Covid-19 Bulletin 18 March 2020



BVRLA Chief Executive Gerry Keaney wrote to the Chancellor on 18 March 2020 asking for business and regulatory support for the fleet sector.

The letter makes clear the vital role that the vehicle rental sector will play in maintaining the essential movement of people, goods and services as the Covid-19 situation evolves.

In the letter, the government is asked to provide:

Business support

- Around 50% of most rental operator transactions are for leisure purposes (i.e. not for business), and most of this business is generated via airports, ports and other tourist locations. Can you ensure the vehicle rental sector is also included within your definition of the 'leisure' industry so that SME vehicle rental companies can obtain grants where their rateable value is between £15,000 and below £51,000.
- 2. Abolish the payment of business rates for all companies until it is clear the economic impact of the outbreak is beginning to decrease.
- 3. Ensure, in legislation, that banks are not permitted to foreclose on rental, leasing or car club businesses during the crisis and until this legislation is abolished.
- 4. Provide all businesses with at least three-months relief from paying VAT or employer's National Insurance.
- 5. The government should guarantee a significant percentage of the salary of workers who are at serious risk of redundancy.
- 6. Cut VAT on goods and services, to stimulate demand and consumer spending, especially when the crisis is over.
- 7. Require HMRC's default position to be the offer of a payment plan as part of the Time to Pay Scheme. Current guidance only states that HMRC "may" offer a plan.
- 8. We would echo the CBI's call for "emergency relief for SMEs if the total cost of sick pay becomes unsustainable" to help maintain their cash flow.

Operational and regulatory support

- Ensure any planned business or transport closures being considered do not include vehicle rental branches. We have already seen rental branches exempted from such closures in France, Austria and Spain, due to their essential role in providing mobility.
- 2. Penalty charge notices. With most staff now working remotely, people must be exempted or given more time to provide driver details and pay penalty charge notices and parking fines, due to:

a) Posted fines and charges sitting unopened in empty offices

b) Vehicles being stranded due to COVID-19 related closures or illness

- 3. We would also request a temporary relaxation of the strict requirements for MOTs and commercial vehicle periodic maintenance inspections as many fleets are finding that test centres, authorised testing facilities (ATFs) and workshops are closed or unavailable.
- 4. Require local authorities to follow London's lead in relaxing rules on overnight and weekend deliveries, enabling logistics companies to maintain the supply chain for food medicines and other essential goods.