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Our Vehicles, Our Safety, Our Responsibility:

Improving Road Safety for Vulnerable Road Users
Millbrook Proving Ground, Bedford
Tuesday 31st March 2015



The Chartered
Institute of Logistics
and Transport

Our Vehicles, Our Safety, Our Responsibility: Improving Road Safety for Vulnerable Road Users

- Welcome & Introductions
- Health & Safety
- Opening Remarks
- Agenda Overview





Adrian Walsh

Director

Our mission is to reduce road deaths and injuries by supporting and encouraging partnerships between the private sector, government and its agencies, traffic engineers, the police, public health authorities and road safety professionals to promote the safe design and use of vehicles and roads by sharing knowledge and encouraging innovation.

A leading forum for promoting solutions to road safety problems



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Setting the Scene

Jim Spittle FCILT, Chairman GS1 UK Ltd; President CILT



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Our Vehicles, Our Safety, Our Responsibility: Improving Road Safety for Vulnerable Road Users – Film Premiere

By CILT Transport & Logistics Safety Forum



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Film Crew Reflections

- Dean Clamp, Group HSEQ Director, Wincanton; Chair, CILT Transport & Logistics Safety Forum
- Austin Birks FCILT, Sales Director, uTrack; Chair, Bus & Coach Forum
- Simon Wilson, Global Safety Standards, DHL Supply Chain



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A View from the Traffic Commissioners

Beverley Bell, Senior Traffic Commissioner for Great Britain



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Passenger Sector Perspective

Peter Shipp, Chairman & Chief Executive, East Yorkshire Motor Services Ltd; Chairman, Road Operators' Safety Council (ROSCO)



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MEL Values: Moral – Impact on People & Family Life

Ellie Pearson, Senior Professional Engagement Officer, Brake



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MEL Values: Moral

Impact on people and family life



The Brake professional logo consists of a red heart icon followed by the word "Brake" in a bold, red, sans-serif font, and the word "professional" in a smaller, grey, sans-serif font below it.
Ellie Pearson
Professional engagement team

*Five deaths and 63 serious injuries
every day on UK roads.*

Case study one - Sarah

Background

- A lady in her late twenties, Sarah, phones the helpline – five days previously her husband Joe was killed by an HGV whilst cycling near their home.
- Sarah and Joe have three children together: Katie (12), David (8), and Claire (6 months).
- Katie and David were with Joe at the time of the crash and saw their father die; neither of them were injured, but both are very upset.
- Sarah was at home with the baby when the crash happened.



Case study one - Sarah

Immediate problems

- Sarah has been struggling to look after three children single handed, especially as the two older children witnessed the crash and are still very upset about it.
- On top of this, Sarah is going through her own grieving process, and is really struggling with her own emotions.
- Prior to the crash Joe was the family breadwinner and Sarah was a stay at home mum; Sarah is now very worried about paying the mortgage, bills, etc.



Case study one - Sarah

Three months later

- Because of financial and childcare difficulties, Sarah has had to sell the family house and move in with her in-law; this has involved moving from one end of the country to the other.
- Katie (12) and David (8) have had to start at new schools, away from all of their friends. They are struggling with the upheaval, and are not settling well into their new schools, they now attend counselling and behavioural therapy.
- Sarah is still deeply upset and struggling to cope emotionally with Joe's death, in addition to this she is struggling to bond with the baby. Her GP diagnosed her with PTSD.



Case study one - Sarah

Outcomes

A criminal investigation found the HGV driver that hit and killed Joe innocent of any criminal wrong doing.

Legally and economically your company is 'in the clear',
morally...

- A man lost his life
- His youngest child will have no memory of him
- His two elder children were deeply traumatised by his death and have had their lives uprooted
- His wife, suffering from PTSD, is left to raise three young children single handed



Case study two - Tom

Background

One of your drivers driving a company vehicle in work time is involved in a crash with a family car. Your driver suffers minor injuries including whiplash and cuts and bruises. The young woman driving the other vehicle is killed instantly. A police investigation is launched.



Case study two - Tom

Immediate employer concerns

- What approach do you take with your driver? Whose responsibility is this – the driver's line manager? The fleet manager? The HR manager?
- Would there be any support/ guidance for the person responsible for supporting Tom?
- Do you communicate the incident to your other drivers, and if so how?
- Do you put any support in place for other employees?
- Do you contact the bereaved family to offer your condolences?



Case study two - Tom

Development

The police investigation clears your driver of all blame. However, your driver has been psychologically affected by the incident – despite being cleared of wrongdoing he is traumatised by the incident and lacks confidence about getting back behind the wheel.



Case study two - Tom

Employer concerns

- What can you do to support your driver? Would you be able to provide emotional/ psychological support?
- Could you offer the driver other duties – e.g. warehouse duties?
- How long are you able to support this driver? Paid/ unpaid leave? Long term change in role?





It is with us on a daily basis, not only for me, but for our daughters. It has been seven years since the crash, and it never gets easier.

Caroline MacIntyre, bereaved wife of Jason MacIntyre, killed while cycling





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Coffee Break – 15 minutes



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MEL Values: Economic Considerations

Andy Price, Practice Leader - EMEA, Motor fleet
Zurich Risk Engineering



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Economic considerations

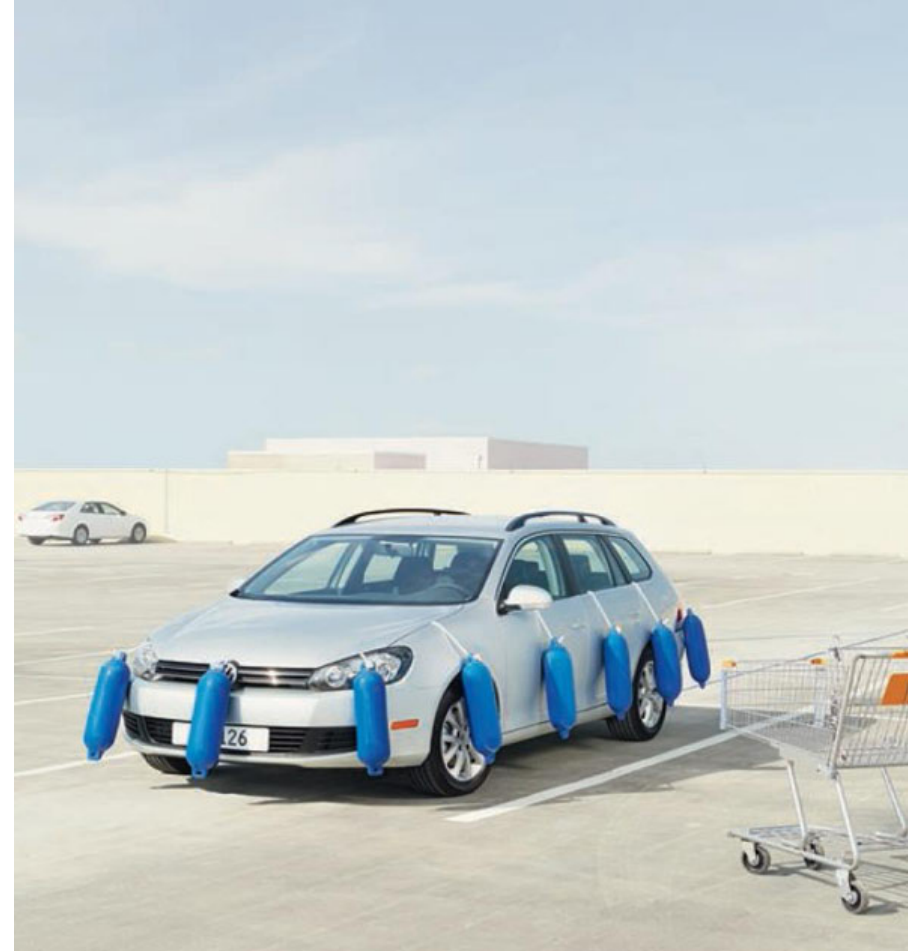


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Agenda

- The Total Cost of Risk
- Case study





The Total Cost of Risk



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Premium costs

Premium

Commissions

Statutory Levies

Capital Costs

Policy Admin Costs

Treaty Reinsurance Costs

Claims Handling Expenses

Base Premium

Provision for Large Losses

Expected Attritional Claims

Linked to the base premium calculation

Linked to claim frequency

Based on the underwriter's assessment of the risk profile, loss history and **quality of risk management**

Premium costs

Premium

Commissions

Statutory Levies

Capital Costs

Policy Admin Costs

Treaty Reinsurance Costs

Claims Handling Expenses

Base Premium

Provision for Large Losses

Expected Attritional Claims

Based on the underwriter's assessment of the risk profile, loss history and **quality of risk management**

Uninsured losses

- For every £1 recovered through insurance, there are £8-53 in uninsured losses
- What are the hidden costs?
 - **Absenteeism**
 - Lost productivity, late deliveries, **brand damage**, high staff turnover, etc.
- We use a conservative 2x multiplier

Uninsured losses

- Assuming:
 - Average claim costs = £1,000
 - Indirect costs = £2,000 *minimum*
 - Average fleet collision rate = 25%
 - Profitability (Return on Sales) = 10%
- A minimum **£5,000** of revenue **per vehicle** to fund uninsured losses
 - Many fleets have higher collision rates
 - Many businesses have lower profitability...

The Total Cost of Risk



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The Total Cost of Risk



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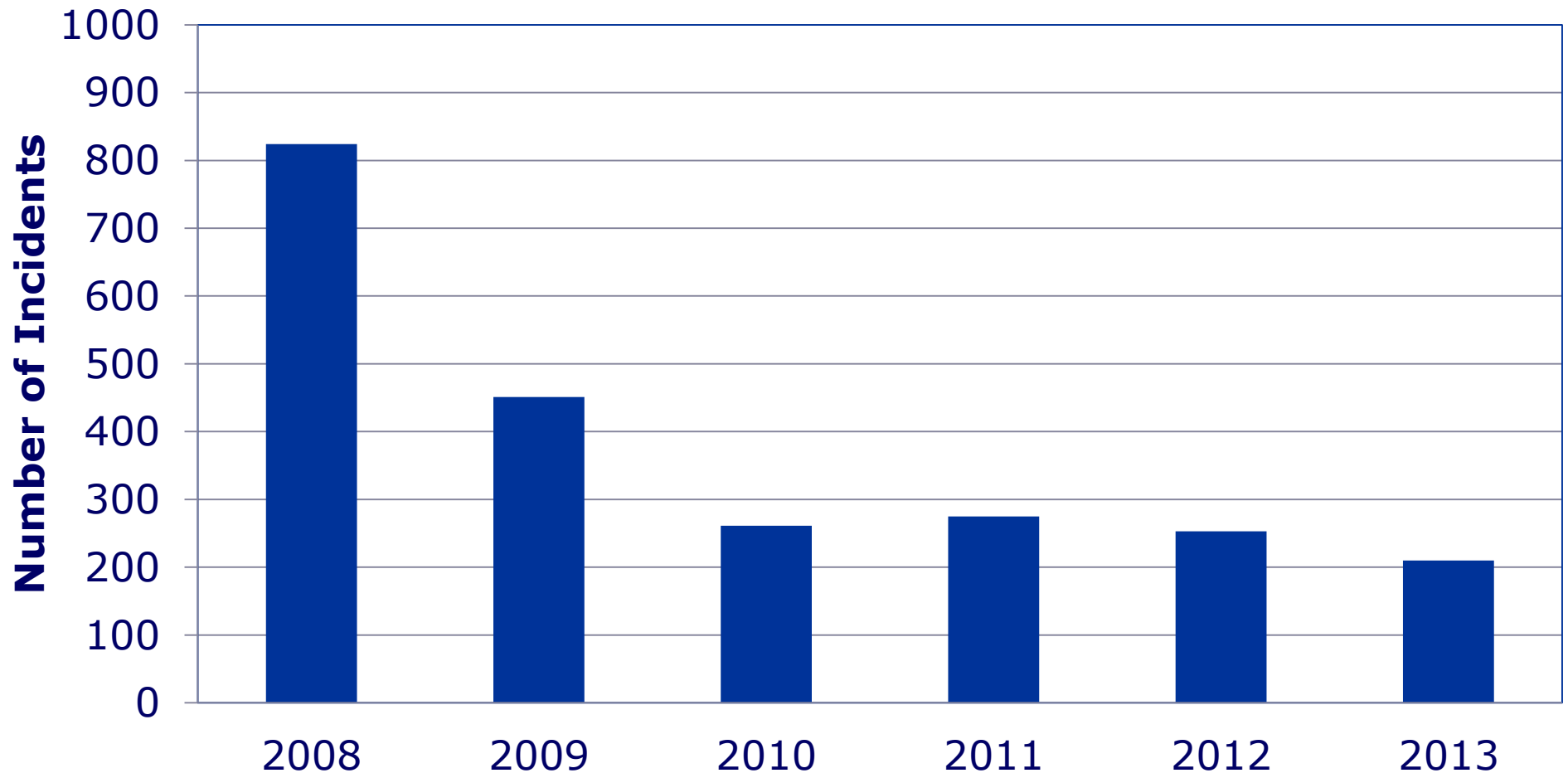
Case study



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Case study – Iron Mountain



Case study – Iron Mountain

- Since 2008 there has been:
 - A 74% reduction in incidents
 - A 63% reduction in own damage and TP costs
 - Estimated fuel savings of over 7% and a 4.5% reduction in maintenance costs
- 14% premium reduction in 2011
 - 8% reduction in 2013
 - Future premiums directly and contractually linked to the loss ratio
 - A further 9% reduction in 2014



Summary



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RISK INSIGHT – SHARING THE ROAD WITH CYCLISTS

The number of cyclists using the road is increasing, which is leading to a higher number being involved in collisions. Given the inherent vulnerability of these road users, it is important to look at how to minimise the risk of being involved in a collision with a cyclist, especially for those organisations operating larger vehicles.

THE SCALE OF THE PROBLEM

In 2012, 6.7% of all fatalities and 14.0% of all serious injuries on the UK roads were cyclists', and there is a particular problem where larger vehicles are turning left, especially in urban areas. In a two week period in London in November 2013, six cyclists lost their lives in collisions where a large vehicle was making a left turn.

Whilst there are many issues to address around infrastructure as well as the behaviour of some cyclists themselves, these are not short-term solutions. This Risk Insight sets out to give you some ideas about what you can do to help prevent this type of collision occurring.



Corporate customers



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MEL Values: The Legal Perspective of Driver Training & Key Issues Regarding VRUs

Ron Ruston, Partner, Kennedy's Law



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The Legal Landscape

Ron Ruston Partner Kennedys law LLP

Public perception



The Legal Bit



- Causing Death by Careless or Inconsiderate Driving
 - Maximum Penalty 5 years
 - Mandatory 12 month Disqualification
 - Mandatory endorsement of licence 3-11 points
 - Discretionary re-test

- Aggravating Factors
 - More than one person killed or seriously injured
 - Starting point 2 years custody

- Causing Death by Dangerous Driving

- Maximum Penalty 14 years imprisonment
- Mandatory Disqualification 2 years
- Mandatory extended re-test

- Aggravating features

- More than one person killed or seriously injured
- Driving when knowingly deprived of adequate sleep or rest
- Driving whilst unavoidably distracted
- Failing to have proper regard to vulnerable road users





- Causing Serious Injury by Dangerous Driving
 - Came into force 03/12/12
 - Maximum Penalty 5 years imprisonment
 - 2 year mandatory disqualification
 - Mandatory extended re-test
- Aggravating factors
- Failing to have regard to vulnerable road users such as cyclist, motorcyclists, horse riders, the elderly & pedestrians or when in the vicinity of a pedestrian crossing, hospital, school or residential home
- Driving whilst avoidably and dangerously distracted by... adjusting controls of equipment such as radio, hands free mobile phone or sat nav

Case Study

- Causing Death by Careless Driving 09/03/11 j/w Lower Clapton Road & Urswick Road, Hackney
- 82 year old pedestrian



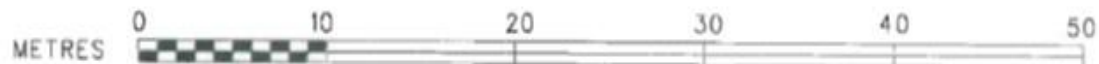
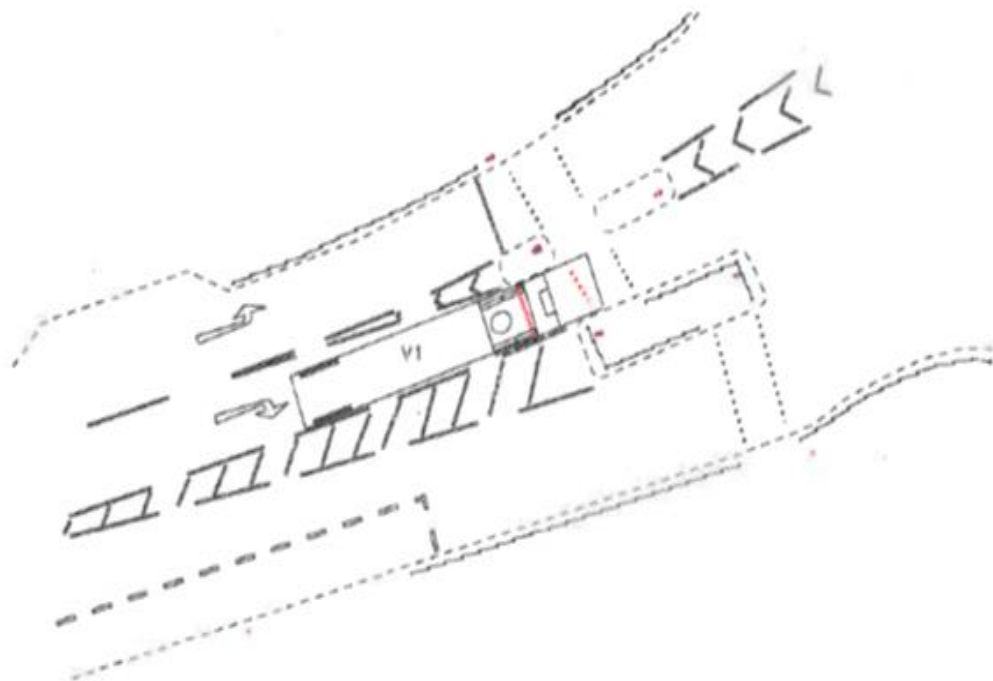


- Driver interviewed on day of incident @18:35 – 18:55
09/03/11
- Charged with causing death by careless driving
08/09/11, First meeting
- Magistrates Court, first hearing and disclosure 16/09/11
- Magistrates Court, committal hearing 28/10/11
- Crown Court, NG plea entered and trial listed 10/12/11
- Crown Court, trial 10/04/12 3 days

- Prosecution Case;
- Front of HGV was 4m over stop line & between 0.5 – 1m into 2m wide crossing
- Ascertained from CCTV



Reconstruction of HGV Stopped at ATS from CCTV



Collision Location

Lower Clapton Road
J/W Urswick Road

Collision Date

09th March 2011

Collision Reference

CRS- 4606221/11

Key

Automatic Traffic Light Signal

Lamp Post

Stop Line

Studs at Pedestrian Crossing Limit

Vehicle



HGV Registration Number KV09ZYC

I, Michael Andrews, certify that I have produced this plan from measurements taken by myself using a Leica Total Station and that it is correctly drawn to a scale of 1:300 on A4 paper. Exhibit No MPA/12

Signed 

Date 19TH MAY 2011

- We should have taken greater care knowing that we had stopped on a pedestrian crossing area
- The deceased would not be able to see crossing lights due to presence of HGV
- Stationary for 1min 14sec and the deceased was in the road for 5 seconds
- Deceased was potentially visible for up to 5 seconds in the Fresnel and class V & VI mirrors

Defence case

- History of drops that day
- In traffic on approach to junction, stopped on an amber signal
- Not aware he stopped on a pedestrian crossing area
- Mirrors used prior to moving off
- Photos do not show a true representation of what the eye can see
- Unless there is a contrast of colour mirrors do not help
- No dispute over the collision investigation report





富華
0800-3579

FU HWA Chinese Food To Take Away
Peking & Cantonese Cuisine

T MIGE
020 7580 7580 53

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Acquitted

- Unanimous verdict
- Jury retired for just over an hour
- Assisted throughout by the in house investigator

Selda Dursan v. Large Supermarket Plc

- The driver of a goods vehicle which had knocked down a pedestrian had not been negligent in deciding to check his nearside mirrors and then his offside mirrors before pulling off in queuing traffic. In the absence of authoritative guidance as to the sequence in which visual checks should be made, it was for the driver to determine the appropriate sequence, subject to the considerations in the Highway Code and the Driving Standards Agency handbook.
- NEGLIGENCE - PERSONAL INJURY - ROAD TRAFFIC
- [2015] EWHC 233 (QB)
- QBD (Jeremy Baker J) 12/02/2015
- References: LTL 19/2/2015

The Fall Out

- Reputational Risk
- Lost Hours
- -signed off sick
- -line manager
- -internal investigation
- Vehicle retained as evidence

Early considerations

- Engage/put on standby a legal representative
- Driver support
- Insurers will fund a defence
- Protection of your reputation



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Risk Management Considerations

Richard Waterer, Managing Director, Marsh Risk Consulting



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Risk Management Considerations

Our Vehicles, Our Safety, Our Responsibility: Improving Road Safety for Vulnerable Road Users

31 March 2015

Richard Waterer
London

Road Safety – The Value of a Risk Management Approach



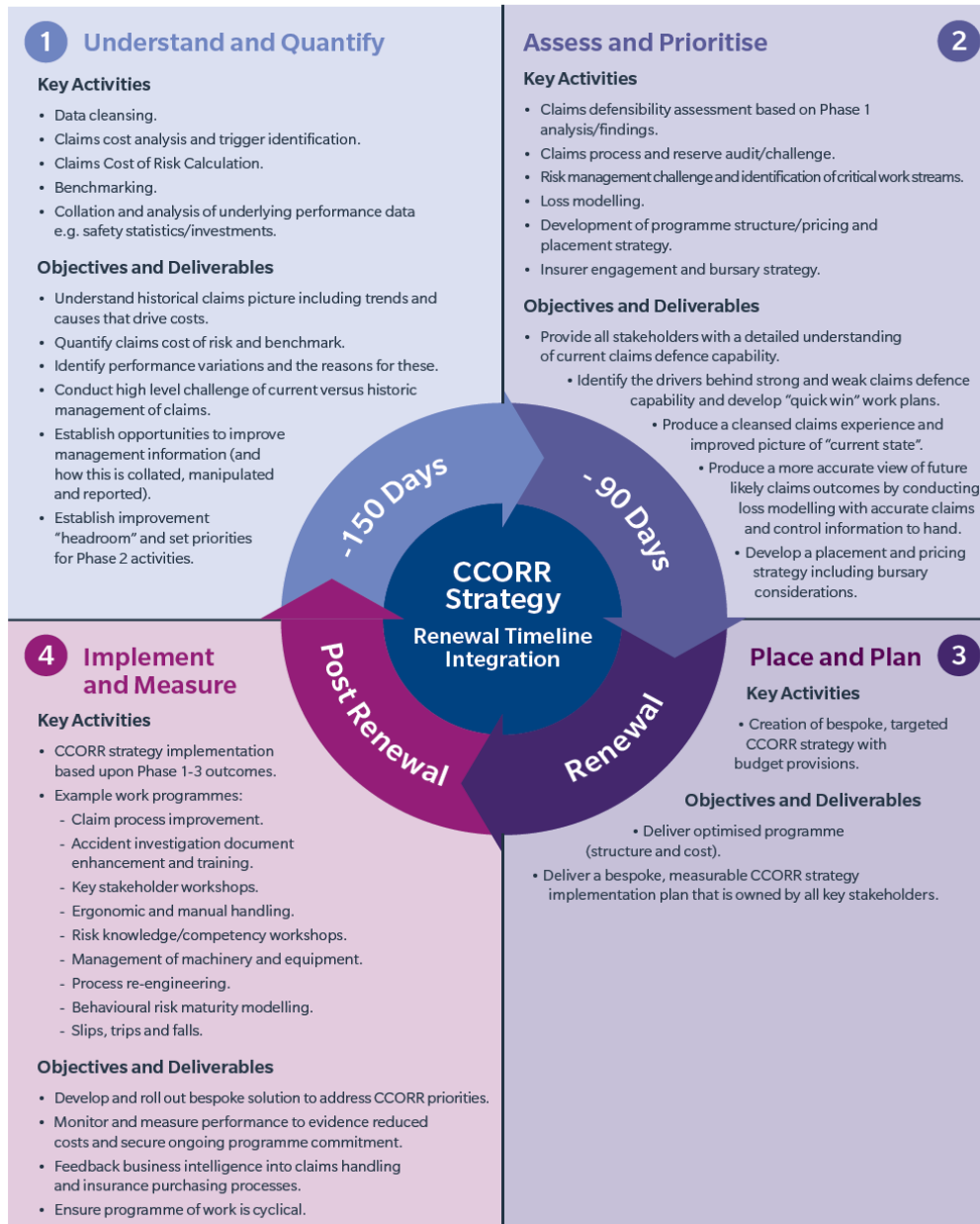
The value of a risk management approach:

- Often an existing, well understood process.
- Considers a blend of solutions.
- Provides objectivity and cost benefit analysis around interventions.
- Adapts as the outputs/inputs change.
- Serves moral, economic, and legal agenda.

Common Issues in Risk Management as Applied to Road Safety

- Competing commercial priorities.
- A jump to tactical/disconnected initiatives.
- Fundamental gaps in the management system.
- Inflexible risk and safety management programmes.
- Cultural challenges.
- Union interaction in respect of new ideas, such as in-car technology.
- A lack of good data/ a focus on lagging indicators.
- Poor incident investigation, reporting, and investigation.

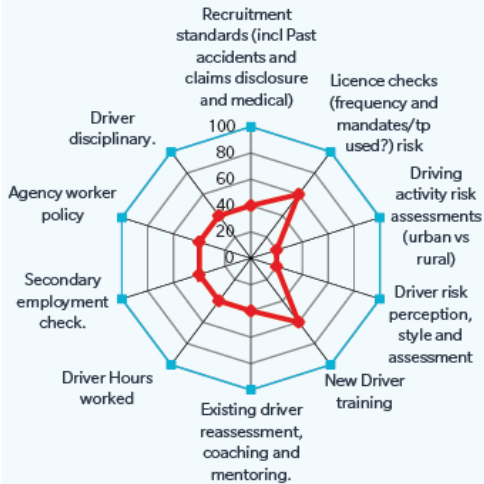
Our Approach



- Understand costs, triggers, and trends.
- Assess current controls – risk mitigation, risk management, claims defensibility, claims management, insurance – as they relate to the losses experienced and the ability to provide a defence.
- Model future losses with/without interventions.
- Create targeted risk management strategy.
- Monitor and measure performance to evidence reduced costs and secure on-going programme commitment.

Example Output

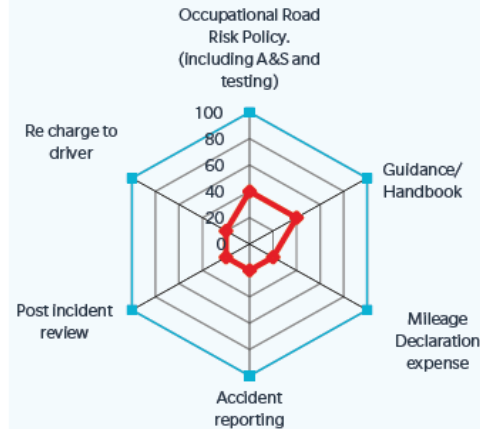
DRIVER RISK PROFILE COMMERCIAL



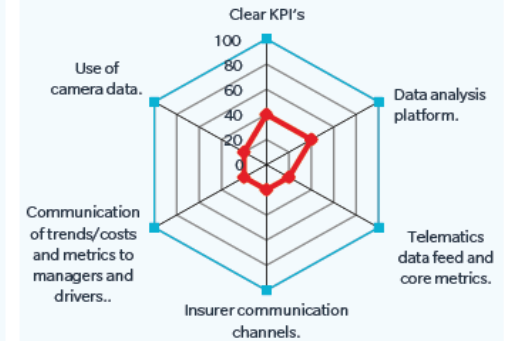
OPERATIONS



PRIVATE CAR FOCUSED RISK



DATA AND ANALYSIS PLATFORM



The Size of the Prize

- A reduction in claims.
- Optimal insurance terms.
- Reputation.
- Fewer increased costs of working.
- Earnings.

Case Study

- Leading transport operator.
- Target defendant – increasingly its group status used to extend scope of litigation.
- Objective of the study – to achieve material claims cost reductions through defending/mitigating future claims and preventing future incidents from occurring, by:
 - Identifying common issues/applying risk management improvements from high severity events/high frequency litigation.
 - Reviewing gaps in the way in which operations, safety, and claims management come together to prevent and respond to events.
 - Ensuring policies and documentation are robust, clear, achievable, and consistently complied with on the road.
- The prize
 - Enhanced defence – not a soft target.
 - Efficiency of approach/response to common claims.
 - Supports the corporate's code of conduct/reputation.
 - 15% reduction in frequency – GBP millions.
 - 15% reduction in severity – GBP millions.

MARSH RISK CONSULTING

This PowerPoint™ presentation is based on sources we believe reliable and should be understood to be general risk management and insurance information only.

Statements concerning legal, tax or accounting matters should be understood to be general observations based solely on our experience as insurance brokers and risk consultants and should not be relied upon as legal, tax or accounting advice, which we are not authorised to provide.

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MEL Values Discussion Panel

Darren Bentley, Senior Vice President, Global Health, Safety, Environment,
BCM & Security & HSE/BCM Mainland Europe, Middle East & Africa
All Speakers



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Your Questions Please



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Conference Outcomes

Dean Clamp, Group HSEQ Director, Wincanton; Chair, CILT Transport & Logistics Safety Forum



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Closing Remarks

- Memory sticks with film
- Hot Lunch / networking until 14:00 hrs
- Exhibitors
- Thank you!
- Feedback
- Join the Institute, join the Forum!
- Safe journey home

