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		Engine Capacity (cc)					
		Up to 50	51 to 150	151 to 250	251 to 600	601 to 800	over 800
Note:	<b>Standing charges per year, £</b>						
L	Road Tax	15	15	30	45	60	60
M	Insurance	157	254	370	430	680	1290
N	Cost of capital	45	68	105	133	158	275
O	Depreciation	221	237	391	514	607	921
P	Helmet and Clothing	150	200	200	250	250	250
Q	AA Subscription	79	79	79	79	79	79
<b>TOTAL £</b>		<b>667</b>	<b>853</b>	<b>1175</b>	<b>1451</b>	<b>1834</b>	<b>2875</b>

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at 2,000 miles per year	31.14	40.28	54.84	67.41	85.63	134.54
at 4,000	16.68	21.33	29.38	36.28	45.85	71.88
at 8,000	9.72	12.14	17.13	21.35	26.72	41.69
at 12,000	7.40	9.08	13.05	16.38	20.34	31.63

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R	Petrol *	4.49	5.13	5.99	7.18	8.98	11.97
S	Tyres	0.30	0.53	0.60	1.00	1.50	3.12
T	Servicing labour costs	2.10	2.98	4.62	6.25	8.10	9.72
U	Replacement parts	0.87	1.32	1.61	2.45	3.76	5.00
<b>TOTAL PENCE:</b>		<b>7.76</b>	<b>9.96</b>	<b>12.82</b>	<b>16.88</b>	<b>22.34</b>	<b>29.81</b>

\* Unleaded petrol at 79.0 pence per litre

For each penny more or less,

add or subtract:

0.06	0.07	0.08	0.09	0.11	0.15
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2,000 miles per year	38.90	50.24	67.66	84.29	107.97	164.35
4,000	24.43	31.29	42.19	53.16	68.19	101.69
8,000	17.48	22.10	29.95	38.23	49.06	71.50
12,000	15.16	19.04	25.87	33.26	42.68	61.44

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 Cost of Motoring - 2003

## 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](http://www.inlandrevenue.gov.uk/cars/using_own.htm) and [www.inlandrevenue.gov.uk/cars/fuel\\_company\\_cars.htm](http://www.inlandrevenue.gov.uk/cars/fuel_company_cars.htm)

The figures given in our tables are VAT inclusive.

### **Additional Notes for Mopeds, Scooters and Motorcycles:-**

- L Road Tax (Vehicle Excise Duty). Note that the engine size bands for VED are not the same as the bands used for these costs.
- M Insurance rates are an average for Third Party, Fire and Theft policy without a no-claims discount.
- N Cost of capital. This sum represents the loss of income from 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 motorcycle for the size group. Any further charges for a loan or hire-purchase will be extra to this.
- O Depreciation is very dependent on market conditions and individual machines, condition and so on. These are broad averages for typical models, but there may be significant variations.
- P The cost of helmet and clothing assumes that these items have a life of three years.
- Q The AA subscription is for Option 200.
- R The petrol 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 size groups listed.
- S The tyre service life is adjusted for the type of motorcycle, but this will also vary depending on the individual riding style.
- T The service labour costs cover normal servicing and parts replacement at a dealer, taking a labour rate of £56 per hour including VAT.
- U The replacement parts included cover those likely to be needed under normal conditions, such as brake materials, chains, battery, filters, oils and suspension parts.