



Motoring Costs 2002

Petrol Cars

		Engine Capacity (cc)				
		Up to 1100	1101 to 1549	1550 to 2000	2001 to 3000	3001 to 4500
Note:	Standing charges per year, £					
A	Road Tax	105	105	160	160	160
B	Insurance	397	544	650	1031	1065
C	Cost of capital	222	329	439	818	1305
D	Depreciation	1074	1709	2211	3979	5739
E	AA Subscription	86	86	86	86	86
TOTAL £		1884	2773	3546	6074	8355

Standing charges, pence per mile

at 5,000 miles per year	36.18	53.07	67.82	115.91	159.07
at 10,000	18.84	27.73	35.46	60.74	83.55
at 15,000	13.06	19.28	24.67	42.35	58.38
at 20,000	10.23	15.15	19.39	33.35	43.64
at 25,000	8.61	12.80	16.40	28.28	39.16
at 30,000	7.71	11.52	14.77	25.55	35.50

Running costs, pence per mile

F	Petrol *	7.07	9.17	9.97	12.11	15.42
G	Tyres	0.80	1.00	1.60	2.40	4.00
H	Servicing labour costs	2.67	2.78	3.12	3.53	4.06
I	Replacement parts	1.02	1.34	1.69	2.18	3.14
TOTAL PENCE:		11.56	14.29	16.38	20.22	26.62

* Unleaded petrol at 74.6 pence per litre

For each penny more or less, add or subtract:

0.09	0.12	0.13	0.16	0.21
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Total of standing and running costs in pence per mile based on:

5,000 miles per year	47.73	67.35	84.21	136.13	185.68
10,000	30.40	42.02	51.84	80.96	110.17
15,000	24.62	33.57	41.06	62.57	84.99
20,000	21.78	29.43	35.77	53.58	70.26
25,000	20.17	27.09	32.78	48.50	65.77
30,000	19.27	25.81	31.15	45.77	62.12

Please see the associated notes for more detail. These figures are typical but do not represent all types of vehicle and conditions of use. They are compiled immediately after the Budget, and during the following year some of the variables may change. © The Automobile Association Limited April 2002



The Cost of Motoring - 2002

How much does it cost to run a car?

The AA tables are published annually to give a guide as to how much it's likely to cost the average private user to run a car, petrol or diesel powered, or a motorcycle. In fact the figures given can only be a guide, as individual vehicles will vary: for instance the fuel consumption will depend on the traffic conditions and the type of journey, and repairs can be unpredictable. However, the aim is to show a representative cost that reflects all the important items, so that the motorist can see how it all adds up.

Standing Charges

The standing charges are those that will be incurred just to keep the vehicle ready for use on the road. So they include the Road Tax (annual VED), insurance, the cost of the capital used for the vehicle, the loss of value of the vehicle or depreciation, and the annual AA subscription. The depreciation is often the biggest single factor, though it's easy to lose sight of it in terms of an every-day expense.

Running Costs

The running costs are those that depend directly on the use of the vehicle – fuel, tyres, servicing and repair costs. Every mile run adds this amount to the annual bill, and every mile saved cuts the cost by this amount.

Claiming Mileage

How much an employer pays for mileage is a matter for negotiation between them and the employees, as circumstances will vary. The Inland Revenue operates the Approved Mileage Allowance Payment (AMAP) system – details from your local tax office or: www.inlandrevenue.gov.uk/cars/using_own.htm and www.inlandrevenue.gov.uk/cars/fuel_company_cars.htm

The figures given in our tables are VAT inclusive.

Additional Notes for Cars:-

- A Road Tax. Cars registered after 1st March 2001 have a rate of Vehicle Excise Duty set according to their fuel type and emissions of carbon dioxide in the legislated Type Approval tests. Older cars will have one of two rates; the lower rate for cars with an engine capacity of less than 1549cc, the higher rate for larger engines. In the Diesel Car table, all cars are put in at the higher rate as only a few can qualify for the lower rate.
- B Insurance. This is the average cost for a comprehensive policy with a 60% no claims discount.
- C Cost of capital. This sum represents the loss of income from the owner having money tied up in a vehicle, which otherwise could be earning interest in a deposit account. It's calculated at 4.5% of the average value for the car size group. Any further charges for a loan or hire-purchase will be extra to this.
- D Depreciation. Cars will lose value at different rates, depending on their make, age, mileage and condition etc. The tables assume that depreciation costs are averaged over the first five years from new, and include typical adjustments for the different annual mileages in that period. Older cars will in general depreciate at a slower rate.
- E The AA subscription allows for 'Option 200' joint membership at current rates.
- F The fuel cost is based on the average UK price at the time of publication, but can be adjusted as required using the factor given. The fuel consumption figures taken are typical for the car groups listed.
- G Tyre prices vary with location, but these are average costs based on a tyre life of 20,000 miles.
- H The labour costs cover normal servicing and parts replacement at a dealer, taking a labour rate of £56 per hour including VAT.
- I The replacement parts included cover those likely to be needed under normal driving conditions, such as brake materials, drive belts, battery, filters, oils and hoses.

Note that in the tables, the costs are given for petrol cars according to engine capacity. Diesel cars however are put into four groups according to new cost, as engine size does not reflect the class of car in the same way.