

## **CITY OF NANAIMO**

### **BUSINESS CASE – Fleet Services Department: Road Safety & Performance Coordinator**

#### **CURRENT OVERVIEW**

The City has had a variety of driver safety initiatives with the first program-based approach solidified in the early 1990's. It was based on a program developed by the Ministry of Transportation at the time and was spearheaded by a mechanic with a keen interest in the safety program. With staff changes and growth of the City over time, there has not been one particular person that 'owned' the role of driver safety/training in several years, which has resulted in the role being shared across Health & Safety, Public Works and Fleet sections. For those formally involved through their job descriptions, a stipend is provided to individuals engaged in the work, similar to the model used to compensate individuals for providing first aid support across the City. In 2020, a job description for a Driver Trainer & Green Fleet Advisor was created under the Fleet Operations Manager but not implemented.

Fleet Services manages a corporate fleet of approximately 150 light, medium and heavy-duty fleet vehicles used by various departments to provide essential services to the community. These vehicles are used by over 530 City employees.

In March 2022, the City engaged a consultant to review driver safety at the City. The review undertook an evaluation of all relevant information on driver safety at the City including: fleet size, existing training policies and tracking of certified drivers, and training documents. The review identified several elements for consideration in developing road safety practice at the City. These include:

- proactive refresher training
- preventative approach to accident review and recommendations
- coordination and control of all training and reporting
- tracking 'bad' drivers in addition to ICBC claim incidents
- distracted driver awareness
- load securement
- fuel efficient driving, and
- ongoing supportive corporate messaging.

The review identified that in addition to enhancing and coordinating driver safety efforts across the City, there was an opportunity to improve Fleet operations and reduce costs through optimization of Fleet operations and by making better use of data and systems invested in by the City.

The review recommended that a new Road Safety & Performance Coordinator position (the Coordinator) be created to oversee and coordinate all driver safety, as well as coordinating with all City departments to optimize fleet operations. The coordinator would report to the Manager, Fleet Operations and would work closely with HR and OH&S. The Coordinator would also be accountable to new Management Committee that will ensure strong linkages across the areas.

#### **BUSINESS ISSUE**

##### Driver Safety

Driver training is currently lacking oversight and effective coordination, as well as proactive, preventative and ongoing training. In 2021, the City was found to be 100% at fault in 50% of 19 accidents

resulting in an ICBC claim. There are several individuals across the City that provide basic training for new drivers; however, no one individual or department is ultimately responsible for overall compliance. There are Safety Performance tools to ensure tracking is possible including spreadsheets and forms, but there is no centralized ownership of the performance or results. This is exposing the City to material risk of increased incidents, and potential liability when an incident does occur.

Currently, there is not much ability to discern or make decisions about certified drivers versus fully competent drivers. More could be done to support the competency development of staff to ensure overall road safety. A road safety program should address behaviours that are not an explicit part of licensing such as distracted driving and driver fatigue.

ICBC claims are under greater scrutiny than ever. As ICBC controls claim costs more tightly, claims management has become more time consuming and detailed, with a need for more management and strategy on incident response. More preventative analysis is also key to further developing ongoing training and reduce ICBC insurance and claims costs.

The City receives a discount on its annual premiums that is based on the number of accidents and at fault determinations. Based on premiums paid for 2021-2022, for every 1% increase in discount, it is estimated that the City would save approximately \$6,300 in insurance premiums. As well, if the City maintains low loss ratios, additional premium rebates are available.

Accident response is complete but scattered at times. There is a lack of disciplined tracking and reporting on small 'bad driver' items (dents, dings, damage) in addition to mandatory ICBC reporting. In 2021, the City spent just over \$62,000 in vehicle repair and liability costs.

#### Fleet Utilization

Most of the City fleet uses internal combustion engines which are responsible for approximately 40% of the City's corporate GHG output.

In addition to specific green fleet transformation measures to ensure fuel types and vehicles are supporting reduced emissions, there are many opportunities to implement the City's existing data in ways that increase efficiency of resource use. Multiple data sets already exist that are not effectively utilized to improve management of fleet and driving, including kilometers driven and fuel consumed. Effective monitoring, and analysis and management of this data provides an opportunity to reduce fuel consumption and GHG emissions as well as reducing vehicle operating and maintenance costs.

There are fleet vehicles assigned to staff that are under utilized. With the optimization of fleet utilization and more sophisticated analysis available for decision-making, there is an opportunity to reduce fleet size per FTE. With better monitoring and management of pooled vehicles, it is estimated that up to three vehicles could be eliminated over time.

Specific to Fleet is the implementation of more advanced GPS/AVL capacity which increases greatly the data available to manage and modify driver behaviours such as route selection. Optimizing route selection can reduce fuel consumption, GHG emissions and other costs such as salt/sand used to improve winter road conditions.

Other communities have demonstrated how the impacts of effectively using technology to optimize fleet operations has reduced costs: Kamloops reduced its fuel consumption by 5% and Nipissing reduced its salt and sand application by 20%. If these same results were applied to City fleet operations, it is estimated that annual savings for the City could be \$50,000 for fuel consumption and \$28,000 for salt/sand consumption.

### **EXPECTED OUTCOME**

The addition of a Road Safety & Performance Coordinator will create centralized control and oversight of driver safety. This Coordinator will:

- Reduce risks associated with driver safety by:
  - Creating and implementing a comprehensive safety program;
  - Organizing, updating and improving driving safety policies;
  - Coordinating training for all new City employees;
  - Designing and carrying out refresher driving training;
  - Tracking safety performance;
  - Reviewing annual accident data, both ICBC and smaller incidents, and taking appropriate action to reduce future incidents;
  - Working with the JOHS committee to discuss preventability, improvements or areas of focus for training based on performance overall;
  - Working to improve driver safety culture.
- Optimize use of available data to monitor fleet operations and utilization, providing opportunities to:
  - Decrease the City's potential liability by reducing the number of at fault accidents;
  - Decrease ICBC claims costs and costs associated with minor incidents (dents, dings, etc.);
  - Increase ICBC insurance discounts;
  - Decrease fuel costs and GHG emissions through fuel efficient driver training and routing efficiencies;
  - Decrease maintenance and other operational costs such as sand/salt;
  - Decreased fleet size per FTE.

### **OPTIONS**

#### **Option #1 – Add a Road Safety & Performance Coordinator to Fleet Services in 2023**

Create a permanent full-time Road Safety & Performance Coordinator position (40 hours/week) reporting to the Manager, Fleet Operations.

Benefits:

- Reduces risk currently found in driver training oversight and design and safety performance tracking.
- Increases fleet efficiency through better use of data, including:
  - Fuel efficient driving;
  - Distracted driving;
  - Fleet per FTE;
  - Routing efficiencies;
  - Asset management efficiencies through digitization of records and strategic maintenance;
  - Full implementation of the Green Fleet strategy.

- Supports further development of a comprehensive road safety approach at the City.
- Creates meaningful tracking of results and performance.
- Working closely with the Management Committee and OH&S ensures that recommendations have weight and increases of ongoing change and improvement for heavy fleet users.

Weaknesses:

- Permanent increase to operating budget of Fleet Services
- Challenges to prove/track all offset savings costs, although mitigated somewhat through specific KPIs reported to Management Committee.

Financial Analysis:

- The position is will be a CUPE level 11 (subject to JE) working 40 hours/week.
- Estimated budget impact for 2023 wages and benefits is \$81,900 based on an April 1<sup>st</sup> start date.
- Additional annual costs are estimated at \$10,300 in 2023 for contract instructors, memberships, training, phone, materials, network charges, vehicle and clothing and footwear.
- One-time costs upon the creation of the position are projected at \$2,500 for the purchase of computer and cell phone.
- Any savings realized as the result of creation of the position will be used to reduce future year's budgets.

**Option# 2 – Status Quo**

Continue with no creation of permanent full-time Road Safety & Performance Coordinator.

Benefits:

- No increase to operating budget for Fleet Services

Weaknesses:

- No mitigation of identified risks with driver training and safety performance tracking.
- Lack of implementation of existing and upcoming data available through systems, resulting in reduced fleet efficiency.
- Lack of ability to build a comprehensive road safety culture and outcomes.

**RECOMMENDATION**

Option #1 – Add a Road Safety & Performance Coordinator position to Fleet Services in 2023.