

Reducing fleet accidents and costs

Adopting best practice safety management practices for council fleets can not only reduce injuries and down time, but also improve the bottom line.

By **Phil Sochon**

Managing sedans, utes, trucks and plant is a key part of the operations of any council in Australia and, traditionally, the major focus of fleet management have been on whether purchasing or leasing is the most cost effective way to operate vehicles.

But what about the human factor which is a major component of the cause in around 90 per cent of all vehicle incidents? How safe are your drivers? How many of them have current licences, or maybe only one or two points left? Road authorities usually don't bother to actually take the licence from the driver when it is cancelled so you may be in for a rude shock one day.

The fact that your unlicensed driver causes an accident could well make the insurance policy null and void with respect to personal injury (workers compensation) and/or property damage. Managers need to note also that workers injured driving to and from work may also be covered by your workers compensation policy. Just to complicate the situation a little more - Chain of Responsibility legislation is coming with an initial target on the transport sector but with potential to affect councils. It links the management with incidents involving worker-drivers who infringe existing laws as a result of organisational pressures.

To compound this, if your workers are injured, the relevant manager might just be in breach of the occupational health and safety legislation. The penalties often apply directly to the responsible manager, and whilst the draconian level of imprisonment may not be exercised, fines are likely. In addition, it may well be that council's reputation is damaged.

The hidden cost implications are also significant. Industry figures suggest that, for all vehicle accident situations, the cost of hidden issues (replacement vehicle, impact on insurance premium, replacement of injured worker, loss of productivity etc) can be between four and twenty times the identifiable costs.

Monash University studies have identified a direct link between safer driving and reduced fuel consumption. This can potentially provide direct savings in consumables such as fuel, whilst simultaneously contributing to better environmental management.

Clearly the day has passed when we can simply throw someone the keys and tell them to get on with it. Councils and managers now have significant responsibilities related to driving at work and the time has come when driving needs to be addressed as a genuine risk management issue both in terms of managing the risk of legal liability but also the cost implications of workers compensation.

Council fleet initiatives

A group of southern Sydney councils have been aware of this significant issue for some time and are doing something about it. The eleven councils in the Southern Sydney Regional Organisation of Councils (SSROC) are actively pursuing an initiative titled FleetSafe. This program is a best practice fleet (or work driving) safety initiative that targets drivers, managers and vehicles. It does this using a management system approach that

integrates seamlessly with risk management (workers compensation and property damage insurance) and occupational health and safety (OHS) regulatory requirements.

SSROC has about 2200 vehicles ranging from cars through to garbage trucks and road plant. The councils vary in size from a fleet of just over 100 (Botany) through to nearly 500 (Sutherland).

The FleetSafe Policy has been adopted in all SSROC Councils and considerable progress has been made with implementation. One large council has achieved a 6% decrease in incidents with a 34% decrease in costs, discounting catastrophic events. Others have also made savings, and the full impact of the policy and guidelines have yet to be really experienced.

Table 1 gives some idea of the sorts of savings possible in insurance premiums alone. Whilst it is too early to attribute these results entirely to FleetSafe, the data provides real encouragement to further progress the implementation of FleetSafe.

The yellow-shaded boxes reflect those councils that have been reasonably active in implementation of FleetSafe. With the exception of council A, a small council which really only focused on a new driver handbook, the more involved councils have achieved significant reductions, or at worst, minor increases.

FleetSafe has since been recognised for excellence by the NSW Chapter of the Institute of Public Works Engineering Australia (IPWEA), and it won the Australasian Fleet Managers Association (AfMA) fleet safety award in the year 2000.

The report has also been used as a resource in the development of WA Transport's fleet safety manual. A significant number of NSW city and some country councils have inquired after FleetSafe and many are understood to be taking some action to implement the Policy and Guidelines.

Table 1

Council	Changes in costs
A	Increase 39%
B	Increase 3%
C	Increase 5%
D	Increase 23%
E	Decrease 32%
F	Increase 122%
G	Decrease 39%
H	Decrease 13%
I	Decrease 34%
J	Increase 105%
L	Increase 1%

Best practice

At a macro level, FleetSafe provides a best practice safety management framework for councils that comprises:

- a model policy;
- guidelines to help develop procedures; and
- project management guidance to assist with implementation.

At a micro level, it deals with drivers, managers and vehicles.

For drivers it recommends a host of actions including:

- review of individual's driving history before making a decision on recruitment;
- induction process including safe driving policy and procedures;
- ensuring that drivers of unfamiliar vehicles are given a brief explanation of a particular vehicle's features.

For managers it recommends:

- ensuring driving at work is a part of the OH and S system by capturing all vehicle incident data whether or not an injury occurred;
- monitoring trends;
- following up incidents with manager interviews of drivers to establish 'root causes' which might include management system factors (eg unrealistic work deadlines etc) that lead to accidents;
- encouraging adoption of a range of measures to change driving behaviours (safety awareness programs, low-risk driver education in a classroom setting, driver discussion groups). Note road safety authorities discourage most forms of driver training, as research has shown that unless this is done from the right psychological perspective, driving after such training may be worse!

For vehicles, FleetSafe recommends:

- selection of safer vehicles using the input of drivers and with an ANCAP rating of at least three stars, or higher;
- include colour choices that help the vehicles to be seen more readily; and
- maybe even the use of daytime running lights (DRLs) to optimise the 'being seen' component of driving to help avoid vehicle and pedestrian collisions;
- fitting of cargo barriers in station wagons and vans.

Experience of SSROC

Some of the initiatives adopted by different councils involved through the SSROC program:

- collection of claims and cost data over three years;
- vehicle incident data included as part of OHS data collection;
- accident review committees;
- Business Plans incorporating FleetSafe;
- employee handbook incorporating a driving safety component;
- increased insurance 'excess' levels;
- damage/claims costs being charged to the department incurring the cost;
- review of job specifications where driving is essential;
- job applicants chosen on basis of safe driving history;
- use of email with FleetSafe logo;
- council magazine articles;
- adjusting leaseback agreements to take account of 'at fault' costs;
- vehicle selection including more visible colours and cargo barriers.

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Dr Will Murray of the Centre for Accident Research and Road Safety Queensland (CARRS-Q) conducted a brief evaluation of FleetSafe and his work revealed a number of key issues:

- need for greater focus on quality of accident data;
- lack of priority by senior management leading to inadequate resources;
- unions not sufficiently engaged in the process;
- need for more energy to be put into identifying 'headline' issues around costs of repairs;
- multi-skilling of field staff reduces driving safety focus;
- potential benefit in SSROC councils sharing resources such as training, driver assessment and education/awareness resources.

Another review by Dr David Saffron demonstrated some issues as follows:

- lack of awareness by drivers and managers of the project and its goals;
- emphasis on common low-cost accidents leads to a lack of apparent action targeted towards the less

frequent higher-cost accidents, where someone could be badly injured and significant injury costs result.

Participation in Fleetsafe

If you decide to explore the idea of FleetSafe further, there are some important considerations to ensure effective implementation.

Step 1 - inquire of SSROC councils about their experiences either directly or via SSROC or the author.

Step 2 - 'sell' the idea to the General Manager/Chief Executive. As it might realistically take two or three years to achieve this full integration, your council will need full senior management support to achieve its potential.

Step 3 - compare the current safety management system with the FleetSafe 'template' to see where the needs for change are, and then prioritise those tasks, perhaps in a workshop approach.

Step 4 - formulate a steering group to oversee the implementation, with a senior manager overseeing the project on behalf of the senior management

group. Involve all key stakeholders including OHS, risk management, fleet as well as operations, drivers and unions.

Step 5 - appoint a project manager. Consider the use of a competent younger manager who might stay with the project for say 6 to 12 months to give it its initial 'energy' before then handing over to say the OH and S manager to provide 'mainstream' management oversight and integration.

Step 6 - begin and publicise the benefits, changes etc as progress is made. The very fact council is being active in driving will have a significant 'halo' effect.

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More information can found at www.fleetsafetysolutions.com

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