



**NORWICH  
UNION**  
an AVIVA company

# An Insurance View of Fleet Risks

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**Norwich Union Insurance**



## Contents/Agenda

- 1.0 Risk Assessment, from an insurers point of view
- 2.0 Claims Analysis - the figures, costs and required analysis
- 3.0 Fleet Risk Management, advise and how it benefits you
- 4.0 Useful Contacts

1.0 Risk Assessment

1.0

## Risk Assessment

Companies often state:

We are not getting the credit from insurance companies for the effort we put into managing our risks!

- Insurance companies may not know what efforts are being made unless:
  - You tell them!
  - You can show evidence that risk management is an integral part of managing your fleet operation.

# Risk Assessment

## Norwich Union

- Risk Management led underwriting philosophy
- We try to understand the fleets which we insure and will reward best practice
- The more we know about the company the more realistic the underwriting considerations.

# Risk Assessment

How do Insurers assess risk?

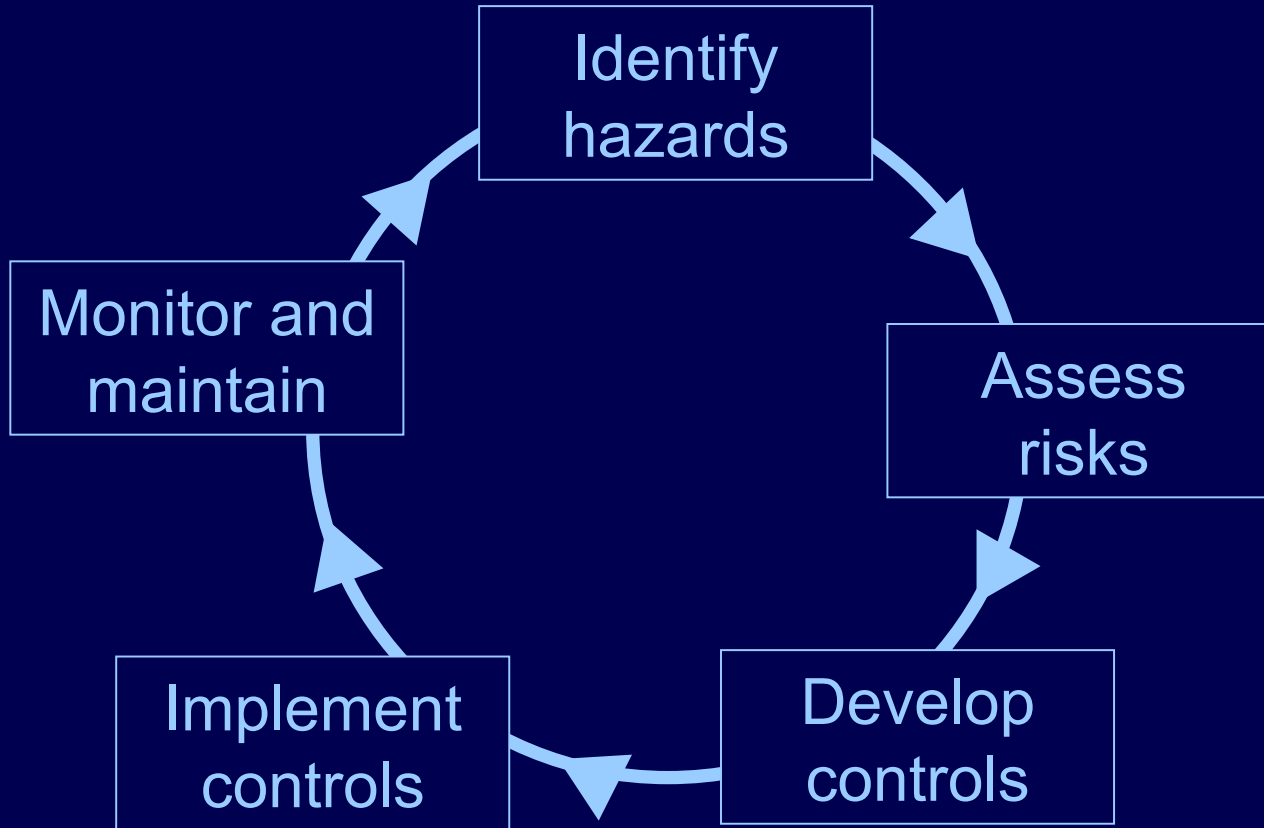
- Questionnaires
- Meetings
- Presentations
- Surveys

What are we looking for?

- Company's attitude to risk
- How they control risk
- Willingness to work with the insurer to improve their risk



# Risk Assessment Model



## What do we see as a good risk?

- Health and safety policy incorporating ORR
- Risk assessments completed for all tasks
- Driver selection, vetting and induction procedures
- Supporting Driver risk assessments and training
- Driving licence checks and driver restrictions
- Driver's handbook
- Crash/Incident reporting, investigation and analysis
- Vehicle inspection and maintenance procedures
- Vehicle, load and personal security

2.0 Claims - the figures, costs and  
required analysis

2.0

## The Cost of a Crash...

- Circa 70% of all incidents are **Own** fault
- Average bent metal cost in the UK is £ 1,495
- Cost of business interruption, replacement vehicles, claim administration, = **3 to 52 times the bent metal costs.**
- Average cost of whiplash claims between £ 4,000 to 6,000
- Fraudulent claims costing circa £ 1.5 Billion P.A.
- Personal injury claims are the biggest cost to the industry.

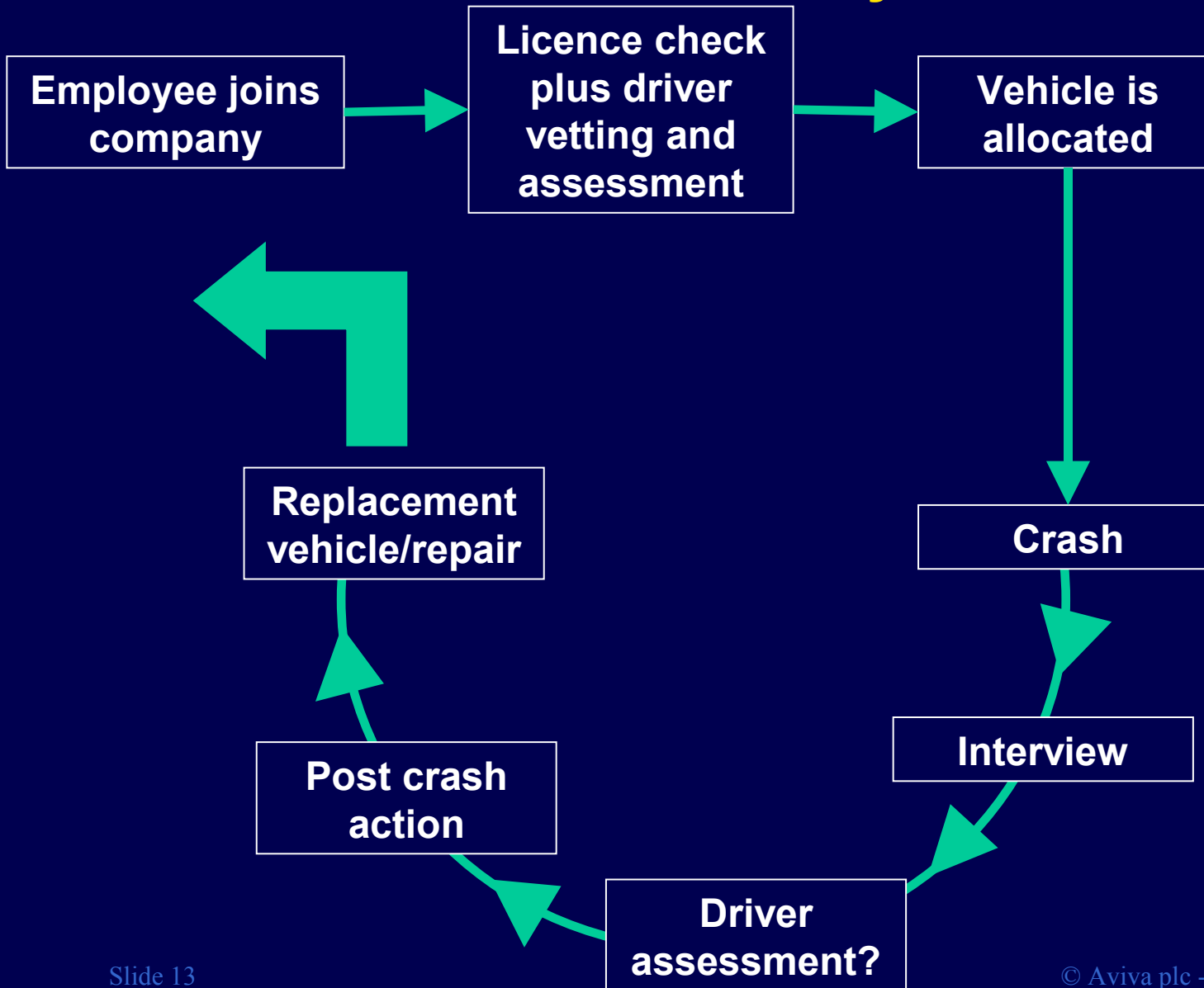
## Top Claims by Cause & associated average costs

<b>1. Impact no other Veh</b>	<b>16.2%</b>	<b>£2000</b>
<b>2. Ins hit T/Pty in the rear</b>	<b>13.5%</b>	<b>£5000</b>
<b>3. Ins hit parked T/Party</b>	<b>11.7%</b>	<b>£1700</b>
<b>4. Hit whilst Parked</b>	<b>10.7%</b>	<b>£ 770</b>
<b>5. T/Pty hit Ins in rear</b>	<b>7.5%</b>	<b>£ 700</b>
<b>6. Ins reversed into T/Pty</b>	<b>7.2%</b>	<b>£1600</b>

Source: 2007 NUI figures from Fleetwise account, collisions only.



# The accident circle - the way out



## Periodic Review of Claims Experience

- At least every quarter
- Include road risk in safety committee meeting
- Document and review findings/further action taken
- Analyse by crash/incident type, Identify trends, Improve post crash learning
- Consider post crash action – Training – Eyesight - Attitude, Individual Skills, Vehicle safety aids

- This should be part of every companies board meeting

Fleet Risk Management

3.0

## Fleet Risk Advisor

- Eyes and ears of Underwriters
- Free offering of advice for potential and existing clients
- Provide Training and Consultancy where necessary
- Recruited from Fleet Transport Industry
- All CPC and NEBOSH qualified, with relevant industry qualifications
- Largest Fleet Team (14) with national coverage

## Example of Advice Available from NUI - Roadsense

- Norwich Union Risk Services – On site visits - Consultancy
- Websites: Roadsense – Risk Manager
- CD Rom: Managing at work road safety
- 10 essential elements – meet your duty of care
- Fleet Managers Guide
- RAC Driver Training
- Telematics - Market Leading Insurance Proposition
- Helplines
  - Legal,
  - H&S,
  - Risk,
  - Security

## WHAT IS IN IT FOR YOU?

- Managing your at-work road safety risk responsibilities.
- Reduce both the frequency and costs attributed to incidents/crashes
- Reduce risk of death or injury to drivers
- Reduced costs of absenteeism, lost production and late delivery
- Reduce the escalating costs of uninsured losses
- Stabilise Insurance costs. 5 Year Rating
- Become a more marketable Risk
- Protect your front of house brand Image and reputation!

## Useful Contacts

- Brake [www.brake.org.uk](http://www.brake.org.uk)
- HSE [www.hse.gov.uk](http://www.hse.gov.uk)
- AIRSO – [www.airso.org.uk](http://www.airso.org.uk)
- RoSPA [www.rospace.com/roadsafety](http://www.rospace.com/roadsafety)
- Roadsense <http://www.norwichunion.com/roadsense/>
- Risk Management Website and Risk Manager can be accessed from the links section @
- **[www.nu-riskservices.co.uk](http://www.nu-riskservices.co.uk)**
- **[fleetwisecare@norwich-union.co.uk](mailto:fleetwisecare@norwich-union.co.uk)**

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