

Performance and Resources Scrutiny Programme 2020

Report to: the Office of the Police, Fire and Crime Commissioner for Essex

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1.0 Purpose of Report

To provide an overview of the vehicle road risk management work being undertaken by Essex Police in light of the costs associated with SEERPIC insurance and accident costs.

2.0 Recommendations

Report is for the Board to note.

3.0 Executive Summary

Essex are part of a ten-force insurance consortium referred to as SEERPIC, in 2018 this consortium was required to find a new insurer. Edison were appointed however; this came with conditions in respect of each member force committing to managing down driving risk.

An initial SEERPIC consultancy report in 2018, intended to gauge the driving (road), risk status of each consortium member, concluded that Essex (and Kent) Police were in a relatively sound position in respect of Fleet and Driver Training,

however, opportunities were identified around governance, supervisory accountability for drivers and a somewhat siloed approach to managing road risk between sections and departments.

A report to JCOG in January 2019 provided comparative data between Essex and Kent, highlighting incidents and respective costs. An action plan (developed with the support of PA consulting), was reviewed and supported by both forces. This prompted several thematic reviews around the operational deployment of vehicles.

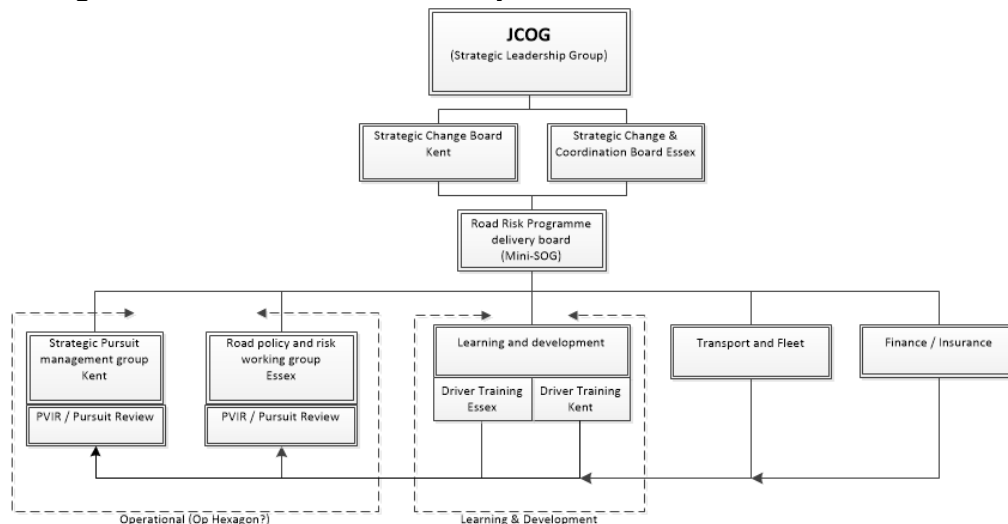
Elements of this programme are owned by the key risk owners; Operational Policing / Transport Services / Learning & Development and are supported by our insurance colleagues. Governance and oversight are managed through the respective Strategic Change boards, ensuring appropriate importance and weight is afforded to this issue in a structured format.

The programme detail includes the insurers mandated requirements, the findings from the relevant thematic reviews and best practice as identified. The following summarises the continued progress made by the key risk owners:

Operational	L&D	Transport	Insurance
<ul style="list-style-type: none"> • Operational Road Risk forums established • Tactical delivery plans • Proactive supervision • Reduction in pursuits through FCR training • Cultural change 	<ul style="list-style-type: none"> • Robust interventions, (internal collision reduction units) • Proactive PVI reviews • Enhanced low speed & reverse training • Revised Points system • Psychometric testing • Implementation of Chronicle 	<ul style="list-style-type: none"> • Road risk POW • Telematics equipped • Accessible data • Reverse sensors • Developing Dashboards • Proactive engagement • Dash-cam pilot • DFBB accreditation 	<ul style="list-style-type: none"> • Proactive engagement • PVI development & Review • SEERPIC engagement

It is important to recognise that risk pressure has increased in respect of higher officer numbers, increased mileage, significant increase in pursuits, and in cost in respect of undertaking repairs to modern vehicles.

Where are we now: - Our current position is we have a clear and resilient structure linking the key stakeholders, with processes to review and manage PVI's (police vehicle incidents). This is overseen through existing strategic reporting through to chief officers, who clearly understand the issues.



What we still need to do:- Whilst we now have the infrastructure to manage corporate road risk within Essex Police, we are in the final stages of developing reporting dashboards and driver scores from Telematics, which will support managers and local supervisors to identify those individuals requiring further training or management intervention.

There remains work to do in respect of getting the consistent message to all users of vehicles, and their supervisors. Whilst the issue is well understood by the key stakeholders, getting the engagement with operational officers who are managing operational priorities remains a challenge.

What is required to achieve this: - Continued focus and prioritisation from Chief Officers will be an essential part of highlighting the importance of road risk to operational senior leaders and supervisors, together with an appropriate performance framework.

Conclusion: - Considerable progress has been made to put in place a structure and draw together data that will enable coordinated control of corporate road risk across the key stakeholders. There is more yet to be achieved in respect of reporting and engagement through operational leads, but this is recognised, and we welcome chief officer and senior leadership focus on this issue.

4.0 **Introduction/Background**

In Essex, vehicle insurance is provided as part of a consortium of ten forces across the South/SE region (SEERPIC). In October 2018, SEERPIC commenced a new motor insurance contract. This followed a tender process whereby only one insurer (Edison), offered to provide cover, however SEERPIC forces were required to meet an explicit requirement and a condition to engage proactively in improving their road risk profile.

The move to a new insurer resulted in a significant uplift in premium and a staged increase in policy excess (£350k in year one, £375k in year two, and £400k from October 2020). In effect all costs arising from any single incident, up to the value of £400k is funded directly by the force, with the insurer's liability being limited to costs that exceed that amount.

There are two key aspects impacting on insurance and associated accident costs: -

1. **The management of our consortium, broker and insurer:** - Negotiating beneficial terms vs. exposure to competition and the efficient processing and management of claims. This aspect is managed through Corporate Finance by insurance officers. A previous SEERPIC motor insurance briefing paper¹ prepared by Matt Tokley dated 17/1/2020, provides further detail. (Copy attached at appendix A)
2. **Fleet Size, utilisation and reduction in PVI's (Police Vehicle Incidents):** - Resulting in a reduction of volume and therefore risk / claims, fleet repair costs,

¹ SEERPIC Motor insurance briefing paper by Matt Tokley 17/1/20

potential personal injury and reputational damage to the force. This paper describes the context and work undertaken to manage this aspect.

Impact on Premium vs. force costs: - The high insurance excess applied means virtually all claims, (unless the fault of a third party), are funded direct from force budgets, with only catastrophic losses (above £400k) impacting on the insurer. For this reason, it is likely that premiums may not be immediately impacted by reductions in incidents or the size of the fleet unless these are deemed sufficient to reduce the likelihood of a catastrophic event. In any case, any reduction for a single force will also be dependent on the performance of the remaining nine consortium members.

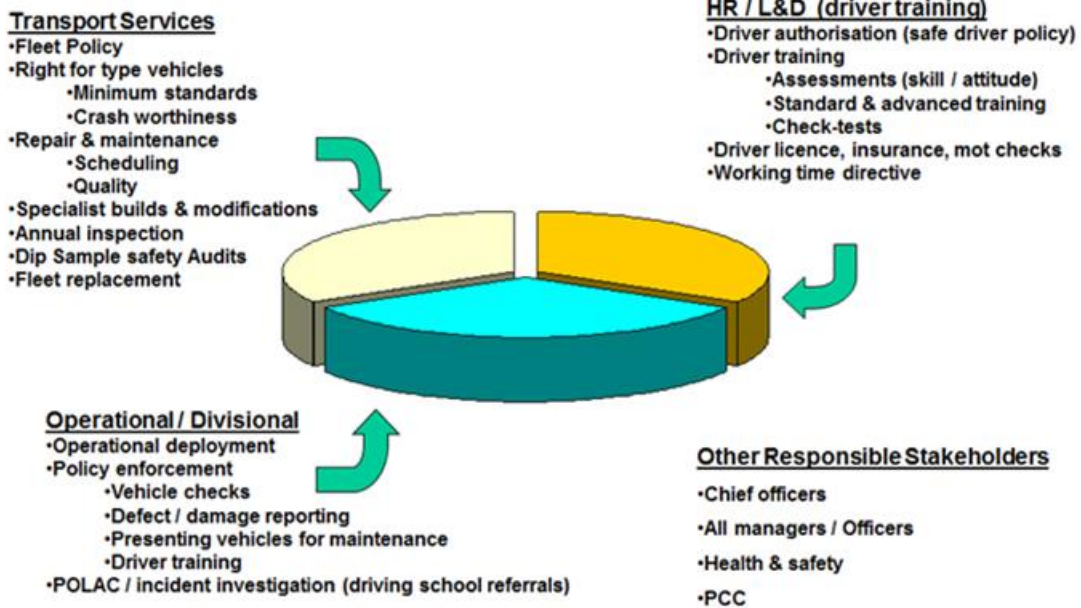
Notwithstanding, there is direct financial benefit to the force in reducing the number of PVIs / damage incidents, given the direct cost of fleet repairs and replacements for Essex alone exceeds £500k per annum on average.

Police Corporate Road Risk (Context): - For most organisations, driving is one of the riskiest activities any employee regularly undertakes. This is no different for police, although we also manage some unique challenges; few organisations have such a wide range of operating roles with many vehicles modified beyond manufacturer's homologated design; and driven so regularly at the extremes of their operating envelope. There are of course occasions when officers are authorised to put themselves (and they're in vehicles) in harm's way to protect the public and bring offenders to justice.

In respect of road risk, the function and structure of police organisations dictates that the control mechanisms for road risk are not all within the responsibility of a fleet or transport manager, which would be an industry norm.

The following diagram demonstrates how for the police road risk responsibility is effectively split across key directorate functions: -

POLICE ROAD RISK "RESPONSIBILITY PIE"



Whilst this presents some practical challenges (such as silo management between activities), the SEERPIC situation has provided focus and set us on a path towards a robust road risk programme, that reflects fleet industry best practice, saves money, reduces the risk of harm.

The Head of Transport, on behalf of the Director of Support Services, has taken a lead in engaging with Operational leads, Driver training and Chief Officers to address the practical, physical and cultural causes of road risk.

The Journey and progress (Essex specific)

Managing road risk is not new to Essex police, having been a priority for both Transport Services and Driver training for many years. Prior to focus brought about by the insurance situation, it is fair to say it was difficult to establish 'road risk' as a core force priority, given the familiarity with driving and the prevailing operational focus and challenges.

The following summarises the activity to date and refers to several documents, these are available if required although this document includes excerpt where relevant. Please note, there are some references to Kent, (reflecting our collaborative nature), in effect we have run the programme in parallel and shared knowledge and best practice across both forces.

July 2018. SEERPIC organisational risk control measures review²- This road risk consultant led high level review, to establish the starting point for SEERPIC forces and identify any immediate issues in their existing road risk profile. The

² SEERPIC organisational risk control measures review Gareth Morgan (consultant) July 2018

overall conclusion for Essex (and Kent), reflected positive characteristics of governance, ethos, control and leadership in areas of Fleet and Driver training. However, opportunities were identified in respect of first and middle tier supervisory management related to holding drivers to account for driving standards.

An additional key area was governance and oversight, identifying that key road risk stakeholders were effectively operating in silos, and here was an opportunity to manage data and coordinate more effectively with clear oversight required by executive officers.

5.0 **Current Work and Performance**

Jan 2019 PA consulting action plan³:- Commissioned by Essex and Kent Police, PA consulting were commissioned to work with all key stakeholders within Essex, (and Kent), identifying gaps and opportunities for improvement across all areas. This is effectively forming an overarching plan, which was subsequently approved by both (Essex and Kent) Chief Officer teams in February 2018.

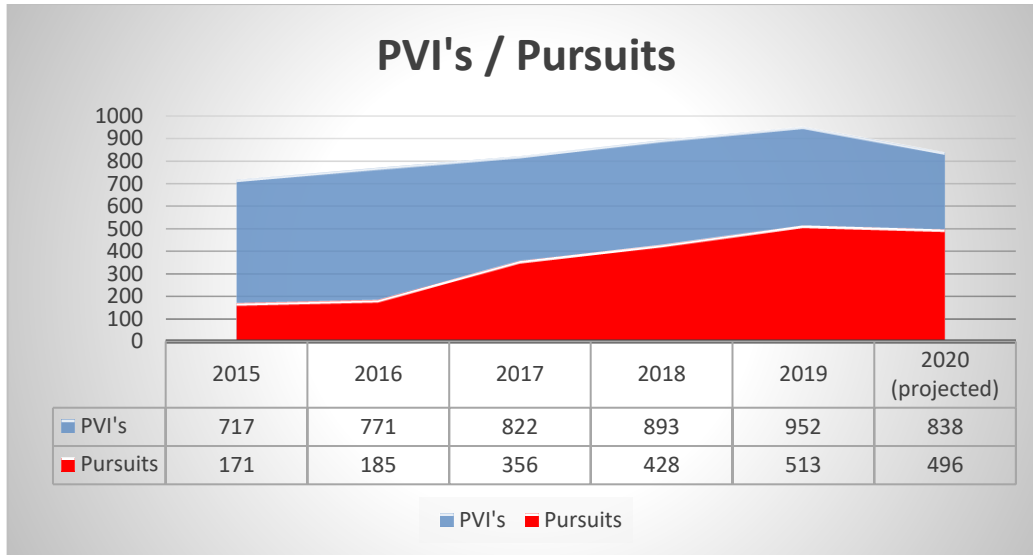
For ease of reference the 'detailed opportunities' section of that plan has been lifted into a separate document (**Appendix B**) and has been annotated with a summarised update against each element.

In summary: - much has been achieved in the last two years in respect of addressing the internal communications between those with responsibility for road risk. Progress reflects: -

- A robust organisational structure that draws together Transport; Driver Training; Operations; Insurance Officers.
- Ownership and commitment at Chief Officer level
- A coordinated approach to reducing road risk between key stakeholders
- Better sharing of key data / information (although much more to achieve)
 - Dashboards to engage and inform managers and supervisors (nearing completion)
- A fully implemented telematics solution
 - Every journey mapped
 - Accessible to key individuals and SPOCs
 - Individual driver scores (nearing completion)
 - Fully compliant with national APP and standards
- Implementation of Chronical as a driver training records system

Current Metrics: - Notwithstanding the work undertaken to address the road risk position, the number of PVIRs steadily increased and we are only now just seeing a projected downturn for 2020. Whilst not all PVI's are as a result of pursuits, (indeed not every pursuit result's in damage to a fleet vehicle), it can be an indicator of driving style and not unreasonable to expect PVIs to increase in line with pursuits.

³ Action Plan for Managing Road Risk, by PA consulting

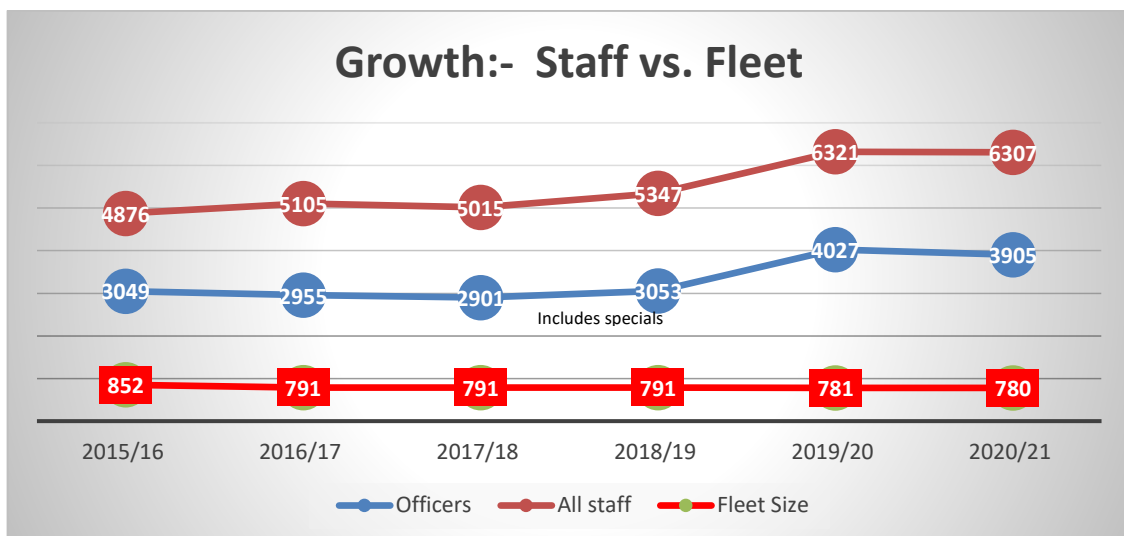


Sources: PVI data from force insurance officers / Pursuit data from nationally provided stats.

The above chart shows a significant increase in pursuits since 2016. The Head of Roads Policing, Adam Pipe, confirms this matches operational experience and reflects on the experience of county lines and higher-level criminality, who are unwilling to stop for police. He also reflects the increased use of ramming as a tactic used by criminals and the more regular use of TPAC as a tactic to conclude pursuits.

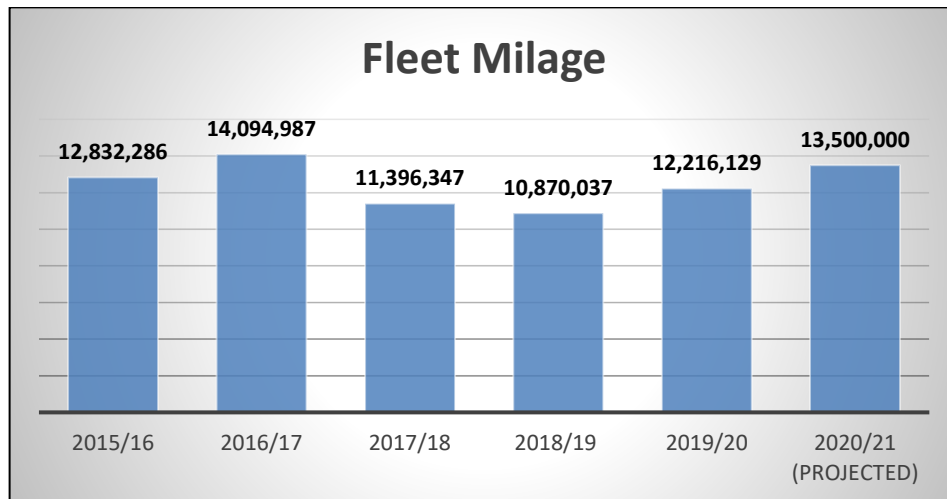
We believe the above chart also reflects improved recording of both pursuits and PVI's, accordingly a data health warning in that previous years may be under-recorded.

Staff Growth vs Fleet size: - A further factor impacting on PVI's; Whilst the fleet size has remained relatively static, staff numbers have increased significantly since 2018.



This increase in officers and staff is also likely to be made up of younger, less experienced drivers. Head of L&D has reflected this is likely to have an impact on PVI statistics, despite receiving driver training.

Fleet Mileage: - Whilst these additional officers have largely been absorbed into the existing fleet, (no increase in fleet), it does however mean that the fleet will be accruing more miles. A 2 million mile per annum growth since 2018 will contribute to increases risk and likelihood of police vehicle incidents.

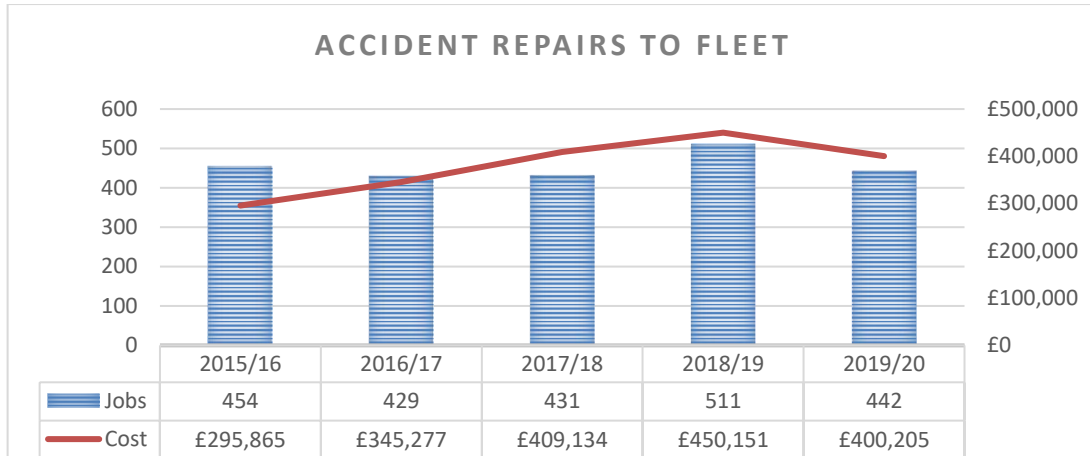


Cost of repairs: - Notwithstanding the volume of incidents, the costs associated with repairing damaged vehicles have also increased significantly. This is largely due to advances in technology and safety systems, where a vehicle will in effect sacrifice itself through deployment of airbags, crumple zones, (even pyrotechnic devices to alter the shape of the bonnet), all to protect the occupants and pedestrians. (Recent analysis suggests a 55% increase in the cost of repairing similar vehicle frontal damage of a BMW since 2016).

This is all positive in respect of preventing injuries, (we see far fewer than say 15-20 years ago), but costly in terms returning the vehicle back to serviceable condition. (A single vehicle headlight can cost as much as £2000 to replace). This also means vehicles are more likely to be found to be beyond economic repair, requiring replacement; and in our case, costly refitting out as a police car.

As far as possible we mitigate this through the vehicles we procure and recycling of parts and panels wherever we can, (mentioned later in the document), however given how we operate vehicles there can be no compromise to safety.

Whilst insurance costs and receipts from third parties can be difficult to track due to ongoing cases and delayed receipts, one stable comparator is our expenditure repairing our own fleet vehicles following accident damage repairs.



This chart again reflects a general increase in the number of accident damage repair jobs (and associated costs) and a marked decrease from in 2019/20, reflecting the progress made despite the increased pressure.

Reducing Road risk: -

Several ways to reduce road risk and avoid cost, principally these include: -

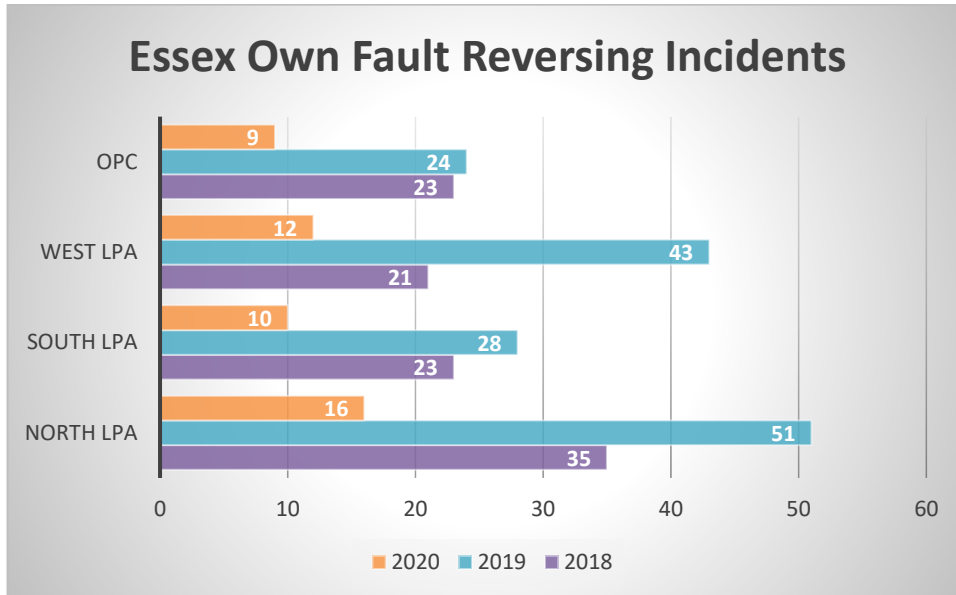
- **Engineer out risk:** - Utilise vehicle technology and maintenance and repair processes to reduce risk and cost. This is largely already in place as described below.
- **Reduce demand:** - Effectively this requires reduction in the fleet establishment, reductions in operational mileage or restrictions in respect how vehicles are operationally deployed. In reality reducing such demand has a direct impact on the capability and effectiveness of the force and is not considered a viable / advisable option.
- **Address driver training, behaviour and cultural issues:** - Effectively manging out risk at the point driving decisions are being made.

Engineering out risk and avoiding cost: - We seek to mitigate against avoidable costs at the earliest opportunity, this includes what vehicles we procure, how we allocate them and how cost effective they are to repair: -

- We procure only those vehicles evaluated as fit for purpose to the intended role, tested and certified for police use, and allocate them accordingly.
- We specify features that enhance safety and mitigate against PVIs such as reverse sensor as standard and ADAS (Advanced Driver Assistance Systems) such as AEB (Autonomous Emergency Braking), where available as part of police specifications.
- When selecting vehicles, we research commonly replaced parts (including accident damaged), for availability and cost, we avoid costly options such as Xeon headlamps, bumper mounted radar and headlamp wash systems, as these increase accident repair costs.

- We retain parts from damaged (disposal) vehicles to effect fast cost effective turnaround of damaged vehicles, utilising our own body repair shop (Boreham).

Underlining the importance of engineering out risk, the following chart reflect the point at which we fitted reversing sensors in all vehicles from 2019, resulting in a significant reduction in own fault reversing incidents.



Vehicle Maintenance: - All vehicles are maintained in accordance with their operational use, for some vehicles this will be well beyond typical dealership standards, given they may regularly drive under extraordinary circumstances.

Driver Training: - Ensuring driver are trained to the appropriate national standards, relevant to the operational requirements in vehicles that are fit and equipped for the purpose. There is good evidence that this is already in place for Essex Police.

Driver Behaviour and corrective action: - Likely the key area for improvement but has been challenging due to the remote nature of drivers, supervisory links and availability of data.

- **Fleet telematics in all vehicles:** - Telematics is now business as usual, used for both asset management, improved utilisation and deployment, however with the ability to log driver detail, the system is capable of recording (and replaying) every journey made by an Essex employee.
 - All journeys automatically recorded to individual drivers (automated logbook)
 - Automatic incident detection, recording and retention (IDR)
 - Ability to replay all journeys, and report on infractions such as speed, harsh braking, harsh acceleration, harsh cornering.

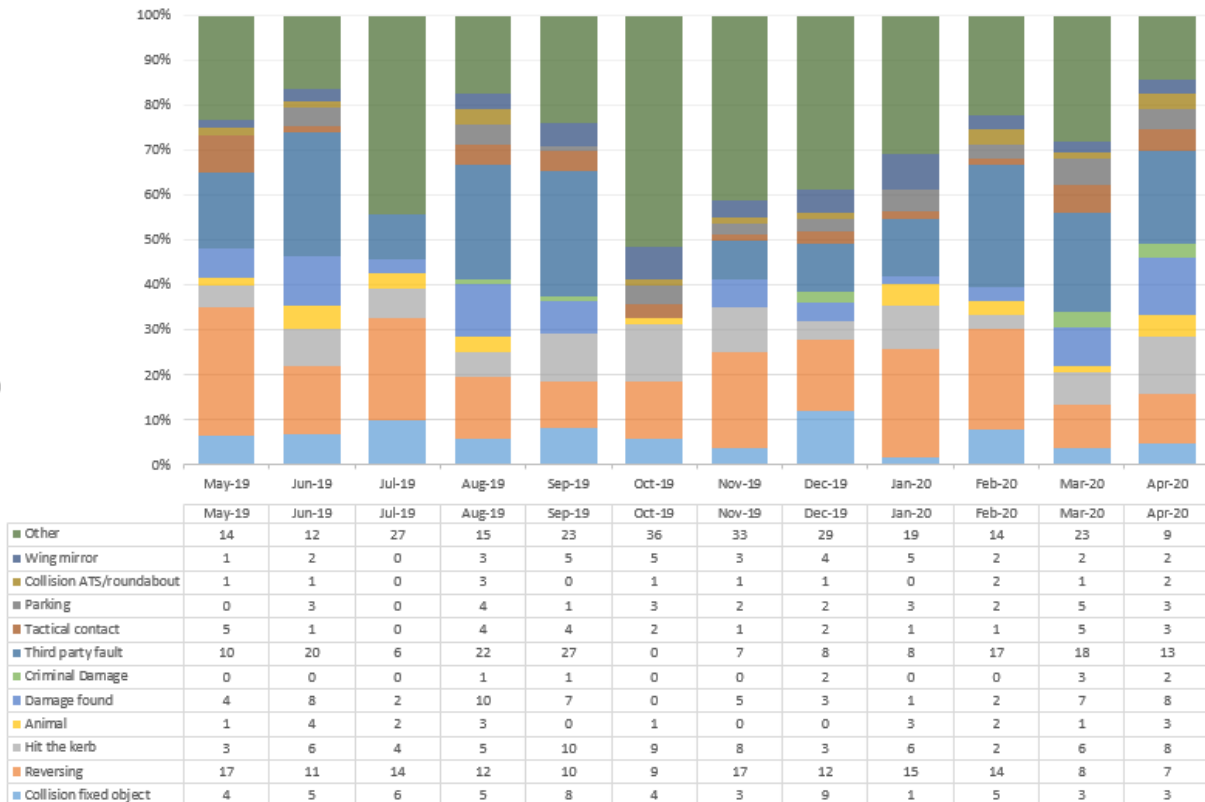
- **Driver and PVI reviews:** - The existing work of the DIU (Driver Improvement Unit) and the PVI review group, collectively assesses and addresses PVI instances and highlights lessons learned that may impact on force policy or current working practices.
- **Day to day driver Supervision and Accountability:** - This remains a key challenge as it requires local supervisors to be proactive in managing driver behaviour.
 - Chief Officers have signalled that this will become a priority for Divisional SLT.
 - First and second tier supervisors will be reminded of their responsibilities in respect of supervision
 - Fleet Telematics driver scores will highlight positive or negative driving characteristics to both the individual driver and their supervisor.

Currently in development are individual driving scores and dashboard, currently in final testing, once released it will provide the following: -

- Individual driver scores and analysis available to individual drivers
- Driver score reporting, (benchmarking), available to SLT members and Driver Training

Whilst the system capability may seem intrusive, the early indications are that our drivers for the most part, drive to a very high standard.

- **Analysis and availability of PVI cause data:** - As the PVI data improves, it enables better analysis of the causes of incidents, this together with the Telematics and driving scores will provide a opportunity for targeted feedback.



6.0 Implications (Issues)

We have made significant advances in respect of road risk structure and reporting, however getting the message and engagement with operational supervisors and drivers remains a key challenge.

The development of simple to use dashboards, accessible telematics driver scores will assist, but it will require management oversight and a consistent message to get this imbedded as business as usual.

The engagement of Chief Officers will be key in setting the priority for Divisional Commanders, perhaps with the inclusion of balanced scorecard measures to track performance.

In respect of managing data and developing dashboards may require the temporary support of a professional analyst with relevant IT support to enable the development of more intuitive dashboards, through the use of a suitable 'big data' reporting tool (such as Power BI)

6.1 Links to Police and Crime Plan Priorities

- Supports local and visible policing (through officer / fleet availability)
- Changing fleet need to reflect operational priorities
- Improves safety on our roads
- Effective use of technology (Telematics and data management)
- Effective use of finances and resources
 - Ensure budget resources are aligned to policing priorities
 - Best value for money
 - National and local Benchmarking

6.2 Demand

N/A

6.3 Risks/Mitigation

There is an "Collaborative risk" (No 164), which describes corporate road risk arising from use of vehicles built maintained or repaired to a substandard level. This clearly relates to the Transport Services segment of our corporate road risk.

There are currently no formal risks, detailing the remaining segments for Learning and Development and Operational policing; although it is intended that these should be reflected in the risk register at some point, to enable the overall risks to be managed as force business as usual.

6.4 Equality and/or Human Rights Implications

There are no know impacts on equality, diversity or human rights.

6.5 Health and Safety Implications

Driving motor vehicles is one of the riskiest things any employee undertakes on a regular basis, but due to the familiarity, it is often regarded as low risk, but clearly given the nature of police deployments, there are direct implications for health and safety.

On a positive note, due to advances in technology and safety systems, very seriously injury or fatality is comparatively rare compared with 15-20 years ago.

7.0 Consultation/Engagement

In preparing this paper there has been consultation and engagement with the following: -

- Head of Roads policing, Adam Pipe, (Essex)
- Head of Driver Training, Gary Heard (Essex)
- DIU Manager Lesley Gowing (Essex)
- Insurance officers (Emma Burdett)
- Road Risk programme manager, B McSweeney, (Transport)

8.0 Actions for Improvement

The road risk initiative is an ongoing programme, and the actions for improvement have been covered in the body of this report and attachments.

The remote supervision of drivers remains a challenge, however with the availability of the impending driver scores to individuals and dashboard analysis to supervisors and managers, and the oversight provided by the road risk framework, we expect to see improvements in that will drive down the volume of PVIs currently experienced.

9.0 Future Work/Development and Expected Outcome

Future work and development are detailed by the remaining programme of work (Appendix 2), however this can be summarised as follows:-

- Conclude work on Telematics driver scores and development of “perfect driver” model.
- Work with all key stakeholders to develop and consolidate data from variety of systems, into meaningful dashboards, to enable prioritisation and measured performance.
- Support Chief Officers and SLT oversight / engagement in road risk issues
- Support the proactive engagement with key SPOCs in respect of maintaining a focus on road risk within Essex Police
- Maintain proactive engagement with the SEERPIC Oversight Group, sharing best practice where appropriate.

- Finalise assessment for DFBB (Driving for better business), champion status.
- Continue support for PVIR and Pursuit review process as Business as Usual:-
 - Pursuit debriefs
 - PVI oversight

Expected outcome: - Corporate road risk will continue to be a key objective beyond the current programme of work, and we intend imbedding this into force 'business as usual' in the same way Health and Safety and Diversity remain core strands in everything we do. The SEERPIC issue has been a challenge but ultimately helpful in respect of providing proper focus and priority to an often overlooked corporate responsibility.

Appendices



Appendix A -
Insurance PR briefing



Appendix B -
Progress Risk PoW.doc