



Terranova Crane Sales Ltd
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UK Government Changes to Rules on Rebated Diesel Usage

As some of you may know, the UK Government announced changes to rules for businesses and individuals currently entitled to supply or use rebated gas oil (red diesel) and rebated biofuels causing concern, especially in the construction sector.

These changes are due to take effect for most sectors from 1st April 2022 with the Government target being that the UK will bring all greenhouse gas emissions to net zero by 2050, as well as improve the energy efficiency of vehicles and machinery, invest in cleaner alternatives, or simply use less fuel.

These changes will have a significant impact for businesses, including Terranova as we move forward with these impending rules to ensure we remain compliant with them. Costs in running down or removing red diesel and rebated biofuels from our vehicles, machinery and storage tanks as well as sourcing alternative fuels moving forward are just some of the changes we will need to implement.

As you will see from the report link below, red diesel entitles a rebate of 46.81ppl, giving an effective duty rate of 11.14ppl, whilst white diesel has a fuel duty rate of 57.95ppl – effectively five times as much as beforehand.

<https://www.gov.uk/government/publications/reform-of-red-diesel-entitlements/reform-of-red-diesel-and-other-rebated-fuels-entitlement>

Sadly, petrol prices also continue to hit a record high as oil and gas costs soar due to the geopolitical situation in Ukraine. As a result of these global changes and the UK Government revised guidelines, we will need to make alterations to some of our costs by the 1st April 2022 deadline.

Any changes will be communicated to you as and when we have a clearer direction on the most efficient way forward and apologise for any inconvenience caused as a result of these enforced changes taking place.

A handwritten signature in black ink, appearing to read 'Alec Glover', written over a white background.

Alec Glover
Managing Director