

## SMTA Member Update 5 —7 May 2020

To our SMTA members,

As we continue deal with the COVID-19 pandemic, the SMTA is working hard to make sure our members get the services and support you need, for however long you need them.

There are several important issues facing the Scottish motor industry such as grant relief funding and Mot's restarting, rest assured SMTA is working hard on your behalf to help our members. Our team is here to help and contact information for our staff that are available can be found on our home page of our website—[www.smta.co.uk](http://www.smta.co.uk)

Please find below a round up of the weekly COVID-19 information that you may find helpful:



### ! CORONAVIRUS UPDATES

#### **£25,000 rates support a 'postcode lottery'**

We have been contact by several members asking us to assist in trying to get them their funding under the 'Small Business Grant Fund. There seems to be a communication breakdown that is seeing some garages missing out on thousands in grant relief during the coronavirus crisis. This is what SMTA is doing about this to date:

- 19.03.20 SMTA first letter to Cabinet Secretary for Economy over the £25,000 grant funding for garages.
- 02.04.20 holding response email provided by Scottish Government.
- 07.04.20 collective case on behalf of industry in Scotland put to Westminster via Chancellors Office.
- 17.04.20 revised (due to more information being available from members) claims put to UK Government for urgent support for situation in Scotland.
- 21.04.20 revised (more informed yet again) case put to the Scottish Cabinet Secretary challenging lack of support and guidance now based on me having a copy of an internal document that we believe has a flaw in it and is causing confusion within the Local Government officers outcomes.
- 29.04.20 We decided to write to Jackson Carlaw as leader of the Scottish Conservatives to bring to his attention the situation we are now facing within our industry as a direct result of this flawed action. At the time of this update we have not received a response.
- 04.05.20 Final response received from Scottish Government.

So the question is where are we now? (Continued on next page)

*Continued from front page:*

On Thursday 7th May, we have had an article on this published in Car Dealer Magazine, ([click here to read](#)). We are also now working on a letter laying out our concerns to each and every Chief Executive for all council across Scotland. This letter will also include copies of all correspondence to the Cabinet Secretary and her responses to each of these as well as a letter received from Fiona Hyslop on another matter that highlights the knowledge and acceptance about the retail motor industry. To this end we hope to educate them about the mistake that to us has so obviously been made and given that we now have the evidence of treatment in other parts of the country the creation by their actions of a “postcode lottery” this updated information will also be transmitted to all political opposition parties.

Hopefully this collective action will bring some form of success, it may even fragment the situation further but we will keep on with it. We also have investigated the further option of retaining a rates expert to review the situation should we feel the need to take some form of action on this, hopefully we will not need to do so but we are committed to fighting this.



## ! CORONAVIRUS UPDATES

### DVSA Updates

**MOT Expiry Date Extension**—The current six month extension to MOT expiry dates is still in place. It is being applied by DVSA on a daily basis – one week ahead of the intended expiry date. We understand that DVSA and the Department for

Transport are keen to end this arrangement at the earliest opportunity and that recommendations will be made to government as soon as arrangements for easing Lockdown and Furlough provisions is made clearer. Consideration is also being given to how normal testing can be resumed in such a way that minimises disruption. No decision has been made yet. At present, approximately 50% to 60% of all Vehicle Testing Stations are open for business and approximately 20% to 25% of motorists who could take advantage of the MOT expiry extension are still getting their vehicles tested when due.

**Test Equipment Calibrations**—Vehicle Testing Stations are permitted to continue testing with equipment that has expired calibration – as long as that equipment is believed to be functioning correctly. However, most emission test equipment ceases to function when calibration has expired and in such situations Testing must cease. DVSA and the Garage Equipment Association are aware of this problem. DVSA will be considering whether or not regulations can be temporarily relaxed and the Garage Equipment Association will be working with its members to try to restore normal calibration services as soon as possible.

**Social Distancing**-DVSA are aware of the difficulties in adhering to Social Distancing guidelines whilst testing – particularly with assisted test bays. Testers and assistants are encouraged to make full use of PPE when sufficient distancing can not be maintained. Guidance is available on the gov.uk website by using the following link: [www.gov.uk/guidance/coronavirus-covid-19-mot-centre-and-tester-guidance](http://www.gov.uk/guidance/coronavirus-covid-19-mot-centre-and-tester-guidance)

**New VTS Applications awaiting DVSA Assessment**-DVSA have now issued safe working instructions for Vehicle Examiners to carry out new site assessments in a manner that enables compliance with social distancing requirements. If you are experiencing difficulty getting a site assessment for a new VTS please let us know.

**MOT Tester Annual Training & Assessment**-DVSA’s extension to the MOT Tester Annual Training & Assessment deadline for 2019/20 has now ended. Access codes for 2020/21 Training & Assessment are now available from the SMTA. Please email [pauline.galloway@smta.co.uk](mailto:pauline.galloway@smta.co.uk) for more info



## New Bounce Back Loans launched

Britain's small businesses will be able to apply for quick and easy-to access loans of £50,000 from 4 May with the cash expected to land within days.

small businesses will be able to apply for quick and easy-to-access loans from 4 May and businesses will be able to borrow between £2,000 and £50,000 with the cash arriving within days. Loans will be 100% government backed for lenders, and businesses can apply online through a short and simple form.

Thousands of small firms and sole traders – including high street staples like hairdressers, coffee shops and florists – will be eligible for 100% government-backed Bounce Back Loans to help them make it through the coronavirus outbreak. Small business owners can apply to accredited lenders by filling out a simple online form, with only seven questions.

The government has also agreed with lenders that an affordable flat rate of 2.5% interest will be charged on these loans. And any business that has already taken out a Coronavirus Business Interruption Loan of £50,000 or less can apply to have these switched over to this generous new scheme.

The Bounce Back Loan scheme is the latest step in a package of world-leading support measures launched by Chancellor Rishi Sunak – with £7.5 billion already awarded in business grants, 4 million jobs supported through the job retention scheme and generous tax deferrals supporting hundreds of thousands of firms. To apply, see further information about the [Bounce Back Loan scheme](#).



## Out of furlough and back to work - FREE TEMPLATES

Some dealers have aptly adjusted to selling cars in the lockdown, taking on board the imposed restriction on trade and doing business distantly. Essential workers and all those who cannot work from home still need transport to commute, goods need to be delivered. There is, reassuringly, a demand to meet and there are jobs to be done. Dealers and garages may have to start to recalling their staff from furlough.

If you are in this fortunate position and need your staff to come out of furlough to do work, this certainly can be done. Just remember, the minimum furlough duration is 3 weeks. It is the employer's decision which employees remained furloughed and who is coming back to work. This decision must not be in any manner discriminatory. It is worth reminding your staff that on furlough ending, the normal terms of employment resume.

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