



Driver & Vehicle  
Licensing  
Agency

# DVLA Consultation on Vehicle Online Services

Summary of Responses

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INVESTORS  
IN PEOPLE

## **DVLA Consultation on Vehicle Online Services – Summary of Responses**

### **Background Information**

The Driver and Vehicle Licensing Agency (DVLA)'s main function is to collect and enforce payment of vehicle excise duty and maintain accurate registers of driver and vehicles. The vehicle register is based on vehicles and their registered keepers. We also operate a fully controlled and regulated Personalised Registration scheme which operates within the framework of current legislation governing the format of registration numbers. These controls are an important factor in assisting the collection of vehicle excise duty, road traffic safety and crime reduction. The scheme generates approximately £80m per annum for HM Treasury.

Currently, the only method available for motorists to notify changes to their vehicle record is in writing. We handle more than 200 million interactions each year and constantly review the processes that support these transactions. Insisting on customers making these notifications in writing is placing an unnecessary burden on motorists, businesses and government.

### **The Consultation**

On 1 October 2012, the Department for Transport launched a public consultation which invited views on implementing an electronic channel to notify changes to vehicle details and simplifying the existing Personalised Registration process. The consultation closed on 12 November 2012. The consultation document and the reply form were available online and responses were accepted electronically and on paper.

There were 49 responses to the consultation, six of which expressed views outside of the framework that the questions provided. While these views were considered, it was not possible to include them when determining the number of responses received for each question.

This document summarises the responses received, highlights the main issues raised in the responses and outlines the final decisions made.

### **The Consultation Questions and Summary of Responses**

#### **Question 1: Would you consider using an intermediary to complete an online transaction on your behalf? If not, why not?**

Just over half of respondents said that they would consider using an intermediary while one-third would not. Comments received included:

- *“Most franchise car dealers would support this and their customers”.*

Those that did not agree had concerns around errors occurring and an increase in the risk of fraud.

Responses from cherished number dealers highlighted their view that they should also be able to offer an intermediary service as well as vehicle traders.

**Question 2: Would you use a self serve online channel to notify changes to your vehicle record? If not, why not?**

The majority of respondents agreed with the proposal. Comments included:

- *“We fully support DVLA’s intention to extend the provision of online services and believe that making these available both on a self-serve basis and via intermediaries would improve the efficiency of existing processes and lead to more accurate and more timely updating of the record.”*

Some respondents sought confirmation that there would be safeguards in place to counter fraud. Comments included:

- *“There is, however, greater potential for fraudulent entries. It would clearly be necessary to verify the status of the computer user who is instigating the change. The safeguards to ensure this must be rigorous”.*

**Question 3: Do you agree with the proposal to not return hard copy documents following an online transaction? If not, why not?**

Over two-thirds of respondents agreed with this proposal. However respondents highlighted the need for a system to be able to verify the validity of documents. A couple of respondents also wanted to be able to save/record details of the transaction either electronically or as a hard copy. Comments included:

- *“It is logical that following the introduction of an online channel the requirement to return hard copy documents should be removed. Obviously, a user friendly database needs to be available to verify latest documents issued.”*

**Question 4: Do you have concerns about documents not being returned to the DVLA? If yes, please provide further detail.**

While respondents could see the benefit of not returning paper copies following an online transaction, 80% expressed concerns about documents not being returned to the DVLA. They also identified the possibility of an increased risk of fraud if documents were left in circulation. Comments included:

- *“Yes. Duplicate documentation and many Certificates (V750 and V778) that appear to be valid in existence could cause fraudulent selling activity but as long as there are preventative measures in place i.e. a simple validation check to verify whether the document is latest issue (V5C, V750 AND V778) along with the current HPI system to check if a mark is assigned to a vehicle”.*

**Question 5: When buying a car it is proposed that the new keeper would not have to make any online notification. It is the intention for the seller to be solely responsible for telling DVLA either via an online channel or using the V5C. Do you agree that this is how the process should work? If not, why not?**

Two-thirds of respondents agreed with this proposal. Comments included:

- *“.....far more logical for the seller to advise a new keeper.”*

An example of the comments provided by those who did not agree included:

- *“Both parties should be involved to corroborate the transaction, the basic principle of pay-pal and others.”*

### **Personalised Registrations Online**

**Question 6: Do you agree that if a donor vehicle has been continually taxed and a Statutory Off Road Notification (SORN) has subsequently been declared, the vehicle registration number should be able to be retained or transferred? If not, why not?**

Nearly three quarters of respondents agreed with this proposal. Examples of comments include:

- *“.....we would suggest a staggered approach to extending this period so that any adverse effects could be monitored.”*
- *“We would see no reason why this one year period could not be extended indefinitely as long as any inspection of the donor vehicle was carried out by appointed qualified inspectors – as part of the VOSA network for example.”*

**Question7: Do you agree that if a recipient vehicle has been continually taxed and a SORN has subsequently been declared, a vehicle registration number can be assigned or transferred on to the vehicle? If not, why not?**

Fewer than 10% of respondents disagreed with proposal. Examples of comments include:

- *“No. Vehicles should not have to be continually taxed. There may be periods of SORN (like with owners of weather driven vehicle).”*

In contrast, 67% of respondents agreed with the proposal to allow a registration number to be assigned or transferred to a recipient vehicle that has been continually taxed and SORN subsequently been declared. Of the responses received, 21% disagreed with the proposal. Examples of comments include:

- *“The part we cannot agree with is the continually taxed. There may have been a historical gap in the taxation record and this should not be a bar to the vehicle taking part in the transfer process”*

**Question 8: Do you agree that the regulations should be changed to remove the period of expiry? Or should regulations be changed to allow customers to renew their entitlement? If not, why not?**

Of the responses received, 30% agreed that regulations should be changed to remove the period of expiry. Examples of comments include:

- *“A payment of a fee to extend further for any period is unnecessary, as the record is being maintained anyway. A small fee for updating the record with a new address or change of nominee would not be out of order”.*
- *“...believe that there should not be a period of expiry for the transfer of private plate registered numbers and that the licensee of the registration number*

In contrast 42% of respondents agreed that regulations should be changed to allow customers to renew their entitlement. Examples of comments include:

- *“Regulations should be changed to allow for late extensions anytime, even after expiry date upon payment of outstanding fees”.*

## **Key Findings**

### **Using an Intermediary or Self-Serve Channel and the Non-Return of Documents**

We recognise the concerns that there may be a potential risk with intermediaries transacting on behalf of customers. However, the majority of vehicle traders and cherished number dealers already transact via the paper channel on behalf of their customers to ensure an end to end journey. The DVLA will put in place robust procedures to ensure that the person using an electronic channel is entitled to do so. This will be provided by the customer or intermediary only being able to use the most recently issued document, effectively making older documents invalid. We are also considering introducing a form of identity assurance for some vehicle transactions.

There would be increased burden on customers if they were required to return hard copy documents to the DVLA after making an electronic notification. We therefore intend to stop requiring the return of documents and will consider carefully the scope for abuse for documents that are not returned.

We will ensure that processes and systems are in place that will mean only those entitled to transact will be able to do so and address the concerns raised about the potential for fraudulent applications. To achieve this, only those in possession of the most recently issued V5C will be able to transact electronically and they will be required to quote a unique reference number. We will also embrace the wider Government policy on Identity Assurance to verify who is making the notification.

### **Change of Keeper/Disposal to Trade**

The law currently states that when a vehicle is sold, the registered keeper is responsible for notifying the DVLA that the transaction has taken place by completing and returning the appropriate part of the V5C.

The registered keeper of a vehicle remains legally responsible for taxing it until the DVLA has been notified that it is off the road or has been sold, transferred, scrapped or exported. It is a criminal offence not to make the notification. It is also an offence to be the registered keeper of any vehicle that subsequently becomes unlicensed. The introduction of an electronic channel should not alter the current enforcement process.

### **Personalised Registration Scheme**

The Personalised Registrations scheme has been in force for many years and may not represent the current way in which customers manage their vehicles or cherished number plates. It is therefore appropriate to consider how the scheme can be simplified while ensuring that the risk of fraudulent applications is not increased.

The DVLA accepts that registered keepers may want to retain registration marks from vehicles that are currently subject to a SORN. The current provision allows vehicles with a SORN which has been in force for no longer than 12 months to participate. We intend to allow vehicles that are either licensed or subject to a SORN to be able to participate in the scheme. Legal changes may specify the length of time a SORN will be allowed.

### **Personalised Registration Number Transfer and Retention schemes – Extensions**

There is currently a fee of £80 to transfer a registration mark from one vehicle to another. If a registration mark is retained, there is an additional fee of £25 with further fees if the retention continues for more than 12 months. Following the introduction of an online service, consideration will be given to removing the initial retention fee as well as renewal fees.

### **Way Forward**

We intend to introduce online channels for the following transactions:

- Selling a vehicle to a motor trader
- Selling a vehicle to a new keeper
- Changing personal details, for example name or address
- Notifying export of a vehicle
- Applying for a V5C as a new keeper
- Applying for a duplicate V5C to replace lost, stolen or damaged documents.
- Taking a registration mark off a vehicle and retaining the rights
- Putting a retained registration mark onto a used vehicle
- Nominating another person to have the rights of the retained mark
- Changing my details on a retention certificate