



The Mercedes-Benz Sprinter, widely used in the emergency services, was the best seller in April

Dear Colleague,

The NFDA Truck division have continued to work with 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, 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. An update on this is detailed in this newsletter.

As dealerships plan a gradual return following the lockdown, we still anticipate we will be required to operate the 2-metre social distancing between customers and staff. While this can be organised and controlled in showrooms and workshops, it cannot be arranged on test drives.

Therefore, dealers need to know if they can carry out unaccompanied test drives on unregistered new cars or untaxed used cars, using trade plates.

April's lockdown has brought an unsurprising -86.2% fall in registrations of light commercial vehicles, with 3,387 LCVs were registered in April 2020, a steep decline from the 24,604 registered in April 2019, which can be attributed to the closure of van and pick-up dealership showrooms. Year-to-date figures also saw a decrease of -44.0%, from 127,347 in 2019 to 71,294 in 2020.

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

With the amount of trucks needing testing after the Covid-19 test exemptions finish, it would seem an idea time to plan and introduce delegated testing to lower the pressure on the 400 DVSA test examiners who are currently not working due to the pandemic.

A month ago we brought the subject of 'delegated testing' to the attention of the Department for Transport who showed a moderate interest, as they are very concerned that the current DVSA test system would be overloaded. With an additional quarter of the truck fleet now having their test dates extended, there is a dire need for a solution to increase test capacity.

Therefore the DfT has set up conference calls called 'test resumption focus groups' with ourselves, other trade associations and operators, alongside the DVSA to explore the options to increase test capacity. In an early call the Traffic Commissioners and DVSA expressed the opinion that at a time of crisis, it is not sensible to be creating a new system. In subsequent conference call meetings the DfT have confirmed that primary legislation would be required to enact these changes and that would not be possible in the current situation, and therefore a solution to increase testing volumes with the current system must be found.

The DVSA believe they could have a majority of their testers back at work by this June, and most ATF's would be ready to resume operation then, but the following are being considered to both reduce demand and speed up tests;

- To consider third-party assistance from ATF technicians for fixed tests such as brake-testing, headlights and emissions.
- Consideration of vehicles for test that pose higher risks to roadworthiness.
- Consideration of vehicles for test based on age, mileage or usage.
- The DVSA are looking at redirecting some of their current enforcement team across to vehicle testing.

Before any resumption of testing the DVSA are putting together health and safety protocols to ensure that social distancing is possible while tests are carried out at ATF's.

This 'test resumption' focus group will continue to hold conference calls weekly, but it looks unlikely that during this pandemic 'delegated testing' will be further considered.

UNACCOMPANIED VEHICLE DEMONSTRATIONS ON TRADE PLATES

As dealerships plan a gradual return following the lockdown, we still anticipate we will be required to operate the 2-metre social distancing between customers and staff. While this can be organised and controlled in showrooms and workshops, it cannot be arranged on van test drives.

Therefore, dealers need to know if they can carry out unaccompanied test drives on unregistered new commercials

or untaxed used vans, using trade plates.

While the DVLA trade plate guidance (*download below*) gives information on the permitted uses of trade plates, it does not refer to the issue of test drives where customers would be unaccompanied by a dealership's employees.

The NFDA has approached the DVLA for formal clarification and we have been advised by its policy department that it is their view that a representative of the trade plate user/dealership should be in attendance while a test drive on trade-plates is carried out.

We have therefore pointed out to the DVLA that this conflicts with the current COVID-19 Government legislation on social distancing and will most likely conflict with future advice as businesses starts to re-open.

We are pleased to report that the DVLA have now changed their policy to allow un-attended test-drives going forward.

[Download DVLA's Trade Licence Plates Leaflet](#)

LCV SALES DOWN 86.2% DURING DEALERSHIP CLOSURE

April's lockdown has brought an unsurprising -86.2% fall in registrations of light commercial vehicles, with 3,387 LCVs were registered in April 2020, a steep decline from the 24,604 registered in April 2019, which can be attributed to the closure of dealership showrooms. Year-to-date figures also saw a decrease of -44.0%, from 127,347 in 2019 to 71,294 in 2020.

The Mercedes-Benz Sprinter succeeded the Ford Transit Custom to become the best seller in April with 814 units, owing to it being commonly used in the emergency services as an ambulance vehicle, and in online deliveries. Similarly, the Iveco Daily made it into the top ten as it is also widely used for supermarket online deliveries.

The closure of dealerships has significantly impacted the sales of vehicles that are commonly used by self-employed contractors or small businesses, but many service vehicles were still ordered in April to meet the need for the effort against coronavirus. This has buoyed the figures from crashing completely.

NFDA has been closely monitoring and liaising with Government to ensure the LCV market will be able to maintain its strength for the rest of the closure period, and with manufacturers and businesses to ensure that when dealerships reopen, the sector will be able to recover effectively.

EU COMMERCIAL VEHICLE REGISTRATIONS -47.3% IN MARCH, -23.2% IN Q1 2020



In March 2020, commercial vehicle registrations fell by 47.3% across the European Union, and by 23.2% in the first quarter of 2020.

New medium and heavy commercial vehicles 3.5-16t

In March of this year, total new truck registrations in the EU continued to suffer from the slowdown in demand for heavy-duty trucks, decreasing by 35.6%. The four largest EU markets all recorded significant declines last month: France (-49.3%), Italy (-33.5%), Spain (-30.8%) and Germany (-27.6%).

Three months into 2020, 66,376 new trucks were registered across the European Union, down 24.8% compared to the first quarter of 2019. Similar to their performance in the heavy-truck segment, Germany (-26.4%) and France (-23.1%) reported the biggest losses, followed by Spain (-15.1%) and Italy (-12.3%) with slightly less extreme declines.

New heavy commercial vehicles 16-44t

During the third month of 2020, EU demand for new heavy trucks declined significantly (-38.0%), marking the ninth consecutive month of decline. As a result of the COVID-19 pandemic, registrations dropped in all European markets and especially in France, where demand for heavy trucks was slashed by more than half (-50.2%).

During the first quarter of the year, heavy truck sales fell in all major EU markets, with France (-27.7%) and Germany (-25.9%) posting the strongest drops. This brought total registrations down to 54,168 heavy trucks so far in 2020, or 26.9% less than last year.

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](#)

DVLA DIGITAL SERVICES AVAILABLE



Driver & Vehicle Licensing Agency

Due to the Coronavirus pandemic DVLA has a very limited number of staff on-site who are focusing on applications from those who are directly involved in the response to the COVID-19 pandemic.

In particular, DVLA is prioritising applications relating to HGV drivers and key workers to make sure they get any documentation they need as quickly as possible.

The DVLA Contact Centre is also focusing its services on those in most need and you are advised not to call unless directly involved in the nation's response to COVID-19.

Whilst DVLA's paper application processes have been severely impacted by the pandemic, DVLA's digital services continue to operate as normal.

DVLA is encouraging all applicants to utilise these digital services whenever possible.

Please find below a list of digital services of particular interest to dealers. The Register a Vehicle (RaV) service is operating as normal and not included in the list as this is a contracted service and not for general use.

DVLA's full list of digital services and information can be accessed at [GOV.UK](https://www.gov.uk).

Vehicle Services

Vehicle Enquiry Screen (VES)

Provides vehicle details including tax status

<https://vehicleenquiry.service...>

Vehicle Management (VM)

Sold your vehicle to the motor trade

<https://www.gov.uk/sold-bought...>

Vehicle Management (VM)

Bought a vehicle in to the motor trade

<https://www.gov.uk/sold-bought...>

Vehicle Management (VM)

Sold your vehicle to a private individual or

<https://www.gov.uk/sold-bought...>

business

Vehicle Management (VM)

<https://www.gov.uk/sold-bought...>

Scrapped your vehicle or its been written off

Electronic Vehicle Licensing (EVL)

<https://www.gov.uk/vehicle-tax>

Tax a vehicle

Electronic Vehicle Licensing (EVL)

<https://www.gov.uk/make-a-sorn>

SORN a Vehicle

Electronic Vehicle Licensing (EVL)

<https://www.gov.uk/check-vehic...>

Check if a vehicle is taxed

Personalised Registration (PR)

<https://www.gov.uk/personalise...>

Retain a personalised registration number

Personalised Registration (PR)

<https://www.gov.uk/personalise...>

Assign a personal registration number to a new vehicle online

Personalised Registration (PR)

<https://www.gov.uk/buy-a-perso...>

Purchase a personalised registration mark

Drivers Services – Ordinary Driving Licences only

Driver Licensing

<https://www.gov.uk/apply-onlin...>

Replace a lost, stolen, destroyed Driving Licence

Driver Licensing

<https://www.gov.uk/renew-drivi...>

Renew Driving Licence

Driver Licensing

<https://www.gov.uk/renew-drivi...>

Renew Driving Licence at 70

Driver Licensing

<https://www.gov.uk/renew-drivi...>

10 year renewal of photo card

Driver Licensing

<https://www.gov.uk/exchange-pa...>

Exchange your paper licence for a photo card

Driver Licensing

<https://www.gov.uk/apply-onlin...>

Replace Driving Licence

Driver Licensing

<https://www.gov.uk/tell-dvla-c...>

Change Address on your Driving Licence

View Driver Licence (VDL)

<https://www.gov.uk/view-drivin...>

View driving licence and generate a share code

Check Driver Licence (CDL)

<https://www.gov.uk/check-drivi...>

Check someone's licence information

Fitness to Drive Services

<https://www.gov.uk/report-driv...>

Tell DVLA about a medical condition

Online Enforcement Penalty (OEP)

<https://www.gov.uk/pay-dvla-fi...>

Pay a DVLA fine online.

Source: DVLA

BRITISH-BUILT HYDROGEN BUS LAUNCHED



Arcola Energy and Optare Group have launched a new hydrogen fuel cell double deck bus, built in the UK for domestic and international markets.

Based on the proven Optare Metrodecker EV platform, the Metrodecker H2 hydrogen bus incorporates a hydrogen fuel cell powerpack developed by Arcola Energy as a direct replacement for the battery powerpack in the EV variant.

Both the bus and power system will be manufactured in the UK. Base vehicles for the Metrodecker H2 will be serially produced at Optare's factory in Sherburn-in-Elmet, near Leeds, on the existing production lines for the Metrodecker EV. Hydrogen and fuel cell systems will be built by Arcola Energy at their existing Liverpool manufacturing facility, with plans well advanced for a second facility at the Michelin Scotland Innovation Parc in Dundee.

The new model is capable of carrying more than 90 passengers and has a range of between 200 and 250 miles depending on specification and route.

Optare believes there is a significant export market for fuel cell buses to regions with high ambient temperatures, requiring high air-conditioning power.

Dr Ben Todd, CEO of Arcola Energy, said, "Our partnership with Optare is an important step forward, not just for Arcola Energy, but for hydrogen fuel cell vehicle deployment in the UK. The innovative structural design of Optare buses makes them ideally suited to housing zero emission powertrains; and most importantly, to producing buses

which we believe will be the safest, most efficient and easiest to maintain in their class“.

Graham Belgum, CEO of Optare Group, added, “We are delighted to be working in partnership with Arcola on this project. We believe fuel cell technology has the potential to complement Optare’s award winning battery electric vehicle range. We look forward to working closely with Arcola to increase our understanding of the technology and its performance in service. We can see applications for fuel cells on inter urban routes in temperate climates and in high ambient environments where air conditioning is essential and energy consumption is high”.

Source: SMMT
