



Loss Control Best Practice



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| Line of Business: Auto | Subject: Fleet Telematics |
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Purpose:
The purpose of this best practice is to help a public entity understand the concepts of fleet telematics and the pros and cons associated with the use of telematic devices.

Recommendations

Definition
The term telematics was derived by combining the words telecommunications and infomatics to define the integration of telecommunications with information and communications technology. Therefore, Telematics can be defined as the technology used to transmit, receive and store information on remote items including motor vehicles. Telematics includes but is not limited to the use Global Positioning Satellite (GPS) technology.

Operation
Telematics technology has evolved greatly since its origins in the late 1970's and 1980's. In simplistic terms, vehicle telematics involves the use of a small device fitted into the vehicle that is capable of transmitting data to a central website where it can be monitored, recorded and analyzed. Recent developments now include smart phone applications capable of providing information similar to the devices fitted to the vehicle.

Telematics Monitoring
There are many telematics products and services on the market and the scope of the items monitored will vary. Below are just some of the elements that can potentially be monitored through telematics devices.

- Driver habits and patterns - speed, acceleration, hard braking,
- Vehicle performance - engine performance, fuel consumption, CO2 emissions
- Service and Maintenance - records mileage and usage to schedule maintenance
- Location - precise vehicle location
- Telematics Mapping - allows replay of drivers movements
- Theft warning and unauthorized use information - detects vehicle movement without ignition activated
- Accident alert technology - recognizes if vehicle is in an accident and can alert emergency services

Benefits of Telematics
There are many benefits that can be derived from the use of telematics devices. However, from a fleet risk management standpoint, the primary reasons are associated with the recognition and reductions of accidents resulting from poor driving behaviors. Many fleets also report the reduction of operating expenses due to improved fuel consumption, reductions in excessive vehicle wear and tear and the proper scheduling of preventative maintenance.

Telematics and Risk Management Strategy
Public entities planning on using telematics must plan in advance what data and needs to be collected and how it will be used in support of the risk management strategy. The document link below from *The Royal Society for the Prevention of Accidents* provides some key strategic points related to the use of data and implementation steps with the use of telematics.

Resources and References:

Click on the link below or cut and paste into your web browser.

The following document was written by the Royal Society for the Prevention of Accidents a charitable organization in the United Kingdom synonymous to the National Safety Council in the United States. Apart from some few minor exceptions, the principles presented in this document are relevant to the US market.

Driving for Work: Telematics
<https://www.rosopa.com/rosapaweb/docs/advice-services/road-safety/employers/work-telematics.pdf>

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