Covid-19 Bulletin 3 April 2020



Government letter supports essential status of vehicle rental

The Department for Transport (DfT) has thanked the vehicle rental sector for supporting essential services and provided a letter confirming that the industry should carry on working to 'the greatest extent possible'.

In a letter to the BVRLA, DfT Co-Director Ben Rimmington says:

Vehicle rental services were expressly excluded from the list of retail premises ordered to close on 23 March since they supply vehicles that are essential to the continuation of many essential services and basic economic activity. All travel related to the continuation of business of vehicle rental services such as delivery of vehicles or spare parts, and all necessary travel by vehicle rental services staff to their place of work should therefore be considered 'essential travel' in the context of current restrictions. That is of course with the important proviso that all staff should work at home if this is at all possible, and that Public Health England guidelines on social distancing should be observed.

We will communicate this to the National Police Chiefs Council to ensure it is shared with all police forces in the context of their important work to enforce the new restrictions on movement. I would be very happy for you to share this <u>letter</u> with your members, and for them to use it as evidence of the government position on this point in the event of any misunderstandings.

The BVRLA is also speaking to the DfT to try and obtain greater clarity about the vehicle leasing sector's ability to continue with vehicle movements. For the latest information, see the FAQs on the <u>COVID-19 advice pages</u>.

Update on support for vehicle rental companies

The Local Government Association (LGA) has produced <u>advice</u> for local authorities, highlighting the specific business sectors that should be included within the <u>Business Rates Relief Scheme</u>.

With the support of <u>The Tourism Alliance</u>, the BVRLA has asked the LGA to include 'Vehicle Rental Services' within this list, which should encourage local authorities to incorporate these businesses into their schemes.

When applied by local authorities, this scheme excludes vehicle rental branches from paying business rates during the 2020-21 tax year.

The BVRLA has received reports that some local authorities have pushed back against claims from vehicle rental operators. If this occurs, please refer them to the LGA website.

Vehicle rental companies can also claim a cash grant of up to £25,000 for each branch through the government's <u>cash grant for retail, hospitality and leisure businesses</u>.

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FCA announcement expected on fee deferral

The BVRLA has been speaking to the Financial Conduct Authority (FCA) about the annual fees for regulated businesses. The FCA recognises that cashflow is tight for many smaller regulated firms and has indicated that it will be making an announcement soon. This could potentially see fee payments staggered or deferred over the next few months. The BVRLA will update members as soon as any announcement is made.

Chancellor revamps emergency loan scheme

The government has made changes to its emergency loan scheme to make it easier for firms to access loans during the COVID-19 lockdown.

The revamp came after the Treasury reported that it had received more than 130,000 loan enquiries from firms and approved more than £90m in loans to nearly 1,000 firms.

The key changes to the Coronavirus Business Interruption Loan Scheme (CBILS), which provides loans of up to £5m for businesses with an annual turnover of up to £45m, are:

- The loans will no longer be restricted to companies that have been refused a loan on commercial terms
- Banks will be banned from asking company owners to guarantee loans with their own savings or property when borrowing up to £250,000

The Government has also introduced a new Coronavirus Large Business Interruption Loan Scheme (CLBILS), which will offer government-backed loans of up to £25m to firms with revenues of between £45m and £500m.

The British Business Bank operates the two schemes through its <u>accredited lenders</u>, which includes a range of asset finance providers.

The government has not capped the interest rates that can be charged on the loans, which cannot be used to assist with existing obligations.

More information on these and other support packages is available on the government's <u>Coronavirus Financial Support website</u>.

Dart Charge – Electronic Solution

Members who are struggling to access their post can sign up to receive electronic penalty charge notices for the Dart Charge. If you would like to receive a spreadsheet of penalties that you have been issued, please email <u>amanda@bvrla.co.uk</u> with your registered keeper details.