

AVRO News

Association of Vehicle Recovery Operators

Issue 43

April 2017

Visit the AVRO website to update your Vehicle Cartel information

www.avrouk.com

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AVRO's Recovery Operator Licence Scheme (ROLS) Statement

Following an in-depth review and debate of ROLS, AVRO National Council maintain that PAS 43 (and PAS 43 Plus) should remain the main focus for recovery standards.

AVRO has always encouraged new standards and practices that improve the quality of the industry and has always been at the forefront of many initiatives that have become industry standards.

The principle of a Recovery Licence was first raised some 30 years ago, and when the Department for Transport (DfT), more recently, suggested the recovery industry might lose its 'O' Licence exemption, AVRO, together with recovery industry stakeholders, helped develop ROLS and it emerged as the credible, preferred regulatory alternative to 'O' Licence that could be potentially forced on our industry.

ROLS continued to develop as a 'work in progress' document and was communicated to our industry as an optional standard. Transport For London (TFL) recognised its merits and for the first time a government body approached the recovery industry and suggested RO's attaining ROLS accreditation would be 'rewarded' with exemption to Ultra Low Emission Zone charging and bus lane access in London.

However, at the end of the consultation, the DfT made it apparent there was no appetite within the present term of the existing government for any more mandatory legislation and 'O' License exemption would remain unchanged for RO's.

It was widely thought amongst AVRO members that additional 'non-mandatory' standards would serve to complicate the existing PAS 43 focus and pose additional financial burden to operators with minimal benefit.

AVRO's work on ROLS will remain 'on hold' until such times a future Government may have the appetite for more legislation, however AVRO will continue to engage in healthy debate on any other subject that affects our industry.



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An Exciting New Partnership

Towergate Insurance are delighted to announce their appointment as AVRO's preferred insurance partner.

As one of the UK's largest independent insurance brokers, we offer unrivalled experience and access to all the insurance products members are likely to need for their Rescue and Recovery businesses.

As an AVRO member, you will have the chance to access the full benefits of our specialist Motor Division, whose risk management led approach to broking sets it apart from others in its field and whose membership of the Towergate Group provides access to rates and privileges exclusive to AVRO Members.

This starts from day one of our relationship when Towergate's Account Executive visits your business and conducts a free zero-based review of your insurances to identify gaps and areas of underinsurance, and to discuss the importance and possible need for Risk Management improvements that could ultimately save you money. This could include anything from introducing better paperwork systems to the purchase and implementation of risk management tools such as forward facing cameras, driver profiling and training, or even smart mobile phone blocking technology.

Our services to you won't stop there. They also extend to periodical input from our Fleet Risk Management (FRM) team, who work to identify, analyse and control risk exposure in respect of day-to-day activities and claims experience of your business. The FRM's also liaise with your insurer in the instance of any protracted or complex claim. You and your fellow AVRO members, irrespective of the size of their business, have access to ongoing, practical risk management support, tools and advice by phone or by email from our team of office based risk management professionals.

First things first though. To help us help you as an AVRO member, we'll need to get in touch to gain a better understanding of your business. This will also help us assess both when and how best we prepare for our initial meeting. So expect a call anytime soon.

We really look forward to working together as part of the wider AVRO team. We're confident you'll notice a difference.

To arrange a meeting with an Account Executive, please call 0344 346 0917 (AVRO members only)



New member profile

Andrews Garage Recovery Ltd, Glasgow.

Offering 24/7 assistance for lights and heavies. AGR have a PAS 43 accreditation enabling them to have contracts with Police Scotland, The AA, RAC, Green Flag, Call Assist, Britannia Rescue and numerous other recovery agents. The accreditation requires a high standard of health and safety to be maintained and this is inspected by the issuing body to ensure compliance.



AGR have a fleet ranging from 3.5t flat beds to heavy recovery under lifts and are able to help with all types of roadside assistance and recoveries of motor cycles, lowered sports cars and vehicles up to Mt. They will endeavour to diagnose and repair at roadside and

where this is not possible can either recover in to their workshop for further investigations and repair, or arrange for recovery to your choice of destination. If you require a quote please phone and you will be asked a series of questions regarding location, vehicle details and nature of incident so that you can be given an accurate quote so there are no unwelcome surprises, and in some cases it will be necessary to go to the locus to make a full assessment if the vehicle is likely to require a specialist recovery.

The recovery drivers are all certified and undergo training to enable a speedy and professional recovery. Some incidents can be very stressful and upsetting, so all staff are trained to assess and take control of the situation and offer advice on the various options available to best suit the needs of the member, which in some cases may also require assisting with arranging over night accommodation, taxis and vehicle storage.

All enquiries are welcome and they will aim to deal with them quickly and efficiently and help you in any way possible.



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Self-employed or worker?

The Court of Appeal case of Pimlico Plumbers & Charlie Mullins v Gary Smith concerned a plumber, Mr Smith, engaged by Pimlico Plumbers ostensibly as an independent contractor, who was responsible for his own tax and NI, supplied his own equipment, provided his own insurance and was personally liable for his own work.

Mr Smith was of the view that he was not in a true self-employed relationship but that he was an employee and that Pimlico Plumbers should, as a minimum, pay him holiday pay and make reasonable adjustments to consider his disability.

The basis for this assertion was that Mr Smith was obliged to personally provide the services to Pimlico Plumbers and he was not able to transfer work assigned to other operatives.

The Employment Tribunal at first instance decided that Mr Smith was neither self-employed nor an employee but in fact a worker. Pimlico Plumbers appealed to the Employment Appeal Tribunal (EAT). The appeal was dismissed and the EAT agreed that Mr Smith was a worker. Pimlico Plumbers appealed to the ruling to the Court of Appeal (CA) and the judgment was released earlier this month.

The CA dismissed the further appeal of Pimlico Plumbers, deciding again that Mr Smith was a worker and entitled to those rights afforded to workers, including holiday pay.

When handing down the judgment, the judges stated that, as with every case, it was very fact sensitive, and also offered the opinion that this case was not entirely straightforward.

A key quote from the judgment was the comment that the case "puts a spotlight on a business model under which operatives are intended to appear to clients of the business as working for the business, but at the same time the business itself seeks to maintain that ... there is a legal relationship of ... independent contractor rather than employer and employee or worker."

Given that this decision has been made at such a high level it will be binding on future cases coming ahead of the Employment Tribunal. Again, the Courts, as well as the HMRC, are demonstrating a reluctance to agree, when challenged, that individual contractors are providing services on a self-employed basis.

Article courtesy of Backhouse Jones www backhousejones.co.uk



Failure to register with the Information Commissioner's Office

A small business owner, Ms Karthikesu has been prosecuted and fined £200 for a failure to notify the Information Commissioner's Office (ICO) of her use of CCTV monitoring in-store.

Ms Karthikesu received several reminder letters and notices from the ICO informing her that she was in breach of Data Protection Act due to her failure to register with the ICO. She informed the court that she was under the impression that the letters were

spam and that she was unaware of the existence of the ICO.

She was ordered to pay the prosecution costs of £439.28 and a £20 victim surcharge.

Most businesses pay £35 to register with the ICO.

As always, if you want to discuss a legal issue with a qualified solicitor or barrister, please get in touch with the FSB Legal Helpline.



LEGAL HELPLINE 0345 0727 727



Mercedes to recall 75,000 UK cars over fire risk

Cars made between 2015 and 2017 may be affected with problem starter components that overheat.



Mercedes is recalling millions of cars worldwide following reports of fires.

Daimler is to recall around 75,000 Mercedes-Benz cars in the UK and one million cars worldwide after around 50 fires were reported.

No injuries or deaths have yet been recorded.

The fault is reported to affect the fuse in some of it's A, B, C and E-class cars as well as its CLA, GLA and GLC vehicles and could cause them to overheat when starting the car.

A fix has been implemented in the production of new vehicles and cars already currently on dealer forecourts.

Article courtesy of Garage Wire www.garagewire.co.uk





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Spotlight on corporation tax

In the Autumn Statement, the Chancellor confirmed a series of forthcoming changes to corporation tax. Here we consider the changes, together with some useful tax-saving tips and strategies to help minimise the corporation tax bill.

Future changes

In the 2016 Autumn Statement, Chancellor Phillip Hammond reconfirmed that the corporation tax rate will fall from 20% to 19% for the Financial Year beginning 1 April 2020.

The government is also reforming the rules governing corporate losses carried forward from earlier periods. The reform will offer more flexibility over the use of losses which arise on or after 1 April and which are carried forward, by allowing them to be useable against profits from different types of income and other group companies.

The reform will also restrict companies' use of losses carried forward so that they cannot reduce their profits arising on or after 1 April 2017 by more than 50%. This restriction will apply to a company or group's profits above £5 million. It should be noted that this restriction applies to losses carried forward arising at any time.

Tax-saving strategies

Careful planning can help to minimise the corporation tax bill. Consider the following strategies:

* Capital allowances

The Annual Investment Allowance (AIA) provides 100% relief up to the value of £200,000. This is available for the purchase of most plant and machinery (excluding cars). Any annual expenditure over the maximum amount enters either the main rate pool or the special rate pool, attracting a writing down allowance (WDA) at the rate of either 18% or 8% respectively.

Businesses that invest in energy-saving or environmentally friendly equipment can also claim a 100% first year allowance. New cars with low CO₂ emissions (up to 75 g/km, reducing to 50 g/km from

April 2018) also qualify for a 100% first year allowance.

* Deductable expenses

Expenditure incurred before the company's year end may reduce the current year's tax liability. Bringing forward expenditure by even a few weeks on items that are deductible from profits could accelerate tax relief by 12 months.

* Hire purchase and lease purchase

This can offer a useful vehicle for financing the purchase of an asset. Plant and machinery acquired on hire purchase should qualify for capital allowances on the full purchase price, regardless of whether the business has paid only the deposit.

* Pension contributions

Contributions made to registered pension schemes are generally allowable for tax in the year of payment. Tax relief may need to be spread where contributions for the current period exceed contributions made during the previous period by a set amount.

* Bonuses

It is possible to make provision in the annual accounts for bonuses which are paid to directors and staff up to nine months after the year end. These must be changed to PAYE and national insurance as appropriate.

* Capital gains

Capital gains are taxed at the rate of corporation tax, after deducting from the sale proceeds the market value at March 1982, or cost of acquisition if later, as well as costs incurred in improving the asset, an indexation allowance (to account for inflation), and certain disposal costs.

Article courtesy of Newby Castleman www.newbycastleman.co.uk



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Prices from Fuelmate



W/C 13th March

Esso : 98.42 ppl Excl VAT **BP** Bunker : 98.46 ppl Excl VAT Shell : 99.49 ppl Excl VAT Texaco : 98.42 ppl Excl VAT **UK Fuels** : 97.51 ppl Excl VAT Keyfuels : 97.77 ppl Excl VAT

W/C 6th March

Esso : 98.64 ppl Excl VAT

BP Bunker : 98.66 ppl Excl VAT

Shell : 99.68 ppl Excl VAT

Texaco : 98.64 ppl Excl VAT

UK Fuels : 97.59 ppl Excl VAT

Keyfuels : 98.02 ppl Excl VAT For further details, or to obtain a fuel card please contact:

Tracey Easton T: 01482 387777 F: 01482 338591

E: tracey.easton@fuelmate.co.uk

W: www.fuelmate.co.uk

Witham House, 45 Spyvee Street,

Hull HU8 7JR



Filling you with confidence

Statement regarding AVRO Chairman Steve Shinnick

Steve Shinnick has resigned for personal reasons. In the interim period a Management Board has been elected to lead AVRO to the July AGM where an election for a new Chairman will be held.

The AVRO National Council wish Steve a long and happy retirement!.

New Associate member

Welcome to our new Associate member:

Call Assist Ltd, Axis Court, North Station Road, Colchester CO1 1UX. Contact: Ben Johnson.



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April 2017 rate changes

1 April 2017

National Minimum Wage and National Living Wage—historically, the NMW rates have increased in October every year.

However, they increased in April 2016 when the NLW was brought in, to £7.20 per hour. NMW did not increase again in October 2016 but remained at £7.20.

The rates have now been aligned and will now subsequently rise in April of each year.

On 1 April 2017 the rates will increase as follows:

- Workers over 25 will increase to £7.50 (currently £7.20).
- Workers aged 21 to 24 will increase to £7.05 (currently £6.95).
- Workers aged 18 to 20 will increase to £5.60 (currently £5.50).
- Workers aged 16 to 17 will increase to £4.05 (currently £4.00).
- Apprentice rates will increase to £3.50 (currently £3.40).

2 April 2017

Statutory Maternity, Paternity, Adoption and Shared Parental Leave rates will all increase to:

• £140.98 (currently £139.58).

6 April 2017

- Statutory Sick Pay will increase to £89.45 (currently £88.45).
- Apprentice Levy: Employers with an annual payroll

of more than £3 million will be required to pay a 0.5% levy on their total pay bill starting on 6 April 2017.

- New Compensation Limits in the Employment Tribunal will come into effect:
- **1.** Weekly pay rate will be capped at £489 (currently £479).
- **2.** The Unfair Dismissal award will be capped at £801,541 (currently £78,962).
- **3.** The guarantee payment for lay off periods will now be £27 per day (currently £26).

Are you paying correctly?

The NMW is a minimum hourly rate of pay set by government which applies, with some exceptions, to all workers. The employer is under the obligation to pay the NMW, and there are no exclusions for smaller employers.

The increases set out above must be observed as failure to do so can result in Employment Tribunal claims for underpayment of wages with adverse findings against the business.

Many employers, particularly smaller businesses, can miss the increase and be paying less than NMW, however, more recently, HMRC are clamping down across the board and example are being made which serves to act as a warning that businesses need to get their house in order.

Article courtesy of Backhouse Jones www.backhousejones.co.uk





Final Spring Budget sets the stage for 'Britain's global future'

Chancellor Philip Hammond presented his first—and last—Spring Budget to the House of Commons in belligerent form.

Despite revealing upgraded forecasts from the Office for Budget Responsibility, the Chancellor announced that he would adhere to the government's new fiscal plan, with the stated aim or preparing Britain for a 'global future'. UK economic growth is now expected to reach 2% in 2017, before falling to 1.6% in 2018. Public sector net borrowing has been revised down to £51.7bn for 2016/17 and £58.3bn for 2017/18.

With Brexit approaching, the Chancellor announced a number of significant measures for UK businesses, including a £435m package for firms in England affected by the business rates revaluation. This will include a cap on rate rises for those losing existing business rates relief and a £300m local authority 'hardship fund'.

As the government's flagship Making Tax Digital initiative draws closer, there was also some good news for smaller firms, with the announcement that unincorporated businesses and landlords with turnover below the VAT registration threshold will have until 2019 to prepare for quarterly reporting.

However, a less welcome measure for the selfemployed will see the main rate of Class 4 national insurance contributions (NICs) increasing to 10% in April 2018 and 11% in April 2019. Meanwhile, shareholders and directors of small private firms will see a significant reduction in the tax-free dividend allowance, which will fall from £5,000 to £2,000 in April 2018.

Keen to address the UK skills gap, the Chancellor announced the introduction of new 'T-Levels' for 16—19 year olds studying technical subjects from Autumn 2019, as well as funding for 110 new free schools.

The Chancellor also confirmed previously announced measures for individuals, including the introduction of the new Tax-Free Childcare scheme, a three-year NS&I Investment Bond and the new Lifetime ISA.

Alcohol duties will increase in line with inflation, while duty on tobacco will increase by 2% above RPI inflation. The main rate of the new Soft Drinks Industry Levy, or 'sugar tax', will be set at 18p per litre.

Under the Chancellor's new timetable, the next Budget will be held in the autumn, followed by a Spring Statement in 2018.

Article courtesy of Newby Castleman www.newbycastleman.co.uk



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Review of the introduction of Employment Tribunal fees

The Government has now published its "Review of the introduction of fees in the Employment Tribunal".

Currently, any employee wishing to bring a claim against its employer or former employer will be expected to pay fees to the Employment Tribunal, subject to a remission scheme.

The fees currently, depending on the class of claim brought, are broadly:

- Issue fee £160 (type A claims) and £250 (type B claims).
- Hearing fee £230 (type A claims) and £950 (type B claims).

The majority of claims, such as unfair dismissal, discrimination will fall in the type B category.

The Government has found that "the original objectives [of the fee system] have broadly been met" and that "while there is clear evidence that ET fees have discouraged people from bringing claims, there is no conclusive evidence that they have been prevented from doing so".

However, "the review highlights some matters of concern that cannot be ignored" and "the Government has decided to take action to address these concerns."

The Government has prepared a consultation document which closed on 14 March 2017 which sets out a proposal for widening access to the fee remission scheme by raising the income level at which claimants can receive fee remission.

All Claimant's now need to go through ACAS Early Conciliation before they are able to lodge their claims and the fees kick in.

It is thought that a number of claims are being resolved without the need to issue proceedings, although it is accepted that between 3,000 and 8,000 people did not resolve their dispute through ACAS but did not then bring a claim however it is unknown whether this is genuinely because they couldn't afford the fees, or perhaps were not aware of the fee remission scheme.

Government intends to raise awareness of the fee remission scheme and to make it simpler to apply.

The new gross monthly income threshold for a single person with no children would be £1,250, which roughly corresponds to the income of a person on the NLW working 40 hours per week. There would be corresponding increases in the income level for those with children and couples.

The judicial review challenge to the fees regime brought by the trade union UNISON, which was rejected by the High Court and the Court of Appeal is due to be heard by the Supreme Court on 27 and 28 March 2017.

Article courtesy of Backhouse Jones www.backhousejones.co.uk





Vehicle safety recalls

R/2016/285	Iveco: Stralis Hi-Way, AS/AS-L, Hi-Road and Hi-Street	Brakes may not perform as intended	
R/2016/2292	Vauxhall: Adam, Corsa D and Corsa E	Steering rack may fracture	
R/2016/294	Audi: A4	Front backrest may not perform correctly	
R/2016/297	Jaguar: XE (2 litre diesel engine)	Fuel may leak	
R/2016/298	Mercedes-Benz: C-Class	Flammable vapour may ignite	
R/2016/299	Mercedes-Benz: ML/GL/GLE/GLS & GLE	Front passenger airbag may be deactivated	
R/2017/002	Volvo Car: V40CC, V60CC, V90, XC60, S60CC, XC90, V40, S60, S90 and V60	One or more airbags may fail to deploy in the event of a collision	
R/2017/003	Mercedes-Benz: Acros963, Antos 963 & Aroc 964	Steering may not perform as expected	
R/2017/008	Mercedes-Benz: Citan	Loss of brake fluid	
R/2017/009	Ford: Ranger	Automatic transmission may not operate as intended	
R/2017/011	BMW: i8, 2, 3, 4, 5, 6, X1, M4 & Mini Clubman	Airbags may not deploy	
R/2017/012	Mercedes-Benz: ML/GL	Front and/or rear axle bolts may not be tightened correctly	
R/2017/013	Renault: Trafic III	Incorrect tyre pressure label and spare wheel fitted	
R/2017/014	Renault: Master II Platform Cab (with tipper conversion)	Side board may detach	
R/2017/018	Citroen: DS5	Directional control may be affected	
R/2017/021	Vauxhall: Corsa D	Short circuit may occur	
R/2017/043	Volvo Truck: FL & FE3	Rear axle suspension may become insecure	
R/2017/044	Volvo Truck: FL & FE	Drag link joints may be incorrectly torqued	
R/2017/047	Lamborghini: Aventador (Coupe, Roadster), Veneno (Coupe, Roadster) and Aventador J	Risk of fire	
R/2017/052	BMW: X1	Airbag may not deploy	
R/2017/057	Citroen: Spacetourer, Dispatch IV	Fuel may leak	
R/2017/058	Citroen: Spacetourer, Dispatch IV	Brake servo may be insecure	
R/2017/059	Peugeot: Traveller, Expert IV	Reduction in braking effort due to air in the servo	
R/2017/061	Peugeot: Traveller, Expert	Unexpected airbag deployment	
R/2017/062	Peugeot: Traveller, Expert IV	Fuel may leak around fuel filler neck	
R/2017/063	Citroen: Spacetourer, Dispatch IV	Wheel may detach	
R/2017/064	Peugeot: Traveller, Expert IV	Wheel may detach	
R/2017/065	Citroen: Spacetourer, Dispatch IV	Malfunctions in electrical systems	
R/2017/066	Peugeot: Traveller	Malfunctions in electrical systems Malfunctions in electrical systems	
R/2017/067	Citroen: Spacetourer, Dispatch IV	Front shock absorber may fail	
R/2017/068	Peugeot: Traveller and Expert IV	·	
R/2017/008	Citroen: Spacetourer, Dispatch IV	Unexpected airbag deployment Unexpected airbag deployment	
R/2017/071	Citroen: Spacetourer, Dispatch IV		
R/2017/071	Peugeot: Traveller and Expert IV	Steering bolts may not be tightened correctly	
R/2017/074	Peugeot: Traveller and Expert IV	Steering bolts may not be tightened incorrectly	
RM/2017/074	BMW Motorcycles: G650 GS & G650 GS	Reduction in braking effort due to air in the servo Engine may cut out	
RM/2017/002	Sertao Ducati: Scrambler		
	Triumph: Bonneville T120 & Bonneville T120	Engine may cut out	
RM/2017/003	Black	Unintended acceleration	



Association of Vehicle Recovery Operators

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Stolen vehicle

A vehicle was stolen from Townsend Garage, Tintinhull, Somerset in the early hours of Monday 3rd April. If you see it, or know of it's whereabouts, please contact Townsend Garage on 01935 822636.



Vehicle stolen from Townsend Garage. The only difference is that the front bumper is now painted red and white.

National Minimum Wage and National Living Wage increases

The Chancellor confirmed that the National Living Wage (NLW) rate will be increased from 1 April 2017. Increases are also being made to the National Minimum Wage (NMW) rates. The NLW applies to workers aged 25 and over. The NMW applies to other workers provided they are at least school leaving age.

- * introduced and applies from 1 April 2016
- ** the apprentice rate applies to apprentices under 19 or 19 and over and in the first year of their apprenticeship

Rate from:	1 October 2016	1 April 2017
NLW for workers aged 25 and over	£7.20*	£7.50
NMW main rate for workers aged 21-24	£6.95	£7.05
NMW 18-20 rates	£5.55	£5.60
NMW 16-17 rate	£4.00	£4.05
NMW apprentice rate **	£3.40	£3.50



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