EXPLANATORY MEMORANDUM TO

THE MOTOR VEHICLE TESTING (AMENDMENT) (FEES) REGULATIONS (NORTHERN IRELAND) 2023

2023 No. 130

1. Introduction

1.1. This Explanatory Memorandum has been prepared by the Department for Infrastructure to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.

1.2. The Statutory Rule is made under Articles 61(6), 62, 75(8), 81(8) and (9) and 110(2) of the Road Traffic (Northern Ireland) Order 1995 and is subject to the negative resolution procedure.

2. Purpose

2.1. The purpose of the Statutory Rule covered by this Memorandum is to amend the Motor Vehicle Testing Regulations (Northern Ireland) 2003 to increase the fees payable for examinations, re-examinations and appeals.

3. Background

3.1. The Driver and Vehicle Agency ("DVA") currently operates a network of 15 test centres and 2 satellite driving test centres in Northern Ireland. It carries out over 1 million vehicle roadworthiness tests and almost 60,000 practical driving tests each year.

3.2. DVA operates as a Trading Fund, which means that income received from fees must cover the cost of delivering the services that the agency provides. A Trading Fund is also permitted to build up cash reserves to finance current operating requirements and future capital investments.

3.3. Many vehicle test fees have not increased in more than 18 years and are no longer covering the cost of delivering the service. The deficit on the vehicle testing fee account was £1.1m in 2022-23 and it is projected that this deficit will increase further for the 2023/24 financial year if no fee increases are made. Annual operating deficits utilise reserves which in turn impacts the deliverability of future capital schemes and ultimately the financial sustainability of the Trading Fund.

DVA is responsible for carrying out roadworthiness tests on cars, motorcycles, private buses and light goods vehicles and the fees payable have not increased since 2005.

3.4. It is therefore necessary to implement a fee increase for the testing of motor vehicles in order to ensure the future financial sustainability of the Trading Fund.

3.5. Therefore the fees payable for examinations, re-examinations and appeals are amended as follows.

3.6. Examinations, re-examinations and appeals under regulations 7(2), 11(3) and 16(1)—

(a) for vehicles in Classes I or II from £22.00 to £34.00;

(b) for vehicles in Classes III or IV from £30.50 to £38.00;

(c) for vehicles in Class V, from £41.50 to £70.50;

(d) for vehicles in Class VA—

(i) with 13 to 16 seats, exclusive of the driver, from £53.50 to £82.50;

(ii) with 17 to 35 seats, exclusive of the driver, from £65.00 to £94.00;

(iii) with more than 35 seats, exclusive of the driver, from £81.00 to £110.00;

(e) for vehicles in Class VI, from £41.50 to £70.50; and

(f) for vehicles in Class VIA, from £53.50 to £82.50.

3.7. Re-examination made within 21 days of the issue of the notice of refusal under regulation 11(4)—

(a) for vehicles in Classes I or II from £14.00 to £29.50;

(b) for vehicles in Classes III or IV from £18.50 to £29.50;

(c) for vehicles in Class V from £19.50 to £38.00;

(d) for vehicles in Class VA—

(i) with 13 to 16 seats, exclusive of the driver, from £19.50 to £38.00;

(ii) with 17 to 35 seats, exclusive of the driver, from £32.00 to £38.00;

(iii) with more than 35 seats, exclusive of the driver, from £44.00 to £38.00; and

(e) for vehicles in Class VI from £19.50 to £38.00; and

(f) for vehicles in Class VIA from £19.50 to £38.00.

3.8. Re-examination made within 21 days of the issue of notice of refusal under regulation 11(5)—

(a) for vehicles in Class VA—

(i) with 13 to 16 seats, exclusive of the driver, from £19.50 to £38.00;

(ii) with 17 to 35 seats, exclusive of the driver, from £32.00 to £38.00;

(iii) with more than 35 seats, exclusive of the driver, from £44.00 to £38.00; and

(b) for vehicles in Class VIA from £19.50 to £38.00.

3.9. Fees payable for a full examination under Article 81 of the Road Traffic (Northern Ireland) Order 1995 ("the Order") have changed—

(a) for vehicles in Classes I or II from £22.00 to £34.00;

(b) for vehicles in Classes III or IV from £30.50 to £38.00;

(c) for vehicles in Class V, from £41.50 to £70.50;

(d) for vehicles in Class VA—

(i) with 13 to 16 seats, exclusive of the driver, from £53.50 to £82.50;

(ii) with 17 to 35 seats, exclusive of the driver, from £65.00 to £94.00;

(iii) with more than 35 seats, exclusive of the driver, from £81.00 to £110.00;

(e) for vehicles in Class VI, from £41.50 to £70.50;

(f) for vehicles in Class VIA, from £53.50 to £82.50;

(g) for Public service vehicles (not being a taxi), from £83.00 to £102.50;

(h) for Taxis, from £122.00 to £147.00;

(i) for Goods vehicles of 3,500 kg maximum gross weight or under from £30.50 to £38.00;

(j) for Goods vehicles over 3,500 kg gross weight—

(i) 2 axle rigid vehicle from £37.50 to £101.00;

(ii) 3 axle rigid vehicle from £48.50 to £109.00;

(iii) 4 axle rigid vehicle from £60.00 to £117.50;

(iv) articulated vehicle having a 2 axle drawing vehicle from £42.00 to £101.00; and

(v) articulated vehicle having a 3 or more axle drawing vehicle from £55.00 to £109.00;

(k) for trailers—

(i) for a 1 axle trailer from £35.00 to £86.50;

(ii) for a 2 axle trailer from £36.00 to £86.50; and

(iii) for a 3 axle trailer from £37.00 to £86.50.

3.10. Fees payable for a test under Article 75(5), or a partial inspection under Article 81 of the Order have increased—

(a) for vehicles in Classes I or II from £14.00 to £29.50;

(b) for vehicles in Classes III or IV from £18.50 to £29.50;

(c) for vehicles in Class V from £19.50 to £38.00;

(d) for vehicles in Class VI from £19.50 to £38.00;

(e) for Public service vehicles (not being a taxi) from £19.50 to £38.00;

(f) for Taxis from £19.50 to £29.50;

(g) for Goods vehicles of 3,500 kg maximum gross weight or under from £18.50 to £29.50;

(h) for Goods vehicles over 3,500 kg maximum gross weight from £18.50 to £38.00;

(i) for articulated vehicles from £19.50 to £38.00; and

(j) for Trailers from £19.50 to £38.00.

3.11. The fee payable for a duplicate test certificate for any vehicle remains unchanged at £10.00.

4. Consultation

4.1. The DVA published an 8 week Public Consultation on the proposed increase to vehicle test fees on 8 June 2023. The consultation proposed a general increase to the driving test fees and the vehicle test fees, referring to the fact that the current fees no longer covered the cost of providing these testing services. The DVA operates as a Trading Fund and is required to generate sufficient revenue to cover its outgoings, in line with the Financial Provisions Order 1993. The consultation set out the proposed fee increases which are required because most driving test and vehicle test fees have not increased in many years and are no longer covering the costs of delivering the service.

In responses to the 3 primary consultation questions:
(1) Approximately 18% of respondents agreed that the proposed fee increases were a fair way to ensure that current service levels are maintained and just over 80% disagreed.
(2) Just over 68% supported the development and modernisation of driving and vehicle testing services for a better experience for the customer whilst 31% disagreed.
(3) In order to avoid substantial fee increases in the future, the consultation proposed that the driving test and vehicle test fees should be subject to more frequent reviews on a regular / annual / biennial basis; just over 31% of respondents agreed with this proposal, while 67.5% disagreed.

5. Equality Impact

5.1. In accordance with its duty under section 75 of the Northern Ireland Act 1998, the Department conducted a screening exercise on the proposals and concluded that they do not have implications for equality of opportunity. The measures will not affect any group disproportionately. In light of this the Department considers that an equality impact assessment is not necessary.

6. Regulatory Impact

6.1. A Regulatory Impact Assessment was also carried out and concluded that there were no undue impacts arising from the proposed new fee increases.

7. Financial Implications

7.1 The Agency operates a Trading Fund, which is required to generate sufficient revenue to cover its outgoings, in line with the Financial Provisions Order 1993. Many vehicle test fees have not increased in more than 18 years and are no longer covering the cost of delivering the service. The deficit on the vehicle

testing fee account was £1.1m in 2022-23 and it is projected that this deficit will increase further for the 2023/24 financial year if no fee increases are made. The financial sustainability of the Trading Fund could be impacted in future years, which ultimately, could impact the Department's financial position.

8. Section 24 of the Northern Ireland Act 1998

8.1. The Department has considered the matter of Convention Rights and Community Law and is satisfied that the proposed legislation is compatible with section 24 of the Northern Ireland Act 1998.

9. EU Implications

9.1. These Statutory Rules only apply to Northern Ireland and have no NI Protocol implications.

10. Parity or replicatory measure

10.1 The Regulations are not based on a specific GB Statutory Instrument.

11. Additional information

11.1. Not applicable.