Summer 2022

The



The Official **NFDA** magazine for the Industry

In this Issue...

- Government Funding for Electric Vehicle Approved (EVA)
- Driving Digital at Westminster Hall
- NMDA Dealer Attitude Survey
- New FCA Consumer Duty
- Plug-in Car Grant Axed by UK Government
- Car Buying Trends

...and more!

Neil Addley interviews Simon Bottomley, COO, Hendy Group





*** NFDA** Welcome to the Summer **Edition of the Voice**



Director, NFDA

Dear Colleagues,

External factors such as chip shortages and supply constraints, cost of living pressures, and the conflict in Ukraine have continued to adversely impact the automotive retail sector. Whilst these are negatively affecting UK registration figures for new cars, franchised dealers have remained diligent by improving their strategies, innovating their online presence and click & collect services, and playing a crucial role in the transition to EVs.

In June, NFDA sent an update on Vertical Agreement Block Exemption Order

(VABEO) to all members to outline the current position of the sector. NFDA continues to engage with manufacturers and work closely with its franchised dealer members, specialist legal advisers, TLT LLP, and leading counsel to assess the possible scenarios affecting the future relationship between franchised dealers and manufacturers.

In May, I attended the first in-person Alliance

of European Car Dealers and Repairers

(AECDR) meeting in Brussels, with representatives of leading European countries including Spain, Italy, Germany, Portugal, and various brand dealer associations. Discussions centred around the growth and future of automotive retail, block exemption, and agency models. Further details will be released in due COURSE

In this edition of The Voice, we have included an introduction to the New FCA Consumer Duty. The new Duty will build on the existing principle of 'Treating Customers Fairly'. However, it is not just about new processes, but will require businesses to adopt a more consumer focused culture when it comes to providing financial products such as PCPs. The NFDA is working on a support package for members to help them embed this in their husinesses

In May, NFDA hosted Driving Digital 2022 at Westminster Hall. Keynote speakers addressed the macroeconomic climate and its effects on the industry, the importance of digitalisation and the automotive industry's ability to adapt to changing circumstances. The event was a resounding success, and plans for 2023 are already underway.

In April, the Government confirmed that they will continue to fund our Electric Vehicle Approved (EVA) accreditation scheme, which is extremely positive news, and is encouraging to see extended Government support for the electrification of automotive retail. We look forward to continuing to work with the Office for Zero Emission Vehicles (OZEV) and Energy Saving Trust to drive forward the transition to a zero-emission market. Please find further details in this issue of the magazine, along with details about EVA price changes, manufacturer caps and re-accreditation.

Drive My Career has published the results of its latest survey which aims to better understand young people's perceptions of the automotive industry, including valuable insights for dealers' recruitment teams. The survey revealed that 39% of respondents who had not previously thought about working in automotive, would consider it if they were made aware of the opportunities available. Find more information about the survey in this edition of The Voice.

Throughout June, NFDA has held its Regional Meetings across the UK. Our Southern Regional in Cobham. Midlands Regional in Warwickshire, Northern Regional in Leeds, and South-West Regional in Bristol. Each meeting fostered positive discussions relating to agency and the dealer/manufacturer relationship, the new and used car market, FCA issues, the recruitment challenges facing dealers as well as electrification and EVA.

It has been a busy few months with regards to Policy at the NFDA. In this issue we discuss the Plug-in Car Grant being axed by Government, upcoming consultations, our parliamentary engagement programme and the NFDA Dealer Attitude Survey.

NFDA Is the voice of automotive retailers - if you require any assistance, please do not hesitate to contact your member helpline at 01788 538303 or email nfda@rmif.co.uk

Sue Colemisa

UPCOMING REGIONAL MEETINGS AND EVENTS FOR THE DIARY





NFDA SOUTH-WEST **REGIONAL MEETING** Venue: Double Tree by Hilton Bristol North Date: 12 October 2022

NFDA MIDLANDS **REGIONAL MEETING ₩NFDA** Venue: Delta Hotel by Marriott Warwick Date: 5 October 2022

BRITISH MOTOR SHOW

Date: 18-21 August 2022

Venue: International Exhibition &

Conference Centre, Farnborough



Venue: National Exhibition Centre (NEC), Birmingham Date: 10 November 2022

The regional meetings help us set the direction of our work and enable us to provide you with an accurate update on all our activities. Your feedback is key and your attendance to the NFDA Regionals is vital: please contact lena.patel@rmif.co.uk to attend.



Putting food on the table. Filling your car at the pump. Heating your home. All of these everyday essentials are becoming more expensive, while our household incomes are not necessarily increasing to reflect these price rises. This has led to what is now being referred to as a 'cost of living crisis' here in the UK.

With interest rates rising, fuel costs soaring and the impact of global unrest starting to affect our bank balances, for a huge number of people it is becoming more difficult to make ends meet each month.

Ben, the automotive industry charity, has found in its most recent health and wellbeing survey that **1 in 5 people** in the automotive community are currently struggling to keep up with the rising cost of living. Ben is starting to see a significant increase in people reaching out to the charity for support - not just for help in managing their finances but also for support in dealing with the impact that financial insecurity has had on their mental health.

Each year, Ben supports many people who are struggling to make ends meet for all different kinds of reasons. In fact, worrying about money is one of the biggest reasons why people ask Ben for help. There are many ways that Ben can support people with their money worries – whether that's through providing information, advice and guidance related to finances or debt, offering financial assistance, or providing emotional support when struggling with money impacts on someone's mental health and wellbeing.

Those struggling with money worries can also sign up to SilverCloud - Ben's free digital platform with Cognitive Behavioural Therapy (CBT) programs, which helps to improve health and wellbeing. Try the 'Space from Money Worries' program and just enter access code 'ben' to get started. https://ben.silvercloudhealth.com/signup/

Ben has also put together a dedicated page on their website, giving ten top tips for how to reduce your cost of living – from weekly meal planning to reducing water wastage, shopping

Call our free and confidential helpline on 08081 311 333. We're in this together

Meetings take place in the morning and lunch is provided.





HELPING YOU TO RIDE OUT THE RISING **COST OF LIVING.**

around for the cheapest fuel stations to reducing energy bills. Even if you're feeling financially OK at the moment, it pays to start planning ahead in case money becomes an issue in the future.

Rachel Clift, Health & Wellbeing Director at Ben, said: "While we can't alter the rising cost of living, there are many ways that Ben can make life easier for those struggling with financial troubles. Whether that's making sure you know which benefits you may be entitled to, or helping you to manage your money in the short or longer term – we're here to help.

"Many people suffer in silence because financial insecurity carries a lot of feelings of shame and low self-esteem. We often find that people wait until a struggle becomes a crisis before reaching out to Ben for help."

"Ben is here for everyone who works or has worked in the automotive community regardless of their circumstances. Our whole purpose is to help our automotive family to overcome life's challenges - without judgment or prejudice. If you are worried about money, if you are in need of financial assistance or simply want reassurance that you're prepared and in a good place financially, ready to weather the costof-living storm, please do get in touch. We have a team of specialists here, ready and waiting to help you."

Check out the latest information, tools and resources available to guide you through your financial journey on the Money section of our website - https://ben.org.uk/how-wehelp/for-me/money or call our free and confidential helpline on 08081 311 333 (Mon-Fri 8am-8pm)

Remember if you or someone you know is struggling with this, or anything else – you can chat with us online, or call our free and confidential helpline on **08081 311 333** (Mon-Fri 8am-8nm).

When any member of our automotive family is struggling or in crisis, we all rally to support them.



PARLIAMENTARY POLICY UPDATE Key announcements: Plug-in car grant axed by UK Government

The Department for Transport announced in June its intentions to shift its focus onto expanding the electric ChargePoint network. The move will mean the UK will have the most ambitious target plans for Electric Vehicle uptake, with the 2030 deadline for Internal Combustion Engines, and yet be the only major European market without any upfront purchase incentives for electric cars.

Sue Robinson, NFDA Chief Executive, commented "The decision to close the Plug-in Car Grant (PiCG) is exceedingly disappointing as it will, without doubt, heavily disincentivise Electric Vehicles (EV) adoption across the UK and has the potential to derail the positive progress the automotive sector has made towards decarbonising transport. This

move sends the wrong message to consumers and will ultimately harm less affluent families seeking a transition to a cleaner method of transport"

The NFDA has already spoken with

the Department for Transport to outline our concerns regarding the continued descaling of Government subsidies for EVs.

Sue Robinson added: "The PICG existed as a highly effective and highly utilised financial incentive to support UK motorists in their transition to electric. The grant cut will now expand the disparity between regions even further, as we understand that the initial cost of an EV remains to be the key barrier to entry, with the majority of current EV owners home charging their cars overnight.

"Although the market share of electric vehicles is continuing to grow at an impressive rate, it is premature to

remove this vital support mechanism and risks the UK falling behind other G7 nations in reaching their challenging netzero targets.

We will continue to ask the government for more clarity and more information surrounding this decision and also its wider trajectory of reducing electric passenger car price incentives.

The NFDA also broke the news to members that a law mandating newly built homes and commercial buildings to have electric vehicle charging points came into force from June 2022. Government says that the new law will lead to 145,000

> new charging points being created each vear. This is a welcome addition to the growing charging infrastructure which exists in the United Kingdom. Legislation will also apply to newly built supermarkets,

places of work, and buildings that have major renovations and that will have more than ten parking spaces. Additionally, Government will mandate

points to become smarter with new electricity demand. A positive move, one which will help the

national grid better manage EV charging sessions to cope with peaks and troughs in energy demands.

H

Consultations

The NFDA continues to respond to Consultations that are pertinent to our members, two notable topics the government has been seeking further direction from industry, are as follows:

Online Sales Tax (OST)

The UK is considering whether an online sales tax (OST) should be introduced to "rebalance" the disproportionate impact that Business Rates have on brick-and-mortar stores.

The OST consultation outlines how Business rates raise in excess of £25 billion a year in England alone. Raising comparable amounts under the VAT system would require around a 3-4p increase to the standard rate. Around a 5p increase to the basic rate of income tax would be required to raise a similar amount.

The Treasury has verbally confirmed to the NFDA that all money raised from an OST would be ringfenced and used to fund a reduction in business rates for retailers. However, we are seeking written clarification. These retailers tend to pay much higher rates for their high street property portfolios than purely online counterparts do for their distribution centers. The government has said it will not intend for an OST to actively encourage customers to shop in-store rather than online.

Motor retailers must be involved in the consultation to reduce ambiguity and to ensure that the blended online/offline retailing that now shapes our industry does not result in retailers being taxed twice. In our response, we actively voiced our concerns whether 'click and collect' sales would be covered in the proposed tax, telephone sales, and whether the scope of the OST would be applied to business-to-business (B2B) transactions. The NFDA is waiting on a further update from government on this and will inform members in due course.

DOWNING

CITY OF WESTMINSTER

STREET SW1

ULEZ Expansion

Transport for London is considering expanding the Ultra-Low Emission Zone to cover all of greater London in August 2023. Cars that do not meet the emissions standard would be charged a £12.50 daily fee.

The NFDA is seeking further clarity from TfL on some of their proposed ideas. These include the proposed scrappage scheme and the future of road user charging that the Mayor has mentioned but has not provided any details on how it would manifest. We argue that a fair and cost-effective scheme for essential car journeys should be the core of any future congestion scheme in the capital.

The consultation will close end of July.



Parliamentary Engagement

The NFDA has been keeping up with lobbying efforts over the past few months with active political engagement across areas of Westminster and some of the devolved nations. Meetings took place in Portcullis House, Westminster, with a senior labour transport spokesperson. Productive discussions on issues including business rates, automotive retail policy, and the digitalisation of the sector. The NFDA also met with a Senior Conservative MP to discuss our Net-Zero concerns and the value of alternate fuels in driving the automotive industry away from carbon. We will continue to represent Members with parliamentarians, existing as the key voice for the automotive dealer network.

In other work, the NFDA will again attend both the Labour and Conservative party conferences in Liverpool and Birmingham respectively, with preparations ongoing.

Conferences and Summits

The NFDA has also been an active player within the automotive policy sector, attending several industry



EV charge guidelines to help better manage

events, including:

- SMMT Electrified 2022 focused on how industry, stakeholders, and government can join forces to accelerate the transition to zeroemission mobility
- SMMT International Automotive Summit 2022 - Providing an opportunity for the automotive industry to come together to discuss the issues and opportunities impacting their businesses and the industry. The event attracted an audience of senior-level representatives from across the breadth of the industry, including vehicle manufacturers, component manufacturers, aftermarket, government, and the media for a day-long conference in central I ondon.

Being present at these events ensures that the NFDA is receiving industry information from key stakeholders, across the automotive supply chain, which means a betterinformed members group. This information is regularly passed on during the different working groups that are conducted by the NFDA.

Going Forward

On a macro policy and regulation level, 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. We remain active in

The NFDA continues 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

Dealer Attitude Survey

Every six months, the NFDA Dealer Attitude Survey presents an insightful and comprehensive overview of the automotive sector and the health of franchised dealers' business relationships with their respective manufacturers.

The Dealer Attitude Survey (DAS) is currently live and will be closing entries on Monday 1 August 2022.

If you haven't yet received the survey link and would like to, please contact -oliver.nurser@rmif.co.uk.

*NFDA digital DIGITALISATION,

ELECTRIFICATION, CHANGING CONSUMER BEHAVIOUR AND THE COST OF LIVING CRISIS - MAIN THEMES AT NFDA'S **DRIVING DIGITAL 2022**



The event started with a warm welcome from NFDA Chief Executive Sue Robinson, who mentioned the association's ongoing lobbying efforts, particularly around the possible future scenarios for the dealer/ manufacturer relationship and the agency model.



Sue Robir

Big Tailwinds in the Automotive Industry

Automotive Business Consultant from Grant Thornton Owen Edwards provided an overview of the UK's economy and the current impact on the automotive sector.



Following the significant disruption caused by the pandemic and Russia's invasion of Ukraine, he highlighted that it will take until 2023 before vehicle production returns to pre-pandemic

Owen also shed light on how

extensively the war between Russia and Ukraine is and will affect the manufacturing of vehicles as Russia is a large manufacturer of raw materials and petroleum-based products.

Similarly, Ukraine accounts for 50-60% of neon gas, affecting the production of semiconductors. With current trends, Owen predicted that in 6-12 months, new vehicle prices would go up to

presentation with a hopeful

comment, 'The automotive

industry has adapted before,

and it will continue to adapt



The Rise of Electric Vehicles

The Second speaker was Auto Trader's Commercial Director Ian Plummer. Ian Focused on the electrification of the market and consumer attitudes towards electric vehicles.

Ian highlighted that the shift to electric is bound to happen due

to strong government backing and manufacturers producing an ever-increasing amount of EV cars whilst gradually phasing out ICE vehicles; as a result, EVs will account for 50% of new car sales by 2026 and by 2030, a third of all cars on the market will be electric,



which will undoubtedly alter the aftersales business.

As we step into a post-pandemic era, lan highlighted the need to respect consumer behaviour regarding the digital economy, providing customers with choice and convenience. Retailers who adopt a hybrid and tailored approach benefit from increased revenue from sales. For instance, digital-first retailers are selling 5% of the 0-7-yearold stock.

lan concluded by saying retailers must adapt to changing times and remain consumer focused by providing them with a worry-free digital experience through money-back guarantees, online financial applications, and reservations. 'By giving the consumer what they want, we are also more

likely to benefit'.



Experiences Kim Costello, Chief Marketing Officer for Pendragon, reinforced

Value of Trust and

Improved Hybrid

what was previously said, 'The war in Ukraine affecting mining, constraints on petroleum-based products,

and a multitude of issues on the horizon impacting manufacturing and supply, basic economics tells us we are looming down the barrel of a recession'.

Like many others, Kim highlighted the industry's ability to adapt in the face of change. In order to remain profitable, it has become clear that the automotive sector needs to focus on customer interactions. However, this is also becoming difficult due to the population's reluctance to share data.

Instead, Kim says auto retailers need to leverage Artificial intelligence to see where the opportunity lies within the potential user experience. If done right, retailers can understand what consumers want and continue to serve their needs. Companies that leverage this are at a competitive advantage.

As we emerge from the pandemic, it should be said that ultimately, consumers want choice. Many retailers have listened to customers by providing customers with options instead of forcing them down a fully digital or physical route.

Buying Electric: 'More Than Electric Dreams'

Marc Palmer from Auto Trader provided additional. valuable insights into the EV market.

Marc discussed how to



keep up with growing electrification, the government is placing a greater focus on EV infrastructure, setting aside half a billion pounds to facilitate this change.





However, Palmer stated that electric infrastructure is 'patchy' and inconsistent in terms of availability. For example, London accounts for 45% of all public charge points.

Furthermore, EVs remain more expensive than counterpart ICE vehicles. For this reason, individuals who earn upwards of £50,000 a year show a greater interest in purchasing one.

To successfully market EVs, retailers must emphasise the lower running costs of EVs, like saving £140 per 1,000 miles.



The 'Dodo' and The **Power Of Upselling**

Moving on, Neil Addley perfectly demonstrated the importance of adaptation through his example of the Dodo bird failing to adapt to changing circumstances

leading to extinction. Like many others, he emphasised the need for impeccable customer service.

Interestingly, he mentioned that 'up-selling' is not seen as a negative by the customer, instead, offering add-ons contributes to increasing promoter rates and customer satisfaction.

Findings From the Best Dealerships in Digitalisation

Last on the stage, CEO and Group Managing Director of Arnold Clark, Eddie Hawthorne, proved the auto retail business can not only survive but thrive under the changing dynamics of the market through digitalisation.

Eddie Hawthorne provided an overview of the plethora of projects and digital services Arnold Clark is currently working on. The company has been improving customer satisfaction, simultaneously



introducing new digital processes such as check-ins. resulting in a significant increase in efficiency for both customers and technicians, who can now service more cars than ever before.

Linking to what Kim said, Eddie mentioned that Arnold Clark's success was through dedicated investment in user Interaction and experience, hiring developers to research customer journeys from beginning to end. Like others at the event, Eddie said the company adopted a hybrid approach in which customers are 'empowered' as they can personalise their buying experience to suit them, a leading reason why Arnold Clark remains one of the most profitable auto retailers in the UK.

The event recognised the challenges the auto retail sector would face in due course, though, as all the speakers mentioned, the auto retail industry is highly adaptable. By embracing



digitalisation and providing exceptional customer service, the sector will be able to thrive regardless of circumstance.



Government Announces Continued Funding for Electric Vehicle Approved (EVA) Scheme

Government announced its continued support for NFDA's Electric Vehicle Approved (EVA) accreditation scheme until the end of the financial year in April 2023.

Ministers are said to have been impressed with NFDA and Energy Saving Trust's efforts to approve a significant amount of EV providing dealers, recently achieving the milestone of 400 EVA accredited sites in February, with many more retailers in the pipeline.

For the year ending April 2023, Government will continue to fund the scheme, only for small franchised and independent dealers. Further to this, Ministers have agreed to extend the Repair and Aftersales centre pilot scheme for six months, closing at the end of September.

Transport Minister Trudy Harrison said: "As we drive towards our net zero ambitions, it's vital dealerships have the right level of skills and expertise to advise drivers on the important benefits of switching to electric vehicles.

"That's why this Government has supported the brilliant EVA scheme to build buyers' confidence when thinking of buying an electric vehicle and encourage more motorists to go-electric."

Tim Anderson, Group Head of Transport at Energy Saving Trust, said: "The Electric Vehicle Approved (EVA) scheme has been instrumental in empowering retailers to enhance their expertise and supporting consumer confidence when purchasing electric vehicles. We welcome the

Government's decision to focus the scheme on smaller dealerships, to ensure that funding for the necessary audits reaches the businesses that need it most.

"We look forward to continuing our support of the scheme and working closely with the Office for Zero Emission Vehicles (OZEV) and the National Franchised Dealers Association (NFDA) in the transition to net zero.³



Sue Robinson, NFDA Chief Executive added: "NFDA welcomes the Government's decision to extend funding for the Electric Vehicle Approved (EVA) accreditation scheme. The continued support from Governing bodies is testament to the key role that retailers play towards electrification and the transition to a zero-emission market. We look forward to extending our collaboration with the Government's Office for Zero Emission Vehicles (OZEV) and Energy Saving Trust for another year."

PRICING AND MANUFACTURER CAP

NFDA's Electric Vehicle Accredited scheme has been making great progress, with over 400 individual dealer sites already accredited and many more waiting for approval. With the growth of the scheme, there has been recent changes to the cost of getting your dealer site accredited, the latest costs are as follows -

Small business	£329
Medium/Large business	£529
Renewals	£325

*These costs will be fixed for the remainder of the 22/23 financial year.

Due to the rapid progression of the programme, and recent changes to government funding, the EVA manufacturer cap has now been completely scrapped with unlimited applications now being accepted from any dealership, representing any brand. Please find the link below, where you can find more information about the scheme and how you can get your dealership EVA accredited.

If you would like to be EVA Accredited, please contact eva@rmif.co.uk for an application form!

EVA RENEWALS FOR SITES THAT HAVE BEEN ACCREDITED FOR 2 YFARS

If your site is coming to the end of its 2-year EVA accreditation period, your site will need to undergo a re-accreditation process to retain the benefits of the scheme and remain a valid EVApproved dealership

Since the initial accreditation, there has been a number of changes to EVA standards. These will concern a team's ability to engage in knowledgeable conversation with customers about the electricity tariff elements, plus a default offering of EV green number plates for all new cars supplied.

This EVA renewal process is a slimmed down online audit to ascertain that a facilities' processes and personnel still comply with the EVA standard. Like the initial accreditation process, it will be conducted independently by the Energy Saving Trust but at a reduced cost to the dealer of £325 + Vat. Renewal demonstrates to your customers that your business continues to be a reputable and knowledgeable Electric Vehicle retailer, possessing expertise in the complete end to end sale of an Electric Vehicle

EVA re-audits have now begun, if you receive and email from EVA which informs you that you are coming to the end of your 2-year accreditation, please follow the steps provided and we will arrange for Energy Saving Trust to facilitate this renewal.

Aberdeen Aud Acorn Burntwood Kia Agnew Belfast Volvo All Flectric Hyundai Kidd Amersham Audi Arnold Clark Dundee Arnold Clark Glasgow Arnold Clark Hillington R Arnold Clark Inverness Arnold Clark Linwood Arnold Clark Stirling Arnold Clark Volvo Aberdee Arnold Clark Volvo Stirling Ashford Orbital Kia Audi Bristol Audi Hul Audi West Londor Audi York Ayr Audi Barnetts Nissan Dunder Basingstoke Audi Bath Audi Bath Volkswager Beadles Volkswagen Maidst Bedford Audi **Belfast Audi** Bells Motor Group Bedford - Volv Bells Motor Group Northampton-Volvo Cars Berry BMW Chiswick Berry Croydon BMW/MINI Berry Heathrow BMW/MINI Berry Thames Ditton BMW/MIN Bexley Audi **BEC Motor Group** Birmingham Audi Blackburn Audi Blackshaws Mitsuhishi Alnwick Blackshaws Mitsubishi Morpet Bolton Audi Boongate Kia Boston Audi Bradford Audi Bridgend Ford Brighton Audi Brighton Mitsubish Brindley - Volvo Cars Wolverha Bristol Street Motors Bradford Bristol Street Motors Ford Durham Bristol Street Motors Ford Hartlepoo Bristol Street Motors Hvundai Nottinghan Bristol Street Motors Kings Ford Bristol Street Motors Nissan Bristol Street Motors Nissan Darlington Bristol Street Motors Nissan Halifax Bristol Street Motors Nissan Ilkestor Bristol Street Motors Nissan Bristol Street Motors Renault & Dacia Nottingham Bristol Street Motors Renault Derby Bristol Street Motors Renault Exeter Bristol Street Motors Renault

Gloucester

Buckingham & Stanley Ltd

Caffyns Volkswagen Worthing

Cambridge Garage Havant Volvo Cars

Camerons - Volvo Cars Perti

Clelands - Volvo Cars Galashiels

Clive Brook Volvo Bradford

Bury St Edmunds Aud

Cambridge Audi

Canterbury Audi

Cardiff Audi

Carlisle Audi

Carlisle Audi

Chelmsford Aud

Chingford Audi

Chiswick Honda

Clive Brook Hudd

CMC Harlow

Corkills Wigar

Coulsdon Audi

Crawlev Audi

Crewe Audi

Derby Audi

County Garage Ford Coventry Audi

Devonshire Motors

Cheshire Oaks Aud

Doncastor Audi Doncastor Mercedes-Ben Dravton Motors Boston Kia DSG Hyunda Dundee Audi Fastbourne Aud Edinburgh Audi Endeavour East Londor Endeavour Volvo North Londo Endeavour Watford

EVA HITS THE 400 MARK! LIST OF APPROVED DEALERS:

Exeter Audi F.J. Chalke Wincanton Farnborough Audi Finchlev Road Aud Fish Brothers Kia Five Oaks Audi Furrows FordStore Telford Furrows Shrewsbury Fussell Wadman Devizes Gallaghers Motor Company of Sandycroft Gallaghers Motor Company of Warrington Glasgow Audi Glyn Hopkin Nissan Bedford Glvn Hopkin Nissan Cambridge Glyn Hopkin Nissan Chelmsford Glyn Hopkin Nissan Colchester Glvn Hopkin Nissan East London Glyn Honkin Nissan Inswich Glvn Hopkin Nissan Milton Kevnes Glvn Hopkin Nissan North London Glyn Hopkin Nissan Romford Glyn Hopkin Nissan St. Albans Givn Hopkin Nissan Waltham Abbe Grenson Cre Grimsby Audi Guildford Audi GWR Kia Halesowen Audi Hamilton Audi Harold Wood Audi Harrogate Audi Harwoods Volvo Crawle Hatfield Audi Hendy Kia Eastleigh Hendy Renault Bright Hereford Audi Highland Audi Hitchin Audi Holdcroft - Volvo Cars Stoke Holden Volvo Norfoll Huddersfield Audi Humming Bird Kia Colindale Humphries and Parks Ltd Huntingdon Audi Hutchings Hyundai Swanse Hutchings Vauxhall lpswich Audi . Jaquar Buckinghamshire Jaguar Land Rover West Londor Jardine Lancaster Reading Javhee Motors Banhury JCT600 Porsche Centre Leeds JCT600 Sheffield Audi John Clark BMW Aberdeer John Clark BMW Tayside John Clark Mini John Clark MINI Aberdeen John Clark Specialist Cars Skoda Johnsons Hyundai Coventry Johnsons of Gloucester JS Holmes Nissan Kastner Exeter - Volvo Cars Keith Price Garages - Volv Abergavenny Kings Lynn Audi King's Lynn Volkswa Lake District Audi Leeds Audi Leicester Audi Linas of Lowestoft Lipscomb Aylesford Lipscomb Canterbury Lipscomb Maidstone - Volvo Cars Listers Volkswagen Evesham Listers Volkswagen Leamington Listers Volkswagen Loughborough Listers Volkswagen Stratford Listers Volkswagen Worcester Listers Worcester Liverpool Audi Livery Dole Mitsubishi Llovds Motors Aberaeron Lookers Land Rover Batt Lookers Land Rover Bishop Stortford Lookers Land Bover Chelmsford Lookers Landrover Colchester Lookers Nissan Newcastle Lookers Renault Stocknor Lookers Vauxhall Chester Lookers Vauxhall Chester Lookers Vauxhall Filesmere Port Lookers Vauxhall Liverpool Lookers Vauxhall ST Helens Lookers Volkswagen Battterse Lookers Volkswagen Newcastle Loughborough Kia Luscombe Motors M53 Ford Birkenhead M53 Ford Ellesemere Port Macclesfield Audi Mackie Motors Brechin Macklin Motors Nissan Glasgo Macklin Motors Nissan Glasgow

South Manchester Audi Mangoletsi MG Mariott Bury St. Edmunds Marshall Audi Canterbury Marshall Maidstone Audi Marshall Volkswagen Coulsdor Marshall Volkswagen Oxford Kidlington Marshall Volkswagen South Oxford Marshall Volkswagen Tunbridge Marshall Volvo Bishon's Stortford Marshall Volvo Cambridge Marshall Volvo Derby Marshall Volvo Granthan Marshall Volvo Leeds Marshall Volvo Milton Keynes Marshall Volvo Welwyn Garden City Martins of Basingstoke Martins of Camberley Masters of Beckenham McCarthy Cars Milton Keynes Audi Monaghan Brothers Lisnaskea Myers & Bowman Toyota Newbury Audi Newcastle Audi Nissan Wylam Garage North Wales Audi Northampton Audi Northside Truck & Van Leeds Northside Truck & Van Doncaster Norton Way Nissan Norwich Audi Nottingham Audi Oldham Audi Oxford Audi P.V. Dobson - Volvo Cars Lake District Park's Nissan Arbroath Parkside Volvo Peblev Beach Hvundai & Suzuki Pentland Jaguar Fort Kinnaird Pentland JI R Dundee Pentland Land Rover Edinburgh West Pentraeth Group in Gwynedd Perrvs Kia Preston Perth Audi Peterborough Audi Platts of Marlow Ford Plymouth Audi Poole Audi Porsche Centre Cambridge Porsche Centre Chester Porsche Centre Colcheste Porsche Centre East London Porsche Centre South Londo Portadown Audi Portadown Audi Portsmouth Audi Ray Chapman Motors Malton Ray Chapman Motors York Reading Audi Riverside Volvo Hull Roger Young Jaguar/Land Rover Romford Mazda Rybrook Bolton- Volvo Cars Rvbrook Volvo Chester Rybrook Volvo Preston Rybrook Warrington Shrewsbury Audi Sinclair Swansea Audi Sinclair Volkswagen Cardiff Sinclair Volkswagen Swansea Slough Audi Smiths Hyundai, Peterborough Smiths Nissan, Peterborough Smiths of Ilkeston Smiths Renault, Peterborough Snows Volvo Southampton Snows Volvo Winchester Soper of Lincoln Southampton Audi Southend Audi Specialist Cars VW Kirckcaldy Specilaist Cars Nissan- Aberdeer Specilalist Cars Renault - Aberdeer Specilalist Cars VW- Aberdeen Squire Furneaux Guildford Squire Furneaux Leatherhead Stafford Audi Stansted Audi Stirling Audi Stockport Audi Stoke Audi Stoneacre Chesterfield - Volvo Cars Stoneacre Stockton Stoneacre Volvo Grimsby Stoneacre Volvo Lincol Stoneacre Volvo Newcastl Stoneacre Volvo Sheffied Stratford Audi

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Please note: the list of EV accredited retailers is updated constantly. For the most up-to-date list, please visit the EVA website

NFDA INTERVIEW HENDY

"Always play with a straight bat"

Neil Addley interviews Simon Bottomley, COO, Hendy Group

Having recently been appointed to the Presidents Committee of the Automotive Fellowship International (AFI) we caught up Simon Bottomley, Chief Operating Officer, Hendy Group at the splendid Luton Hoo Hotel.

Like many of his peers Simon is delighted by the resilience of the Hendy team during the pandemic and ready for the challenges of the market in the second half of 2022. We started by asking how Simon had started in the motor industry.

"By accident," he admits. Following university he worked for several international PLC's on major electrical installations, including Heathrow T5 (Terminal 5). However, the travel didn't fit with having a young family and so he started looking for something closer to home.

"I joined Thurlow Nunn, a UK based family business to look after their engineering division and, within 5 years was running the whole business, including a large regional dealer group. It was 18 years before I moved and I am pleased to hear that business is still strong."

"When it comes to dealing with customers new car supply we just need to be honest about the situation, be open and give them regular updates."

"I wouldn't have left if it wasn't to join Paul Hendy at the Hendy Group. The business has a clarity of purpose and clear vision that I think is rare in any industry. We want to grow, but sustainably so and our people and customers will always be at the heart of what we do. It's a real privilege to sit on our board and help lead the company."

Simon goes on to share that he feels Hendy has family values but with PLC standards. Innovative but quietly getting on with it.

"Take covid as an example. I'm extremely proud of how all of our

1600 or so colleagues came together to get the company through the worst of it. I genuinely think we came out of the other side a better business."

Given the challenges now facing the sector, "The mood in the camp is very positive. We

had our management conference recently and the mood is focused around opportunities and positivity. That's not just management speak but about executing our strategy effectively. We have a massive focus on efficiency, not just on costs but doing things properly."

"When it comes to dealing with customers new car supply we just need to be honest about the situation, be open and give them regular updates."

Would fixing new car supply be what he'd fix with a magic wand?

"No attracting enough people, good people would be my fix, the sector

is chronically short of people. We have a world class people agenda, leadership and management training - even a big investment in a mini MBA style programme which we are confident adds to our excellent retention stats. Attracting, retaining and developing people is a central plank of our Hendy's strategy."

What about agency?

"I'd prefer to stick with what we've got but, we are pretty good at selling new cars, but if OEM partners want to go down that route, we will work with them. As long as the distribution model is of equitable risk, we'll adapt as required. Electric cars are coming and we're gearing the business up

to reflect this, but essentially, we will stock and sell whatever customers want, be it ICE or BEV vehicles."

Hydrogen could be a solution in the future with fuel cells, all a far cry from his first car, a Hillman Imp - "I still remember the reg no - LWK793P

- and the horrible banana yellow colour!".

Simon's biggest achievement "isn't really mine, its how the Hendy team pulled together during covid. It was an immensely difficult time



- our income dropped from £20M to fifty thousand pounds a week, yet we survived and indeed have subsequently prospered. I am very proud of what we achieved - but I don't want to go through it again!"

The NFDA is pleased to appoint new **Head of Operations and Member Services, Symon Cook**

The National Franchised Dealers Association (NFDA) has appointed its new Head of Operations and Members Services, Symon Cook, replacing Steve Latham.

Symon started his new role with the NFDA on Monday 6 June 2022. After having worked in the automotive industry for over 30 years, most recently as the Head of Aftersales at Battersea Land Rover for Lookers plc, Symon possesses extensive industry knowledge which can be directly applied and utilised in NFDA operations going forward.

Symon Cook comments "Having worked in the Motor Vehicle industry for the past 30 years, I bring a wealth of knowledge of the Aftersales Sector, working with both retailers and workshops.

"My experience will help NFDA Members to receive the best support with their business needs, and ensure the industry is well informed with the latest manufacturer and Government relationships. Being able to engage with our members and give them a voice will be a crucial part to my role.

"I am extremely grateful for this opportunity and looking forward to the essential work which lies ahead."

Symon Cook's primary contact details can be found in the About section on the NFDA website.

When asked about his advice to people in the industry he explains, "enjoy what you do - if you do that you'll never have to work again. Always play with a straight bat and don't ever go for a job for money, go for the experience."

> Sometimes, he reflects in this industry we "make expedient decisions, maybe sometimes we should slow down and make longer term. strategic decisions. If covid has taught us nothing else it's that this sector, the people in this sector, are incredibly resilient. We should all be proud to work in the automotive industry."





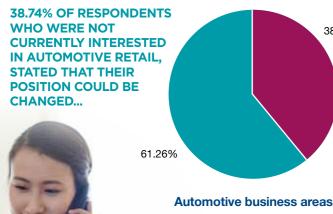
AWARENESS OF AUTOMOTIVE CAREER CHOICES IS KEY TO FIXING THE SKILLS SHORTAGE, DRIVE MY CAREER REVEALS

Drive My Career has published the results of its latest survey which aims to better understand young people's perceptions of the automotive industry, including valuable insights for dealers' recruitment teams. The survey revealed that 39% of respondents who had not previously thought about working in automotive, would consider it if they were made aware of the opportunities available.

Drive My Career (DMC) polls its target audience regularly to investigate trends and perceptions of recruitment within the automotive industry. The most recent survey, which ran between March and April 2022, received 153 responses, and compared a range of variables with automotive interests.

Working in automotive

When asked the question "Have you ever thought about working in Automotive Retail?", less than one in three respondents said yes (29.75%). A disappointingly high 70.25% of respondents had not considered working in automotive, however, when they were asked the follow-up question "Would you consider working in automotive retail?", 38.74% responded positively. The findings highlight that many of those who had not thought about a role in automotive could be converted. indicating that Drive My Career and its members must continue to raise awareness of the career opportunities available in the sector.



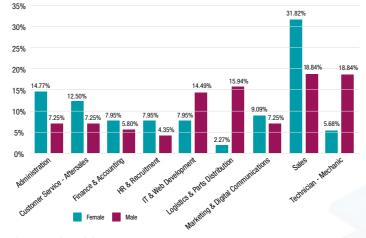
When respondents were asked "What business area of automotive retail most interests you?" the survey displayed clear popularity trends.

38.74%

Sales received the highest response rate at 26.58% with Technician/ Mechanic and Administration following at 11.39%.

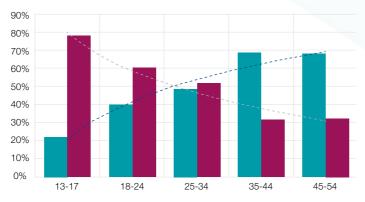
When comparing the results between males and females, female respondents displayed an overwhelming majority for Sales at 31.82%, with the second-highest being Administration at 14.77%. On the other hand, male respondents showed a fairly even distribution for interests with both Sales and Technician/Mechanic at 18.84%, Logistics & Parts Distribution at 15.94%, and IT & Web Development at 14.49%.

For our target audience of 16-24 years old, Sales again was the most popular area of interest, with Technician/Mechanic and IT/Web Development following closely behind. Interestingly, Logistics and Parts Distribution, received the lowest preferences, likely due to the lack of understanding around what a career in that specific area entails. This, again, presents an opportunity for DMC and its members to spread awareness, helping to engage a younger audience in automotive retail



Apprenticeships

Finally, when asked "Would you consider starting an Apprenticeship?", 76% of respondents who were interested in working in Automotive said that they would, a positive statistic for Drive My Career. Moreover, 62% of respondents who were currently searching for a job would also consider starting an apprenticeship. Apprenticeships were extremely popular amongst our target audience, 79% of 13-17-year-olds were interested in starting an Apprenticeship in addition to 60% of 18-24-year-olds.



(Very clear trend between age and interest in Automotive)

Sue Robinson, NFDA Chief Executive commented: "Drive My Career surveys are a useful tool to engage with the next generation of talent for the Automotive industry, with the intended goal to better understand young people's perceptions of careers and help franchised dealers improve their recruitment processes.

"It is positive to see that many young people are interested in Apprenticeships, many of whom would consider a career in Automotive retail

"The latest survey is an example that the role of Drive My Career is more important now than ever and we will continue to work with our members to spread awareness of careers in automotive".



In April, Drive My Career (DMC) representative featured in the 'Arm Chair Show Podcast' hosted by Tom Sharpe of AM Online. The podcast consisted of two apprentices from JCT600, Ben and Sophie, and head of colleague experience at JCT600, Nicola, and finally, Drive My Career representative, Gabriele Severini. The group discussed how valuable apprentices are to the automotive industry and how important it is to attract and retain young talent for a sustainable future workforce.

The topic of stereotypes presented itself as a leading factor pushing people away from the sector. The panel agreed on the importance of subverting stereotypes and presenting auto retail as an exciting and diverse industry, something which DMC has been working hard to achieve these past few years.

After discussions around the challenges dealerships are facing with recruitment, Nicola explained some of JCT600's recruitment strategies. She mentioned that maintaining close relationships with schools and colleges, speaking with pupils from an early age, provides a crucial opportunity to inform young people about the benefits of working within automotive retail, and sharing JCT600's vacancies and career paths.

Ben and Sophie, JCT600 apprentices, spoke about their experience with the company. Ben, a service advisor, mentioned he was approached directly by JCT600 after undertaking a one-week work experience opportunity offered through his school. As a car enthusiast, he said he "can't imagine working anywhere else" and feels the work environment of JCT600 is unbeatable.



On the other hand, Sophie talked about being a female in a maledominated role. She expressed that becoming a female apprentice proved more difficult due to stigma and societal stereotypes. However, despite being one of few female technicians, she "feels at home", mentioning that her favourite part of the day is coming into the workshop and opening her toolbox. She also expresses how being a female technician in a workshop has its perks! For example, she often gets away with easy work as other colleagues offer to lift heavier items. All in all, Sophie feels welcomed and content in the workshop as JCT600 has created an amazing atmosphere which welcomes evervone.

After acknowledging the skills shortage in auto retail, Drive My Career was given the opportunity to address how running strategic campaigns funnels more potential applicants to members' careers pages. especially those struggling with their recruitment practices.

Drive My Career campaigns are carefully drafted to showcase the various roles within the automotive sector, from marketing and HR to technicians and sales advisors. DMC also explained how different images and text used in an advertorial campaign, attracts different audiences. For instance, photos containing women and office environments attract more advert 'clicks' for women than usual, helping to balance the demographics applying to for automotive roles and attempting to shift the stereotype.

Moving forward with recruitment, Nicola highlighted the goals that JCT600 are working towards, placing a greater emphasis on attaining a diverse and equal gender split in the workplace.

Drive My Career was extremely pleased to participate in the podcast and was inspired by Ben and Sophie's enthusiasm for their work. We would also like to acknowledge Nicola's dedication to JCT600s work environment and aspirations.

Moving on, in a post-pandemic world, franchised dealers are in a position to employ more people, returning to pre-pandemic levels. To keep up with demand and the skills shortage, Drive My Career focused on sending more potential candidates to members' career pages.

Through dedicated strategic campaigns with carefully drafted photos and text, Drive My Career structured monthly campaigns to achieve the best possible results. Our strategy proved to be successful. The number of users 'clicks' to our advert campaigns increased at an impressive rate, sending almost 1500 potential candidates to career pages each month.

Going forward, next month Drive My Career will be hosting a stand at the British Motor Show in Farnborough from Thursday 18 August, through to Sunday 21 August. We will be providing careers guidance to the public, attracting young people to the automotive industry, and inviting parents to visit



the Drive My Career website to help those wishing to pursue a career in automotive. Oh... and as always, our stand will be equipped with fun games and freebies, so head over to the British Motor Show website at www.thebritishmotorshow.live/ and secure you tickets today!



EV RETAILING SUMMIT 2022

A MOTOR TRADER EVENT

Partnered by



EASTSIDE ROOMS, BIRMINGHAM THURSDAY 6 OCTOBER 2022

SALES OF ELECTRIC VEHICLES IN THE UK NOW ACCOUNT FOR A THIRD OF ALL NEW CARS SOLD.

Dealers are at the sharp end with consumers, dealing with all aspects of business from new and used EVs through to aftersales, finance, legal, training, part-exchanges and charging infrastructure.

The EV Retailing Summit will cover all the issues that have a direct impact on dealers' business.

The event is **FREE** for Dealers. Check it out on the **Motor Trader** website under Events.

Register to attend **NOW!**



To claim your FREE ticket to the event, please visit

https://summits.motortrader.com/evsummit2022/en/page/book-tickets

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NFDA TO HOST FIRST EVER EXCLUSIVE EVA MEETING FOR 100 MEMBERS!



To include an EVA lunch for new accreditations and recognitions





DEALER ATTITUDE OF SURVEY SPRING 2022

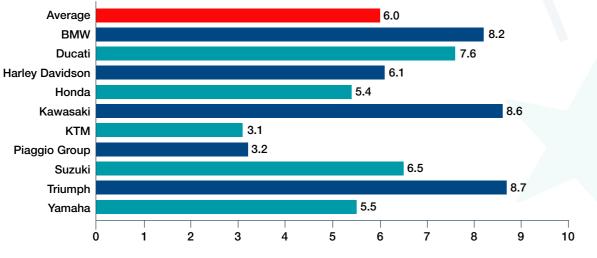
"It is disappointing to see that motorcycle and scooter dealers' average satisfaction levels with their respective manufacturers have fallen across the board", said Stephen Latham, Interim Head of the National Motorcycle Dealers Association (NMDA) commenting on the results of the latest NMDA Spring 2022 Dealer Attitude Survey (DAS) published today.

The NMDA DAS provides an overview of Power-Two-Wheelers (PTW) dealers' satisfaction levels with key business issues affecting the relationship with their manufacturers. The survey attracted an improved response rate of 27%.

Overall franchise value

The Spring 2022 edition of the NMDA Dealer Attitude Survey revealed satisfaction levels with the value of holding their franchise at 6.0 points out of 10, a 0.9 point decrease from the previous survey.

- Triumph (8.7), Kawasaki (8.6), and BMW (8.2) were the three highest-rated franchises.
- KTM (3.1), Piaggio (3.2), and Honda (5.4) received the lowest ratings.



Overall, how do you rate the value of holding your motorcycle franchise?

Previous Survey Results - Autumn 2021

BMW	7.5	Kawasaki	7.9	Suzuki	5.8
Harley Davidson	7.3	КТМ	5.9	Triumph	8.8
Honda	6.5	Piaggio Group	4.7	Yamaha	7.3
			AVERAGE	6.9	

Profit return

When asked "How satisfied or dissatisfied are you with the profit return representing your franchise?", dealers recorded an average of 3.0 points out of 5. The top three manufacturers in this sector all experienced growth.

- The top three performers were BMW, Kawasaki and Triumph all sitting equally at 4.0 points.
- Piaggio was the lowest performer at 1.6 points with KTM, Yamaha and Honda following at 2.6 points.

How satisfied or dissatisfied are you with the profit return by representing your franchise?

AverageBMWDucatiDucatiHarley DavidsonHondaKawasakiKTMPiaggio GroupSuzukiTriumphYamaha

Previous Survey Results - Autumn 2021

BMW	2.8	ктм	3.1	Triumph	3.7
Honda	3.1	Piaggio Group	2.6	Yamaha	3.6
Kawasaki	3.7	Suzuki	3.1	AVERAGE	3.3

Ability to do business with manufacturers

The average score in	Your ability to do business ea		
response to dealers' ability to do business easily with their manufacturers on a day- to-day basis was 3.1. This represented a small	Average BMW Ducati Harley Davidson		
decline from Autumn 2021's 3.3.	Honda		
• Kawasaki (4.6), Triumph (4.0), and BMW (3.8) received the three highest scores.	Kawasaki KTM Piaggio Group Suzuki		
• Whilst Piaggio (1.6) and KTM (2.0) recorded the lowest scores.	Triumph Yamaha		
		J 1	

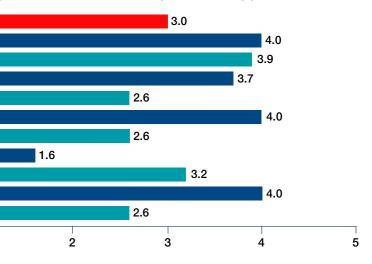
Previous Survey Results - Autumn 2021

BMW	3.0	Kawasaki	4.1	Suzuki	3.8
Harley Davidson	3.0	КТМ	2.9	Triumph	3.3
Honda	3.1	Piaggio Group	2.7	Yamaha	3.8
			AVERAGE	3.3	

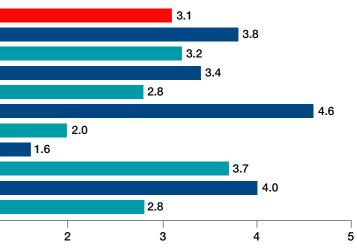
Stephen Latham, Interim Head of NMDA, added: "The past few years have been challenging for the motorcycle industry and it is remarkable that the sector has remained buoyant, matching consumer demand.

"However, the NMDA Dealer Attitude Survey reveals that dealers would have liked to receive more support from their manufacturers through ongoing issues such as COVID-19, supply constraints and cost of living pressures.





asily with your manufacturer on a day-to-day basis



"Another factor impacting PTW dealers' satisfaction levels is the inconsistency of product availability, as this is detrimental to consumer demand.

"NMDA would like to thank survey respondents for their continued support, and we encourage manufacturers to embrace these results, identify and address particular issues which may be affecting their relationship with their dealership network."



Capture your share of aftersales profits with Dash Cams

Neil Stewart, Head of Independent Sales, Nextbase

According to What Car?, car dealers make an average of five to seven percent profit on new cars, with profit margins rising to 12 to 15 percent on used cars. Unique market conditions, including ongoing supply challenges, have led to record vehicle prices during the last couple of years – but how do car dealerships future-proof their revenue streams against changeable market conditions? Now is the time to recognise the importance of aftersales as a revenue stream and there are two reasons why Dash Cams are the perfect product to improve aftersales profitability: they are extremely easy to upsell and they offer large margins.

'Upsales are Good Sales'

At the recent Driving Digital Conference 2022, held in London in May, there was a lot of talk about how 'Upsales are Good Sales'. According to Judge Service, well over 80% of Upsales are offered during a vehicle purchase experience, these include, Gap Insurance, Extended Warranty, Service Plans, Paint & Wheel Protection, Smart Repair and of course Vehicle Finance. Dash Cams can easily be part of this Sales Process, why wouldn't a customer want to protect their new investment, whether it's a New or Used Vehicle.

When combined with a finance package, the additional cost of a Dash Cam is minimal and drivers can also benefit from appealing car



insurance discounts, (at Nextbase, we have even launched our own car insurance scheme, giving the discounts that safe drivers deserve). This makes Dash Cams easy to upsell, even for the least experienced members of a dealership team.

Maximising profits

Brindley Honda saw the benefits of including Nextbase Dash Cams in its aftersales programme early on. The Nextbase Automotive Dealership Set Up Programme - including on-site sales training to ensure dealership teams can effectively upsell, full installation training, and bespoke point of sale materials to support sales activity

- meant that the team could leverage the Dash Cam as a sales tool immediately. Brindley Honda's implementation of Dash Cams has been so successful that this has now been extended to the service and parts department, offering all vehicle owners the chance



to purchase a Dash Cam to protect their vehicle at each touchpoint with the dealership. Stuart Bateman, Service Manager, endorses Nextbase Dash Cams as "a great addition to our aftersales portfolio".

Croydon Mazda is also reaping the benefits after recently adding Dash Cams to its aftersales programme for both new and used vehicles to maximise profits at its dealership. In the space of two days, with onsite support from Nextbase, the dealership sales team and installation technicians had been trained, ready to include Dash Cams in the sales process and help vehicle owners enjoy peace of mind and security following their purchase.



To meet the rising consumer demand for personal and vehicular protection, reduced insurance premiums and safer roads, it is no surprise that Dash Cams are set to become an integral feature of dealership aftersales. With the use of Dash Cams skyrocketing by **850%** in the past five years and continuing on the same trajectory, now is the time for dealerships to leverage this demand and capitalise on the guaranteed profits to be made.

If you are interested in discussing how you could add Nextbase Dash Cams to your aftersales programme, contact Neil Stewart, Head of Independent Sales: neil@nextbase.com

Additional information can also be found here: - https://nextbase.co.uk/automotive-dealership/

giosg

Car Buying Trends 2022 sentiment to online buying on the rise

How do car buyers really feel about the idea of buying a car completely online? Although the idea of buying cars online is becoming the "new norm," it's not eliminating the need of physical showrooms anytime soon.

Giosg set out to discover the true sentiment of online car buying in their **Car Buying Trends 2022 Survey**. The survey collected responses from 288 car buyers (20.4% of them from the UK).

The results show that interest in online car buying is on the rise, but 70% still prefer to visit the showroom before making a buying decision. This can be contributed to the fact that the majority of car buyers want to test drive a car before purchasing, 85.7% of car buyers feel this way.

So, how can you bring out the best parts of your website and physical showroom to support each other to bring in more deals?



By being proactive and interactive on your website.

The truth is that guidance and easy-to-access information on your dealership website makes it easier for consumers to do their car research. 56% of car buyers spend over 10 hours researching information on cars and visit multiple websites to support their decision.

So, when you make this process simpler for leads on your website, it gives them the confidence and clarity to visit your dealership in-person over the competitors. Your interactions with prospective car buyers matter, 59% of consumers say they decide to buy only after talking to the dealership.

But, consumers often encounter a speed bump before they get to this point. 52% of car buyers often found information on the dealership's page to be unhelpful, and 32% found the dealership's site as a whole to be unclear.

These results highlight that car dealerships should make sure that relevant information on their website is easy to find. (Bonus points if you have a salesperson ready in the live chat to attend to website visitor's questions. Or if you make your website experience easier by providing a navigational bot that guides them in the right direction.) A happy website visitor oftentimes can turn into a warm lead.

So, what's the most important information to emphasize on your website?

Vehicle history and videos

45.9% of respondents said vehicle history data was the first thing they searched for.

60% of respondents said they wanted to see a video of the car before buying a used car online. 50% of respondents found videos important when buying new cars online.



Key takeaways from our Car Buying Trends 2022 survey:

- Make all vehicle information easy to find. Navigational chatbots and live chat are great tools to assist your customers in finding the right information on your website.
- People want to see cars online before buying. Place car videos in visible places on your website. For example, shoppable videos with concrete CTA for customers are a good way to showcase your latest models on your dealership website.
- 59% of the car buyers want to talk to the dealership before buying. Most car buyers preferred using phone, email or live chat as the first point of contact with the dealership.
- Most car buyers would buy from a dealership that is a max 30km away from their house. So, target car buyers in your area.

AN INTRODUCTION TO THE NEW FCA CONSUMER DUTY

The FCA is introducing a new Consumer Duty to improve consumers' experiences and outcomes from the financial services market. The FCA believe currently that not all consumers receive the outcome that they want and need when buying a financial product. The FCA has already published a substantial amount of detail about the Duty but will be announcing the final details sometime in July.

So, what do we already know?

The Consumer Duty will be made up of three elements:

- A new FCA Principle
- 3 Cross-Cutting Rules
- 4 Consumer Outcomes

The new FCA Principle

The FCA currently has 11 Principles that act as an overriding framework for how firms should behave and operate in the financial services market. Many of you will be already familiar with FCA Principle 6 which states - 'A firm must pay due regard to the interests of its customers and treat them fairly'. Other principles talk about integrity and acting with due diligence.

The Consumer Duty will add a new 12th Principle which will read – 'A Consumer must act to deliver good outcomes for retail customers'.

Cross-Cutting Rules

To support the principle, there will be three cross-cutting rules:

- 1. Take reasonable steps to avoid causing foreseeable harm to customers
- 2. Take reasonable steps to enable customers to pursue their financial objectives
- 3. Act in good faith

These rules are very broad and high-level. The rules do not dictate exactly how a firm should comply with the rules and instead allows them to decide how best to achieve this by taking reasonable steps.

Consumer Outcomes

The aim of Consumer Duty is to ensure consumers receive good outcomes when acquiring a financial service and receive the right level of support and information during the entire customer journey.

The four outcomes are:

- 1. Products and Service
- 2. Price and Value
- 3. Customer Understanding
- 4. Customer Support

Why a new Consumer Duty?

The Consumer Duty is intended to raise the standards of Consumer Protection. The FCA believes that currently firms are not consistently and sufficiently prioritising good customer outcomes.

What does the Duty mean for Motor Retailers?

The Consumer Duty is about cultural change in firms that puts the customer at the heart of the business. It will build on the existing 'Treating Customers Fairly' principle, but it will be far more wide-reaching and encompassing. The cross-cutting rules are high-level and not specific, allowing for interpretation and flexibility in how individual firms implement them. The focus will be on what an individual customer needs and wants. It will be about ensuring:

- The products you sell are fit for purpose and meets their needs.
- Customers have all the information they need, in a format they can understand and digest, to make an informed decision when buying a financial product.
- Customers believe the product they are buying is good value and at a fair price for them
- Customers have free access to good support before, during, and after their purchase

The Consumer Duty will require a new approach to how you conduct business and FCA compliance. The Consumer Duty will not be about filling out boxes or having new documentation, though you might require updating some of this to help you meet the requirements. The Fair Value Outcome is also not about price caps or a race to the bottom on price.

The Consumer Duty will require you to evidence that your customers are receiving good outcomes and you are taking steps to achieve this. It will also require you to: - detail your negations with lenders and insurers about product design and suitability; ensure your deal files are completed showing that customers have received and understood the information you have given them; to document your reasoning for your pricing structures. Relevant training will ensure that staff have the skills to deliver what consumers need, and what the Duty requires.

What's next?

We are awaiting the FCA's final details of the Consumer Duty which should be out shortly, they have committed to sometime in July. Once these are published there will be an implementation period, which is most likely to be around 9 months.

The NFDA is currently working on guidance and templates to help motor retailers implement the Consumer Duty into their businesses.





WELCOMES REFORM TO CONSUMER CREDIT ACT

"NFDA welcomes Government's commitment to modernise consumer credit laws, which will make motor finance more accessible for consumers", said Sue Robinson, Chief Executive of the National Franchised Dealers Association (NFDA), which represents franchised car and commercial vehicle dealers in the UK.



On 16 June 2022, the Government announced its commitment to reform the 1974 Consumer Credit Act, which includes car finance regulations for hire purchases and PCP agreements.

The legislation review will see the Financial Conduct Authority (FCA) regulate consumer credit to help cut costs for businesses and simplify rules for customers.

Economic Secretary to the Treasury, John Glen said: "The Consumer Credit Act has been in place for almost 50 years - and it needs to be reformed to keep pace with the modern world.

"We want to create a regulatory regime that fosters innovation but also maintains high levels of consumer protection".

Sue Robinson added: "We are pleased to see the outdated legislation is now up for renewal. Consumer credit has evolved a great deal since the rise of PCP and electric vehicles, and reformed legislation needs to accompany this.

"We expect a consultation to arise from this in due course and NFDA will respond with retailers' best interests".

In the last update we looked at potential changes this year and speculated how "events" can sometimes throw a Government off its legislative agenda. How right we were. It remains to be seen now whether all of the proposed developments

in 2022 will take place, or whether the Ukraine crisis might provide a delay to some of the proposals.

In this update we look at the annual increases to statutory payments that came into effect in April 2022, before turning our attention to other employment related issues in the news and some case law updates.

April Increases to statutory payments

April 2022 Statutory Increases

Collective Redundancy and P&O Ferries

Case Law Update

- Updated Vento Bands
- Anonymisation in Litigation
- Dismissing Employees who refused to attend work over concerns about the risk of Covid-19

April 2022 Statutory Increases

A reminder that various relevant Employment Law related payments increase this April:

- A week's basic pay (which is the figure used in basic award for unfair dismissal and redundancy calculations) will increase from £544 to £571.
- The maximum compensatory award for unfair dismissal increases from £89,493 to £93,878.

Sick Pay

• From 6 April 2022 the weekly rate of statutory sick pay will be £99.35 (up from £96.35).

Family Related Pay

 From 3 April 2022 the weekly rate of statutory maternity pay, statutory adoption pay, maternity allowance, statutory paternity pay and statutory shared parental pay will be £156.66 (increased from £151.97) or 90% of the employee's average weekly earnings, whichever is lower.

National Minimum Wage

From 1 April 2022 the national minimum wage rates will increase:

• National living wage for those over 23: from £8.91 to £9.50.

- National minimum wage for those aged 21 to 22: from £8.36 to £9.18.
- National minimum wage for those aged 18 to 20: from £6.56 to £6.83.
 National minimum wage for those aged
- under 18: from £4.62 to £4.81.
 Apprentice Rate: from £4.30 to £4.81.

News

Collective Redundancy – P&O Ferries

Few readers would have missed the recent news regarding the sacking of ship workers by P&O Ferries. This has brought the somewhat archaic and specialist provisions of collective redundancy into the public eye.

In terms of normal processes, given the scale of the redundancies (100 or more), the employer should have carried out collective consultation with the appropriate representatives for 45 days. The employer would also normally have had to notify the BEIS at the start of that period by submitting a Form HR1 (and there are potential criminal penalties for not doing so). There are also further provisions regarding a fair selection process and consultation. Ultimately, employees made redundant are entitled to minimum notice periods and the statutory redundancy pay entitlement.

Although the finer details of the case are not known, it appears that P&O Ferries did not comply with most, if not all, of this law, presumably making a financial calculation of the commercial benefits of dispensing of their obligations. It would seem therefore that the sacked employees have potentially substantial claims against the company for unfair dismissal and other payments that were not paid.

Comment

There are very limited provisions in collective redundancy situations for an employer to not follow proper process, but only where there are very unexpected and unforeseen circumstances. That clearly did not apply here.

The case has led to calls in the news for further legislation to ban "fire and re-hire". It is worth

noting that that usually applies where the same employee's previous terms are terminated, and they are re-employed on inferior terms. This did not happen here, instead, P&O Ferries rehired agency workers.

It remains to be seen whether or not there will in fact be any legislative change in this area once the news has died down. In early Autumn last year, a review of the practice of 'traditional' fire and re-hire did not lead to any substantial changes to the law, with the Government simply electing to have some new guidance published. It is understood that presently the Government is looking at introducing a national minimum wage in the ferry industry, albeit this may be more complicated legally than presently envisaged.

It is obviously worth employers noting that whilst P&O Ferries may have thought they

were making a good commercial decision (and indeed management said they would take the same decision again) the potential claims and fallout from the situation may yet undermine that decision.

Case Law Update

Updated Vento Bands

When considering compensation for injury to feelings, Employment Tribunals consider principles set out in the case of *Vento*. *Vento*

determined that awards generally fall into three

bands: lower, middle, and upper and there is a

host of case law on what facts and injuries are

claims presented on or after the 6 April 2022 the

For less serious

For cases that do

not merit an award

in the upper band

For the most

serious cases

cases

From the 6 April 2022 the bands are being

adjusted to take into account inflation. For

£990 -

£9 900

£9.900

£29.600

£29,600 ·

£49,300

To exceed

£49,300

In Frewer vs Google UK Limited & Others the

Employment Appeal Tribunal (EAT) had to look

redaction and anonymisation of information in a

at the extent to which a Tribunal could order

Anonymisation in Litigation

appropriate to which band.

bands are as follows:

Lower band:

Middle band:

Upper band:

Exceptional

Tribunal bundle.

cases:

In these days of the GDPR and Data Protection Act 2018, it is sometimes surprising to our clients that, in litigation and in Tribunal bundles, there is often extensive identification of individuals and client data.

Of course, sometimes sensitive data should be redacted from bundles, but the concept of open justice in litigation means that heavy redaction of all personal information is generally avoided and indeed it can be difficult for a Tribunal to understand the matters before it if details are overly redacted.

In the case of Frewer the Respondent wanted its clients' names to be made anonymous both in the bundle and in witness statements and for commercially sensitive information not relevant to be taken out. The original Tribunal agreed with the Respondent's request, but on appeal the EAT held that the Tribunal's orders could not continue.

The EAT said that the Tribunal had failed to properly consider the principle of open justice and the need for the public to be able to see litigation and scrutinise decisions. It held that the Tribunal had not considered the importance of naming people involved in legal proceedings. The EAT decided that the original Tribunal had to reconsider the issue and sent it back to them.

Clearly, there can be a case for redaction of certain information in Tribunal bundles, but the case reminds us that Court hearings are generally part of an open process, and the information is published in full, unless there is a very good reason not to do so.

Dismissing Employees who refused to attend work over concerns about the risk of Covid-19

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 response.

At the start of the pandemic and during the first national lockdown, Leeds Laser Cutting (LLC) carried out a risk assessment and put in place various safety measures to enable it to continue operating. These included providing masks and putting in place social distancing measures, as well as staggering start and finish times in order to reduce contact between employees. However, Mr Rodgers told his manager that he'd be staying away from work 'until the lockdown has eased' because of his concerns about infecting his vulnerable children. There was no further contact between the parties and Mr Rodgers was dismissed a month later.

As he didn't have the necessary two years' service to bring an ordinary unfair dismissal claim, he brought a claim of automatic unfair dismissal under ERA, s 100(1)(d) and (e), which state

"(d) in circumstances of danger which the employee reasonably believed to be serious and imminent and which he could not reasonably have been expected to avert, he left (or proposed to leave) or (while the danger persisted) refused to return to his place of work or any dangerous part of his place of work, or (e) in circumstances of danger which the employee reasonably believed to be serious and imminent, he took (or proposed to take) appropriate steps to protect himself or other persons from the danger."

Whilst the Tribunal accepted Mr Rodgers had significant concerns regarding Covid-19 *generally*, it was found that this was not sufficient in itself to succeed in a claim.

The Court found that whilst Covid-19 had the potential to rise to a serious and imminent danger for the purposes of the legislation, the intention of the legislation as not to provide employees the right to refuse to attend work simply by virtue of the pandemic. Any risk of serious and imminent danger must be directly attributable to the workplace. As Mr Rodgers had not referred to any dangers particular to his workplace was refusing to return to work, and in fact could not establish such a danger. He had failed to take any steps to avert the alleged danger or raised concerns with his manager prior to leaving the workplace then his claim was dismissed.

On appeal the case the EAT agreed with the ET, suggesting that employees leaving or refusing to return to the workplace due to Covid-19 fell within 100 (d) only.

Whilst, in principle, an employee could reasonably believe that there were serious and imminent circumstances of danger arising outside the workplace that prevented him from returning to the workplace. Leeds Laser Cutting Ltd. had taken considerable steps to avert the danger and employees could have been expected to take reasonable steps to avoid such danger, such as wearing a mask, observing social distancing, and sanitising his hands. The appeal was dismissed.

In Conclusion,

This appears to be the first appeal case of its type and it is reassuring for employers who did take steps to reduce the risk of infection in the workplace. that they will be well placed to defend claims presented under s. 100 based on an employee's belief that COVID-19 presented a serious and imminent danger in the workplace. However there is a note of caution. In this case it was found that Mr Rodgers had breached self-isolation rules on at least 2 occasions subsequent to his dismissal. The court found that Mr Rodgers did not in fact reasonably believe that there were circumstances of danger which were serious and imminent, either at work or at large.

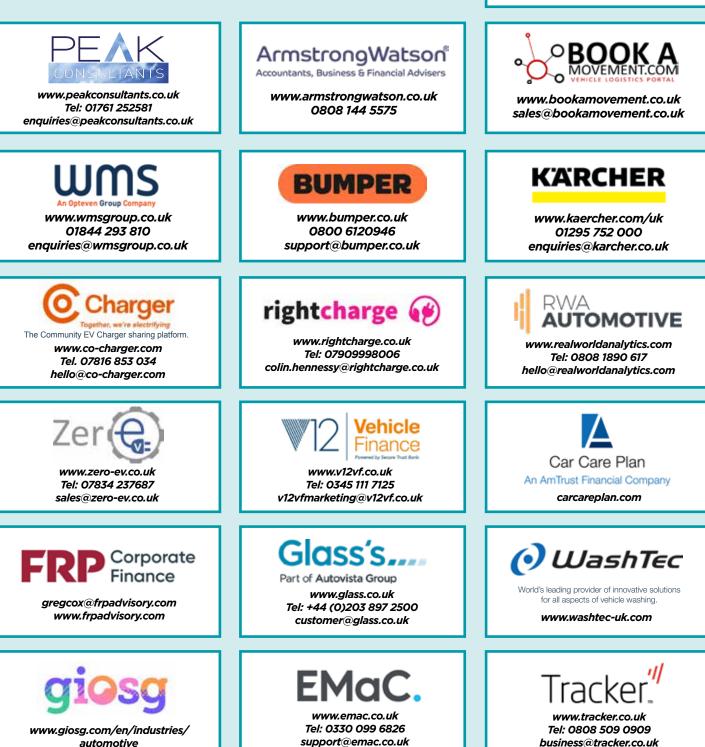
In Conclusion

Don't forget, any advice contained in the above is general in nature and will need to be tailored to any one particular situation. As an RMI member you have access to the RMI Legal advice line, as well as a number of industry experts for your assistance. Should you find yourself in the situation above, contact us at any stage for advice and assistance as appropriate.

Motor Industry Legal Services

Motor Industry Legal Services (MILS) provides fully comprehensive legal advice and representation to UK motor retailers for one annual fee. It is the only law firm in the UK which specialises in motor law and motor trade law. MILS currently advises over 1,000 individual businesses within the sector as well as the Retail Motor Industry Federation (RMI) and its members.

端NFDA ASSOCIATE MEMBERS DIRECTORY



BASE

Dealership Set-Up Program www.nextbase.co.uk/automotive-dealership/ Tel: 07902 341017

dealerships@nextbase.com

www.gardx.co.uk

01243 376426 product@gardx.co.uk

NEX