



Department  
for Transport

# Summary of responses to the Consultation on the Future of the Vehicle Identity Check (VIC) Scheme

April 2013

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# 1. Background

- 1.1** Between 17th July and 22nd October, the Department consulted on the future of the Vehicle Identity Check (VIC) Scheme.
- 1.2** The scheme was introduced in 2003 to help combat vehicle ringing. Typically, this involves the theft of a car of significant value, which is then given the identity of a similar car (make, model, colour etc) which has been the subject of an insurance write-off. The written-off car is obtained cheaply; its identity (Vehicle Identity Number (VIN) and Vehicle Registration Mark (VRM)) is then transferred to a higher value stolen car which, now apparently genuine, can be sold at market price.
- 1.3** Insurers log details of all written-off vehicles according to 4 salvage categories (A – scrap only; B – break for spare parts; C – repairable total loss where repair costs exceed the vehicle pre-accident value; D – repairable total loss where repair costs do not exceed the vehicle pre-accident value), and pass the information to the Driver Vehicle Licensing Agency (DVLA). The VIC scheme applies to salvage categories A, B and C; DVLA place a “VIC marker” on these vehicles computer record, preventing issue of a replacement Vehicle Registration Document (V5C) or licensing reminder (V11) until the VIC marker has been removed. For this to happen, the vehicle must undergo and pass a VIC check conducted by VOSA.
- 1.4** The checks are carried out at 52 VOSA sites across Britain. Almost all are co-located at VOSA’s goods vehicle testing station sites, where around 100,000 vehicles were checked in 2010/11. When the VIC test is carried out it is screened from the vehicle keeper, so that they cannot see the techniques used by the tester to establish the identity of the vehicle. Although the location of the VIN number is freely available to the public, there are other features the tester will need to examine, including major component serial numbers (e.g. engine no), glass etchings, previous damage and known vehicle features.

## 2. CONSULTATION

**2.1** The consultation seeks to determine the future of the VIC scheme and whether the scheme is fit for purpose. The following proposals were considered as part of this consultation:

- Retain the scheme in its present format;
- Re-scope the scheme;
- Abolish the scheme.

## RESPONSES

**2.2** The Department received a total of 24 responses from trade associations, car repairers and individuals as well as police and vehicle identity officers.

**2.3** The responses received highlight the diverse experience and opinion on the scheme, though all agree on the importance of road safety and combating car crime. In fact, apart from one response preferring VIC be abolished completely, those few responses supporting abolishing the scheme go on to say it should be replaced by other measures (whether government-led or industry self-regulations).

**2.4** From some of the responses received, it was also apparent that there are some misconceptions around the scheme, including the expectation that VIC also checks the roadworthiness of vehicles.

**2.5** The Consultation proposed 3 options:

- **Retain the scheme in it's current form**

Only one response was in favour of keeping the scheme in its current form.

- **Re-scope** the scheme to target vehicles according to different criteria (such as age, value or length of ownership)

The majority of the responses recognise the need for change. Some indicate a preference for change to the criteria used for selecting vehicles to go through a VIC, others proposed changes to the way the checks are carried out, whether with Government regulation or industry self-regulation.

- **Abolish** the scheme outright

4 consultees have expressed preference for the system to be abolished. However, of these, 3 indicated there would still need to be some non-governmental regulation.

## QUESTIONS

- 2.6** Although the consultation presented 3 options and asked 9 questions, the Department is open to any suggestion and comment. Not all the responses received answered all the questions asked, but below are some samples of the comments received listed according to question order. [Please note that not all respondents will see their specific comments as some comments were similar across various returns.]

**Q1) Can you provide figures associated with the costs and benefits of the current scheme (including costs to motorists and business, and effectiveness of the scheme as prevention of car crime)?**

- 2.7** The Department for Transport received different opinions with regards to costs. One consultee felt that the £41 fee to help crime prevention and detection is relatively low - *“Experience of car stolen [...] £41 per VIC versus today’s comparable cost for that theft of £10,000 is a very small burden with major economic benefits to the public and Police services.”* [...] *“Experience of car worth £2000 written off [...] £41 per VIC versus today’s comparable cost for that write-off of £5,000 is a very small burden with major economic benefits to the public and Police services.”*
- 2.8** However, others felt that the fee was only a part of the true cost, once the travel and fuel costs to the centre, waiting time and time off work are considered, and that the impact assessment failed to take this into account. The scheme has also impacted negatively on costs to the salvage and car repair industry.
- 2.9** Another issue raised was the effectiveness of the present system. However, as some recognised, the low number of rung vehicles detected could be evidence of the system working well as a deterrent, or the system not checking the right vehicles. Unfortunately, deterrent is difficult to quantify.
- 2.10** *“The police service shares the concerns about the cost benefit of the current scheme, particularly in light of the low number of vehicles recovered since inception. What is unclear, however, is whether that is a result of the deterrent factor - in which case the scheme has been extremely successful - or whether it is a consequence of the efficacy of the procedure itself. Given that the test itself is non-intrusive and non-destructive and has to be conducted in just 15 minutes perhaps, it is unsurprising that so few vehicles have been identified during inspections.”*

**2.11** *"...by calculation using figures available in the "impact assessment" that each suspect vehicle has cost over £3 million to detect, The actual monetary cost to the salvage industry in lost revenue is extreme and immeasurable when relating to delays, customer dissatisfaction with the scheme itself, marking of the V5 document and non compliance of written service standards amongst others..."*

**Q2) Do you think we should retain the scheme in its present form? Why?**

**2.12** Only one response was in favour of retaining the system in its present form, being of the opinion that the scheme is helping car crime prevention, with the fee affordable enough.

**2.13** *"Yes. It has been a major success in preventing car crime. £41 is a very low cost per car for its success."*

**2.14** All other responses were in favour of change, from an outright abolition of the scheme, to a two-tiered check. There are also mixed feelings around the low number of "ringers" detected – this could be either because the system is failing to target vehicles that are more likely to be "rung", or because the system is successful in deterring crime.

**2.15** *"No, it simply is a waste of time and money, the cars which need testing are cheap cars with mostly a small dent which doesn't need repairing. Nobody in there rite mind ring's cars like this and it shows with only finding 38 cars. Yet on copart [insurer] expensive cars come up every week as cat D, for instance there was a Aston Martin Vantage with the roof cut off cat D no one is going to repair that properly in fact I'm sure who ever bought it did ring it. So how many expensive cars go through the massive loop hole in the VIC test system as it stands? Also the waiting list for VIC tests is a joke, I frequently have to wait over 6 weeks to get a appointment. Which when I'm trying to repair and sells cars is a great inconvenience."*

**2.16** *"[...] that whilst the numbers of vehicles that have been uncovered as being rung is low it is at present the only measure in place that aims to address the problem of vehicle cloning. Furthermore, there is no way to quantify the affect the scheme has had in acting as a deterrent to ringing. [consultee] believes that the removal of the current scheme would result in a bigger pool of category C write off vehicles becoming available which could potentially drive an increase in vehicle theft and ringing"*

**2.17** *"We do not believe the scheme should be retained in its present form as unsafe vehicles could be legally used on UK roads. We maintain this aspect is vital and that a vehicle which has been written off should not be allowed back on the road without a road-worthiness check taking place first"*

**2.18** *"No, the scheme should be abolished, for the following reasons:  
There is no evidence that VIC has deterred vehicle crime in any way at all."*

*The very low number of ringers uniquely detected since VIC was introduced (<<38)*

*The very high cost borne by sellers and purchasers of salvage bearing a VIC marker (probably in excess of £125 million, or >£4 million/ ringer detected)*

*The fact that the burden on this extra cost has fallen disproportionately [our] members, which are mainly small family businesses*

*The high proportion of vehicles bearing a VIC marker that do not go through the scheme (78%) and the significant proportion (30%) that remain entirely unaccounted for*

*The lack of objectivity within the consultation document and accompanying Impact Assessment; the lack of clarity of data presented; the disparity between the 'hard data' and the conclusions drawn; leading to a significant under-estimate of the true cost benefits of abolishing the scheme*

*The 'disproportionality' of the VIC scheme in the context of overall vehicle crime*

*The likelihood that the 'missing' insurance vehicles constitute just a small fraction of a much larger problem of 'missing vehicles', and that is where the limited resources available would be better focused*

*The opportunities presented by the ongoing Home Office review of the Scrap Metal Dealers Act 1964 and the Motor Salvage Operators regulations, and the DVLA's online initiatives, give scope for considerable 'tightening' of the system while removing unnecessary, burdensome and economically damaging legislation.*

*It should also be pointed out that a vehicle does not have to have been repaired when presented for a VIC. This means it is entirely possible that an 'unrepaired' or partly repaired vehicle could be 'rung' after the VIC has taken place. Furthermore, the IA asserts that VIC gives consumers some protection from buying an unroadworthy vehicle. This is not so. VIC has no remit to check roadworthiness – this is the role of the MOT."*

**2.19** *"The police service agrees that the current system appears to have had limited success in reducing the incidence of ringing, cloning and rebuilding of damaged vehicles using stolen parts and is in need of review. The police service therefore recommends that the current scheme not be kept in its present form."*

**2.20** *There was also criticism that the scheme is very quick and only checks the identity of the vehicle and not its roadworthiness. [ In response to this, however, it should be noted that VIC isn't just a 15 minute inspection. The backroom work to establish evidence and data relating to the write-off can take around 30 minutes. When a vehicle is checked and found suspect the check can take significantly longer. Also, if an inspector feels the vehicle has major roadworthiness issues, they will check it, as commented by a vehicle inspector - "I understand that the VIC scheme is used primarily to check for cloning but we also use it to ensure that vehicles are not put back on the road that are deemed to be unsafe – Whilst I accept this isn't necessarily our remit, we are being challenged by the salvage industry to do something about vehicles not being destroyed and ending back on the road".]*



**Q3) Do you think we should re-scope the scheme? If so, how could it be defined? What criterion would you suggest should be used to determine whether a vehicle should be checked?**

**2.21** Nearly all the responses, whether in favour or opposed to the scheme, seem to agree the current system needs changing, whether re-scoping the present scheme, or simply opting for industry self-regulation without official intervention. There is also demand for the scheme to be reviewed within the wider context of car crime.

**2.22** *"I would like to see the whole salvage issue reviewed"*

**2.23** *"the vic scheme is in need of refurbishment. scrapping the scheme would send out the wrong message to Britain's tealeaf community that ringing is back on the menu."*

**2.24** *"No. This will not address any of the fundamental issues with the scheme"*

**2.25** *"The VIC scheme needs to be abolished, as the [respondent] understands it the stamped VIN number and VIN plate are examined during a normal MOT test and it is this that forms the basis of the VIC. A correctly carried out MOT test should enable a qualified tester to ascertain the construction history of the vehicle."*

**2.26** *"I support re-scoping of the VIC scheme to exclude low value and elderly vehicles, where the risk of ringing is tiny – [in relation to historic/old collectable etc]"*

**2.27** *"The police service recommends that the VIC Scheme be re-scoped. Abolishing the VIC scheme altogether should be discounted as an option. It is, as rightly pointed out in the consultation document, ""the only deterrent to ringing at present" and to remove it would be detrimental to the combined efforts of a number of stakeholders in the fight against vehicle theft which has seen theft figures plummet since the 1990's. It also provides assurances to motorists that the vehicle is not subject to a 'cut and shut' - the dangerous practice of building a vehicle from the remains of two seriously damaged vehicles. Finally, abolishing the scheme would also send the wrong message to the industry both legitimate and those who seek to exploit weaknesses in the regulatory regime for criminal ends.*

*Identification of those vehicles to be checked needs to be a more refined process, perhaps it would be prudent to establish a risk assessment matrix based on a number of know factors*

- *Pre checking of document / vehicle history.*
- *pre accident value of the vehicle*
- *who is presenting the vehicle for VIC testing*

*This approach, linked to a more invasive test, would target higher risk vehicles and produce results that are more efficient and continue to maintain the deterrent effect of the scheme."*

**2.28** “[...] believes that an improvement to the scheme that has the potential to make vehicle ringing harder would be beneficial to society, but that any such scheme would need to take into account the current situation that is in place for categorising write off vehicles. Currently only vehicles in the write off scheme are looked at by the VIC. [...] The availability of unrecorded salvage vehicles provides vehicle thieves with an easy alternative way of converting criminal property into something that can be sold on at a high price to members of the public, one that will pass an “HPI” check (checking DVLA database for lost or stolen markers and history of accident damage/write off status) and one which was not subject to a VIC as long as the VIN stamping, VIN sticker and visible VIN sticker appear to be in order. Counterfeit VIN and visible VIN plates or stickers are widely available on the open market so that fairly convincing vehicles can be produced with little effort but large profit for organised crime groups.”

“Since 1997, vehicles have been equipped with more and more sophisticated mechanical and electronic security methods which deter the low-level criminals for whom the VIC scheme was initially set up to combat. Consequently it is likely that improved security has been a more effective deterrent to these criminals and the reason for the poor levels in detection.

Salvage is an obvious route for low-level criminals to obtain vehicles for ringing; however it is also the obvious route for cash-strapped 'entrepreneurs' to obtain a cheap vehicle and made good any repairs. It should be borne in mind that vehicle ringing is increasingly an 'enabler' for other criminals engaged in the illegal drug industry, terrorism etc. and as such they will target the more desirable and valuable vehicles to ring in order to maximize their revenue.

In general, the 'professional ringing operative' will be looking for a mid to high value vehicle to steal, generally by car key theft / burglary / housebreaking. This will be offered for sale often using the identity of a non-salvaged, legitimate vehicle. This is sold at close to a 'too-good-to-be-true' price to ensure a good turnover of revenue.

Whilst the VIC scheme concentrates on one end of the scale, the other end takes advantage. The scheme needs to accommodate both ends of the spectrum simultaneously in order to seriously affect vehicle crime.

A more intelligence-based criterion should be utilised to effect the detection of rung vehicle and operatives, in tandem with the current criterion, in order to sift out the likely extraneous, legitimate vehicles.

Numerous salvaged vehicles sold to the same address / person / postcode could indicate a business or ringing operative. If this is legitimate, occasional dip samples at that address may deter any nefarious intentions.

Tracking of recent acquisitions, made by individuals in 'target areas', of 'target vehicle types' within a 'variable target age bracket'. This will provide confidence to an 'Innocent Purchaser' of a rung vehicle that the vendor will most likely still be active and more easily be identified. The target area, vehicle type and vehicle ages could change annually in order to be less predictable.

*Using a specified percentage of checks using the current VIC criteria will keep the lower value vehicles under observation, as the current standard exists.”*

- 2.29** *“As mentioned above the scheme should be re-scoped to include a road-worthiness check along with the identity check and this should take place for category A-C vehicles”*

**Q4) Would the use of age as criterion prevent ringing? For the purpose of the IA we have set the age at 3 and under, is this sufficient? What age limit would otherwise be more appropriate?**

- 2.30** *The responses have been quite varied. Some support the age criterion, though giving different limits, from 3 to 15 year old vehicles. Others felt that age of the vehicle could be taken into account in a wider context, but others felt age was not relevant, and could also simply concentrate ringing to vehicles just short of the age chosen.*

- 2.31** *“The vic needs to be for vehicles of 3 years and under, a simple vin check and a cursory glance of things like build dates in ashtrays could also be undertaken at the yearly mot, now that the stupid 4 2 2 has been shelved. Only problem with giving mot garages more powers is that quite a few are run purely as a means of increasing crime within their circle of associates and as you are probably aware the vosa are very slow in nipping this in a reasonable time scale”*

- 2.32** *“It has to be simple so use age, say 15 years old”*

- 2.33** *“No, the use of an age criterion is not favoured by the Police service. It is not clear where the evidence to support the assertion that newer vehicles are higher risk originates. Indeed, newer vehicles fitted with complex technologies can be viewed as more challenging to ‘ring’.”*

- 2.34** *“We consider that the use of age as a criterion would deter ringing rather than prevent it. It is recognised that ringing is more prevalent in the ‘high end’ of the market and that ‘value’ does have an impact. A 3 year age limit seems reasonable and fits with the first MoT test although perhaps it should be considered along with other criteria like pre-accident value and/or length of ownership.”*

**Q5) Would the pre-accident value of the vehicle be a better suited criterion? Or perhaps the length of time in the same ownership?**

- 2.35** *As the question above, we received differing opinions. Some felt that only high value cars should be targeted; others felt that value should be taken into account as part of a wider assessment, as some older vehicles, under the same ownership for a long time, could be of higher value than newer models.*

- 2.36** *“Pre-accident value has merit, but where do you draw a boundary? Three years old would be £20K for our two cars, or £5K for another make and model. It has to be simple so use age, say 15 years old.*

*The problem with value and age is that even low value older vehicles become a target for criminals."*

**2.37** *"Yes, it is the view of the Police service that this would be a more precise indicator as to the potential risk of 'ringing'. Pre accident value would form a significant risk factor in any tool designed to assess potential risk of 'ringing'. Such a tool would allow targeted delivery of VIC scheme and improve its cost effectiveness. It is also our view that there should be a further consultation exercise to develop this risk / harm matrix assessment tool"*

**2.38** *"[...] it would be inappropriate to consider one factor alone to decide which vehicles would require to be checked using this scheme. Consideration of a combination of the factors, e.g. age of vehicle, value prior to damage and length of time in the same ownership, would effectively dissuade criminals from engaging in this type of activity.*

*Pre-accident / post accident value ratio would also be a good indicator of what vehicle is likely to be rung, however this should be measured with the category of salvage, which will determine whether or not the vehicle is likely to be able to be economically salvaged by the 'average' person.*

*The length of time in ownership and post salvage purchase provide information and 'profiles' the keeper as a likely target for a ringing operation where numerous vehicles are in short-term possession of an individual, or company. As with question 3, should various VICs indicate legitimate operations, there is nothing to prevent continuing with random 'dip samples' in order to ensure no nefarious activity."*

**Q6) Should the 4 salvage categories be retained as defined? Should they be amended?**

**2.39** *Although the Salvage Code is not compulsory, as some consultees noted, the Department felt it worth asking this question following correspondence from individuals worried about, in their opinion, written off un-roadworthy vehicles not subject to VIC. Most agreed that, although the categories parameters are appropriate, the code should be used by all companies and there should be checks to make sure the same standards are applied across the industry.*

**2.40** *"Yes but there needs to be more defined system to cars being wrote off as most are just simply not write offs!"*

**2.41** *"retain 4 categories and consider better controls/policing or Regulation/penalties for proven abuse*

*All CAT A and B salvage should be broken up and scrapped, confirmed with a Certificate of Destruction. DVLA should deregister and not relicence CAT A and B damaged vehicles other than historic vehicles. A fair appeals process with insurers should be set up for owners wishing to retain and repair CAT A and B designated vehicles. If agreed repairable it should be categorised CAT C or D.*

CAT C vehicles – these vehicles should definitely have a VIC except for low value vehicles where there is a minimal ringing risk. An age marker would not work given many are still ringing risks after 3 years due to their relatively high value. I recommend the VIC starting figure to give control should be £2000. This would remove the VIC associated costs from low risk, low value CAT C vehicles making them more financially attractive to repair. Perhaps apply a category of ‘CV’ where the VIC applies. I appreciate the downside of field number changes but some trigger will be necessary for both the issuer and receivers including insurers, self insurers, DVLA, HPI etc, etc. Alternatively apply different letters, but this could be confusing.

CAT D – Consult with the police stolen car squad officers to verify any D ringing to date and is there any advantage to be gained by including CAT D in the VIC process now? If it was to be included there would certainly need to be a very high starting threshold figure”

- 2.42** “There appears to be little incentive for insurance company assessors to categorise vehicles correctly (and thus diminish their residual value) and on the other hand insurers can (and do) bypass or ignore the scheme. Category ‘X’ and ‘U’ are examples of potential ‘opt outs’ utilised in the industry to comply MIAFTR on-line data standards and achieve higher re sale values. A vehicle without a ‘marker’ on will always achieve higher value at salvage auction than one with a marker on.

The police service recommends that the scheme should be formalised and adopted by the insurance and salvage industries through a formal compliance model and that the current four tier categorisation be reduced to two categories, scrap/parts or repairable salvage.

These alterations would improve the cost effectiveness of any future VIC scheme and would link into the metal theft and stolen parts markets, which are a significant source of criminal activity centered round motor vehicles.”

- 2.43** “A fifth category should be added officially – category X, such that all damaged fleet vehicles not covered by individual insurance policies are subject to a VIC irrespective of damage. Receipts for replacement parts should be provided – this would allow stolen parts bought unknowingly to be traced back to the dismantlers, and would therefore provide intelligence for law enforcement to assist to further disrupt organised criminal groups.”
- 2.44** “We believe the categories should be retained but would suggest that “flood” damage is added as a new category, especially as water damaged vehicles are not currently accounted for in the scheme”

#### **Q7) Should Category D vehicles also be required to undergo a VIC test?**

- 2.45** As with 6, this question is the result of correspondence from members of the public. Some consultees think Category D vehicles are more suited to ringing, whilst others are of the opposed opinion.



- 2.46** *"No not unless they are a sports car, prestige, luxury and have sustained chassis damage"*
- 2.47** *"Yes. It may be simpler and cheaper to ring a Cat D than repair it"*
- 2.48** *"Yes, the police service feels that these vehicles are at greater risk of 'ringing'. The VIC should also include commercial vehicles up to 3500 Kg. If this were the case Ford Transits (the most common stolen vehicle in the UK) and Land Rovers, which are at high risk due to re sale values, would enter the ambit of the scheme. Linked to a risk / harm assessment model this would in our view be achievable whilst still ensuring increased value for money."*
- 2.49** *"Although Category D vehicles are unlikely to have their identities changed (be rung), they are open to the possibility of being repaired with stolen parts. A full summary of the accident damage should be reviewed and the repairs/replacement parts inspected and backed up with receipts as described in (6). Parts with manufacturers ID markings quite obviously removed or defaced should not be accepted"*
- 2.50** *"All vehicles subject to 'salvage' and returned to the road should be in scope for consideration of a VIC, otherwise there remain failings in the system.*  
*It is understood that Category D is defined as a repairable total loss vehicle where repair costs including VAT do not exceed the vehicle's pre-damage value. It may be appropriate to require these vehicles to undergo a VIC test or alternatively an MOT test with consideration being given to an appropriate criterion."*
- 2.51** *"No, we can only envisage that this would increase the burden and have little effect"*

**Q8) Do you think there are already other systems acting as deterrent to ringing?**

- 2.52** *Although some consultees feel the Police to be best placed in dealing with car crime prevention and detection, both vehicle identity examiners and the Police feel that the stretched resources would not be able to replace the current scheme. However, they feel that the scheme is in need of refurbishment and be part of a wider scheme in car crime fight. Some felt that modern technology advances have played a big part in car crime prevention, however, this is mainly affecting car theft. On the other hand, private on-line car sales would still be difficult to monitor.*
- 2.53** *"The police and HRMC are the people who should be tackling car crime not another government department funded by the tax payer that is ineffective My personal opinion is stop the racket at source prevent the insurance companies profiting from total loss cars ,get the police and HRMC to do what they are paid for and stop fleecing the tax payer and the motorist (who is paying over and over)"*
- 2.54** *"Yes cars are much more difficult to sell and most people just strip them and sell parts without getting there hand dirty on ebay"*

- 2.55** *"No. There are very few deterrents to 'ringing' for the unsuspecting purchaser. At least with the mandated VIC after a repair, then there is a check and balance for the public."*
- 2.56** *"Yes, for the following reasons:*
- a. The UK MOT has gradually been getting more rigorous*
  - b. Obtaining information about vehicles has been becoming progressively easier with the advent of the Internet. It is now quick, easy & cheap to access vehicle checking services, in real time, through websites such as Ebay, AA, Autotrader, Parkers etc.*
  - c. Improved vehicle security*
  - d. ANPR technology*
  - e. The international nature of UK motor salvage, and the ease with which salvage vehicles can now be obtained via internet auction, has made 'ringing' in the UK progressively less attractive. It is now far easier for export vehicles (perhaps fuelling vehicle crime overseas) and to dismantle illegally in the UK."*
- 2.57** *"Undoubtedly the MOT either in its current format or updated in some way. Over and above this is the open availability to consumers and businesses alike of vehicle data checks at low cost and of course huge advances in vehicle security"*
- 2.58** *"The view of the police service is that there are no other systems in place, which adequately deter 'ringing' offences. The VIC scheme is as stated in the consultation report the only deterrent to ringing. As DVLA services move away from local inspections to on-line services, this becomes more relevant, any reduction in the capacity for the DVLA to detect ringers before issuing new documentation must be regarded as a serious retrograde step, which will undermined public confidence as associated crime increases."*
- 2.59** *"Whilst not specifically designed to deter 'ringing', the improvements in vehicle security systems, ANPR techniques, tracking and IT generally have contributed to and will continue to contribute towards a reduction in vehicle thefts and hence the desire to 'ring' vehicles"*
- 2.60** *"We are not aware of any other systems currently in place which act as a deterrent to ringing"*

**Q9) Can you suggest an alternative to deter vehicle ringing?**

- 2.61** The Department received various suggestions, from stricter enforcement of current systems, to incorporating the VIC test into a roadworthiness test, to a multi-tiered VIC system.
- 2.62** *"More police, better wages, more jobs and longer prison sentences"*
- 2.63** *"Yes."*

- a. Further increased stringency of the MOT
- b. All salvage vehicles categorised for destruction to be destroyed in UK
- c. Revision of Salvage COP incorporating more rigorous audit requirements
- d. Better communication between relevant Government departments and insurance & recycling industries
- e. Improvements in vehicle tracking from 'cradle to grave' driven by IT. Opportunities presented by the current DVLA consultation regarding on-line services, and the ongoing Home Office review of the Scrap Metal Dealers Act 1964 and The Motor Salvage Operator Registration scheme."

**2.64** "[...] The VIC should also include commercial vehicles up to 3500 Kg. If this were the case Ford Transits (the most common stolen vehicle in the UK) and Land Rovers, which are at high risk due to re sale values, would enter the ambit of the scheme.[...]"

*There are two critical components to vehicle ringing, the vehicle and the associated documents. It is entirely correct that robust vehicle physical inspection should form part of any counter-theft/ringing strategy as happens in most other EU Member States and removing it would in the view of the police service, serve to legitimise many more stolen vehicles which will see the stolen vehicle recovery rate plummet even further"*

**2.65** "Legislation such as exists in North America, which makes removing or deliberately defacing component ID markings intended for parts marking / traceability an offence, could be helpful if implemented in the UK. It is commonplace to see labels scratched off and stamped numbers removed when surveying used car parts on shelves at dismantlers. These parts of unknown provenance may well be from stolen vehicles but the handling such parts is not an offence if they cannot be identified to a stolen car. As mentioned in paragraph 8 above, labelling systems exist that will leave a covert component identification, if the label is removed, however the additional costs for these labels are unlikely to lead to their widespread use without there being external drivers to make the use of such labels desirable. This in conjunction with the more appropriate use of VIC would provide an enhanced deterrent to ringing. Another source of identities for rung vehicles that should be considered is the importation of "euro salvage" – that is the importation of damaged vehicles from the Continent as scrap metal, and the use of the stamped ID markings of these vehicles to transplant identities onto stolen UK vehicles, and their registration and rebirth on a stolen vehicle in the UK as an imported vehicle. [the consultee] therefore believes that the VIC should also apply to personally imported vehicles when the person presenting the vehicle for registration is not the previous registered keeper abroad. Currently if a Certificate of Conformity (to European Whole Vehicle Type Approval) is obtained (for vehicles of European origin type approved for use in Europe), an IVA (Individual Vehicle Approval) test is avoided, hence nobody inspects the vehicle. This could be exploited as a means of natural displacement by criminals should the VIC be tightened up as recommended."



**2.66** *“There may be scope to grade each category independently by assigning a supplementary character to the category. For example where there is an intelligence led likelihood that a particular make / model / value / age of vehicle may be subject to having its identity altered, then a suffix of \* 1 or + could be utilized to warrant further scrutiny of the vehicle. (B\*), (C1) or (D+) etc,*

*The 4 salvage categories are at this time an agreed Insurance industry standard although it would appear that vehicles have been re-categorised in the past when it has been established that there is a greater value in keeping the vehicle intact as opposed to breaking for spares. The standards are not legally binding and have no input/enforcement from the Police, however the process should remain.*

*The current system is a basis, from which to more effectively combat vehicle ringing. Applying an intelligence-led, targeted VIC system is a more effective use of the processes currently in use by law enforcement agencies. As outlined above, the profiling of 'likely' vehicles based on factors such as makes, models, age, pre-salvage / post salvage values, postcodes, term of ownership and crime trends would all give a better indication to which vehicles are likely to provide positive results for rung vehicles during VIC examination.*

*Work undertaken by the likes of AVCIS could be adapted to include the collation of information from DVLA, MIB HMR&C etc. to specifically target the vehicles MOST LIKELY to be subject to ringing operations using the criteria previously mentioned. Likely 'candidates' could be entered onto the ANPR database in order to increase the likelihood that a target vehicle is stopped and examined as soon as possible after targeting, giving with it a higher probability that an operative will be detected as well as a quick recovery of the vehicle.*

*Past experience with vehicle manufacturers has suggested that they were initially reluctant to add security features to their vehicle due to tooling costs. In time, the stigma associated with a product, which is easily stolen and rung, caused a change of heart and consequently more physical features have been added.*

*Further liaison may be able to assist in the addition of a VIN related stamping / marking on body panels which could provide a means of easier identification of component parts from stolen vehicles which have been broken for 'spares'.”*

**2.67** *“There is the possibility of conducting the VIC check at MOT centres. This would make the VIC much more accessible to motorists/repairers to reduce transport and time/resource associated costs. The test could also include a check on all VIN numbers to make it more robust. These potential new test centres would need to be audited thoroughly to ensure full compliance”*

**2.68** *“As we have mentioned in our executive summary, we believe that the MIAFTR code should become mandatory for anyone who is involved in*

*putting written off vehicles back on the road including salvage agents, insurance companies and those who self-insure vehicles.”*

## OTHER COMMENTS:

- 2.69** A recurring comment from the responses received is that the VIC test does not check vehicles for roadworthiness (although VIC testers do try to assess major problems) and Category C vehicles can be bought cheaply and repaired privately without being required to undergo an MOT test.
- 2.70** *“At present any one can buy and repair cat ‘C’ vehicles. This in its self is a danger because no one checks the standard of repair”*
- 2.71** *“Our concerns with the VIC scheme have always been that the scheme does not check the road worthiness condition of the vehicle which in our view is vital. It is therefore possible that a vehicle could satisfy the identity check, but may have been rebuilt in a dangerous condition or has a serious defect that could be a real threat to ensuring UK roads are safe. We therefore believe that the vehicle should instead be subject to a new roadworthiness check where both the identity and condition of the vehicle can be verified at the same time”*
- 2.72** Some respondents are also worried that total loss vehicles in Category A and B are being sold on and repaired or used for spare parts when they shouldn’t. There are also questions around the types of vehicles in-scope of the scheme, as some respondents feel that light vans, for example, can potentially be easier to ring.
- 2.73** *“VICs are carried out by DVLA VIOs for reasons other than written off vehicles. Strangely, motorcycles and commercial vehicles from small vans to large lorries are not included, although my experience is that we are more likely to find suspect motorcycles or Transit type vans in particular than cars. Such a shame that they only seem to be interested in figures and we can’t actually put any figures on deterrent. It’s not just the dodgy vehicles, regardless of value, but the fact that suspect vehicles can be linked to (or are the key to revealing) all sorts of other crime such as drugs and illegal immigration”*
- 2.74** The standards of classification also appear to vary greatly between insurers as the Code used to classify write-offs is voluntary, and so there is a demand for more robust standardisation across the industry.
- 2.75** *“as a huge proportion of vehicles with a VIC marker by-pass the system, it can be argued with some justification that VIC presents little in the way of a deterrent to vehicle crime. If anything, where ringing has declined, alternative ‘opportunities’ for criminals have sprung up (e.g. export, scrap, spare parts). As such, it is to be expected that a much bigger*

*impact could be had on reducing vehicle crime by tightening up existing basic procedures (vehicle tracking, COD issue, vehicle export controls)*

*Fundamentally, the link of legislation to a voluntary Code of Practice is fraught with difficulty, due to the considerable subjectivity of the COP. The fact that salvage classification is the product of a voluntary COP, and not legislation continues to present problems in that compliance with many aspects of the COP is inconsistent, and unenforceable. Not only do the category classifications vary considerably between individual insurers, but the category applied to a salvage vehicle has a dramatic effect on its subsequent value. This has led to concern about the manipulation of vehicle categories so as to allow certain desired commercial outcomes to be achieved.*

*There is concern that the increasing proportion of total loss vehicles that fall into category C is allowing vehicles that should be scrapped (i.e. should be category A or B) to avoid restrictions imposed on their movement as a consequence of being declared 'waste'. Classifying a vehicle as waste automatically adds other significant costs & requirements to its correct handling, and so reduces the value of the vehicle to the insurer. It is therefore in the interests of the seller to allow as free a movement of the vehicle as possible, whether that be in the UK or overseas. The [respondent] also believes that a large proportion of the 'missing' category C vehicles are dismantled illegally in the UK. One of the areas of greatest concern to the vehicle recycling industry is category B vehicles being openly auctioned and sold to overseas purchasers, with little in the way of audit controls. It has already been observed, that UK total loss vehicles (of whatever category) carry no 'history' overseas. Without robust audit procedures, there can be little confidence that the 15,000 category B vehicles that are unaccounted for every year, are not repaired and return to use overseas."*

- 2.76** *"A thorough, robust process will act as an effective deterrent and just because the number of ringers being detected by the process is low, it doesn't mean it's not working, quite the reverse in fact. It's often said that having the 'Bobby on the beat' is a good way of significantly reducing crime and likewise the same could be applying with the VIC Scheme. I have consulted with police officers who support my view and given the reduction of police budgets and resource, the VIC Scheme is now virtually the only effective check for ringers. As one such officer shared with me, you'd be an idiot to take a vehicle for a VIC check as it would almost certainly be detected. I think that rather speaks for itself.*

*What is important and of concern, is that a Government regulated scheme, the VIC, is dictated by a code of practice which is a voluntary code. Therefore standards can and do vary and some contributors to the write off vehicle market simply ignore it. It is also open to abuse in that by simply 'manipulating' repair costs and the category, the VIC scheme can be avoided without penalty, with a financial benefit resulting for the categorising and selling company and salvage dealer through enhanced revenue e.g. from CAT C to D. This I feel is unacceptable."*

- 2.77** *"[we] support the sentiments of a Vehicle Identity Check (VIC) to act as a deterrent against ringing to protect consumer interests and safety. The*

*current piece of legislation is aligned to a code of practice, which is voluntary, and could lead to a variance in interpretation."*

### 3. WHAT HAPPENS NEXT:

- 3.1** The Department is analysing the different suggestions received through this consultation and evaluating their impacts and feasibility. If it is decided to proceed with any change to the scheme, a further consultation will be carried out.