



Fleet risk management helps Medina Dairies go the extra mile

Operating multiple depots as a result of acquisitions, Medina Dairy was looking to take a more proactive and cohesive approach to fleet risk management. Together with broker, Willis Towers Watson, they turned to RSA to help establish a systematic way to manage fleet risk and gain company-wide visibility into fleet performance.



The customer

Founded in 1992, Medina Dairy is one of the UK's largest suppliers of milk, dairy and bakery products to the full spectrum of retailers, wholesalers and foodservice operators, delivering a range of over 400 products on a just-in-time basis to 5,000 locations nationwide. Its production facilities are complemented by a comprehensive national network of distribution centres and a dedicated food service centre in Covent Garden to service the London and South East market.

The challenge

Medina Dairy had expanded through acquisitions over a number of years, with each business continuing to operate autonomously under the brand. As a result, each of the 11 entities within the group had an individual fleet insurance policy – all with different insurers and renewal dates. This increased complexity prevented the client from gaining company-wide visibility of fleet performance, and led to an

inconsistent approach to risk management. Both Medina and its broker, Willis Towers Watson, were looking to for an insurance partner to harmonise cover and risk management across the group. They engaged RSA, which has a dedicated Fleet practice to help businesses improve fleet productivity and performance while reducing operating costs.

The solution

At the inception of the relationship in 2015, RSA's risk experts provided an initial consultation with the customer to devise a risk management plan. By aggregating insights from Medina's disparate fleet operations, the insurer was able to reveal a full picture of risk under one policy. With newfound visibility of the company's fleet performance, the customer was surprised by the volume of claims and costs across the group, providing a compelling incentive to make the changes needed to improve performance.

Over the following year, RSA sustained momentum with quarterly risk management meetings. In parallel, great strides were made in risk management activities, including training for depot managers, delivered by WTW, covering the legal aspects of fleet

management, the hidden costs of accidents, accident investigation best practice and the importance of data quality in claims defensibility. A trial of in-vehicle CCTV was established; drivers were issued with handbooks; and assessments were completed using DriverMetrics®, an award-winning online behavioural driver safety programme that delivers actionable driver risk reduction insights and bespoke change interventions.

In 2017, RSA determined that further performance improvements could be achieved by helping Medina to make more systematic and proactive use of the data generated from the driver assessments and CCTV systems. This included running workshops for those drivers identified as high risk through the DriverMetrics profiling.

The outcome

Through this collaborative programme of risk management, Medina's fleet performance has improved significantly, with total claims frequency falling from 46% in 2015 to around 20% in 2017. A large number of "nil" claims are now reported, enabling a proactive approach to handling any third party incidents.

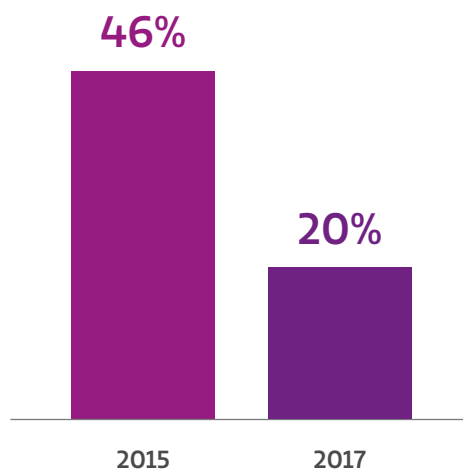
According to Medina's Transport Operations Manager, Hayat Ali Syed, "RSA and WTW have worked with the Medina team to help us understand the risks facing our business, and offered practical solutions to enable us to manage those risks. Critically, this work has dovetailed completely with our business needs, helping us from a commercial perspective by integrating risk management into our normal working practices," he continues.

The three-way collaboration between Medina, WTW and RSA has benefited all parties from a commercial perspective, and strengthened relationships and reputations. Key to the success of the engagement is that a clear programme of activity is agreed and a regular dialogue is maintained, with RSA's consultants continue to meet with Medina and WTW up to four times per year. This leads to incremental uplifts in fleet performance and an escalation of work to help Medina achieve continuous improvement.

As RSA's UK Fleet Practice Lead, Michael Tansey, observes: "The businesses we talk to are aware that

taking a proactive approach to fleet risk management can help to significantly reduce collisions, incidents, injuries and associated business disruption. But there are also financial and commercial benefits to safer driving – lower premiums, fewer excesses, less need for temporary drivers and replacement vehicles, plus reduced wear and tear and fuel consumption. Establishing a systematic way to manage fleet risks ultimately drives better fleet performance and reduced operating costs," he concludes.

Claims frequency



"RSA and WTW have worked with the Medina team to help us understand the risks facing our business, and offered practical solutions to enable us to manage those risks."

Hayat Ali Syed,
Transport Operations Manager,
Medina Dairy

"Establishing a systematic way to manage fleet risks ultimately drives better fleet performance and reduced operating costs."

Michael Tansey,
UK Fleet Practice Lead,
RSA Risk Consulting



About RSA Fleet Risk Consulting

RSA's Fleet Risk Consulting is ideally suited to organisations looking to take a proactive approach to fleet risk management to minimise losses and keep their business moving. RSA's industry-qualified risk consultants look for practical, cost-effective solutions to complement existing risk management activities, and work with customers to identify and assess risks to build a customised and comprehensive risk improvement programme.

To find out more, [click here](#)