

Department for Transport Consultation on Motoring Services Strategy.

Submitted by:
The Motor Cycle Industry Association (MCI) and
The Motor Cycle Industry Trainers Association

Summary

1. The Motor Cycle Industry Association welcomes the opportunity to submit a response to the Department for Transport consultation on Motoring Services Strategy
2. This response represents the views of the supply side of the UK motorcycle industry, where MCI represents over 90% of the sector. The UK industry has been valued at over £7billion, with over 6,000 businesses employing over 60,000 people.
3. There are over 1 million motorcycles in regular use per annum, with the new motorcycle market currently standing in excess of 90,000 new registrations per annum. 73,908 people took both modules of their motorcycle test in 2012. Of these, 27,222 passed Module One and 24,553 people passed Module Two, so gaining a full licence.
4. Clearly, the efficient and responsive management and operations of the DfT's motoring services are fundamental to the registration and licensing of motorcycles in the UK and also for the skills testing of motorcyclists through the statutory rider licensing system.
5. When the system falls down, impacts are felt throughout the motorcycle industry, which can impede business. This has a direct impact on the economy.
6. Therefore it is not just in the interests of the industry that the DfT's motoring services are managed efficiently, but also in the interests of the wider economy and also the many thousands, indeed millions, of users who rely on the efficient and cost effective operation of motoring services.
7. In responding to the consultation questions, MCI will comment on aspects of concern regarding the management and operation of motoring services and suggest areas where attention is required.
8. MCI will continue dialogue on areas of concern, with the agencies involved.

General Remarks by the MCI.

9. The consultation comes at an interesting time. As outlined in the Minister's foreword, a number of challenges exist to ensure the agencies are fully focussed on the needs of individual customers and business. They need to be flexible to cater for change, act properly in the national interest and in the interests of the customers it serves. This is particularly important during the current period of economic uncertainty and the need for motoring services to facilitate both business and customer demands, if the agencies are to contribute towards creating the conditions for much needed economic growth.

10. The MCI applauds the laudable aims as set out in the vision statement. However although many individual staff and a number of agency processes do serve the vision well, there are a large number of areas of agency work where strong concerns exist regarding who or what interests the agency involves serves.

Why Motoring Services Matter (Consultation P10-14)

11. MCI notes the many remarks made about responsibilities, actions and successes. These underline the extensive areas of responsibility that are covered by motoring services and illustrate why the services need to be much more responsive than present in areas of service delivery. In addition to this, policy making needs to be both flexible, responsive to identified need and work in the national interest.
12. With regard to testing and training, the MCI has gained a view that the DSA have had anything but the interest of consumers and business at heart. There are similar concerns with DVLA service delivery. Specific comments about individual agencies are set out below.
13. In terms of improving the everyday experience, there are still many gaps in the motoring services' approach to the needs of the motorcycle community and businesses that serve it. For example, recent announcements regarding broadening the number of places to take a driving test, do not include the needs of novice motorcycle riders.

Guiding Principles for Reform (Consultation P15-16)

14. The notion of putting consumers and business at the heart of motoring services is indeed laudable. However, great care will be needed if this aim is to be realised. In addition to day to day delivery, the philosophy of customer and business first will need to be embedded in the culture of the agencies. Current experiences of the MCI and the reports that MCI receives from others, suggests that this will be a significant challenge. Indeed, it is to be wondered if such cultural change is possible under the current structural and governing arrangements within each agency.
15. Digitising services may achieve certain economies of scale, but this is an area which can attract complaints unless digital services are properly streamlined to allow users to quickly get where they want to be without running up phone bills, or wasting time on the internet. This is particularly important given the closure of DVLA regional offices.
16. MCI is cautious about the philosophy of rationalising the number of agencies if they were to stay in public ownership, given that they all fulfil such different functions. We will look with interest at further Government proposals on this. Industry's concern is that many back office functions will not be easy, or cheap to replicate across the different agencies given that they have been individually tailored for each agency over a long period of time. Some of the back office functions will be operationally very different and IT issues will be complex. Given the Government's track record in this area over many years, we are given to wonder if more will be spent in rationalisation and operations than will be saved. However, we will remain open minded and will look at further Government proposals in a proactive manner.
17. With regard to working with a broader range of partners, MCI is, in principle, in support of this philosophy. Our experiences with the agencies, suggests that there are several areas where private sector collaboration, or indeed privatisation of certain services, offers opportunities to create

a new dynamic within motoring services; with modernised structures, policy processes, delivery mechanisms and user choice that are truly consumer and business focused.

18. MCI looks forward with interest to further comments or proposals from the Department on this point.

Delivering the Vision

Digital services

19. MCI supports the proposals in principle, but would appreciate proper dialogue with the DVLA on how new services will be delivered and how the needs of industry will be met. (see para 15 above). Recent improvements to Trainer booking of tests by the DSA has been generally well received but attention to detail is essential when planning a new system and several system bugs are causing frustration

Reforming VCA

20. The proposal appears to indicate a move towards privatisation. MCI would require additional specific detail of what is proposed before commenting further.

Bringing the driving test closer to customers

21. MCI strongly supports the proposal in principle, but we would stress that motorcycle tests MUST be included in any proposals to extend choice and site availability for car test candidates.
22. Industry is particularly interested in exploring delivery options with Ministers, including the potential for private sector involvement.
23. A review of the estate should also take account of motorcycle test site provision. The current regime has been 'patched' by the DSA to more or less cater for current demand and this work is welcomed – as is the increase in motorcycle Examiners. But a significant increase in demand, predicted with increasing congestion, reducing public transport in non urban areas and the move to lower carbon emissions, is likely to result in a new crisis in provision. This issue gets to the heart of the current motorcycle test review.
24. Industry urges a more creative approach to the Module One motorcycle test estate issue, than the current philosophical attachment to full blown large and expensive multi-purpose test centres. If test regulations cannot be adapted to allow other types of sites and locations to be used for motorcycle testing, we urge the Government to change these regulations –even if this means defying Europe. This is not about 'dumbing down' the test, but about tailoring a 'testing' test to identified need. If road safety is to be better served it is essential that novice riders have straightforward access to local test facilities.

Transform HGV, bus and coach testing

25. No comments

Deliver better customer services

26. This issue is dealt with in the section below – 'Further Specific Comments'

Define our organisations to deliver better services

27. This issue is dealt with in paras 11 and 14 above

Further Specific Comments

The DVLA and VCA

28. MCI offers the following observations in relation to the industry experience of working with the DVLA and VCA.
29. Communication Strategy: Although in some respects, communications have improved slightly over the last two years, there needs to be a structure whereby issues are properly communicated in the correct manner:
- to ALL affected stakeholders, not just the SMMT,
 - in a timely fashion so as to give stakeholders the opportunity to influence the decision making process,
 - in a timely fashion to give stakeholders the time to plan and budget for procedural or system changes etc. ie AFRL specs,
 - in the form of timely and accurate policy statements that meet the needs of the situation and the users. Too often guidance documents (V355, Dealer Procedures etc.) are only released after the implementation date.
30. Fit for Purpose : The DVLA does not offer services, such as Cherished Transfers, online that are part of the modern age of doing business. Whilst some progress is being made of tailoring the service to the needs of today's industry (central issue of tax discs, removal of AFRL indemnity for motorcycles etc.), the whole service could do with a technological and procedural revamp. DVLA staff revealed plans for this at an Industry Liaison Group some 18 months ago but nothing has been presented since.
31. Staffing : The DVLA needs a period of stability here. It feels like staff are changing roles so quickly sometimes you never see the same person twice. This is not good for the DVLA and its relationships with stakeholders.
32. Type Approval : The section of the industry that is part of the DVLA's Secure Scheme, (92.4% of the market in 2012) are subject to audits and inspections via the DVLA and VCA. The industry and VCA have concerns about the non-secure sector. The industry would like to see this unregulated sector subjected to similar scrutiny before any further burdens are placed on the Secure Scheme users who are approved and monitored to demonstrate that they continue to meet the DVLA/VCA standards. This is particularly relevant due to the forthcoming EU market surveillance requirements and the DFT's concerns about vehicles being registered without appropriate Type Approval.
33. Local Offices - The closure of the local offices later this year has forced the DVLA to develop its service in ways and to degrees it had not previously entertained. There does seem to be more willingness to engage with stakeholders and work with them but not always in a manner that is appropriate to the situation.
34. MCI has several specific further dealings with the VCA in the area of type approvals, certification and monitoring.
35. Although general relationships and dialogue are good, industry feels that it is vitally important that type approval expertise exists within the VCA in the future, particularly as the forthcoming implementation of European technical 'Framework Regulations', introduce a requirement for 'market surveillance'.

36. Also, VCA services are needed which are business facing (manufacturers and importers), which can provide easy to access information and assistance on type approval in order to make it easier for business to be both familiar with and compliant with the regulations.
37. Industry remains concerned about the lack of type approval compliance of certain non EU products which appear on the UK market. A few years ago, the lack of an established VCA procedure for 'spot checking' imported products, led to the MCI conducting a joint project with the Agency to compliance test a range of models.
38. In order to protect EC compliant motorcycle businesses, it is important that VCA is in a position to test for compliance on imported products from non EU businesses.

The Driving Standards Agency

39. In terms of day to day service and general dialogue with the MCI, there is little fault with our experience with the DSA. Enquiries are dealt with promptly, problems tackled and the service is efficient and friendly when it comes to the interface with the MCI.
40. There is also valuable work being done in the area of training standards and other technical work in this area, such as trainer booking etc and progress is being made. Much work is still needed in the area of CBTs and trainer registration though.
41. The DSA has a defined customer complaints system for the generally 'single time' user ie test candidates. There is no system for the repeat users ie the Driving and Riding Instructors, many motorcycle Instructors have commented that there is no point in complaining because nothing ever gets done. This is, in many cases unfair, but without a transparent customer complaints procedure Instructors will continue to feel ignored and the Agency will find it difficult to be sure they are addressing the issues of most importance to the majority of their business customers. This would also help the Agency to highlight positive changes and improve relationships with Instructors
42. Other DSA's problems are of a much more fundamental nature and relate to policy, strategy and culture in the area of motorcycle tests.
43. In 2010, Ministers in the Coalition Government launched a review of the motorcycle test.
44. It quickly became apparent that a degree of resistance from the DSA to aspects of the test review existed. The review quickly became 'process' rather than 'outcome' driven and the industry gained the strong impression that the review was not welcomed by some senior DSA managers.
45. Proposals from industry and trainers to address technical aspects of the review were either ignored for long periods, or dealt with in a cumbersome manner involving (for example) over complicated procedures, excessive interpretation of health and safety, gold plated IT requirements and expensive research.
46. In the view of the MCI, a pragmatic and flexible approach from the DSA, to revising the test along the lines which are in the UK national interest, has been almost entirely absent. Instead, the review has been buried in a long 'slog' of review meetings, committees, sub committees, research, accompanied by what appears to be the encouragement of views of and the building of a constituency among those opposed to the kind of revision that the motorcycle test desperately needs.

47. Given that it took a mere six months to split the test into two parts in 2008/9, in itself a highly technical task, very serious questions need to be addressed regarding the underlying motivation of the DSA with regard to the test review and their response to the policy of Ministers.
48. The problems with the test regime originally arose due to the failure of the DSA to take a pragmatic view of European Directives (50kph versus 30mph is one example). Overall, this has led to results that have been highly damaging to the motorcycle industry, its constituent businesses and works against both road safety and the wider national interest.
49. The DSA have undertaken a large number of ‘sticking plaster’ fixes to the current regime, some of them were much needed and are indeed welcome. This work is a testament to the helpful actions and positive motivation of individual operational staff at the agency. But as of March 2013, there are still geographical gaps in provision and a series of ‘fixes’ has merely restored testing capacity to a condition that can only cater for current demand.
50. A significant increase in demand for tests is unfortunately very likely to lead to another crisis in test provision. This could have significant economic knock-on effects and would also be detrimental to road safety.
51. In effect, nearly three years of a test review has led to little more than a tinkering around the edges of the current test delivery philosophy and practice. It has been a highly disappointing experience which has significantly damaged the reputation of the Agency.
52. It is believed that the issues identified above are partly the result of the emergence of a cultural approach which is predicated around the needs of the agency, rather than on the needs of customers and the need for a flexible and responsive training and testing system.
53. This calls into serious question the role of the DSA in delivering the DfT’s vision for “motoring services that have the customer and businesses at their heart” as this relates to motorcycle testing.

VOSA

54. Within the scope of MCI’s dealings with VOSA officials, we have no specific comments. VOSA officials have been most helpful to MCI executive officers and we have valued their approach to a number of technical issues.

Consultation Questions

55. MCI has addressed the key points raised in the questions, where appropriate to the motorcycle industry, in the narrative above.

Motor Cycle Industry Association (MCI)