

VEHICLES OF HISTORICAL INTEREST - CONSULTATION ON EXEMPTIONS FROM ANNUAL ROADWORTHINESS TESTING

September 2016

DfT-2016-11

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Foreword



Britain's roads are among the safest in the world and ensuring that they remain so is a key objective in the Government's approach to regulating road transport. Safe vehicles are an essential part of achieving that goal. Identifying and fixing defective tyres, brakes or lighting can make the difference between life and death on our roads.

MOT testing is a key part of maintaining safer vehicles. It is important that our MOT testing regime is well designed to keep dangerous vehicles off the road. It is also important to recognise that there are cases when mandating such testing is inappropriate, for example in the case of vehicles of historical interest (also known as classic vehicles).

A number of people in Great Britain gain significant enjoyment from driving older vehicles and such vehicles add to the diversity on our roads. It is important that they can continue to enjoy this activity. It is also important that these vehicles are safe and appropriately maintained, especially as many older vehicles lack appropriate safety features, to ensure the risk to road safety is reduced.

Under current GB and EU law all vehicles that were manufactured before 1960 are exempted from compulsory annual roadworthiness testing. A new European Roadworthiness Directive makes changes to the existing vehicle testing scheme, including the provisions for exempting vehicles of historical interest.

Implementing these requirements will allow Great Britain to reduce regulation in this area. The Directive still enables exemptions from regular testing, and in respect of vehicles of historical interest, it applies to vehicles manufactured or registered for the first time at least 30 years ago, which are no longer in production and have not been substantially changed. Our preference is to exempt vehicles manufactured or registered at least 40 years ago. The 40 year old vehicle option is also in line with the current rolling 40 year exemptions from Vehicle Excise Duty so this will ensure greater consistency.

Throughout the proposals in this document the Government has been keen to avoid placing unnecessary burdens on businesses as well as individuals who want to make use of these vehicles. We believe the proposals are sensible for keeping our roads safe for all users and strike the right balance.

On 23 June, the EU referendum took place and the people of the United Kingdom voted to leave the European Union. Until exit negotiations are concluded, the UK remains a full member of the European Union and all the rights and obligations of EU membership remain in force. During this period the Government will continue to negotiate, implement and apply EU legislation. The outcome of these negotiations will determine what arrangements apply in relation to EU legislation in the future once the UK has left the EU.

Responses to this consultation will help inform our final proposals before we make changes to domestic legislation. It will also assist us in refining the assessment of the impacts. I encourage you to reflect on the proposals set out here and to respond to the consultations questions in full.

JOHN HAYES MP

Minister of State for Transport

Executive summary

- 1.1 This document sets out the Government's proposals for implementing new rules around the testing of vehicles of historical interest (VHIs), in accordance with the Directive 2014/45/EU ("the Directive"). The Directive sets new rules on periodic roadworthiness testing for vehicles and their trailers and repeals the old EU Directive 2009/40/EC. During our considerations relating to the implementation of the Directive, we have taken advantage of the opportunity to identify whether we can de-regulate current legislation, to increase the number of individuals who may be able to benefit from exemptions from the MOT regime.
- 1.2 The proposals in this consultation apply to Great Britain (given as vehicle testing is a devolved matter in Northern Ireland). Northern Ireland will develop its own proposals for implementation of the Directive. There is a separate consultation being published in parallel, which focuses on the testing of "fast tractors" (i.e. T5 category vehicles).
- 1.3 Under existing GB and EU law all vehicles manufactured before 1960 are exempted from compulsory annual roadworthiness testing. The Directive also exempts vehicles from regular testing, but now vehicles must be manufactured or registered at least 30 years ago, must no longer be in production and must not be substantially changed. This ensures that the vehicles benefiting from MOT exemptions are actually in the original condition they purport to be. This is a useful amendment which aims to ensure that people who drive vehicles which have been significantly changed cannot profit from an exemption.
- 1.4 In 2014, the Department for Transport ("the Department") conducted an informal web based consultation, which sought opinions and ideas on which we could base our proposals for formal consultation. A wide range of views were expressed in the responses, which assisted us in narrowing the options to those being considered here.
- 1.5 Although the Directive allows Member States to exempt from testing 30 year old vehicles, our preferred option is to exempt 40 year old

vehicles. This is mainly for safety reasons as the Impact Assessment shows that vehicles first registered between 1978 and 1987 (broadly 30-40 years old when the regulatory changes need to be made) fail 33.7% of MOT tests. For vehicles registered between 1960 and 1977 the failure rate is 25.3% and for pre-1960 vehicles is 14.8%. There are also approximately twice as many vehicles in the 1978-87 age group involved in personal injury road accidents compared with 1960-1977 vehicles. The 40 year old vehicle option is also in line with the current rolling 40 year exemptions from VED.

- 1.6 We will also have to introduce a definition for 'substantial change' to allow exemptions from testing as there is no definition in the Directive. One option is to use the Driver and Vehicle Licensing Agency's 8-point system for registering radically altered vehicles. This system can be found on the Gov.uk website.
- 1.7 Another option being considered is for VHIs to undertake a basic 'VHI' roadworthiness 'safety' test, where existing MOT garages would check vehicle identity, brakes, steering, tyres and lights as a minimum.
- 1.8 We anticipate that the majority of VHIs used for business purposes would be sent for an annual MOT even if they were exempted to help ensure they are in a roadworthy condition and to keep insurance premiums at a minimum.
- 1.9 We don't believe that the proposals we are putting forward will place excessive burdens on businesses and overall will reduce regulation in Great Britain.

How to respond

The consultation period began on 22 September 2016 and will run until 2 November 2016. Please ensure that your response reaches us before the closing date. If you would like further copies of this consultation document, it can be found at <u>www.gov.uk/dft#consultations</u> or you can contact David Pope if you would like alternative formats (Braille, audio CD, etc).

Please complete the online response form or send consultation responses to:

David Pope Department for Transport Freight, Operator Licensing and Roadworthiness Zone 3/28, Great Minster House 33 Horseferry Road, London SW1P 4DR 020 7944 3211

If you wish to respond via email, please send it to <u>roadworthinesstesting@dft.gsi.gov.uk</u> with the subject line "<u>2014/45/EU:</u> <u>response to VHI consultation</u>"

When responding, please state whether you are responding as an individual or representing the views of an organisation. If responding on behalf of a larger organisation, please make it clear who the organisation represents and, where applicable, how the views of members were assembled.

Freedom of Information

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.

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.

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.

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

The proposals

- 1.1 The Directive sets out minimum requirements for periodic roadworthiness testing of vehicles used on public roads. Vehicles are categorised by type and the rules differ for each category. Cars and vans must be tested at least biennially from 4 years old, unless exempted. Heavy goods vehicles, buses and coaches that are not exempted must be tested annually from new.
- 1.2 On 23 June, the EU referendum took place and the people of the United Kingdom voted to leave the European Union. Until exit negotiations are concluded, the UK remains a full member of the European Union and all the rights and obligations of EU membership remain in force. During this period the Government will continue to negotiate, implement and apply EU legislation. The outcome of these negotiations will determine what arrangements apply in relation to EU legislation in the future once the UK has left the EU.
- 1.3 Under current GB and EU law all vehicles that were manufactured before 1960 are exempted from compulsory annual roadworthiness testing. The new EU Directive still enables us to allow exemptions from regular testing, but now vehicles must be manufactured at least 30 years ago, must no longer be in production and must not been substantially changed.
- 1.4 If we wish to continue to exempt VHIs we will need to amend domestic law to implement the requirements of the Directive. We can also take advantage of the opportunity to exempt some post-1960 vehicles from testing.
- 1.5 Under the Directive, VHIs (described in paragraph 1.3 above) can be exempted from regular testing in Great Britain if we opt to do so. The deadline for implementing the requirements of the Directive is 20 May 2018.
- 1.6 Although motorcycles and 3-wheeled vehicles do not come into the scope of the Directive until 1 January 2022 we are including these categories of vehicles in this consultation. (Any changes affecting these vehicles will not come into force until 1 January 2022.)

- 1.7 If we wish to continue to exempt VHIs, Great Britain can decide how old vehicles should be before they are exempted from testing and how to define 'substantial change', provided the vehicles are at least 30 years of age.
- 1.8 The Directive also refers to VHIs as being 'hardly used on public roads', and we wish to consider whether we should restrict the annual mileage for VHIs exempted from testing. Many insurers include a mileage limit in policies for VHIs as a way of reducing premiums.
- 1.9 Table 1 below outlines the options being considered and our preferred option in the consultation.

Table 1 - Options being considered

Option 1	Remove the current exemption for pre-1960 vehicles and in doing so make all vehicles that are currently exempt subject to full annual roadworthiness testing.
Option 2	Introduce a basic 'VHI' roadworthiness 'safety' test – (either annual or biennial) for 40 year old vehicles.
Option 3	Exempt 40 year old 'VHIs' from annual testing and introduce a 'VHI' certification process to ensure a vehicle has not been substantially changed (could be based on self-certification or independent inspection or a combination). This is the preferred option.
Option 4	Introduce a biennial 'VHI' roadworthiness test for 40 year old vehicles. 'VHIs which are Heavy Goods Vehicles, buses and coaches would need to be certified that they have not been substantially altered.
Option 5	Exempt 30 year old VHIs from annual testing and introduce a VHI certification process to ensure a vehicle has not been substantially altered (could be based on self-certification or independent inspection or a combination).

1.10 An Impact Assessment assessing the proposed changes is published alongside this document.

- 1.11 Option 3 is our preferred option.
- 1.12 Table 5 of the Impact Assessment shows that vehicles first registered between 1978 and 1987 (broadly 30-40 years old when the regulatory changes need to be made) fail 33.7% of MOT tests. For vehicles registered between 1960 and 1977 the failure rate is 25.3% and for pre-1960 vehicles is 14.8%. There are also approximately twice as many vehicles in the 1978-87 age group involved in personal injury road accidents compared with 1960-1977 vehicles as shown in table 3 of the Impact Assessment. The 40 year old vehicle option is also in line with the current rolling 40 year exemptions from Vehicle Excise Duty.
- 1.13 We will also have to introduce a definition for 'substantial change' if we wish to continue exempting VHIs from testing, as no definition is provided for in the Directive. One option is to use the Driver and Vehicle Licensing Agency's 8-point rule for registering radically altered vehicles. VHIs would need to have 8 or more points, accumulated in accordance with Table 2 below, (5 of these points must come from having the original or new and unmodified chassis, monocoque bodyshell or frame) to prove they have not undergone substantial change. Additionally, a vehicle will also be deemed to have accumulated less than eight points if:
 - i) It has a second-hand or altered chassis, monocoque bodyshell or frame; or
 - ii) There is evidence that two or more vehicles have been welded together to form one vehicle.

Table 2

Part	Points
Chassis, monocoque bodyshell (body and	5
chassis as one unit) or frame - original or new	
and unmodified	
Suspension (front and back) - original	2
Axles - original	2
Transmission - original	2
Steering assembly - original	2
Engine - original	1

- 1.14 Any modifications made to VHIs prior to 1988 (rolling 40 years from coming into force of EU Directive) would not be taken into account when considering any substantial changes.
- 1.15 Even if the Department continues exempting VHIs from testing this does not mean that owners of VHIs are prohibited from sending their vehicles to be tested. Despite being exempt from testing, over 14,000 pre-1960 vehicles undertook an MOT test in the period from 1 April 2014 to 31 March 2015, approximately 7% of the number of exempt vehicles.
- 1.16 We anticipate that the majority of VHIs used for business purposes would be sent for an annual MOT even if they were exempted to help ensure they are in a roadworthy condition and to keep insurance premiums at a minimum.
- 1.17 If the Government decides that VHIs should undertake a basic 'VHI' roadworthiness 'safety' test, we would expect that existing MOT garages should be able to provide the necessary testing. Firm details have not yet been worked up on what should be tested but we would expect that any basic test would check vehicle identity, brakes, steering, tyres and lights as a minimum.
- 1.18 Whilst it is important to ensure that vehicles are safe to use on the public highway, it is also important to ensure that regulations imposed achieve the correct balance and are not excessive.

Consultation questions

Q1: Do you agree with exempting 40 year old VHIs from annual testing plus introducing a VHI certification process to ensure a vehicle has not been substantially changed (option 3 in the proposals)? Please explain your reasons.

Q2: Do you believe that we should allow exemptions for 30 year old vehicles rather than 40 year old vehicles? Please explain your reasons.

Q3: Do you agree that there are good safety reasons to exempt 40 year old rather than 30 year old VHIs from testing?

Q4: Do you agree with the option of using Driver and Vehicle Licensing Agency's (DVLA) 8-point rule as a way of defining the 'substantial change' provision in the new directive? If no, can you suggest an alternative method?

Q5: If we use DVLA's 8-point rule, how many VHIs might fail to prove they have not undergone substantial changes?

Q6: Do you agree with the assumption that the majority of VHIs used for business purposes will continue to have an MOT test to ensure they remain roadworthy and to keep insurance premiums down?

Q7: If we decide that VHIs should undergo a basic 'VHI' roadworthiness 'safety' test, do you agree that the test should only check vehicle identity, brakes, steering, tyres and lights only? If not, what should the test cover?

Q.8: Do you agree that the exemption should apply to all VHIs or should we continue to test certain classes of VHIs, eg heavy goods vehicle (HGV) and public service vehicle (PSV)?

Q.9: Do you agree that we should not take into account any vehicle modifications made before 1988?

Q10: Do you agree that most privately owned VHIs are kept in a well maintained condition by their owners?

Q11: Do you agree that an annual mileage limit should be imposed on VHIs exempted from testing? If yes, what annual mileage limit should be imposed?

Q12: Q12: Do you agree with the Impact Assessment published alongside this document? Please provide any information you have that will help us to more precisely estimate costs and benefits?

Q13: Are there any other options you think we should consider in connection with testing exemptions for VHIs (including documentation)?

Q14: Provide evidence or information that you feel may assist us in considering the options (including documentation).

What will happen next?

A summary of responses, including the next steps, will be published within three months of the consultation closing on www.gov.uk. Paper copies will be available on request.

Annex A Consultation principles

The consultation is being conducted in line with the Government's key consultation principles. Further information is available on the Better Regulation Executive website at:

https://www.gov.uk/government/publications/consultation-principlesguidance

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

Consultation Co-ordinator Department for Transport Zone 1/29 Great Minster House London SW1P 4DR Email <u>consultation@dft.gsi.gov.uk</u>

Please do not send consultation responses to this address.