



LeasePlan

What's next?

The safety and compliance of your LCV fleet

Keeping drivers safe and fleets compliant

Executive summary

The safety and compliance of a light commercial vehicle (LCV) fleet is seen as a burden within many organisations. However, it is important to recognise that non-compliance has far-reaching financial and societal implications, both directly and indirectly, with the loss of life being the ultimate price to pay. With a third of road deaths and a quarter of serious injuries occurring in collisions involving work-related driving, there is no doubt about the importance and value of fleet safety and compliance. Regulatory compliance will result in a safer, cleaner and more efficient fleet operation.

As such, companies need to properly assess all risks via an active safety culture and prioritise their efforts based on impact, likelihood and importance. The top-down approach should start at board level and promote ownership of the topic among everyone within the company, putting safety and compliance at the very heart of the corporate culture.

Fleet management, policies and processes should be guided by the European Framework Directives on Safety and Health at Work, for example, which obliges employers to take appropriate preventive measures to make work safer and healthier. Another helpful guideline is ISO 45001, the standard for occupational health and safety (OH&S) management systems, which was published in March 2018. Specifically for an LCV fleet, it is also important to abide by other laws and guidelines such as driving hours, vehicle inspections, vehicle overload rules, Clean Air Zones and driving licences.

Fleet & mobility providers like LeasePlan support their customers by monitoring the ongoing changes in such laws and regulations. Additionally, to help fleet managers ensure the safety and compliance of their fleet at a more

practical and accessible level, LeasePlan has developed the SafePlan Zero programme. It comes with a proven four-step methodology based on insights, safety goals, implementation of preventive actions and ongoing monitoring.

The programme helps you to identify your safety risks and benchmark your company's performance against your peers. You can use the resulting insights into aspects such as claims frequency, bodily injuries, accident types and causers of multiple accidents to set safety goals and create a roadmap for implementation. Practical measures can typically include safety recommendations at vehicle level, driver level and strategic fleet level. Once such measures have been implemented, you can track your progress and continuously manage and adapt your safety programme as necessary.

The SafePlan Zero programme is part of LeasePlan's commitment to making our customers' and also our own fleets among the safest in the industry. Part of our proactive programme is to ensure that LCVs stay as compliant as possible by ensuring business-critical LCV services in a tailored LCV proposition. The benefits of this proposition range from easy-to-use driver apps to a guaranteed network of LCV garages providing maintenance, tyres and accident repair services. It also includes Uptime Live, which utilises telematics data to ensure that we are able to plan for, and react to, all your maintenance needs.

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Introduction

A third of road deaths and a quarter of serious injuries occur in collisions involving work-related driving

Ensuring that a fleet operates safely and in accordance with all relevant regulations is a big commitment in terms of time and money. Therefore, this issue is seen as a burden within many organisations. However, there is no doubt about the importance and value of fleet safety and compliance. Work-related motor vehicle collisions are estimated to contribute to between a quarter and a third of all work-related deaths.¹ This is clearly a key area in which fleet management can make a big difference to the health and safety of the wider community.

Improving fleet safety can help to reduce the number of accidents and their knock-on effects for individuals and businesses alike. This paper firstly examines the value and necessity of compliance and explores the connection between the legal and moral obligations. Subsequently, it looks at key laws and regulations, the potential costs of non-compliance and what you – as a fleet manager responsible for your company's LCV fleet – can do.



The costs of non-compliance

Direct and indirect financial implications

Complying with rules and regulations is about more than just ticking boxes to avoid penalties. It is important to recognise that non-compliance has far-reaching financial and societal implications, both directly and indirectly, with the loss of life being the ultimate price to pay. 22,660 people lost their lives on EU roads in 2019ⁱⁱ. The collision rate of company-car drivers is 50% higher than that of private motorists (after adjusting for exposure)ⁱⁱⁱ. Bearing in mind that approximately 50% of vehicles on the road today are registered to businesses, it is clear that companies can make a significant contribution to reducing the number of road traffic accidents, injuries and fatalities.

In addition to the incalculable price of personal loss of a fatal collision, the quantifiable financial cost is very high too. The European Commission estimates that the socio-economic cost per fatality varies between €0.7 million and €3 million. Even non-fatal accidents can make a significant dent in the company's finances, either due to the employee being

on sick leave during their recovery period, or because of the cost of the downtime while the LCV is getting repaired. The same holds true if failure to comply with regular vehicle inspections results in a company falling behind on routine maintenance. Even a single van being out of action for an extended period of time can cause operational – and hence financial – problems for some businesses.

Cost impact of a non-fatal accident:

- Time off work and productivity losses
- Emergency medical costs
- Vehicle repair and maintenance costs
- Legal and insurance costs
- Damage to employer's reputation (especially when branded vehicles are involved)
- Environmental costs (e.g. due to spillages of dangerous substances)

Safety and compliance

The value and necessity of safety and compliance

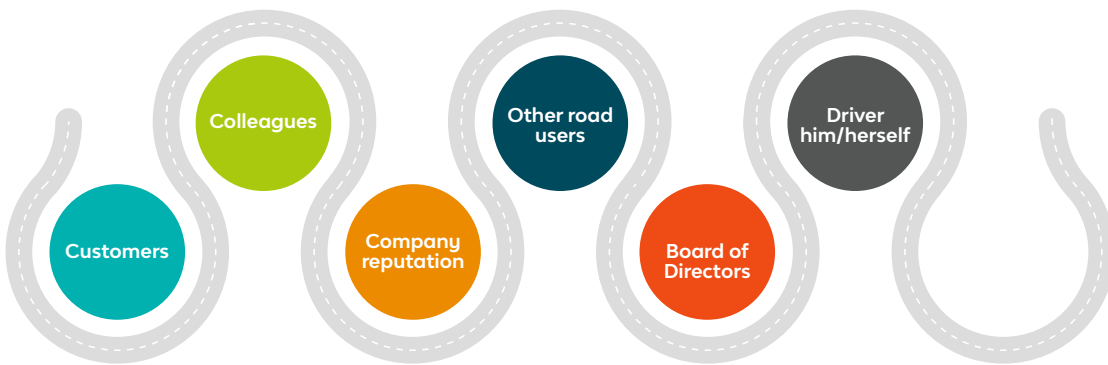
In order to run a light commercial vehicle (LCV or 'van') fleet successfully and get the very best out of it, it is necessary to be proactive and build an active culture of safety and compliance within your organisation.

Figure 1: The values of an active safety culture



As shown in Figure 1, valuing drivers equates to valuing all aspects of the business. In reality, this means it is necessary to consider health and safety (H&S) at every turn. From a wider market perspective, some companies have 'zero harm' policies and cultures focused on getting everyone home safely. However, when resources are finite, the cost of further reducing a tolerable risk will always be weighed up against the potential benefit to be gained. In other words, by 'zero harm' these companies tend to mean 'prioritised risks'.

A British study revealed that around 30% of van drivers face mental health concerns^{iv}. Such issues can be caused by factors both inside and outside work. Irrespective of its cause, stress can be a problem at work. When it comes to drivers, stress – along with fatigue – is a major factor in their mental well-being, and poor mental health can have a significant effect on their performance. For example, a high stress level can mean a driver will take more risks. Needless to say, the potential consequences of this could be significant – not just for drivers themselves, but also for colleagues, other road users and the company's reputation.

Figure 2: Driver behaviour impacts all aspects of your business

Rather than taking a reactive approach to H&S, companies need to embrace it and be proactive in order to stay one step ahead. In practice, companies need to properly assess all risks via an active safety culture and prioritise their efforts based on impact, likelihood and importance. Rather than making it the burden of the few, there should be a top-down approach starting at board level and promoting ownership of safety and compliance among everyone in the company. This will put the topic at the very heart of the corporate culture.





Key legislation and regulations

Ensure that you are best placed to protect yourself against the unexpected

Rules and regulations are changing all the time, and you need to keep pace with them all. However, one key piece of legislation should underpin any fleet operation: the European Framework Directives on Safety and Health at Work, which obliges employers to take appropriate preventive measures to make work safer and healthier.^v To ensure you fully comply with the law, you should use this as a foundational guiding principle in your fleet management, policies and processes. Another helpful guideline is ISO 45001^{vi}, the standard for occupational health and safety (OH&S) management systems, which was published in March 2018. The goal of ISO 45001 is to reduce occupational injuries and diseases, including by promoting and protecting physical and mental health.

Five examples of other laws and guidelines

Whilst the approach outlined above provides the overarching governance, there are other laws to abide by and guidelines to help you, such as the five examples presented below:

1. Driving hours

You are probably aware of the restrictions on the amount of time that truck drivers can legally drive for. But did you know that employers in the EU are also bound by various regulations relating to maximum daily and fortnightly driving times as well as daily and weekly minimum rest periods? The scope of such regulations is tremendously diverse and – with certain national exceptions and derogations – includes drivers of passenger transport and road haulage operations, employees and self-employed drivers for own account and for hire and reward. The aim of this set of rules is to avoid distortion of competition, improve road safety and ensure good working conditions for drivers within the European Union^{vii}.

These rules establish that:

- The daily driving period shall not exceed 9 hours, with an exemption of twice a week when it can be extended to 10 hours
- The total weekly driving time may not exceed 56 hours and the total fortnightly driving time may not exceed 90 hours
- The daily rest period shall be at least 11 hours, with an exception of going down to 9 hours for a maximum of three times a week. Daily rest can be split into 3 hours of rest followed by 9 hours of rest to make a total of 12 hours of daily rest
- The weekly rest is 45 continuous hours, which can be reduced every second week to 24 hours. Compensation arrangements apply for a reduced weekly rest period. Weekly rest is to be taken after six days of working, except for coach drivers engaged in a single occasional service to internationally transport passengers. These drivers may postpone their weekly rest period after 12 days in order to facilitate coach holidays
- Breaks of at least 45 minutes (separable into 15 minutes followed by 30 minutes) should be taken after 4.5 hours at the latest

Compliance with these provisions is subject to continuous monitoring and controls, which are carried out at national and international level via checking tachograph records at the roadside and at the business premises.

2. Vehicle inspections

A properly maintained and fully functioning vehicle meeting all safety requirements is less likely to be involved in a road accident. In terms of vehicle inspections, motor vehicles over a specified age must have a compulsory annual test for safety and exhaust emissions. Typically for vans, the first inspection must be performed before the third anniversary of registration. Thereafter, it must have an annual vehicle inspection test.

There are two types of vehicle assessments:

a. On-the-spot roadside inspections

Unannounced roadside inspections of commercial vehicles can be carried out in any EU country, whether or not the vehicle is registered in the EU. These checks cover brakes, emissions and the vehicle's overall condition. Drivers may also be required to produce recent inspection reports or proof that the vehicle has passed the mandatory roadworthiness test.

b. Periodic checks

EU law ensures that most vehicles and trailers are inspected at regular intervals at a specialist test centre. Vehicles weighing over 3.5 tonnes have a legal requirement for daily checking and regular preventative maintenance. This does not apply to the LCV sector, which results in it having the worst inspection failure rate of all vehicle categories. In the United Kingdom, for example, 44% of vans weighing 3-3.5 tonnes and under fail their first vehicle inspection, compared to just 3% of trucks weighing more than 3.5 tonnes.

The most common vehicle inspection defects are:

- Vehicle lights and reflectors
- Insufficient tyre profile
- Brakes not working according to requirements
- Exhaust system
- Windscreen wipers

3. Vehicle overload

Legal weight limits restrict the amount of cargo that may be carried by the relevant vehicle type. Nearly one in four LCVs are overloaded, according to Peugeot^{viii} research. Driver and Vehicle Standards Agencies and the police have the right to stop and search a vehicle at any time. If the vehicle exceeds the legal limit, a fine will be issued in proportion to the excess weight. If the van is excessively in breach of the rules, it will be prevented from continuing on its journey, and in severe cases the driver may even be charged with dangerous driving and given a prison sentence.

Besides the financial implications, an overloaded vehicle can pose a serious hazard on the road, both to the driver and other road users. Excess weight can negatively affect the performance of the brakes, tyres and the suspension, and can increase the likelihood of oversteer at higher speeds.

Calculating and monitoring the weight limit

The legal weight limit depends on the van's kerb weight (the weight of the vehicle with a full fuel tank and without driver and extra passengers/cargo) and the gross vehicle weight (GVW). The GVW is usually indicated on the vehicle itself and also in the instruction manual, as is the kerb weight. The legal limit is calculated by subtracting the kerb weight from the GVW.

4. Clean Air Zones (CAZ) and Low Emission Zones/Ultra Low Emission Zones (LEZ/ULEZ)

The implementation of ever-more – and stricter – clean air zones and (ultra) low emission zones in cities across Europe is one of the major trends currently affecting the composition and operation of fleets. In some cases, fees are imposed on vehicles that do not meet the required emission standards, whereas in other cases high-emission vehicles are restricted from entering the zone. Whilst today's relatively new internal combustion engine (ICE) vehicles are still allowed in almost all city centres, the speed with which new zones are being introduced and the increasingly tight restrictions that are being imposed underline the potential risks associated with ICEs.

LCVs perform a significant proportion of their trips in urban areas, whether as delivery vans or to provide technical and construction-related services, which makes them particularly exposed to the impact of such zones on business operations. Therefore, as a fleet operator, it is important to keep a close eye on the ever-changing restrictions and the emission levels of your fleet vehicles. This is an area in which compliance can help your organisation to avoid

unnecessary costs and safeguard business continuity, in addition to doing your bit for the environment.

A lot of recent legislation has been designed to encourage the uptake of greener vehicles. Are you interested in starting your journey towards emission-free business mobility with e-LCVs? Read our paper: [‘Why it’s time to transition to an e-LCV fleet’](#).

5. Driving licences

When it comes to electric vans (e-LCVs) and especially the larger models, the added weight of the relatively heavy electric components such as the battery can pose a potential problem. This is because the legal maximum gross vehicle weight (GVW) permitted in the standard category of most driving licences across Europe is 3.5 tonnes, and many large vans already use every kilogram of this allowance. Since the basic weight of battery-powered electric vehicles is typically more than that of a vehicle powered by a diesel engine, this leaves less capacity for payload and therefore reduces the amount of cargo that a driver can legally carry within the 3.5-tonne limit. In many European countries, governments have counteracted this in a process referred to as the ‘alternative fuel payload derogation’, allowing standard licence holders to drive e-LCVs weighing up to 4.25 tonnes. This extra allowance compensates for the additional weight of the electric technology, enabling an e-LCV to match a diesel equivalent in terms of payload^{ix}.

These laws and guidelines serve as a reminder that ‘change is the only constant’. Therefore, it is important to continuously keep yourself informed about the latest regulatory developments and requirements affecting your LCV fleet so that you can assess their impact and adjust your fleet set-up as necessary. In the event of a serious incident, an accident or a breach of the law, you may need to demonstrate that you have a process in place for monitoring and managing all fleet-related changes.





What can fleet operators do?

Compliance with regulations will result in a safer, cleaner and more efficient operation

The fleet policy is the starting point for compliance. Your fleet policies should be flexible enough to accommodate new laws and regulations, and they should be reviewed regularly.

To help you, LeasePlan has developed SafePlan Zero. This comprehensive programme mobilises fleet owners and drivers by raising their awareness of safe driving and offering them guidance, practical tools and support along the way. SafePlan Zero comes with a proven methodology based on the following four-step approach:

4-step approach of LeasePlan's SafePlan Zero

1. Insights

Identify your safety risks

As a first step, you need to start gathering data to obtain a clear picture of all the safety risks facing your company in terms of fleet, driver and vehicle. There is lots of valuable data available in the context of safety and compliance, but that data needs to be converted into actionable insights. Thanks to digital vehicle connectivity, today's fleet managers

have a range of resources to help them – from checking tools to telematics.

Elements to be assessed include:

- Accident frequency rate
- Types of accidents
- Cost of accidents, including repair costs
- At-fault indicator
- Bodily-injury indicator
- Insurance claims
- High-risk drivers, including job-and vehicle types, mileages, routes and convictions/penalties on driving licences

Root cause analysis and benchmarking

Once you have a true understanding of the actual figures associated with each risk, you can perform root cause analysis to identify the high-risk areas for your organisation. Benchmarking the frequency and severity of accidents against your peers will support risk management and indicate which preventive measures should be given priority.

2. Safety goals and roadmap

Once the safety risks, root causes and driver risk profiles are clear, the next step is to define your safety goals and create a roadmap. At EU level, the aim is to achieve zero road deaths by 2050 and a 50% reduction in serious injuries between 2020 and 2030. Companies can support this initiative by setting similar targets and translating them into tailored sub-targets for the coming decade, e.g. to reduce bodily-injury rates, to reduce own damage frequency or to achieve zero multiple accident causers.

Figure 3: Examples of safety goals and a roadmap

Goal	2019	2020	2021	2022	
1. Bodily injury rate to zero by 2030	0.46%	0.4%	0.35%	0.3%	<i>Ambition to have zero road traffic injuries by 2030</i>
2. Own damage freq. below industry benchmark	117%	100%	80%	60%	<i>Be the safest fleet in the industry by end 2022 with regards to own damages</i>
3. Zero multiple accident causers	20% with 63% OD claims	20% with 50% OD claims	20% with 35% OD claims	20% with 20% OD claims	<i>Multiple damage causers will become low risk drivers</i>

3. Implementation based on preventive actions

People's attitudes will not change until they start to see the benefits of behavioural change. Just some of the ways a company can raise awareness and stimulate cultural – and hence behavioural – change include by communicating accident ratios, providing instant driver feedback, including rules about maximum driving hours in their fleet or driver policies and introducing incentives/penalties, safety-related gadgets and driver training. Your drivers are at the heart of your company's operation, which is why training makes good business sense.

It can really add value, and doesn't need to be expensive thanks to the wide variety of online training courses available nowadays. When joining your company, drivers should receive general induction training including rules of the road, company policy and practices, and how to operate the vehicles (including any special machinery), followed by regular refresher training sessions as well as updates on any new laws or other changes.

Additionally, there should be special training for drivers identified as higher risk. In terms of vehicle safety, it is advisable to establish a procedure for carrying out at least a weekly check – and preferably a daily 'first use' check – on all vehicles. This not only improves safety, but also minimises downtime by keeping a close eye on wear and tear so that preventive maintenance can be scheduled in good time.

SafePlan Zero offers guidance and support as well as practical tools to capitalise on the easy wins and tackle the more challenging safety risks.

Figure 4: Some examples of preventive actions



Safe fleet

- Safety reporting
- Safe fleet policy
- Safety recommendations guide
- Safety consultancy

Safe driver

- Driver safety newsletter
- Safe driving videos
- Driver risk self-assessment
- Driver training

Safe vehicle

- Vehicle safety options
- Smart technology overview
- Vehicle safety glossary
- Vehicle safety checks

4. Monitoring

You should keep track of your progress and enrich your insights along the way by monitoring your KPIs such as:

- Bodily-injury rates
- Claims frequency
- Multiple accident causers

From now on, it is important to continuously and actively manage your safety programme and your drivers. Common practices include:

- Monthly safety board meetings
- Quarterly meetings with your leasing and insurance providers to evaluate and discuss new insights
- Keeping the programme alive through regular communication and by celebrating successes
- Being a role model yourself

Vehicle safety

A vehicle check should be thorough, and should include at the very least:

- Brakes
- Tyres
- Windscreen/windows
- Lights
- Weight (check either at a local weighbridge centre or by fitting axle weighing technology to the vehicle, which can issue automatic alerts in the case of overloading)



Recommended components of a daily vehicle check.

Other ways LeasePlan can help

Tailored LCV offering and support

We believe that the safety and compliance discussion should be reframed, transforming it from an unavoidable burden into something that can add value and have a positive impact on the work environment, business performance and society in general.

Complying with the law and upholding a duty of care to employees is a fundamental part of any organisation's activities. Non-compliance can have serious consequences – not just the financial penalties you may have to pay, but also the human costs of injury or death, the expense of having vehicles off the road and the potential damage to your business reputation. Meanwhile, the benefits of compliance extend well beyond simply avoiding these costs. By keeping up with the latest regulations, you will also have a safer, cleaner and more efficient fleet operation, including happier drivers.

Fleet & mobility providers like LeasePlan make a point of closely monitoring the ever-changing laws and regulations in order to keep their customers up to date about how the changes could affect them. Additionally, at LeasePlan, we have set ourselves the goal of making our customer and employee fleets among the safest in the industry. Our dedicated programme to help corporates measurably reduce their fleet's accident frequency rate is called 'SafePlan Zero'. This programme includes content, tools, guidelines and reports on the three major safety areas: the driver, the vehicle and fleet management.

To ensure our own vehicles stay as compliant as possible, we include important elements, such as tyre replacement, maintenance and even telematics systems,^x within our regular services. Moreover, we actively support you in developing safety and compliance-minded culture within your organisation.

As a result of working with LCV fleets for many years, we have developed a tailored proposition to meet the needs of our LCV community. Recognising the importance of taking a proactive approach to maintaining fleet vehicles well and making it easy for drivers to support this, we have prepared a number of helpful products and services, ranging from easy-to-use driver apps to a guaranteed network of LCV garages providing maintenance, tyres and accident repair services. This includes the use of Uptime Live which utilises telematics data to ensure that we are able to plan for, and react to, all your maintenance needs.

In summary, LeasePlan is here to help you. Feel free to speak to our Commercial Vehicle experts to learn more about how your fleet compares to industry standards, how to implement best practices for vehicle compliance, how to future-proof your fleet for the legislative changes to come, or to discuss any other issues related to your LCV fleet.

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Complying with road safety rules and regulations is about more than just ticking boxes to avoid penalties. It's about saving lives.

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Contact

Written by an expert panel

LeasePlan is working in partnership with customers, drivers and road safety specialists to raise awareness of the issue of fleet safety. Through our account managers and fleet consultants, we offer practical solutions and expertise to help prevent avoidable accidents.

Our expert



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- ^{viii} <https://www.parkers.co.uk/vans-pickups/news/2020/peugeot-partner-overload-indicator/>
- ^{ix} In some markets this allowance is subject to additional conditions such as mandatory driver training
- ^x In relevant countries only