energy saving trust

a guide to managing and reducing **grey fleet mileage**

Department for Transport

Contents

Introduction

The grey fleet is an important, but often neglected, aspect of fleet management. It consists of vehicles owned by employees in which any business travel[1] is carried out.

This guide focuses on best grey fleet management practice and highlights opportunities to reduce the financial, environmental and duty of care impacts of your grey fleet by reducing miles driven and using alternative travel modes.

It is difficult to calculate the number of grey fleet vehicles on the road in the UK, however it has been estimated that 14 million are in use with 9 million used for business journeys on a regular basis.[2] Comparing this figure with the 940,000 company cars on the road (HMRC 2012/13 based on recovery of Benefit-in-Kind taxation)[3], helps to underline why it is crucial that opportunities to reduce emissions and cut costs from grey fleet use are identified.

Cash opt-out cars are grey fleet too. Employees receive additional salary, enabling them to acquire a vehicle as an alternative to a company car. This form of grey fleet may be a result of an active choice by drivers opting out of a company car, or by default in the absence of a structured company car scheme.

It will not always be practical to eliminate grey fleet entirely. For some employees and some journeys, the grey fleet will be the best option. And although it must be monitored and managed carefully, often it is not.

[1] Business travel excludes commuting from/to work

[2] Fleet Insight, The 2014 LEX Autolease **report** on company motoring, retrieved on 14/11/2014

[3] Retrieved from FleetNews on 13/11/2014

The business case

Effective management of the grey fleet is crucial with respect to three key policy areas – duty of care and health and safety, financial efficiency, and corporate environmental responsibility.

Duty of care and health and safety

It is estimated that every week around 200 incidents on the road that cause injury or death involve someone at work. Road accidents are the biggest cause of work-related accidental death.[4] The Health and Safety Executive (HSE) estimates the costs arising from 'at-work' road traffic accidents are in the region of £2.7 billion per year.

The fact that employees use their own private vehicles for business purposes does not absolve the company from their duty of care responsibilities. The law is clear – an organisation has a legal duty of care to an employee, regardless of vehicle ownership, therefore the grey fleet needs to be managed as diligently as company-owned or leased vehicles.

Employers have duties under health and safety law for on-the-road work activities. The Health and Safety at Work Act 1974[5] states that "it shall be the duty of every employer to ensure, so far as is reasonably practicable, the health, safety and welfare at work of all employees".

The Management of Health and Safety at Work Regulations 1999 require every employer to carry out an assessment of the risks to the health and safety of their employees, or themselves, while they are at work, and to other people who may be affected by their work activities. This includes any driving activity on the road.

Furthermore, under the Corporate Manslaughter Act (2007), companies can be prosecuted for the death of drivers resulting from work-related journeys where negligence is proven. If it can be demonstrated that senior management are responsible for a gross breach of duty of care resulting in death, penalties can be applied including unlimited fines and publicity orders. Businesses also have duties under road traffic law, e.g. the Road Traffic Act and the Road Vehicles (Construction and Use) Regulations, which are administered by the police and other agencies such as the Driver and Vehicle Standards Agency (DVSA) and which apply to all vehicles in which business journeys are made.

Grey fleet vehicles tend to be older than company cars and are likely therefore to be fitted with fewer safety features. As a result it is more difficult for organisations to demonstrate that they are meeting this duty of care requirement when it comes to the grey fleet. Additionally, organisations need to ensure they are checking driving licences regularly, the employees are not disqualified from driving, and they are fully insured for business journeys. Therefore it is important for organisations to be proactive in managing their grey fleet.

More than a quarter of all road traffic incidents may involve somebody who is driving as part of their work.[6]

[4] **Basic facts about transport and work-related road safety**, retrieved on 11/11/2014

[5] **Health and Safety at Work etc. Act 1974**

[6] Reported casualties in accidents by journey purpose and casualty type, Department for Transport statistics

Financial efficiency

Grey fleet can be an expensive option compared to company cars and there are three main reasons for this.

Drivers may round up their mileages if organisations don't audit grey fleet mileage claims.

A driver rounding up a claim from 8 to 10 miles increases the journey cost by 25 per cent. Table 1 shows the financial implication of 50 drivers, averaging 2,000 miles a year, inflating their mileage claims by 25 per cent. The table shows that more than £11,000 would be unnecessarily reimbursed.

Table 1

Journey	Cost (at 45ppm)
50 drivers, avg. 2k miles p.a.	£45,000
As above +25%	£56,250
Additional cost	£11,250

Grey fleet may be an expensive option for longer journeys.

For certain types of journeys, grey fleet is an expensive option, for example if an employee drives more than 80 miles in a day. Daily rental is a cost effective alternative for longer trips that also addresses health and safety and environmental concerns related to the use of a private vehicle on business. A financial comparison between a grey fleet and a hire vehicle is provided on page 12 of this guide.

Grey fleet is typically reimbursed using AMAP or greater than AMAP rates.[7]

AMAP rates currently stand at 45 pence per mile (ppm) for the first 10,000 miles, and 25ppm thereafter. Some organisations, particularly in the public sector, pay above AMAP rates. Doing so creates an incentive to drive, increases the amount spent on employee travel, and has Class 1A National Insurance contribution implications. Unless mileage expense claims are actively managed, it is not possible to determine their accuracy.

The average grey fleet car is 7.4 years old and therefore depreciation is low. Staff usually perceive the cost of business mileage as purely the cost of fuel. For most this is around 15ppm, the additional 30ppm is seen as cash income and an incentive to travel.

AMAP rates include estimates for all vehicle purchase and running costs, such as fuel, maintenance, insurance and depreciation. If you are paying an additional monthly or annual lump sum to drivers to assist with funding a vehicle, you should consider reducing the pence per mile reimbursement to below AMAP rates.

[7] Approved Mileage Allowance Payments or AMAP rates are the maximum mileage reimbursement rates you are allowed to pay employees without having to report them to HMRC or pay any tax on them. More information can be found on the **HMRC website**.

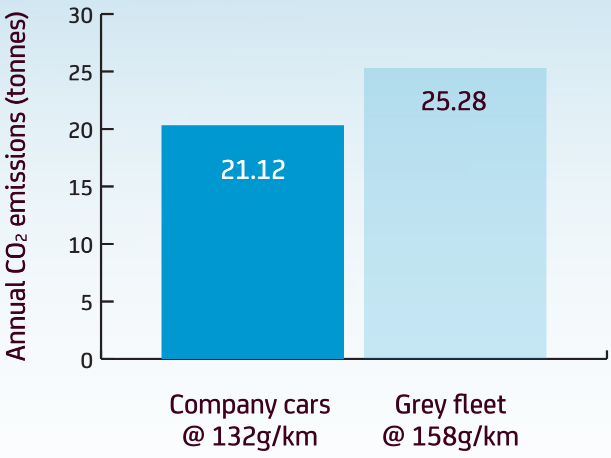
Corporate environmental responsibility

Employee-owned vehicles are typically older and therefore more damaging to the environment, contributing more to your organisation's carbon footprint than other forms of transport, including company and daily rental cars.

The graph opposite shows a comparison of a fleet of 50 company cars and a fleet of 50 employee owned cars, where each of the drivers annually covers 2,000 miles on average. Company cars are, on average, around 2.5 years old, with emissions of 132 grams of carbon dioxide per kilometre.[8] This is compared against the grey fleet – these vehicles are just under 7 years old on average and therefore have typical emissions of 158 grams of carbon dioxide per kilometre.[9]

In this example the company cars emit just over 21 tonnes of carbon dioxide, compared to 25 tonnes by the grey fleet.

Environmental impact of grey fleet



[8] Figure is based on SMMT data, average g of CO_2/km for a company car, 2.5 years old in 2015.
[9] Figure is based on SMMT data, average g of CO_2/km for a grey fleet car, 7 years old in 2015.

Essential steps for developing a grey fleet management policy

1. Assign responsibilities

One of the key reasons why the grey fleet is often overlooked is that no one individual is deemed responsible for its management. In organisations where a fleet manager is responsible for running the company's fleet, this is likely to be the best person to assume responsibility. Otherwise, finance and HR departments should work together to appoint an individual to take responsibility.

Establishing a working group to assist with the development and implementation of a grey fleet policy is recommended. The following departments may be involved in determining and implementing a policy:

- human resources
- finance
- health and safety
- environment/sustainability.

It is important to gain buy-in from key stakeholders in the organisation. Actions to consider include:

- establish a small working group of stakeholders to help develop the overall strategy and individual measures
- engage senior managers in the process so that they understand and support any changes
- allow employee input to influence the recommendations
- support HR in communicating the changes and new policies to employees.

Get started with your grey fleet policy with this free **downloadable template**.

The template is intended to guide you in creating your own document, and will need to be adapted and tailored to your organisation.

2. Benchmark existing grey fleet

Benchmarking the grey fleet is a crucial step when developing a grey fleet policy. A number of questions should be asked about the drivers, their vehicles, journeys they make, costs associated with their travelling, and management. Table 2 summarises the key questions:

Table 2. Grey fleet checklist

Drivers	Vehicles	Journey	Costs	Management
Who are they?	What are they and what are they used for?	Where are they going?	What mileage rates are paid?	Who authorises travel?
Are they fit and qualified to drive?	What are their carbon emissions?	Why are they travelling?	Is the rate an incentive to drive more miles?	Who authorises mileage claims?
	Are they fit for their purpose?	How often?	What is the total mileage cost?	Who has overall responsibility?
	Are they well maintained, MOT certified, insured for business use?	How far are they travelling?	How do costs compare with fleet and daily rental vehicles?	

3. Improve accuracy of grey fleet data

If the information in Table 2 isn't available then grey fleet records are inadequate and data collection procedures should be reviewed so that an accurate picture of the grey fleet can be developed.

Mileage capture specialist, Vertivia, has found that there can be dramatic falls in business miles claimed once a mileage management system is implemented, due to changes in driver behaviours. Analysis from Vertivia showed that one major UK fleet witnessed a fall in recorded business miles of 5,546 miles a year per driver, some 25.7 per cent of the company's total business mileage, following the introduction of their mileage capture system.

To comply with health and safety legislation and the HSE's Driving at Work guidance, any grey fleet policy should include statements relating to the vehicle, the driver and the journey. Appendix 2 explains exactly the measures that will have to be considered as part of the policy.

Communicating the policy

A key challenge when implementing a grey fleet policy is to ensure all employees and managers are aware of their responsibilities in relation to using grey fleet vehicles.

- For employees, this includes responsibility for safe and legal driving, ensuring their vehicles are fit for purpose, and journey planning, including selecting the most sustainable form of transport.
- For line managers, this includes challenging the travel choices of employees and making sure safety standards are maintained.
- A grey fleet policy declaration is recommended, which must be signed by the driver to indicate they have read and understood the policy.

How to reduce mileage driven in grey fleet vehicles

Reducing grey fleet mileage contributes to financial savings, environmental improvements and management of health and safety risks. The following section explains the processes that will have to be followed to reduce grey fleet miles.

1. Develop a grey fleet action plan

In developing an action plan to reduce grey fleet mileage it is vital to gain buy-in from all relevant stakeholders.

- Senior managers need to be engaged from the beginning of the process so they understand the benefits from reducing business mileage. This will encourage them to be supportive of the strategy and lead by example.
- Communication of the mileage reduction policy plays an important role to support implementation of the policy changes. HR can facilitate this by communicating the policy and changes to employees.

2. Establish a travel hierarchy

A ‘travel hierarchy’ sets out a decision making framework to minimise travel and its impact. The framework can take the form of a simple flow chart or an interactive website. Staff should follow the framework to help them make the right travel/transport choice.

An example of travel hierarchy is provided below. The basic stages are shown, with a ‘NO’ answer resulting in the next step being considered.

Figure 1. Example of travel hierarchy

Can the journey be avoided through the use of audio - or video - conferencing facilities?
If so, these should always be the first option to help remove all carbon dioxide emissions and the bulk of the cost per journey.

Can the journey be carried out by foot, bicycle or public transport – rail, tube, or bus?
Public transport is often a viable option for all journeys between urban centres. It is a safer mode of transport than a car, generally results in lower emissions, and can be more business efficient when taking into account ability to work, road delays, etc.

Do you have a lease vehicle available for the journey?
If you have been provided with a lease car due to your role or entitlement, this is likely to be the most cost effective option.

Is there a pool car or fleet vehicle available for the journey?
Wherever possible employees are required to use available pool cars (fleet vehicles), as an alternative to claiming business mileage in a private car. By maximising use of fleet vehicles, carbon emissions and costs can be reduced.

Will a hire car be cost effective?
For round trips over 70 miles, employees are required to use a fleet car or hire car as an alternative to private vehicles. Hire cars provide better value for longer journeys and typically have lower emission levels than private vehicles.

Where none of the above options are available, authorised private vehicles may be used for short journeys (round trips under 70 miles).
Employees may only use their own authorised vehicle for journeys under 70 miles, provided that they are able to demonstrate to their line manager that they have discounted all of the above options and have a valid driving licence, full business insurance, up-to-date MOT and service history.

3. Reduce the number of journeys

- Seek to establish a culture of phone, video and web conferencing whenever practical. Review the availability and quality of conferencing systems and equipment as well as the processes and training required for staff to access and use the equipment.
- Examine whether your organisation's policy can change to reduce the number of journeys. For example, can weekly journeys to a particular site or client be made fortnightly or monthly instead?
- Consider reducing mileage reimbursement rates, that can act as an incentive to travel.
- Review existing qualification requirements. For example, is there a mileage threshold above which staff are entitled to be an essential user? The problem with such a policy is that the threshold can become a target, incentivising employees to drive more.
- It is important to involve staff from the outset. An open discussion about the need for efficiency and creative ways to save money may be welcomed. Asking staff for ideas often brings innovative ideas from those who know their working patterns best.

Case Study: University of Cumbria

Background

The University of Cumbria operates at several campuses across the north west of England and supervises student placements at a large number of locations. As a result, the University has a significant culture of business travel, which to a large extent is undertaken by car. Facilities management, hr, finance and other departments of the University have been involved in a wide programme of initiatives to reduce the environmental impact of this car-based business travel.

Measures implemented

As part of this programme, a number of initiatives aimed specifically at reducing the emissions, financial cost, and safety risk exposure from the use of grey fleet have been implemented:

- reducing the mileage rate payable from 45ppm to 30ppm
- obligating staff who commute by car to deduct their home to work mileage from their claim (not required of staff who don't drive to work; nor does this obligation apply for business journeys being made by non-car modes)
- enforcing that all staff maximise car sharing for their business journeys by car, e.g. by pre-registering the journeys on cumbriaunicarshare.com.

Results

The above actions led to significant cost and carbon savings:

- 36 per cent reduction of grey fleet mileage claims
- 57 per cent reduction of grey fleet reimbursement payments
- 36 per cent reduction of carbon dioxide emissions from grey fleet.

As well as continuing to monitor the impact of existing changes, the University is working with Enterprise Rent-a-Car, University reception staff and senior management to reduce the emissions impact of individual hire car journeys by improving car sharing arrangements and incentivising staff to book smaller cars. The University won the Grey Fleet Management category at the 2014 Energy Saving Trust Fleet Hero Awards.

4. Switch to cleaner vehicles

Public transport

Public transport should always be considered first. It is important that staff can access information and ticketing, particularly for commonly made trips where good public transport options exist. Using public transport could be mandated for certain journeys where it is practical and cost-effective. This could be indirectly achieved by not paying car mileage expenses for these journeys. However, it is important to remember that public transport will not be practical or cost-effective in all cases, and policies should reflect this.

Company cars

Company cars may be the most cost-efficient option for employees travelling over 12,000 business miles a year. They increase control over the fleet, reduce liability and help cut fleet emissions. Lease cars can also be offered via a salary sacrifice scheme, which has the potential to reduce costs for both the employee and employer, and in certain circumstances is a more cost-effective staff benefit than a salary increase. You can find more information in our guide: Salary sacrifice schemes for cars: decision maker's guide.

Pool cars

Providing low emission pool cars can be beneficial. If provided, make it a requirement that when staff need to drive on business, they should try to book one as their first option. A well run pool car scheme will deliver cost savings, emission reductions and safety improvements compared to using grey fleet vehicles. However, a pool car fleet needs to be managed to maximise its utilisation and financial benefits. Drivers of pool vehicles still need their licences and fitness to drive to be checked.

Car clubs

Car clubs should be considered as an alternative or supplement to pool cars. Car clubs free up time spent managing the grey fleet and pool cars. They can be cost competitive and you may be able to host vehicles at your office or depot, or have exclusive use during working hours. The Car Plus website as well as our guide: Learn how car clubs can improve your organisation's efficiency can provide you with more details.

Hire cars

Using a rental vehicle instead of a grey fleet vehicle for journeys over 80-100 miles a day ensures that a well-maintained and properly insured vehicle is used for these journeys. Ensure agreements with suppliers specify the provision of efficient cars. In 2013, average rental car carbon dioxide emissions were 132 g CO_2/km[10], almost 27 per cent lower than the average for the UK grey fleet (167.2 g CO_2/km, 2013)[11]. Use of a hire car will also be much better for air quality as well as safer for the driver, other occupants and even pedestrians. Read our guide: Understand how daily rental can benefit your business for more information about daily rental efficiencies.

[10] British Vehicle Rental and Leasing Association

[11] Average g of CO_2/km for a grey fleet car, 7 years old in 2013

5. Compare travel modes

Comparing the costs of the travel options available is an important part of the planning process. Figures 2 and 3 illustrate the comparative costs of a grey fleet car compared to a hire car. The results are very sensitive to the assumptions shown, which is why it is important for each organisation to do its own assessment based on its individual circumstances. Many organisations set daily mileage limits at which hire cars must be used below the break even mileage. Longer journeys effectively subsidise shorter ones, but all are beneficial in terms of safety and emissions.

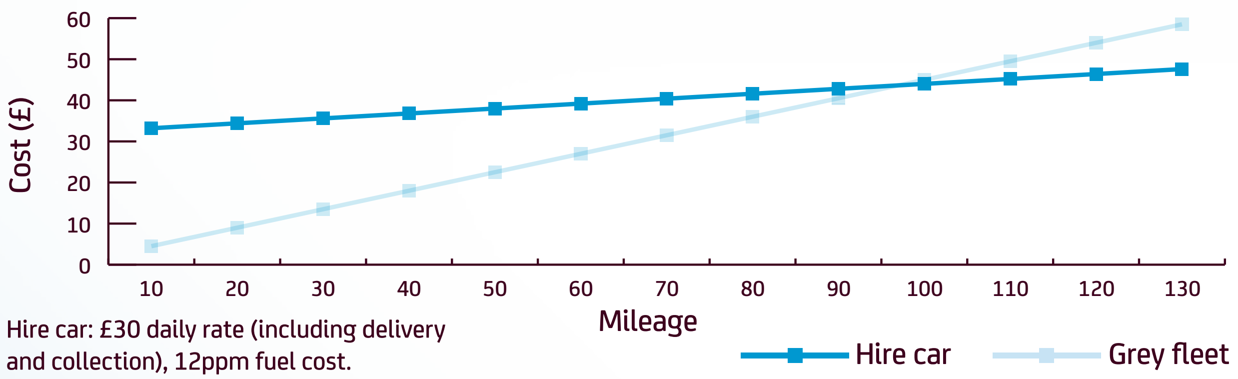
In the first example, compared to paying grey fleet drivers 45ppm, a hire car is cheaper for daily journeys of around 95 miles or more.

In the second example, paying grey fleet drivers 65 ppm, means that a hire car becomes cheaper for journeys over approximately 60 miles.

It is important to note that the hire car used in the example includes a £10 delivery and collection charge. If the car is hired for longer than one day, the cost per day will decrease, making it cost effective at even lower daily mileages.

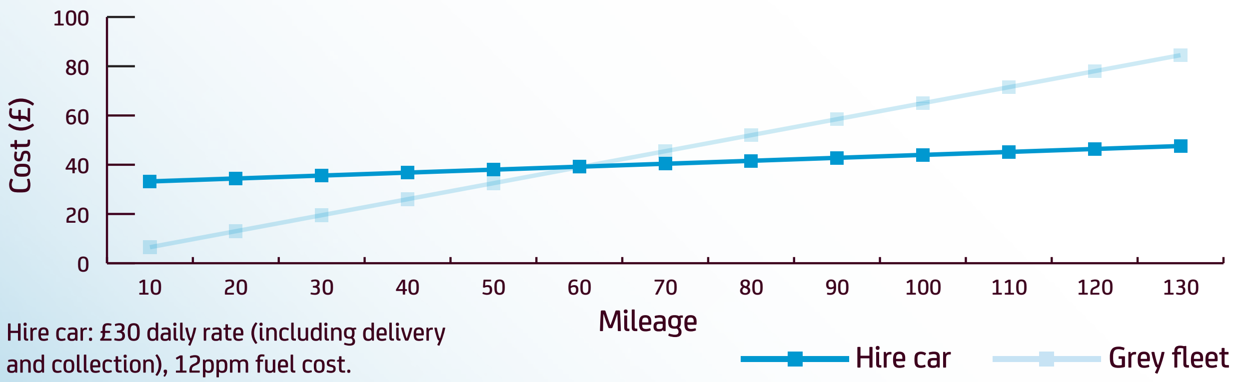
Car clubs may be more cost effective than grey fleet for many journeys. This will also need to be analysed for a particular organisation. For longer periods of hire, daily rental may be more cost effective.

Figure 2. First example – financial costs of hire and private cars



Hire car: £30 daily rate (including delivery and collection), 12ppm fuel cost.
Grey fleet: 45 ppm (AMAP rate)

Figure 3. Second example – financial costs of hire and private cars



Hire car: £30 daily rate (including delivery and collection), 12ppm fuel cost.
Grey fleet: 65ppm

Overcoming barriers

Challenging the status quo regarding travel can often be met with resistance. Staff and managers may argue that changes can't be made in an organisation. Some of the most common barriers that might be raised, and how to overcome them, are discussed below.

Grey fleet mileage management changes

"No-one is tasked with managing the safety and legal requirements of grey fleet."

Raise awareness at a higher level so responsibility is allocated. Who is in charge of risk management and compliance in your organisation?

"My boss is not interested so I won't have the time or resources made available to me."

It's all a matter of education and persistence. Keep on raising awareness of the duty of care and financial arguments to key stakeholders in the business.

"Our staff will resist any changes and will be reluctant to undergo regular checks."

Effective communication is essential. The bottom line should be that staff who refuse to comply will not be allowed to use their car for business travel, and if they do, they may face disciplinary action.

"I can't take on the additional workload required to manage the grey fleet."

It is up to senior management to assign responsibility for the grey fleet, but also to ensure that the person is properly resourced. 'We did not have enough time to do this' would be no defence in law if the company was prosecuted for a breach of duty of care responsibilities.

Grey fleet mileage reduction changes

"There is no budget available to make the changes, even if long-term savings are available."

If you can't make the case with financial arguments then highlight duty of care arguments for managing grey fleet travel.

"We will not be able to get senior stakeholder buy-in unless we can quantify the costs and savings."

Obtain approval for initial work to measure the size and cost of the current grey fleet. This will assist you in estimating the potential savings achievable by implementing a more sustainable travel policy.

"The wrong people are in the wrong cars – there are grey fleet drivers travelling in excess of 8,000 business miles a year and company car drivers doing fewer than 5,000."

It may be necessary to conduct a review of the grey fleet as part of a wider fleet and travel audit. If problems are entrenched within old policies that are hard to change, consider alternative policies to manage mileage. Can existing policies be changed for new starters? Try to do what you can within the limitations.

Further information

Sources of advice

This guide has focused on best practices about managing and reducing grey fleet mileage and should be read in conjunction with other Energy Saving Trust **best practice guides**:

- Mileage management
- Company cars: a guide for drivers
- Fuel card guide
- Daily rental vehicles
- Car clubs
- Salary sacrifice schemes for cars

Further links and resources

For further advice about developing policy, look at the **Driving for Better Business** toolkit.

The Health & Safety Executive **website** has a section devoted to work-related road safety.

The joint HSE Department for Transport publication, **Driving at work**, also covers work-related road safety.

Next steps

Energy Saving Trust provides free advice and information on all aspects of sustainable fleet management, including grey fleet management.

Our services include:

Plug-in vehicle advice

Use the free online tool and apply for a free review to find out where plug-in vehicles could work for your organisation's fleet.

Ecodriving training

Subsidised ecodriving training delivering fuel savings and safety benefits is available directly from the training companies listed on our **website**.

Fleet briefing

Our monthly newsletter covers a range of topics to help you reduce emissions and cut fleet costs. A wide range of topics are also presented in our **webinars**.

Fleet health checks

Use this free online tool to calculate your fleet's carbon footprint and discover simple recommendations about where and how you could cut costs and emissions.

Green fleet consultancy

Our green fleet consultancy service can help you cut fleet costs and carbon emissions whilst enhancing your corporate social responsibility. As well as calculating a fleet carbon footprint, our fleet consultants can advise you in the following areas:

- company car policy
- fuel management systems and processes
- grey fleet management
- data management
- mileage reduction

Appendices

Appendix 1

Checking driving licences

UK licences

Until July 1998, driving licences outside Northern Ireland did not have photographs. Anyone who holds a licence issued before this date may retain their old paper licence until expiry (normally 70th birthday) or until they change address, whichever comes sooner. The new 'photocard' driving licences are a two-part document, a plastic photocard which has to be renewed every ten years, for a fee, and a paper sheet (the 'Counterpart Driving Licence') which is valid until the holder's 70th birthday.

At the moment employers can access driver data using electronic data links through commercial intermediaries, DVLA's premium rate phone line, in writing to DVLA or by asking the driving licence holder to show their physical licence. The driver must complete a D888/1 form to give permission for the check. DVLA is developing new digital enquiry services for launch later this year (2015) that will allow organisations and businesses (such as employers and car hire companies) to view information they can currently see on the driving licence counterpart. Visit DVLA's blog to find out more details about the new digital services they are working on.

In addition, the counterpart document of the photocard driving licence and the paper driving licence contains any endorsement details. Further information is available at https://www.gov.uk/penalty-points-endorsements. From 8 June 2015, the photocard licence counterpart will not be valid and will no longer be issued by DVLA.

EC/EEA licences

Since 19 January 2013, all driving licences issued by EU countries have the same 'look and feel'. The licences are printed on a piece of plastic that has the size and shape of a credit card. That means employers do not need to understand the language of the licence as the numbers of specific parts will provide the information required. The key areas of a European Community driving licence are:

- Section 3: Date of Birth
- Section 4b: Date of Expiry of the Photograph (photo card licences)
- Section 8: Driver's Current Address
- Section 9: Licence Categories. This includes the date when those categories cease to be valid
- Convictions: Will detail the current endorsement situation of the driver.

Full details on driving in Britain on a licence issued in a European Community/European Economic Area (EC/EEA) country are available at http://www.direct.gov.uk/en/Motoring/DriverLicensing/DrivingInGbOnAForeignLicence/DG_4022556

Licences issued in the European Community and European Economic Area make up two groups that are treated equally. The full list is: Austria, Belgium, Bulgaria, Croatia, Czech Republic, Republic of Cyprus, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and the United Kingdom.

Appendix 2

Developing a grey fleet management policy

The following measures in relation to the driver, the vehicle and the journey should be part of the grey fleet management policy:

The driver

- The organisation must ensure that all grey fleet drivers are eligible to drive - i.e. that they have a valid licence and are not disqualified. The employee is responsible for holding a current licence, with up to date information on endorsements, and for producing it for regular checks by management.
- Licence checks should be carried out at least annually, and could be incorporated as part of a staff appraisal. Appendix 1 explains what to look for when checking driving licences, although this process can be outsourced if necessary.
- Drivers' insurance details should be checked to ensure that every grey fleet driver is insured to use their vehicle for business journeys.
- Drivers should hold breakdown assistance cover.

Ideally, these checks will form part of an annual risk assessment for each grey fleet driver. Other factors to consider include the amount and type of driving each driver is required to undertake. Driver assessments and training should be considered to help address any risk concerns.

The vehicle

- The employee is responsible for ensuring their vehicle complies with road traffic law, is in a safe and roadworthy condition and is fit for purpose.
- The employer should carry out annual checks including ensuring that MOT certificates are current.
- The employer should require minimum vehicle standards for the grey fleet, including NCAP ratings, emissions levels, required safety features and essential breakdown cover. It is suggested that the minimum requirements for a grey fleet car in 2015/16 should be:

1. At least NCAP 4 Star safety rating.
2. Meets the Euro 4 air quality emissions standard (2005/06).
3. Carbon dioxide emissions below 150 g/km (top of Band F).

- Ensure a reporting system is in place to record any accidents which occur while an employee is driving their own vehicle for business.
- For cash opt out drivers it's arguably only reasonable that restrictions on the vehicles they buy or use are put in place, so consider introducing an age, mileage and emissions policy similar to your company cars.

The journey

The following should be addressed with regard to journeys undertaken:

- How often are journeys being made and how long are they?
- How many miles are being driven in total?
- Where and why they are driven in the first place?

Grey fleet policy should seek to eliminate all unnecessary business journeys. Staff should follow a travel hierarchy (an example is provided on figure 1), ensuring that the journey is necessary, and selecting the most appropriate form of transport. This should follow the guidelines set out in Appendix 2 of this publication.

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