



# Fleet Management For HR Professionals

**Trakm8**  
Data driven insights



# Fleet Management For HR Professionals

**Increasingly, HR departments are being tasked with managing company vehicles. This requires a wholly different skill set to the "day job" in human resources. In this white paper from Trakm8, we examine some of the challenges and opportunities this responsibility incurs; and highlight how technology can help.**

A successful career in Human Resources requires the ability to wear many different hats. Among them, an HR manager or director is responsible for writing, updating and enforcing company policies; resolving disputes and disciplinary issues; and looking after the welfare of all colleagues.

One area of responsibility that an HR professional most likely did not train for, nor expect, is managing company vehicles. However, increasingly in SMEs, the HR department is being tasked with company vehicle management as part of the wider employee benefits package.

For the purposes of this white paper, we have segmented fleet management into the following sections: Road safety, compliance, efficiency, and sustainability.

## Road Safety

According to Brake, the road safety charity, around 31% of fatal crashes and 26% of those resulting in serious injury involve someone driving for work. This results in more than 1,000 deaths on Britain's roads every year.

This number of fatalities places driving for work alongside higher-risk occupations or sectors such as construction. However, unlike other work-related incidents, deaths and injuries caused while driving for work are not reported to the UK's Health and Safety Executive. Furthermore, Brake believes that these numbers are underestimates, as the purpose of a journey is not always recorded by the police at the scene of a crash.

Brake estimates that up to 95% of collisions are due to driver error. HR can take pre-emptive measures through implementing effective policies for driving at work. However, data on driver behaviour and crashes is essential if the department is going to effectively monitor drivers and intervene with additional training where necessary.

A Brake survey of drivers found that people who drive for work are more likely to speed, use a mobile phone at the wheel, drive when tired, and drive while distracted by stress, than people who do not drive for work. It is important therefore that HR communicates that the pressures of a particular role or job should not overrule the company's robust policies on safety and driving for work.





## Compliance

HR professionals should already be well aware of the legal issues around driving for work purposes.

The Health and Safety at Work Act 1974 states that employers have a duty of care to employees, and to anyone who might be affected by business activities such as driving. Fines for a breach of health and safety legislation start at £100,000.

In addition, the Corporate Manslaughter and Corporate Homicide Act 2007 targets serious management failures that result in a fatality. This includes a death caused by an employee driving for work purposes. Fines for companies found guilty of corporate manslaughter are unlimited, but typically fall between £180,000 and £20 million. Judges can also include a publicity order in sentencing, requiring a company to publicise the fact that it has been convicted of corporate manslaughter.

Companies running commercial vehicles are also required to ensure that vans and trucks are roadworthy before they embark on a journey. Truck operators must carry out daily vehicle inspections, in line with a 24-point checklist. Operators are also obliged to keep records of any defects and subsequent repairs.

In the UK, enforcement is carried out by the Driver and Vehicle Standards Agency (DVSA), which stops and checks more than 20,000 trucks per annum. The DVSA estimates that having a vehicle stopped can cost owners and operators up to £4,000 per day, per vehicle.

However, many HR professionals may not know that a company's light commercial vehicles (LCVs) also require daily vehicle checks. The checks are not mandatory; however the DVSA recommends that they are carried out, as failure to ensure that LCVs are roadworthy can also lead to serious consequences.

The DVSA stops and checks around 15,600 LCVs every year. If a vehicle is found to be defective following a check – or an accident – this can lead to fines and custodial sentences for the driver, the transport or fleet manager, and even the company's directors.

The DVSA recommends that van and LCV operators carry out a daily check of each vehicle before it is driven, taking into account safety-critical systems such as steering, brakes and tyres, as well as operational systems such as lights, battery and wipers.



**£4,000**  
estimated cost of having  
vehicles stopped

## Efficiency

As if compliance and driver safety was not enough, as de facto fleet managers, HR professionals are also under pressure to reduce the costs associated with company vehicles.

The most obvious target is cutting expenditure on fuel, which can be a big expense for a business. However, it also includes reducing service, maintenance and repair costs; minimising the risk of a vehicle breakdown; reducing paperwork; and working with insurance providers to find ways of lowering your premiums on vehicles.

Vehicle tracking is a proven method for reducing mileage, as it discourages employees from taking side trips during work hours. Furthermore, if you have a number of colleagues who visit multiple locations on a daily basis, you could also benefit from route optimisation. This is a fleet scheduling solution which plans jobs in such an efficient a way that it can reduce total fleet mileage by up to 20%.

Employees who regularly clock up high mileage will most likely have fuel cards – and HR might also be responsible for a fuel card for pool vehicles. It is important that the right systems are in place to prevent fraud and theft from abuse of fuel cards.

Colleagues who take home company vehicles at night also have to pay tax if they use the vehicles for personal journeys outside of work hours. Employees should log personal mileage on a P11D form.

## Sustainability

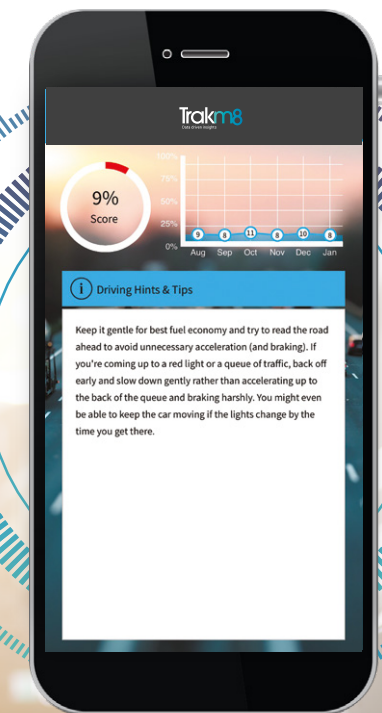
Human Resources is often the most effective advocate for positive change in an organisation. The responsibility for the company fleet therefore brings with it the opportunity to persuade drivers to switch to low emission vehicles and to driver in a more fuel-efficient way.

Driver behaviour technology can help HR measure driver efficiency; identify any problem drivers; and spot trends. In-cab solutions can also provide real time coaching to drivers, helping them to avoid fuel-thirsty and higher-risk activities such as sharp cornering, over-revving, harsh braking and speeding. Creating league tables opens the door to gamification – you can create some healthy competition among colleagues, and even award prizes to the best drivers.

Like any non-cash benefit of monetary value that you provide for employees, company cars are subject to Benefit in Kind (BIK) tax. However, HM Treasury has announced that electric cars will be subjected to a 0% BIK rate from April 2020, increasing to 1% in 2021 and 2% the year after. This compares to a BIK rate of up to 37% for employees who choose petrol and diesel cars.

Such high incentives are likely to dramatically raise interest levels among employees for electric vehicles (EVs). However, others might be more circumspect due to concerns over vehicle range and battery recharge times. It is important that HR managers understand the capabilities of EVs and how to get the most out of ultra-low emission vehicles.

Up to...  
**20%**  
reduction in total fleet  
mileage by using  
route optimisation





# How We Can Help

Trakm8 can help HR professionals in a range of different ways. In this section, we have summarised some of the key challenges and the technological solutions we can provide.

## Speeding

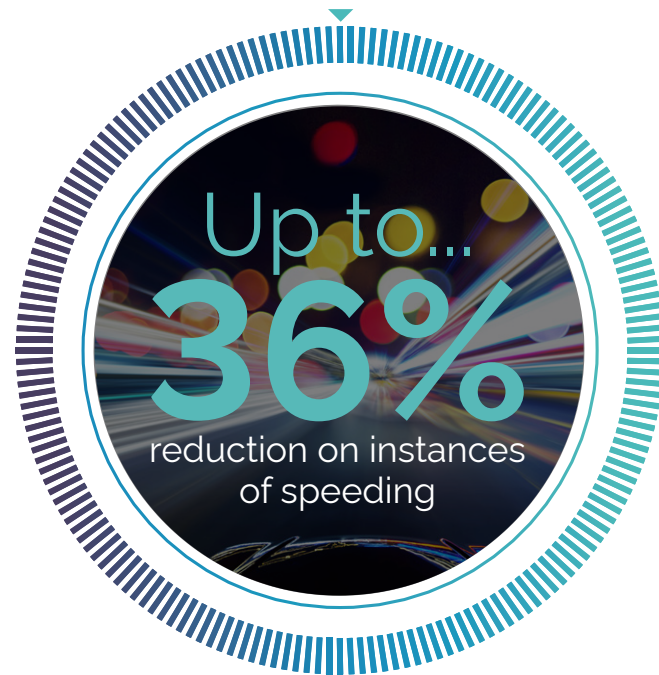
**Challenge:** Many of us will speed if they feel under pressure to meet work deadlines. A survey of drivers in Britain, France, Germany and Spain found that 37% of those who admitted speeding said they did so due to pressure to meet schedules.

**Solution:** Trakm8's driver behaviour analytics are proven to reduce instances of speeding by up to 36%. Driver behaviour is available as a stand-alone solution, as part of a wider telematics package, or as a standard feature in Trakm8's award-winning RH600 telematics camera.

## Vehicle Compliance

**Challenge:** Ensuring that company cars, vans and trucks are roadworthy before an employee undertakes a journey for work purposes.

**Solution:** Mobile apps for daily vehicle checks make the process quick and easy, leading to higher engagement rates from employees. They also provide clear digital records to agencies such as the DVSA.



## Vehicle Costs

**Challenge:** Reducing the costs of service, maintenance and repair (SMR), while also minimising the risk of a costly vehicle breakdown.

**Solution:** Trakm8 Connectedcare removes the risk of drivers failing to inform HR if a warning light has illuminated on a vehicle's dashboard. Connectedcare sends notifications to HR whenever a warning light comes on. It also monitors key vehicle "health" attributes such as battery status, tyre pressure and AdBlue levels, as well as reporting all diagnostic trouble codes. This data helps HR to intervene and fix a small problem before it becomes a much bigger and more costly one.

## Reducing Mileage

**Challenge:** Reducing the total number of miles travelled by the fleet, in order to cut costs and reduce emissions.

**Solution:** Vehicle tracking as part of a wider telematics solution, such as Trakm8 Prime or Trakm8 Insight, is proven to cut total fleet mileage. For businesses with employees who visit multiple locations every day, Trakm8's Route Monkey optimisation can reduce total fleet mileage by up to 20%.

## Fuel Theft

**Challenge:** Reducing the total number of miles travelled by the fleet, in order to cut costs and reduce emissions.

**Solution:** Trakm8 Connectedcare monitors fuel tank levels and provides real-time alerts if the tank is suddenly drained - such as when fuel is being siphoned off.





## Insurance Premiums

**Challenge:** Negotiating lower insurance premiums with your provider.

**Solution:** Many insurance providers will offer discounts to your premium if you install dashboard cameras in company cars. Trakm8's RoadHawk range of dash cams and vehicle cameras are ideal for this purpose. They provide clear footage in the event of a collision, helping to reduce at-fault claims. Furthermore, insurance companies also offer discounted premiums to companies which deploy driver behaviour technology in company vehicles, such as Trakm8 EcoN.



## Business/Private Mileage

**Challenge:** Managing P11D returns for mileage accrued on personal journeys in company vehicles.

**Solution:** Trakm8 Insight and Trakm8 Prime both include business/private mileage as a standard feature. Users can quickly and easily assign a journey to either business or private mileage, and print out reports for P11D submission.



## Fuel Economy

**Challenge:** Encouraging a smoother driving style and eradicating engine idling to reduce overconsumption of fuel in company vehicles.

**Solution:** Driver behaviour analytics such as Trakm8 EcoN is proven to increase fuel economy by up to 25%.

## Electric Vehicles

**Challenge:** Understanding where best to deploy electric vehicles (EVs).

**Solution:** Trakm8's Route Monkey software was the first in the UK to optimise EVs. Firstly, it accurately identifies which vehicles within a fleet can be most cost-effectively switched to EVs. Secondly, it helps companies to maximise the number of electric miles they drive, leading to a stronger financial and environmental return on investment.



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**To find out more about the benefits Trakm8 can bring to your business, contact us on 0330 311 5157 or email [info@trakm8.com](mailto:info@trakm8.com)**  
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Up to...  
**25%**  
increase in fuel economy  
by using driver behaviour  
analytics such as  
Trakm8 EcoN





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