



Driver & Vehicle
Licensing
Agency

**Proposed new transitional
scheme where rights to vehicle
registration numbers held on
a certificate have expired.**



INVESTORS
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Until 2019

Proposed new transitional arrangements where rights to vehicle registration numbers held on a certificate have expired

Background

The Driver and Vehicle Licensing Agency's (DVLA) main function is the collection and enforcement of the payment of vehicle excise duty and to maintain an accurate driver and vehicle register. The vehicle register is based on vehicles and their registered keepers and when a vehicle is registered at the DVLA it is assigned a vehicle registration number. Vehicle registration numbers are not items of property in their own right - they are assigned and may be withdrawn by the Secretary of State for Transport as part of the registration and licensing process required by law. The vehicle registration number is a unique means of identifying a vehicle, primarily for taxation and law enforcement purposes, and is assigned to the vehicle rather than to its keeper. Unless it is transferred or retained, the registration number remains with the vehicle until it is scrapped or exported.

The law surrounding both the sale and retention of registration numbers does not provide for the renewal of entitlement where a right has expired. This means that any process in place that allows expired certificates to be extended when backdated fees are paid cannot continue. The vast majority of customers have kept their certificates up to date with around 95% extending or assigning a personalised registration before the right expires. Therefore, any practice of allowing expired certificates to be extended only affects a small proportion of customers.

Buying the right to a vehicle registration number from the DVLA

In response to public demand for greater access to attractive vehicle registration numbers, the DVLA operates a Sale of Marks scheme. This scheme offers customers the opportunity to buy the right to display brand new vehicle registration numbers which can be assigned to (put on) a vehicle.

The buyer (purchaser) of the right to a registration number is issued with a certificate of entitlement (V750) which (if the number was purchased on or after 9 March 2015) is valid for 10 years. The 'purchaser' is then entitled to have the registration number assigned to a vehicle registered in their name or in the name of a person nominated by them (the "nominee"). The purchaser can apply to assign the registration number to a vehicle by signing and sending in the V750 certificate to the DVLA. Alternatively, they can use the DVLA's online facility and check the appropriate declaration. Once the personalised registration has been assigned to a vehicle, it remains with that vehicle unless the registered keeper applies to take it off (i.e. and retain the right to assign it to another vehicle).

Retaining a right to a vehicle registration number

The DVLA also operates a retention scheme which enables a registered keeper to apply to be allowed to take a personalised registration number off their vehicle and keep it on hold until they are ready to assign it to another vehicle.

If an application is successful, the DVLA will issue a replacement registration number for the vehicle and will also issue a retention certificate (V778) for the retained number, which is valid for 10 years (if the application was made on or after 9 March 2015). The retention certificate is issued in the name of the registered vehicle keeper or another person nominated by them. The owner of the retention right is known as the 'grantee' and is the only person legally entitled to apply to assign the registration number to a vehicle. The grantee can apply to assign the registration number onto a vehicle by signing and sending in the V778 certificate to DVLA or by using the DVLA's online facility and checking the appropriate declaration.

Late extensions

Before 6 October 2008, customers could buy or extend the right to have a registration number assigned to a vehicle for one year. After 5 October 2008 and before 9 March 2015, customers could buy the right for a period of one, two or three years and they could extend that right for any of those periods for a fee of £25 for each year of extension. The law has since changed to allow for periods of ownership of a right for 10 years with no renewal fee. In order to extend a right, customers must apply within 28 days before it expires. A renewal reminder is sent by the DVLA, which confirms that customers will lose their right to use the vehicle registration number if no action is taken or an application is received after the date of expiry. The legal position is clear that if an application is not received to extend the right, the right to display the personalised registration number is lost.

Over a number of years, a small proportion of customers have contacted the DVLA where their certificates had expired and DVLA had allowed the right to be extended subject to payment of any outstanding fees owed. In addition, in 2011, the DVLA agreed to allow late renewals for members of personalised registration dealer associations at the point they sold a personalised registration number. These arrangements have caused confusion as to the status of expired relevant rights.

Consultation with Personalised Registration Dealers

The DVLA recognised that although remedial action has been implemented to bring certificates up to date, the overall terms required further consultation.

The DVLA consulted between 22 June 2017 and 27 July 2017 to understand how expired certificates have been managed by personalised registration dealers. We also sought views on the scope and conditions that could be applied to any revised transitional scheme that the DVLA may implement to manage expired certificates. Members of the public were also invited to provide their views on the current process. A copy of that consultation can be found at:

<https://www.gov.uk/government/consultations/transitional-arrangements-where-vehicle-registration-numbers-held-on-a-certificate-have-expired>

Proposed new transitional scheme

Following analysis of the consultation responses the DVLA proposes the following proposed new transitional scheme which would replace the current arrangements. The transitional scheme will be in place for a fixed period of time to allow those customers whose rights to a registration number have expired to re-purchase them.

It is important to note that these arrangements do not affect registration numbers that are currently assigned to a vehicle.

About this further consultation

This part of the consultation invites feedback on the proposed new transitional scheme. In particular, DVLA would like to know whether consultees have concerns about any aspect of the proposed new transitional scheme, and if so, how consultees suggest the proposed new transitional scheme should be altered.

The proposed scheme:

Driver and Vehicle Licensing Agency

New transitional arrangements for re-purchase of expired registration mark rights

Sale of Registration Marks Regulations 1995¹

Retention of Registration Marks Regulations 1993²

DVLA has recently consulted³ on the current transitional arrangements in place for the re-purchase of certain rights to registration marks which have expired. Following analysis of the consultation responses, the DVLA will operate the following transitional arrangements, in place of the current transitional arrangements, with effect from XXXX.

- 1) These new arrangements are offered to all customers, irrespective of whether they are a personalised registration dealer or a member of the public.
- 2) They only apply to an expired certificate of entitlement (V750 or V778) which:-
 - a. was purchased before 9th March 2015⁴; and
 - b. expired on or after 1 May 2011.
- 3) The DVLA is prepared to allow the person named on the latest issued certificate of entitlement **and** on DVLA records as the grantee (or purchaser) to re-purchase the right. Re-purchase applications from a nominee named on a certificate, or from any other party, will not be processed.
- 4) This offer will expire on XXXX (insert date 2 years hence).
- 5) The re-purchase price for an expired right will be for the sum of £25 for each full year (or part of a year) from the date of expiry of the entitlement to the date the application for re-purchase is received by the DVLA (paragraph 4(2) and 6(1)).
- 6) The purchaser will have to pay an assignment fee of £80 per right purchased, but the DVLA will not require this where the DVLA has already received such a fee and it has not been reimbursed (paragraphs 4(2) and 6(2)).
- 7) An application to re-purchase the right must be made to the DVLA in writing.

¹ S.I. 1995/2880 (as amended)

² S.I. 1993/987 (as amended)

³ Between 22nd June and 27th July 2017

⁴ Rights purchased on or after 9th March 2015 are exercisable for 10 years (by virtue of amendments made to S.I. 1995/2880 by S.I. 2015/193).

- 8) All applications will need to be accompanied by the latest issued certificate of entitlement or retention. In exceptional circumstances, consideration may be given to accepting applications without the latest certificate if evidence of prior entitlement is supplied. This may include evidence that details supplied match those held on DVLA records together with any supporting verification, and/or the provision of a statutory declaration verified by a practising solicitor to declare that the certificate has been lost or destroyed and has not passed to a third party. The applicant may be required to indemnify DVLA from any potential future disputes or claims from third parties.
- 9) Rights so re-purchased will be exercisable for 10 years, unless extended before expiry in accordance with the Scheme (paragraph 2(3)).
- 10) Written applications must be sent to the following address:-

**DVLA - PR4
Longview Road
Swansea
SA99 1ZZ**

Date: XXXX

Notes

Paragraph references given are to paragraphs of the Sale of Registration Marks Scheme 1995 (as amended). References to the Scheme are references to that Scheme.

You are invited to comment on the proposed transitional scheme.

Are you content with the proposed scheme? Yes No

If not, please explain what your concerns are.

Please also indicate how you would like it to be altered.

Your details

Your name: _____

Company name (if applicable): _____

If you are **not** a personalised registration dealer, please tick here

Duration

Comments are invited between 27 September 2017 and 18 October 2017.

How to respond

You can respond in the following ways:

- By post to: **Strategy, Policy & Communications Directorate, D16, Driver and Vehicle Licensing Agency , Swansea, SA6 7JL**
- Email to: PRconsultation@dvla.gsi.gov.uk

Freedom of Information

Respondents are asked to note that we may publish some or all of the comments received in response to this consultation. Also, if a third party asks to see such comments, we may be obliged by law (for example, under the Freedom of Information Act 2000 or Environmental Information Regulations 2004) to disclose them. If there are particular reasons why you would not wish your comments to be published or disclosed, please let us know. Although your wishes in this respect may not override any statutory requirement to disclose, they will be taken into account so far as possible. If you reply by email, the above overrides any confidentiality disclaimer generated by your IT system.

After the Consultation

All responses will be considered as part of the consultation process. We will explore the possibility of incorporating valid suggestions and comments. The summary of responses will be published within three months and before or alongside any further action. We will notify those who responded to the consultation when this happens.

The Consultation Principles

Because of the limited impact and scope of this proposal we are carrying out a shortened consultation targeted towards key industry groups. We believe that this consultation complies with the Consultation Principles, which are published by the Cabinet Office online at:

[http://www.cabinetoffice.gov.uk/resource-library/consultation-principles-guidance.](http://www.cabinetoffice.gov.uk/resource-library/consultation-principles-guidance)

A summary is shown below:

- Consultations should be clear and concise;
- Consultations should have a purpose;
- Consultations should be informative;
- Consultations are only part of a process of engagement;
- Consultations should last for a proportionate amount of time;
- Consultations should be targeted;
- Consultations should take account of the groups being consulted;
- Consultations should be agreed before publication;
- Consultations should facilitate scrutiny;
- Government responses to consultations should be published in a timely fashion;
- Consultation exercises should not generally be launched during local or national election periods.

If you consider that this consultation does not comply with the consultation principles or you have comments about the consultation process please contact:

Hayley Bowen
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Strategy, Policy & Communications Directorate
DVLA
Swansea
SA6 7JL

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