



The LCV market in March took a sharp decline due to COVID-19

Dear Colleague,

The NFDA Truck division have urged the DfT and DVSA to implement delegated testing at ATF's to ensure that after the 3 month test suspension, caused by the Covid-19 pandemic. It will ensure vehicle operators are not force to lay up their trucks due to the increased number of HGV tests needed at a time when there will be limited DVSA testers available to meet the demand.

30,247 LCVs were registered in March, with 66,123 registered in the same period last year, showing a steep decline of -54.3% in what is a key plate-change month. Year-to-date figures also saw a big fall of -33.9%, from 102,743 in 2019 to 67,907 in 2020. Almost all light commercial sectors saw significant declines, with vans up to 2.0 tonnes seeing a sharp -64% drop to just 1,575 units, and vans weighing 2.0-2.5t falling -40.4%. The 4x4 sector was the only one to see a rise, increasing from 206 in March 2019 to 244 in March 2020.

The next Truck Executive meeting will be on Wednesday 15 April via conference call. If there are any issues you would like added to agenda, please send an email to the address below.

A reminder that the NFDA is your trade body and here to help and advise you on regulatory and operational issues that affect your business. However, if there are issues that we have not covered or you have concerns about, please do contact us on the NFDA helpline 01788 538303.

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Authorised Testing Facility

The NFDA Truck division have urged the DfT and DVSA to implement delegated testing at ATF's to ensure that after the 3-month test suspension, caused by the Covid-19 pandemic. It will ensure vehicle operators are not forced to lay up their trucks due to the increased number of HGV tests needed at a time when there will be limited DVSA testers available to meet the demand.

The NFDA proposals that have been put forward with the support of the Road Haulage Association (RHA), suggests that the DVSA should become the auditors and instigators of testers standards at ATF sites, just as is done in the car/van MOT system. If such a system was set up it would provide a fast-track for safe trucks returning to the economy and add future flexibility and viability for both truck operators, plus dealerships and independents with ATF facilities.

Today (9 April) a letter and an operational proposal on how to adopt these changes have been sent to the DfT and DVSA and similar recommendations have been put forward from the management of DAF and Scania trucks, also the SMMT is supporting this initiative.

LCV MARKET HALVES IN MARCH AS COVID-19 TAKES ITS TOLL

"Light commercial vehicle registrations have suffered from the coronavirus pandemic, down by -54.3% as dealerships and customers are forced to cease trading," said Sue Robinson, Director of the National Franchised Dealers Association which represents franchised commercial vehicle and car retailers across the UK, commenting on the SMMT's LCV registration figures.

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The Ford Transit Custom continued to maintain itself as the most registered LCV of the month despite the decline, totalling 4,345 units sold, adding up to 9,392 in the year to date.

Robinson continued, "The closure of both factories and dealerships has caused major uncertainty, and until we know more it will be impossible to plan for a return to normality for a number of months.

"As light commercial vehicles currently on the road are at maximum workload delivering supplies and being operated by emergency services, it is imperative that supply of parts for repairs are maintained whilst the sales

sector is closed for business.”

EU COMMERCIAL VEHICLE REGISTRATIONS -6.2% IN FEBRUARY



In January 2020, commercial vehicle registrations fell by 6.2% across the European Union.

New medium and heavy commercial vehicles 3.5-16t

During the second month of 2020, new truck registrations in the EU decreased by 18.2% as a result of the slowdown in demand for heavy-duty trucks. Among the EU's main markets, Germany (-20.6%) and France (-13.6%) followed this negative trend, both posting double-digit declines. On the other hand, truck registrations did increase in Italy (+9.7%) and Spain (+0.6%) last month.

Over the first two months of the year, 46,295 new trucks were registered across the European Union, down 18.7% compared to the year before. Mirroring their performance in the heavy-truck segment, Germany (-20.5%) and France (-13.0%) recorded the highest losses, followed by Spain (-8.5%) and Italy (-1.2%).

New heavy commercial vehicles 16-44t

In February, demand for new heavy trucks continued the downward trend that started last summer, marking the eighth consecutive month of decline in this segment (-19.3%). Results were diverse among the four key EU markets, with Italy posting growth (+10.6%) while Germany (-21.6%) and France (-15.4%) suffered double-digit losses.

Two months into the year, registrations of new heavy trucks declined in all major EU markets, with Germany (-24.0%) and France (-14.8%) showing the strongest drops. This brought the EU total down to 38,004 heavy trucks registered, or 20.6% less than during the first two months of 2019.

JOB RETENTION SCHEME AND FURLOUGH LEAVE

Update 6 April 2020

There has been some further development with the Government's Job Retention Scheme. The four main points for dealers are:

- Regular payments to employees that dealers are obliged to pay can be claimed. This includes wages, past

overtime, fees and compulsory commission payments. Apprentices can be furloughed in the same way as other employees and they can continue to train whilst furloughed.

- Both the Apprenticeship Levy and Student Loans should continue to be paid as usual. Grants from the Job Retention Scheme do not cover these.
- Any employees Dealers place on furlough must be furloughed for a minimum period of 3 consecutive weeks. Employees can be furloughed multiple times, but each separate instance must be for a minimum period of 3 consecutive weeks.
- If contractually allowed, Dealer employees are permitted to work for another employer whilst the Dealer have placed them on furlough.

Full guidance can be found [here](#)

The NFDA has taken legal advice from TLT to interpret the latest guidance for the Government Job Retention Scheme, which we have as follows:-

The language in the updated guidance has changed from the original, which as you know expressly excluded any commission or bonus payments. The guidance refers to the grant covering 80% of the “employees usual monthly wage costs” and now expressly includes “regular payments you are obliged to pay”.

The language used in the amended guidance is that any contractual payment can now be included in the furlough pay calculations. It is simply any discretionary payments that should be excluded, this is understandable as an unscrupulous employer could award large discretionary bonuses to staff during furlough when they were not otherwise due, and reclaim them. As the purpose of the scheme is to replace 80% of the employee’s lost “income” in the broad sense, then it makes sense. This was the point represented to government in the NFDA letters, that an employee’s real earnings are included.

We think that it is clear that the furlough pay can and indeed should include contractual commissions and bonuses that form part of the employee’s “regular payments” that the employer is obliged to pay.

It is, though important to note that as the grant arrangement is yet to be set up, and no employers have yet had applications for payment processed or made, there is no guarantee that the government will pay out any particular sums. However in light of this new guidance it seems impossible for them to argue that normal contractual entitlements to bonus/commissions are not included in the grant.

If you would like further information please contact us.

Overview of Scheme

The Government’s Job Retention Scheme was launched to assist all UK employers to access support to continue paying part of their employees’ salary for those employees that would otherwise be laid off during the Coronavirus outbreak.

The Government has now published detailed guidance on how its Job Retention Scheme will work. TLT Solicitors have put together guidance which is a reading for all employers whose businesses are affected by coronavirus.

The guidance includes:

- What is included in ‘wages’ for the purposes of calculating the 80%
- Clarifications on possible rotation of furloughed employees
- Can employers re-hire staff to put them on furlough?
- Considerations around holidays
- How to limit the risk of discrimination
- Timings of the scheme

Full guidance is available to NFDA members, please email nfda@rmif.co.uk to request a copy of the document

TEMPLATE LETTER FOR KEY WORKERS

How to use this document

This draft template has been produced for use of any members who wish to provide evidence for their employees to confirm the reason for their travel. Where used, this should be provided on company headed paper.

This is an example document and should be adapted to suit your circumstances. There is no provision currently within legislation for any letter or pass system and as such this document is for guidance only.

[Download the template letter here](#)

CLEAN AIR ZONES PUT ON ICE UNTIL AFTER CRISIS



Department for Environment Food & Rural Affairs

On behalf of Andrew Jackson, Isobel Pastor and Suzanne Trueman, Joint Heads of Joint Air Quality Unit:

We are writing to all of our stakeholders to update you on what is happening with Clean Air Zones in light of the current crisis. We understand that this is a difficult time for everybody, and that many of you are providing vital services to the UK's response to, or have been significantly impacted by, the Covid-19 pandemic.

Air pollution is a public health risk and has significant health impacts which can shorten lives. Improving air quality is an important part of creating healthy places for people to live and work. Although the current restrictions on movement may have resulted in short term improvements in air quality both locally and nationally, these are unlikely to endure once the crisis ends. The Government remains under a legal obligation to deliver compliance with air quality limits, measured on an annual average basis, in the shortest possible time, and is committed to delivering on this obligation. However, the national response to the current public health emergency has already impacted on a range of public functions at both local and national level and will continue to do so. In order to provide certainty to those affected by Clean Air Zones, we will work with local authorities to delay introducing Clean Air Zones until after the Covid-19 outbreak response. We will keep the timetable under review but we expect the introduction of Clean Air Zones to be no earlier than January 2021, and we will keep any delay as short as possible.

We are in a new and evolving situation which needs a co-ordinated approach to minimise wider societal impacts. The Government is committed to maintaining an open dialogue and working with all of our key stakeholders to understand what work is achievable.

Tina Blandford, Joint Air Quality Unit

Source: DEFRA

VW STUDY FINDS VAN DRIVERS ARE STILL FLOUTING PHONE RULES



A study by Volkswagen Commercial Vehicles has found that fewer than half of van drivers use handsfree or Bluetooth technology while driving and instead risk a £200 fine and six penalty points for using their phones at the wheel.

The finding is made all the more shocking given that the average van driver makes seven calls a day while driving and spends an average of 37 minutes on the phone each working day.

The study found that just 41% of drivers use handsfree and Bluetooth technology on a frequent basis*.

In addition, 17 per cent of drivers in the UK admitted to sending and receiving texts, checking e-mails or posting on social media while driving**.

Last year, Volkswagen Commercial Vehicles revealed 23 per cent of drivers don't even have a handsfree kit in their van.

Claire English, Head of Fleet at Volkswagen Commercial Vehicles, said: "Mobile phone use behind the wheel is a topic that we've been monitoring for the past couple of years and the recent statistics show it is still a huge safety problem on UK roads. Despite carrying a hefty punishment, it lacks the taboo of other offences such as drink-driving and this needs to change.

"As part of our Working With You promise, we're committed to improving safety on UK roads for both our customers and other road users, always ensuring we provide the right equipment for the job, for example offering Autonomous Emergency Braking (AEB) and a handsfree kit as standard across the range."

* Volkswagen Commercial Vehicles survey, December 2019, 1,000 UK van drivers

** RAC Report on Motoring 2019

Source: SMMT

UPS BEGINS AUTOMOUS ELECTRIC VEHICLE TRIALS AT LONDON HUB



Delivery giant UPS has begun the testing of electric autonomous vehicles at its advanced technology hub in London. The company is exploring the sustainability and durability of the Gaussin ‘shifter’ vehicles for moving semi-trailers and containers around the facility.

During the initial phase of the test, UPS will operate the vehicles with drivers in the cabs to evaluate vehicle operations and the efficiencies they generate. Later this year, UPS will progress to the next phase of operation, initiating autonomous driving operations.

Juan Perez, UPS chief information and engineering officer, said, “These tests are part of a major UPS effort to integrate electric vehicles throughout our global network. Gaussin’s shifters will help cut our fuel costs and reduce emissions.

“We’re also eager to test the shifters in autonomous driving mode. This is a great opportunity for us to evaluate technologies on our own property.”

Gaussin electric vehicles have zero tailpipe emissions and include novel battery-swap technology, which enables the shifters to be operated day and night, as the discharged battery pack is immediately replaced by a fully charged one. Additionally, the vehicles will have numerous cameras, sensors and sophisticated algorithms to improve safety. These technologies will continue to create efficiencies and improve safety in UPS operations.

Source: SMMT
