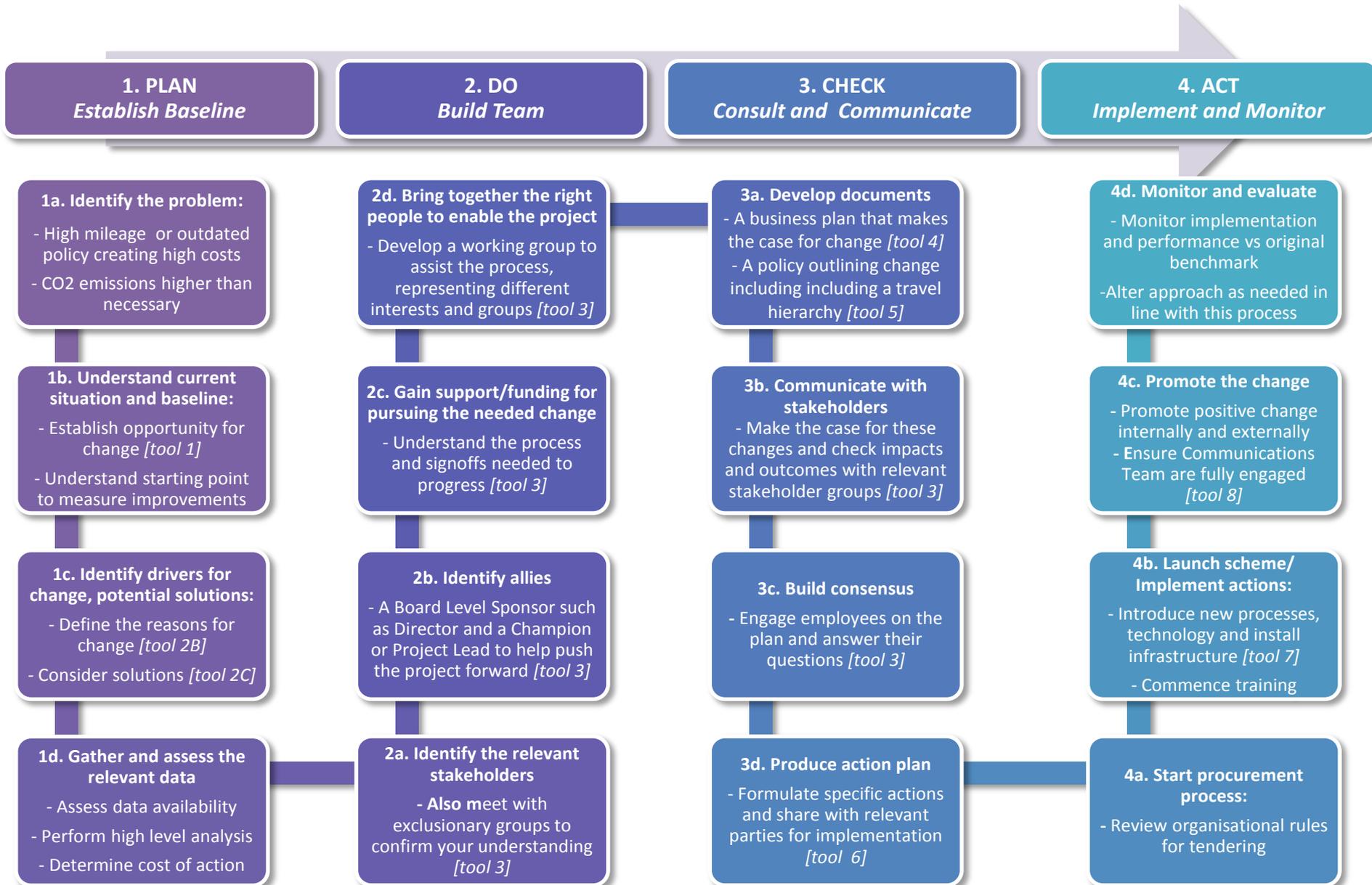


# 2A. Tackling the Grey Fleet: Process Checklist



# 2B. Tackling the Grey Fleet: Drivers for Change

Every organisation will have different justifications for change, and these reasons will vary between stakeholders e.g. the Finance Director may seek financial savings, while a Managing Director may be more interested in risks arising from fleet control. The below discusses the drivers for change that can be used to motivate (“Step 2: DO” from *toolkit item 2A*); for specific stakeholder engagement see please see *Toolkit item 3*.

FINANCIAL	Cost savings	Reducing fuel use, using more fuel-efficient vehicles or alternative fuel, controlling usage and fleets rationalisation all have the potential to save money.
	Reduced mileage	Most studies have shown that by controlling fleet, mileage will be reduced and with it, costs and emissions.
	Increased productivity	Reduction in the number of journey through better planning and processes can increase productive work time and lessen time lost to travel.
ENVIRONMENTAL	Reduced CO2 emissions	The average age of the UK grey fleet is much higher than the average vehicle and so moving to using new vehicles will make a significant reduction to the exhaust of this greenhouse gas.
	Reduced NOx	The move to newer vehicles will also lessen levels of local air pollutants which are at illegal levels in many UK cities, and improve overall air quality.
	Alternatives considered	There are many alternatives to grey fleet (travel policy and hierarchy [ <i>Toolkit item 5</i> ]). These should be considered in relation to what the organisation wishes to achieve.
	Reduced congestion	By reducing private vehicles used for work, shifting to car clubs to increase utilisation and parking initiatives time lost to congestion can be lessened along with associated costs for parking.
RISK AND OPERATIONAL	Reduced risk	Grey fleets are unmanaged and as such have the potential for significant implicit risk (including vehicle fabric, fluids, tyre condition, presence of MOT, appropriate insurance, license etc).
	Improved reputation	Moving away from grey fleet provides potential for positive publicity. A position in the vanguard may also provide the opportunity to pass on organisational knowledge to others for reputational or financial gain.
	Reduced redundancies	As with the private sector, the public sector continues to undergo business review. The savings available from properly addressing fleet use can delay or reduce redundancies.
	Improved uniformity	Many mileage reimbursement schemes have evolved over time and treat staff in different ways because of real or perceived contractual terms. By addressing this, all staff can be treated in a fair and uniform way.
	Simplified claims process	Moving away from mileage reclaim forms means that better oversight is available and less time is taken up checking details.
	Simplified annual checks	Traditional grey fleet checks tend to be an annual viewing of license, MOT and insurance forms at a single point in the year. This leads the organisation wide open to accusations of taking reasonable duty of care.

## 2C. Tackling the Grey Fleet: Before You Start 1/2

In every organisation, change is a constant factor. However, it is rarely embraced and often actively resisted. There are many reasons why employees may object to changes in practices relating to vehicle use and business mobility. Some of these are rational such as loss of an income stream from mileage or lump sum payments, while others are less so such as the expectation that they should continue to be paid more to drive less efficient cars or encouraged to travel more in order to meet essential user policies.

In order to bridge some of the barriers, the **potential size of savings** needs to be understood. To do this, some analysis on travel patterns, existing costs, and potential costs of change need to take place. It is important to establish and graph this to build support internally and make the reasons for the change easier to understand for the team: building understanding of a change is the first step to breaking down resistance. In addition to this, some other factors for analysis and decision-making need to be considered:

### How essential is travel?

- As a first principle, consider: does travel have to take place for business to progress? This is a fundamental question that should be asked and links to the travel hierarchy included in the Toolkit outline.

### What is the current cost?

- Whilst direct cost is important and will be the principle driver for several stakeholders, it is equally important to consider **fuel** and **mileage**.
- Data that does not include the parameters above, at the very least, is not very helpful. Current costs should be available for most organisations. In many cases, the data is sporadic and lacks granularity - there may be an overall fuel cost or mileage claims but actual costs by vehicle and specific times are rarely available.
- To establish the type of replacement fleet that is suitable in terms of size and type, the grey fleet situation needs to be understood. This should be carried out using **telematics, loggers or manual driver logging** for a reasonable length of time, and to represent an average duty cycle (for example, avoiding holiday periods).

### What are the fears?

- These need to be listened to in consultation so that answers can be considered. The scheme should be produced to meet and address these issues where possible. The replacement scheme must be easier to operate and utilise than the current one to encourage behavioural change.

### What is the time frame?

- It is important not to rush the process. Granular data captured and analysed pre-roll out is critical.

## 2C. Tackling the Grey Fleet: Before You Start 2/2

### What are the contractual terms to overcome?

- Organisations may have aspects of their travel policy linked to contractual terms and conditions. These must be assessed; all solutions should be considered.

### What does acceptable and success look like?

- Are the savings anticipated for the fleet worth the work involved in getting there? To understand and answer this, the organisation must be able to specify what an acceptable return on investment (ROI) or payback period looks like.
- What constitutes success needs to be set out from the beginning and a business realisation process conducted after the event to prove this success. Benchmarking and baselining are important aspects to the monitoring and continual improvement process. See the Travel Policy [*toolkit item 5*] for more details.

### Are Unions involved on this journey?

- Union involvement, if applicable, is arguably pivotal to the success or failure of the project. Union leaders should be consulted and incorporated into the decision-making process as much as possible to build support early on.

### Who are the natural allies?

- Consider, based on many of the factors listed above (e.g. size of potential savings, changes required to behaviour) who some of the internal supporters of the change may be. Share relevant information and include them in decision-making. Building a team of champions will help with the communication process (“Step 2: DO” from *toolkit item 2A*).

### What is the process for decision-making?

- When considering a change, even the seemingly minor aspects have the potential to derail a project if not agreed up front. There should be a clear process for how these decisions are made, and how to escalate them if conflicts arise.

### What documentation is required?

- See Cabinet Report Template (*toolkit item 4*), Travel Policy and Hierarchy (*toolkit item 5*), Travel Action Plan (*toolkit item 6*), Sustainable Travel Plan (*toolkit item 7*), Car Share FAQs (*toolkit item 8*).