



What are your options for reducing your fleet numbers

The current uncertainty in the haulage industry is causing people to think about their current fleet numbers. With a potential downturn in business, drivers self-isolating or just a reduction in volumes, it's best to know your options so you can make the best decision.

Own vehicles – You can lay them up or sell. Selling may not be the best option as you may not get the price if lots of vehicles are up for sale. Also, will you be able to buy the same equipment when the locked down finishes?

Hired or leased vehicles – you can give them back or ask for a payment holiday from the lease/hire company. You could also lay these up. There may be penalty charges for cancellation or early return. You may have specialist kit or liveried vehicles unique to your business.

Laying vehicles up – insurance implications

The simplest option is to remove the vehicles from cover. The vehicles will then have no protection for fire, theft or any damage. However, this should reduce your insurance costs, and a return premium could be allowed depending on the policy terms. Watch out for short period cancellation charges and minimum retained premium clauses.

You may wish to keep some cover for your vehicles whilst they are off the road. Many insurers can offer laid-up cover. This will provide **fire and theft cover** and may also include other damage such as malicious. This will be at a reduced cost per vehicle. Insurers will need to underwrite this cover and will need the following information:

1. **Registrations and up to date vehicle values**
2. **Confirmation that the vehicles are SORN.** They will not be covered for road use and should be removed from the Motor Insurance Database.
3. **Approximate duration of being off-road**
4. **Address of parking location**
5. **Type of site** - own yard, secure parking - specific or for multiple occupancy
6. **Full details of security including :-**
 - Type of perimeter fencing
 - How to gain access: for example, is there a gated entrance or keypad?
 - Is the site manned and if so, is it 24/7?
 - Number of vehicles parked together; are there fire breaks?

It should be noted that not all insurers will offer this facility – it will depend on the type of policy that you have.

At Ascend we **specialise in Fleet Insurance** and can advise how to reduce your insurance costs. Why not arrange a 15 minute consultation by using the following link below:

Simon Horton

Transportation & Logistics Director

simon@ascendbroking.co.uk Tel: 01245 449060 www.ascendbroking.co.uk

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