



### What happens if you are stopped driving home with an existing VED on a car you have just bought?

The DVLA website says when you buy a vehicle, the tax or SORN doesn't come with it and you **need to tax a vehicle before driving it home** from a dealer's forecourt or a private seller's home. We do not consider that is correct if the vehicle is currently taxed because our review of the legislation shows the existing VED is not cancelled until the DVLA receives notification of the change of registered keeper (from a sale or transfer of the vehicle) so consequently the existing VED remains valid until then, thereby enabling a buyer to drive the vehicle home on the existing VED. But what happens if you are stopped by the police whilst driving home with an existing VED on a vehicle you have just bought?

### What happens if you are stopped and checked by the police?

On checking the vehicle with their ANPR (automatic number plate recognition) system in their patrol car they would discover the DVLA record for the vehicle shows the registered keeper is the previous owner and not you. They will also do an insurance check with the Motor Insurance Database (MID) which is linked to the DVLA vehicle database and that may show there is insurance cover for the vehicle but for the previous owner who sold the car to you.

It is possible the previous owner may have contacted his insurer immediately you left his house and cancelled that insurance cover for the vehicle but that change is unlikely to have appeared on the MID as it takes a few days to get updated with information passed on by the insurer.

Equally if you have taken out insurance cover for the vehicle prior to the purchase, or by telephone immediately after the purchase was concluded, that will not appear on the MID for a few days.

So the police have before them a driver with a vehicle for which the DVLA database shows you are not the registered keeper and there is no record on the MID that you have insurance cover for the vehicle. Their concern will be you do not own the vehicle and may have stolen it and also that you are uninsured. **The police need only to have reasonable suspicion that the vehicle is uninsured to be able lawfully to seize it.**

### What can you do to avoid the vehicle being seized and taking a bus home?

First our recommendation is you get both parties to the sale to sign a **receipt** evidencing the seller has acknowledged receipt in full of the purchase price, he has stated he has a valid legal title to the vehicle and it is unencumbered (it is not subject to a hire purchase or other charge). The second item you must have is the **green slip** (New Keeper Supplement V5C/2) torn out of the V5C which you can use to apply for the new VED.

So with the **receipt and green slip** (V5C/2) hopefully any concerns over the possible theft of the vehicle may be resolved but that still leaves insurance cover.

### Insurance when buying a vehicle

Before a buyer drives off from the seller's location after concluding the purchase, you must have motor insurance cover for that vehicle. There are some motor insurance policies, or used to be, which cover any vehicle owned by the policyholder, and in that case all that has to be done is to inform

the insurance company in due course that he had changed his vehicle.

Most policies cover only a named vehicle but they do often also cover the policyholder on a third-party only basis to drive other vehicles, but that **normally excludes vehicles owned by or hired by the policyholder**. So when visiting a seller who has a vehicle on offer for sale, the prospective buyer either needs to **set up insurance in advance** in the expectation of buying the vehicle, or **arrange cover by phone or the internet before driving the vehicle away**.

Insurance arranged in advance has the advantage that a cover note can be emailed to you which you can have in the vehicle to show to the police that cover is in force. Similarly, if cover is arranged on the internet, there will be an exchange of messages including hopefully a cover note available on your smart phone or tablet. A pure telephone transaction will of course provide no such evidence of insurance cover.

The difficulty for the buyer is if you buy the vehicle in the evening or at a weekend when the insurer's office staff may not be available on the telephone, then arranging insurance cover for the vehicle just purchased will not be possible.

A possible solution is to arrange for the purchase of the vehicle to be in **another person's name** – for example in your spouse or partner's name – so the cover in your motor insurance policy covering a vehicle owned by another person would be available to cover the vehicle your wife or partner had just purchased from the seller although **only on a third party basis**. It's essential you read the terms of your policy very carefully before embarking on this route, for instance some policies now contain a condition that the "driving other vehicles provision" only operates if the vehicle concerned is covered specifically under another policy. The **purchase receipt** also needs to refer to that other person, not yourself, in order to evidence that it is not your vehicle.

The other alternative is to buy the vehicle and then **arrange to return a day or so later to collect the vehicle** by which time you could arrange both a new VED and insurance cover for the vehicle and then drive home in total peace of mind. But if the distance is considerable that could involve substantial additional cost and time.

So the essential point has to be: **when buying a vehicle do be well prepared, not least with the insurance requirements** before you drive the vehicle on the road unknowingly without the necessary legal requirement of motor insurance cover.