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BRIEFING PAPER

TRUSTEES' RESPONSIBILITIES WHEN CHARITY WORKERS OR VOLUNTEERS ARE USING THEIR OWN CAR ON OFFICIAL BUSINESS

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I am frequently asked by trustees how they stand insurance wise when charity members use their own car on charity business. These are my thoughts. They are not definitive; if a reader has anything to add or comment upon please do contact us.

1. **ASSESSMENT OF RISK:** As part of their duty of care, trustees are required to carry out appropriate risk assessment procedures. This is an area which should be covered.
2. It is estimated that each year 5 million workers risk invalidating their insurance by using their own cars on company business without ensuring that their cover includes business travel. If we include in the charity sector this figure will be considerably higher.
3. A survey by Gocompare.com revealed that the top 5 business journeys made in a private car were:
 - a. Travelling to a training course or an away day (46%)
 - b. Going to the bank (25%)
 - c. Driving to another office (24%)
 - d. Travelling to meet clients or suppliers (23%)
4. The survey also showed that whilst over 60% of workers claim mileage from their employer less than half had been asked to confirm that their cars were insured for business travel. In a report the RAC revealed that only 2% of employer's check that private cars used for work related journeys are safe. They added that over a third of all corporate mileage is by private cars.
5. The Norwich Union ran a check and found that a vehicle had been driven 90,000 miles over three years without a service.
6. A typical policy will cover driving to work or the station car park, but trips to other than the usual place of work may not be covered unless the car is insured for business mileage.
7. Under existing health and safety legislation and road traffic laws it would be possible for an employer to be prosecuted if a private car used on a work related journey was found to be unsafe (and don't forget that there is now a 'corporate manslaughter' law in place).
8. The issue is therefore wider than the insurance question: is the vehicle properly maintained and roadworthy? If it isn't and there is an accident the trustees could find themselves liable. Trustees should ask the following questions:
 - a. Is the car insured for business travel? (It does seem that many thousands of cars are on the road without any insurance at all!)
 - b. Is the car serviced regularly and kept in good roadworthy condition at all times?
 - c. Is the MOT up-to-date?
 - d. Have any motoring offences been committed or is anything pending?
 - e. Has the driver's license been checked?
 - f. Is the car in the membership of a roadside recovery organisation?

- g. Is the car suitable for purpose?
 - h. Is the driver aware of the danger of road fatigue (where long journey are undertaken)?
 - i. Does the driver undertake not to use a mobile telephone for any purpose whilst driving?
9. These checks should be reviewed annually.
10. Does all this apply to charity workers or church workers whether volunteers or paid?
11. I am a charity specialist not an insurance specialist, but it seems to me that the following will apply:
- a. If you pay mileage to volunteers, an insurance company could reasonably require them to be insured for business use, even if the 'business' is charitable.
 - b. If the driver is on staff whether paid or not, I think that business use should be included in the policy.
 - c. I can imagine a paid staff member using his car on business, but not claiming, it being 'their gift to charity'. They should still be insured for business use.
 - d. If a volunteer is using their car for charity business it's more of a grey area. Nevertheless, I think it would be better to be safe than sorry.
12. Better as I say to be safe than sorry, especially if passengers are involved. The car in question could be involved in an accident with one of the thousands of cars that are allowed to drive without any insurance at all. These notes are not definitive. If in any doubt consult your own insurance company.

Daryl Martin

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