

Individual vehicle approval for lorries: help to get a pass Driver and Vehicle Standards Agency (DVSA)

RPC rating: validated

Description of proposal

The proposal updated guidance for producers of heavy goods vehicles that use individual vehicle approval (IVA) as an approval route for UK vehicle registration. This 'help to get a pass' guidance sets out how DVSA inspectors will examine vehicles, the required standards that apply, and the most common issues which lead to inspection failure. The document was updated in March 2017 following a review of IVA pass rates.

Impacts of proposal

To identify the number of businesses affected by the change, the BIT assessment uses industry figures from when the IVA scheme came into force, indicating that approximately 600 businesses may read the updated guidance. It is assumed that two technicians and one manager would do so from each of these businesses which, based on an average reading speed of 200 words per minute, is expected to take between 20-30 minutes. When including further discussion and consideration of the contents, the assessment estimates that full familiarisation with the guidance would take one hour per person in total. This generates a cost to business of £28,000, which is assumed to recur each year as employees refer back to the document to reacquaint themselves. Therefore, the equivalent annual net direct cost to business (EANDCB) is estimated to be zero, when rounded to the nearest £0.1 million.

Quality of submission

The assessment provides a proportionate level of evidence, enabling the RPC to validate an EANDCB of zero. The only direct impact identified by the regulator is the cost to business of reading, and referring back to, the updated guidance.

The assessment states that '*as the guidance already existed, the counterfactual position is that the information was already available*' (page 5). The assessment would benefit from considering the cost incurred by businesses reading the old guidance, and comparing this to the time spent reading the new document, in order to isolate the additional impact of the guidance update. While this would be the correct approach, as it would serve to reduce the direct cost to business, the RPC accepts that this would not affect the EANDCB in rounded terms.

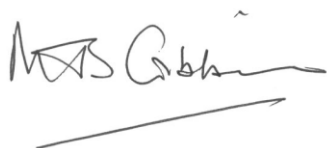
To estimate the time taken for businesses to read the guidance, a reading speed of 200 words per minute is used (including a comprehension rate of 80 per cent). The assessment would benefit from explaining the basis for this assumption, making explicit reference to the relevant source.

Departmental assessment

Classification	Qualifying regulatory provision
Equivalent annual net direct cost to business (EANDCB)	Zero
Business net present value	£0.2 million

RPC assessmentⁱ

Classification	Qualifying regulatory provision (IN)
EANDCB – RPC validated	Zero
Business impact target score	Zero



Michael Gibbons CBE, Chairman

ⁱ For reporting purposes, the RPC validates EANCB and BIT score figures to the nearest £100,000