

## **LOGISTICS UK**

# Vans Today

London

Thursday 28 April







# **LOGISTICS UK**

Welcome

## **Denise Beedell**

Public Policy Manager, Logistics UK

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## Today's sponsors









**Real-Time Vehicle Tracking** 





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#VT22



# Today's programme

## **LOGISTICS UK**

Start time	End time	Session title	Speaker name	Speaker job title	Speaker company	
9.00	9.05	Welcome from Logistics UK	Denise Beedell	Public Policy Manager	Logistics UK	
9.05	9.25	Keynote: Scene setting	Fergus McVey	CEO	7th Sense Research UK	
9.25	10.00	Managing through technological challenges	Andy Hill	Commercial Vehicle Manager	Lex Autolease	
			Laura Moran	Managing Director	TVL Security	
10.00	10.20	Managing through compliance challenges	Dan Crutchington	Senior Transport Advisor	Logistics UK	
10.20	10.40	Coffee Break				
10.40	11.10	Maintaining fleet compliance – the drivers role and responsibility	Andy Edwards Denise Beedell	Field Sales Manager Public Policy Manager	Quartix Logistics UK	
11.10	11.40	Mitigating threats of driver behaviour: drink/drug abuse while driving	Lili Oliver	Partner	Weightmans	
11:40	12:15	Demystifying van insurance	Stewart Osmond	Haulage & Logistics Director	WTW	
12.15	13.05	Lunch Break				
13.05	13.35	Management approaches to maintaining driver wellbeing: Creating a training culture	Andy Neale		RED Training	
13.35	13.50	New vehicle shortage – the challenges of running older or second hand vehicles	Vernon Oak	Senior Workshops Manager	Rivus Fleet Solutions	
13.50	14.00	Chair's close	Denise Beedell	Public Policy Manager	Logistics UK	



# **Keynote: Scene setting**

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## Fergus McVey CEO, 7<sup>th</sup> Sense Research UK

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### 

# **LOGISTICS UK**



### WHO DO I THINK I AM?!

**LOGISTICS UK** 

**FERGUS MCVEY** 



### WHAT NOW?

•

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## **LOGISTICS UK**





### What does it say on the tin?

**LOGISTICS UK** 

01 /	02 /	03 /	04 /	Who's
Lack of Drivers	Lack of VANS!!	Fleet Monitoring	Compliance D.O.C.	going to sort that
Brexit	CHIPS!	Insurance	Red tape?	out
The great resignation	Capacity moved to EV	Efficient use of scarce resource	Or proof of good standards?	then?
Wage inflation	Increase in demand	d Hours of operation	Doing the <i>right</i> thing	
Shortages in better paid industries	Covid shutdowns	Increase in fleet size		

### Who are you lot then?

01 / Stereotype

Architype of a stereotype



02 / Lazy Assumptions\*

**'Prefers** convention' Set in his ways Won't knit yoghurt **Hates buses** 111 **Budget Movers** ourgh@manwithvan.co.uk

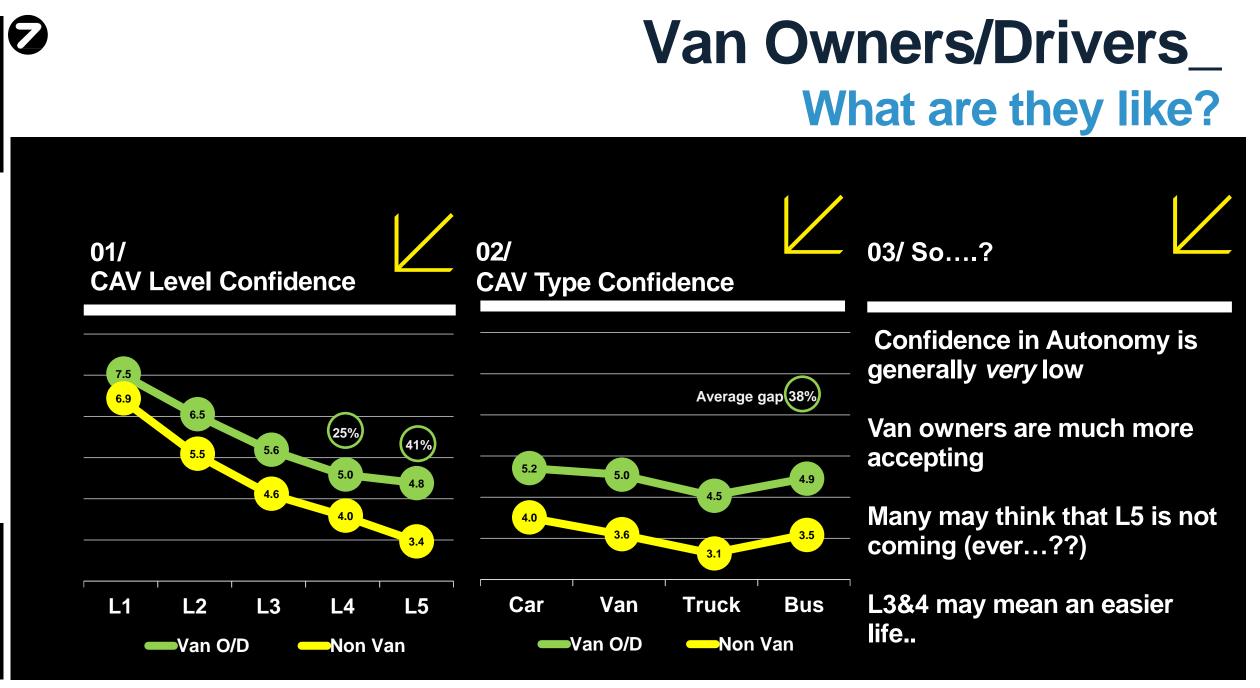
LOGISTICS UK

03/

Our survey said

OUR SURVEY SAID

\*wall maybe some of your toom are



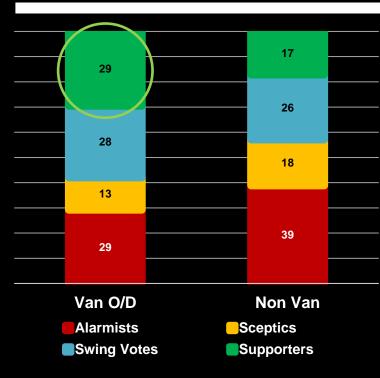
# Van Owners/Drivers\_ What are they like?

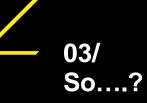
### 01/ CV Owners CAV Confidence

Van O/D far better informed than GP....

6 in 10 think it's a good idea... ..... But Turkeys/Xmas?





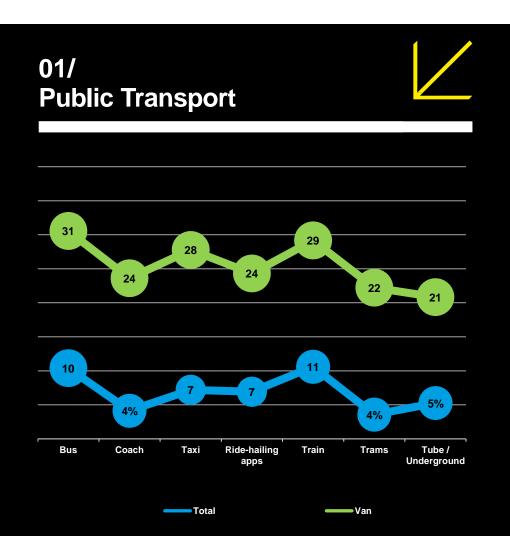


Non-van audiences are less supportive of autonomous vehicles

Van owners again support the idea more

Spread of attitudes in the Van O/D Audience, but a clearly larger future facing cohort

# Van Owners/Drivers\_ What are they like?



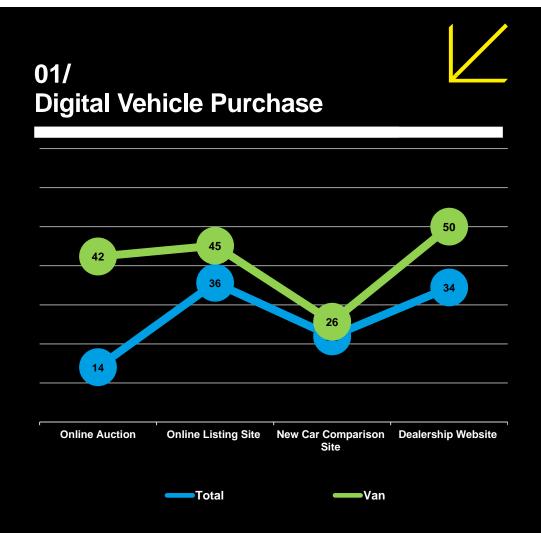
02/ No issue with Public Transport

Van owners use public transport more than Non CV, with buses, taxis and trains being the main services used.

Van owners also have spent more time and money on public transport than GP

- On average Van owners spend 3x more than GP

# Van Owners/Drivers\_ What are they like?



02/ CV Owner/Drivers are tech-savvy

Van owners use digital platforms much more than GP

Van O/D are far more comfortable with online auctions

Van O/D much more comfortable buying direct from Dealer websites

# Who are you\_ What are van owners?

### Van drivers are our future

- Teach well
- Allow to lead way
- Show all beauty possessed inside
- Sense of pride



This is an industry that is well equipped to transition

# But we need to know what to do today to get there

This conference will examine.....



## What should we be doing here? LCGISTICS UK

Product availability – or not..... ... and expense of what is available

OEM offers of re-hashed ICE as EV .....time for a rethink?

Fleet Management – monitoring, air compliance bad/compliance good? [OBEY!]

Drivers – if we don't have enough, should we agitate for Automation?

Elevate the role of the driver, remove the commodity transportation element

Many drivers aren't professional drivers, can they do other work on their way?

# 

# Somewhere over the rainbow... there are vans.

## But to deliver our industry there efficiently. LOGISTICS UK

Make sure what we do today isn't counter productive...

We need legislation, but the *right* legislation

We need vans – but the *right* vans

We need drivers – but luckily they already seem OK....we just need a few more

This needs a government that is ready. But they need to be made aware of these issues in order to act on them



### VANS TODAY 2020



## LOGISTICS UK

And **who** is going to do that?

### Well, **you are**.

Logistics really **IS** about solving problems.

So, its over to you.

### Welcome to Vans Today.





YOU (at Vans Today) People not at Vans Today





# Q&A

## To ask your question please use the link:

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## **LOGISTICS UK**

# Managing through technological challenges

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# **LOGISTICS UK**

## Laura Moran

Managing Director, TVL Security

# Andy Hill

Commercial Vehicle Manager, Lex Autolease

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# Managing through technological challenges



Laura Moran Managing Director





Russell Adams Commercial Vehicle Manager



# Technology is always a twoedged sword. It will bring in many benefits, but also many disasters.

Alan Moore

🖌 quotefancy



## When planning your van fleet was simpler.....

- Fleet size
- 2 Operational use
- 3 Geographical use
- Payloads
- 5 Towing capacity
- 6 CO2 emissions
- 7 Mileage
- 8 MPG
- Passenger use
- Legal requirements
- Accessories/racking/conversion
- 12 Security

Whole life costs Funding methods 2 **Residual values** Holding period Rotation plan 5 Maintenance network 6 **Replacement vehicles** Driver adoption Livery Disposal Insurance 12 Driver behaviour







# What <u>else</u> does a van fleet manager need to consider today?

### Technology

EV's vs ICE vs Hybrid vs Hydrogen Range – Reality vs OEM Charging time Charging infrastructure Depot facilities - draw Battery technology Futureproofing Warranty conditions Transition plan Higher purchase cost vs long term savings

### **Global Macro Economy**

Sustainability Agenda Pandemic effect Van availability Production delays Semi-conductor shortage Supply chain disruption Raw material costs Ukraine crisis Brexit ULEZ







### YOU AND YOUR FLEET

Let's start by looking at your existing LCV fleet. This'll help us form a picture of what your future fleet could look like.

- 1 What's the size of your fleet?
- 2 Which makes and models do you have within your fleet?
- What do you already know about electric vans?
- 4 Have you thought about electrifying your van fleet before?
- 5 Are there any makes/models you've considered and why?

#### Did you know?

•••

Electric vans are generally more expensive than diesel<sup>1</sup> but the Plug-In Vehicle Grant from OLEV provides up to 35% of the cost up to a maximum of £2,500 for vans up to 2.5t GVW and 35% up to £5,000 for larger vans up to 3.5t GVW, manufacturer support may also be available. On a whole life cost basis electric vans can be cost effective but it depends on the van chosen and level of business mileage undertaken.

<sup>1.</sup> Vivaro-e Zero Emissions 1 1/4 Tonne Loads, Vauxhall Fleet, August 2020.

<sup>2</sup> Rates of all of the plug-in vehicle grants are subject to review over time by the UK Government, depending on how the market develops. <u>https://www.gov.uk/government/news/plug-in-vehicle-grants-update-following-todays-budget</u>



## JOURNEY AND OPERATING CYCLE

Some types of journey are better suited to electric vans than others.

- 1 What's your typical daily use/journey (miles)? On which type of roads?
- 2 What's the average mileage of your vehicles?
- 3 How long is the vehicle stood down for each day?
- 4 Are there any non-standard journeys that we need to consider?
- 5 Are any of your vans taken home by their drivers at night for operational reasons?

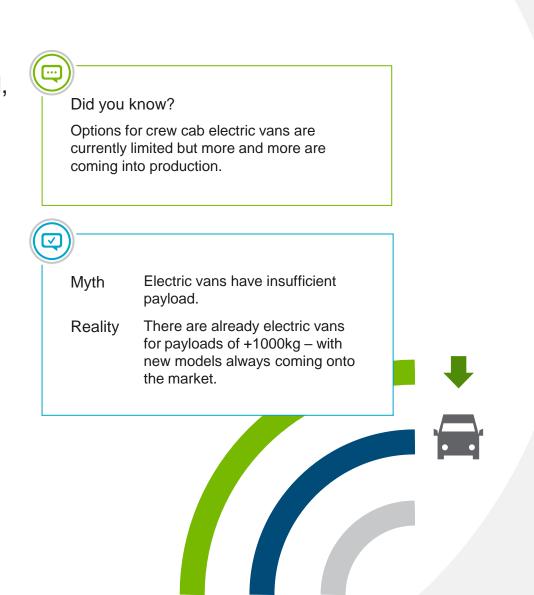
Myth Batteries take too long to recharge.

Reality Most electric vans are (or can be) equipped with a fast charge facility. When used with the right charge point, this recharges the battery to 80% within 30–45 mins – the perfect amount of time for a driver break<sup>3</sup>.



You need electric vans that will work hard, are fit-for-purpose and deliver for your business – and your drivers.

- 1 Will the van be fully laden or diminishing load?
- 2 What payload is required?
- 3 What physical sized load area is needed?
  - What load length is needed?
- 5 Will there be a need to carry additional passengers or just the driver?





### **FIT OUT AND ANCILLARY**

We need to think carefully about how racking and equipment is fixed into an electric van.

- 1 Do your vans need ancillary equipment fitted?
- 2 Is there a requirement for racking, tooling and accessories?
  - Is there a need for towing?

### TOWARDS SUSTAINABILITY

While not all our electricity comes from green sources (e.g. wind and solar), the UK is reducing its dependency on fossil fuels<sup>4</sup>. This means that the carbon footprint of electric vehicles is set to get smaller as more energy is generated from sustainable sources.

#### Did you know?

•••

....

There's a risk of battery damage if the floor of an electric van is drilled and used as a fixing. Also, the weight of any racking needs to be considered in terms of its impact on payload and vehicle range.

#### Did you know?

Generally, electric vans are unable to tow. Those that can have a restricted capability.



Being able to effectively charge your fleet

of electric vans is a must.

- Do you already have any charging facilities?
- 2 Can charging points be installed at depot/office locations?
- 3 Could anything obstruct installation?
- Are there any charging facilities en-route if drivers are taking the same daily route?
- 5 Do any of your drivers take vehicles home at night? If so, do they have access to off-street charging?

Myth There is insufficient charging infrastructure in the UK.

Reality Across the UK, there are now more than 15,000 locations with more than 41,000 charge points.<sup>5</sup> The UK Government has also pledged to invest £500million to further improve the public charging infrastructure.<sup>6</sup>



<sup>5.</sup> <u>https://www.zap-map.com/statistics/#points</u>

<sup>6.</sup> <u>https://www.gov.uk/government/publications/government-vision-for-the-rapid-chargepoint-network-in-england/government-vision-for-the-rapid-chargepoint-network-in-england</u>



## **ADDING UP THE BENEFITS**

Electric vans have the same fundamental benefits as electric cars: Zero or reduced tailpipe emissions, greatly reduced fuel costs, Zero VED and BIK, Government grants

### **SUSTAINABILITY**

Electric vehicles in the UK produce less than half the  $CO_2$  of conventional vehicles, even when their battery production is taken into account<sup>7</sup>.

### COSTS

As the cost per mile of electricity is lower, electric vans are considerably cheaper to run than diesel alternatives, and no AdBlue or DPF issues Currently vehicles which emit no more than  $75g/km CO_2$  and have a minimum 20 miles zero emission capable range will qualify for the 100% cleaner vehicle discount. From October 2021 only pure EV and hydrogen fuel cell vehicles will qualify. This means EV vans operating in London will benefit from the Congestion Charge exemption.

### **NEW BUSINESS OPPORTUNITIES**

Improving your green credentials can have a positive effect on your business reputation. With more tender documents now asking for high environmental standards, it could help you win and retain business too.



### **DRIVER ACCEPTANCE**

Ensure a positive EV experience and implementation

- 1 Obtain manufacturer demo vehicles to introduce first drivers to EVs before implementation
- 2 Have a manufacturer rep or someone knowledgeable with the demo vehicle
- Identify early advocates for EV placement
- OON'T provide first EVs to negative drivers
- 5 Create a positive buzz about the move to electric

Think about charging, and not just the location\_

- Overnight charging at depots or home, slow to fast 3.5 11 kW
- Public charging can be faster with Rapid charging 50 350 kW
- Different charge points, Type 1 or 2 for Slow/Fast and CHAdeMO/ CCS for Rapid
- 4 Most vehicles now Type 2 and CCS
- 5 What access and payment system will drivers use for electric on the go?



Managing through technological challenges LOGISTICS UK

# Q&A

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# Managing Through Compliance Challenges

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# Dan Crutchington

Senior Transport Advisor Member Advice Centre, Logistics UK

Use Sli.do for your questions Join at: <u>www.sli.do</u> **#VT2022** 

# Logistics UK Member Advice Centre

0370 605 0000



### Main Priority



### **Compliance Challenges**

- Mobile phone changes
- IVA manual N1 vehicles
- Rebated Fuel/Red Diesel changes
- Alternatively Fuelled Vehicles
- International Operators Licence
- Moving traffic contraventions

## Mobile Phones



### **Mobile Phones**

## **LOGISTICS UK**

Prior to 25<sup>th</sup> March 2022, the offences were for:

- Sending or receiving oral or written messages.
- Sending or receiving facsimile documents.
- Sending or receiving still or moving images.
- Providing access to the internet.

New definition of 'using' includes:

- Illuminating the screen.
- Checking the time.
- Checking notifications.
- Unlocking the device.
- Making, receiving, or rejecting a telephone or internetbased call.
- Sending, receiving, or uploading oral or written content.
- Sending, receiving, or uploading a photo or video.
- Utilising camera, video, or sound recording.
- Drafting any text.
- Accessing any stored data such as documents, books, audio, files, photos, videos, films, playlists, notes or messages.
- Accessing an app.
- Accessing the internet.



Highway Code Updated – Rule 149

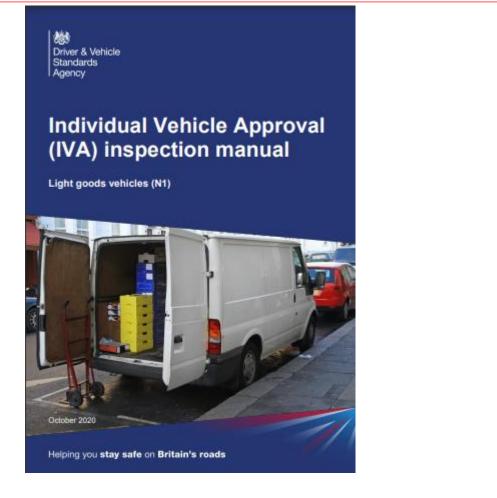
- The offence is triggered by **any** use of a hand-held mobile phone or similar device while driving.
- The offence covers devices that are capable of interactive communication and that the offence applies even if that capability is switched off.
- Drivers must not pick up a phone or similar device to dial a number and they must not use a handheld device whilst stationary in traffic.
- Describes the new exemption for when the driver is stationary and holding a phone to make a contactless payment for goods or services that they will receive at that time or afterwards.

# Vehicle Approval Updates



### **Inspection Manual Updates N1**

### **LOGISTICS UK**



(to 31 March 2022)

Driver & Vehicle Standards Agency

### Individual Vehicle Approval (IVA) inspection manual

Light goods vehicles (N1)



(From 1 April 2022)

Nov/Dec 2021 consultation did not take place.

Possibility of a short consultation in 2022 – a shortlist of questions.

Current plans:

- Won't be changing IVA in any significant way.
- Creating a mirror image of the EU Type Approval scheme for GB.
- Statutory instrument in planning stage.
- Taking effect late summer/autumn 2022.
- Compulsory for 'new types' in 2023.

Driver & Vehicle Standards Agency

# Alternatively Fueled Vehicles



### **Alternatively Fueled Vehicle**

## **LOGISTICS UK**

Under the Category B licence, a driver may operate an alternatively fuelled vehicle up to 4.25 tonnes, providing:

- They have undertaken 5 hours training.
- It is used for purpose of transporting goods.
- It does not tow a trailer.
- It is operated within Great Britain.



## **Rebated Fuel**



### **Rebated Fuel**

### **LOGISTICS UK**

Changes took effect from 1 April 2022.

Permitted operations include:

- Agriculture, horticulture, fish farming and forestry.
- Rail transport.
- Non-commercial premises.
- Travelling fairs

Updated Notice 75 is available on GOV.UK



# **Operator Licensing**





Operator Licence required for international operations used for hire and reward.

Vehicles between 2.5t and 3.5t GVW.

- Vans
- Cars and trailers

Financial standing requirements

	HGV only fleet	Mixed fleet	Van only fleet
1 <sup>st</sup> Vehicle	£8000	£8000	£1600
2 <sup>nd</sup> and subsequent HGVs	£4450	£4450	n/a
2 <sup>nd</sup> and subsequent Vans	n/a	£800	£800

### **Operator Licensing**

Transport Manager

- Employ a qualified TM
- Hire an external TM
- Apply for period of grace

#### **Operating Centre**

• No advertisement

#### Maintenance

• As per Licence intervals

**Interim Licence** 



# Enforcement of Moving Traffic Contraventions





- Local authorities in England able to apply for powers to enforce moving traffic contraventions expected 1st June.
- Local authorities will have to apply for the powers from Department for Transport and follow a public consultation exercise.
- Once a local authority has been given the powers, police can still enforce, but the rules are being introduced to avoid double-jeopardy.
- Publication of statutory guidance expected shortly.
- Logistics UK Penalty Charge Administration Service www.logistics.org.uk/PCN

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## **Coffee Break**



# Vans Today

London

Thursday 28 April





# Maintaining fleet compliance – the drivers' role and responsibility

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Denise Beedell Public Policy Manager Logistics UK

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# Maintaining fleet compliance The drivers' role



## **LOGISTICS UK**

Is it legal:

- 1) Registered
- 2) Insured
- 3) Taxed
- 4) and if applicable MOT'd



- ➤ Is it legal:
  - 1) Registered
  - 2) Insured
  - 3) Taxed
  - 4) and if applicable MOT'd
- > Has it been maintained?



- ➢ Is it legal:
  - 1) Registered
  - 2) Insured
  - 3) Taxed
  - 4) and if applicable MOT'd
- > Has it been maintained?
- > Is it roadworthy?





- ➢ Is it legal:
  - 1) Registered
  - 2) Insured
  - 3) Taxed
  - 4) and if applicable MOT'd
- > Has it been maintained?
- > Is it roadworthy?
- > Who's responsible?



### **Management function**



### **Management controls**

## **LOGISTICS UK**

## What's your schedule?

- Service intervals?
- Safety Inspections on mileage?
- Safety Inspections on time?
- > As and when?

### What's you audit process?

Ford Model	Interim Service <sup>1</sup> 1 Year <sup>2</sup> (10k ml)	Annual Inspection <sup>1</sup> 1 Year <sup>2</sup>		1 Year <sup>2</sup> (10k ml)	1 Year <sup>2</sup> (12,5k ml)		1 Year <sup>2</sup> (18k ml)	1 Year <sup>2</sup> (20k ml)			2 Year <sup>2</sup> (20k mi)	2 Year <sup>2</sup> (25k ml)	2 Year <sup>2</sup> (30k ml)	2 Year <sup>2</sup> (36k ml)
Transit Tourneo Connect (05/2002-08/2006) Petrol	(IUK ITII)		_		Х				_				_	
Transit Tourneo Connect (05/2002-08/2006) Diesel						Х								
Transit/Tourneo Connect EcoBoost Euro 5/6 (05/2013-)						~	Х							
Transit/Tourneo Connect EcoBoost Euro 5/6 Automatik (05/2013-)					Х									
Transit/Tourneo Connect EcoBoost Euro 6.2 (06/2018-)										Х				
Transit/Tourneo Connect 1.5L Duratorg TDCi Euro 6 MAN (01/2015-)								Х		~				
Transit/Tourneo Connect 1.5L Duratorg TDCi Euro 6 MPS6 (02/2015-)					Х									
Transit/Tourneo Connect 1.5L EcoBlue Euro 6.2 MAN (08/2018-)		Х								Х				
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Transit 1992 LCY (08/1991-07/1994)				X										
Transit 1995 LCX (08/1994-07/1998)				X										
Transit 1995 LCY (08/1994-07/1998)				X										
Transit 1995 LCX (08/1998-07/2000)				A	Х									
Transit 1995 LCV (08/1998-07/2000)					X									
Transit 2000.5 Petrol (01/2001-05/2006) RWD	-				X									-
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Transit 2000.5 Petrol (01/2001-05/2006) PWD					~	Х								
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Transit 2000.5 Diesel (08/2000-05/2006) PWD						A V				-				
Transit 2006.5 2,2L 03/81/103kW (04/2006-10/2011) Transit 2006.5 2,2L Duratorg TDCi Euro 4 (08/2009-10/2011)						Х	Х							
Transit 2006.5 2.2L Duratorg TDCi Euro 5 (10/2011-)							~						Х	
Transit 2006.5 2,3L 107kW Duratec HE					Х								X	
Transit 2006.5 2,4L Duratorg (04/2006-09/2009)					~	Х								
Transit 2006.5 2,4L Duratorg (04/2006-09/2009) Transit 2006.5 2,4L Duratorg 100PS (08/2009-10/2011)						X	V							
Transit 2006.5 2,4L Duratorg 100PS (08/2009-10/2011) Transit 2006.5 2,4L Duratorg 115PS (08/2009-12/2011)							X X							
							X						X	
Transit 2006.5 2,4L Duratorg 140PS (04/2006-01/2008) Transit 2006.5 2,4L Duratorg 140PS (01/2008-09/2009)						Х							X	
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Transit 2006.5 3,2L Duratorg Euro 4 (08/2007-)													X	
Transit 2014.5 2,2L Duratorg Euro 5 (01/2014-) Transit 2014.5 2,0L EcoBlue Euro 6 Manual (10/2015-27/08/2018)													X	V
														X
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Transit 2014.5 2,0L EcoBlue Euro 6.1 / 6.2 (27/08/2018-)		X										X		
Transit 2019.75 2,0L EcoBlue manual (05/2019-)		X										Х		
Transit 2019.75 2,0L EcoBlue automatik (05/2019-)		X										Х		
Transit 2019.75 2,0L EcoBlue m/HEV (05/2019-)		Х										Х		
Transit Custom 2012 2,2L Duratorq TDCi Euro 6 (03/2012-06/2016)													Х	
Transit Custom 2012 2,0L EcoBlue TDCi (08/2015-27/08/2018)														X
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Transit Custom 2012 2,0L EcoBlue TDCi Euro 6.1 / 6.2 (27/08/2018-)		Х										Х		
Transit Custom PHEV 2020 (06/2019-)		Х										Х		
Transit Courier 2014 all Euro 5/6 (10/2013-04/2018)							Х							
Transit Courier 2014 EcoBoost Euro 6.2 (04/2018-)							Х							
Transit Courier 2014 Duratorg TDCi Euro 6.2 (04/2018-)	Х										Х			

<sup>1</sup> The Interim Service and the Annual Inspection has been introduced in between the scheduled Main Service.
 <sup>2</sup> 1 Year: Service every year.
 <sup>3</sup> FFV: Bio-ethanol drive (Flexi fuel) / LPG: LPG engine / CNG: Natural gas drive

Service Interval Overview

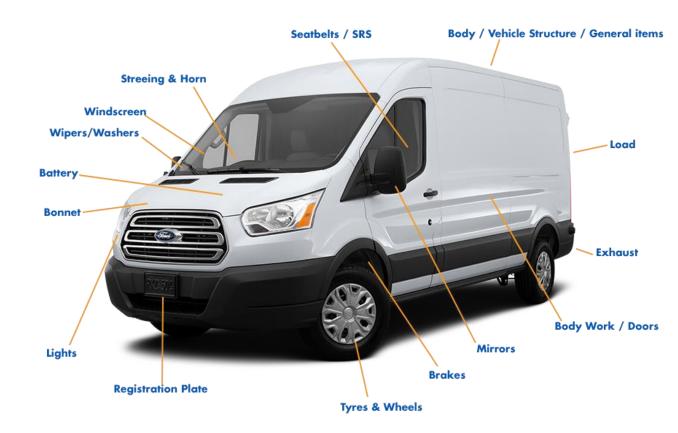
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### **User – the driver**

### The wrong way



## The right way



https://www.gov.uk/government/publications/van-drivers-daily-walkaround-check/van-drivers-daily-walkaround-check

### **Maintenance – managed**

- Correct vehicle for the job.
- > Effective maintenance regime.
- Effective transport office function.
- Engaged drivers.
- Reporting and rectification process.
- Clear process', understood and which are followed.
- > Audited.

Maintenance – managed (or not!)

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## Get it right

## Get it wrong









## Andy Edwards Field Sales Manager, Quartix

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### Maintaining fleet compliance – the driver's role and responsibility

What van drivers do as part of van maintenance What it means to be a responsible driver



Andy Edwards, Field Sales Manager at Quartix

- Established in 2001, Quartix is one of the UK's leading suppliers of subscription based vehicle tracking systems, software and services
- All technology developed, owned and managed in-house
- Strong growth in revenue, profitability and cash generation, financial strength to fund further growth in both the UK and selected overseas markets
- 22,000 fleet customers, installing 51,000 new units in 2021
- System is renowned for its ease of use, reliability and delivering exceptional value for money and after sales service support



### **Sapphire Utility Solutions**

- Established in 2013 by Michael Patel (CEO & Owner)
- Innovations in vehicle design named 'Most
   Innovative Utility Company 2021'
- Operating a fleet of 730 vehicles (145 HGV's, 395

LCV's, 160 cars & 30 pick ups)

Quartix customer since 2014



### A strategy for compliance & safety

- Mark Tomlinson, Director of Fleet and Plant at SUS since 2020
- Fleet size has tripled in the last 24 months
- Expanded from 2 regional depots to 14 nationwide
- Introduced systems and processes to maintain

high standards of fleet compliance





## What SUS van drivers do as part of van maintenance

- Intensive pre-use vehicle check each shift tailored to each vehicle
- Time, date and location stamped
- Daily on the gate spot checks
- Changing drivers' mindsets and educating them on the importance of van

maintenance



" The Checked Safe vehicle inspection app alongside other safe working systems and processes cover all aspects of fleet maintenance and allows us to manage our national fleet on a day to day basis in real-time to ensure we operate in a safe and complaint manner "

### What it means to be a responsible driver?

• Making drivers aware of the high-risk

factor that driving for business

carries.

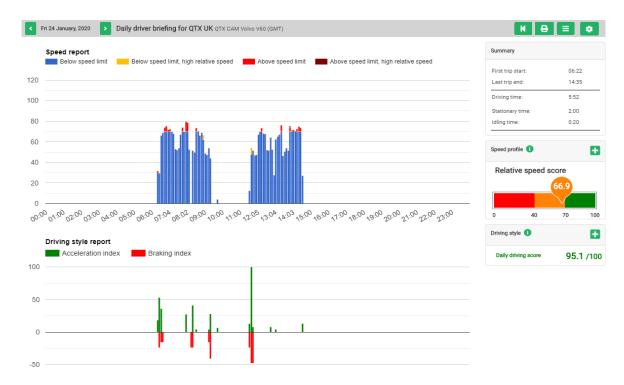
- Upholding the highest standards of conduct
- Telematics used to provide feedback
   on driver behavior to endorse a safe &
   responsible style of driving



'Our operatives work in dangerous environments on Gas & Water Networks. We make our operatives aware that driving is the most at risk activity they will undertake at work to underline the responsibility to themselves and other road users'

### **Telematics used to manage responsible driving**

- Driver behaviour reports and league tables used to monitor and benchmark driver performance
- Support drivers on an ongoing basis to help debrief, so they understand their own behavior & habits
- External and internal driver assessment courses used to ensure drivers receive the right support & training to reduce accident risk



"The Quartix system allows us to quickly and easily identify who is driving irresponsibly within our fleet and take preventative action before an incident occurs" Maintaining fleet compliance – the drivers' role and responsibility

**LOGISTICS UK** 

# Q&A

To ask your question please use the link:

## <u>https://www.sli.do/</u> **#VT2022**



## **LOGISTICS UK**

## Mitigating threats of driver behaviour: Drink/Drug Abuse While Driving

Use Sli.do for your questions Join at: <u>www.sli.do</u> **#VT2022** 





## **LOGISTICS UK**

## Lili Oliver

Partner, Weightmans DDI: 02078221952 Lili.Oliver@weightmans.com

Use Sli.do for your questions Join at: <u>www.sli.do</u> **#VT2022** 



### Outline

- Offences.
- Approach taken be Investigators.
- Areas of Risk for you as an Operator.
- Practical Guidance.



### The Reality?

- 110% increase over three years in reports of drug driving.
- 1 in 20 fatalities caused by drug driving.
- 30% of deceased drivers where impairment drugs detected and a toxicology report provided 2018.

Vans – Contributory Factors in Collisions:

- Impaired by drugs 90% increase on those impaired by mobile phones.
- Impaired by alcohol 388% increase on those impaired by mobile phones.

*"The number of offences and deaths detected so far may be only the tip of the iceberg".* – PACTS report



### **Offences – Drink Driving** Section 5 Road Traffic Act 1988

#### Limits:

- 35 micrograms of alcohol per 100 millilitres of breath
- 80 milligrams of alcohol in 100 millilitres of blood
- 107 milligrams of alcohol per 100 millilitres of urine

Being in charge of a vehicle while above the legal limit or unfit through drink

- 3 months imprisonment
- Up to £2,500 fine
- Possible driving ban

Driving or attempting to drive while above the legal limit or unfit through drink

- 6 months' imprisonment
- Unlimited fine
- A driving ban for at least 1 year (3 years if convicted twice in 10 years)

Refusing to provide a specimen of breath, blood or urine for analysis

- 6 months imprisonment
- Unlimited fine
- A ban from driving for at least 1 year

#### © Weightmans LLP



### **Offences – Drug Driving**

Section 5A RTA 1988

- Strict Liability no need to prove impairment specified limit.
- 16 drugs listed Drug Driving (Specified Limits) (England and Wales) Regulations 2014 and the Drug Driving (Specified Limits) (England and Wales) (Amendment) Regulations 2015.



### **Drug Driving**

'Illegal' drugs ('accidental exposure' – zero tolerance approach)	Threshold limit in microgrammes per litre of blood (µg/L)
benzoylecgonine	50µg/L
cocaine	10µg/L
delta-9-tetrahydrocannibinol (cannabis)	2µg/L
ketamine .	20µg/L
lysergic acid diethylamide	1µg/L
methylamphetamine	10µg/L
Methylenedioxymethamphetamine (MDMA)	10µg/L
6-monoacetylmorphine (heroin)	5µg/L



### **Drug Driving**

'Medicinal' drugs (risk based approach)	Threshold limit in blood
clonazepam	50µg/L
diazepam	550µg/L
flunitrazepam	300µg/L
lorazepam	100µg/L
methadone	500µg/L
morphine	80µg/L
oxazepam	300µg/L
temazepam	1,000µg/L



### **Drug Driving**

### Period of Time Remains in the System

- Cocaine up to 3 days following use and even longer in frequent users.
- Benzoylecgonine will remain in system for days (sometimes weeks).
- A moderate user (several times per week) can test positive for 7-21 days after last use. A heavy user can test positive for a month or longer after last use.



### Penalties for Drug Driving

- Minimum 1 year driving ban.
- Unlimited fine.
- Up to 6 months in prison.
- Causing death by carless driving under the influence of drink or drugs maximum 14 years to be increased to life.
- Driving licence will also show you've been convicted for drug driving. This will last for 11 years.
- Factors that increase seriousness of the offence :

Driving (or in charge of) a vehicle driven for hire or reward



### **Approach Taken by Investigators**

- Road side testing.
- Procedure following serious and fatal collision.
- Request for documents including: policy and procedures, medicals.
- Wider question of 'Fitness to Drive'.

### Areas of Risk for an Operator

- Police interview not just about the driver.
- Sections 2 and 3 of the Health and Safety at Work etc. Act 1974
- Sections 7 and 37 of Health and Safety at Work etc. Act 1974

Individual criminal liability: employees and Directors/Senior Managers.

Management of Health and Safety at Work Regulations 1999



### **Duty of Care – What does it Look Like**

- Evidence that the company has fulfilled it's obligations.
- Policies and evidence that followed on a daily basis.
- Consistency in approach.
- CULTURE Talk, Ask, Act, Support.



### **Practical Guidance**

- BAU and no sign of impairment.
- Policies around driving risk and medical questionnaires
- "Are you fit to Drive" daily vehicle check.
- Procedures in place for return from illness.
- Random Testing contract of employment and disciplining.
- GP Duty patient confidentiality trumped by the duty to protect the wider public
- Coverage for representation.

Mitigating threats of driver behaviour

**LOGISTICS UK** 

# Q&A

To ask your question please use the link:

## <u>https://www.sli.do/</u> **#VT2022**



## **LOGISTICS UK**

## Demystifying van insurance

Use Sli.do for your questions Join at: <u>www.sli.do</u> **#VT2022** 





**LOGISTICS UK** 

### Stewart Osmond Haulage & Logistics Director, WTW

Use Sli.do for your questions Join at: <u>www.sli.do</u> **#VT2022** 

## Demystifying fleet insurance

Vans Today Conferences

26 and 28 April 2022



### Motor insurance - 'A necessary evil' How have we arrived at where we are now

Legal requirement to insure vehicles in UK; Minimum level of cover required third party (TP)

Comprehensive cover required to protect fleet assets Unconventional programmes becoming more popular (although balance sheet/captive/claims funds required to support)

Motor fleet market greatly impacted by Westminster Bridge and London Bridge/ Borough Market acts of terrorism

March '17 Westminster Bridge – rental car Double-digit millions settlement <sup>2</sup>

2015 Risk transferred from Government to insurers – bad timing '19/'20 Risk transferred to pool of insurers – damage already done

#### Sources:

<sup>1</sup> https://www.gov.uk/vehicle-insurance

<sup>2</sup> https://www.theguardian.com/uk-news/2017/mar/25/westminster-attack-car-hire-firms-urged-tell-police-suspicious-customers-khalid-masood

<sup>3</sup> https://www.mib.org.uk/media-centre/news/2015/july/transport-secretary-signs-new-uninsured-drivers-agreement/

4 https://www.mib.org.uk/media-centre/news/2018/july/uk-motor-insurers-vote-to-mutualise-risks-for-terrorism-claims/

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### Why are insurance rates not coming down?

- Insurers typically look to increase rates on existing book of business year on year
- Motor insurers were seeking increases even pre COVID-19/hardening market
- Supported by general poor performance with large claims more frequently running into millions
- Whiplash claims frequency and increasing costs UK Whiplash Reform1 effective 31.05.21
- Broad range of risk; private car, self drive hire, van/hgv/bus and coach
- Evidence of good risk management and cleansed claims history fleet profiles seeing reduced rate increases

### Factors effecting motor fleet market

- Brexit/COVID-19/conflict/unrest
- Parts shortages/lead times/more expensive parts (sensors etc.)/cost of importing
- Impact on fleet running costs/fuel

### Impact on £ on premiums required to pay claims

 Cost of claims rising (policyholders need to challenge insurer claims reserves and settlement times, whilst also considering tender of insurer/third party agent (TPA) provider through chosen broker

### Potential future insurance premium tax (IPT) increases will further impact total cost of risk

Source: 1 https://www.legislation.gov.uk/ukdsi/2021/9780348220612

### How an underwriter models risk

- 1. Geographical footprint how many high risk areas
- 2. Fleet profile how many vehicles, make/model and GVWs
- 3. Loss history minimum 3 years required, although use more if it tells a better story.
- 4. Significantly increased interest in risk management/loss mitigation
  - 1. What are you as a business doing to prevent incidents
- 5. Do you have a proactive fleet manager (room full of fleet managers !!)
  - 1. Are you receiving outside support/effective independent challenge
- 6. What's the businesses approach to technology and how are you managing the vast data derived
- 7. Driver profile
  - 1. How are you training/continually assessing drivers
  - 2. How do you manage examples of poor driving (again)
  - 3. Drivers ages will come under greater scrutiny in relation to electric vehicles
- 8. What positive risk features are you evidencing (driver handbooks, policies, procedures, general compliance etc.)

### Understanding an underwriter – what do they want?

- Proactive fleet risk management
- Effective use of technology: a good mix of telematics, cameras (ideally with in-cab), monitoring driver behaviours and training
- How the fleet manager (on behalf of the business) uses the data provided to manage/train poor drivers
- Ideally, a healthy looking loss/claims history, or at the very least a plan to correct a poorerperforming risk
- Adopting an efficient claims managing process

### Pulling the right levers to generate a better deal

Taking control of fleet costs is no longer beyond the control of a fleet manager – are you/your broker doing all you can ?

### You have to explain the story

- Your risk profile must be differentiated to prospective new insurers why would they want your business over all the others on their desk
- Use analytics where possible to support the story

### Adopt the right strategy/generating 'competitive tension' and market appetite

- How you approach the insurance market will play a significant factor in the results you achieve
  - What happens if using too many brokers/what reaction does this typically generate from the market?
  - Do you understand which insurance markets will actually consider a risk of your profile
  - The broker MUST drive the market negotiations, rather than allowing insurers to dictate the pricing you
    receive
- Greater, more detailed risk information will be required
  - Details of what happened in relation to large losses and steps taken to reduce chances of a repeat event
- Meet prospective insurers before signing up to move
- Tender insurers (although not too frequently) and TPA providers

### Risk management – build a positive profile

- Driver management/induction/training/ongoing assessment/driver signs to acknowledge/overview of attracting and retaining talent (all of the above to extend to include agency/temporary workers)
- 2. Policies/procedures/driver handbooks Clear evidence of communication of company stance on poor driving behaviours/drink/drugs/eyesight/mobile devices (with driver to sign off to acknowledge receipt of training)
- 3. Vehicle walkaround checks/how undertaken/procedures for notifying defects /ability to confirm driver with vehicle at time of check
- **4.** Compliance history/bridge strikes/involvement (if any) with Traffic Commissioner
- **5.** Effective use of data from telematics, cameras, fatigue management systems



### Claims

### Effective loss/claims management

- MOJ portal
- If reporting claims via a broker, has your broker explained why this will be costing you money
- Faster TP capture/first notification of loss (FNOL)
- Drive out fraud
- TP capture rate
- How quickly are costs being recovered
- Defensibility how well protected are you against the threat of legal reproach
  - Drink/drug/eyesight/mobile devices (we've mentioned these before)
  - Effective management team
  - Ability to bat away unwanted and/or spurious claims
- What MI are you receiving (if any)
  - What exactly does the MI tell you and how are you aligning loss management and risk management?
- What results are you seeing from the cleansing of claims data to improve your loss history
- What legal privilege have you got in place to protect you/your driver especially during that important 30-60 mins following a catastrophe-type loss

### Conclusion :

The journey to 'best in class' insurance requires just a few key components to be in place:

**1.** Efficient and proactive loss and risk management

2. A cleansed loss history

**3.** Effective risk management and driver management

**4.** Engagement with insurers (and TPAs if applicable)

**5.** Data capture and review

Vastly improved insurance deals are available for well managed risks



### Current Market Overview 2022

- Insurers appetite for new business is strong
- Insurers still looking for increases of 5% to 10% on held/existing business
- For well-run risks, where argument for increase is less valid, insurers are looking to achieve increases where they can (average 2% to 3%)
- Long-term agreements (LTAs) being offered on the 'right' risks
- Risk bursaries still available, however insurers typically considering on a case-by-case basis and risk initiative should be identified before requesting bursary from insurer

- Whilst many insurers are keen on a package deal, a few markets are now providing stand-alone motor terms, again if the risk is deemed positive
- Some insurers are applying different excesses and/or driver restrictions to certain models of electric vehicles
- Some insurers are slowly starting to consider how they get involved in the 'new mobility sector' (i.e., car sharing, last mile delivery, electric vehicle subscription fleets)
- Increased competition new managing general agents (MGAs, an insurance agent, or underwriter, that can administer on behalf of an insurer) keen to enter sector and will provide alternatives to traditional methods of underwriting premiums
  - Some complications seen from a compliance perspective around engagement. Update to follow

### Thank you for listening. Questions?

Stewart Osmond Haulage & Logistics Director WTW

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Demystifying van insurance



# Q&A

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# **Lunch Break**



# Vans Today

London

Thursday 28 April





Management approaches to maintaining driver wellbeing: Creating a training culture

Use Sli.do for your questions Join at: <u>www.sli.do</u> **#VT2022** 





Andy Neale RED Training

Use Sli.do for your questions Join at: <u>www.sli.do</u> **#VT2022** 



- I've been driving for 30 years!
- > Is 'driver training' the right title?
- > Turning a negative into a positive
- ➢ Nice to do not need to do − Convincing the FD!
- > What are your role models doing today?
- > Why would you change?

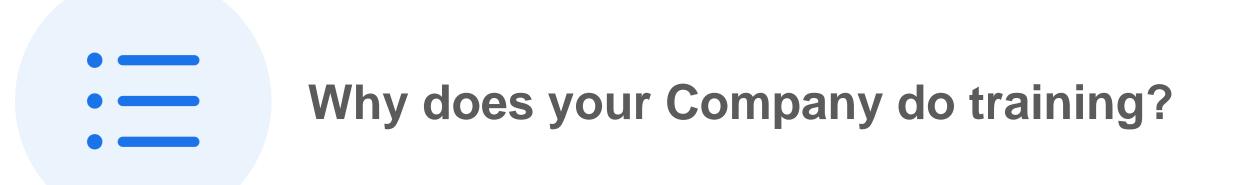


Question: "Why does your Company do training"

- 1. Because we legally obliged to CPC etc?
- 2. To save money for the Company?
- 3. To enhance the customer service skills of our staff?
- 4. To enhance the driving skills of our drivers?
- 5. For the personal benefit of our staff?

Please use polling function on Sli.do!





(i) Start presenting to display the poll results on this slide.



"I've been driving for 30 years!"

- > What does this statement mean?
- > It implies that they already know everything; it displays an attitude!
- > Why, on the whole are drivers not open to 'driver training?'
- $\succ$  It's a slur on their ability
- $\succ$  It's because of the way we 'sell' it to them



"Is 'driver training' the right title?"

- > Why do your drivers crash?
- > Not because they can't drive but by making a mental error caused by:
  - Lack of concentration
  - ➤ Fatigue
  - Stress
  - Distraction

> We should be addressing these 'life skills' and not the actual 'skill' of driving?



"Is 'driver training' the right title?"

- Focus on driver behaviour not driver skill
- Address Health, Wellbeing and Resilience (Stress!)
- Give drivers the 'tools' to do the job better
- > "Am I a happy customer?" (delivery driver)



"Turning a negative into a positive"

- Training by consent get drivers to want to be better
- > This means buying 'quality' training that benefits them personally
- > Use the 'alpha personalities' to your benefit!
- > Engage everyone and share the results and the testimonials



"Nice to do not need to do – Convincing the FD!"

> ROI - Do we as a company want to save 10% on our fuel costs?

- > 400 plus drivers trained
- ➤ 11.3% saving on fuel
- ➤ 3.6% on journey time
- Plus savings on CO2 emissions
- ≻ WAT!
- > Put this case to the FD and make it impossible to say no to!
- Case study LNE&EM



Network Rail – LNE&EM Works Delivery

- Programme Director Steve Hughes concerned about fatigue, speeding and crashes
- > <u>All drivers (550) attended MAD day at RED Training</u>, Donington Park.
- > Drivers started to contact us to book after first few sessions!
- Follow up 1:1 on road from own base 6 -12 months later plus E Learning & Workshops. Also a Driver of the Year Event.
- Entered case study into Brake Awards to raise profile of programme and 'brand'
- > Huge amount of internal and external kudos for all concerned.

### Creating a training culture!

## **LOGISTICS UK**



Programme results included 10.35% average fuel savings and a 57% reduction in speeding 'offences.'





"Just some feedback from me. Although I thought it to be a bit unusual to be invited on another driver training day, so soon after the full day at Donington, the half day with Ian was the perfect follow up, to re-emphasise what we originally learnt in the short session and improve on those techniques. I also learnt new techniques that will hopefully improve my driving experience in the future. One of the main reasons, was the full 3 ½ hour session was 1:1, rather than sharing with 2 others. I'd certainly recommend it for all my colleagues" Paul – Network Rail driver

"Had some good feedback from the work you are doing on wellbeing and again with your help Works Delivery is leading the way. It's also being recognised nationally as best is class."

Steve Hughes, Programme Director Works Delivery



Why would you change?

- > Who runs a league table?
- Kudos for being at the top
- Self-esteem for getting better
- Positive attitude towards the training
- Reward video!



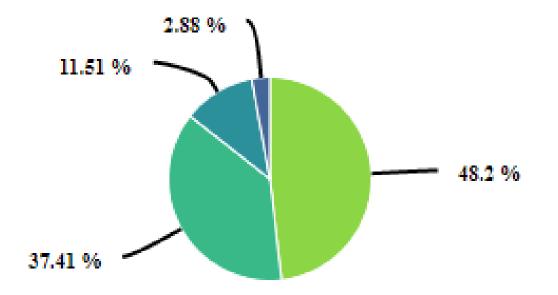
"What are your role models doing today?"

- > Training, practising, actively looking to get better!
- > Losing is this best learning experience Anna Hemmings
- Share the mistakes and errors "It won't happen to me!"
- > Actively seek feedback here is mine!

#### Creating a training culture!



#### 139 responses Optimising performance through wellbeing







- Look after your staff before someone else does!
- Get them to be ambassadors for your business not liabilities
- > They are key to your business but we don't always invest in the right areas
- > Quality training by a provider that will listen to you and deliver what you need
- > Make training pay and then some!
- Start your culture change today

Creating a training culture!

**LOGISTICS UK** 

# Q&A

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# <u>https://www.sli.do/</u> **#VT2022**



# New vehicle shortage – the challenges of running older or second hand vehicles

Use Sli.do for your questions Join at: <u>www.sli.do</u> **#VT2022** 





Denise Beedell Public Policy Manager Logistics UK

Use Sli.do for your questions Join at: <u>www.sli.do</u> **#VT2022** 

### Age is but a number

## LOGISTICS UK



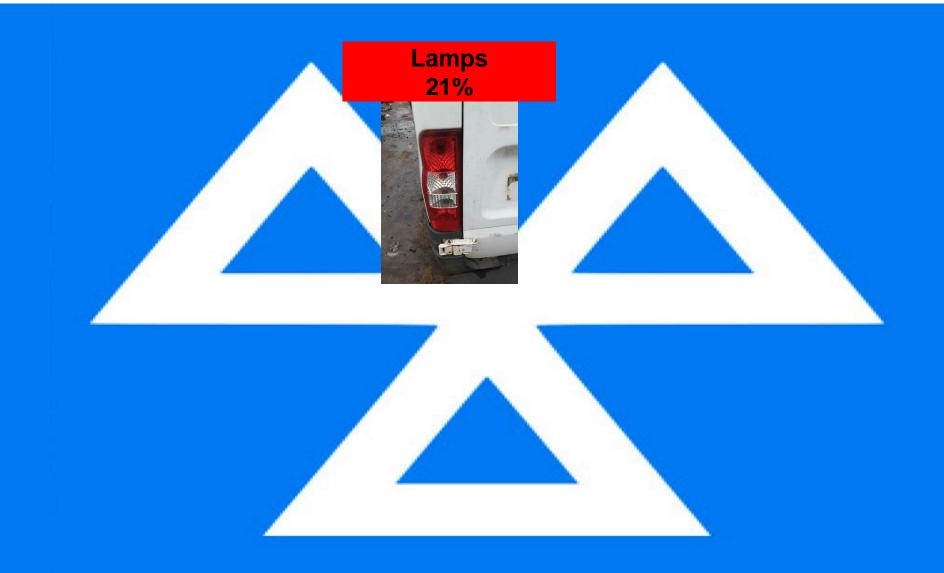
New 2022

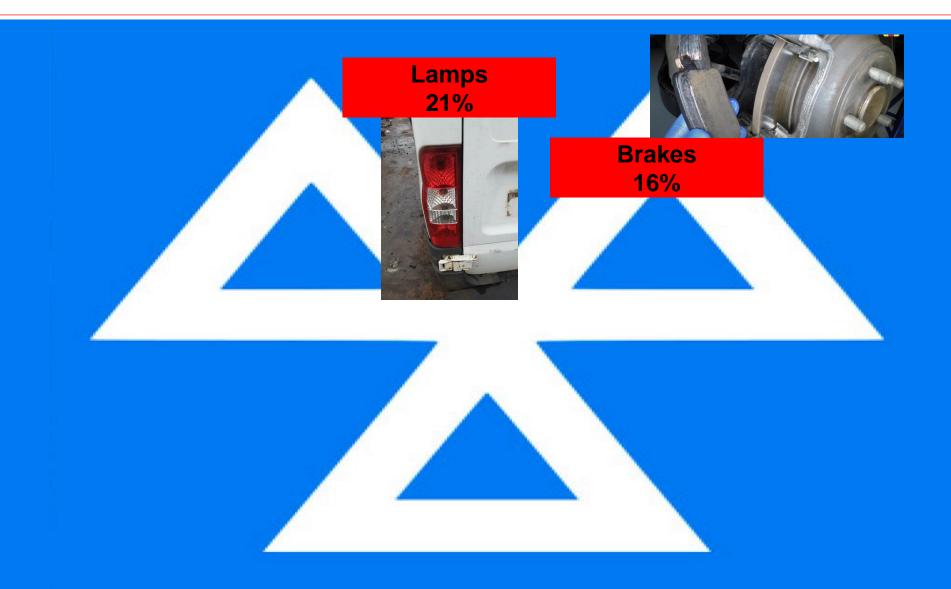


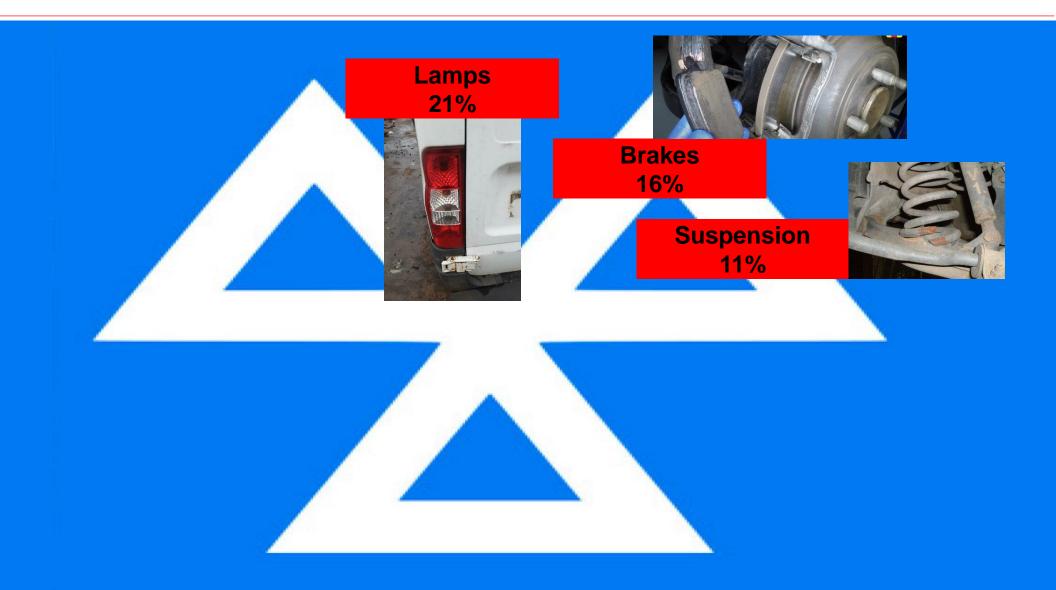


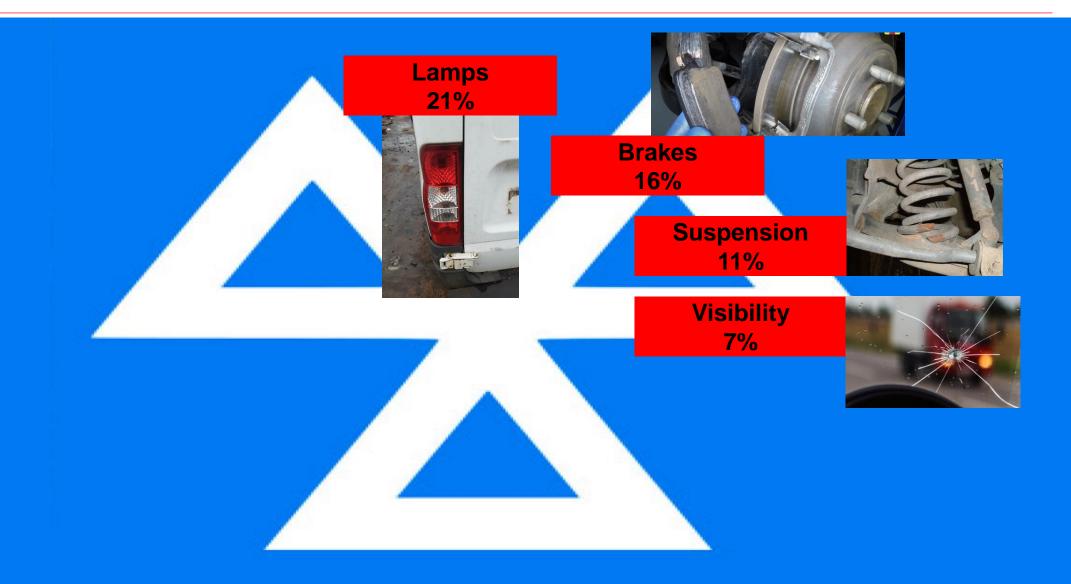


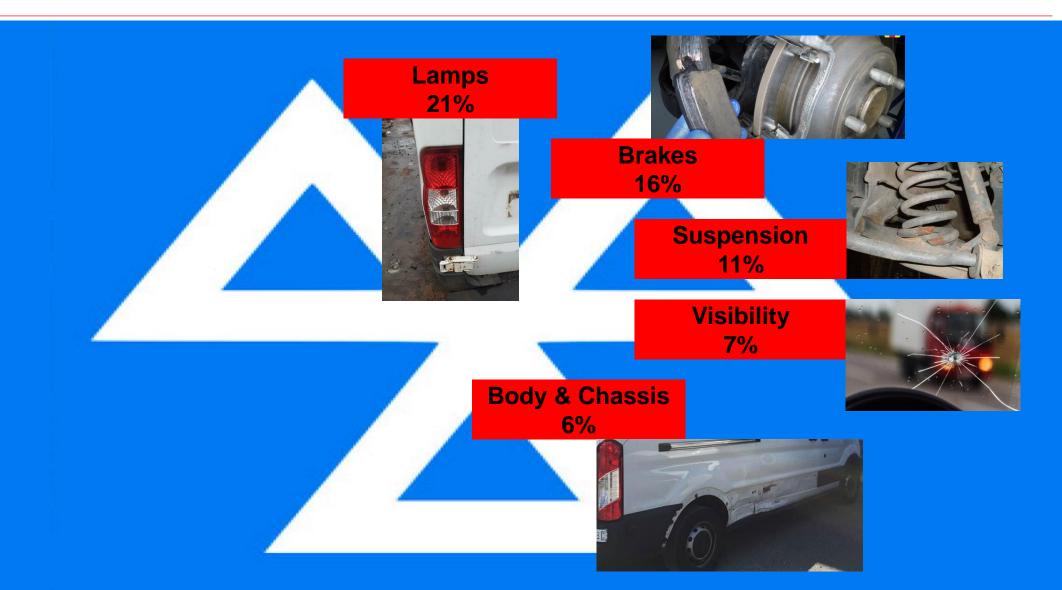
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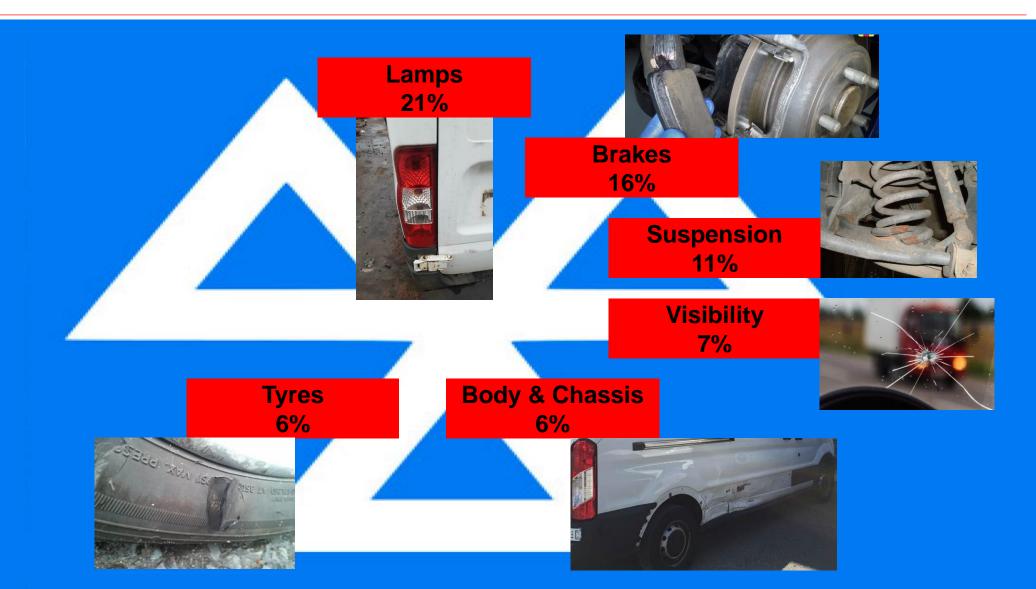


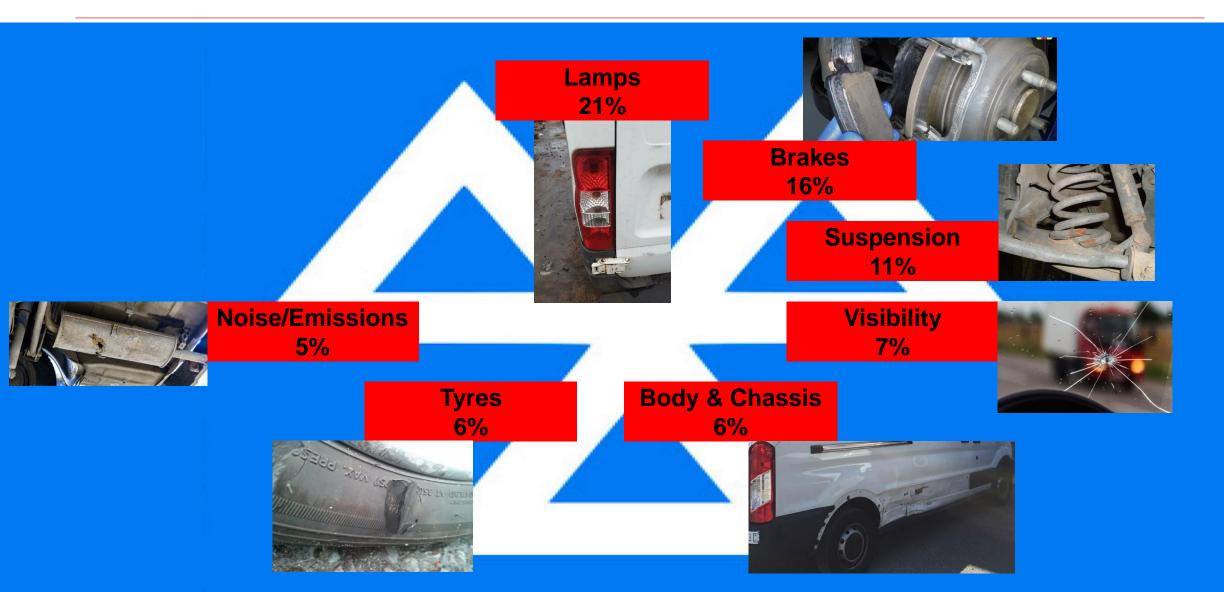


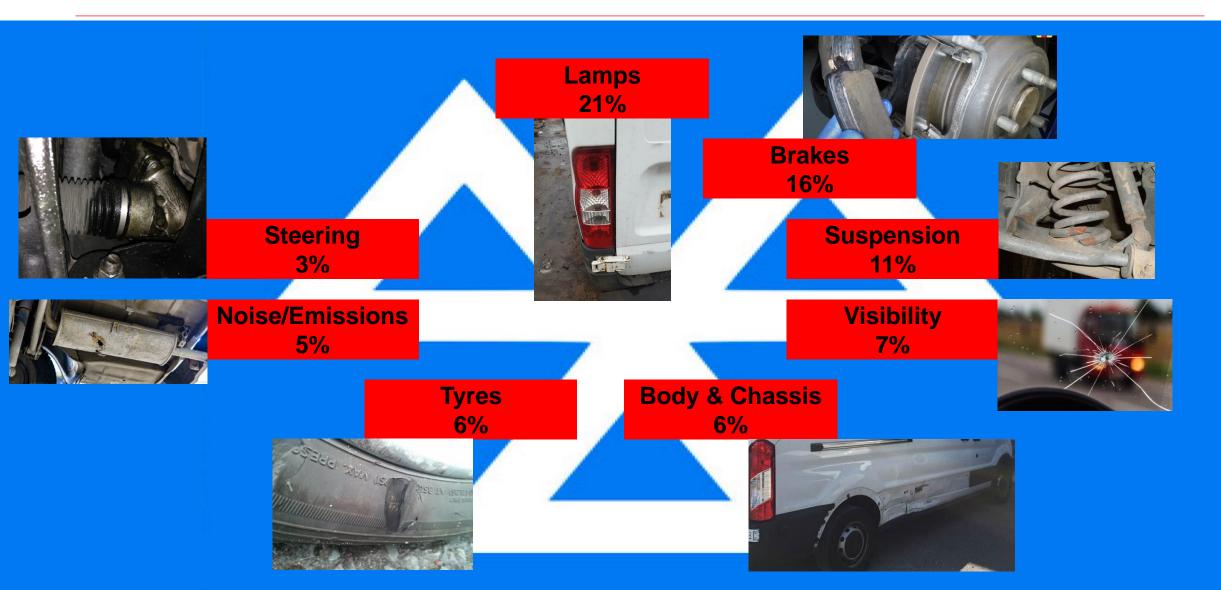


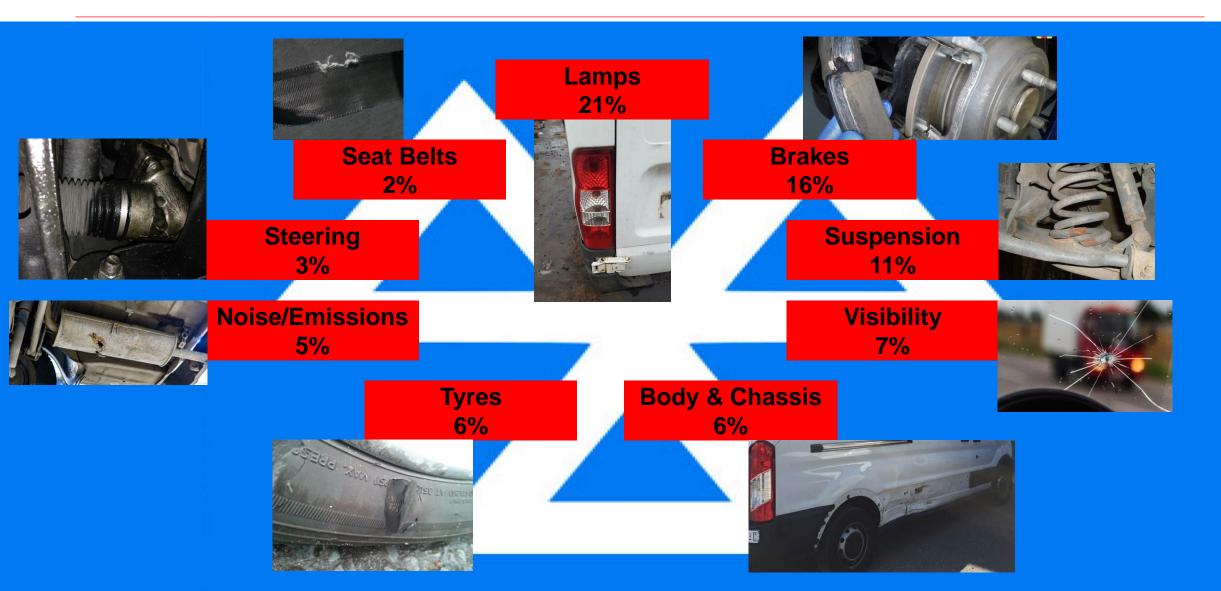




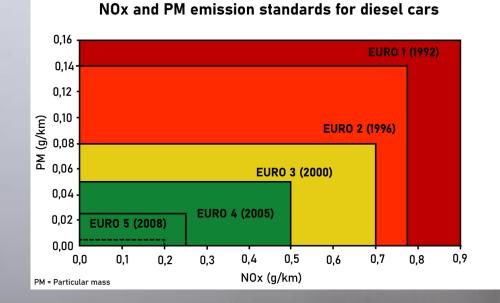








#### How clean are your older vehicles?





New vehicle shortage – the challenges of running older or second hand vehicles

LOGISTICS UK

# Q&A

To ask your question please use the link:

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# **Closing session**

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**Real-Time Vehicle Tracking** 





#### Stay in touch with Logistics UK

## **LOGISTICS UK**



#### Developments this week

enews

Main news	In this issue
Changes to HGV driving tests	Changes to HGV driving tests     Next steps on driver shortage
Last week the Government announced plans for reforms to the HGV vocational driving test intended to free up the Driver and Vehicle Standards Agency's (UVSA) vocational examiner capacity in an attempt to address the driver shortage. The changes follow a short consultation across the summer to which Logistics UK responded following written consultation	<ul> <li>DfT Freight Council</li> <li>Ministerial meeting on driver recruitment</li> </ul>
with Freight Council members. The reforms announced by Government were:	OCRS reports availability
Removal of staged testing — candidates may take C+E (articulated heavy vehicle) without first taking C (rigid heavy vehicle); this returns the situation to one similar to what it was pre-1997 (albeit pre-1997 the car driving test afforded drivers	<ul> <li>Highway Code changes</li> <li>Vehicle recovery fees consultation</li> </ul>
entitlement up to 7.5 tonnes). The Government estimates the move will save 20,000 tests per annum. No implementation date has been stated but it is understood that regulatory	Hydrogen project opportunity



#### LOGISTICS UK

Complianc

Logistics UK chief stresses the severity of the driver shortage to Transport Secretary



David Wells, Logistics UK's Chief Executive, underlined the impact of the driver skills crisis to Transport Secretary Grant Shapps MP and Transport Minister Baroness Vere last week (7 September 2021) at a special business group meeting held at the Department for Transport.

The focus of the meeting was to highlight the impact of the driver shortage on the industry and the serious risk it poses to the UK's highly interconnected supply chains. READ MORE

Changes to HGV driver testing process: measures a positive step

#### Logistics Magazine



Member Advice Centre 0370 60 50 000



### Last chance to enter your drivers into Logistics UK's Van Driver of the Year competition!

## **LOGISTICS UK**

Entry is easy, just go to logistics.org.uk/vdoty22 and complete the application form.

The deadline for entries is **Friday 29 April 2022**.





## **Logistics UK's Logistics Awards 2022**

Park Plaza Westminster Bridge, Thursday 8 December

Enter now or book your table to secure your place at this sell-out event at www.logistics.org.uk/logistics22



# Vans Today

Thank you!

Sheffield, Tuesday 26 April

