

5 April 2004

YOUR DRIVERS ARE YOUR RESPONSIBILITY

By Don Moore, Vice President of Sales UK & Ireland, Enterprise Rent-A-Car

Picture the scene: while driving on business in his own car, an employee has an accident that leaves another motorist with fatal injuries. His car is identified as the cause of the accident because the vehicle was poorly maintained. As it was a business trip, the company he works for is held liable and heavily fined. It's an SME without a specialist transport department, so the MD faces prosecution and imprisonment.

It's not such a far-fetched scenario. This could happen if your business doesn't fulfil its responsibilities under the current and upcoming duty of care legislation.

Currently, companies must ensure that their vehicles meet government safety standards and that drivers are adequately trained to operate the vehicle they are using. Failure to do so could mean punitive fines if one of your drivers has an accident.

But some employers are still unaware that they have a duty of care to their employees while the latter drive on business, no matter who owns the vehicle. If private cars are used on business they still need to be properly maintained and insured – or else your company won't be protected legally.

It could get worse: the present laws have been criticised for allowing companies to escape conviction due to insufficient evidence. David Blunkett's proposed new corporate manslaughter law aims to close this loophole.

The new legislation will hold individual directors responsible for management failures that result in a fatality. That could even mean imprisonment for some, as in our (for now) hypothetical example above.

It's those employees driving their own cars who are the greater hazard. Last year the RAC Report on Motoring, *'Driving on Company Business'*, revealed that "only two percent of fleet managers check to see if private cars used by company employees for work journeys are safe to drive, even though these cars are usually older than company cars and serviced less often."

Considering that even large firms with dedicated fleet managers clearly have trouble managing private cars, it's little wonder that smaller businesses have even less time to deal with the issue. So why do they allow private vehicles to be used for business at all?

There are HSE guidelines on both the current law and the pending changes. Unfortunately, these have evidently not been communicated to SMEs as strongly as they should have been.

As a result, a lot of business owners wrongly assume that allowing employees to use their own cars will be cheaper or more convenient for their companies. Furthermore, many believe employees will be safer in cars they are already familiar with, even though the company has no control over the vehicles' condition.

There's also a host of administrative problems when monitoring safety standards for private cars: you need to approve vehicle registration documents,

road tax certificates, servicing records and insurance details. All this is costly and time-consuming for any company, let alone a small business.

But there is an alternative: using vehicles that are invariably properly maintained and fit for the task. This means either company cars on contract hire with full maintenance packages, or cars taken on daily rental for those more short-term needs.

It's then the responsibility of the leasing and rental companies to ensure that their vehicles fully comply with government safety standards. If the vehicle does not meet these requirements and there's an accident *they* take the blame – not the person or company renting the car.

If you're looking for a rental supplier, there are some key points to bear in mind: firstly, low cost is important but you also need to ensure that you'll get impeccable customer service by well trained staff. If the supplier's people don't understand your immediate business requirements, why bother?

Location is critical too. You shouldn't have to travel more than ten miles to find a branch. The supplier will ideally have locations throughout the country so that it can get cars to you swiftly no matter where you're based.

Ask if the rental company prevents issues arising over mileage and petrol use. Picking your employees up before the rental begins and then dropping them off when it's over is an ideal solution. A service like this can also help your company avoid parking costs in urban areas.

Duty of care legislation is here to stay. Company directors must comply with their legal responsibilities, plus they want to know that their employees are

driving safe, well-maintained vehicles. It is, however, possible to both keep employees safe and control costs: outsourcing could be the most effective solution.

<ENDS>