



Driver & Vehicle Standards Agency

Driving theory test fee changes 2014/15

A Consultation paper about proposed changes to fees charged for driving theory tests.

Driving test fee changes 2014/15

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Glossary

Abbreviation	Definition
DVSA	Driver and Vehicle Standards Agency
HPT	Hazard Perception Test
IA	Impact Assessment
IHTTC	In House Theory Test Centre
CPC	Certificate of Professional Competence
ADI	Approved Driving Instructor

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FOREWORD

Purpose

1. This paper seeks your views on changes to fees charged to customers for driving theory tests. The Driver and Vehicle Standards Agency (DVSA) is responsible for delivery of the driving test within Great Britain.
2. The driving test consists of two parts – the theory test, which is a computerised desk-based examination, and the traditional, on-road, practical test. The theory test must be passed before the practical test can be taken and is made up of two elements - a moving image Hazard Perception Test (HPT) and multiple choice questions.
3. The theory test is currently delivered by Pearson VUE on behalf of the DVSA. The outsourcing of theory tests is subject to competitive tendering. The DVSA is planning to reduce the fees charged for taking the theory test, as a result of savings made from a revised contract following a recent tendering exercise. The contract revision will take effect in autumn 2014.
4. At this time we are not making changes to fees charged for practical driving tests, but we are looking at changing those fees in the future. Please see “Future Rebalancing Of Fees” below for more detail.
5. For an analysis of the costs and benefits arising from the specific proposals in this paper, please see the Impact Assessment (IA).

Background

6. The law requires that drivers must take a driving test before they can drive a vehicle on-road, unaccompanied within Great Britain. This requirement also applies across the European Union. Theory tests are delivered in a range of theory test centres, located in the majority of major towns and cities in Great Britain. In addition, some private companies are allowed to operate as in-house-theory-test-centres (IHTTCs) and conduct theory tests for their own employees, these are known as “delegated tests”.
7. Successful completion of theory tests is also required for those:
 - seeking to obtain a Certificate of Professional Competence (CPC) for professional lorry and bus drivers;
 - seeking to join the Register of Approved Driving Instructors (ADIs). It forms Part 1 of their qualification examinations.
8. Lorry and bus theory tests are taken as two events, with HPT and multiple choice questions attempted at separate appointments.
9. An abridged theory test can be taken by 14 and 15 year olds for a car, as part of a Safe Road User course provided by a school or college. If successful, the candidate will receive a partial credit towards taking the theory test once they reach age 17.

The current range of fees charged for tests are shown below:

Car and motorcycle

Test category	Current fee per test
Car theory test	£31.00
Abridged theory test	£24.00
Motorcycle theory test	£31.00

Lorry and bus licence acquisition and CPC tests

Test category	Current fee per test
Licence acquisition multiple choice questions	£35.00
Licence acquisition Hazard Perception Test (HPT)	£15.00
CPC theory test	£30.00

Delegated tests

Test category	Current fee per test
Delegated car and motorcycle theory test	£18.50
Delegated CPC theory test	£30.00
Delegated HPT	£9.00
Delegated multiple choice questions	£20.00

ADI tests

Test category	Current fee per test
Approved Driving Instructor (ADI) theory test	£90.00

10. The aim of the proposals contained in this paper is to reduce the level of these fees, to reflect the lower price that will be paid by DVSA to the theory test service provider, following the revised contract arrangements.

Why is government intervention necessary?

11. The fees for driving tests are contained in legislation. In order to amend these fees, the following regulations need to be changed, which can only be undertaken by Parliament, and which requires consultation.

- for licence acquisition tests, the Motor Vehicles (Driving Licences) Regulations 1999 (SI 1999/2864).
- for CPC tests, the Vehicle Drivers (Certificates of Professional Competence) Regulations 2007 (SI 2007/605).
- for ADI tests, the Motor Cars (Driving Instruction) Regulations 2005 (SI 2005/1902).

Executive Summary

12. The proposed changes in this consultation paper would introduce a new range of fees for driving theory tests. It is intended that these would come into effect in two stages – in October 2014 and October 2015. They would apply to tests taken for cars and motorcycles, including abridged theory tests, ADI Part 1 tests, vocational licence acquisition tests, CPC tests for lorries and buses and delegated tests.

13. The reason for the proposed changes is to reflect reduced fees paid by DVSA to the theory test contractor. These are as a result of contract revisions which will start in autumn 2014. Because the revised contract reduces in two steps the savings will also be implemented in two steps (see the table below).

14. The new fees have been approved by Ministers, who will take into account any comments made and the effect the changes are likely to have on customers. Changes are subject to Parliamentary procedure.

15. The consultation period will last for 5 weeks from 10 April 2014 to 15 May 2014

16. Responses must arrive no later than 15 May although earlier receipt would help us.

17. Please note that we are unable to consider any comments received anonymously and only those responses received using the online questionnaire will be accepted.

18. We will post the decisions taken by Ministers in due course following the close of this consultation. This will confirm the dates that new fees will take effect.

19. If you have any questions about the proposed changes within this document please email DSA using the following address: consultations@dsa.gsi.gov.uk

The Changes Explained

20. Under the proposals in this paper, candidates applying for theory tests would pay a reduced amount to DVSA for their tests.

21. The details of the new fees are as follows:

Car and motorcycle

Test category	New fee per test – October 2014	New fee per test – October 2015
Car theory test	£25.00	£23.00
Abridged theory test	£19.00	£18.00
Motorcycle theory test	£25.00	£23.00

Vocational (lorry and bus) licence acquisition and CPC tests

Test category	New fee per test – October 2014	New fee per test – October 2015
Licence acquisition multiple choice questions	£28.00	£26.00
Licence acquisition Hazard Perception Test (HPT)	£12.00	£11.00
CPC theory test	£24.00	£23.00

Delegated tests

Test category	New fee per test – October 2014	New fee per test – October 2015
Delegated car and motorcycle theory test	£15.00	£15.00
Delegated CPC theory test	£27.00	£26.00
Delegated HPT (no change)	£9.00	£9.00
Delegated multiple choice questions	£12.00	£12.00

ADI tests

Test category	New fee per test – October 2014	New fee per test – October 2015
ADI theory test	£83.00	£81.00

22. It is planned that the new fees would apply from October 2014 and October 2015. This will be subject to the necessary regulatory changes being made.

Future Rebalancing Of Fees

23. In planning its future strategy, DVSA is considering the overall balance of cost and income across all fees. There are some areas where the fees charged for services delivered cover the cost of delivery of that service. Other areas have developed in a way that means they are now less well-balanced, and do not cover the cost of the delivery of that service. Deficits in some areas are therefore supported by surpluses in others.

24. This is not a viable arrangement in the long term, especially since the cost savings from the reduced theory test contract are being passed on to the customer. It is therefore the Agency's wish to re-balance its fee structure to ensure that the services provided are fully funded from the fees charged for those particular activities. This is in accordance with Her Majesty's Treasury guidance on "the user-pays" principle, whereby the user of the service pays the full cost of that service and is not subsidised by another person paying for a different service. If we follow this route, and ensure that activities are fully funded by those using the service, some fees may need to rise by more than the rate of inflation.

25. We plan to undertake a separate consultation exercise if we pursue this option.

Consultation questions

Do you agree with the proposal to reduce the theory test fees?

General comments: Please make any general comments about the proposals contained in this consultation paper

Initial impact assessment: Do you have any other comments about the initial impact assessment?

Do you feel that this consultation paper adheres to the consultation principles at page 8 of the consultation document?

How to respond to this consultation

26. Please tell us what you think of the proposal by completing the online consultation response at the following [link](#).

27. If you have difficulties accessing the consultation paper, or supporting IA, please email us at consultations@dsa.gsi.gov.uk or contact us on 0115 936 6098.

28. The consultation period will last for 5 weeks from 10 April 2014 to 15 May 2014. Your response must arrive no later than 15 May, although earlier receipt would help us.

29. Please note that we're unable to consider any comments received anonymously. If you're replying on behalf of an organisation, please tell us who you're representing, the nature of the organisation, how many individuals' views are included within the response and what steps you have taken to gather those views.

What happens next?

30. We'll use the responses received to inform Ministers of stakeholders' views. A report based on the responses will be produced and posted on the GOV.UK website.

Application within the United Kingdom

31. The Secretary of State for Transport has responsibility for driver training and testing in Great Britain. Driver training and testing are matters reserved to Westminster as regards to England Scotland and Wales. Legislative responsibility within Northern Ireland is devolved to the Northern Ireland Assembly under the Northern Ireland Act 1998. These proposals do not apply to Northern Ireland.

Impact assessment

32. The IA analyses the costs and benefits of the proposals in this paper in more detail.

33. When responding to the consultation, please comment on the analysis of costs and benefits and give supporting evidence wherever possible. The IA will be developed in light of any comments received in response to this consultation paper.

34. Please also suggest alternative methods for achieving the objectives and highlight any possible unintended consequences that implementing the proposals may create.

Exemption from regulation for micro-businesses and start-ups.

35. The government announced in the March 2011 Budget that it would introduce a moratorium exempting micro and start-up businesses from new domestic regulation for three years from 1 April 2011. This proposal will not put any burden on business. It is therefore out of scope of the moratorium.

One-in, Two-out

36. The proposal contained in this consultation paper is not in scope of the government's One-in, Two-out initiative.

Freedom of information

37. Information provided in response to this consultation, including personal information, may be subject to publication or disclosure in accordance with the Freedom of Information Act 2000 (FOIA) or the Environmental Information Regulations 2004.

38. If you want information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence.

39. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information, we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the department.

40. The department will process your personal data in accordance with the Data Protection Act 1998 (DPA) and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties.

The consultation principles

41. This consultation is being conducted in line with the government's key consultation principles which are listed below. Further information is available on the Better Regulation Executive website at www.gov.uk/government/publications/consultation-principles-guidance.

- Departments will follow a range of timescales rather than defaulting to a 12-week period, particularly where extensive engagement has occurred before;
- departments will need to give more thought to how they engage with and consult with those who are affected;
- consultation should be 'digital by default', but other forms should be used where these are needed to reach the groups affected by a policy; and
- the principles of the Compact between government and the voluntary and community sector will continue to be respected.

42. If you have any comments about the consultation process please contact:

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