

## **Hire Association Europe**

**Date: March 2022**

**Ref: HAE EHA Red Diesel**

### **SEEING RED OVER NEW DIESEL LAW**

Changes to the law concerning the use of red diesel are coming into effect from 1st April, affecting thousands of hire and construction companies across the UK. Hire Association Europe and Event Hire Association (HAE EHA) is urging its members and the wider hire industry to ensure they are fully aware of the changes to avoid finding themselves on the wrong side of the law.

Under current regulations rebated gas oil (red diesel) and rebated biofuels, can be legally used for any machine which is not a road vehicle, for example earthmoving equipment and mobile generators. From 1st April, this entitlement will be removed for all but a handful of specific sectors, including farming, forestry and community-based landscaping such as hedge and verge cutting. Any individual found guilty of breaching the new regulations may be subject to criminal sanctions and fines, and HMRC can also seize vehicles and machines found to be running unlawfully on red diesel.

There is no requirement to flush out engines, and any rebated fuel still in tanks can be used up after 1st April, so long as it can be proved that it was put into the vehicle or machine legally, prior to the changeover date. HMRC has also acknowledged that traces of rebated fuel are likely to remain in fuel tanks for some time, but it is essential that businesses make a point of retaining evidence that any red diesel was put in before the rules changed and that the vehicle has been refilled with white diesel from 1st April onwards.

HAE EHA has taken a number of actions including creating revised terms and conditions of hire and putting in place training and general guidance for members. Ann Harrison, group marketing and communications manager, explained: "These changes have the potential to raise multiple issues, particularly where hired equipment is concerned. Difficulties arise for example with equipment that can be used for both allowed and non-allowed purposes. The use of the appropriate fuel in each situation is the responsibility of the hire company and not the individual hiring the equipment, therefore it is imperative that hire companies clearly inform customers about the changes to the law.

"It may be that hire companies choose to designate some pieces of equipment as acceptable for use with red diesel and some as white diesel only, and have these clearly marked. On the other hand, it's important to bear in mind that HMRC does carry out random spot testing, and the only way to

ensure customers have complied is to dip test, and flush out tanks in between every hire if necessary. So, some hire companies may prefer to stick to a white diesel only policy in order to avoid confusion and unnecessary risk.”

Anyone who would like to know more about how the changes in regulations might affect them can get in touch with [HAE EHA](#) on: 0121 380 4600.

**END**

Hire Association Europe (HAE) was formed in 1974 and is often referred to as The Association. It is a Birmingham-based industry-leading trade body representing plant, tool and equipment hire with over 800 members based in the UK, Europe and across other parts of the world.

The Association assists businesses, from sole traders to larger independent and privately-owned organisations, by providing operational resources to support the hire industry. Membership provides access to products and services covering all aspects of hire, including terms & conditions, safety checks, publicity, equipment, responsibilities and general day-to-day requirements.

Accompanying services include legal advice, training, publicity, safety checks, leaflets, lobbying and finance advice; necessary documentation and information that will hold organisations in better stead for the long term. In addition, safeguarding can also be made easier for members, who have access to HAE's essential range of health & safety, economical and credit control services.

All members are invited to become part of a board with the choice of Tool, Plant & Equipment Board, Event Equipment Board or the Supply Chain Industry Board. Alternatively, members are able to take part in a technical panel to review and develop new practices which impact the industry and subsequently, their own business.

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