

Flannery Plant Hire (Oval) Limited
Flannery House
Third Way
Wembley
Middlesex
HA9 0RZ
Tel: 0208 900 9290

Thursday, 10th March 2022

IMPORTANT UPDATE OF FUEL RATE CHANGES

Dear Valued Customer,

RE: Fuel price increase and HMRC changes 01st April 2022 concerning Red Diesel

Current Fuel Prices (Red Diesel)

We regret to inform you that due to unprecedented and uncertain times being faced globally and with the constant fluctuations and volatility with wholesale fuel prices, we can no longer offer a fixed fuel price on the sale or return basis of fuel at the start of each Hire Contract.

Despite our best efforts with our strong supply chain, we cannot quote fuel rates more than **2 days** in advance. Therefore, it is impractical for us to be able to predict what the cost of fuel will be at the time of hire.

From **today** onwards for all Live Hire Contracts and New Contracts our fuel selling price will be £1.60 per litre + VAT. Flannery's will continually check the sale rates and update as required to reflect the ever-changing market.

The fuel will still be supplied on a Sale or Return basis – we will supply the machine full of fuel and if the machine is returned full of fuel, there will be no charge.

Changes to Supply of Diesel after 31st March 2022

As of 1st April 2022, **red** diesel is losing its tax-free status and many industries are no longer entitled to use it – with the construction industry being one of the most affected areas.

Initially announced by the government during Budget 2020, the change will come into effect as part of their goal to achieve net-zero carbon emissions by 2050.

From 01st April Flannery's will cease to re-fill fuel tanks with **Red** Diesel. All equipment returned or collected from hire on or after the 01st April 2022 will be re-fueled with compliant fuel and charged at the current selling rate.

We request that any machines being returned to us are only filled with white diesel to comply with HMRC regulations.

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As above, due to the current global oil market fluctuations we are unable to advise what our fuel price will be on or after 01st April 2022. Flannery's will continue to evaluate the evolving position and will always prosper to offer the best value to our customers.

Its important to note that any equipment returned with red diesel in may be liable for additional charges for emptying and flushing the fuel tank and for disposal of the non-compliant diesel.

Whilst we have endeavored to communicate with all departments of your organisation we would appreciate if you could forward this letter onto all relevant members of staff including any members that are responsible for Hiring Plant or the re-fueling of Plant.

We want to take this opportunity to thank you for your continued business, support and understanding with these changes.

If you have any questions regarding this letter or anything else, please contact us:

Email: hiredesk@flanneryplant.co.uk

Kind Regards,

The Flannery Team