

## EXPLANATORY MEMORANDUM TO

### THE MOTOR VEHICLES (DRIVING LICENCES) (AMENDMENT) REGULATIONS 2010

2010 No. 1203

1. This explanatory memorandum has been prepared by the Department for Transport and is laid before Parliament by Command of Her Majesty.

#### 2. Purpose of the instrument

This instrument amends the Motor Vehicles (Driving Licences) Regulations 1999, SI 1999/2864, (the “Driving Licences Regulations”) in relation to the theory test, practical test and accompanying driver arrangements. It does so to provide for an abridged theory test for learner car drivers and to provide greater flexibility in the number of reversing manoeuvres that are normally performed by learner car drivers during the practical driving test. The instrument also requires an accompanying driver (i.e. one who supervises a learner driver) in a sub-category C1 (medium size lorry) or sub-category D1 (minibus) including vehicle plus trailer combinations (+E) to have passed a test which is appropriate to the vehicle.

#### 3. Matters of special interest to the Joint Committee on Statutory Instruments

None.

#### 4. Legislative Context

4.1 The Driving Licences Regulations prescribe the driving licence entitlements required to be held by persons who wish to drive certain types of vehicles, and the format and content of the driving tests which must be passed in order to gain those entitlements.

4.2 This instrument amends the Driving Licences Regulations to provide for a safe road use test of knowledge in the context of a new qualification in safe road use. It also provides for those who have been awarded the new qualification to take an abridged test of driving theory for cars, as long as the qualification has been awarded within the three years prior to taking that test and the candidate has not subsequently been disqualified from driving. This instrument also prescribes the fee for the abridged theory test.

4.3 This instrument also amends the Driving Licences Regulations to provide greater flexibility in the number of reversing manoeuvres that learner car drivers are normally required to perform during the practical driving test.

4.4 This instrument also amends the Driving Licences Regulations to require those acting as an accompanying driver in a sub-category C1 (medium size lorry) or sub-category D1 (minibus) vehicle to have passed an appropriate test. Current law requires that a person holding a provisional driving licence may not drive a vehicle unless they are accompanied by a qualified driver – legislation defines a qualified driver as someone holding a full driving licence with an entitlement to drive vehicles of the same category of the vehicle being driven by the provisional licence holder. But certain entitlements exist for persons granted a class B (car) licence before 1997 to drive sub-category C1 and D1 vehicles, without having actually passed a test in a vehicle of the category to which the entitlement relates. The amendments made by this instrument are intended to ensure that supervising drivers for those learning to drive a medium size lorry or minibus have themselves passed a test in the same type of vehicle and, subject to transitional arrangements for those having taken a test before 1 May 2010, that the supervising drivers have had at least three years experience after taking such a test.

## **5. Territorial Extent and Application**

This instrument applies to Great Britain.

## **6. European Convention on Human Rights**

As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

## **7. Policy background**

### *What is being done and why*

7.1 Newly-qualified drivers are overly represented in road traffic casualty statistics. Research shows that one in five has a collision within six months of passing their driving test, and newly-qualified drivers and their passengers accounted for one in five of all car deaths in Great Britain in 2006. Following public consultation, the Government announced on 21 April 2009 a long-term programme of major reforms that will progressively strengthen the way that people learn to drive and are tested. The objective is to ensure that newly-qualified drivers are better prepared for driving in today's modern driving conditions. The policy changes introduced by this instrument are the second in a series of proposed improvements to the driving tests under the *Learning to Drive* programme. The first improvement was made in September 2009 when, in order to better assess a candidates' understanding of safe driving and riding, the content of the theory test for cars, motorcycles and mopeds was changed so that it was no longer confined to a prescribed number of questions in multiple choice or multiple response form.

### *An abridged theory test for learner car drivers*

7.2 Research and surveys have told us that young people are interested in preparing to learn about safe road use before they are able to apply for a provisional driving licence. A new voluntary qualification in Safe Road Use has been developed to meet this need. The objective is to influence attitudes much earlier, so that young people leave school with a solid grounding in safe road use, including knowledge and understanding of the rules of the roads. The qualification is primarily targeted at young people aged 14-16; although there are no age restrictions on who can take the qualification.

7.3 There is an overlap between the syllabus for the new qualification and the syllabus for the standard theory test for learner car drivers. This enables award of the full qualification, which requires the student to pass an assessment in respect of some of the knowledge elements of the theory test, to serve as prior learning towards the standard driving theory test. It is proposed to recognise this through the introduction of an abridged version of the theory test for learner car drivers, which will be available to people previously awarded the qualification within three years of the date of that test, provided that have not subsequently been disqualified from driving. This step will help to incentivise and reward young people for taking the qualification.

7.4 The abridged theory test for learner car drivers will be of a shorter duration than the standard test of driving theory. In reflection of this, a fee of £24 is proposed for the abridged theory test. This is a proportionate reduction on the fee of £31 for the standard theory test for learner car drivers.

7.5 The instrument also contains detailed provisions about the new safe road use test of knowledge, including how it is to be conducted and by whom. In particular it has to be taken in the context of a wider recognised educational qualification in safe road use. The educational qualification has already been introduced in the form of the Safe Road User Award, which has been developed in conjunction with the Scottish Qualifications Authority in its role as awarding body for national qualifications. The qualification can be taken throughout Great Britain. It is

expected that other awarding bodies will also deliver the qualification in Safe Road Use in the future.

### ***Reversing manoeuvres performed by learner car drivers during the practical driving test***

7.6 Over 1.7 million practical tests were undertaken in 2008. It is estimated that fewer than 4% of tests were failed solely as a result of the candidate not being able to perform one of the required reversing manoeuvres, with a further 0.6% failing for not being able to perform two of the required reversing manoeuvres. Over 90% of those who failed the practical car test therefore did so as a result of general driving faults. This pattern is reflected in road casualty statistics which show that only 2% of cars involved in road traffic collisions are reversing or performing a U turn.

7.7 To ensure that newly qualified drivers are better prepared to drive in today's modern driving conditions, the focus of the practical driving test for cars is being changed so that the emphasis is less on manoeuvres and more on general driving. This will allow the examiner to assess driving ability in higher risk situations including on rural or higher speed roads, or when performing right turns across traffic, or joining and changing lanes in faster moving traffic.

7.8 EU legislation requires the practical car test to assess certain specified manoeuvres. The minimum requirement is that at least two of four specified manoeuvres are assessed, including one in reverse gear. The current practical car test in Great Britain assesses three specified manoeuvres, with two performed in reverse gear. It therefore goes beyond the minimum requirements of the EU Directive.

7.9 Whilst learner car drivers will still be encouraged to learn thoroughly how to carry out the full range of specified manoeuvres, it is proposed to reduce the number of manoeuvres that are normally conducted during any particular practical car test from three to two, and within this to also reduce from two to one the number that must be performed in reverse. This would bring us more in line with the minimum requirements of the underlying EU Directive and will also allow more time, during the test, to assess general driving skills.

### ***Supervising C1 and D1 Learner Drivers***

7.10 A provisional licence holder should not drive a vehicle until they have passed a driving test for that class of vehicle or unless they are under the direct supervision of a qualified driver. To act as a qualified driver, you must:

- be 21 years of age or over,
- hold a relevant licence,
- have the relevant driving experience (usually three years).

7.11 A "relevant licence" is defined as '*a full licence authorising the driving of vehicles of the same class as the vehicle being driven by the provisional licence holder*'.

7.12 Prior to January 1997, drivers who passed their category B (car) driving test, were also granted entitlements to drive medium size lorries and minibuses including some vehicle plus trailer (+E) combinations with certain restrictions, without having taken dedicated tests in such vehicles. These entitlements are commonly known as 'implied rights' entitlements. Since January 1997 such implied entitlements have not been issued, instead a person must satisfy certain medical requirements and prove competence to drive a vehicle in sub-category C1 or D1 by taking and passing a relevant driving test.

7.13 The amendments will ensure that only those persons who have proved they have the necessary skills and knowledge to drive a larger vehicle by passing a relevant driving test are allowed to act as the qualified driver when supervising a learner driving a sub-category C1 or D1 vehicle.

7.14 We do not wish to penalise those drivers who relied upon their implied rights entitlements and provided training for learner drivers in the categories of vehicles concerned. Those persons who acquired a full C1/D1 licence (including sub-categories C1+E or D1+E) by taking and passing a driving test before 1 May 2010, will receive credit for the time they held their ‘implied rights’ licence to enable them to satisfy the qualified driver rules – i.e. to have held the relevant licence for the relevant period - normally three years, and continue to provide training.

### ***Consolidation***

7.15 Although this instrument further amends the Driving Licences Regulations, the Department has no current plans to undertake a consolidation in view of the considerable resource that would need to be devoted to such a significant exercise.

## **8. Consultation outcome**

### ***An abridged theory test for learner car drivers***

8.1 The recognition of prior learning through the new safe road use qualification was included in the *Learning to Drive Consultation Paper*, which was the subject of a public consultation over the period 7 May 2008 to 6 October 2008. Consultees included approved driving instructors, road safety stakeholders including local authorities, special interest groups and private individuals. Young people were specifically targeted through the Driving Standards Agency’s Young People’s Forum on Learning to Drive, which engaged with young people through a number of consultation workshops held in colleges and universities around the country.

8.2 Almost seven thousand questionnaire responses were received to the consultation. In addition a further 1,400 people, mainly approved driving instructors, provided feedback through a series of regional stakeholder events and Business Customer Conferences. Our detailed analysis of the responses to the proposals is set out in the *Learning to Drive Report on Consultation*, which is available on the DSA website at: [www.dsa.gov.uk](http://www.dsa.gov.uk).

8.3 Responses to the consultation showed widespread strong support for the new qualification, particularly from young people if they were rewarded in some way for undertaking the course, and it helped them to prepare for learning to drive.

8.4 On 21 April 2009 the DSA started a separate 12 week public consultation on the proposed fee of £24 for the abridged theory test for learner car drivers. Consultees included approved driving instructors, road safety stakeholders including local authorities, special interest groups and private individuals. A total of thirty four responses were received. Of these, twenty nine provided an indication of their level of support for the proposed fee. Some twenty four (83%) agreed with the proposed fee. Five (9%) disagreed. Our analysis of the responses to the proposed fee is set out in *Report on Consultation: An Abridged Theory Test for learner car drivers* which is available on the DSA website at: [www.dsa.gov.uk](http://www.dsa.gov.uk).

### ***Reversing manoeuvres performed by learner car drivers during the practical driving test***

8.5 The *Learning to Drive* consultation exercise, described in 8.1 and 8.2 above, acknowledged that the practical car test should focus more on general driving and less on the specified manoeuvres, and invited views on the number of specified manoeuvres tested and the way in which this is done.

8.6 Responses to the consultation showed that many respondents agreed that too much emphasis is placed on manoeuvres during the practical car test and that managing road systems safely is more important in real life driving.

## ***Supervising C1 and D1 Learner Drivers***

8.7 The proposal to clarify who may act as the qualified driver, in a sub-category C1 or D1 vehicle was contained in the Consultation Paper: *Improved Services for Customers and General Fee Increases for 2008*, issued by DSA on 30 August 2007.

8.8 DSA wrote to over 6,000 driver and rider training associations, trade associations, individuals, specialist interest groups and those associated with the police and judiciary. The consultation paper was posted on the DSA website and consultees had until 23 November 2007 to make their views known.

8.9 94 responses were received to the consultation, of which 39 commented specifically on the proposal to clarify the accompanying driver rules. Of those 39 responses, 82% supported the proposed change. Our analysis of the responses to the proposed fee is set out in the Report on Consultation: *Improved Services for Customers and General Fee Increases for 2008*, which is available on the DSA website at: [www.dsa.gov.uk](http://www.dsa.gov.uk).

## **9. Guidance**

### ***An abridged theory test for learner car drivers***

9.1 DSA has published a leaflet, *What is the Safe Road User Award*, aimed at students taking the new qualification in safe road use. The leaflet explains how award of the qualification will make them eligible to take a shorter version of the standard theory test if they learn to drive, provided they take their theory test within three years of receiving the qualification. The new abridged theory test will be reflected in DSA's '*The Official Theory Test for Car Drivers*' publication once the legislation has been brought into force.

### ***Reversing manoeuvres performed by learner car drivers during the practical driving test***

9.2 The changes to the manoeuvres that are assessed during the practical car test will be reflected in DSA's official publications, including '*The Official DSA Guide to Driving - the Essential Skills*' publication, once the legislation has been brought into force.

## ***Supervising C1 and D1 Learner Drivers***

9.3 DSA has publicised the changes widely. The publicity campaign has included the publication of articles in Despatch Magazine sent to all ADIs and others interested in road safety, posters have been displayed in Driving Test Centre waiting areas and information placed on the DSA Website. Information was also made available at business customer conferences arranged by DSA in 2009.

9.4 In addition, the changes to the accompanying driver rules have been reflected in the latest editions of DSA's official publications: '*The Official DSA Guide to Driving Goods Vehicles*' and '*The Official DSA Guide to Driving Buses and Coaches*'.

## **10. Impact**

### ***An abridged theory test for learner car drivers***

10.1 The cost of driving tests is met by the candidates themselves. Therefore the new provisions place no burden on business, charities or the voluntary sector.

10.2 The proposed fee of £24 for the abridged theory test for learner car drivers ensures that DSA covers the estimated cost of delivering the new test, without making an operating profit or loss. Overall, therefore there is no impact on the public sector.

10.3 An Impact Assessment for the abridged theory test for learner car drivers is attached to this memorandum.

10.4 DSA's overall costs in relation to the safe road use educational qualification and assessment test are being met through the usual method applied to educational awards. The qualification awarding body will receive a capitation payment from the training body in respect of each student entered on the course. From this the awarding body will reimburse DSA an amount for each award reflecting DSA's input in developing the overall qualification.

10.5 There is no direct fee payable by test candidates. The Scottish Qualifications Authority and other future awarding bodies are expected to recover their own costs in the normal way as with other similar educational authorities through examination and course fees charged to relevant educational bodies. The new provisions also place no new burden on business, charities or the voluntary sector. An Impact Assessment has not therefore been prepared.

#### ***Reversing manoeuvres performed by learner car drivers during the practical driving test***

10.6 The proposed change to the manoeuvres normally performed by learner car drivers has no impact on the fee for the practical car test. The new provisions also place no burden on business, charities or the voluntary sector. An Impact Assessment has not therefore been prepared.

#### ***Supervising C1 and D1 Learner Drivers***

10.7 We estimate that only 30 people providing driver training in sub-category C1 or D1 vehicles rely on 'implied rights' entitlements to enable them to act as the accompanying driver. The cost of passing an appropriate test and obtaining an unrestricted licence is estimated to be £187 per licence category. These costs are likely to be recovered from their candidates through the fee charged for their training.

10.8 We have been unable to identify any public sector costs associated with this change.

10.9 An Impact Assessment for this proposal is attached to this memorandum.

### **11. Regulating small business**

The legislation does not impact on small business. Nonetheless many driving schools providing instruction in driving motor cars and training organisations providing training in vocational vehicles would employ less than 20 people, and these were consulted during the consultation processes.

### **12. Monitoring & review**

#### ***An abridged theory test for learner car drivers***

12.1 The proposed fee of £24 ensures that DSA covers the estimated cost of delivering the abridged theory test for learner car drivers from the outset. The level of the fee will be reviewed annually as part of the DSA's Business Planning procedures, and the legislation may be amended accordingly.

#### ***Reversing manoeuvres performed by learner car drivers during the practical driving test***

12.2 The effects of changes to the reversing manoeuvres performed during the practical car test will be reviewed after two years of coming into force and periodically thereafter to ensure the policy objectives have been met and to assess the actual impacts.

## *Supervising C1 and D1 Learner Drivers*

12.3 The effects of changes to the supervising driver requirements will be reviewed after two years of coming into force and periodically thereafter to ensure the policy objectives have been met and to assess the actual impacts.

### **13. Contact**

Mark Magee at the Driving Standards Agency Tel: 0115 936 6160 or e-mail: [mark.magee@dsa.gsi.gov.uk](mailto:mark.magee@dsa.gsi.gov.uk) can answer any queries regarding the abridged theory test for learner car drivers and the changes to the reversing manoeuvres performed in the practical car test. Rick Annable Tel: 0115 936 6099 or e-mail: [rick.annable@dsa.gsi.gov.uk](mailto:rick.annable@dsa.gsi.gov.uk) can answer any queries about the supervising driver requirements.





## Summary: Intervention & Options

<b>Department /Agency:</b> <b>Driving Standards Agency</b>	<b>Title:</b> <b>Impact Assessment of Clarification of rules for supervision of C1 and D1 Vehicle learners</b>	
<b>Stage: Final</b>	<b>Version: 8</b>	<b>Date: 6 February 2008</b>
<b>Related Publications:</b> Consultation Paper: Improved Services for Customers and General Fee Increases for 2008		

**Available to view or download at:**

<http://www.dsa.gov.uk>

**Contact for enquiries:** Rick Annable

**Telephone:** 0115 901 5914

What is the problem under consideration? Why is government intervention necessary?

The existing definition of 'the accompanying driver' as provided for in The Motor Vehicles (Driving Licences) Regulations 1999 [as amended] is ambiguous in respect of holders of pre-1997 licences supervising learners driving category C1 and D1 vehicles. This risks allowing those without suitable skills and knowledge to supervise driver training, to the detriment of road safety. Legislative amendment is needed to rectify this.

What are the policy objectives and the intended effects?

To improve road safety by ensuring that only those persons who have proved they have the necessary skills and knowledge to drive a category C1 or D1 vehicle by passing a test may act as the accompanying driver.

What policy options have been considered? Please justify any preferred option.

To require drivers holding pre-1997 licences with implied rights for category C1 or D1, who wish to act as an accompanying driver to: (i) have passed a relevant driving test by April 2009; or (ii) provide evidence of having regularly driven category C1 or D1 vehicles prior to April 2009; or (iii) have passed a relevant driving test by April 2010. In implementing any of these options the legislation would need amending so that the time spent under "implied rights" converted towards the "experience" required. Option (iii) best ensures that the accompanying driver has satisfied the higher medical checks and has passed a test of competence for the category of vehicle in which they are acting as such. It also provides a generous transition period.

When will the policy be reviewed to establish the actual costs and benefits and the achievement of the desired effects? The policy will be reviewed after two-years of coming into force and periodically thereafter to ensure that the policy objectives have been met and to assess the actual impacts.

**Ministerial Sign-off** For final proposal/implementation stage Impact Assessments:

***I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.***

Signed by the responsible Minister:

*Jim Fitzpatrick*

8 February 2008

## Summary: Analysis & Evidence

**Policy Option: 1**

**Description: Require appropriate testing by April 2009.**

<b>COSTS</b>	<b>ANNUAL COSTS</b>		Description and scale of <b>key monetised costs</b> by 'main affected groups' Cost to driver trainers relying on pre-1997 category C1 or D1 licences (plus sub-categories) who act as an accompanying driver whilst delivering training [potential loss of revenue] - £8730
	<b>One-off</b> (Transition)	<b>Yrs</b>	
	£ 8,730	1	
	<b>Average Annual Cost</b> (excluding one-off)		
	£		<b>Total Cost (PV)</b> £ 8,730
<p>Other <b>key non-monetised costs</b> by 'main affected groups'</p> <p>Inconvenience as learner drivers of category C1 or D1 vehicles will need to ensure they are accompanied by a full licence holder.</p>			

<b>BENEFITS</b>	<b>ANNUAL BENEFITS</b>		Description and scale of <b>key monetised benefits</b> by 'main affected groups'
	<b>One-off</b>	<b>Yrs</b>	
	£		
	<b>Average Annual Benefit</b> (excluding one-off)		
	£		<b>Total Benefit (PV)</b> £
<p>Other <b>key non-monetised benefits</b> by 'main affected groups'</p> <ul style="list-style-type: none"> <li>• Improved road-safety during driver training, potential reduction in accidents</li> <li>• Improved clarity of legislation - reduces costs to those needing to assess requirements</li> </ul>			

**Key Assumptions/Sensitivities/Risks** The majority of C1/D1 training is conducted by professional driver trainers who don't rely on implied rights as they already hold licences of a higher category (C or D) and so will not be affected by the proposed changes. Those driver trainers relying on implied rights (category C1 and D1) will have no difficulty in passing.

Price Base Year 1	Time Period Years 2	<b>Net Benefit Range</b> (NPV) £	<b>NET BENEFIT</b> (NPV Best estimate) £ -8,730
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What is the geographic coverage of the policy/option?			GB		
On what date will the policy be implemented?			1 <sup>st</sup> April 2009		
Which organisation(s) will enforce the policy?			DSA		
What is the total annual cost of enforcement for these organisations?			£		
Does enforcement comply with Hampton principles?			Yes		
Will implementation go beyond minimum EU requirements?			No		
What is the value of the proposed offsetting measure per year?			£		
What is the value of changes in greenhouse gas emissions?			£		
Will the proposal have a significant impact on competition?			No		
Annual cost (£-£) per organisation (excluding one-off)		Micro	Small	Medium	Large
Are any of these organisations exempt?		No	No	N/A	N/A

<b>Impact on Admin Burdens Baseline</b> (2005 Prices)			(Increase - Decrease)		
Increase of	£	Decrease of	£	<b>Net Impact</b>	£

Kev: Annual costs and benefits: Constant Prices

## Summary: Analysis & Evidence

**Policy Option: 2**

**Description: Require proof of experience, in experience requirement.**

<b>COSTS</b>	<b>ANNUAL COSTS</b>		Description and scale of <b>key monetised costs</b> by 'main affected groups'
	<b>One-off</b> (Transition)	<b>Yrs</b>	
	£		
	<b>Average Annual Cost</b> (excluding one-off)		
	£		<b>Total Cost (PV)</b>
Other <b>key non-monetised costs</b> by 'main affected groups' Costs to drivers where current supervisors are no longer able to provide accompaniment. Costs to supervisors in providing proof of experience.			

<b>BENEFITS</b>	<b>ANNUAL BENEFITS</b>		Description and scale of <b>key monetised benefits</b> by 'main affected groups'
	<b>One-off</b>	<b>Yrs</b>	
	£		
	<b>Average Annual Benefit</b> (excluding one-off)		
	£		<b>Total Benefit (PV)</b>
Other <b>key non-monetised benefits</b> by 'main affected groups' Improved road-safety during driver training, potential reduction in accidents. Improved clarity of legislation - reduces costs to those needing to assess requirements			

**Key Assumptions/Sensitivities/Risks** The majority of C1/D1 training is conducted by professional driver trainers who don't rely on implied rights as they already hold licences of a higher category (C or D) and so will not be affected by the proposed changes.

Price Base Year	Time Period Years	<b>Net Benefit Range</b> (NPV) £	<b>NET BENEFIT</b> (NPV Best estimate) £
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What is the geographic coverage of the policy/option?			GB		
On what date will the policy be implemented?			1 <sup>st</sup> April 2009		
Which organisation(s) will enforce the policy?			DSA		
What is the total annual cost of enforcement for these organisations?			£		
Does enforcement comply with Hampton principles?			Yes		
Will implementation go beyond minimum EU requirements?			No		
What is the value of the proposed offsetting measure per year?			£		
What is the value of changes in greenhouse gas emissions?			£		
Will the proposal have a significant impact on competition?			No		
Annual cost (£-£) per organisation (excluding one-off)		Micro	Small	Medium	Large
Are any of these organisations exempt?		No	No	N/A	N/A

<b>Impact on Admin Burdens Baseline</b> (2005 Prices)			(Increase - Decrease)		
Increase of	£	Decrease of	£	<b>Net Impact</b>	£

Kev: **Annual costs and benefits: Constant Prices**

## Summary: Analysis & Evidence

**Policy Option: 3**

**Description: Require appropriate testing by**

<b>COSTS</b>	<b>ANNUAL COSTS</b>		Description and scale of <b>key monetised costs</b> by 'main affected groups' Cost to driver trainers relying on pre-1997 category C1 or D1 licences (plus sub- categories) who act as an accompanying driver whilst delivering training [potential loss of revenue] - £8730
	<b>One-off</b> (Transition)	<b>Yrs</b>	
	£ 8,730	2	
	<b>Average Annual Cost</b> (excluding one-off)		
	£		
<b>Total Cost (PV)</b>			<b>£ 8,582</b>
Other <b>key non-monetised costs</b> by 'main affected groups' Inconvenience as learner drivers of category C1 or D1 vehicles will need to ensure they are accompanied by a full licence holder. Costs to supervisors in providing proof of experience.			

<b>BENEFITS</b>	<b>ANNUAL BENEFITS</b>		Description and scale of <b>key monetised benefits</b> by 'main affected groups'
	<b>One-off</b>	<b>Yrs</b>	
	£		
	<b>Average Annual Benefit</b> (excluding one-off)		
	£		
<b>Total Benefit (PV)</b>			<b>£</b>
Other <b>key non-monetised benefits</b> by 'main affected groups' Improved road-safety during driver training, potential reduction in accidents. Improved clarity of legislation - reduces costs to those needing to assess requirements.			

**Key Assumptions/Sensitivities/Risks** The majority of C1/D1 training is conducted by professional driver trainers who don't rely on implied rights as they already hold licences of a higher category (C or D) and so will not be affected by the proposed changes. Those driver trainers relying on implied rights (category C1 and D1) will have no difficulty in passing.

Price Base Year	Time Period Years	<b>Net Benefit Range</b> (NPV) £	<b>NET BENEFIT</b> (NPV Best estimate) <b>£ -8,582</b>
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What is the geographic coverage of the policy/option?			GB		
On what date will the policy be implemented?			1 <sup>st</sup> April 2010		
Which organisation(s) will enforce the policy?			DSA		
What is the total annual cost of enforcement for these organisations?			£		
Does enforcement comply with Hampton principles?			Yes		
Will implementation go beyond minimum EU requirements?			No		
What is the value of the proposed offsetting measure per year?			£		
What is the value of changes in greenhouse gas emissions?			£		
Will the proposal have a significant impact on competition?			No		
Annual cost (£-£) per organisation (excluding one-off)		Micro	Small	Medium	Large
Are any of these organisations exempt?		Yes/No	Yes/No	N/A	N/A

<b>Impact on Admin Burdens Baseline</b> (2005 Prices)			(Increase - Decrease)		
Increase of	£	Decrease of	£	<b>Net Impact</b>	<b>£</b>

Key:      **Annual costs and benefits: Constant Prices**      **(Net) Present Value**

[Use this space (with a recommended maximum of 30 pages) to set out the evidence, analysis and detailed narrative from which you have generated your policy options or proposal. Ensure that the information is organised in such a way as to explain clearly the summary information on the preceding pages of this form.]

### Introduction

Ministers have agreed to remove the ambiguity in the existing definition of the accompanying driver as provided for in Regulations in respect of the holders of pre-1997 licences supervising learner drivers in category C1 and D1 (plus sub-categories) vehicles.

### Why are we proposing to clarify the regulations?

Prior to 1 January 1997, people who passed the car driving test (category B) were also granted implied entitlement (often referred to as “grandfather rights”) for the following categories of vehicle, (subject to certain restrictions):

- C1 - medium size vehicle,
- C1+E - medium size vehicle plus trailer (limited to 8.25 tonnes. Restriction Code 107)
- D1 - minibus (limited to not for hire or reward. Restriction Code 101)
- D1+E - minibus plus trailer (limited to not for hire or reward. Restriction Code 101)

The Regulations require that a provisional licence holder should not drive a vehicle until they have passed a driving test for that class of vehicle or unless they are under the direct supervision of a qualified driver.

Regulation 17 provides that a person is a qualified driver .....if he-

- a) is 21 years of age or over,
- b) holds a relevant licence,
- c) has the relevant driving experience, and.....

Regulation 17(3) (c) (ii) defines “relevant licence” as:

a full licence authorising the driving of vehicles of the same class as the vehicle being driven by the provisional licence holder.

It was the intention when this legislation was drafted that people holding vocational licences in sub-categories C1+E, D1 and D1+E by virtue of ‘grandfather rights’ should not be allowed to act as qualified drivers (often referred to as ‘accompanying drivers’) for learners of those vehicles. This is because the holders of these licences had not demonstrated competence (ie passed a driving test) for category C1 or D1 vehicles.

However, it has been recognised that the regulations are ambiguous in this respect.

A category C1 licence obtained pre-1997 via ‘grandfather rights’ does not carry any restriction and so those people holding that entitlement have been allowed to accompany and provide tuition to learner drivers. This was not the intention behind the original legislation. We also

know from enquiries received that the differences between a restricted and an unrestricted pre-1997 licence have caused confusion.

We believe that allowing drivers, who have not passed the relevant test of competence to drive and may have had little or no experience in driving larger vehicles by virtue of being granted an implied entitlement, present a risk to road safety. Such drivers supervising learner drivers of category C1 or D1 vehicles may be unable to provide the provisional licence holder with appropriate guidance especially in difficult or unusual situations.

## **Costs and Benefits**

### *Benefits*

Any improvement to the training and supervision of learner drivers of category C1 or D1 vehicles will deliver road safety benefits for all road users. With only a small number of supervisors likely to be affected, this is likely to provide very minor benefits, and these have not been quantified. Benefits are expected to be accrued for as long as they are responsible for supervising learner drivers, and into the future as drivers are better trained.

DSA conducts some 7,500 C1/C1+E and D1/D1+E tests per year. Most candidates for these tests are accompanied by professional vocational driver trainers who already hold full category C/C+E and/or D/D+E licences. Very few candidates present for test with accompanying drivers who obtained their licence before 1997. We estimate that approximately 30 people who rely on pre-1997 implied rights licences are currently providing training in C1, C1+E, D1 and D1+E vehicles. It is in relation to these individuals that the majority of benefits will be accrued. This is because it is not expected that a significant number who rely on these implied rights licences would begin providing supervision who do not already do so.

In addition, there may be some minor benefits through reducing the burden on those ascertaining the requirements of the law, and in checking that their chosen supervisor is suitably qualified.

Benefits are not expected to vary significantly across the options presented. However, options (i) and (iii), which require tests to be completed, are likely to present better safety benefits, as they provide confidence that accompanying drivers are competent

### *Costs:*

DSA has been unable to identify any public sector costs associated with this proposal.

Costs arise where drivers are forced to undertake testing in order to retain their right to supervise unqualified drivers. This is the case for options (i) and (iii). For the following calculations, we assume that drivers will pass first time, as they are likely to be experienced drivers who are engaged in training already. In reality, some may require more than one attempt, meaning that this might be a slight underestimate.

We estimate the cost of obtaining an unrestricted category C or D licence will be £187 per driver:

- Provisional licence: Free
- Medical: £80.00
- Theory test: £32
- Practical test: £105

[TOTAL: £187]

There will also be costs from the time taken to undertake these tests. If we assume that this would be time taken out of working days, we can apply a value of working time of £13 per hour for goods vehicle drivers, in 2007 prices. Assuming that a total of one day (8 hours) is required to carry out these tests, this adds costs of £104 per applicant.

We believe approximately 30 drivers would be adversely affected by this proposal:

Total Cost = £291 x 30 drivers = £8,730

These costs would be incurred over the first year, in the case of option (i), but would be spread over the first two years of implementation for option (iii), where some drivers can delay their assessment subject to the evidence being provided regarding driving experience. This reduces the present value of these costs to £8,582 for option (iii), assuming that the retesting is spread evenly over the two years.

There will also be costs where current supervisors are prevented from carrying out these functions due to the requirements, as learners would have to find others to accompany them. However, without knowledge of the workload of the drivers affected, it has not been possible to quantify this impact. This impact will be relevant for all three options, but is likely to be more significant for options (i) and (iii).

Option (ii) will entail some minor administrative costs in providing details on experience for drivers.

## **Equality, Environmental and Social Impacts**

We have conducted initial screening tests on the grounds of:

- Competition Assessment
- Small Firms Impact Test
- Legal Aid
- Sustainable Development
- Carbon Assessment
- Other Environment
- Health Impact Assessment
- Race Equality
- Disability Equality
- Gender Equality
- Human Rights, and
- Rural Proofing

We have not identified any adverse effects resulting from this proposal in respect of the category areas mentioned above. However, we believe there could be positive road safety benefits delivered by the enhanced quality assurance arrangements – better quality assurance ensures better delivery of driver testing leading to safer drivers – this, in turn, could improve accident rates easing the burden on the Health Service. In addition, better trained drivers can generate at least a 5% saving in fuel consumption. This not only has benefits for the employer but less fuel consumption is better for the environment.

## **Monitoring and Evaluation**

The proposal will be reviewed within two years of coming into effect and periodically thereafter.



## Specific Impact Tests: Checklist

Use the table below to demonstrate how broadly you have considered the potential impacts of your policy options.

**Ensure that the results of any tests that impact on the cost-benefit analysis are contained within the main evidence base; other results may be annexed.**

<b>Type of testing undertaken</b>	<b><i>Results in Evidence Base?</i></b>	<b><i>Results annexed?</i></b>
Competition Assessment	No	No
Small Firms Impact Test	No	No
Legal Aid	No	No
Sustainable Development	No	No
Carbon Assessment	No	No
Other Environment	No	No
Health Impact Assessment	No	No
Race Equality	Yes	No
Disability Equality	Yes	No
Gender Equality	Yes	No
Human Rights	No	No
Rural Proofing	No	No



## Summary: Intervention & Options

**Department /Agency:** Driving Standards Agency • **Title:** An abridged theory test for learner car drivers

**Stage:** Post-consultation

**Version:** 2

**Date:** 27 August 2009

**Related Publications:** Consultation Paper: An abridged theory test for learner car drivers

### Available to view or download at:

<http://www.dsa.gov.uk>

**Contact for enquiries:** Mark Magee

**Telephone:** 0115 936 6160

What is the problem under consideration? Why is government intervention necessary?

- The income received from the abridged theory test for car drivers will exceed the costs of providing the tests unless a reduced fee is charged.
- Government intervention is necessary as the provision of the theory test for car drivers, including the fee, is prescribed in legislation.

What are the policy objectives and the intended effects?

- To ensure that the cost of delivering the abridged theory test for car drivers taken as part of the licence acquisition process by those awarded the pre-driver qualification in safe road use is fully covered from the income received.
- Complies with HM Treasury "user pays" principle.
- DSA's customer service levels in terms of test availability is not adversely affected.

What policy options have been considered? Please justify any preferred option.

All costs are based on 2009 figures:

- Setting the cost of the abridged theory test for car drivers at £24.
- Any other option would either result in a profit or loss on the cost of delivering the abridged theory test and therefore are not acceptable.

When will the policy be reviewed to establish the actual costs and benefits and the achievement of the desired effects?

- The level of theory test fees is reviewed as part of the Agency's annual Business Planning procedures.

**Ministerial Sign-off** For final stage Impact Assessments:

***I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.***

Signed by the responsible Minister:

PAUL CLARK

Date: 27 August 2009

Summary: Analysis & Evidence			
Driving Standards Agency		<ul style="list-style-type: none"> <li><b>Description: Title: Reduced fee for an abridged theory test for car drivers</b></li> </ul>	
<b>COSTS</b>	<b>ANNUAL COSTS</b>		Description and scale of <b>key monetised costs</b> by 'main affected groups' <ul style="list-style-type: none"> <li>Candidates for abridged theory tests for learner car drivers X proposed fee. Cost = £1,200 (see evidence base for detail).</li> </ul>
	<b>One-off (Transition)</b>	<b>Yrs</b>	
	£ NIL		
	<b>Average Annual Cost (excluding one-off)</b>		
	£ 1,200		<b>Total Cost (PV)</b>
Other <b>key non-monetised costs</b> by 'main affected groups'			
NIL			
<b>BENEFITS</b>	<b>ANNUAL BENEFITS</b>		Description and scale of <b>key monetised benefits</b> by 'main affected groups' <ul style="list-style-type: none"> <li>Benefit to candidates (for abridged theory tests) for learner car drivers X proposed fee. Cost = £1,200 (see evidence base for detail).</li> </ul>
	<b>One-off</b>	<b>Yrs</b>	
	£ NIL		
	<b>Average Annual Benefit (excluding one-off)</b>		
	£ 1,200		<b>Total Benefit (PV)</b>
Other <b>key non-monetised benefits</b> by 'main affected groups'			
<ul style="list-style-type: none"> <li>Complies with HM Treasury "user pays" principle</li> <li>Road safety benefits will arise from earlier awareness and education of road safety issues following new route of pre-driver qualification in safe road use and abridged theory test.</li> </ul>			
Key Assumptions/Sensitivities/Risks			
Assumptions			
<ul style="list-style-type: none"> <li>The demand for abridged theory tests will be as predicted</li> <li>The set fees will not deter candidates from taking abridged theory tests</li> </ul>			
Price Base Year 2009	Time Period Years 1	<b>Net Benefit Range (NPV)</b> £ NIL	<b>NET BENEFIT (NPV Best estimate)</b> £ NIL
What is the geographic coverage of the policy/option?			GB
On what date will the policy be implemented?			Fees introduced to coincide with the introduction of the abridged theory test in October 2009
Which organisation(s) will enforce the policy?			DSA
What is the total annual cost of enforcement for these organisations?			£ N/A
Does enforcement comply with Hampton principles?			N/A

Will implementation go beyond minimum EU requirements?		N/A		
What is the value of the proposed offsetting measure per year?		£ N/A		
What is the value of changes in greenhouse gas emissions?		£ N/A		
Will the proposal have a significant impact on competition?		N/A		
Annual cost (£-£) per organisation (excluding one-off)	Micro Nil	Small Nil	Medium Nil	Large Nil
Are any of these organisations exempt?	N/A	N/A	N/A	N/A
<b>Impact on Admin Burdens Baseline</b> (2005 Prices)				(Increase - Decrease)
Increase of	£ N/A	Decrease of	£ N/A	<b>Net Impact</b> £ N/A

Key:	<b>Annual costs and benefits: Constant Prices</b>		<b>(Net) Present Value</b>
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## Evidence Base (for summary sheets)

Our best judgement is that this scheme delivers costs to the UK without cost to Government. The cost of theory tests is met by the candidates themselves. There is no burden on business or the voluntary sector.

### **Description of the preferred option**

DSA proposes to set a reduced fee for the abridged theory test of £24.

### **Monetised costs**

Fees are set to recover the full cost of delivering the service. The projected cost of delivering the normal theory test for car drivers has taken account of the following:

- Direct costs - such as the salary of the person conducting the test;
- Indirect costs - such as the accommodation, training and supervision of the person conducting the test;
- Direct overheads - such as operational support activities;
- Indirect overheads - such as Finance, Human Resources, Information Communications & Technology, Executive and Policy cost;
- Return on Capital – impact of achieving 3.5% cost of investment (although this has been held at 1.1% for 2009/10).

The cost of such tests is generally met by the candidates themselves. Therefore there is no burden on business or the voluntary sector. The fee for the abridged theory test has been set on this same basis.

The normal theory test for car drivers comprises 50 multiple choice questions and a Hazard Perception Test involving 14 film clips. The abridged theory test would comprise 35 multiple choice questions and the normal Hazard Perception Test. In view of the reduced number of questions, it is proposed that the fee for the abridged theory test for car drivers would be £24 (i.e. 49 questions/64 questions x £31 = £24). This will ensure that we recover the costs of delivering the new abridged test.

The likely volumes of abridged theory tests are based on estimates of the number of students who are expected to undertake the Safe Road User qualification in the 2009/10 academic year as provided by the Scottish Qualifications Authority.

The estimated costs of delivering the abridged theory cost is calculated by multiplying the proposed fee by the likely number of tests. A detailed breakdown is as follows:

Forecast volume of abridged theory tests by learner car drivers in year 1 = 50  
Proposed cost per abridged theory test = £24  
Cost of delivery = £1,200

### **Monetised benefits**

This £1,200 also provides a benefit to candidates in the form of the abridged theory test.

### **Alternative Option to setting the abridged theory test fee at £24**

The £24 fee ensures that DSA covers the estimated cost of delivering the service, without making an operating profit or loss.

If we set the fee at a lower rate, this would leave us with an operating deficit. To maintain services at the current level this would mean that we would need to draw upon funding from the central Department for Transport (DfT). As income received from the DfT would have been generated by income from taxpayers, this would mean that the abridged theory test would be subsidised by members of the public. This would clearly be unacceptable. Alternatively, we would need to subsidise the abridged theory test from the fees charged for the standard theory test. Again, this would clearly be unacceptable.

If we set the fee at a higher level then we make a disproportionate surplus. This would again clearly be unacceptable. For these reasons the alternative options are not included in the impact assessment.

### **Do nothing Option**

If we opted instead to do nothing and retain the normal level of theory test fees for the abridged version, it would mean that candidates are paying in excess of the costs to deliver the service.

### **Equality, Environmental and Social (Health) Impacts**

We have conducted initial screening tests on the grounds of:

- Competition Assessment,
- Small Firms Impact Test,
- Legal Aid,
- Sustainable Development,
- Carbon Assessment,
- Other Environment,
- Health Impact Assessment,
- Race Equality,
- Disability Equality,
- Gender Equality,
- Human Rights, and
- Rural Proofing.

We have not identified any adverse effects resulting from this proposal in respect of the category areas mentioned above. However, consultees are invited to provide comment, or any evidence relating to these matters, as part of this consultation.

The cost of such tests is generally met by the candidates themselves. Therefore there is no burden on business or the voluntary sector.

### **Risks and Unintended Consequences**

No risks or unintended consequences have been identified.

### **Monitoring and Evaluation**

The level of the abridged theory test fee for car drivers will be reviewed annually as part of the Agency's Business Planning procedures.

<b>Specific Impact Tests: Checklist</b>
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<b>Type of testing undertaken</b>	<b><i>Results in Evidence Base?</i></b>	<b><i>Results annexed?</i></b>
Competition Assessment	<b>Yes</b>	<b>No</b>
Small Firms Impact Test	<b>Yes</b>	<b>No</b>
Legal Aid	<b>Yes</b>	<b>No</b>
Sustainable Development	<b>Yes</b>	<b>No</b>
Carbon Assessment	<b>Yes</b>	<b>No</b>
Other Environment	<b>Yes</b>	<b>No</b>
Health Impact Assessment	<b>Yes</b>	<b>No</b>
Race Equality	<b>Yes</b>	<b>No</b>
Disability Equality	<b>Yes</b>	<b>No</b>
Gender Equality	<b>Yes</b>	<b>No</b>
Human Rights	<b>Yes</b>	<b>No</b>
Rural Proofing	<b>Yes</b>	<b>No</b>