



ROMERO
INSURANCE BROKERS



ESSENTIAL GUIDE TO FLEET INSURANCE



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INTRODUCTION

Fleet insurance is essential for businesses who own multiple vehicles. This insurance type is the easiest and most cost-effective way of managing your vehicles, and arranging your fleet insurance is best done through a broker.

At Romero Insurance Brokers, we want to ensure that clients have the best possible foundation in place for a secure future. Businesses have a duty to safeguard both their drivers and their vehicles, which can be achieved by being aware of the risks of operating vehicles, and by implementing effective financial protection.

In this whitepaper, we layout the specifics of fleet insurance as well as the issues this insurance is designed to tackle, and risks can be best mitigated.



Georgia Richmond, Fleet Insurance Broker at Romero Insurance Brokers, co-author of this fleet insurance whitepaper, illustrates the importance of appointing a dedicated fleet manager at your business. Georgia has over 13 years' experience handling client needs and large motor fleets. She is an expert in delivering technical solutions and providing guidance to industry-leading businesses.

Georgia pushes the importance of clear communication and transparency between broker and client, ensuring businesses know what how best to safeguard their future.

WHAT IS FLEET INSURANCE?



Fleet insurance is a policy that covers multiple vehicles.

Fleet insurance is ideal for business owners as it saves juggling motor policies. Vehicles often covered within a fleet insurance policy include vans, trucks, minibuses, HGVs and cars.

The main benefit of insuring as a fleet is that it allows your drivers to share cars and vans. However, some businesses will choose to designate named drivers for specific vehicles. Fleet insurance offers more flexibility than multiple individual covers and is generally a much more manageable form of cover. Fleet insurance allows businesses to add or subtract vehicles and named drivers with ease, which in turn, could save business a lot of money in the long run.

What is the difference between fleet insurance and car insurance?

Car insurance covers your vehicle in case of accidental loss or damage or if the vehicle is stolen or vandalised. Fleet insurance duplicates your car insurance across multiple vehicles and applies to a variety of types and models. This often means the insurance is more manageable and affordable.

What is the difference between fleet insurance and multi-vehicle insurance?

A multi-vehicle insurance policy is similar to car insurance however the same policy covers more than one vehicle. The reason this can be an advantage is the discount that applies to insuring multiple cars. The no-claims bonus can then apply to individual cars.

However, fleet insurance becomes considerably more cost effective than multi-vehicle insurance when more than five vehicles are insured. It allows businesses to add and remove vehicles as they wish, making it much easier to swap out older models for newer ones. For large fleets of vehicles where change is frequent, fleet insurance cannot be beaten.

A van is broken into every 23 minutes.

- BBC Radio 5 Live

The cost of vehicle repairs increased by 31% over one year - from 2022 to 2023.

- ABI

The average annual cost of car insurance is £635.

- ABI

2.4 Million drivers are convicted of a driving offence each year.

- The Home Office

The most expensive location for insurance is London - average of £781 – the least expensive is rural south west England – average of £423.

£9.9 billion in motor insurance claims were paid out in 2023.

- ABI

The motor vehicle insurance industry is currently valued at £19.9 billion.

- ABI

90% Of individuals taken to court for motoring offences go on to be convicted.

- The Home Office

The MIB handles over 20,000 claims against uninsured and untraced motorists every year.

- MIB

WHY IS FLEET INSURANCE NECESSARY, AND WHY SHOULD IT BE ARRANGED THROUGH A BROKER?

Arranging insurance for one vehicle, negotiating prices and terms is complicated enough, but can be done without expertise. However arranging ten, twenty, or even a thousand individual policies is an impossible task for someone with no experience. There are renewal dates to keep track of, claims to be made, and hundreds of insurers to review.

Fleet insurance through a dedicated broker avoids this administrative nightmare. Fleet insurance acts as a pit stop for your all your vehicles' needs. It can also provide exceptional discounts because the policies are arranged in bulk. Having 5 or more cars on a policy will allow for a fleet rating and possibly a commercial fleet deal. But to be certain to get the best deal, businesses should use a dedicated insurance broker.

A broker will act as the crucial conduit between the business and the insurer. If a vehicle is changed, modified, taken off-road or there's been an accident, the insurance broker will do most of the hard miles. A good broker understands the procedure and will quickly resolve any issues without hassle and with minimum business interruption.

Fleet insurance doesn't just apply to large haulage companies or car sales businesses; all businesses that have more than a couple vehicles on their books should use a broker to arrange their fleet insurance. Insurance brokers are also ideal for private clients who may own several cars. Whether a collector or an enthusiast, fleet insurance will save time and money compared to individual policies.

WHAT'S INCLUDED IN FLEET INSURANCE?

- Cover for all vehicles under the same policy
- Bodily injury and property damage
- Third party insurance to protect other people in the event of an accident
- Fire and theft policies will cover the financial cost of damage and vandalism
- Legal expenses covered in the event of a claim
- Full flexibility and control over vehicles and named drivers

WHAT'S INCLUDED WHEN USING AN INSURANCE BROKER?

- Expert financial advice
- Access to a relationship with the insurers offering the best deals
- Administrative work taken care of
- Management of professional details and renewal dates
- Representation throughout the claims process
- Preferential rates for complementary services

WHAT DO BUSINESSES NEED TO KNOW BEFORE USING A BROKER?



*Georgia walks us through
what a fleet manager needs
before updating a broker.*

You will need to record and update your information before arranging your fleet insurance. Brokers will ask for a list of information in order to start arranging your policy.

This list includes:

- Past vehicle insurance details
- Vehicle numbers
- Vehicle model and make details
- Driving licenses
- Personal details of drivers, including claim history and accumulated points

Businesses should allocate a fleet manager who can provide these details and liaise with the insurance broker. But once this information has been relayed, we take over and handle arranging your policy and managing claims.

HOW TO BE A RESPONSIBLE FLEET MANAGER

Having a responsible fleet manager will help cut costs by ensuring the business does not go outside the parameters of the fleet cover. They should also be able to communicate effectively with their broker in order to update details on the cover.

A responsible fleet manager needs to:

- Create and maintain a driving handbook which outlines the expectations of the company on all drivers.
- Communicate effectively and regularly with your insurance broker.
- Be aware of careless drivers – named drivers who keep claiming may be best suited to their own policy as to not affect your fleet premium.
- Carry out regular driving licence checks – this should form a key part of any health and safety policy at a company where employees drive business vehicles.
- Ensure employees have the right training.
- Ensure dashcams are set up correctly, front and back.
- Keep a record of miles and speeds through black boxes and GPS tracking – this will also help with the recovery of stolen vehicles. From July 2022 all vehicles will now be made with speed limiters as standard.
- Carry out vehicles checks – tyres and brakes are first to wear. A service record for each car will need to be kept.
- Ensure vehicles are regularly kept in a secure area. Install CCTV surveillance and lock those cars kept overnight
- Carry out regular checks on licenses and named drivers details every 12 months, if not more often. Your insurance should be regularly updated at least annually, it is the fleet manager's responsibility to have details to hand when required.



WHAT IS THE MID?

MID stands for Motor Insurance Database. It is a record of all insured vehicles in the UK, and is used to combat uninsured drivers. All fleet vehicles should be registered on the MID. These records need to be accurate and up to date. An insurance broker will help you navigate the MID and provide information on the details you will require.



WHAT ARE THE MOST COMMON FLEET INSURANCE ISSUES?

Failing to comply with policy terms

The 'Demands and Needs' document we will provide with your policy should be adhered to. This will ensure you are fully covered at all times.

The most commonly overstepped terms concern the young drivers' restrictions and restrictions on named drivers. The consequences of not complying with your policy terms are dramatic, and we advise against any attempt to exceed these limits.

Knowing what you are not covered for is important. Ensure you stay within your cover limits in order to stay fully financially protected.

Vehicle not registered MID or policy when the claim is reported

Such a small update could save a lot of time, money and headaches. All insured vehicles should be on the MID, failure to comply will invalidate an insurance claim.

Some insurers require quarterly or half-yearly declarations, and your insurance broker will advise on how often the policy schedule needs to be updated. A common issue is where vehicles have not been added or correctly added to a policy, thus voiding the claim. Ensure all changes to your fleet are relayed to your broker as soon as possible.

Third Party Bumps

The most common fleet insurance claims issues are those small bumps and scrapes. They happen at low speed and usually result in no injuries. These can be a major headache for businesses to sort out if they don't understand the claims process. Brokers, however, can quickly resolve the issue without hassle, minimising the business disruption involved.

WHAT CHANGES ARE AFFECTING THE FLEET INSURANCE MARKET?

New highway code rules

It is important to ensure all your drivers understand road safety and the new rules which have come into place recently.

Key changes include but are not limited to:

- The hierarchy of road users – those who can do the greatest harm now have the greatest responsibility.
- Cyclists – bicycle users are now seen as vulnerable road users and new laws involve them.
- Pedestrian crossings – give way to pedestrians waiting to cross at crossings.
- Phone usage – actions such as scrolling and texting, changing music or playing games.

Green card regulations

UK drivers are now no longer required to carry Green Cards when driving in the EU. However, to drive abroad, all vehicles will need a UK sticker, as opposed to the previous GB sticker.

Electric cars

It's clear in many minds that electric cars are the future. Many businesses have seen the benefits of having electric cars on the books over petrol and diesel and therefore have purchased or leased them. However there are also increased risks which businesses need to be aware of. Fleet managers should learn more about the challenges and benefits of managing an electric fleet, with businesses weighing up whether moving toward electric would be better for them.

WHAT FLEET MANAGERS NEED TO KNOW ABOUT ELECTRIC VEHICLES

Electric and hybrid vehicle numbers are fully expected to increase and eventually overtake combustion motors. Equally their availability and accessibility should increase, with longer battery life and improved range promised from manufacturers.

Businesses may well want to transition their fleet over to EV vehicles, taking advantage of the lower cost and ethical implications. However there are some considerations electric vehicle fleet managers should take into account before investing in electric vehicles

The benefits of a fleet of electric cars:

- No emissions
- Less refuelling
- Government support schemes
- Less tax

The risks of a fleet of electric cars:

- They are generally more expensive, therefore the insurance could be more expensive.
- They are deceptively fast; a number of electric cars are considered prestige sports cars by insurers.
- There are fewer recognised repairers and garages, therefore wait times on repairs will be longer and are often more expensive.
- Insurers are wary of new technology and this unknown factor can harden the market around electric car insurance.
- Charging cables can cause problems and trip hazards. Make sure this is covered as an extension of either your fleet insurance policy or your public liability insurance – discuss with your broker as to whether this would be necessary.

The challenges electric fleet managers need to be aware of:

- **Electric vehicle hazards** – There are increased risks concerning high voltage, dangerous battery replacements and explosive liquids. Ensure your drivers know about these dangers and do not try to handle general maintenance themselves.
- **Electric vehicle charging** – Instal charging stations at your workplace. There is a government backed scheme related to this, however it still remains expensive.
- **Valeting dangers** – Waters and electrics do not mix, pressure washing electric and hybrid vehicles can prove dangerous.
- **Vehicle Data** - Electric vehicles generate a wealth of data, finding out how to handle this can help fleet managers maximise their use and stay on top of maintenance. Drivers should be aware of the data being transmitted, hopefully this will help reduce the likelihood of vehicle misuse.
- **Insurance Costs** - Fleet managers may get a shock when they see the average price of insurance for an electric fleet. Utilise the services of a dedicated broker who can negotiate the best premiums and terms on your behalf.

CASE STUDY

THE CLONED PLATES

Context

Our customer was hit by a third party driving a vehicle with cloned plates. We submitted the case to the MIB under the untraced drivers' agreement. This allows victims of accidents to claim compensation for the injury and damage caused by someone unknown.

Claim

The case was rejected on the grounds that the vehicle was not identified. We therefore argued that the vehicle was identified, it was the driver that was unidentified. We were successful.

Solution

Reviewing the footage from the customer's vehicle dashcam, the offending vehicle was identified. Therefore, the appeal was allowed.

Conclusion

Case studies showcase how complex and frustrating insurance claims can be. Having the knowledge of technicalities and clauses in lengthy policy documents could be the difference between a claim being settled or repudiated.

An insurance broker will have extensive experience of similar claims and can help to successfully defend you should you need to make a claim. Ask yourself: If you have a fleet of several vehicles, and each is involved in a claim, could you handle several complex claims cases? Could you provide or afford the time each case requires?

At Romero insurance Brokers, we understand you have a business to run. That's why we promise to take care of the full breadth of your insurance, minimising any disruption to your business workflow.

WHY YOU SHOULD USE ROMERO INSURANCE BROKERS FOR YOUR FLEET INSURANCE

We are the UK's best independent insurance broker. We offer innovative cutting-edge solutions to protect, support and reassure you. We are sat at the head table with the best insurers, able to negotiate the most competitive deals for your fleet insurance.

With 25 years in the insurance sector, there isn't much we haven't seen before. We are also able to see how the recent changes are affecting the landscape and where we need to adapt in order to overcome.

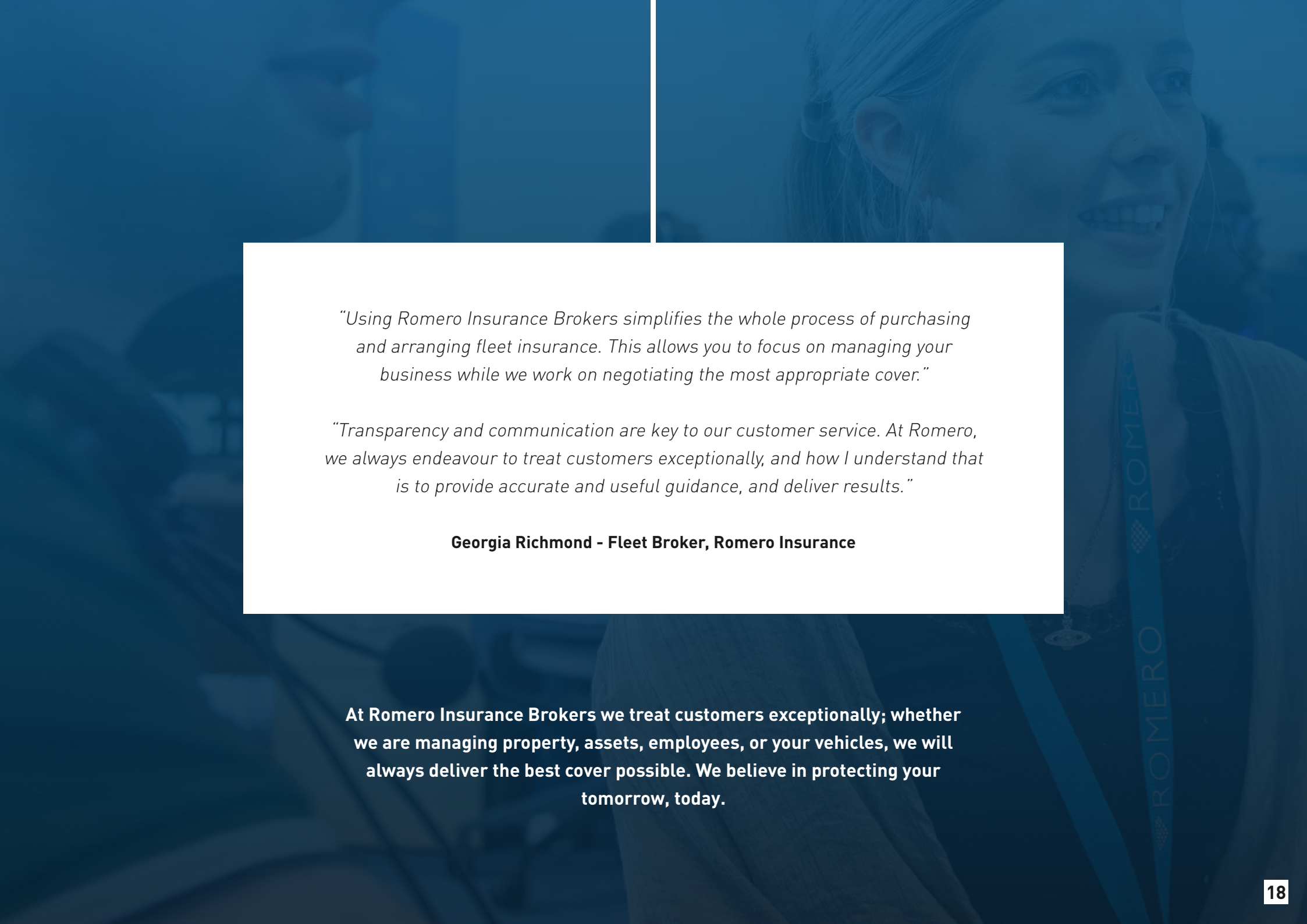
Take advantage of our in-house claims team and our UK-wide account handlers to ensure you have the insurance your company deserves.

The Romero Motor Claims App

Our bespoke app allows clients to instantly notify us of an accident, and helps you make an emergency motor claims. The app provides your drivers a simple, convenient & user-friendly way to report claims immediately following an accident. This helps with first notification of loss received...

Why reporting claims quickly is beneficial:

Our research shows that claims reported within 12 hours of their occurrence attract a 21% saving on our average claims cost. This is because repairs can be arranged swiftly and third party claims can be managed efficiently.



"Using Romero Insurance Brokers simplifies the whole process of purchasing and arranging fleet insurance. This allows you to focus on managing your business while we work on negotiating the most appropriate cover."

"Transparency and communication are key to our customer service. At Romero, we always endeavour to treat customers exceptionally, and how I understand that is to provide accurate and useful guidance, and deliver results."

Georgia Richmond - Fleet Broker, Romero Insurance

At Romero Insurance Brokers we treat customers exceptionally; whether we are managing property, assets, employees, or your vehicles, we will always deliver the best cover possible. We believe in protecting your tomorrow, today.

IF YOU WOULD LIKE TO DISCUSS YOUR FLEET INSURANCE,
PLEASE GET IN TOUCH WITH OUR AWARD-WINNING TEAM

0113 281 8110
romeroinsurance.co.uk

