



Guidance for fleet managers

# Managing the grey fleet



## About this report

This report, kindly sponsored by  Ambit, is one of a series for fleet managers produced by Brake, the road safety charity. These reports are aimed at helping fleet managers reduce their road risk. If you are an employer with employees who drive for work, but are not yet a member of Brake Professional, go to [www.brakepro.org](http://www.brakepro.org) and sign up today to ensure you receive these reports in the future.

Produced by



Kindly supported by



'Grey fleet' travel refers to mileage driven for work in employee-owned vehicles. It is described as 'grey' because it has not traditionally been subject to the same level of risk management as travel in vehicles owned or leased by the employer.

## The risks

The grey fleet represents a significant proportion of work vehicles – in the UK, for example, around 14 million grey fleet vehicles are in use – and yet their risk management is often overlooked by employers and employees.<sup>1</sup> Organisations should take a proactive approach to road safety for moral, financial, environmental and legal reasons, but many employers apply less stringent regulations to grey fleet vehicles, failing to manage the safety of these vehicles or the safety standards of their drivers.

Research by Brake found that even among members of Brake Professional, nearly one in three (32%) report that their policies on vehicle checks and maintenance do not extend to grey fleet vehicles.<sup>2</sup>

Grey fleet vehicles present particular risk-management challenges. Employee-owned cars are often much older than company cars, and therefore do not benefit from the latest safety technology available.<sup>3</sup>

Grey fleet vehicles can also have a damaging effect on the environment, particularly in terms of air quality, as older vehicles typically produce higher concentrations of carbon dioxide, nitrous oxides and particulate matter.

**“ In the UK, employee-owned cars used for business are more than eight years old on average. In contrast, company cars generally leave service after about four years. ”**



Grey fleet vehicles are an expensive option and many organisations lack the necessary structure for mileage verification, meaning drivers using their own vehicles for work can often claim reimbursement based on exaggerated or estimated distances. There are a number of other options to consider before using grey fleet – walking, cycling, public transport and hire cars, for example – and these are covered in more detail below.<sup>4</sup>

### Duty of care

Organisations have a responsibility to manage their grey fleet as diligently as they manage company-owned or leased vehicles. In many countries there is no legal distinction between the use of corporate and grey fleet vehicles, meaning an organisation can be prosecuted if it does not make appropriate checks on grey fleet vehicles. All EU members must, as a minimum, fulfil their legal duty of care to their own staff and the general public – including risk management of the grey fleet. In the UK, an organisation can be prosecuted for corporate manslaughter if an employee is involved in a fatal crash while driving his or her own vehicle for work.<sup>5</sup>

If action is not taken to improve grey fleet standards and reduce organisations' reliance on privately owned vehicles, there could be serious financial, environmental and health-based consequences.

### How to minimise the risk

Risk management should be linked to strategies to cut overall business mileage. The best way to minimise the risk posed by grey fleet vehicles is not to use them. Employers should encourage employees to work from home, make use of teleconferencing and webinar technology or, where a journey is required, encourage employees to use public transport, walk or cycle. The increasing availability of e-bikes (electric bicycles) makes cycling a more feasible mode of transport for many people, and a number of businesses now supply serviced fleets of e-bikes.

Public transport is a viable alternative to grey fleet when transport links are accessible, and situating office premises close to public transport links is one way to encourage employees not to drive. Organisations should aim to establish relationships with local train or bus companies to offer discounted tickets so they can encourage their staff to travel via public transport.<sup>6</sup>

Where driving is unavoidable, employers should provide company fleets, departmental pool cars or hire cars for work-related journeys, ensuring appropriate monitoring and

training of drivers. The advent of flexible rent schemes ('flexi-rent') enables organisations to hire vehicles on both a long- and short-term basis, with no penalties for early termination of contract. Where the decision is taken to allow employees to use their own vehicles for work purposes, this decision should not be taken lightly. Grey fleet drivers should be subject to the same road-risk management as would be employed if they were driving company vehicles.

In addition to following this principle, fleet managers in charge of grey fleets should develop and follow a grey fleet policy.<sup>7</sup>

**“ In Australia, any vehicle used on work purposes is considered part of the workplace and governed by health and safety legislation. In Queensland, commuting to and from work is also considered a work journey.”**



### Reducing grey fleet usage

Promote the following within your organisation to reduce grey fleet travel:

- Managed mileage – only make journeys where absolutely necessary; encourage employees to work from home or use teleconferencing technology.
- Active transport – walk or cycle wherever possible and help to improve overall health and wellbeing, reduce traffic congestion and contribute to improved air quality.
- Public transport – encourage employees to travel by bus or train instead of using a private vehicle; try to negotiate discounted travel for your employees with local transport providers.
- Lease cars – this may be more cost-effective for higher mileage grey fleet drivers; low-emission cars will be more fuel efficient, and therefore cheaper, to run.
- Flexible rent schemes – hire vehicles only when they are needed.
- Car clubs – incentivise employees to share use of vehicles; this can be done in collaboration with other local businesses.



## Developing a grey fleet policy

### Vehicle

A grey fleet policy should outline the minimum vehicle standards that employee-owned cars must meet for the following: crash-test ratings (NCAP or ANCAP); age; emission levels; required safety features (e.g. advanced driver-assistance systems such as autonomous braking, lane-keep assist, automated cruise control); and essential breakdown cover.

It should state that the employee is responsible for ensuring their vehicle complies with laws on roadworthiness, is being serviced in line with manufacturer guidelines and has the appropriate level of insurance and breakdown assistance cover, and that the employer will require paperwork to prove this.

The policy can also outline the need for drivers to check fuel, lights, oil, rust, water, electrics, indicators, windscreen (including wipers), mirrors and tyres at the start of each journey.

If company vehicles have in-vehicle telematics, grey fleet vehicles can be monitored using mobile phone-based telematics, which does not require any hardware to be installed in the employee's vehicle.

### Driver

Grey fleet drivers should receive the same scrutiny as drivers of employer-owned vehicles.

Each driver should provide evidence of a valid and clean driving licence, as well as details of insurance and breakdown assistance cover, at regular checks by management.

Each driver should be properly inducted into the fleet safety policies and practices of the organisation, and their risk level assessed and managed (see separate Brake guidance reports on topics such as driver assessment and training). Their incident record should be stored alongside information about the vehicle they drive, so that trends can be spotted and rectified as they occur.

Employers should remember that anything they do for staff using company-owned or leased vehicles must also be done for grey fleet drivers: for example, practical driving tests, eyesight tests, vehicle-check walkthroughs and an explanation of how to report vehicle defects and crash procedures.

Employers should also ensure grey fleet drivers have appropriate safety equipment in their vehicles: for example, high-visibility jackets, first-aid kits and tyre-tread depth gauges. This new equipment must be stowed safely within

the grey fleet vehicle and should not overload it, employers must instruct drivers not to exceed their vehicle's maximum authorised mass (MAM), which is listed in the owner's manual and normally shown on a plate or sticker within the vehicle.<sup>8</sup>

### Journey

Organisations should avoid unnecessary travel, and transfer essential travel to more sustainable modes of transport than driving, such as public transport, walking or cycling. Managers should consider applications to work at home, and encourage use of video- or audio-conferencing, telephone or e-mail instead of travelling for meetings. All travel should be approved in advance by the appropriate manager, who will check whether travel by grey fleet is the best option or not. You could set a maximum journey distance for own-car travel (e.g. 10 miles or 15km).

It is important that staff are made aware of alternative transport schemes such as cycle to work initiatives and car clubs, and can access them wherever possible.

If driving is unavoidable, drivers should be advised to use the safest routes possible, to ensure they have plenty of time to reach their destination (allowing for weather and road conditions) and to schedule regular rest breaks on longer journeys.

### Management procedure

A grey fleet policy should be communicated effectively to employees at all levels through all internal communication media, to ensure they are aware of and buy into the policy, and understand what is expected of them. Employees should be invited to give feedback on the document and its implementation, and the policy should be regularly reviewed to ensure it is effective.

As well as having a clear policy, managers should collect and record data on grey fleet vehicles, drivers, journeys and crashes.

Data collected should include driver licence, vehicle type, vehicle age, crash-test rating (such as NCAP or ANCAP), insurance, tax, breakdown cover, service history and incidents involving these vehicles and costs incurred, such as employee time off work.

Information on journeys, journey patterns and mileage can be collected automatically in real time using mobile phone-based telematics, which can also monitor speeding and the use of mobile phones (which should, of course, be prohibited while driving).

Recording data can help managers to identify patterns of the specific risks and costs associated with grey fleets that can be addressed by targeted interventions or by reviewing policy.



## Grey fleet policy – summary of requirements

### Vehicle

- Set minimum vehicle standards for crash-test ratings, age, emission levels and required safety features.
- Make employees responsible for their vehicle's roadworthiness, servicing, insurance and breakdown cover and ask them to show the relevant paperwork.
- Instruct drivers to check fuel, lights, oil, rust, water, electrics, indicators, windscreen (including wipers), mirrors and tyres before every journey.
- Monitor grey fleet vehicles using mobile phone-based telematics.

### Driver

- Ensure drivers have a valid and clean driving licence.
- Ensure drivers are familiar with safety policies and practices.
- Assess drivers' risk levels; keep details of their incident records and the vehicles they drive.
- Offer grey fleet drivers the same tests and training as staff using company-owned or leased vehicles.
- Provide appropriate safety equipment: high-visibility jackets, first-aid kits and tyre-tread depth gauges, etc.
- Instruct drivers not to exceed their vehicle's maximum authorised mass (MAM).

### Journey

- Avoid unnecessary travel by encouraging employees to work from home or use teleconferencing technology.
- Promote use of public transport, walking or cycling rather than driving.
- All grey fleet travel should be approved in advance by the appropriate manager; set a maximum journey distance for own-car travel.
- Make staff aware of alternative transport schemes.
- If driving is unavoidable, advise drivers to use the safest routes possible, to ensure they have plenty of time to reach their destination and to schedule regular rest breaks.

### Management

- Communicate grey fleet policy to all employees.
- Review policy regularly and invite employees to give feedback.
- Collect and record data on grey fleet vehicles, drivers, journeys and crashes.
- Use mobile phone-based telematics to record information on journeys, journey patterns and mileage, and to monitor driver speed.
- Prohibit use of mobile phones while driving.
- Run targeted interventions to reduce the risk and cost of grey fleet transport.

## About Brake Professional



Brake Professional is a not-for-profit membership service for fleet operators and suppliers, founded by Brake, the road safety charity in 1996.

Through Brake Professional we share training, tools, and guidance on global fleet safety best practice with our members, as well as networking and development opportunities. We provide our members with tools to manage occupational road risk regardless of budget, fleet size, or vehicle type.

Brake Professional membership is open to any organisation, anywhere in the world, that employs at-work drivers. Our current membership includes representatives from private sector, public sector, and third sector fleets around the globe, operating a range of vehicle fleets. We also work with fleet suppliers including insurers, fleet risk management and driver training providers, and technology companies, through Brake Professional. To find out more visit [www.brakepro.org](http://www.brakepro.org)

## About Ambit



Ambit is the smarter way to manage workplace driving.

If your employees drive for your business, even if it is in their own vehicle, then you have responsibilities to ensure that they are safe and compliant. Ambit provides you with the information, resources and partners you need to meet these responsibilities. The Ambit App gives you the tools you need, on the go, to keep you up to date.

If your business uses vehicles, it needs Ambit.

For more information, email [info@ambit-hub.com](mailto:info@ambit-hub.com).

## References

1. Lex Autolease, *Where next for company cars: 2015 report on company motoring*, 2015
2. Brake, *Measuring the risk. Fleet Safety Forum subscriber report 2012: Part 1*, 2012.
3. Energy Saving Trust, *Getting to grips with grey fleet*, BVRLA, 2016
4. Energy Saving Trust, *Getting to grips with grey fleet*, BVRLA, 2016
5. Ministry of Justice, *UK Corporate Manslaughter Act (England, Wales and Northern Ireland) and Corporate Homicide Act (Scotland)*, 2007.
6. Energy Saving Trust, *Getting to grips with grey fleet*, BVRLA, 2016
7. Brake, *Advice for drivers*
8. Department for Transport, *Vehicle masses explained*
9. *Grey Fleet Safety Management Guide*, NRSPP, 2017

Brake is a registered charity, number: 1093244

Disclaimer: The products listed and views voiced in this report are not necessarily endorsed by Brake. Readers are advised to confirm the credibility of services and ideas prior to considering implementation.

**Case study: Gateshead Council**

For a number of years, Gateshead Council in Northeast England has recognised the need to reduce grey fleet car mileage for both environmental and economic reasons. Central to this vision is the council's travel plan, which aims to achieve more active and sustainable work journeys, reduce the need for journeys, and encourage and facilitate walking, cycling, car sharing and the use of public transport.

**Pool cars**

Gateshead Council has a fleet of 18 pool cars available for staff to use instead of privately owned vehicles. The fleet includes three electric cars, two hybrids and 13 low-emission petrol vehicles supplied by a national car club. These vehicles are also available for both employees and members of the general public to use 'out of hours' through the council's car club scheme. The car club scheme was first introduced in 2011; it now has over 400 members and is in heavy demand. The scheme enables many employees that would otherwise drive to work to leave their car at home. There is an additional pool of spare vehicles within the fleet department for employees to use, including electric cars and vans.

**Car sharing**

Gateshead Council encourages car sharing (co-ordinated via an online scheme that works with local businesses). Applications for parking permits are prioritised for groups of three or more staff members that travel to work together.

**Promoting public transport**

Council employees are encouraged to consider using public transport before using a low-carbon pool vehicle. The proximity, choice and quality of provision makes public transport in Gateshead a very practical and convenient choice for work journeys, and Gateshead Council has negotiated discounts with public transport providers. Staff can take advantage of discounted prices, spreading the cost over monthly salary deductions. A range of fully funded initiatives are also available to all council employees via the 'Go Smarter to Work' programme, which advises employers and employees in key employment areas in the UK on how to travel sustainably.

**Active transport**

Hundreds of council employees have benefited from the cycle to work scheme, which allows workers to hire a bike and accessories from their employer; the scheme has certain tax benefits in the UK, and employees do not pay income tax or National Insurance on the monthly hire fees, which are deducted from the employee's salary. Gateshead Council further encourages the use of bikes by providing bike lockers, cycle routes and maps, shower/changing facilities and cycle refresher training. Employees can book pool bikes (including two electric bikes) for appropriate distance journeys. Electric bikes typically use 8–16 watt-hours per mile so they are an extremely sustainable form of transport.

Gateshead Council also promotes walking as an ideal form of travel between council facilities. Information is provided to employees outlining the mental health and wellbeing benefits of walking, as well as promoting the fact that walking is a cost- and carbon-neutral activity. The council also encourages employees to use an app that enables them to plan their walking route between two destinations, and gives information on journey time, calorie burn, step count and carbon saving.

**Results**

The number of annual grey fleet miles travelled by Gateshead authority drivers reduced by over 33% between 2007/08 and 2015/16. That equates to over 800,000 fewer grey fleet miles per year. The number of electric grey fleet miles travelled per year has increased by over 600% from 2014/15 to 2015/16.

For further information, visit  
[www.travelsmartergateshead.co.uk](http://www.travelsmartergateshead.co.uk)

## When you consider using your own vehicle for work, whether or not your employer asks you to, you need to make sure that, in doing so, you don't put yourself or others at risk.

Although you may commute in your own vehicle or drive it outside of work, driving for work purposes carries inherent risks just by increasing the amount of time you and your vehicle spend on the road. If you do drive your own vehicle for work, you and your employer have important responsibilities to ensure your safety and that of other road users.

### What do I need to do?

- **Insure your vehicle for business use:** if you drive your own vehicle for work, you must be covered for business use. This applies equally whether you are a regular business traveller or just using your car to travel to a conference.
- **Ensure your vehicle is properly maintained and documented:** you should never drive your vehicle if it is in need of repair, and you should ensure your employer is aware and make alternative arrangements. Make sure you have paperwork demonstrating that your car is compliant with laws on roadworthiness, and is serviced in line with the manufacturer's guidelines.
- **Make the Brake Pledge:** whether driving in or outside of work hours, always follow Brake's six-point Pledge:

**Slow** – I'll stay under limits, and slow down to 20mph/30kph around schools, homes and shops to protect others. I'll slow right down for bends, brows and bad weather, and avoid overtaking.

**Sober** – I'll never drive after drinking any alcohol or drugs – not a drop, not a drag.

**Secure** – I'll make sure everyone in my vehicle is belted up on every journey, and kids smaller than 150cm are in a proper child restraint. I'll choose the safest vehicle I can and ensure it's maintained.

**Silent** – I'll never take or make calls or texts when driving. I'll turn off my phone or put it out of sight and on silent, and stay focused on the road.

**Sharp** – I'll get my eyes tested every two years and wear glasses or lenses at the wheel if I need them. I'll take regular breaks and never drive if I'm tired, stressed or on medication that affects driving.

**Sustainable** – I'll minimise the amount I drive. If I need to drive, I'll make my route as safe as possible, and drive slowly and smoothly.

### What should my employer do?

- **Check your driving licence:** before asking or allowing you to drive for work, your employer should check you are legally entitled to do so. Your employer should also check you are correctly insured, as they could be liable for any incidents you are involved in while driving for business purposes.
- **Educate you on company driving policy:** your employer should provide you with driving policy documents and make time for you to attend training before driving for work.
- **Make sure you are fit to drive:** your employer should risk-assess your driving in the same way as a company vehicle driver. This may include making random checks for alcohol and drug use.
- **Vehicle checks:** your employer should audit your vehicle on a regular basis to ensure it is fit for use.

**Arrange alternatives:** ideally your employer should not be asking you to drive your own vehicle for work. Your employer should encourage more sustainable options where driving isn't absolutely essential, such as the use of teleconferencing or public transport.