

Dear Member,

NFDA Northern Ireland (NFDA NI) update – June 2022

This month your NFDA NI team have focused on the latest developments on the Northern Ireland Protocol (NIP) and keeping an eye on any relevant updates for members. NFDA NI has facilitated a meeting with a Member of Parliament in the upcoming weeks to discuss the automotive retail policy issues such as the Electric Vehicle roll-out, government's 2030 ICE ban and the Northern Ireland Protocol (NIP) and its implications for automotive retail.

Disappointingly, in June 2022 the Government decided to scrap the 11-year-old Plug-in Car Grant (PiCG), which will affect dealers and consumers in Northern Ireland. NFDA reiterated its concerns about the move to a senior government official and will inform members of any further updates on the issue.

NFDA NI, also received the latest update from HMRC on the second-hand motor vehicle export refund scheme. Please contact us for further details.

In this month's news, we outline some of the key issues that Northern Ireland is currently facing, plus general news and relevant updates.

To learn more about **NFDA NI**, request further details and information about our most recent Steering Group meeting or to learn more about the work we have been doing on behalf of our members, please email Lena at lena.patel@rmif.co.uk

Policy

Plug-in grant for cars to end as focus moves to improving electric vehicle charging

- £300 million in grant funding for sales of electric vans, taxis and motorcycles to boost drive to net zero
- Success in the UK's electric car revolution leads the government to refocus plug-in grant funding to encourage other vehicles to 'charge up and go green'
- Part of government's zero-emission travel plans, already supported by generous electric car tax incentives and £2.5 billion investment

Source: <https://www.gov.uk/government/news/plug-in-grant-for-cars-to-end-as-focus-moves-to-improving-electric-vehicle-charging>

Latest guidance from HMRC on the second-hand motor vehicle export refund scheme

NFDA has been in direct correspondence with HMRC regarding the scheme since NFDA helped highlight the issue and in June 2022 we received a further update on the topic.

HMRC informed us that further to HMRC's previous update on the scheme (March 25 2022) they have updated their existing guidance on the refund scheme to reflect that they have now decided to now not publishing further information on the topic in May, as previously stated, and will be looking to send out an update later in the year.

Until the refund scheme is implemented, businesses can continue to rely on existing guidance when applying the margin scheme in Northern Ireland.

More information on the scheme can be found below:

The second-hand motor vehicle export refund scheme is a new scheme that the government intends to introduce on 1 October 2022.

It will allow you to claim a refund of VAT if you move a second-hand motor vehicle from Great Britain (England, Scotland and Wales) to Northern Ireland for resale.

If you're a car dealer who sells motor vehicles in Northern Ireland, you will soon have to use the scheme if you:

- buy vehicles in Great Britain and move them to Northern Ireland for resale
- currently use the VAT margin scheme for those sales

Guidance can be accessed here: [Sales of second-hand motor vehicles in Northern Ireland - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/sales-of-second-hand-motor-vehicles-in-northern-ireland)

NFDA Update - VERTICAL AGREEMENT BLOCK EXEMPTION ORDER (VABEO)

“The NFDA continues to be heavily involved in representing our franchised dealer in the shaping of vertical agreement block exemption regulation. We are working closely with our specialist legal advisers, TLT LLP, and leading counsel to assess the possible scenarios affecting the future relationship between franchised dealers and manufacturers.

The NFDA continue to engage with regulators, in particular, the European Commission, via the NFDA's European partner, AECDR, and the UK's Competition and Markets Authority (CMA) to outline franchised dealers' views.”, said Sue Robinson, Chief Executive of the NFDA.

Please find a summary of the VABEO document here: <https://www.nfda-uk.co.uk/press-room/press-releases/nfda-update-vertical-agreement-block-exemption-order-vabeco>

Automotive News

NFDA welcomes move to reform 'outdated' customer credit act;

AM Online, 17 June 2022

National Franchised Dealers Association (NFDA) chief executive Sue Robinson has welcomed Government's decision to reform the Customer Credit Act – branding it “outdated”.

Government has said that it is committed to reforming the 1974 Consumer Credit Act, which includes car finance regulations for hire purchases and PCP agreements, in a move which will see the Financial Conduct Authority (FCA) regulate consumer credit to help cut costs for businesses and simplify rules for customers.

[Read the full article here](#)

Three Co Tyrone council areas among the worst prepared in the UK for the switch to electric cars

Belfast Live, 18 April 2022

Figures collected by comparison site Moneyshake based on Department of Transport statistics showed Fermanagh and Omagh, Mid Ulster and Derry and Strabane to fill three of the four bottom spots in terms of percentage of electric cars on the road.

[Read the full article here](#)

Northern Ireland news

Commission launches infringement proceedings against the UK for breaking international law and provides further details on possible solutions to facilitate the movement of goods between Great Britain and Northern Ireland

The European Commission has launched infringement proceedings against the United Kingdom for not complying with significant parts of the Protocol on Ireland / Northern Ireland. Despite repeated calls on the UK government to implement the Protocol, it has failed to do so. This is a clear breach of international law. The aim of these infringement proceedings is to restore compliance with the Protocol in a number of key areas where the UK hasn't been implementing it properly – ultimately with the goal of protecting the health and safety of EU citizens.

Source: [European Commission](#)

Sale of new cars in Northern Ireland 10,000 behind pre-covid average

Car dealerships in Northern Ireland north have sold 10,000 fewer new motors in 2022 compared with pre-Covid levels, new figures show.

The local industry suffered its second weakest May in 30 years, with just 3,328 new cars registered, the Society of Motor Manufacturers and Traders (SMMT) said.

It represented a 14.2 per cent drop, or 551 vehicles, on the same month last year when 3,879 new cars were sold.

Only May 2020 was worse for the industry, when car dealerships managed just 144 sales under the tightest of Covid-19 restrictions.

Source: [Irish News](#)

Your monthly legal case studies



- [Mils Case Study: Unfair Dismissal In Covid-19 Pandemic](#)

Was it automatically unfair to dismiss an employee who refused to attend work over concerns about the risk of Covid-19 to his vulnerable children?

With increasing inflation ahead of us business could be forgiven for wanting to put Covid-19 behind them. However, businesses face a significant backlog of cases regarding Covid-19, and for those businesses effected the recent EAT case of and the recent case of Rodgers v Leeds Laser Cutting Ltd. should give members hope that the court is willing to take a pragmatic approach.

We look forward to continuing to best represent your interests in 2022. If you have any questions for us or require any assistance from your trade association, please contact lena.patel@rmif.co.uk or our member helpline at 01788 538303.

Member Benefits



Legal
Helpline



Monthly
Newsletter
and Industry
Insights



Regular
Meetings
and Events



National
Conciliation
Service



NFDA
Representative
Northern
Ireland



Ongoing
lobbying
and policy
updates



Member-only
guidance

Be Part of NFDA NI

The core purpose of the NFDA NI is to lobby Northern Ireland's local government by developing existing relationships and establishing new ones within relevant departments and agencies to outline dealers' priorities and safeguard their business matters.

NFDA NI members can benefit from the wide range of NFDA services plus dedicated resources, including a representative based in Northern Ireland to regularly engage with the government and other relevant parties on behalf of dealers.

NFDA NI members are BETTER INFORMED

Our members get access to free legal advice. We communicate you all relevant policy updates and guide you in line with regulatory changes. We ensure you are better informed through newsletters, industry updates, and regular meetings.

NFDA NI members are BETTER MANAGED

We understand your enthusiasm for the industry. We also understand how hectic our members' working lives can be. To help, we offer business advice, HR and Employment toolkits, commercial advice, and industry-led working groups to help you be better managed.

NFDA NI members EXCEED PERFORMANCE STANDARDS

Everything we offer is designed to help dealers improve performance. We provide access to a wider network, ensuring compliance, researching and providing data regarding our members' relationships with manufacturers. We enable real positive change for our industry, making our members more reputable and profitable.

To learn more about **NFDA NI**, the work we have been doing on behalf of our members and how you can benefit from your membership, please email Lena at lena.patel@rmif.co.uk