

## 9. Assets

### 9.5 Vehicles

When acquiring vehicles to be used by a voluntary organisation it is worth shopping around since substantial savings can be made with the deals offered by manufacturers and suppliers. It is also worth weighing up the relative merits of renting, lease-purchasing and buying. Depreciation should also be considered before embarking in any one direction.

When leasing equipment, check all contracts carefully. Be clear about what is being agreed to - length of contract, maintenance agreement and conditions around cancelling the contract. If you have charitable status you might use this as a bargaining point. Some commercial companies may be amenable to donating vehicles if their fleet is due for an upgrade.

The cost of taxing and insuring vehicles should be borne in mind when budgeting. Insurance is a major consideration in its own right and the legal and policy requirements should be understood thoroughly, particularly for minibuses and vans. Third party insurance is required as a minimum.

Sine April 2002, there has been a fundamental change in the way company cars are taxed to help to protect the environment. Cleaner, more fuel efficient cars are now rewarded by linking the tax and National Insurance contribution's charge to the car's exhaust emissions, in particular its carbon dioxide (CO<sub>2</sub>) emissions.

All new cars have to meet European emissions standards (Euro Standards). Currently new cars have to meet Euro IV standards.

#### **Motor vehicle insurance**

If an organisation has any motor vehicles which travel on the public road, these must be insured to comply with the Road Traffic Act 1988, s.143 (1). In addition, where volunteers and staff use their own cars for work related journeys (other than travel to and from work) they must advise their insurance company and arrange extra cover if necessary. The additional cost of this cover can be properly reimbursed to volunteers generally and in a charity is also a legitimate reimbursable expense out of charity funds.

## **Volunteer drivers**

The organisation needs to know if volunteer drivers are:

- Legally entitled to drive the vehicle they are using.
- Using a vehicle that is safe and road legal.
- Properly trained and competent to drive it safely.
- Using it for suitable purposes.

If the organisation provides the vehicle, they will need to ensure that it is properly registered, taxed, MOT'd, serviced and insured. Before volunteer drivers are allowed to drive on behalf of your organisation you should check their driver's licence when they start and at intervals afterwards.

## **Minibuses**

If the driver gained their driving licence after 1 January 1997, they may need to have a D1 entitlement on their licence to drive a minibus. Some, but not all, volunteer drivers who drive a minibus for a non-commercial organisation are exempt from this requirement.

## **Using own vehicles**

Even if the driver is using their own vehicle, the voluntary organisation has the same legal duty to ensure it is safe and legal when it is being used to provide a service for them.

Therefore, they may wish to check that the vehicle is taxed, MOT'd and serviced and that the driver is insured to drive it for voluntary purposes.

## **Motoring offences**

Motoring offences, including cautions, summons or convictions, should be reported by the driver to the organisation.

## **Organisation policy**

The organisation should have a policy to ensure that:

- Driving licences will be checked.
- Insurance will be checked.
- MOT certificate will be checked.
- Service documents will be checked.

## Further information

DirectGov

[www.direct.gov.uk/Topics/Motoring](http://www.direct.gov.uk/Topics/Motoring)

The Community Transport Association

[www.communitytransport.com](http://www.communitytransport.com)

The Vehicle Certification Agency

[www.vcacarfueldata.org.uk](http://www.vcacarfueldata.org.uk)

The Royal Society for the Prevention of Accidents

[www.rospa.com](http://www.rospa.com)

Charity Commission for England & Wales

Tel: 0845 3000 218

[www.charity-commission.gov.uk](http://www.charity-commission.gov.uk)

Driver and Vehicle Licensing Agency

[www.dvla.gov.uk](http://www.dvla.gov.uk)

The Vehicle and Operator Services Agency (VOSA)

[www.vosa.gov.uk](http://www.vosa.gov.uk)

### Disclaimer

The information provided in this sheet is intended for guidance only. It is not a substitute for professional advice and we cannot accept any responsibility for loss occasioned as a result of any person acting or refraining from acting upon it.

### For further information contact

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