



## PRESS RELEASE

25 May 2011

### **WILLIS TAKES THE WORRY OUT OF GREY FLEET INSURANCE WITH INDUSTRY-LEADING PAY-AS-YOU-GO COVER FOR FSG CUSTOMERS**

Leading insurance broker Willis, following an approach from Fleet Support Group, has addressed a key employer issue arising from insurance problems associated with allowing staff to drive their own cars on business - the so-called grey fleet.

The global insurance broker has tailored an insurance solution that can be used in conjunction with Fleet Support Group's multi award-winning RiskMaster online all-embracing at-work driving safety initiative that manages vehicles, drivers and journeys to enable employers to reduce their risk exposure.

At the core of the RiskMaster 'toolbox' is a Driver Operating Life Report, which embraces individual Permits to Drive that are issued to all employees once they meet key criteria laid down by their employer on enrolment in the system.

More than 20,000 employees - including staff that drive their own vehicles on business trips - are already enrolled in the programme.

However, some public and private sector organisations have expressed difficulty in ensuring that drivers have the correct insurance in place, which is one of the key criteria, to enable them to drive their own cars on business trips.

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Therefore, due to customer demand, Fleet Support Group, the UK's largest independent fleet management company with 55,000 vehicles on its books, asked Willis to create a special grey fleet insurance scheme.

Underwritten by international insurer Catlin Group, the cover, which can be either comprehensive or third party fire and theft, uses HM Revenue and Customs' tax-free Approved Mileage Allowance Payments (AMAP) as its premium basis.

The AMAP rate for the first 10,000 business miles increased from 40p to 45p per mile on April 6. The grey fleet insurance premium can then effectively be funded from within the additional 5p per mile paid by employers to own car users. For comprehensive cover the premium rate quoted for one potential customer is 4.1p per mile and for third party fire and theft cover it is 3.3p per mile.

Steve Hall, Development Director in the Bristol office of Willis, who created the product, said: "We believe the scheme is unique and overcomes all the administration issues associated with employers checking whether or not staff have the correct insurance in place on their own cars to drive them on business journeys.

"While the insurer requires a deposit premium, which depends on the number of grey fleet drivers involved in the scheme, the premium is collected on a pay-as-you-go basis from employees' mileage expense claims. What it means in financial terms is that if insured on a comprehensive policy, employees will receive 40.9p per mile with the remaining 4.1p per mile deducted by the employer to pay for the cost of insurance."

Additionally, as part of the administration process, Catlin require a monthly mileage declaration.

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Through the scheme, employees can also benefit from significant discounts and personal insurances to help them reduce their daily cost of living.

Mr Hall said: "We created the grey fleet insurance solution after being approached by a customer that Fleet Support Group had identified through RiskMaster had a number of issues around grey fleet management including business insurance cover.

"We were already well aware that many public and private sector organisations that allow staff to drive their own cars on business were finding it difficult to ascertain whether staff had the correct cover for business in place.

"Creation of this product, which we believe is an industry first, removes the insurance administration headache for employers and cost effectively ensures that employees have the correct cover in place when driving their own cars on work-related journeys."

FSG Chairman Geoffrey Bray added: "We believe this new insurance product will prove extremely popular as it removes a significant area of concern for employers and employees alike."

Willis Group Holdings plc is a leading global insurance broker. Through its subsidiaries, Willis develops and delivers professional insurance, reinsurance, risk management, financial and human resource consulting and actuarial services to corporations, public entities and institutions around the world. Willis has more than 400 offices in nearly 120 countries, with a global team of approximately 17,000 employees serving clients in virtually every part of the world.

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### **EDITOR'S NOTES**

Fleet Support Group (FSG) is the largest independent vehicle management company in the UK and looks after approximately 50,000 vehicles.

The well-established organisation based in Chippenham, Wiltshire, has gained an enviable reputation within the industry by continually concentrating on delivering a consistent, quality service embracing full vehicle acquisition and disposal, vehicle outsourcing, fleet management, risk management and work-related road safety, maintenance management, accident management, breakdown recovery, short-term car rental and truck management.

Within the FSG team, there is significant industry experience and qualifications across the range of services provided. This in turn is supported by an in-house IT operation which is continuously upgrading the internal systems and applications to ensure that, by innovation and product development, FSG leads the field in the provision of vehicle management.

**For further information contact: FSG chairman Geoffrey Bray on 0844 8000 700**