Dangers of operating before a licence is granted

Press release

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In a case early this year, Traffic Commissioner Nick Denton has refused an application for a standard national goods vehicle operator's licence made by REL Haulage Ltd.

The company was found to have in effect already started operating HGVs, despite director Ian Newman's assurance in August 2021 that it would not do so in advance of authority being granted.

Andy Scott, an offshore investor, stated that he was using his vehicle, REL Capital Ltd, to help save struggling businesses. The purpose of REL Haulage was to bring together the profitable elements of several distressed haulage companies. It was a long-term investment, with Ian Newman running it day-to-day as director and Adam Lewis having an overseeing role.

The commissioner found that Andy Scott and Adam Lewis have a long history of failed road haulage companies behind them — companies that enter liquidation owing large sums of money to HMRC and other creditors. They hive off the profitable parts into new companies, leaving creditors of the old companies high and dry.

He found a similar intention lay behind the application from Haulage: it was intended to be a vehicle for the profitable parts of REL Storage, leaving the rest of Storage to go into liquidation owing money.

The traffic commissioner said "Before the inquiry, I was shown a letter, dated the very day of the inquiry, threatening staff with redundancy as a result of the traffic commissioner's decision. This was a repugnant attempt to influence my decision and not the act of a reputable company. The people

behind this application are not of good repute and are not a business or people in whom I could have any trust. It is just the latest domino in the series of failed companies overseen by Messrs Scott and Lewis."

Further details can be found here.

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