

Driving down fleet insurance



**Fleet
managers
guide**



WAYS TO LOWER YOUR COSTS

Driving down your fleet insurance costs isn't just about finding the right broker, appointing the best insurer and agreeing terms.

Companies that are most successful at reducing their premiums and costs have a clear strategy as to how they will reduce the risk across their vehicle fleet, bring down levels of claims and engage in active dialogue with their broker and/or insurer to demonstrate a clear and proactive risk management plan.

Through a risk management strategy, you are not only introducing a culture within your business of safer driving, you are also providing your broker with a far stronger case to negotiate improved terms upon renewal.



FLEET INSURANCE COST CHECKLIST

Whether you self-insure or have comprehensive cover, here's our checklist to help you lower your costs.



1. Do you regularly review and update policies?

Your policies and driver handbook are living documents and regular updates (for example, to take into account a regulation change) show your insurer you are up to date with compliance.



2. Have you considered the recruitment stage?

Driver risk management needs to start even before someone has been employed. You could, for example, specify a desired number of years' driving experience in the job description.



3. Are you checking driving licences online?

An online licence checking service will confirm that your drivers are legal and compliant, and you can also set up alerts and more frequent licence checks on employees with existing points on their licence.



4. How do you risk assess drivers?

Show your insurance company that you are proactively managing risk by identifying your high, medium and low risk drivers through online risk assessments. This means you can offer relevant online and/or in-vehicle driver training to reduce the risk of drivers having collisions.



5. Have you got the right mix of driver training?

An e-learning course, classroom-based, on-the-road training or a combination of all three, with an annual refresher, could help reduce the number of incidents your drivers have and demonstrates to your insurer you are taking action to reduce risk. If you have electric vehicles (EVs) on your fleet it's important to also offer EV-specific training.



6. Do you assess driver health and wellbeing?

Eye tests and other health checks could form part of a wider employee wellbeing programme ([Driver Wellbeing](#)) to make sure drivers are fit to drive and reduce risk.



7. How accurate is your record-keeping?

Having evidence of driving licence checks, daily walkaround vehicle checks for commercial vehicles, MOTs, and vehicle servicing is an important part of compliance. Fleet management software which can automate processes and give you alerts is the best way to keep accurate records.



8. How often do you engage with drivers?

Running communication campaigns at certain times of the year (for instance, to highlight risks in winter [Winter Driving Guide](#)) and making time for face-to-face presentations to explain to drivers the cost of incidents, why they occur and how they might be avoided are useful ways to engage with drivers.



FLEET INSURANCE COST CHECKLIST



9. What is your vehicle selection process?

A vehicle's value, Euro NCAP rating, the safety and security technology fitted as standard and the car's performance (including acceleration and top speed) will all have a bearing on insurance so make sure you are considering these factors when putting together your company car choice list or adding vehicles to your fleet. If you're adding EVs, they may be more expensive to insure than diesel or petrol vehicles because repair costs are often higher and they can take longer to repair.



10. Have you taken steps to avoid vehicles or their goods being stolen?

Consider preventative measures such as fitting Thatcham-approved alarms, deadlocks on vans and ensuring valuable items are removed from vans overnight, as well as tracking devices which could help recover the vehicle if it's stolen.



11. Do you fit in-vehicle cameras?

Dash cam footage can be useful to establish liability and help squash fraudulent claims. Footage can also identify drivers which need further training, and driver-facing cameras will detect mobile phone usage, eating at the wheel, drowsiness and other activities that can lead to accidents and claims.



12. Have you installed telematics?

Monitoring harsh braking, speeding and poor cornering through telematics data and then coaching drivers to address these behaviours will reduce risk and usually bring fuel savings, which help generate a return on investment. Insurers look favourably on telematics and may offer an upfront discount.



13. Do you analyse and act on data?

Telematics data, the number of points on driving licences, the number of incidents and the type of incidents can be used to identify which drivers need further training and where you could have the greatest impact on your incident rate. If, for example, most incidents are own-fault, low speed manoeuvring ones consider training or driver education which targets this.



14. Do you reward and recognise drivers?

Reward and recognition programmes such as a driver of the month or driver of the year competition can motivate drivers to drive safely.

FLEET INSURANCE COST CHECKLIST



15. How fast is your claims reporting?

Claims costs can escalate significantly if third party details aren't captured and reported quickly to your insurer. Educate your drivers on the importance and cost implications of reporting accidents as quickly as possible and make it easy for them to report an incident by using an app, if possible.



16. How thoroughly do you investigate incidents?

Identifying the underlying root cause of incidents can lead to changes which help prevent further incidents. For example, a thorough investigation may identify that drivers are under too much time pressure and allow schedules to be altered.



17. Do you use 'green' parts?

Recycled (green) parts could be 70% cheaper than brand new parts and are a useful option when new parts are scarce but you'll need approval from your insurer to fit them unless you self-insure.



18. Do you use independent repairers?

Insurers will have their own approved repairers but if you self-insure you'll have the freedom to choose where your vehicle is fixed, which could work out cheaper.



19. Have you considered the latest safety innovations?

If your risk management programme is well-developed, you may need to look at new ways of lowering risk on your fleet such as introducing virtual reality or driver simulator training.



20. Have you agreed targets with your insurer?

Meet with your insurer and agree long-term targets, which could result in a lower premium or rebate if they are achieved.



If you don't have the resource in-house to implement all of these measures, look at whether outsourcing to a specialist could save you time and money.

Outsourced risk management, such as our [Drive Care service](#), could include: driving licence checks, fleet risk assessments, driver profiling, e-driver training, on-the-road training, driver seminars, compilation of driver handbooks and help producing a fleet policy.

Several of the steps outlined in this guide could also be handled by an accident management provider. Our [accident management service](#) takes

control of the entire process – from the time the incident is reported to the moment the keys are placed safely back into the hands of the driver.

Our experts manage the insurance claim process by coordinating all communication between the driver, client, insurance company/broker and recovery agent, with the ultimate aim of limiting 'vehicle off road' time, lessening administration and reducing repair costs.



Useful resources

British Insurance Brokers' Association (BIBA)
www.biba.org.uk

Driving for Better Business
www.drivingforbetterbusiness.com

Euro NCAP
www.euroncap.com/en

Global Fleet Champions
www.globalfleetchampions.org

Health and Safety Executive
www.hse.gov.uk/roadsafety/employer/

Independent Garage Association (IGA)
www.independentgarageassociation.co.uk/

Thatcham Security Certification
www.thatcham.org/pf/thatcham-security-certification/

The Association of British Insurers (ABI)
www.abi.org.uk



Comprehensive cover

What is it? This is the highest level of cover (sometimes called fully comprehensive), where you simply pay an excess in the event of a claim and your insurer pays the rest, regardless of fault.

Who does it suit? This works well for SMEs with a smaller fleet or organisations that are risk averse and don't have the funds or in-house resource to self-insure.



Self-insurance

What is it? Usually this means the organisation rather than the insurer covers the cost of own-fault incidents and the insurer picks up the cost of third party claims; few fleets are entirely self-insured with no involvement from an insurer.

Who does it suit? Larger fleets and organisations which are able to set aside a certain amount of money per year to cover costs, and have the resource and expertise on claims handling and risk controls.



grosvenor-leasing.co.uk

E: info@grosvenor-leasing.co.uk
P: 01536 536 536