

Presentation on 10th December 2007

Management of Occupational Road Risk

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Harnam Singh Nijjar started by explaining that he was deputising for the advertised speaker who had been summoned to an urgent meeting in London. Harnam went on to describe Wolseley's position as the world's number one heating and plumbing distributor to the professional market and a leading supplier of building materials. It achieved this through 5,000 branches in 29 countries around the world, recording £16.2 billion sales in the last financial year, with £877 million trading profit.



Understandably for such a large operator, it operates a correspondingly large vehicle fleet in the UK and has developed a vigorous Fleet Safety Policy to match. Its "Proactive" approach is, quite literally, just that: -

Policy – 'do it' and 'show it' rather than just 'have it'!

Risk Audit Gap Analysis – this is an 'on-line' method of preparing an action plan

Occupational Health and Safety integrated with Fleet Safety

Assess / train managers, supervisors and drivers

There are 7,000 drivers, which are too many for the H&S unit alone, so local managers have to take responsibility for the programme!

Crash Analysis and Investigation – identify trends to prevent recurrence

Trade off analysis

Implementation and change management to constantly show new ideas

Very enthusiastic management champion – drives policy and action plan

Evaluation – keeps everything 'on track'

The Wolseley Policy is built around the tripartite **Legal, Moral and Financial** elements of **Duty of Care** and the financial motivator for management is derived thus: -

Average 3 rd Party collision cost	£1,500
3 rd Party Accident costs	£3,100,000
Hidden Cost Multiplier (from HSE Research)	3
Hidden Costs	£9,300,000
Total Costs	£12,400,000
Return on Sales (ROS)	10%
Sales Required to pay for accident costs	£124,000,000

The additional sales generation required to pay for accidents is a frightening figure for management and presents excellent justification to spend more money on the Safety Function! To illustrate this principle, Harnam went on to quote the costings for a common ‘small damage repair’, a Wing Mirror: -

Mirror Repair £s		Note: this excludes: -	
Mirror Glass/backing	80	Lost time	
Labour to fit glass	25	Replacement Vehicle or late delivery	
Travel To/From Workshop (60 mins)	40	Extra revenue required to generate	
Wait for Repairs (60 mins.)	40	£185 at ROS of 8%	£2,312
Total direct cost	185		£2,312

Adding to all of this Harnam added, was the threat of harmed public reputation, given the wide use of Large Goods Vehicles (LGVs) on the roads and their potential for causing multiple fatalities in just one accident. With Corporate Manslaughter coming on to the statute books soon, the threat of a serious conviction puts even more pressure on to employers everywhere! So an essential part of the solution is getting to know what the accident trends are in order to develop an objective prevention plan. Wolseley’s Crash analysis programme does this by charting the top 20, significant causes of accidents: -

This data is updated weekly and it is then considered by the “Fleet Safety Steering Group” which addresses the Commercial Fleet and the Company Car Fleet. This analysis has already recommended the fitting of reversing aids on all new commercial vehicles and a programme to retrofit them to existing vehicles. They are an optional fit on cars!

The different brands within the Wolseley Group are all run as separate cost centres and the number of accident claims are analysed under each name. The validity of this approach was underlined by benchmarking performance by an independent, Work-related Road Risk Management overview audit carried out by Zurich Insurance in 2004:

- 300 point assessment of Road Risk Management practices.
- Several follow-up audits undertaken during 2006 to check progress.

The outcomes were very positive, one being a BRAKE Award for Success in 2006. Interestingly, Harnam commented, two elements showed a deterioration between 2004 and 2006, yet both of the latest figures were well below the “All Fleets” results!

One innovation set up after the audits was the “**Fleet Safety Steering Group**” comprising participants from: -

- Health, Safety And Environment unit
- 2 Transport Fleet Managers.) – on a rotating basis
- 2 Car fleet Branch Managers.)
- Human Resources
- Training

- External: Insurance Broker (Willis); Zurich Insurance;
Risk Management Advisers (Interactive Driving Systems);
Fleet Suppliers (GM); Accident Management (FMG)

This group meets Quarterly, with sub-groups, to focus on actioning fleet safety programmes to ensure that they are rigorously proactive! These are some of the main lines of action, which give some flavour of the breadth of this approach: -



Others are: -

- | | |
|------------------------------------|--|
| Prevent / Reduce reversing | Near Miss / Hazard reports |
| Observations / Speed limiters | Behaviour observations |
| Driver Workshops | Agency & Delivery Driver Controls |
| Mobile phones – Limitation of use | Site Lighting |
| Accountability – Corrective Action | Driver Management Training |
| Policy | Driver of the Year |
| Letter to Driver's home | Campaigns – including; Captain of the Ship; Reversing; Alcohol & Drugs; Weather Conditions; Fatigue; Mobile Phones. |
| Vehicle Pre- and Post- Inspection | |
| High Visibility Clothing | |
| Banksman Training | |
| Management bonus / Objectives | |

Another 'driver' of the **"Fleet Safety Policy"** is a "Strategic Planner" for Fleet Safety as well as General Safety, that is operated by the "Champions" in the various Branches and Regions. It is seen as the starting point for an effective, **'living/breathing programme'**,

which is also a “**protection**” if anything goes wrong! The new Wolseley Fleet Safety Policy is: -

- Supported by Employee and Driver Handbooks
- Evaluated for understanding, using risk foundation assessments based on on-line, randomly generated, questions.
- Promoted vigorously by means of an online **Road Safety Pledge** to encourage drivers to become committed.
- Publicised through the medium of a Newsletter containing reports of recent developments and a competitions feature.

There is also a “**Virtual risk Manager**” online test, which asks drivers questions about Fleet and General Safety and gives repeat questions until the correct answers are obtained. This is matched by a driver risk assessment, in which any necessary remedial actions are followed up, eg. need for hands-free kits for telephones.

Harnam went on to say that because this was driven from the top, much thought had been given to managers’ behavioural patterns and getting them to put **Safety** before **Profit / Loss**. The many ways in which Managers can influence Safety Positively is outlined in a 14-point description of the desired attitudes, such as “**Perceives Safety as a Value**” or “**Receptive to Change**”. Just in case managers can’t recognise these desired traits, they are contrasted to 14 Negative attitudes such as “**Lack of Engagement**”, or “**Puts P&L before Safety**”!

The key benefits to Wolseley are: -

1. Brand enhancement/protection
2. Less Injuries, Collisions and lost workdays
3. Significant Cost Savings £0.5m in 2 years from recovered collision costs
4. Consistent & timely External/Internal reporting
5. Improved risk Management
6. Improved Internal Operational Control
7. Improved Performance Management
8. Improved Compliance Management
9. Supports Expanding Operations
10. Achieves Operational Excellence
11. Ensures Legal Compliance

Wolseley also responded positively to HSE Campaigns such as the recent one on “Falls From Vehicles”. **(All BHSEA Members received the campaign CD ROM with the November Newsletter!)** The Wolseley campaign features were: -

- HSE Guidance issued to all Branches and DCs
- Article “Don’t walk By” in internal Safety Newsletter
- All new vehicles fitted with improved access and egress
- All; drivers required to wear safety boots (NOT shoes) for better ankle support



- Training for drivers regarding “3 points of contact” with vehicle
- Safety alerts issued as a reminder

In conclusion, Harnam said that other key factors and conclusions were: -

- Visible Commitment from the top down
- Enthusiastic Fleet Safety Champion
- Consistent application across all Locations
- Cross-functional Steering Group – engage Fleet Providers
- Accountability / Ownership at all Levels
- Regular communication and Awareness Training
- Sets high standards of Expectations
- Measures performance – by Business Type, Region, etc.,
- Implements both Proactive and Reactive Incentives
- Audit Compliance

Secretary’s Note

You might find these links useful: -

<http://www.hse.gov.uk/workplacetransport/information/cooperation.htm>

<http://www.hse.gov.uk/campaigns/workplacetransport/concerns.htm>

<http://www.hse.gov.uk/campaigns/workplacetransport/safersite.htm>

Members' Questions

Dave Lilley of National Grid Metering referred to the Wolseley fleet size of 3,300 vehicles and asked if it was more viable to run an in-house operation, rather than hire or lease. **Harnam Nijjar** replied that Wolseley were a rarity in running their own fleet but confirmed that they found it to be more manageable because of their special mix of requirements. He went on to say that, with 2,000 cars, the Branch Managers managed these closely to provide for the needs of 1600 employees.

Dalvinder Masaun of Sandwell & West Birmingham Hospitals NHS Trust asked if Wolseley was unionised and Harnam said they were not.

Gerry Mulholland of Laing O’Rourke asked how Wolseley engaged with the workers and whether they used the disciplinary system as a major element. Harnam said that drivers’ “Pledge” was the major motivational force and that this was reinforced by the workings of the “Driver focus Groups”. Gerry went on to ask if the analysis of accidents was capable of allowing for local conditions where, say, extra hours of darkness in Scotland might have an adverse effect on results. Harnam said that all the data was on-line and distinguished between Business Units, Brands and Regions, each having a Health and Safety Manager who had all the information available to the centre. There were Weekly and Monthly ‘Conference Calls’ to address Accident Figures and these oversaw remedial actions. He added if a driver had a 2nd, 3rd or 4th accident, he would progress along a path towards disciplinary action and confirmed that hours of darkness featured in the

Incident Reporting Standards. Finally, Gerry referred to the use of Tachographs on trucks and asked if Car Drivers' hours were similarly limited. Harnam explained that driving in normal working hours for car drivers in Branches were limited by the very nature of their working patterns. With Regional Staff who travelled longer distances, there might be a need to travel outside normal hours and where this would be greater than two hours, then drivers would be expected to book an overnight stay in advance. H added that he was not aware of any fatigue-related accidents since he had worked for the company.

Chris Peck of Birmingham City University asked what requirements Wolseley placed on external drivers visiting their depots. Harnam said that they were limited to a 5 mph speed limit and that deliveries were by appointment. On arrival, all drivers had to report to a Banksman.

John Surman of J.F.W. Gas Ltd. asked what measures had been taken to control the company carbon footprint, especially with regard to fuel usage. Harnam stated that the Company used a system call "**Backhauling**" whereby suppliers took Wolseley stores to other depots, instead of using a second vehicle. They also used Fuel-efficient vehicles, were considering speed limiters and were using 12-point Action Plan, in conjunction with the "Commercial Fleet Team.

Ed Friend of E.L.Friend asked if the Risk Assessment showed that reversing aids were needed, what action would be taken with visiting vehicles from other companies. Harnam said that suppliers were told what the policy was and that they were expected to comply. Other vehicles comply in advance of any request.

Dave Lilley asked what standards were expected of vehicles from Eastern Europe. Harnam replied that these arrivals were usually at main Distribution Centres and their effect was limited

Dalvindar Masaun enquired as to the source of the software systems and Harnam replied that they were written by **Interactive Driving Systems (IDS)**.

BHSEA Chairman, Mark Hoare of Birmingham University asked, if a driver had a bad night's sleep, would he be expected to carry on driving? Harnam stated that the driver was responsible for his own condition, but that managers did checks (for Alcohol, as well) and that the drivers could be offered alternative employment, even on another site.

As there were no other questions, the Chairman closed the meeting by thanking Harnam for standing in at short notice and, more importantly, for giving such a comprehensive and stimulating presentation on this increasingly important topic! The Members showed their great appreciation in the usual manner.