



Dear Colleague,

It was extremely positive to see a double-digit increase in sales of new light vans, which marks six months of consecutive growth in 2019. Registrations of light commercial vehicles up to 3.5 tonnes grew by 13.5% in June to 39,929 units. Year to date, the market is up 8.7% from last year.

Every quarter key members of the NFDA Commercial Vehicle section meet at the RMI London offices to debate, present and review issues affecting the running of van and truck franchised dealerships. The next Truck council meeting will be held in London on the morning of the 19 September 2019. If you would like to attend, please contact [louise.woods@rmif.co.uk](mailto:louise.woods@rmif.co.uk).

Finally, 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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## DOUBLE-DIGIT GROWTH FOR NEW VANS

It was extremely positive to see a double-digit increase in sales of new light vans, which marks six months of consecutive growth in 2019.

Registrations of light commercial vehicles up to 3.5 tonnes grew by 13.5% in June to 39,929 units. Year to date, the market is up 8.7% from last year.

The growth was driven by small vans under 2 tonnes and large vans between 2.5 and 3.5 tonnes. These two segments of the market grew by 10.3% and 22.2% respectively. Following last month's increase, vans between 2.0 and 2.5 tonnes saw a decline of -3.6% as a lot of these buyers are moving to larger vans.

Pickups experienced a marginal decline of -0.7%. However, this segment of the market remains up by 3.5% year to date. Despite being a small segment of the light commercial vehicles market, the -21.8% decrease in sales of 4x4s reflects current consumer uncertainty. In fact, differently from the majority of the other vans, many of these 4x4s are bought for leisure purposes.

Ford continued to be the market leader with a 35.5% market share in June and 33.5% this year. The manufacturer was followed by Volkswagen and Mercedes with market shares of 11.0% and 10.6% respectively.

Sales of light commercials remain at high levels supported by a number of factors including UK's robust online shopping sector, where these vehicles are used for delivery purposes.

With declining new car sales, the UK van market depicts an interesting picture of the UK economic situation. While several businesses and self-employed people are renewing their old vans, many private buyers are delaying their car purchases because of the current uncertainty.

It is encouraging to see large numbers of van operators switching to new, Euro 6 vans. Going forward, we anticipate the market to continue to perform well.

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## HGVs AND PLUG-IN GRANT

The government has announced that the first ultra-low emission heavy goods vehicles (HGVs) are now eligible for the Plug-in Van Grant, helping more businesses to go green.

The British made Paneltex Z75 7.5 tonne truck and the BD Auto e-Ducato 4.25 tonne van are now eligible for the grant. The first 200 eligible HGVs will benefit from a higher grant rate of up to £20,000 per vehicle.

The government is confident these financial incentives will encourage the manufacture and sale of green taxis and HGVs and continue to cement the UK's reputation as a nation at the forefront of the design and manufacture of zero-emission vehicles, a key ambition outlined within the [Road to Zero strategy](#)."

<https://www.gov.uk/government/news/electric-taxis-exempt-from-higher-tax-rates-as-uk-moves-towards-net-zero>

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## ELECTRIC VEHICLE APPROVED (EVA) SCHEME



### What is EVA?

- Electric Vehicle Approved (EVA) is an accreditation for electric vehicle retailers
- EVA is a set of standards developed by the NFDA and its members for electric vehicle retailers with competent aftersales facilities
- EVA is endorsed by the Government and the Energy Saving Trust
- Dealers are independently audited by the Energy Saving Trust to be part of EVA on a site by site basis
- The EVA logo gives customers confidence in the sales and aftersales care they will receive at dealerships  
EVA accredited dealers can display the EVA logo to show to their customers that they are experts in EV retail
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- There is a £100 + VAT application fee per site

### A site needs to meet these requirements to pass the EVA audit:

- Publicly accessible chargepoints on site
- Senior manager on site appointed “EV Ambassador” responsible for delivering excellence in EV customer experience for sales and aftersales
- All staff (reception to senior management) trained in EV basics
- Always a specialist EV sales staff member available
- EV demonstrator model is available
- Sufficient specialist EV trained technicians employed (sufficient to cover for holiday and illness)
- Specialist EV maintenance & repair tools & equipment
- Chargepoint(s) installed in workshop
- Member of trade association offering ADR

If you would like more information, contact [eva@rmif.co.uk](mailto:eva@rmif.co.uk)  
[www.evaproved.co.uk](http://www.evaproved.co.uk)  
@EVApproved

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## HEAVY VEHICLE HORRORS

DVSA is responsible for carrying out the annual tests on nearly 1 million heavy vehicles per year. Our 500 testers work from a range of private Authorised Testing Facilities (ATFs) around the country.

Like MOT testers, they make sure vehicles are safe to drive and protect the public from dangerous or defective vehicles. And like them, they find more than their fair share of vehicle horror stories on unsafe lorries, buses and

coaches.

DVSA Vehicle Standards Assessor Jim Bithell takes up the story on some vehicles that have failed as a result of lazy labour.

### **Bodged bolt**



Anyone who's ever built flat pack furniture knows how to put a bolt in.

But this Passenger Service Vehicle (PSV) operator, decided – for a change – to use glue to fix the bolt holding the rear passenger side suspension leaf spring in place.

Yes, that's right, glue. On a bus or coach used to carry passengers.

The glue didn't set, and the bolt fell out while it was being inspected! This would compromise the security of the suspension which may lead to a loss of control of the vehicle. Also, if the bolt had been ejected at speed it may have resulted in a serious/fatal injury to other road users or pedestrians.

Fail.

### **Wheely bad**



You'd expect a vehicle operator to know the condition of their vehicle. Drivers should also pick up any issues on the daily walkround check of the truck.

Not in this case.

While the paintwork looks untidy and there are signs of rust, the condition of the defect would appear to be longstanding. The crack could have caused the wheel to become insecure. If it happened when the vehicle was moving, the consequences could be deadly....

### Braking bad



The operator of this tri-axle semi-trailer, part of a 38 tonnes gross vehicle obviously didn't want it stopping in a hurry.

38 tonnes takes a lot of stopping. So, your brakes need to be in top condition.

In this case, out of its 6 brake chambers, 4 of were extremely corroded and had started to break up in places. They were ready to fail completely, and the trailer could have instantly lost brakes to 4 out of 6 wheels with the obvious potential for a nasty outcome.

### Tired tank



Driver: "Strap must have broken on the way here"

DVSA: "Has the tank corroded to that extent on the way here too?"

Just to be clear, this is an air tank for brakes. At high pressure. It's held on by one strap and is rusting away.

None of us would like to imagine what would have happened if it had fallen off – even if the vehicle wasn't moving.

### AD ahhhh!



ADR is the European Treaty covering the transport of dangerous loads and this was in for a dangerous goods test.

Vehicles running to this standard probably should avoid driving around with a broken and exposed electric earth cable.

This could cause a spark and ignite any leaking fuel or cargo.

### Spring sprung



I'd last seen this trailer 12 months previously - almost to the day.

I had to prohibit it for a broken leaf spring.

It came back again a year later. With the same presenter/mechanic.

I found the same problem. But on a different leaf spring this time.

You can see by the colour of the metal it'd been broken for a long while! The tin retaining loop was holding the whole side in place.

At least the presenter knew what to do when I issued a prohibition again!

### Exhausted



I failed this vehicle – from a main dealer - in the morning for a couple of defects, one being the holes in the exhaust. It came back for retest the same afternoon. The driver was a bit reluctant to put it over the inspection pit.

“You can just bend down mate. You’ll see the new bit, it’s all shiny.”

I asked him to put it over the inspection pit as I wasn’t going to crawl all over the floor, and I needed a proper look.

It turns out that, as a main dealer, they had the failed section of exhaust in stock. Unfortunately, they didn’t have a replacement for the part that fell to bits when they replaced it!

Unbelievably, they thought they’d try it on anyway...

I and my colleagues test heavy vehicles every day of the year to help keep Britain's roads safe. Most pass their annual test. But we’re able to pick up on the dangerous ones, fail them and prevent them from causing harm to other road users.

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### MILS CASE STUDY: EMPLOYING APPRENTICES



Many employers recruit apprentices to enable them to avoid skill shortages in traditionally skilled occupations.

Apprenticeships are common within the motor industry and can be very beneficial for both apprentice and master. However as with all staffing decisions you do need to understand them? In order to ensure they are right for you and your business.

### **What is an apprenticeship**

An apprenticeship is a work-based training programme which leads to nationally recognised qualifications. It usually permits the apprentice to attend day release training whilst combining attending the workplace and working alongside experienced employees/workers. It can either be for a fixed term period or until a level of qualification is reached.

### **Forms of apprenticeship**

In 2011 the Apprenticeships, Skills Children and Learning Act 2009 (ASCLA 2009) came into force in England and Wales which provides broadly two legal forms of apprenticeship;

- a Contract of Apprenticeship, and
- An Apprenticeship Agreement.

The apprentice will be an employee under both forms of apprenticeship, but the employer will have certain additional responsibilities for an apprentice employed under a Contract of Apprenticeship, particularly relating to terminating the apprenticeship.

### **Contract of Apprenticeship**

Prior to the introduction of ASCLA 2009, the status of an apprenticeship was governed by case law, with the Court of Appeal finding a modern apprenticeship could still constitute a common law contract of apprenticeship as long as it satisfied traditional criteria relating to the duration of the contract and the employer's obligations under it.

As a general rule, a Contract of Apprenticeship is the default legal position, and this will exist where you and an apprentice entered into a work-based training programme but no or no ASCLA approved written agreement is entered into.

Under a Contract of Apprenticeship, you are required to employ an apprentice until they have been trained to the agreed level. It is particularly difficult for employers to fairly terminate the apprenticeship prior to reaching the required qualification. Managing apprentices is made more difficult as the court guidance on when a Contract of Apprenticeship can be terminated is limited, i.e. where it is virtually impossible for an apprentice to complete their apprenticeship.

In the event of a wrongful termination an apprentice may not only have a claim for enhanced damages due to a loss of career prospects but also can bring a case in the County Court for up to 6 years from termination (as opposed to 3 months in an employment tribunal)

### **Apprenticeship Agreement**

A traditional contract of apprenticeship is a contract under which the apprentice is bound to the employer in order to learn a trade, and the employer agrees to teach and instruct him. In an attempt to improve training for employment, the government first introduced a statutory scheme of apprenticeship agreements in 2011 under the Apprenticeships, Skills, Children and Learning Act 2009 ( ASCLA 2009). A simplified scheme was introduced from 26 May 2015, but the old scheme continues to operate under transitional provisions.

This form of apprenticeship seeks to balance the needs of the apprentice with the needs of the employer. Within this framework an apprentice has normal Employment Law rights as the contract is deemed to be a contract of service rather than a contract of apprenticeship. However, the agreement must satisfy certain conditions under ASCLA 2009 and be in a prescribed form.

There are four conditions required to qualify as an apprenticeship agreement which are:

- The apprentice must undertake to work for the employer;
- The agreement must be in the prescribed form, notably it must contain the basic terms of employment required to be given to the employees under Section 1 of the Employment Rights Act 1996. It must also include a statement of the skill, trade or occupation for which the apprentice is being trained under the relevant apprenticeship framework;
- The agreement must state that it is governed by the law of England and Wales (as the legislation does not extend to Scotland and Northern Ireland);
- The agreement must state that it is entered into in connection with a qualifying apprenticeship framework.

If any agreement is not in the correct format the protections of the ASCLA will not apply. Members of the RMIF have access to template agreements on the RMIF website, so we would strongly suggest that you use one of the approved formats in addition to any training agreements when taking on an apprentice.

Employers will still need to take care when dismissing apprentices under this type of apprenticeship where those apprentices have acquired sufficient continuous service for Employment Law rights. Once the apprentice has acquired two years' employment then the employer will need to be able to demonstrate both a fair reason.

We would certainly recommend that all apprentices are placed on an apprenticeship agreement.

Note the ASCLA does not apply to Scotland and Northern Ireland.

### **Training agreements**

When employing an apprentice an employer can either arrange training programme themselves or enlist the aid of a third-party service who can assist with funding and arranging college courses. However, it is arranged most colleges will look to enter into a training agreement between the college the employer and the apprentice.

It should be noted that this is designed to govern the training requirements of the apprenticeship. It is not a replacement for an apprenticeship agreement between the employer an apprentice.

Again, members of the RMIF are strongly advised to utilise the template agreements on the RMIF website in addition to any training agreements.

### **Wages**

Since 1 October 2010 apprentices have been entitled to a national minimum wage rate. Due to the apprentice's reduced skill this rate is proportionately lower. The current apprentice rate is £3.90 and applies where the apprentice is under 19 or over 19 and in the first year of their apprenticeship.

It should be noted that as the employer you will be liable for pay whilst the apprentice is at college.

### **Conclusion**

Apprenticeships are a common and useful tool and allow employers to provide training and pass on their knowledge to the next generation. However, you will still need to take care when considering an apprenticeship. How an apprenticeship is set up will determine how easily it is to manage the apprentice, the training and if necessary, any disciplinary actions including dismissal.

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