

## **NAMA NEWS NOVEMBER 2020**

Dear Colleagues,

We were pleased to hear at the most recent NAMA member meeting that despite a number of restrictions across the UK and the four-week lockdown in England, it is very much 'business as usual' for most auctions.

Over the past weeks, NAMA's sister association, NFDA, has written to HMRC and a number of MPs to highlight that under post-Brexit EU VAT rules, the sale price of a used vehicles in Northern Ireland (NI) will be subject to a 20% increase for stock purchased in Great Britain (GB). We have worked closely with NFDA as this would have an impact also on vehicles sold at auctions. NAMA joined NFDA's calls urging HMRC to raise this issue with EU counterparts and find a solution. Please find more details in the news.

Following this week's announcement from the Prime Minister, we have highlighted that auctions will be supporting the UK automotive industry to enable the sector to meet the challenges of the phase out of new petrol and diesels cars and vans sales by 2030. See further details in the news.

The current Government guidelines state that all non-essential physical retail including auction houses have to stay closed during the four-week lockdown in England and we have member-guidance available on the online sales of vehicles and the implications for delivery and 'click & collect'. If you have not yet received this briefing document, please contact us.

The next Executive meeting will take place on 1 December. The meeting is open to all members including associates. If you have not already, let us know if you would like to join us.

### **Keeping in Contact**

NAMA is here to support your business during the COVID-19 crisis and beyond. If you need support or advice, please do not hesitate to contact us. If you are interested in any issues raised in the newsletter and would like more information please let us know on 01788 538304 or email [louise.wallis@rmif.co.uk](mailto:louise.wallis@rmif.co.uk).

**Louise Wallis**

**Head of NAMA**

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## **NAMA RESPONSE TO 2030 DEADLINE FOR SALES OF NEW PETROL AND DIESEL CARS AND VANS**

Following the announcement by the Prime Minister that the UK will end the sale of new petrol and diesel cars and vans by 2030. The Government will allow the sale of 'hybrid cars and vans that can drive a significant distance with no carbon coming out of the tailpipe until 2035'.

**Louise Wallis, Head of the National Association of Motor Auctions (NAMA)**, commented: "Auctions will be supporting the UK automotive sector and work closely with dealers and fleets to enable the sector to meet the challenges of the phase out of new petrol and diesel cars and vans sales by 2030. Auctions and remarketing centres will invest in the facilities and in staff training and development to ensure that they can provide the services customers demand to remarket electric vehicles".

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## **'BUSINESS AS USUAL' FOR MOTOR AUCTIONS**

UK motor auctions have told the National Association of Motor Auctions (NAMA) it is 'business as usual' despite the four-week lockdown in England and the additional restrictions across the country.

NAMA has recently held a member meeting where auctioneers discussed the challenges facing their businesses due to COVID-19 and analysed the current and future state of the market. The majority of businesses suggested it is 'business as usual' despite the lockdown currently in place in England and the additional restrictions across the UK forcing most auction houses to remain closed and focus on online sales, collection and deliveries.

Louise Wallis, Head of NAMA, commented: "Following the first lockdown, businesses are now more familiar with running auctions under covid-safe procedures. Positively, it is business as usual for most auctions thanks to auctioneers' ability to adapt, focus on online sales and carry on doing business in a safe and compliant way.

"Online auctions have been performing extremely well and we are pleased to see that the NAMA Grading Scheme continues to support sales. The scheme allows buyers to identify quickly the vehicle that they want, and it provides them with additional information via the detailed report available to them.

"Following a particularly strong year, the market remains ahead of 2019's levels despite all the challenges and it would be normal to experience a slight realignment over the coming weeks".

According to cap hpi, volumes of sold wholesale data have been relatively consistent before and after "lockdown 2" commenced, although these were not at the peaks they were at in September. Trade buyers are still buying, although not to the same degree as in previous months.

Enquiry levels at retailers remain healthy and 'click & collect' sales to consumers have been to a level that meant it has been well worth dealers, independents and supermarkets remaining open virtually.

Derren Martin, Head of Valuations UK for cap hpi added: "From our perspective, retail values are holding quite firm, whereas trade prices continue to drop in November. Cap Live values have been dropping steadily since late September, but we have not seen a huge acceleration in this over the last two weeks.

"It is important to remember that on average, used values are over 5% higher than they were a year ago, for a like-for-like car at the same age and mileage point. This is very unusual and with the fourth quarter of the year generally being a period when there is more pressure on prices, plus some reduction in the buoyant demand factors of the summer 2020, it is unsurprising that values are dropping.

"We expect values to continue to drop for a few weeks, although they may stabilise depending on when lockdown ends and the proximity to Christmas".

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## **NAMA JOINS NFDA'S CALLS FOR VAT MARGIN SCHEME SOLUTION FOR NORTHERN IRELAND DEALERS**

*The National Association of Motor Auctions (NAMA) has worked closely with the National Franchised Dealers Association (NFDA) urging HMRC to seek a solution to avoid the impact VAT Margin Scheme may have on Northern Ireland dealers from 1 January 2021.*

Over the past weeks, NFDA has written to HMRC and a number of MPs to highlight that under post-Brexit EU VAT rules, the sale price of a significant proportion of used vehicles in Northern Ireland (NI) will be subject to a 20% increase for stock purchased in Great Britain (GB).

### **VAT Margin Schemes**

The issue arises from the status of VAT margin schemes for goods moved between GB and NI from 1 January 2021. This will apply regardless of whether there is a free trade deal agreed between now and December 31.

Margin schemes enable traders of used goods, such as vehicles, to pay VAT based on the profit earned from the re-sale of those goods, rather than the entire value of the good. This benefits consumers as it makes used cars more affordable, as the amount of VAT they pay is far smaller compared to the 20% they would pay for a new vehicle.

However, under current rules as part of the Northern Ireland Protocol, motor traders in NI will be unable to access VAT margin schemes for used vehicles they sell which were sourced from GB.

Guidance from HMRC states: *"In line with EU rules, margin schemes involving goods, such as the second-hand margin schemes, will not usually apply for sales in Northern Ireland where*

*the stock is purchased in Great Britain. The VAT on these sales will be subject to the normal rules and must be accounted for on the full value of the supply”.*

### **Impact on motor traders**

If left unamended, these rules will be a major disincentive for NI dealerships to buy used vehicle stock in GB, as it would lead to an immediate 20% increase to the sale price of these vehicles.

The problem arises because the Withdrawal Agreement keeps Northern Ireland in the EU's Customs Union. Correspondence with UK officials suggests that the problem can only be resolved if the European Commission indicates that an exception can be agreed to enable us to set aside our current legal obligation under the Protocol.

If the rules are not amended, they may have a major impact on the cost of cars at auction depending on where these vehicles come from.

In light of the repercussions the pandemic is already having on the motor industry, businesses should not be further burdened with this steep increase in cost. This would cause a rise in prices of second-hand cars affecting consumers at a time when many are looking to buy a used car to avoid public transport to help limit the spread of the Coronavirus.

NAMA joins NFDA's calls urging HMRC to raise this issue with EU counterparts and find a solution before the end of the year.

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### **MEMBER GUIDANCE ON ONLINE SALES, DELIVERY AND 'CLICK & COLLECT'**

*Following the latest Government guidance stating that all non-essential physical retail including auction houses are to close during the four-week lockdown in England, we have member-guidance available on the online sales of vehicles and the implications for delivery and 'click & collect'.*

The briefing document has been prepared by TLT Solicitors for the National Franchised Dealers Association (NFDA) and it covers a number of aspects that are relevant to auctions, particularly, where the Government guidelines may be open to different interpretations by enforcement authorities. It also includes a section focusing specifically on auctions.

The document is intended to clarify as far as possible the current position surrounding requirements and restrictions relating to vehicle selling, transportation and distribution in England.

The briefing document provides advice and outlines implications for businesses in the following areas:

- Vehicle sales
- Remote purchasing of vehicles: delivery and 'click & collect'

- Part exchanges
- Suggested hygiene and social distancing measures

**If you are a NAMA member and have not yet received our guidance, please contact us.**

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## **COX Automotive Insight Report 2020 highlights “paradigm shifts”**

The third annual Cox Automotive and Grant Thornton Automotive Insight Report available from 18 November 2020 [here](#)

The UK is on track for 1.57m new car registrations in 2020 and 2.02m in 2021, slightly ahead of the revised SMMT figures, according to the third annual Cox Automotive and Grant Thornton Automotive Insight Report, launched today on 18 November 2020. The forecasts have been informed by analysis of market response after the financial crash in 2007/8, as well as nuanced considerations of Brexit, COVID-19, and global vehicle supply issues. The 2021 projection represents a -12.8% decline on the 2001-2019 average.

Research conducted for the Insight Report, prior to the announcement of the second national lockdown in England, found just over half of dealers (52%) expected new car registrations to decline in 2021. Two fifths (42%) anticipated a further decline in consumer confidence. A third (33%) believed new car supply would increase in 2021, while just over a quarter (27%) felt the opposite. Demand has been influenced by COVID-19 trends, with Department for Transport data suggesting consumers have shifted from public to private transport.

The Insights team has also forecast the used car market, projecting 6.41m transactions by the end of 2020. With a shortfall of more than one million transactions against initial forecasts, it is clear that 2020 represents a fundamental shift to the market. However, it had already been in decline since the height of 8.1m transactions in 2017, and the 7.4m average across 2001-2019. For 2021, Cox Automotive and Grant Thornton expect to see 6.66m transactions.

Two thirds of dealers (64%) surveyed for this report, prior to news of the second national lockdown, expected used car transactions to increase in 2021, as compared with 2020. Almost a third (30%) expected values to increase in 2021. In terms of supply, respondents also identified the effect of fleet companies running their fleets for longer and de-fleeting less frequently, a trend which is already having an impact.

Philip Nothard, Insight and Strategy Director at Cox Automotive, comments: “While the COVID-19 pandemic has been – and continues to be – a significant challenge for the automotive sector, the idea that we have experienced anything ‘normal’ for the past 15 or even 20 years is a falsehood. The reality is there has very rarely been a long period of stability.

“If we are suggesting there is no such thing as normal, the other key factor that remains true is that consumer behaviour is underpinning industry paradigm shifts. Whether we talk about digital transformation, electrification, connectivity or, indeed, responding to the short-term market shocks, the driving force for industry change is consumer behaviour.”

The report also contains a section on business strategy development for 2021 and beyond. Grant Thornton Associate Director, Owen Edwards, adds: “The global automotive industry is rapidly adjusting to changes triggered by numerous sources: COVID-19; political and economic shifts; changes in emissions legislation; pressure from shareholders to generate more value; and increased consumer demand.

“Reducing cost will be a priority for many business leaders – in the short and the long term – and this will create an ongoing conflict between costs and the need to make profits. Continued consolidation is expected across the whole automotive industry to achieve economies of scale by building increasingly large companies, or operational efficiency to become more vertically integrated.”

Alongside the forecasts for the new and used car markets for the rest of 2020 and beyond, this year’s Cox Automotive and Grant Thornton Automotive Insight Report also looks at the subscription economy and Big Data, electric vehicles and the digital retail landscape, as well as providing information on integrated supply chains and end-to-end vehicle management. To view the interactive report, visit: <https://coxauto.co.uk/insightreport>

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## **UK USED CAR MARKET BOUNCES BACK 4.4% IN Q3**

*UK used car transactions grew by 4.4% in the third quarter with more than two million vehicles changing hands as showrooms reopened.*

The UK’s used car market increased by 4.4% in Q3 after two consecutive quarters of decline, signalling the busiest quarter since the end of 2016, according to the latest figures by the Society of Motor Manufacturers and Traders (SMMT). A total of 2,168,599 used car transactions took place between July and September and growth was recorded in each month of the quarter, with September plate-change driving highest increase of 6.3%.

Despite the significant growth, the UK’s used car market is still down from last year with 1,070,941 fewer transactions over the first nine months representing a decline of -17.5% overall. Demand for pre-owned battery electric vehicles (BEVs), which saw a decline of -29.7% in the Q2 recovered up by 34.4% in Q3 and 4.4% in the year to date. At the same time, sales of plug-in hybrids increased by 35.7%, with 10,040 changing hands. Petrol and diesel cars both saw an increase in sales of 4.5% and 2.6% respectively, accounting for 97.42% of all used transactions during the quarter.

Superminis remained the most popular segment with 698,587 purchases, accounting for 32.0% of transactions. The lower medium was the next best seller with 27.0% of the total market share. Meanwhile, the dual-purpose segment showed the largest percentage growth (16.6%) with 13.0% market share as more of these popular vehicles entered the used market.

With England entering a new lockdown and the introduction of tougher restrictions and ‘firebreaks’ across the devolved nations, sales in the fourth quarter are expected to be ‘heavily affected’, SMMT suggests.

The Ford Fiesta was the best-selling model in Q3 and 'black' held its position as the number one colour among used car buyers.

Model	No. transactions
1 Ford Fiesta	92,173
2 Ford Focus	76,443
3 Vauxhall Corsa	75,617
4 Volkswagen Golf	69,755
5 Vauxhall Astra	61,070
6 BMW 3 Series	49,728
7 MINI	48,180
8 Volkswagen Polo	42,493
9 Mercedes C Class	34,949
10 Audi A3	33,437

Colour	No. transactions
1 Black	461,132
2 Silver/Aluminium	387,620
3 Blue	369,320
4 Grey	329,258
5 White	282,382
6 Red	218,789
7 Green	43,127
8 Orange	14,618
9 Beige/Buff	12,532
10 Yellow	11,746

Image source: SMMT

## MILS LEGAL UPDATE



### Can a failure to return to work constitute acceptance of a breach of contract (for the purposes of a constructive unfair dismissal claim)?

Constructive Unfair Dismissal can be claimed by employees with over two years' service where they resign in response to an alleged fundamental breach of contract by the employer.

A common question in law however, is whether, in order to bring the contract to an end, one party has to communicate to the other the acceptance of what it deems to be the other party's fundamental breach(es)?

If such communication is not present, then as a matter of law, it can be argued that there is no termination of contract and therefore an employee's claim in such circumstances could fail.

The Employment Appeal Tribunal (EAT) has recently considered this matter in *Chemcem Scotland Limited v URE*.

### Facts

The facts are complicated involving a family business, but essentially the Claimant was on maternity leave and argued that the Respondent employer committed various repudiatory breaches throughout her maternity leave and had shown an unwelcome/hostile view about her employment during her maternity leave. Rather than expressing to the employer her acceptance of what she deemed to be those fundamental breaches of the contract, the employee simply failed to return to work following her maternity leave.

The original Tribunal found that her 'no show' and failure to return was sufficient to communicate her acceptance of the employer's breach and that she could claim constructive unfair dismissal. The company appealed, arguing that as the Claimant had

failed to communicate her acceptance of the repudiation by the employer, then as a matter of law, it could not be a termination of contract so the claim must fail.

The EAT dismissed the employer's appeal and agreed with the employee. They found effectively that it was for the Tribunal, on the facts of any individual case, to make an assessment whether such a failure to return to work constituted an implied acceptance of a repudiatory breach. It commented that in "normal circumstances" a failure to return to work might not constitute such acceptance of the breach of contract, but on the facts here, the Tribunal was entitled to find that her conduct in not returning was such acceptance.

## Comments

The case should serve as a note to employers in similar circumstances. If an employee simply disappears from work, this could still constitute an acceptance of an alleged breach of contract by the employer. The employer might not be in receipt of a formal written or oral notification that such a position was taken by the employee.

*Motor Industry Legal Services Limited*

*Motor Industry Legal Services Limited provides fully comprehensive legal advice and representation to UK motor retailers for one annual fee. It is the only law firm in the UK which specialises in motor law and motor trade law. MILS currently advises over 1,000 individual businesses within the sector as well as the Retail Motor Industry Federation (RMI) and its members.*

## POLICY UPDATE

**Please find below the latest information on the national restrictions across the UK (10.11.2020).**

### ENGLAND

#### Businesses and venues which must close

Among the list of non-essential retail premises to close are:

- Vehicle showrooms (other than for rental)
- Auction houses

#### Businesses and venues which can remain open

Among the other businesses permitted to stay open, following Covid secure guidelines, are:

- Petrol stations
- Car repair and MOT services
- Vehicle hire businesses

#### Click & collect and delivery

**As of 05.11.2020**, the Government guidance on the national restrictions for England currently reads as follows:

- Non-essential retail, such as clothing and homeware stores, vehicle showrooms (other than for rental), betting shops, tailors, tobacco and vape shops, electronic goods and

mobile phone shops, and market stalls selling non-essential goods. These venues can continue to be able to operate click-and-collect (where goods are pre-ordered and collected off the premises) and delivery services

UK Government guidance – [New national restrictions from 5 November](#)

## WALES

Following the end of the firebreak period in Wales at 12:01am Monday 9 November, a new set of national restrictions for Wales are in place. Under these restrictions “all retail shops can open, if they can comply with the [duty to take reasonable measures to minimise the risk of exposure to and prevent the spread of coronavirus](#) in Welsh law. People should avoid unnecessary travel and avoid crowded spaces, particularly indoors.”

Please see the Welsh Government [guidance for retailers](#) for more information.

Welsh Government guidance: [Coronavirus regulations: frequently asked questions](#)

## SCOTLAND

The Scottish Government introduced its local COVID alert level system on Monday 2 November. The levels range from zero to four. Under level four, which is the highest alert level, non-essential retail will be required to close. The guidance currently states that click and collect and outdoor retail would be permitted under level four.

Non-essential retail is permitted to remain open in all other alert levels. Offices and call centres are advised to work from home, as well as other workplaces where home working is possible. Scottish Government guidance: [local protection levels](#)

## NORTHERN IRELAND

Additional restrictions are currently in place in Northern Ireland, beginning on 16 October 2020 and lasting for four weeks. The retail sector remains open at this time.

NI Government guidance: [what the restrictions mean for you](#)

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## FASTEST SELLING USED CAR OCTOBER 2020, Auto Trader

Mazda CX-5 leads diesel's domination as UK's fastest selling used car, Auto Trader



According to the latest data from Auto Trader’s Fastest Selling Index, which live tracks the potential speed at which used cars will sell based on live supply and demand in the market, the 2016 Mazda CX-5 (diesel manual) is the UK’s current fastest selling used car, taking an average of just 24 days to sell. It marks the second time the CX-5 has been the fastest seller this year (previously in August), and the seventh time it has been within the top three.

With the exception of the sporty Peugeot RCZ (2014, petrol - manual), which is the UK’s second fastest selling car, the current top ten is made up of SUVs and MPVs. Overall, the used car market continues to see an ongoing surge in demand, with levels increasing 21.1% last week compared with the same period last year.

The Fastest Selling Index also revealed that used diesels are on average leaving forecourts faster than any other fuel type, with diesels powering nine of the top ten. Whilst the level of demand for used diesels is not as strong as its petrol counterpart, there are far fewer in the market for consumers to choose from, with the level of diesel supply dropping -12.8% on the same period last year, the steepest decline in supply of any fuel type.

As a result of this low supply used diesels are currently recording the highest level of retail price growth, with sticker prices increasing an average of 9.5% YoY last week, marking 23 weeks of consecutive growth.

Commenting on the Index, Auto Trader’s director of commercial products, Karolina Edwards-Smajda, said: “The latest findings of the Index highlight just how much of an impact the supply and demand dynamics can have on all aspects of the market. In the current retail landscape, it’s absolutely critical for retailers to be aware of these fluctuations, to understand how it will affect their business, and to adapt their forecourt strategy accordingly, including stocking the right vehicles and pricing them correctly. Expertise and experience will always be invaluable, but with such unpredictability in the market, very few retailers can afford to operate on hunch alone.”

Current fastest selling used cars (by days to turn) – as of 27 October 2020:

Rank	Make / model	Fuel & transmission	Auto Trader Retail Rating	Predicted days to sell
1	2016 Mazda CX-5	Diesel – Manual	99.60	24
2	2014 Peugeot RCZ	Petrol – Manual	99.22	24
3	2014 Peugeot 2008	Diesel - Automatic	98.41	24
4	2018 Mercedes-Benz V-Class	Diesel - Automatic	98.35	24
5	2014 Kia Sorento	Diesel – Manual	99.58	25
6	2017 Mercedes-Benz V-Class	Diesel – Manual	99.86	26
7	2014 Mitsubishi Outlander	Diesel - Automatic	98.89	26
8	2014 Kia Sorento	Diesel - Automatic	98.12	26
9	2014 Mitsubishi Outlander	Diesel – Manual	97.88	26
10	2016 Mazda CX-5	Petrol - Automatic	98.68	27

Current slowest selling used cars (by days to turn) – as of 27 October 2020:

Rank	Make / model	Fuel & transmission	Auto Trader Retail Rating	Predicted days to sell
1	2019 Subaru Forester	Petrol Hybrid-Automatic	1.94	150
2	2019 Lexus IS 300	Petrol Hybrid-Automatic	1.69	149
3	2020 Mercedes-Benz C-Class	Petrol - Manual	1.99	147
4	2019 DS 3 Crossback	Diesel - Manual	1.63	145
5	2020 Audi A4	Diesel – Automatic	2.1	144
6	2019 Volkswagen Passat	Diesel Plug-in Hybrid - Automatic	2.1	143
7	2019 Toyota Prius	Petrol Plug-in Hybrid - Automatic	2.09	141
8	2019 Kia XCeed	Diesel – Manual	1.61	138
9	2018 Hyundai Ioniq	Petrol Plug-in Hybrid - Automatic	2.21	131
10	2020 Mercedes-Benz GLB	Diesel - Automatic	2.95	125

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## NEWS FROM NAMA MEMBERS

### BCA announces major new development in Bristol

11 November 2020



BCA has announced the development of a new 65-acre mega-centre to support the Group's business activities.

In a key strategic location within easy access of J18 of the M5, BCA Bristol will be a full on-line remarketing centre, with the capacity to handle over 120,000 vehicles per annum. The facility will operate 24/7, delivering a full range of BCA's suite of services – defleet and logistics, cosmetic and mechanical preparation, vehicle remarketing, imaging and retail ready preparation.

BCA confirmed that the development of the Bristol location is already at an advanced stage and will create significant employment opportunities across a number of specialist automotive, administrative, remarketing, management and logistics roles.

The new mega-centre brings together the collective expertise of the wider BCA Group Operating Divisions to deliver the most efficient used vehicle facility in the UK. BCA Bristol will also utilise BCA's advanced decision intelligence services to optimise remarketing channel selection and refurbishment opportunities for customers.

BCA COO UK Remarketing Stuart Pearson commented "BCA's new 65-acre development in

Bristol will create a new standard within the industry, utilising the latest digital technology to deliver a range of multi-channel remarketing, logistics and technical automotive services to meet the needs of our customers.”

“The new centre, with the capacity to store over 10,000 vehicles on the ground at any one time, forms a strategic part of our growth plans and delivers on our stated intent of driving further efficiencies for our customers across the used vehicle supply chain.”

He concluded “BCA is handling growing volumes of stock from both new and existing customers across the range of services the Group offers. Additional capacity such as this new facility in Bristol is critical to bringing liquidity, efficiency and choice to the automotive sector.”

### **Manheim sees sixth consecutive month of record LCV sales**

*11 November 2020*

*Manheim delivered its sixth consecutive month of record-breaking LCV sales performances in October.*



Manheim reported that its October used van values jumped 7% (+£546) from September to a new record of £8,936 - this despite the vans being older (+1.3 months) with higher mileage (+2,363 miles) than the prior month.

Analysis of October’s stock profile revealed that Euro 6 vans contributed to this unprecedented performance, with their average selling price jumping 5% (+£632) to £12,772 despite increases in both age and mileage.

First-time conversion rates remained strong, standing for a third consecutive month at 87%, up 13% compared to the same month last year. Looking back to May 2020, when Manheim launched its innovative digital virtual Simulcast auction programme, average LCV values have risen by over a third (+36% and +£2,345).

Matthew Davock, Manheim’s director of CV, said: “We predicted last month that we were approaching the ceiling of used Euro 5 and pre-Euro 5 wholesale values. This has proven true, with increases in age and mileage leading to a logical softening of their values in October. However, with nearly half of all vans sold in the month being Euro 6, we saw exceptional sales performances with the highest average van value on record. We see this trend continuing as buyers fight it out for the youngest examples.”

According to Manheim, its vendor customers continue to report that there are no significant pipeline de-fleet volumes to destabilise demand. This is due to lead time delays in the supply chain as well as deferred fleet replacement programmes.

Davock concluded: “Quarter 4, typically the busiest in terms of the build up to the festive period, has never experienced these record shortages of new and used vans. With a handful of weeks to Christmas and the size and severity of any future lockdowns unknown, we

believe online retail activity will step up significantly. The emerging trend of consumer 'revenge spending' would indicate that this festive season will be underpinned by a feelgood factor – underpinned by a significantly bigger dose of online shopping.”

James Davis, customer insight director, Cox Automotive, added: “In 2019, the new van market experienced specific pressures from WLTP and Brexit deadlines. Whilst October was a positive result, year-on-year comparison should factor in these different backdrops. The SMMT typically publishes its final annual new van forecast position in October and its members’ forecast a final position of 288,000 vans. That is down 21.3% on the 2019 actual. The industry may well fall short of this number and furthermore I see 2021 tracking similarly to 2020. This is because there are a record number of factors impacting the new and used CV markets. These will continue to impact the global supply chain, as well as market demand, over the next 12 months.”

Davis concluded: “We are in a unique supply-led recession. This is a different landscape than typical recessions we have suffered in the past, with accompanying liquidity crises and demand-led pressure. At no time in history have we seen this pattern of market realignment and used vans remain the golden child of the sector. Whatever the ultimate reduction in new supply, the used van volume pipeline is severely constrained in the coming years, long after our economy and society recover. This will see the permanent realignment of used van values as the industry begins to grapple with the phasing out of diesel and petrol in the next decade.”

## **Aston Barclay launches new buyer fees structure and reveals latest digital auction lockdown plans**

*3 November 2020*



Aston Barclay has launched a new tiered buyer fee structure and has confirmed it will never sell used cars to consumers in competition with its dealer customers, whilst continuing with its digital sales programme.

The new tiered structure aims to add further transparency to its dealer buyer fees and the more cars they buy the more they will benefit from reduced fees. Savings of up to 7% are available when compared with its two largest competitors.

Aston Barclay has also announced it will continue to run a full digital car and van sales programme from Thursday, while all six physical auctions will be shut for physical viewings from Wednesday evening.

It will also re-introduce its Covid-safe car collection appointment service from its six physical sites as well as continue with its own collection and delivery service.

“We aim to provide the best value possible value for dealers when buying cars in the wholesale market, particularly during these uncertain times,” explained Martin Potter, Aston Barclay’s MD – Customer.

“Our new structure provides total transparency and rewards those dealers that are buying more cars with lower fees.

“This comes at a time when we have reverted back to our Covid-19 digital auction programme which means dealers are only allowed on-site as part of our appointment collection service,” he added.

### **Shoreham MD predicts big bounce back for used market in January 2021**

*18 November 2020, Motor Trader*

**Shoreham**  
Vehicle Auctions

“The used car market will make a big come back in January after pent-up demand from the November lockdown 2.0 and December’s seasonal Christmas slowdown”.

That’s the view of Shoreham Vehicle Auctions managing director Alex Wright who predicts the bounce back will mirror June 2020 when the market came out of its first lockdown. And the used van market looks set to continue its record demand and price growth as companies buy replacement or additional used vans out of necessity through business growth.

He expects the £10,000 to £40,000 price brackets to continue to be the most popular in the market. He said: “The smart dealers are already buying used cars during lockdown at lower prices to feed the expected consumer demand from the end of December. We saw prices wobble on the first day of Lockdown 2.0, but since then prices have softened, but the market has found a new level where the trade seems comfortable to buy stock.

“The market knows it will be short of dealer part exchanges come January because the volume of new car deliveries falling as dealers only trade online during November.

The used van market from early November saw prices and demand continue to rise. Prices have nearly doubled in some sectors of the market during 2020.

“People replace their used cars as they fancy a change or because they want a new model with the latest equipment on it while used van buyers replace their vehicles out of necessity. The economy is still turning and big sectors like construction are still trading during lockdown 2.0.

“With many sectors such as home delivery continuing to grow even during lockdown, companies and contracted drivers are looking to buy a used instead of a new van due to the persistent delivery delays from manufacturers,” said Wright

[Source: Motor Trader](#)

## BCA's new graduate cohort successfully complete their socially distanced induction

13 November 2020

BCA's new graduate cohort have successfully completed their one-week induction into the company.

The induction used a blend of virtual and socially-distanced face-to-face session work at BCA Bedford, with a focus on training, support and BCA's core values, alongside important topics such as health, safety and well-being.

Graduates and Apprentices also received inspiring talks from senior management and previous graduates, followed by a virtual networking session.

BCA's new graduate cohort are currently undertaking their first placement on their programme journey as Graduate Management Trainees. The programme gives students the opportunity to experience a variety of business disciplines and automotive specialisations with BCA. Graduates gain real in-depth experience across different functions of BCA through the in-house programme, with a selection of placements operating on a rotational basis over a 12-month period.

By gaining experience across each sector of BCA's business, graduates can develop a thorough understanding of the organisation that empowers them to flourish as a future business leader.

BCA's highly successful Graduate Management Development Programme is now in its sixth year and BCA has provided places for 50 graduates in that time, with the majority staying with BCA long-term to progress their career.

BCA provides tailored training, mentoring and support throughout, helping graduates and apprentices to unlock their maximum potential. There is also the opportunity to study for a nationally recognised qualification alongside the programme to build individual skills and capabilities.



*BCA's new graduate cohort successfully complete their socially distanced induction*

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## Your NAMA membership benefits

- NAMA Grading Scheme
- NAMA Vehicle Appraiser Training scheme
- Lobbying and engagement with Government
- Legal services
- HR and employment advice
- COVID-19 Guidance
- Health and safety advice
- Dedicated helpline and online member area
- Discounted rates for commercial services

- Alternative Dispute Resolution (ADR)
- Finance and Insurance advice
- Monthly newsletter
- Regular member meetings

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## **FOLLOW NAMA ON LINKEDIN**



We have launched our LinkedIn page! [Follow NAMA on LinkedIn](#) to stay up to date on the latest industry news and insights from your trade organisation.

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## **2020 DATES FOR YOUR DIARY**

### **NAMA Executive Meetings**

1 December 2020 via Microsoft Teams

### **NAMA AGM – NEW DATE FOR 2021**

14-16 May 2021