a regular basis but cover the major road safety topics including items from the Governments ‘Think’ campaign, the BRAKE pledges and a Highway Code quiz. Additionally we provide two dedicated PCs in the Drivers’ Room specifically for journey planning, as we believe that if drivers are fully prepared for their journey, it reduces some of the risk factors.

## Current and future developments

## Additional information

nkl automotive ltd are a member of the BRAKE Fleet Safety Forum and winner of their 2007 Company Driver Safety Award in the small fleet category. They have won several driver safety awards since introducing their ‘Work Related Road Safety’ Policy in 2005. Their other awards are:

* Winner of Motability’s 2006 Logistics Supplier of the Year Award.
* Winner of the East Riding of Yorkshire Council Chairman’s Award 2007 for Enhancing the Economy in the Category of 50+ Employees.
* Winner of the Brake, The National Road Safety Charity’s, 2007 Company Driver Safety Award in the small fleet category.
* Announced by the Department for Transport as one of the sixteen founding Business Road Safety Champions.
* Winner of the Carmen's Royal Logistic Corps Safety Award 2007.