Policy and Sustainability Committee

10.00am, Thursday, 17 January 2023

Driving for the Council – Telematics Policy

Executive/Routine	**Executive**
Wards	**All**
Council Commitments	

1. Recommendations

1.1 It is recommended that the Policy and Sustainability Committee:

1.1.1 Approves the Driving for the Council - Telematics Policy;

1.1.2 Notes that there are currently a number of systems providing telemetry data for fleet assets being used across the Council however there is no policy in place for management of these systems; and

1.1.3 Notes the key risks associated with the proposed objectives of rolling out telematics across all Council fleet assets (as set out in Appendix 2).

Paul Lawrence

Executive Director of Place

Contact: Scott Millar, Fleet and Workshops Manager, Operational Services

E-mail: scott.millar@edinburgh.gov.uk | Tel: 0131 347 1902

Report

Driving for the Council - Telematics Policy

2. Executive Summary

2.1 The draft Driving for the Council – Telematics Policy is submitted to Committee for approval. The policy defines how telematics will be managed and used in Council operated fleet assets.

3. Background

3.1 Telematics is a hardware device installed in vehicles for capturing live and historic data regarding vehicle operation including on board diagnostics information, fuel consumption, miles travelled, location data and benchmarking parameters around driver and vehicle performance.

3.2 There are various systems already operating across different parts of the organisation which provide telemetry information regarding vehicle utilisation. However, there is currently no policy covering the management and appropriate control of the information captured on these systems and how it can be utilised.

3.3 A Policy is required to cover pre-existing technology that has been in place for a number of years as well as the planned installation of telematics systems across all Council fleet operated assets.

3.4 Many modern fleet assets come with telematics systems preinstalled by the manufacturer to provide essential diagnostics information in the event of a major unit failure and subsequent warranty work and investigation.

3.5 Alternative powered hybrid vehicles that have the capability to switch between engine operation and electric only are equipped with vehicle telematics in order to facilitate operation in electric only mode where there are restrictions in place, for example, in a city centre where there is an enforced low emission zone.

3.6 The Council operates approximately 1,200 fleet assets. The Council's insurance handlers have highlighted an inherent risk in the operation and management of these assets that the installation and management of telematics across all vehicle assets would be a recognised measure for the Council to demonstrate a level of control of these mobile assets.

3.7 Telematics information is utilised as supporting evidence for investigation purposes and, as such, can be used to defend the Council against spurious claims that continue to be an issue.

3.8 The Council Emissions Reduction Plan (CERP) was approved in November 2021 outlining a phased action plan for reducing vehicle emissions. With telemetry information, the Council can accurately report on vehicle emissions, track improvement over time and better understand utilisation of fleet assets in order to make better informed decisions regarding future use of fleet assets (whether it be reduced numbers, alternative methods of travel or alternatively powered road going vehicles).

4. Main report

4.1 The policy (Appendix 1) has been developed to make employees aware of the presence of telematics devices in all Council fleet assets and to explain the purpose of the devices, what data can be gathered and how the data may be used.

4.2 The main objectives of vehicle telematics systems are to:

4.2.1 Reduce driving for work incidents/injury rates and costs;

4.2.2 Improve the driving behaviour of Council drivers;

4.2.3 Improve claims and complaints defensibility;

4.2.4 Reduce exposure to high risk driving situations;

4.2.5 Improve the Councils safety record and management of occupational road risk (MORR);

4.2.6 Optimise routes and schedules;

4.2.7 Reduce vehicle, fuel and other driving costs to support savings targets; and

4.2.8 Optimise asset use and life cycle.

4.3 The risks and opportunities of the current approach to vehicle management are set out in Appendix 2.

4.4 Information on driving ability allows the organisation to proactively seek support for tailored training and improvement programmes for individuals. This will reduce the organisational risk and contribute to future targets for low emissions by improving driver performance and efficiency.

4.5 The Council has approved a sustainability approach which sets a net zero carbon target by 2030. Fleet assets contribute 9% of total Council emissions. Installing vehicle telematics into all vehicles at this stage provides time to analyse and plan for future service delivery, utilising alternative fuel powered vehicles, understanding the challenges faced with that and equip the Council with the information to inform fleet users on how to get the most out of the vehicle utilisation from each tank of fuel or battery charge.

4.6   A working group was established in the summer of 2022 specifically to focus on developing this policy and there has been extensive consultation with the Trade Unions in developing the policy.

4.7   A guidance document, developed in conjunction with the policy, will support implementation by providing operational details on how the system will be used by the Council. This guidance is evolving and seeks to answer a number of frequent questions around the purpose of such systems, how data is managed and who specifically has access or how it is obtained. It will also define where legitimate access to live data will be obtained in the case of emergency scenarios.

5.   Next Steps

5.1   If Committee approve the policy:

5.1.1   It will be published on the Council's intranet and internet, along with the guidance document. The guidance document will continue to be updated;

5.1.2   A programme of installation will be drafted and implemented to ensure that all Council fleet operated assets will be installed with a telematics system by the end of 2023; and

5.1.3   A communication and training plan will be developed to ensure a transparent and consistent approach to the application of the telematics policy.

6.   Financial impact

6.1   The monthly cost for a standard telemetry system for a typical car or van is £13.63 per month, totalling £163.56 per annum.

6.2   Costs vary for specialist vehicle types where more information is required (for example, winter gritting vehicles can provide further detail on salt spreading activity at a greater cost). Many vehicles across the fleet are already equipped with a telemetry system, with the Council already spending £130,000 per annum on this technology. The overall cost will not be more than £220,000 per annum to cover the cost of telematics for the whole Council fleet including hire vehicles. The additional costs will be met by service budgets and are expected to be met by cost savings arising from the use of telematics.

6.3   Housing Operations are the largest fleet operator that currently have no form of vehicle telematics installed, with 214 vans. The annual cost for this group will be approximately £35,000 per annum to be equipped with this technology. There are other areas of the Council where telematics has not been fully rolled out (for example in Passenger Transport where only 50% of the vehicles currently have telematics installed).

6.4   It is also intended to install telematics into hire vehicles (approximately 300 vehicles). Where efficiency gains are made through overall fleet reductions the

telemetry hardware can be reinstalled in other fleet assets to minimise the overall additional cost impact.

6.5   Council Vehicle Maintenance are trained in the hardware installation process to eliminate installation charges associated with each asset.

6.6   The total cost of fuel associated with Council fleet assets for this year is currently forecasted to be approximately £3.6m. Case studies from other organisations show that telematics installation can see fuel savings in excess of 10%.

6.7   Insurance premiums are rising, and providers are looking to operators to demonstrate effective control of fleet assets. Having an effective policy and telemetry system in place would be a key step towards reducing the risk and likely premium costs associated.

7.   Stakeholder/Community Impact

7.1   A working group was established in the summer of 2022 with a group of key Service and trade union representatives. Through this working group, there has been continued feedback and ongoing engagement from all members to come to a collaborative agreement on the policy document and supporting guidance document.

7.2   An integrated impact assessment has been developed with further input from the Telematics Working Group.

8.   Background reading/external references

8.1   None

9.   Appendices

9.1   Appendix 1 - Driving for the Council – Telematics Policy

9.2   Appendix 2 – Risk and Opportunities of Current Approach to Vehicle Management

Driving for the Council – Telematics Policy

Implementation date

Control schedule

Approved by	Policy and Sustainability
Approval date	
Senior Responsible Officer	Gareth Barwell, Service Director – Operational Services
Author	Scott Millar – Fleet & Workshops Manager
Scheduled for review	January 2024

Version control

Version	Date	Author	Comment
0.1	August 22	Scott Millar	Telematics Working Group first draft.
0.2	September 22	Scott Millar	Revised working draft following group feedback.
0.3	September 22	Scott Millar	Revised draft to include changes raised that grievance procedure should be followed and information from system used to support investigations in line with Council employment policies. Driving for Council Policy outlines roles and responsibilities.
0.4	October 22	Scott Millar	Revised wording throughout based on discussion between HR and trade unions.
0.5	November 22	Scott Millar	Revised version following working group feedback from October.

0.6	**November 22**	Scott Millar	Revised version following collective changes suggested by the Trade unions.
0.7	**November 22**	Scott Millar	Revised version following further collective changes suggested by the Trade unions and policy update on standard template.
0.8	**November 22**	Scott Millar	Revised wording following review by Service Director – Operational Services.
0.9	**December 22**	Scott Millar	Revised wording following discussion with Unite Union representation to include information on the use of telematics and data management

Subsequent committee decisions affecting this policy

Date	**Committee**	**Link to report**	**Link to minute**

Driving for the Council- Telematics Policy

Purpose

The purpose of this policy is to make employees aware of the presence of telematic devices used in all Council vehicles and plant items and explain the purpose of the devices, the rules on their use, what data the system can provide and how the data gathered may be used.

It also serves as a means to regulate the management and use of telematics systems fitted to all City of Edinburgh Council operated vehicles and equipment.

Telematics is technology that assists fleet operators in understanding and improving the operation of their fleet by providing data on aspects of driving behaviour and vehicle surveillance. The data provided helps operators deliver on key objectives such as

- o vehicle reduction
- o alternative vehicle choice
- o better scheduling around maintenance
- o reducing the carbon output of the fleet.

In addition, it mitigates risks by providing information related to vehicle incident management, which can defend the organisation against complaints and provide supporting evidence to justify the level of risk associated with the organisation.

Review

The policy will be reviewed annually, or when a change to the existing policy deems this necessary, primarily as a result of changes to legislation or statute; agreement of new national terms and conditions of service or Government Policy; organisational change; incident learning lessons; or resulting from changes agreed through Trade Union consultation.

Scope

This policy applies to all Council employees.

Policy content

The policy relates to all Council employees, those authorised by the Council to drive a Council vehicle or use an item of plant, and those who are required to manage telematics devices.

In line with the Council's approach to managing data and its obligations under the data protection act, any deviations from the prescribed use of the telematics system may be regarded as a breach of employee code of conduct and consequent action could be taken.

This policy covers all members of staff using fleet vehicles, including those who take their vehicles home to either provide emergency on-call cover, or because, due to the nature of their duties, their place of work is variable on a day-to-day basis.

This policy should be read in conjunction with the Driving for the Council Policy which outlines the responsibilities for drivers, line managers as well as Fleet Services in operating and managing our fleet.

Aims

The Council has a large and diverse fleet in excess of 1000 vehicles. It is essential that there are sufficient controls in place to safely protect these assets and to maximise efficient operational use. The Council has committed through its Carbon Emissions Reduction Plan and Climate Strategy to achieve net zero by 2030. The Council's fleet is a contributor to the emissions and needs to be modernised to achieve these aims. It is critical that the Council has accurate data to inform fleet strategy and minimise any potential adverse impact on service delivery.

The Council also has a duty of care to ensure employees are safe and protected whilst at work. Telematic systems can be used to support the management of occupational road risks through informing driver behaviours and vehicle activities, routes and diagnostics, which help to reduce vehicle incident / injury rates and improve vehicle reliability.

The aims of the vehicle telematics system are to:

- Reduce driving for work incidents/ injury rates and costs.
- Improve the driving behaviour of Council drivers.
- Improve claims and complaints defensibility.
- Reduce exposure to high risk driving situations.
- Improve the Councils safety record and management of occupational road risk (MORR).
- Optimise routes and schedules.
- Reduce vehicle, fuel and other driving costs to support savings targets.
- Optimise asset use and lifecycle.

It is acknowledged that telematics is not the only way to achieve these aims. Advanced driver training and regular refresher training, especially when new vehicles and plant are brought in, are important. However, it is critical that the Council has a system to measure the effectiveness of the training.

Telematics General Principles

- Telematics are a demonstrable means of improving fleet safety culture and performance, generating financial savings by reducing incident rates, premiums and self-insured costs, reducing fuel usage, reducing maintenance and decreasing vehicle numbers, improving operational efficiencies and helping to reduce CO_2 emissions.

- Any monitoring must not be intrusive or excessive and must be proportionate to the aim. It should not be used to target individuals or seek out breaches. Whilst the vehicle tracking system is a useful management tool, it should not be used to replace normal good management practices.

- Current asset/ user locations will be visible to permitted staff for legitimate operational purposes only. This access will be monitored and subject to regular review.

- All Council vehicles and plant assets are fitted with operating telemetry hardware.

- This policy covers what data is recorded by the telematics device, how it is stored, who the data is handled by and the terms under which it would be used.

- Information held within the telematics system is stored and retained in accordance with the Council's Data Protection Policies and Procedures.

Data Access and Information

Information held within a GPS system will only be accessed for legitimate interests of the Council or other organisations, where the law allows. This may include 'live 'location information or archived data retrieved via reports.

Live location data (live feeds) will only be available to Fleet Services by default. Managers may request live data from Fleet Services when it is required for specific purposes, such as discharging legal duties, ensuring health and safety of staff and agreed operational purposes. Examples of these will be laid out in the guidance document. Requests must be documented to ensure they are appropriate.

Access is monitored and will be reviewed every six months to determine whether the requirement still exists. Specific purposes need to be agreed and included in the guidance document.

The system will produce reports to periodically review service business activities detailing information regarding vehicle utilisation, fuel and CO_2 consumption and general vehicle information including onboard diagnostics which can all aid the efficient delivery of the service and operation.

Archived data may be retrieved by reports commissioned by line managers, Insurance, Legal or Internal Audit Services or any person as duly authorised by the respective service areas 'Head of Service.

Data will be deleted or corrected in accordance with the Council's Document Retention Policy.

Individual users of Council vehicles will be issued with a 'unique fob 'and upon starting a vehicle the driver will be prompted to present it to a location on the dashboard. This will in turn identify the individual driving the vehicle. These fobs are not transferrable and should not be shared.

Identifying the driver can provide feedback on specific training needs or demonstrate improvement following the completion of any driver training. Information relating to individual drivers will be redacted or anonymised, prior to distribution to those other than the line manager and their next tier of management.

Data provided by telematics is not a substitute for appropriate risk assessments and lone worker protection measures. Proper health and safety controls must be in place to ensure the welfare of peripatetic workers, this may include provision of two-way communication devices and personal safety alarms.

An employee may request to see their data in accordance with GDPR legislation. They also have the right to ask for any data errors to be corrected or removed in line with legislation. These requests must be fulfilled within 20 working days.

Where there is evidence of criminal activity, data may be provided to the Police or other law enforcement agencies, if requested. Any such disclosure would be made in accordance with DPA, GDPR and the relevant law.

The only department with full access to all data, including Live Feeds will be Fleet Services and then limited only to the Fleet management and compliance teams.

Breaches and Non-Compliance with Policy

This policy serves to regulate the management, operation and use of the telematics system fitted to Council fleet assets.

Due to the potential for misuse of data generated by the telematics system, this policy is clear on the management of the system and any deviation from its prescribed use can result in an investigation. Telematics usage is monitored and tracked to ensure it is used for its intended purposes. Where it is found that individuals accessed or used data in a way not prescribed by the policy, this may constitute gross misconduct and lead to disciplinary action.

Deliberate damage or tampering with telematics/ location devices or settings may constitute Gross Misconduct and will be dealt with in accordance with the Council's Disciplinary Policy.

Any employee, who believes that the vehicle tracking system is being used inappropriately by a manager or supervisor and not for the purposes for which it was introduced, can raise these concerns to a more senior manager in line with the Council's Grievance or Whistleblowing Policies.

Information captured on the system may be used to support in any investigations in line with the Council's employment policies. Managers must be aware that while telematics data can be used as evidence, a full investigation is still required to establish the facts. Employees can also request access to the information captured. Requests for data must be fulfilled within 20 working days.

Integrated impact assessment

An integrated impact assessment has been completed to support this policy.

Appendix 2 - Risks and Opportunities of Current Approach to Vehicle Management

1.1 Based on the current approach, this document details a list of the potential threats and opportunities relevant to a fleet operation.

1.2 A vehicle based telematics system is potential mitigation for managing of these opportunities and threats.

1.3 Key Risks relating to the proposed objectives of rolling out telematics to all Council owned vehicles have been identified and assessed below.

1.4 Where there are medium or high risk ratings there are a number of other mitigations but the introduction of a managed telematics policy would be a further addition to aid reducing the risk.

1.5 This is a generic list and does not specifically reflect the Council's risk register.

1.6 The colour code used reflects the Risk Categories contained in the Operational Risk Management Framework.

Low	Medium	High	Critical

1.7 Opportunities created with this proposal are:

Risk Category	Risk Description	Risk Rating
Strategic	• Contributes towards green / Co2 reduction targets	
Financial	• Reduced incident and improved risk profile, reduces insurance premiums and uninsured own damage costs • Less idling reduces fuel costs • Less damage and improved driving skills reduces maintenance costs • Contributes towards Council cost savings pressures	
Health & Safety	• Supports safety and wellbeing of drivers • Promotes safe driving culture • Reduces number of road traffic incidents, injuries, and damage • Lone working support for breakdowns, emergencies, and incidents	
Suppliers	• Closes insurers audit requirement	
Service Delivery	• Improved operational efficiencies through route planning and vehicle usage, minimising non-productive hours and manual processes • Vehicle technical and maintenance concerns raised before they become an issue • Improved driving can increase vehicle life span • Supports service response times through live data • Deters thefts and tracks stolen vehicles	
Workforce	• Improved driving skills supports personal life impacts (reduced fuel and insurance costs)	

	• Where telematics is currently in place, employees will not feel unfairly treated	🟩
Legal & Regulatory	• Supports Council's duty of care under Health & Safety laws • Provides evidence to support claims defensibility • Provides assurance contractual duties are carried out	🟧
Reputational	• Fewer incidents reduce complaints and improves public trust in the culture of driving within the Council • Deters fraudulent claims being made • Confirms the Councils approach to corporate social responsibility	🟩

1.5   Threats associated with this proposal are:

Risk Category	Risk Description	Risk Rating
Strategic	• Vehicle emission reduction targets do not consider telematics support	🟧
Financial	• Insurers do not respond to a tender if telematics is not being fully used and audited • Funding is not secured for proposal	🟥
Project	• Project and business as usual resources are not secured or made available to support design and implementation • Key stakeholders are not aligned to project objectives	🟥
Health & Safety	• Telematics policies, procedures, communications and training are not designed or implemented to support objectives	🟧
Suppliers	• Different telematic contracts across the Council are procured reducing value for money and keep prices high • Suppliers do not support or provide the project with best practice advice • Telematics hardware and software does not provide functionality to meet all project objectives	🟩
Information & Technology	• Employees believe they are being unfairly tracked • Data which is used as a punitive measure • Data Security and privacy relating to driver's personal time	🟧
Service Delivery	• Management of telematic systems is not embedded and monitored within operational practices	🟧
Workforce	• Employees and Management choose not to engage or use the tool to support improved driving	🟥
Legal & Regulatory	• We must have Motor third party liability insurance to drive legally on UK roads • Operator's Licence at risk if no insurance available to the Council • Procuring telematics and not using it effectively may breach liability obligations	⬛
Reputational	• Communications internal and external do not convey values and deliverables	🟩