



Grey Fleet: Driving the Right Behaviour

Introduction

What is 'Grey Fleet'?

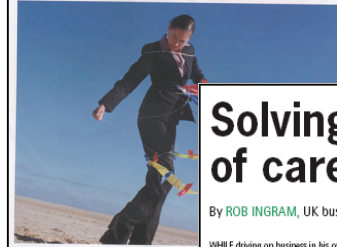
The term 'Grey Fleet' refers to business miles driven by employees in their own vehicles, and claimed back at a fixed mileage rate. It is called 'Grey' because the vehicles that fall into this category in many respects are a grey area of responsibility, often overlooked and misunderstood. In the public sector, evidence indicates that grey fleet makes up around 57% of total road mileage. Across the whole of the public sector, this could add up to as much as 1.4 billion miles every year.

Analysing the impact

Enterprise Rent-A-Car will indicate in this proposal how the detrimental effects arising from grey fleet usage can be avoided. This document includes Enterprise Rent-A-Car's Grey Fleet Toolkit to help you better understand the negative impact of Grey Fleet.

THE HIRING OPTION: IT'S GOOD FOR YOUR HEALTH

How can daily rental help fleets in their health and safety provision and duty of care to employees while stopping them getting tangled in a legal case?



Solving the duty of care dilemma

By ROB INGRAM, UK business development manager, Enterprise Rent-A-Car

WHILE driving on business in his own vehicle, an employee is involved in an accident that leaves another motorist with fatal injuries. The employee's car is identified as the cause of the accident due to poor vehicle maintenance. As it was a business trip, his employer will be held liable.

The fact that the employee was in his own car, not a company-owned vehicle, is irrelevant. The company will still face a court hearing, the result of which could mean a conviction for corporate manslaughter and hefty fine – not to mention considerable negative publicity.

And all because it didn't fulfil its legislative responsibilities on health and safety in the workplace, which extends to all vehicles used for business journeys.

Businesses must ensure that their vehicles are government safety standards and that adequately trained to operate the vehicle. Amazingly, many are still unaware have a duty of care to their employees latter drive on business.

In sectors where drivers in both cars a routinely have to negotiate building uneven ground, driver health and safety into sharp focus.

existing corporate manslaughter regime allows for individual prosecutions and it will remain in place. Directors could yet find themselves facing fines or even imprisonment.

It is clear that, when the bill comes into force some time later this year, there will be no room for error. Whether a driver is in a company car or a private vehicle, responsibility remains with the employer.

So why do companies allow private vehicles to be used for business at all? And is there an alternative?

Industry surveys have shown that many businesses do not understand the current law, let alone the pending changes. They wrongly assume that allowing employees to use their own cars will be

Employers face the of prosecution over company car crashes

Ben Webster Transport Correspondent

Companies that fail to make sure that their employees drive safely face prosecution under a new campaign by police to reduce the L000 fatal a year involving work vehicles.

Police will investigate when company carried out basic such as ensuring that staff have a MoT certificate for their vehicles.

Enterprise offers a risk-free solution

Enterprise rent a car has started a marketing campaign to alert fleets to the risks of employees using their own cars on business in a bid to drive up use of its hire cars.

Don Moore, Enterprise vice president of sales in the UK, claimed the increasing levels of duty of care that businesses and fleet bosses have to cope with mean that daily rental is the logical choice.

"Daily rental solves a lot of the issues, like insurance and knowing the car is in good condition. This is particularly important with



Moore: "Daily rental solves issues"

business pool cars," said Moore. He added that the full effect of regulations concerning duty of care and corporate killing would not be felt until businesses are prosecuted "to see what penalties are enforced".

Meanwhile, Moore has highlighted business travel the late at airports as the area of fastest growth for Enterprise. The daily rental firm, which runs a fleet of between 22,000 and 25,000 cars, has historically kept away from the market, but has recently opened outlets at Heathrow and Gatwick and has plans to operate in other airports.

Tristan Young

The impact of Grey Fleet

Duty of Care Legislation

The Health & Safety Executive (HSE) guidance, 'Driving at Work', spells out the duty of care responsibilities of companies when employees drive their own or a company vehicle on business. The potential responsibility for the employee and others affected by an accident rests with the organisation, the beneficiary of the journey.

Duty of care responsibility applies equally when employees use a car on company business. The organisation needs to ensure that all necessary maintenance, documentation and safety checks are in place every time a company or personal vehicle is used for business. In the current climate of hard-line Duty of Care regulations, it's an increasingly smart move for your employees to drive a rental car.

Reimbursement costs

An ever increasing expense for public sector organizations is that of mileage re-imbursement to staff. With reimbursement ranging from 40-50p per mile, a simple journey of 100 miles return can cost upwards to £50. In many cases, employees are unaware of other, more cost effective methods of transport, such as vehicle rental. Hiring can cost a fraction of Grey Fleet usage while limiting exposure to risk relating to Duty of Care. The use of employee mileage reimbursement schemes is costing some organisations dearly and while it makes sense in some cases, it could be dramatically reduced

Inadequate Insurance Cover

Drivers of Grey Fleet vehicles assume that they are covered by their own personal insurance, however, such policies very rarely extend to business use. . The police are increasingly identifying accidents to have occurred while the driver was 'at work' and therefore did not have adequate insurance cover. (*Knowles Management*).



Environmental Impact

The Government has set a target to reduce carbon emissions from road travel by 15% by 2011 within all public sector organisations from the published 2004 levels. By reducing the mileage of business trips and reducing the emissions of vehicles used, carbon emissions can be dramatically reduced. Older cars included in Grey Fleet usage typically have a high CO₂ output; this is because technology has improved engine efficiency to such a level that in less than four years the emissions for a typical small car have reduced from 165 to 135 grams per kilometre. By continuing to utilise Grey Fleet, many organisations are ignoring the most effective way to reduce the environmental impact of their road travel.

Please visit

www.drivingfuture.co.uk

Benefits of reducing Grey Fleet usage

- **Reduce unnecessary vehicle journeys** within the Public Sector
- Wherever possible, dramatically **reduce current spending** that today is attributed to mileage reimbursement
- **Minimise exposure to Duty of Care** risks that currently exist with current 'Grey Fleet' arrangement.
- **Reduce carbon footprint**
- Provide and implement a **comprehensive travel policy** that helps drive all of the above behaviors and advises on best practice