

## New Van Tax Laws

On 6th April 2007 the Inland Revenue increased taxation for company vans as the BIK (Benefit in Kind) value increased 600% from £500 to £3000 (£3500 if the company pays for private use fuel) This has a significant impact on employers and employees.

Employers will now have to evidence compliance for those drivers who have opted out of using their company van for personal use.

### So what does it mean?

#### **Costs - Employer**

Employers are responsible for NI contributions on the BIK which means a bill of £448 where employees use their vans for personal use. Add to this the cost of fuel (if you pay for it) additional wear and tear, reduced vehicle values and increased likelihood of an accident/damage to the vehicle and a company's additional costs can run into the thousands.

To offset these costs some companies are charging personal fuel costs back to the driver which significantly reduces usage as drivers are more likely to be less inclined to use their vehicle at their own cost.

#### **Costs - Employee**

Every van driver who chooses to use the vehicle for their own use will pay an extra £60 to £100 per month in tax. As a result of this additional cost some companies have had to increase wages to offset the employee's loss. Clearly this has an additional impact on company costs and increases the need for operational efficiency to recoup these losses.

### So what do I have to do?

If your drivers have opted out of the Van Tax Law then you have to have implement processes, keep accurate records, review and approve data on vehicle activity and store that data for at least six years.

If you allow your staff to use their vehicles for personal use then unfortunately the main costs land at your door. Perhaps the best route is to charge back personal mileage, maximise production and efficiency, implement a fair use policy or take away the benefit.

For further details of the Van Tax Laws visit [www.hmrc.gov.uk/vans/van-facts.htm](http://www.hmrc.gov.uk/vans/van-facts.htm)

## ISO 9000 Standards

### What is ISO 9000?

This is a generic name given to a family of standards developed to provide a framework around which a quality management system can be effectively implemented.

The main requirements of the standards are listed below -

- Quality Management System
- Management Responsibility
- Resource Management
- Product Realisation
- Measurement Analysis and Improvement

### So what does it mean to me?

If you are working towards or looking to gain ISO 9000 accreditation then the Mobile World Fleet Tracking System is designed to give you the statistical information needed to measure your company's transportation standards and allows you to monitor, measure, analyse and implement changes to further improve quality.

As the transportation and distribution of your products is a major factor and cost within your organisation you need to manage these resources carefully.

For further details regarding ISO 9000 Standards see [www.iso9000-standard.com/](http://www.iso9000-standard.com/)

## Lone Workers

Every year about 70 people are killed and about 2500 seriously injured in accidents involving vehicles in the workplace.

It is a legal requirement under the Health and Safety at Work Act 1974 that "It shall be the duty of every employer to ensure, as far as is reasonably practicable, the health safety and welfare at work of all his employees"

### So what does it mean?

Every employer has a duty to protect his employees and this is especially difficult when those workers are away from the protective environment of the workplace where monitoring and safe supervision can be more easily managed.

Policy should state that the work equipment supplied (in this case the company vehicle) should be used in a safe manner and as intended.

Employers also have Vicarious Liability for their employees which means that although procedures were in place where the employee still puts the health, safety and welfare of himself or others at risk then the employer is still held responsible for those actions.

### So what can I do?

By actively monitoring the driving habits of your employees you can make their jobs safer and protect both employee and anyone else who may be affected by their actions. Typical examples are:

- Monitoring driving hours and ensuring that employees work within safe guidelines set out by your organisation. Reports are available detailing the length of each and every journey, rest times and distance travelled between breaks
- Producing speed reports highlighting when employees have broken speed restrictions
- Times and places of work to identify potential risks for lone workers

By having these detailed reports available you can actively monitor performance and implement improvements to safety.

To find out how we can help your organisation become safer have a look at our reports

For further help and guidance on the Health and Safety at Work Act 1974 visit [www.healthandsafety.co.uk/hasawa.htm](http://www.healthandsafety.co.uk/hasawa.htm)

## European Working Time Directives for Drivers

The EC Working Time Directive has special provision for drivers of vehicles in the UK. The Road Transport (Working Time) Regulations 2005 were introduced to lay down minimum conditions relating to weekly working time, rest entitlements and annual leave.

### So what does it mean?

- Drivers shall not exceed 60 hours in any week
- Drivers shall not exceed 48 hours per week based on an average over 17 weeks
- No driver shall work for more than 6 hours without a break
- Workers working between 6 and 9 hours are entitled to at least 30 minutes break
- Where a driver exceeds 9 hours then he is entitled to 45 minutes break
- Each break must be of at least 15 minute segments
- An employer shall take all reasonable steps in keeping with the need to protect the health and safety of the worker to ensure the limits specified are complied with
- Keep records which are adequate to show the compliance of these Regulations for each employee
- Keep a copy of those records for a minimum of 2 years and make these available to both the employee and to any enforcement officer if requested
- Any person not complying with the Regulations will be guilty of an offence

To see the Regulations log onto [www.opsi.gov.uk/SI/si2005/20050639.htm](http://www.opsi.gov.uk/SI/si2005/20050639.htm)

### So what do I have to do?

You have to ensure your drivers comply with the Regulation and have the necessary documentation available for at least 2 years. (see management reports)

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