Grey Fleet: Driving the Right Behaviour

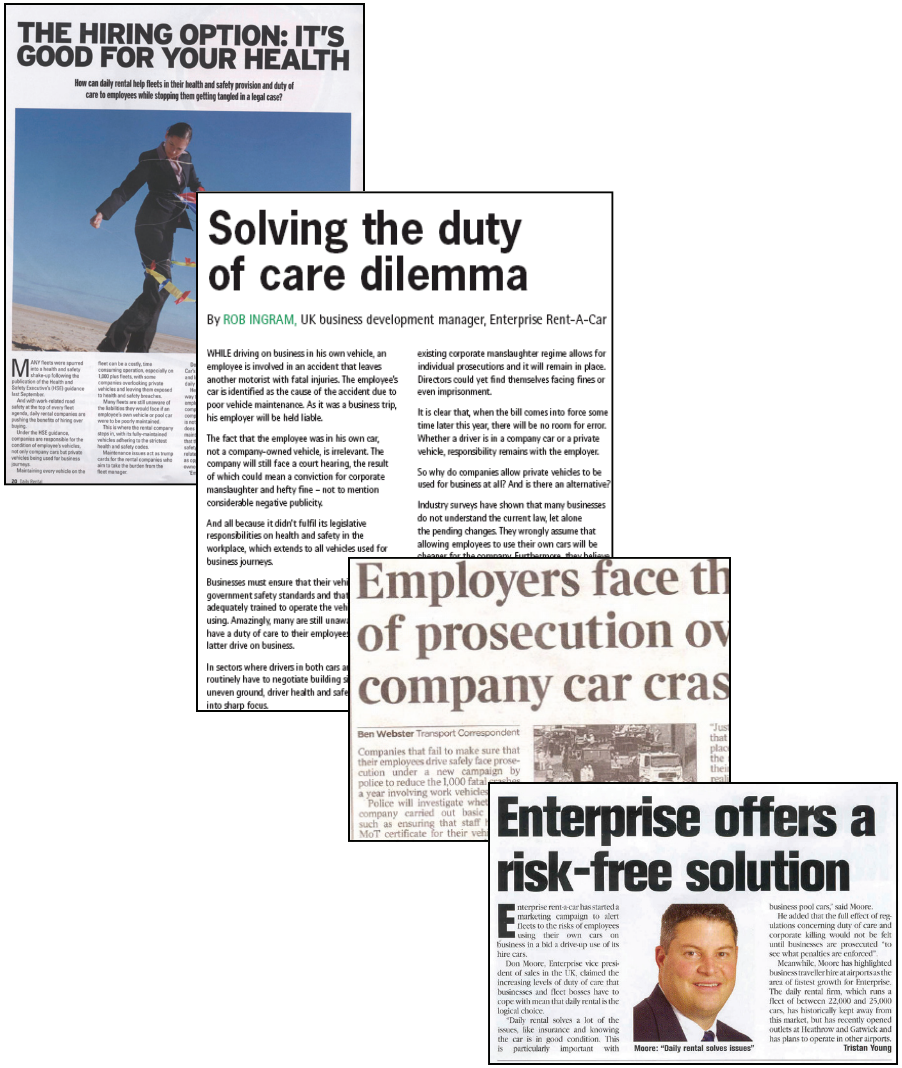
Introduction

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.



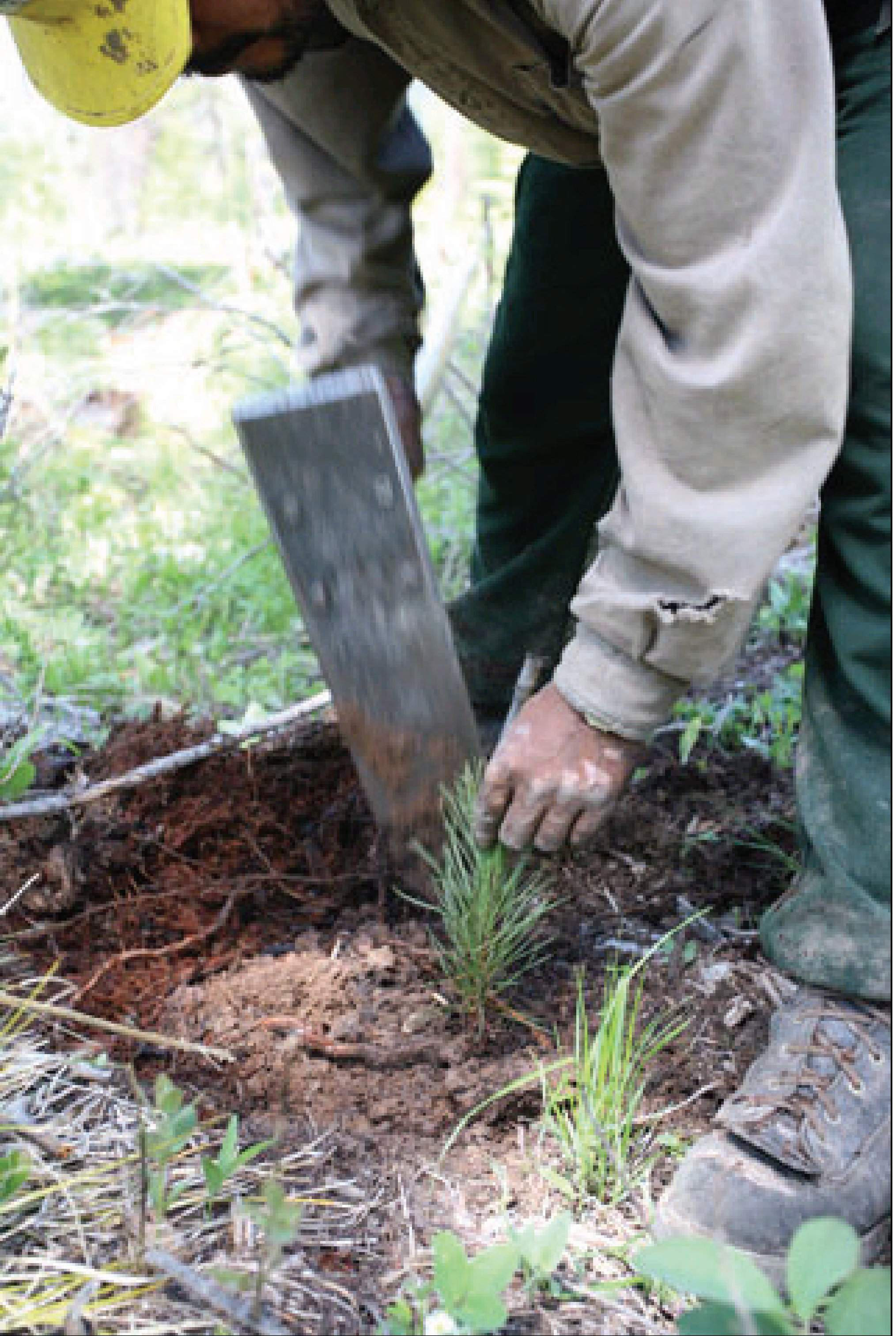
The impact of Grey Fleet

Duty of Care Legislation
The Heath & 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 C02 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