

Motor Fleet Risk Management

Managing a motor fleet is exhausting work. Whether your business' fleet consists of five or 500 vehicles, gathering them all together and managing their collective risk can feel like an endless exercise in futility. While addressing one specific risk, three more different risks can pop up, all demanding your immediate attention.

Instead of addressing risks as they develop and perpetually playing catch up, invest in motor fleet risk management strategies that thwart problems before they appear.

Managing Risk

Risk management is a pre-emptive, habitual strategy aimed at analysing risks and implementing processes to reduce or eliminate them. A concerted risk management effort comes with many benefits—it can lower your premiums, reduce business disruption, protect your employees and much more.

Although the process will vary slightly according to your needs, the five basic steps for analysing your business' risks, listed below, should be the bedrock of any organisation's risk management programme:

1. Identify the hazards.
2. Determine who might be harmed and how.
3. Evaluate the risks and decide on precautions.
4. Record your findings and implement a plan of action.
5. Monitor and review the plan.

Following these steps can help you isolate and eliminate your business' biggest risks.

Pricing Motor Fleet Policies

If you purchase a motor fleet insurance policy for your business, be aware that your premiums will be highly dependent on your business' past claims experience. But an unfavourable claims history does not necessarily preclude a favourable and affordable motor fleet insurance policy—good risk management can translate to vastly improved policy terms.

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Analysing Claims and Accidents

As part of an effective motor fleet risk management strategy, investigating your business' past accidents can slash claims costs. Start by analysing the conditions that led to your business' past accidents and any preventive measures taken to reduce them. Did they work? If not, consider new accident-reduction programmes.

Rely on your insurer to supply the past accident data that will serve as the foundation of your analysis. A typical claims and accident analysis should include the following information:

- Accident circumstances such as day, date, time and location

Provided by Crendon Insurance Brokers Ltd

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- Vehicle(s) involved
- Driver(s) involved
- Claim types
- Cost analysis

Surveying Your Fleet

Some motor fleet insurers employ specialist fleet surveyors tasked with performing a more in-depth analysis that identifies significant problem areas and provides recommendations.

Insurers will sometimes provide surveys for free under the condition that the insured complies with the survey's findings. Any resources the insurer expends on free surveys are expected to be recouped via the insured's survey-compliant improvements and subsequent reduction in claim costs.

Because fleet surveys are more extensive and detailed, business owner and manager investment is central to success. Unless owners and managers are ready to support improvement initiatives spurred by the survey's findings, the fleet survey will probably not achieve all of its objectives and will likely leave some risks unexamined.

Controlling Your Risks

Use the results from your internal analysis or external fleet survey to streamline processes and promote a positive health and safety culture. Apply the recommendations to your business' management controls such as managerial structure, general processes and drivers' handbook. Typical management controls which dictate how your fleet runs include the following:

- **Working hours policy** – Consider the maximum number of driving hours, breaks and times of the day when driving should take place.
- **Working conditions** – Interview drivers to figure out what practices need changing.

- **Route and workload planning** – Study whether there are more efficient ways to allocate assignments and chart routes.
- **Mobile telephone policy** – Enforce a mobile policy that complies with the law and stresses driver safety.
- **Safety equipment** – Establish clear rules for using safety equipment such as seat belts, first-aid kits and fire extinguishers.
- **Vehicle controls** – Adopt a 'clean car' policy which prohibits leaving any valuables in view and dictates that drivers can only park in secure places.
- **Responsibility for vehicles** – Assign specific vehicles to drivers who are responsible for their condition.
- **'How's my driving?' schemes** – Some businesses include stickers on their vehicles encouraging members of the public to call in with complaints or compliments, encouraging drivers to drive more carefully.

Reining in Your Risk

Reining in your business' motor fleet and driver risks can feel like trying to hold water in the palm of your hand—no matter what you do, some risks slip through the cracks. Trust the insurance professionals at **Crendon Insurance Brokers Ltd** to help you create an effective motor fleet risk management strategy and find you the perfect insurance policy that comprehensively covers all your needs. Call us at **0121 45 45 100** to start bolstering your business today.



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