# **Vauxhall - Long term sustained improvements in fleet safety**

## Profile

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| **Company Name:** | Vauxhall |
| **Commercial Fleet Size Overall:** | 5,000 vehicles - employee car ownership (ECO) & company cars |
| **Company Cars:** | 500 |
| **Summary:** | We have been successful in significantly reducing our collision rate and costs; and are focused making further improvements through enhancing our work-related road risk management programme. |

## ****Introduction to our innovative and comprehensive program****

Vauxhall is a vehicle manufacturer with an extensive sales and marketing operation including regional field based personnel and an approved retailer network. The Company has 500 dedicated business drivers averaging 20,000+ annual business miles, governed by our Safe Driving Policy. We are committed to emphasising Safety in all driving related activities and to enforcing the Safe Driving Policy at all times, as well as incorporating Safety into our products. Road safety is a significant element of our overall Health and Safety strategy, with driving, and collision reviews, a regular agenda item at Corporate H&S meetings. Our Safe Driving Policy, started in 2004 aims to ensure that Safe Driving is a key element of our corporate commitment to make the health and safety of each employee an overriding priority. While the Safe Driving Policy extends to families and others driving vehicles associated with the Company, it is particularly important that those driving on Company business take reasonable care for themselves, their passengers and other road users. Our Safe Driving Team works closely with key stakeholders including the Managing Director, Fleet Insurer, Trades Unions and Board Directors to develop a robust good practice model for managing and monitoring road risks –to reduce the collision rate of the fleet, cut the risk of harm, meet all relevant legislation and our corporate social responsibilities and reduce costs.

The remainder of this document shows our program, achievements and on-going commitment, as well as significant developments in our program over the last 12 months and future plans.

## Well researched program

In collaboration with our insurer, Zurich, we have implemented the following Fleet Safety initiatives:

* **Support from the top** - securing the MD as a Champion for Safe Driving was critical in ensuring that the business took the issues seriously and helped ease any resistance.
* Detailed **Fleet Safety Audit** carried out twice by insurer (see below).
* **Communications program,** revised **Safe Driving Policy** & Driver Handbook (see below).
* Involvement of **key stakeholders** - along with the MD all appropriate parties (employee groups, Trades Unions, Executive steering group, Board) were deliberately involved in decision making on risk initiatives, insurance changes etc - this ensured that any measures adopted both reflected a wide range of views and were more straightforward to introduce.
* In-depth **analysis of all collisions** to identify causes and trends; develop appropriate counter measures and act quickly - to allow collisions to be measured and therefore managed. This has meant a close relationship with our motor Insurer, Zurich, which is fundamental to the success of the process. One early effect of this was to identify that 17-21 year old drivers represented 6% of our drivers but accounted for 30% of claims cost, with an average claim of £6,500. A minimum driving age of 22 years was introduced, along with awareness training for employees <22 - which saved £1.2 million in its first 2 years.
* Every driver receives the Zurich good practice safety handbook supported by an online Risk Foundation comprehension check. The pass mark is 100% to ensure complete understanding. In line with Bloom’s Taxonomy of learning and the GDE Matrix, this increases the likelihood that the driver will comply with the key issues and provides a robust audit trail that a driver has read and understood the handbook, minimising the risk of prosecution if an employee was involved in a serious collision.
* **Online RoadRISK Profile and Defensive Driving assessments** rolled out to all employees who regularly drive on business, with highly cost effective targeted intervention plan developed in collaboration with Zurich based on follow up 1:1 in vehicle/classroom training for drivers where a specific risk was identified.
* **Focused in-vehicle coaching** for a small group of drivers who have a combination of ‘at risk’ factors, and also for those facing specific risks that we want to reduce.
* **Online training** for business drivers using two interactive modules called One More Second and RoadSKILLS. These modules focus on attitudes and specific driving situations and were initially rolled out at regular intervals, and for all new staff, to ensure that all drivers reach a certain minimum standard. Plans in place for similar programme for all Car Plan drivers, irrespective of whether they drive as part of their work to help further develop the on-road safety culture and integrate with the communication strategy.
* **Zero tolerance on Driving Licences**: No Licence, No Car policy – zero tolerance; employees not allowed to collect vehicle without showing Licence. Supported by random annual DVLA Checks (minimum 20% of fleet), for which all drivers have signed a mandate.
* **Alcohol and drugs policy**; agreed rules for corporate events & hospitality.
* **Quarterly reporting** of Insurance claims statistics and related issues to all parts of the business (including employee groups, Trades Unions, Executive steering group).
* **Monthly review** of all business collisions by Health & Safety Committee.
* **Mandatory Post Collision investigation** for all collisions/near misses occurring on business between the driver and their line Manager. Designed to identify the root causes and agree measures to prevent reoccurrence, making the process transparent and bringing accountability at departmental level - and identifying any development needs. This process sends out a very positive message that we take driver safety very seriously.
* **Driver Workshops** for specific risk groups; young drivers; post collision; speeding convictions in conjunction with an external partner both classroom and in vehicle as appropriate - to prevent re-occurrence and/or prepare new drivers for potential risks.
* **UK Familiarisation coaching** for all overseas personnel to minimise the risks associated with driving in unfamiliar circumstances; employee & partner must complete prior to receiving a vehicle in the UK - mixes classroom and in vehicle training to ensure that the overseas employee is conversant with the key aspects of driving in the UK; emphasises the need to take a UK driving test after 12 continuous months of residency in UK for visitors from outside EU.

Our Fleet Audits and Communications Strategy are described in more detail.

We work very closely with our insurer, Zurich, meeting with them at least quarterly. Current claims performance and collision trends are reviewed and new ideas developed. At an early stage in this process, Zurich performed a detailed 300+ question audit involving all our key people with responsibility for running the car plan and the safety of employees (Figure 1). This identified a number of areas where we had effective management systems in place, and also identified **risk assessments, organisational culture**and **driver development as** gaps requiring attention.

### Figure 1 - Zurich Audit gap analysis for Vauxhall 2006 and 2010

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| **Zurich Fleet Audit Gap Analysis** | **Vauxhall 2006** | **All fleets 2006** | **Vauxhall 2010** | **All fleets 2010** |
| Fleet Safety Policy | 75% | 71% | 87% | 71% |
| Health & Safety Policy and Risk Assessments | 61% | 63% | 71% | 65% |
| Legal Compliance | 81% | 62% | 87% | 79% |
| Organisational Leadership and Culture | 62% | 70% | 82% | 68% |
| Journey/Mobility Planning | 77% | 74% | 92% | 76% |
| Driver Recruitment, Selection and Induction | 51% | 62% | 75% | 67% |
| Driver Supervision, Monitoring, Assessment & Training | 61% | 59% | 80% | 65% |
| Driver Wellbeing | 57% | 61% | 82% | 64% |
| Vehicle Selection, Checking, Maintenance & Security | 85% | 77% | 93% | 79% |
| Claims Reporting, Investigation and Recording | 81% | 61% | 96% | 63% |
| Marketing and Community Involvement | 49% | 48% | - | 47% |
| Total | 69% | 65% | 86% | 68% |

The 2006 audit formed the basis of the initiatives described above to engineer a steady change in culture from the top of the organisation down. Since the initial audit, we have worked diligently to implement the recommendations. The 2010 audit (Figure 1) **showed significant improvements** with work-related road safety embedded into our DNA, for both existing staff and new starters.

On-going communication with drivers is a key element of our strategy with improved risk awareness seen as critical. Most communications are either sent in the name of, or endorsed by, the Managing Director. Guidance is regular, targeted and where possible uses real life examples. Our Driver Handbook & Safe Driving booklet (see box below for latest version published Autumn 2010) is personally endorsed by the chairman of Vauxhall and goes to all employees.

## Driver Handbook and Safe Driving booklet



Driver Handbook and Safe Driving booklet which all drivers (business and private use) receive, covering:

* Safe Driving Policy and rules.
* Useful Contact numbers – Insurance, AA, Windscreen/Tyre providers.
* Safety tips, driver fatigue and on mobile phone use.
* Service & repair guidance.
* Roadside assistance.
* Insurance policy information, including collision trends, excess rules, age restrictions etc.
* What to do in the event of a collision.
* Foreign Travel rules.

As well as the handbooks, our integrated Communications strategy includes:

* Quarterly Driver Bulletin, with safety articles, repeat messages, trends and statistics.
* Email, web and paper-based reminders on key issues (eg.mobile phone use, fatigue, defensive driving, ergonomic ‘How to sit safely’).
* Safe Driving pamphlet to all drivers, online and hard copy, endorsed by the MD.
* Road Safety awareness posters in Fleet Management Centres.
* On-going performance statistics.

## Achievement & Evaluation: Process, collision & cost improvements

The risk management programme is now fully integrated into our DNA, and new employees immediately participate based on their specific risk profile and also the additional online modules. Although we do not set specific performance targets, we use a variety of indicators:

* Zurich Audit scores to benchmark processes internally and externally (Figure 1).
* Quarterly review meetings with Zurich looking at collision statistics for the previous 3 months, focusing on trends, claim causes, risk factors, collision types and high cost claims.
* KPI’s for claims level, cost, reporting period, ULR recovery and post collision reporting.
* Driver risk assessments to identify specific risk areas and improvement needs.
* Monthly review of business collisions at the Central Health & Safety Committee. Figure 2 illustrates our performance improvement.

### ****Figure 2 – Long term collision cost reductions****

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| **Collision type** | **2005-06** | **06-07** | **07-08** | **08-09** | **09-10** | **10-11\*** | **R2** |
| Own damage collisions | 112 | 82 | 58 | 73 | 43 | 24 | 0.87 |
| Third party collisions | 47 | 31 | 23 | 30 | 18 | 6 | 0.84 |
| Total collisions | 159 | 113 | 81 | 103 | 61 | 30 | - |

\* = Projection based on 10 months data

The risk management strategy has resulted in an on-going downward trend in our collision rate. The ‘blip’ in 2008-9 can be explained by an increase in minor collisions during the 3 day test-drive period of a new vehicle model.

**We have also seen significant cost reductions in our premiums during our time with Zurich. Based on our previous claims history, in 2011 we are now paying on average £200 per vehicle less than we would have had these various initiatives not been implemented. This represents an annual premium saving of £1m, seriously impacting our bottom line and helping provide impetus for further commitment to work related road safety at all levels of our business.**

Additional benefits from investing in the fleet safety programme include:

* Improved Safety Culture – helping to make employees safer.
* Positive PR from articles in Fleet press, presentations at conferences (including both Brake and PACTS during 2011) and participating in Driving for Better Business.
* Increased awareness of Risk.
* Reduced absenteeism.

## Commitment

Overall, we believe that through our comprehensive program, which is a team effort, led by Company Vehicle Operations Manager Simon Monk with leadership support from our Chairman & CEO Bill Parfitt we meet and in many cases go beyond all the award criteria, based particularly on Simon’s initiatives as follows:

* Our clear indicators set up to collect and monitor data on all collisions.
* Reduced collision rate and costs of the fleet.
* A clear business case: return on investment: economic effect.
* Detailed evidence that a ‘process’ has taken place.
* Leadership from the highest level of our business, with the program endorsed by our CEO and led by our Company Vehicle Operations Manager.
* The long term sustainability of the work over 5+ years, which has been shared with many other organisations through our road safety outreach via Driving for Better Business, regularly participating in industry forums, and as an invited speaker at an increasing number of industry events such as the Brake, Zurich and PACTS conferences during 2011.
* The clear effect of the program on the behaviour and attitude of our drivers.
* Our innovative, partnership-based, approach working closely with our insurers and other channel partners, including participation in good practice sharing meetings with customers to help them improve the safety performance of their fleets.

## Sustainability and Replicability: Next steps

We believe that our Safe Driving Policy should extend not only to those driving on Company business but also to families and others driving vehicles associated with the Company and that the safety of other road users and pedestrians is paramount. For this reason we are also focusing further efforts on our good practice sharing with channel partners and the wider fleet industry, particularly via Driving for Business, and continued development of our good practice case study – currently being turned into a peer reviewed research conference and academic journal paper.

The involvement of key stakeholders is critical, not least the support and input of our Managing Director and Trades Unions. Without this our initiatives would not have had the same impact and many would have been unachievable. It is hoped that continuing interest and investment will maintain the progress that has been made to prevent apathy setting in and as such we continue to build fleet safety into to our organisational DNA, business as usual and succession planning.

We constantly review, maintain and, where appropriate, extend our current range of initiatives in the short, medium and long term future. For example we meet regularly with our Insurer to identify current risks and to develop new initiatives, including regular collision analysis and retaking Zurich’s Comprehensive Fleet Audit during August 2010 (Figure 1), to follow year end and update the 2006 Audit. At our most recent insurer meeting we agreed the detailed content and timing of our risk management action plan for 2011 and beyond, including:

* E-learning module for Family & Friends.
* Review and improve use of DVLA Driving Licence Checks.
* Review move to detailed implementation of DriverINDEX risk data warehouse.
* Retake online RoadRISK assessment for all Business Drivers.
* Implement online RoadRISK assessments for At Risk ECO drivers.
* Further Young Driver Workshops.
* Re-develop and launch bespoke Vauxhall Driver Handbook.
* Implement Line Manager Workshops to continue DNA and succession planning process.

## Summary

‘Safe driving is an important part of the Vauxhall UK Health & Safety Policy, which supports our commitment to make the health and safety of each employee our overriding priority.’

Chairman & CEO Bill Parfitt