

**NFDA TRUCK AND VAN UPDATE**  
September - October 2021



*New DAF XG+, XG and XF models*

Dear Colleague,

Whilst the total number of trucks registered in July was marginally up from the same time last year, there is concern going forward that future supply of new trucks could be severely restrained due to component shortages.

Surprisingly, registrations of light commercials up to 3.5 tonnes saw a 6.1% increase in August. Although dealers are still optimistic over the continued growth in demand for light commercials, there is an underlying concern also within the light commercial sector that supply restrictions on semiconductors and other components could cause serious delays to future van deliveries.

*NFDA is your trade body: we are here to help and advise you on regulatory and operational issues that affect your business. If you require any assistance, please do contact the helpline on 01788 538303.*

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## **Steady truck registrations, supply issues loom**

Whilst the total number of trucks registered in July was marginally up from the same time last year, there is concern going forward that future supply of new trucks could be severely restrained due to component shortages including semiconductors.

Many of the trucks licensed in July would have arrived a couple of months ago and have been prepared, bodied, and type approval tested over that period, creating a false picture of the real state of the market. Many brands are now quoting 6 to 9 months to supply newly ordered products.

There seemed to be consistent registrations by most brands with DAF staying in top position. It has been an important month for DAF with the launch of its premier XF and XG+ models replacing the old XF that continues in production for some markets. We understand the order take for the new XF/XG models across Europe is positive, but supply constraints will again affect delivery times.

Overall, truck dealers are optimistic about the future and are hopeful that the supply issue will resolve itself. While the used truck market is very buoyant, supply is holding back stock availability. As a result, many dealers' workshops are still catching up on the repair and maintenance work brought about by the extension to DVSA vehicle testing through the pandemic.

**Full figures are available in the member-edition of this newsletter. For more information, please contact us.**

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## **August van registrations remain stable, but supply concerns emerge**

August showed a surprising 6.1% increase in registrations of light commercial vehicles up to 3.5 tonnes, although there are concerns with the delay that may affect a proportion of vans due to supply issues, according to the latest SMMT's light commercial vehicle registration figures.

Registrations of light commercials rose by 6.1% in August although there are concerns about the future supply of LCVs.

At the end of last year, a number of manufacturers overstocked in readiness for any adverse consequences of Brexit. As a result, a large percentage of August's van registrations can be attributed to customers opting for slightly different specification vans due to their immediate availability.

The strongest segments in volume terms were the medium (2.0-2.5t) and large (2.5-3.5t) LCV sectors, up 4.7% and 7.0% respectively.

This maximum weight sector now represents over 67% of the whole LCV market up to 3.5 tonnes. Although this has always been an important segment of the market, the recent growth in online deliveries coupled with strong demand in the building and construction industries have accelerated registrations.

Small vans under 2.0 tonnes showed a decline of -23.3%; these small vehicles are often used as service engineers' mobile toolboxes and many operators are selecting slightly larger vehicles capable of carrying more tools and equipment.

Both pick-ups and 4X4 derivatives showed an increase in registrations, however, this marketplace is going through a transitional period where many manufacturers are either rationalising or removing these variants from their ranges. OEMs such as Volkswagen and Ford have formed alliances to produce their next pick-up as the same vehicle under different brand names and images to cut R&D costs for what represents a low volume product. This may be the reason why August's third bestselling vehicle was the Ford Ranger Pick-Up.

The Ford Custom Transit and Ford Big Transit held onto their market lead as first and second bestsellers, with the Mercedes Sprinter in fourth position.

While dealers are still optimistic over the continued increase in demand for light commercials, there is an underlying concern that supply restrictions on semiconductors and other components could cause serious delays to future van deliveries.

September's registrations will be a clearer indicator of how the rest of 2021's LCV market will pan out.

#### REGISTRATIONS OF VANS plus HCVs 3.5T-6T by MONTH

	Aug-21	Aug-20	% change
Pickups	2,459	2,239	9.8%
4x4s	193	31	522.6%
Vans <= 2.0t	882	1,150	-23.3%
Vans > 2.0 - 2.5t	2,889	2,760	4.7%
Vans > 2.5 - 3.5t	14,159	13,227	7.0%
All Vans to 3.5t	<b>20,582</b>	<b>19,407</b>	<b>6.1%</b>
Rigids > 3.5 - 6.0t	392	396	-1.0%

#### REGISTRATIONS OF VANS plus HCVs 3.5T-6T by YEAR-TO-DATE

	YTD-21	YTD-20	% change
Pickups	29,788	20,227	47.3%
4x4s	2,960	869	240.6%
Vans <= 2.0t	11,418	9,678	18.0%
Vans > 2.0 - 2.5t	32,228	26,088	23.5%
Vans > 2.5 - 3.5t	159,307	99,122	60.7%
All Vans to 3.5t	<b>235,701</b>	<b>155,984</b>	<b>51.1%</b>
Rigids > 3.5 - 6.0t	3,923	3,586	9.4%

Image source SMMT

## Government launches plans to capitalise on new Brexit freedoms

The Government has announced new plans to capitalise on the freedoms from Brexit so that "rules and regulations best serve the UK national interest", the HGV MOT reform was mentioned:



### Heavy Vehicle MOT Reform

Following the recent DfT Heavy Vehicle Testing Review, the Government will explore the possibility of allowing private sector testers to undertake heavy vehicle MOT testing, as they do for car and van testing, increasing choice and flexibility that will realise efficiency savings

for commercial road transport businesses. Any exploration will aim to consider both the efficiency savings and any potential road safety impacts, however, roadworthiness standards will not be reduced through these additional flexibilities.

The announcement can be found at [GOV.UK](https://www.gov.uk) and the full “Brexit Opportunities: regulatory reforms” document is available [here](#)

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## Government announces an extra 50,000 lorry tests a year



The Government has announced plans to help to tackle the shortage of lorry drivers by creating an extra 50,000 lorry tests.

Changes to tests will come into force as soon as possible. They follow a public consultation over the summer, which saw thousands of respondents, including industry leaders, support the move as a positive step to help the sector tackle the lorry driver shortage currently affecting countries around the world.

These changes will not change the standard of driving required to drive an HGV, with road safety continuing to be of paramount importance. Any driver who does not demonstrate utmost competence will not be granted a licence. All car drivers will also still be encouraged to undertake training to tow trailers and caravans.

We've already delivered 50% more tests than were available before the pandemic, but today's additional measures will deliver yet more tests.

### Public feedback on the consultation proposals

The consultation received over 9,500 responses and most respondents supported the proposals. The Government has analysed the responses and published a [summary of the public feedback on these proposals](#) on GOV.UK. A full consultation report will be published in due course.

### Trainers conducting the manoeuvres assessment in vocational driving tests

In the future, the off-road manoeuvres part of vocational tests will be assessed by DVSA-approved vocational trainers. These manoeuvres will be assessed at the vocational trainer's off-road area before the on-road test with DVSA.

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## DVSA update on MOT annual assessment and training for testers

*The DVSA has published new rules regarding the MOT Annual Training including restrictions for retakes, additional information that Testers have to do the assessment themselves and new sanctions regarding incomplete or missing Training Logs.*

## **MOT Annual Assessment and Training for Testers**

Testers must complete at least three hours training (16 hours over a rolling five-year period) annually and successfully complete the annual assessment. The annual assessment must be carried out solely by the tester. How MOT training is completed is at the discretion of the Tester and Authorised Examiner.

The annual assessment is available from Awarding Organisations and is a pay per assessment approach. **On successful completion of an assessment, the candidate will be provided with a certificate and a record of this assessment is recorded on MOT Testing Service by the Awarding Organisation.**

When it can be proven that a tester did not complete their annual assessment themselves then DVSA will revoke the result and the tester is required to complete a further annual assessment and demo test before being allowed to return to testing.



**If a tester fails the re-assessment, they are not allowed to re-sit the annual assessment for 7 calendar days. If that assessment is failed, the tester must wait another 7 calendar days before they would be allowed to re-sit the annual assessment again.** The 7 day cycle is repeated if there are continued failures.

Further information can be found on <https://www.gov.uk/mot-tester-training-assessments>

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## **MILS Employment Update: redundancy**

***We have an employee who has been made redundant and was invited to apply for another role with us (rather than simply being offered the role). Can they still claim a statutory redundancy payment if they decide not to apply?***

An employee with at least two years' continuous employment is entitled to a redundancy payment when they are dismissed by reason of redundancy. It will be a question of fact whether, in the circumstances, an employee has been dismissed (and whether by reason of redundancy).

There are specific situations in which an employee is considered not to have been dismissed, such as when suitable alternative employment is offered within a particular time frame and accepted.

Assuming that the dismissal is by reason of redundancy:

- if the employee's contract of employment is renewed either immediately or within four weeks of the dismissal, then the dismissal is deemed never to have happened—if there is no dismissal, there is no right to a redundancy payment.
- if the employee is re-engaged under a new contract of employment either immediately or within four weeks of the dismissal, then, provided that the offer of a new contract was made before the old contract was terminated, the dismissal is again deemed never to have happened. Correspondingly, there is no right to a redundancy payment

In either of these situations, unless the terms and conditions of the renewal or re-engagement are identical to the previous terms and conditions, the employee is entitled to a statutory trial period of at least four weeks, without prejudice to their redundancy rights.

If the employee refuses the offer of a new or renewed contract, then the dismissal stands but the employee loses their right to a redundancy payment if the following conditions are satisfied:

- the offer was made before the old contract was terminated.
- the renewal or re-engagement is to take effect immediately upon the termination of the employee's employment under the old contract or within four weeks thereafter.
- the job offered is the same as the old job or else constitutes suitable alternative employment in relation to the employee.
- the employee unreasonably refuses the offer

In relation to what validly constitutes an 'offer' for the purposes of the statutory scheme:

- the offer need not precisely specify the date on which the new employment is to begin, but the dismissal 'vanishes' only if the new employment actually begins within four weeks of the old.
- the offer of renewal or re-engagement must be real and not a sham, in the sense that it must be an offer which the employer reasonably expects to be able to fulfil.
- the offer may be written or oral.
- the offer has to be one which is specific enough to be capable of acceptance.
- the offer need not be addressed to each employee individually, but it may be made collectively, e.g. by posting a notice on the firm's noticeboard. In that event, however, it is for the employer to prove as a fact that the offer was effectively communicated to the employee in question.

It will be a question of fact whether an offer was made at all. An employee can only be at risk of losing the right to a redundancy payment for unreasonably refusing an offer of re-employment, if the employer has actually made a proper offer of further employment in the first place.

It is unlikely that a general invitation to an employee to apply for a vacancy, without more, would equate to an offer of new or renewed employment for the purposes of the statutory scheme. It follows that a failure to apply for such a vacancy is unlikely to amount to a refusal of an offer of renewal or re-engagement.

As always, this advice 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.

Solicitor  
Motor Industry Legal Services

*Motor Industry Legal Services (MILS Solicitors) 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.*

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## Nikola shows its first viable electric truck to the world

The group has unveiled the vehicle after it was accused of faking video of a prototype by rolling it down a hill, the Financial Times reports.

This was the first time since the group was accused of fraud by a short seller last year that they had a viable product to show the world — a white, heavy-duty Tre electric truck, built by Italian manufacturer Iveco.



Depending on the load, it could travel more than 550km on a single charge in “ideal conditions”, Iveco and Nikola said. Journalists were offered test rides on a mostly flat track nearby.

“We’re going very carefully, slowly, on purpose,” Russell told the Financial Times. A maximum of 50 vehicles would be delivered to customers this year, he said, half as many as Nikola had previously projected.

That number, he warned, could shrink further as “semiconductors for touchscreens, for battery cells, all those are very short globally”.

The partnership with Iveco — which includes plans for a hydrogen-powered truck that was also unveiled on Wednesday, but will not enter production until 2023 — has become central to Nikola’s business plans, after General Motors scaled down its proposed partnership with the company, causing it to axe plans for a heavily trailed pick-up truck.

Source and full article: [Financial Times](#)

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## Volta Trucks confirms €37 million of Series B funding as Volta Zero pre-orders pass 2,500, with an order value exceeding €600m

Volta Trucks has announced the successful conclusion of its Series B funding round, with €37 million secured in new capital. The funding round was led by Luxor Capital with existing investors extending their investments and strategic partners joining the Volta Trucks journey.

Luxor Capital manages more than \$8 billion in assets and has made investments into many automotive and alternative energy companies. The company’s original seed investor and participant in the Series A round, Byggmästare Anders J Ahlström of Stockholm, added to its investment in Volta Trucks. They were also joined by strategic partners and first-time investor, Proterra, which was selected as battery supplier for the Volta Zero. Agility, a leading provider of supply chain services, innovation and investment, also became a first-time investor in Volta Trucks.

In the short term, the positive outcome of the funding round will provide Volta Trucks with the means to accelerate its expansion with the development of Pilot Fleet vehicles that will be evaluated by customers in London and Paris in mid-2022, in advance of the start of full-scale production by the end of 2022. Looking ahead, it will also help facilitate the company’s Road-to-Zero Emissions strategy that sees four Volta Zero models developed and offered in European and US markets, with over 27,000 vehicles expected to be sold by 2025.

After recently signing a manufacturing agreement with Steyr Automotive, Volta Trucks has also confirmed pre-orders for the Volta Zero now exceed 2,500 vehicles with an order value of over €600 million, which has doubled in the past three months.

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## Commercial Motor Awards deadline extension - hurry up!



The deadline for entries into the Commercial Motor Awards has been extended until 24 September (**this Friday!**). There are plenty of other categories to enter including, Sales Team of the Year, Independent Dealer of the Year and Franchised Dealer of the Year.

**Don't delay, enter the Commercial Motor Awards today**  
at [commercialmotorawards.com](http://commercialmotorawards.com)

The Awards will take place at The Vox Centre in Birmingham on 9 December 2021.

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## Drive My Career can help you recruit

Drive My Career (DMC) is the employment initiative launched by NFDA to fix the skills shortage issue by helping dealers attract young people to our sector.



Since its launch in February 2018, DMC has redirected thousands of young people to dealers' career pages and their open vacancies through targeted marketing promotions and wider campaigns highlighting the positive aspects of a career in automotive.

We have recently been made aware that a number of members in the truck sector are struggling to attract candidates and Drive My Career can help. Companies like Brian Currie DAF and TruckEast Scania have been actively involved members of Drive My Career.

By joining Drive My Career for a small annual fee, you can promote specific roles via DMC's online channels and benefit from marketing campaigns aimed at sending potential applicants to your website every time you have an open vacancy.

Through DMC, you will also obtain insights based on direct feedback from our audience and your potential candidates, publicise your colleagues' success stories (especially via our newly launched Ambassador Scheme) as well as reach a wider audience of young people by taking part in events, campaigns and initiatives.

Drive My Career has recently attended the British Motor Show, where the team engaged with dozens of young people and their families to discuss career opportunities in the automotive industry.

To learn more about Drive My Career, please email [info@drivemycareer.co.uk](mailto:info@drivemycareer.co.uk) or visit [www.drivemycareer.co.uk](http://www.drivemycareer.co.uk).