

Can our school minibus be used by, or loaned to, others?

The following information applies in respect of the School Minibus insurance that is provided as part of the Insurance SLA - Package B (Material Damage, Money, Motor, Travel & Engineering Insurance).

The motor insurance cover is automatically extended to include 'use by any voluntary, welfare or charitable organisation' with the school's permission. However, although vehicles are able to be loaned to such organisations, schools are not able to use this as a means of generating income. The insurance cover specifically excludes any element of 'hire or reward'. This means that whilst it is permissible to cover costs, the arrangement must not generate any kind of profit for the school.

Prior to agreeing to allow an organisation to borrow your minibus it is recommended that you seek confirmation regarding the criteria and checks that the organisation wishing to borrow the minibus has undertaken in terms of ensuring that the proposed driver(s) have the appropriate licence entitlement to drive the vehicle and are appropriate persons in terms of their age, experience, training and competence.

As owner of the vehicle, the school might choose to impose certain restrictions or limitations in respect of any of the foregoing (as you might do if you were to lend your own vehicle to somebody else) recognising that an incident involving the school minibus could have a significant reputational impact for the school.

As well as seeking confirmation as to how vehicle is to be used, you are strongly advised to also consider the following points:

- *How would any uninsured claim be dealt with e.g. minor damage and marking of upholstery, punctures, loss of keys etc?*
- *Would the party to whom the vehicle is loaned have benefit of any breakdown cover that may be in place for the minibus?*
- *Would the party to whom the vehicle is loaned be responsible for the insurance excess (£100 in respect of 'own damage') in the event of a claim, even if there was no fault on their part (e.g. hit by unknown vehicle whilst parked)?*
- *What arrangements would be made in respect of mechanical repairs which came to light during or immediately following the third party use?*
- *What arrangements would be made to check and agree the condition of the vehicle, and fuel levels, before and after use by the third party?*
- *If the minibus became unavailable just before an intended use by the third party, how would that be dealt with?*
- *Would the use of the school minibus by the third party be considered appropriate by parents, school governors, the wider community etc?*

It is better to have discussed and agreed these points in advance rather than be forced into having a discussion following an incident.

For further information please contact Risk and Insurance Services on 023 8083 2835 or at insurance@southampton.gov.uk.

Alternatively please see the DVLA website at:

http://www.direct.gov.uk/en/Motoring/DriverLicensing/WhatCanYouDriveAndYourObligations/DG_4022498

or the DFE guidance at:

<https://www.gov.uk/government/publications/driving-school-minibuses-advice-for-schools-and-local-authorities/driving-school-minibuses-advice-for-schools-and-local-authorities>