

## Vehicle Licensing Statistics: notes and definitions

This note provides definitions used in vehicle licensing statistics. It also includes useful information on taxation tax class changes in Great Britain and what affect these have had on the statistics.

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### FURTHER INFORMATION

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## 1. Source

All statistics are derived from extracts of the Driver and Vehicle Licensing Agency (DVLA) vehicle database. The main purpose of the database is to administer vehicle registration and licensing records in Great Britain.

The DVLA database contains a new record every time a new (or used) vehicle is first registered in Great Britain. A wide range of variables are captured, including the make, model, body type, colour and size of the vehicle, plus some basic information about the keeper of the vehicle, including the postcode of the keeper. More information about what is captured and how this is done can be found in the V355 Guidance Notes for Completion of the V55 Forms document ([www.smmf.co.uk/wp-content/uploads/V355-01-11-version.pdf](http://www.smmf.co.uk/wp-content/uploads/V355-01-11-version.pdf)).

The initial registration of new vehicles is usually carried out by vehicle manufacturers at the point of sale. In most cases, this process is carried out using the Automatic First Registration and Licensing (AFRL) system and all the data stored on the database comes directly from the manufacturers' records. Any vehicle that has been imported into Great Britain by an individual or has been restored and brought back onto the road will be registered by the keeper. In these cases, along with any new vehicle that is being registered outside of the AFRL system, the information is keyed in manually by DVLA staff.

Further information about the DVLA database is provided in the Statement of Administrative Sources, available at <http://www.dft.gov.uk/statistics/statement-admin-sources>.

All the statistics derived from the DVLA database are designated as National Statistics.

## 2. Compilation of the statistics

The DVLA database is regarded as an authoritative list of all licensed and SORN vehicles. The statistics produced from the database are direct aggregations of vehicles using certain characteristics. These characteristics, for instance, age of vehicle, fuel type, keeper type, location, are explained in the title of each table and the variables provided.

## 3. Definitions

### Body types

DVLA record a vehicle body type for each registered vehicle. These body types relate to the physical construction of the vehicle but **not** the way in which it is currently being used.

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The key body type groups used are:

### Cars

4-wheel vehicles including people carriers and all passenger carrying vehicles that can carry no more than eight passengers (excluding the driver). Includes private hire taxis (PHV – Private Hire Vehicles) that are car based. Hackney Carriages are in the 'Other vehicles' group.

### Motorcycles

2-wheel vehicles powered by an engine. Includes Scooters and Mopeds.

### Light goods vehicles / light vans

4-wheel vehicles constructed for transporting goods. Must have a gross weight of 3.5 tonnes or less. This includes road tractors and curtain sided vehicles (with a gross weight of 3.5 tonnes or less).

### Heavy goods vehicles

Larger vehicle constructed for transporting goods. Must have a gross weight more than 3.5 tonnes. This includes road tractors and curtain sided vehicles (with a gross weight of over 3.5 tonnes).

### Buses and coaches

Includes minibuses (which can carry no more than sixteen passengers) and all other passenger carrying vehicles with nine seats or more (excluding the driver's seat).

### Other vehicles

All vehicles not mentioned above. Includes rear diggers, lift trucks, rollers, ambulances, Hackney Carriages, three wheelers and agricultural vehicles. Up to 2007 road tractors and curtain sided vehicles were included. They are now in the light and heavy goods categories (see above).

## Taxation classes

All vehicles registered by DVLA are allocated a taxation class, reflecting the way in which the vehicle is used and, in some cases, by whom it is used. It does **not** always reflect the physical construction of the vehicle.

In some cases, the precise taxation class depends upon certain vehicle characteristics such as engine size, propulsion type, emission rates, gross weight, number of axles or, in the case of public transport vehicles, the number of seats. There have been many changes to the taxation classes over the years and the main ones are described later.

Key taxation class groupings presented within this publication are:

### Private and light goods (PLG)

This is by far the most common tax class, covering almost 89 per cent of licensed vehicles. This tax class primarily consists of cars and light vans but can include other vehicles used only for pri-

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vate purposes. Tax bands within PLG depend on engine size for vehicles first registered before March 2001, while for cars registered on or after March 2001, tax bands are based upon levels of CO2 emissions, with lower rates for cleaner vehicles.

#### Motorcycles, scooters and mopeds

This is a self-explanatory tax class, but excludes tricycles which have their own tax band. The rates of tax payable depend upon engine size.

#### Goods vehicles

Vehicles that have a gross weight of over 3.5 tonnes and are used for carrying goods are taxed in this class. Generally, the rate of tax payable depends on the maximum gross weight and the axle configuration of the vehicle. Since 1999 reduced rates have been available for vehicles that create less pollution.

#### Buses

This category covers buses and coaches with more than eight seats (excluding the driver) used for commercial purposes. Vehicles not used for commercial purposes would be licensed in the PLG tax class. The rate of tax payable is dependent upon the number of seats in the vehicle. As for goods vehicles, since 1999 reduced rates have been available for vehicles that create less pollution.

#### Other vehicles

This group includes vehicles which are exempt from vehicle excise duty. This can be for a variety of reasons, including vehicles driven by disabled drivers, emergency and crown vehicles and vehicles manufactured before 1972. The 'other' group also include agricultural vehicles, recovery vehicles, general haulage vehicles, small island vehicles and tricycles.

## 4. Historical changes to the vehicle taxation system (Vehicle Excise Duty, or VED)

There have been several major changes to the vehicle taxation system in recent years.

First, as from 1 October 1982, all general goods vehicles less than 1,525 kgs unladen weight were assessed for vehicle excise duty at the same rate as private vehicles, and the old Private Car and Van taxation class was replaced by the new Private and Light Goods (PLG) taxation class. In addition, goods vehicles greater than 1,525 kgs unladen weight were to be taxed with reference to their gross vehicle weight and axle configuration, as opposed to unladen weight as in previous years. Farmers' light goods vehicles and showmen's light goods vehicles, i.e. vehicles of less than 1,525 kgs unladen weight, were allocated to their own distinct taxation classes and were not included in the PLG taxation class.

Secondly, from 1 October 1990, goods vehicles less than or equal to 3,500 kgs (3.5 tonnes) gross vehicle weight were transferred from the Goods Vehicle taxation class to the Private and Light Goods class. Farmers' and showmen's goods vehicles of less than or equal to 3,500 kgs gross vehicle weight, but more than 1,525 kgs unladen weight, were transferred to the Light Goods Farmers' and Light Goods Showmen's taxation classes.

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Thirdly, 1995 saw major reforms of the vehicle taxation system as a whole. The bulk of the 1995 changes came into operation on 1st July 1995, but some additional changes were introduced on 29th November 1995. The intention was to remove many of the complications in the existing taxation structure, using a strategy to link VED rates for many vehicles directly to the rate for the PLG group, or the basic minimum rate for HGVs.

Finally, the VED rate on cars registered since 1st March 2001 has been determined by their CO<sub>2</sub> emissions.

In addition, the goods vehicle taxation system was considerably simplified by the abolition of separate goods vehicle classes for farmers and showmen. All remaining light goods vehicle taxation classes were also abolished and vehicles in those groups transferred to the PLG class. At the same time, the basis for calculation of excise duty for goods vehicles was amended to “revenue weight”. Revenue weight means either “confirmed maximum gross weight” as determined by plating and testing regulations, or “design weight” for vehicles not subject to plating and testing (formerly known as Restricted HGVs).

The process also included further simplifications and “tidying” arrangements. These included cases in which vehicles not over 3,500 kgs gross weight were moved into the PLG taxation class rather than remaining in specialised taxation classes and groups, and the re-allocation of some tax classes into more appropriate groups. One key change of a similar type was to abolish the separate taxation of public transport vehicles with eight seats or fewer and tax all such vehicles in the PLG class. From start of July 1995 bigger public transport vehicles were taxed in a new Bus taxation class. The changes were completed by the introduction of a new Exempt class in the November 1995 budget for vehicles previously in the private and light goods or motorcycle groups over 25 years of age. From November 1997 this applies only to vehicles that were manufactured before 1973.

Subsequent changes have generally involved some changes to VED rates. In March 2006, a new emissions band (Band G) was introduced for PLG vehicles. From April 2009 the seven emission bands were increased to 13 (A to M) and redefined. However, the overall structure of the taxation system has remained largely unchanged, beyond the changes outlined above.

Since September 1999, new number plate age identifiers have been issued twice early, in March and September, with the first of these being in September 1999. Prior to this date, new letter prefixes were only issued in August.

## 5. Factors affecting statistics on licensed vehicles

When assessing the data on licensed vehicles presented within this publication, it is important to note that the numbers given represent the number of vehicles licensed at the end of each year. The following factors may affect the statistics given.

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## Seasonality in stock figures

For certain types of vehicle, licensed stock at the end of the year may differ significantly from the stock in the middle of the year. This is especially so with motorcycles and other similar vehicle types, for which large numbers of vehicles may be kept off road during the winter months. Many such vehicles have six month licences covering, for example April to September and are not used for the rest of the year. The end year figures given in this publication are therefore an underestimate of the stock that is used throughout the year. The quarterly tables show how the figures vary throughout the year.

## Vehicle Excise Duty (VED) evasion

The tables provided in this publication are for licensed vehicles only. If a vehicle is being illegally used on the road without a licence (i.e. evading VED), then it is not counted in the statistics presented within this publication. The Department reports on the level of VED evasion on an annual basis with the latest estimates available at:

<http://www.dft.gov.uk/statistics/series/vehicle-excise-duty-evasion/>

## Taxation and legislation changes

Taxation changes will tend to result in stock shifting from one tax class to another. In some cases, this has resulted in the creation of new tax classes - as in 1995 when there was a major overhaul of the whole taxation system. More recently, there have been more subtle changes but ones which have still changed the distribution of vehicles across the tax classes.

## Revision to series

In December 2010 the licensed stock and SORN (Statutory Off Road Notification) series from 2006 to quarter 2 2010 were revised. This was due to a reallocation of vehicles which were original designated as licensed to the SORN category.

Further details of the revision are provided in [Notes on Vehicle Licensing Statistics Revisions 2010](http://assets.dft.gov.uk/statistics/series/vehicle-licensing/notesvls.pdf) – <http://assets.dft.gov.uk/statistics/series/vehicle-licensing/notesvls.pdf>.

## Foreign registered vehicles

In addition to the licensed vehicles and VED evading vehicles using the road network, foreign registered vehicles can also use the road network.

Estimates of foreign registered vehicles are published at [http://www.dft.gov.uk/statistics?post\\_type=table&series=traffic-tag&tag=foreign-registered-vehicles](http://www.dft.gov.uk/statistics?post_type=table&series=traffic-tag&tag=foreign-registered-vehicles).

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## 6. Accuracy of the DVLA database

The DVLA database can be regarded as being completely accurate in terms of the number of licensed vehicles and vehicles with a SORN. However, there will be some errors in some of the specific details of individual vehicles.

The DVLA carry out regular Traceability Surveys which look at whether it is possible to trace the owner of any given vehicle and check what details on the database are inaccurate. They estimate that every variable is correct for roughly 89 per cent of the registered vehicles. The remaining 11 per cent of vehicles will have an error in at least one of the fields. Of the overall total, about 4 per cent have wrong details that make it impossible to trace the registered keeper of the vehicle (often caused by keepers not providing DVLA with updated details when they move or dispose of the vehicle).

Most of the inaccuracies in the database are with the less important variables, such as colour, though some will affect the statistics published here (e.g. by having the wrong CO<sub>2</sub> g/km emission value or the wrong wheelbase). DfT estimates that under 2 per cent of the vehicles records have an inaccuracy in one of the variables used for the statistics published.