

**EXPLANATORY MEMORANDUM TO THE  
MOTOR VEHICLES (DRIVING LICENCES) (AMENDMENT) REGULATIONS 2005**

**2005 No. 1975**

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

1.2 The memorandum contains information for the Joint Committee on Statutory Instruments.

**2. Description**

2.1 These Regulations amend the Motor Vehicles (Driving Licences) Regulations 1999 (SI 1999/2864) to introduce revised fees for practical driving tests for learner drivers and motorcyclists administered by Driving Standards Agency (DSA), the executive agency of the Department for Transport responsible for conducting driving tests. The Regulations also increase the fee payable for theory tests for learner drivers administered on behalf of the DSA, and fees for the issue of theory test pass certificates to examiners authorised to provide theory tests on an in-house bases. They introduce new fees effective from 10 August 2005 and further fees effective from 1 April 2006.

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

3.1 A table of the driving test fee increases for the financial year 2005/2006 and 2006/07 is below. This shows the percentage increases annualised over the period since the fees were last increased. Annualised percentage increases range from 1.2% to 16.6%.

Fee increases 2005/06

<b>Activity</b>	<b>Old fee £</b>	<b>New fee £</b>	<b>Increase £</b>	<b>Last increase</b>	<b>% increase</b>	<b>% increase annualised</b>
Theory tests for all learner drivers	20.50	21	0.50	2003	2.4	1.2
Practical tests for learner car drivers	42	45.50	3.50	2004	8.3	8.3
Practical tests for learner motorcycle/moped riders	51	55	4	2004	7.8	7.8
Practical tests for learner lorry/bus drivers	80	85	5	2004	6.3	6.3
Practical tests for learner car drivers (evenings/Saturdays/Sundays)	51	55	4	2004	7.8	7.8
Practical tests for learner motorcycle/moped riders (evenings/Saturdays/Sundays)	60	65	5	2004	8.3	8.3

Practical tests for learner lorry/bus drivers (evenings/Saturdays)	98	103	5	2004	5.1	5.1
Extended practical driving tests for disqualified car drivers	84	91	7	2004	8.3	8.3
Extended practical driving tests for disqualified car drivers (evenings/Saturdays)	102	110	8	2004	7.8	7.8
Extended practical driving tests for disqualified riders	102	110	8	2004	7.8	7.8
Extended practical driving tests for disqualified riders (evenings/Saturdays)	120	130	10	2004	8.3	8.3
Theory test pass certificates supplied to non-DSA examiners	10	12	2	2003	20	10

#### Fee Increases 2006/07

<b>Activity</b>	<b>Old fee £</b>	<b>New fee £</b>	<b>Increase £</b>	<b>Last increase</b>	<b>% increase</b>	<b>% increase annualised</b>
Theory tests for all learner drivers	21	21.50	0.5	2005	2.4	2.4
Practical tests for learner car drivers	45.50	48.50	3	2005	6.6	6.6
Practical tests for learner motorcycle/moped riders	55	58	3	2005	5.5	5.4
Practical tests for learner lorry/bus drivers	85	89	4	2005	4.7	4.7
Practical tests for learner car drivers (evenings/Saturdays/Sundays)	55	58	3	2005	5.5	5.5
Practical tests for learner motorcycle/moped riders (evenings/Saturdays/Sundays)	65	68	3	2005	4.6	4.6
Practical tests for learner lorry/bus drivers (evenings/Saturdays)	103	107	4	2005	3.9	4.2
Extended practical driving tests for disqualified car drivers	91	97	6	2005	6.6	6.6
Extended practical driving tests for disqualified car drivers (evenings/Saturdays)	110	116	6	2005	5.5	5.5
Extended practical driving tests for disqualified riders	110	116	6	2005	5.5	5.4

Extended practical driving tests for disqualified riders (evenings/Saturdays)	130	136	6	2005	4.6	4.6
Theory test pass certificates supplied to non-DSA examiners	12	14	2	2005	16.7	16.6

3.2 The changes are required to cover increases in the operational costs of delivering statutory driving tests and related supervision since the last fee revision and in support of the Agency's Business Plan 2005-06 published in April 2005. In addition to normal cost pressures of annual increases to staff salaries and general prices of goods and services purchased, the Agency has also to fund increased contributions to the Principal Civil Service Pension Scheme that has added around two percentage points to these changes. The proposed fee increases include an element for additional or improved services such as the provision of an information DVD to all Theory Test candidates and to meet the operating costs associated with the phased upgrade to the test centre estate in order to deliver a revised practical motorcycling test under European Commission Directive 56/2000 by October 2008. The Agency returned an actual operating deficit of £1.5m in 2004/05 and has planned for an operating surplus of £2.0m in 2005/06 in accordance with its financial target of achieving a return on capital employed of 3.5%.

3.3 The theory test pass certificate increases are necessary to cover the costs of supervising the provision of theory tests by other organisations for their own members or employees, such as the Ministry of Defence, some bus companies and fire brigades. Maintaining the systems necessary for such a service to be delivered creates special costs. DSA recovers such costs through a charge made for the supply of theory test result certificates to non-DSA examiners.

#### **4. Legislative background**

4.1 These Regulations increase fees payable to the DSA in respect of theory and practical driving tests that are undertaken by learner drivers and motorcyclists in order to obtain a driving licence, and the issue of theory test pass certificates to theory test examiners that carry out tests on an in-house basis. The Regulations are made in conjunction with the Motor Cars (Driving Instruction) Regulations 2005 that increase fees payable to the DSA in respect of the testing and registration of Approved Driving Instructors, as well as consolidating those Regulations with other amendments.

4.2 These Regulations are made under the powers in sections 89(4)(b), 89(5)(b) and 105(3) of the Road Traffic Act 1988. The requirements that a learner driver must meet in theory and practical driving tests before obtaining a driving licence are prescribed by EU Directives, however these Regulations do not implement the requirements of any such Directive.

4.3 Section 102 of the Finance (No. 2) Act 1987 allows the Secretary of State for Transport to make a statutory instrument to specify the functions, and associated costs, to be taken into account when determining fees and charges for the services that DSA provides. The Department of Transport (Fees) Order (SI 1988/643 [as amended]) specifies the functions and other matters to be taken into account when setting the fees and charges relating to the costs of administering driving tests.

4.4 The Driving Standards Agency operates as a Trading Fund under the Driving Standards Agency Trading Fund Order 1997 (SI 1999/873). The Agency is required to set fees and charges for its activities at levels that generate sufficient revenue so that the costs of its operations are recovered from users and are not a burden on the general taxpayer.

4.5 Fees are reviewed annually in the context of each year's planning cycle. Plans for service improvement, performance targets and fees are published in the Agency's Business Plan for that year. The Agency's 2005-06 Plan has recently been published.

4.6 Section 195(2) of the Road Traffic Act 1988 requires that, before making any regulation under the Act (with certain exemptions), the Secretary of State must consult with such representative organisations as he thinks fit.

## **5. Extent**

5.1 These Regulations extend only to Great Britain. They do not apply in Northern Ireland.

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

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

## **7. Policy background**

7.1 The policy objectives of the Road Traffic Act 1988 are to increase road safety in Great Britain and to ensure that drivers are properly insured. The provision of driving tests under the Act contributes to road safety by ensuring that those driving motor vehicles and riding motorcycles on public roads are competent to do so.

7.2 On 11 March, DSA issued a consultation paper about proposed revisions to test fees for the 2005-06 and 2006-07 financial years, with the required three month consultation period ending on 3 June. DSA issued nearly 3000 copies of the consultation paper to interested parties, including national and local driving instructor associations, other driver and rider training groups, road safety officers, and motoring organisations. The consultation document was also posted on the Agency's website, posters were displayed in theory and driving test centres and the proposals were covered in a DSA Press Release.

7.3. The Agency received 91 responses, including from national representative bodies for car driving instructors, organisations providing motorcycle training, representative bodies for the road freight and passenger transport industries, the police and those responsible for the administration of justice, road safety bodies and individual trainers.

7.4 Overall, those who responded to the consultation considered the proposed fee increases to be reasonable by a proportion of at least two to one. There were no practical suggestions made for alternative options to the fee changes.

7.5 The changes are not considered to be legally or politically important.

## **8. Impact**

8.1 A Regulatory Impact Assessment is attached to this memorandum.

## **9. Contact**

9.1 The official within the Department for Transport who can be contacted with any queries in relation to this Statutory Instrument is Graham Law, Driving Standards Agency, Policy Branch, Stanley House, 56 Talbot Street, Nottingham, NG1 5EJ. Telephone: 0115 901 5912; e-mail [graham.law@dsa.gsi.gov.uk](mailto:graham.law@dsa.gsi.gov.uk)

June 2005

Department for Transport

## **REGULATORY IMPACT ASSESSMENT (RIA)**

### **1. DRIVING TEST FEES 2005-2006 AND 2006-2007**

### **2. APPROVED DRIVING INSTRUCTOR (ADI) QUALIFYING TESTS**

1. This Regulatory Impact Assessment (RIA) considers the implications of:

- setting fees for driving tests on a two-yearly cycle;
- increasing fees for:
  - theory and practical driving tests for learner car, lorry and bus drivers and motorcyclists;
  - practical tests taken as part of the qualifying process for Approved Driving Instructors (ADIs) and the Trainee Licence used by some prospective ADIs;
  - theory test pass certificates supplied to non-DSA examiners.
- making various changes to driving instructor tests:
  - introducing European driving test standards into the qualifying tests for driving instructors;
  - assessing an instructor's ability to coach trainees who are not learner drivers as an option within the practical test of instructional ability in the qualifying exam.;
  - requiring candidates for all tests taken by instructors and prospective instructors to present photo-ID;
  - requiring vehicles used for practical driving instructor tests to have a seat belt, head restraint and additional internal rear view mirror for use by the examiner.

### **Timing**

2. The regulations would be amended to introduce the first set of fee changes, as well as the other measures affecting driving instructors, on 10 August 2005. The second set of fee changes would take effect on 1 April 2006.

### **1. Driving Test Fees**

#### **Background**

3. The Driving Standards Agency (DSA) is a Trading Fund, and is required to finance its services from its income without calling on general taxation. The Agency is very largely dependent on the income from fees set for its statutory functions. DSA reviews, and where appropriate amends, its fees in the context of its Business Plan, implementing any fee changes as early as practicable within the relevant financial year.

4. The principles underlying the Agency's approach to setting fees are:

- to provide the necessary revenue to cover the costs of its services.
- to be fair to customers and encourage compliance, plus support the efficient economic management of resources within DSA. Within the fee-charging powers made available by Parliament, fees are set for different services having regard to the costs of delivering those services, in accordance with the user-pays principle.

- to deliver the Government's priorities of improving road safety and assisting social inclusion. We do not charge directly for services where the effect would be perverse or unacceptable. (Examples are the free distribution of learner driver logbooks with provisional licences and charging the standard test fee to candidates with special needs - where the cost of service delivery can be higher than normal).

5. Fees for practical driving tests for learner car, lorry and bus drivers and motorcycle riders were last increased in December 2004. Fees for the practical driving ability tests and instructional ability tests for qualifying driving instructors were last increased on the same date. Fees for theory tests were last increased in September 2003.

### **Issue No.1 – a 2-year fee strategy**

6. The consultation and regulation-making processes when the Agency amends fee levels have become increasingly complicated and time-consuming. The date on which it has been possible to effect fee changes has slipped progressively later in the relevant financial year. Deferred fee increases require higher percentage uplifts than if they had been applied from the start of the relevant financial period.

7. In order to streamline the consultation process and make it more user-friendly, DSA proposes to review and set fees for two-yearly cycles, with revised fees taking effect on 1 April each year. This is supported by the Agency taking a longer planning horizon within the Business Plan that is being prepared. The Agency has sought the views of the Cabinet Office Regulatory Reform Unit before making this proposal. They supported it as an example of good practice, consistent with the guidelines in their *Code of Practice on Consultation* by seeking views on proposals as early as possible. Consultees generally welcomed the proposal as a means of planning their budgets over a longer period.

8. A two-year strategy would help to implement fee changes at the start of the relevant financial period, though that would not be practicable for 2005-2006. We propose to implement the changes for 2005/6 on 10 August 2005, and the changes for 2006/7 on 1 April 2006.

### **Issue No.2 – proposed fee levels**

9. The DSA Business Plan for 2005-2007 sets out details for activities, expenditure and income for the Agency in 2005-2006, with indicative figures for 2006-2007 and 2007-2008. Key issues being addressed are:

- staff - the examiner workforce needed to meet demands and maintain lower practical test waiting times. Having driven down waiting times, the Agency must ensure resilience in examiner recruitment and retention. The Agency is also required to make increased contributions to the Civil Service Pension Scheme.
- service - the capital investment programme in new practical test centres in order to meet EU obligations. Last year, DSA announced staged increases in practical test fees above the rate of inflation to finance the operating cost associated with the investment in the new estate which we must have by 2008 for motorcycling testing. £1.50 was added in 2004/05 and consultees were advised that there would be further increases needed over the two subsequent years.
- e-enable services - such as bringing practical test centres onto the IT network. DSA wants to ensure that our test centres are able to function effectively in a modern, business-orientated environment, removing paper and offering better service.

- compliance and security arrangements - by establishing a Fraud and Integrity Team. This new team will provide extra security against driving licence and ID fraud.
- the Agency's road safety mission - producing better prepared candidates with less resource wasted through poor test pass rates. Since February DSA has sent candidates a DVD containing information about all parts of the test with the key message - *do not take the test until you are ready*.

### Theory Test Fees

10. The theory test fee covers the direct costs of the theory test operation and contributes to the general costs of the Agency's overheads, including supporting the driver education agenda by providing better information and learning material. The proposed rises will ensure that the current high standards of DSA's computer-based assessment services can be maintained and further developed without needing support from other DSA income sources. Consultees supported the proposal by a margin of three to one.

### Practical test fees

11. The proposed adjustments to the levels of practical test fees are necessary because the current fee levels have fallen behind the unit cost of delivering these tests. The major pressures on costs represent investment for enhanced services and pension contributions.

12. By 2008, DSA must have a test centre network that can deliver practical motorcycling tests to the higher European standards. The new test centres will provide a range of practical tests according to local needs. DSA must finance the operating costs of this major capital investment in advance of the changes to motorcycle test content in 2008. Although support for increasing the practical test fees was not as widespread as for increasing the theory test fee, two thirds of those who responded backed the proposed increases.

### Approved Driving Instructor fees

13. The increases in the fee for practical tests for driving instructors conducted as part of the qualifying process are necessary to move the provision of these tests towards a self-financing basis, in line-with the user-pays principle. The higher Trainee Licence fee ensures the costs of this part of the ADI scheme do not require support from fees paid by qualified instructors. Over two-thirds of respondents approved the proposed changes.

### Recovering the costs of supervising in-house theory test operations

14. Some organisations are allowed to operate in-house theory testing operations. Providing and maintaining the systems, plus the continuing supervision, that are necessary for such a service to be delivered, whilst maintaining the security and integrity of the overall theory test operation, creates special costs.

15. Current legislation provides that DSA should recover such costs through a charge made for the supply of theory test result certificates. (It has been the Agency's practice to charge only for pass certificates.) At the present time, the income which DSA receives from sales of pass certificates is less than the costs incurred in supervising in-house theory testing operations. We propose to correct this anomaly in a phased way, increasing the current £10 certificate fee to £12 in August 2005 and £14 in April 2005. Again, over two third of respondents approved the proposed changes.



## Risk addressed

16. The key risks of not adjusting fees would be a shortage of funds to:

- recruit and retain driving examiners, with implications for test waiting times and customer service;
- Deliver the changes to the Agency's test centre estate required by European Commission Directive 2000/56. The deadline for implementing these changes has already been extended from 2005 to 2008, and there is no potential to further defer implementation.
- invest in matters such as IT infrastructure which are central to delivering modern services.

## Those affected

17. Those directly affected by the fee increases are:

- candidates for practical and theory car, motorcycle, lorry and bus tests
- those wishing to qualify as Approved Driving Instructors.
- those who provide in-house theory tests for their staff

## Costs

### Tests for learner drivers and riders

18. The proposed increases in the test fees for learner drivers and riders represent an average increase of typically less than 1% in the total cost of qualifying for a full licence. Assuming a candidate passed each part of the test at the first attempt, the cost before and after the increase would be of the following order.

<b>Learner car driver</b>	<b>Before increase</b>	<b>After 2005 increase</b>	<b>After 2006 increase</b>
Cost of a driving licence	£38	£38	£38
Cost of tuition, assuming an average 45 hours of tuition at £20 per hour	£900	£900	£900
Cost of a theory test	£20.50	£21	£21.50
Cost of a practical test	£42	£45.50	£48.50
Total cost	£1000.50	£1004.50	£1008
Test costs as % of total cost	6.3%	6.6%	6.9%

<b>Learner motorcyclist</b>	<b>Before increase</b>	<b>After 2005 increase</b>	<b>After 2006 increase</b>
Cost of upgrade of driving licence	£9	£9	£9
Estimated cost of training	£700	£700	£700
Cost of theory test	£20.50	£21	£21.50
Cost of practical test	£51	£55	£58
Total cost	£780.50	£785	£788.50
Test costs as % of total cost	9.0%	9.7%	10.0.7%

<b>Learner lorry and bus driver</b>	<b>Before increase</b>	<b>After 2005 increase</b>	<b>After 2006 increase</b>
Cost of upgrade of driving licence	£9	£9	£9
Medical fees*	£50	£50	£50
Estimated cost of training	£1500	£1500	£1500
Cost of theory test	£20.50	£21	£21.50
Cost of practical test	£80	£85	£89
Total cost	£1609.50	£1615	£1619.50
Test costs as % of total cost	6.1%	6.4%	6.6%

\* indicative cost given (not included in calculation).

#### Practical tests and Trainee Licences for prospective driving instructors

19. The proposed increases in the fee for the practical driving ability test and instructional ability test, and for a Trainee Licence, would affect those wishing to gain entry to the Register of ADIs. Some 38,000 practical qualifying tests were taken by prospective instructors in 2004-05.

20. The proposed increases represent less than 1% of the total cost for a person attempting to qualify as an instructor. Assuming a candidate passes each part of the test at the first attempt, and has one Trainee Licence, the cost before and after the increase would be of the following order.

<b>Driving instructor costs of qualifying</b>	<b>Before increase</b>	<b>After 2005 Increase</b>	<b>After 2006 Increase</b>
Theory test	£50	£50	£50
Practical test of driving ability	£70	£79	£82
Practical test of instructional ability	£70	£79	£82
Trainee licence	£100	£125	£125
Estimated cost of training	£2500	£2500	£2500
4-yearly registration fee	£200	£200	£200
Total cost	£2990	£3033	£3039
Higher fees as % of total costs	6.4%	6.9%	7.1%

#### Theory test pass certificates

21. The extra cost burden for organisations operating with an in-house theory testing service for their staff from the proposed higher fees for theory test pass certificates supplied by DSA would be a small element of the overall cost of training those drivers.

#### **Competition issues**

22. The increases would apply in the same way to learner drivers and riders in the relevant category, and to prospective driving instructors. DSA does not see a risk of a detrimental effect on competition between competing training providers or employers of drivers. Adjusting fees, such as that for theory test pass certificates, so that services are paid for by beneficiaries avoids unfair cross-subsidisation.

## **Social exclusion issues**

23. Test fees form only a small percentage of the overall cost of learning to drive. Therefore DSA does not consider that these fee increases would give rise to social exclusion issues or an increase in unlicensed driving.

24. The overall cost of qualifying to drive a motor vehicle can, however, represent a significant amount of money for many learners. DSA recognises that the burden imposed by test costs is multiplied if candidates pass only after repeated test attempts.

25. Test results indicate that many candidates present themselves before they have reached a sufficient level of competence, and therefore waste money on unsuccessful test attempts.

26. The average pass-rate for the theory test taken by learner car drivers is 64% (69% for lorry, 62% for bus, 85% for motorcyclists). This implies that, at current fee levels of £20.50, the average theory test fee costs are some £32 for a learner car driver, £30 for a learner lorry driver and £33 for a learner bus driver and £ 24 for a learner motorcyclist.

27. The average pass-rate for the practical car driving test is only 42.3% (46.7% for lorry, 44.1% for bus, 64% for motorcyclists). This implies that, at current fee levels, the average test fee costs are £98 for a learner car driver, £163 for a learner lorry driver and £173 for a learner bus driver.

28. Similarly, the test cost component of qualifying to become an instructor is multiplied if candidates pass only after repeated test attempts. The average pass-rate for the theory test taken by prospective instructors is 51%, implying at current fee levels of £50 an average theory test fee cost of £98. The average pass-rate for the practical tests taken by prospective instructors are only 45% for the driving ability test and 28% for the instructional ability test, implying at current fee levels average costs of £155 for the driving ability test and £250 for the instructional ability test.

29. DSA is seeking to improve test pass-rates by raising candidates' awareness of the standards to be met and increasing their understanding of the tests. We discourage candidates from attempting tests before they are ready.

30. Experience has shown that greater candidate awareness about test requirements can make a significant difference to test achievement. In December 2003 DSA updated the tutorial provided within the theory test as an additional aid for our customers. Every theory test candidate was subsequently provided with a free CD Rom containing a copy of the theory test tutorial.

31. Since the start of February 2005, DSA has replaced the CDROM with a free DVD. This format has greater storage capacity and can run on TV-top players as well as personal computers. As well as explaining the format and content of the test, this pilot product also contains key messages about the different types of practical test conducted by DSA. The DVD highlights pass-rates and explains the main causes of test failure - delivering the message "do not attempt the test prematurely". DSA intends to monitor the impact of the DVD via customer surveys and test pass-rate trends.

32. The Agency considers that this DVD, along with other learning products which DSA makes available through high street outlets, will help promote a learning agenda, help all candidates understand the nature of the different parts of the driving test, and dissuade them from attempting the test prematurely. This should help to avoid unsuccessful test attempts, disappointment and wasted test fees, and actively promote equal opportunities.

## **Race equality issues**

33. DSA does not consider that the proposed fee increases would have a disproportionate or discriminatory effect on particular ethnic groups within society. The Agency considers that ethnic groups may be particular beneficiaries of our education activities, and will seek to monitor this benefit using focus groups.

## **Impact on small businesses**

34. The Small Business Service agency of the Department of Trade and Industry defines businesses according to the number of employees. Micro-businesses are defined as those with 0-9 employees and small businesses (including micro) as those with 0–49 employees. 95% of UK businesses have 10 or fewer employees, 4.3% have 10-49 employees and 0.5% have 50-249 employees<sup>1</sup>.

35. The increases are not considered likely to impact adversely on businesses. They are not considered large enough to discourage people from learning to drive or reduce custom for driving instructors. Customer surveys indicate that most car and motorcycle candidates pay the fees for their own tests and approximately half of lorry and bus candidates do likewise.

36. Once qualified, most car driving instructors operate as self-employed, one-person businesses. DSA does not consider that the proposed fee changes would adversely impact on driving schools, individual instructors or those seeking to enter the driving instruction industry.

## **Environmental issues**

37. DSA has not identified any environmental issues associated with the changes.

## **Application within the United Kingdom**

38. The proposed increases would apply to test applicants in Great Britain. Driving tests and driving instructor matters in Northern Ireland are dealt with by the Driver & Vehicle Testing Agency. Any proposals to increase fees there would be the subject of separate consultation.

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<sup>1</sup> Source: *Small and Medium-sized Enterprises Statistics for the UK, 2000*

## **2. Qualifying tests for Driving Instructors**

39. These changes will:

- introduce driving test standards set by the European Commission into the qualifying tests for driving instructors;
- make various additional changes in the driving instructor tests to broaden the scope of assessment, improve identity-checking procedures and address health and safety issues.

### **Background**

#### **Existing situation – the Register of ADIs**

40. DSA operates the statutory registration scheme – the ADI scheme - for driving instructors offering paid driving instruction in a car.

41. Instructors qualify for registration by successfully completing a three-part qualifying examination comprising:

- a theory test of instructional and driving ability
- a practical test of driving ability
- a practical test of instructional ability.

42. Standards assurance checks are undertaken by a periodic practical Test of Continued Ability and Fitness to Give Instruction. Early in 2005, a computer based assessment was also introduced into the driving instructor supervision procedures.

43. These measures will update the content of tests taken by instructors and those qualifying to become instructors in line with European standards as well as offering greater flexibility. They will also tighten up identity and health and safety requirements.

#### **European Changes**

44. Minimum standards for driving tests conducted in GB are set by European law<sup>2</sup> for European categories of driving licence (cars, motorcycles, lorries and buses). DSA implemented a package of changes to domestic practical driving tests on 1 September 2003 to include basic vehicle safety checks. This aspect of the test is undertaken by the examiner asking the candidate “show me/tell me” vehicle safety questions.

45. European driving test standards do not automatically apply to the tests taken as part of the qualification process for driving instructors who train learner drivers. However, the higher European standards appear relevant to driving instructors in the vehicle safety checks in the practical test taken by the related category of learner driver

46. Therefore, “show me/tell me” vehicle safety questions will also be introduced into the practical tests of driving ability taken as part of the qualifying examination. The examiner will ask the candidate two “show me” and three “tell me” questions at the start of the test. Should the candidate answer all five questions incorrectly, this will result in failure.

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<sup>2</sup> The Second European Council Directive on driving licences 91/439/EEC, as amended by Commission Directive 56/2000.

## Other changes

47. To make various changes to driving instructor examinations:

- Allowing more flexibility in the practical instructional ability test - adding the option for assessing an instructor's ability to coach trainees who are not learner drivers.
- requiring candidates for driving instructor tests to present photo-ID.
- requiring vehicles used for practical tests to have a seat belt, head restraint and additional internal rear view mirror for use by the examiner.

48. These measures are intended to modernise the instructor qualification and supervision process and bring them into line with current practices in other areas of driver testing.

### Allowing more flexibility in the practical instructional ability test

49. The instructor qualifying exam contains a practical test of instructional ability. In this test, an examiner role-plays a trainee. Currently, the instructor is required to demonstrate his knowledge and ability by giving practical driving instruction to an examiner as if the examiner were:-

- (a) a novice or partly trained pupil, and then
- (b) a pupil who is about at driving test standard.

50. This measure will add the option for assessing an instructor's ability to coach trainees who are not learner drivers

### Requiring candidates for instructor tests to present photo-ID

51. This measure will require candidates for instructor qualifying tests and check-tests to present their photocard driving licence (or paper licence plus photo-ID) at the start of any test as a simple and effective way of establishing their identity and driving entitlement. This procedure already exists for learner drivers.

### Vehicles used for practical instructor tests to have a seat belt, head restraint and additional rear view mirror for use by the examiner

52. It has been a requirement since 1965 for vehicle manufacturers to fit seat belts for the front seats in cars, and nowadays it is extremely rare for a car without front seat belts to be presented for an ADI practical test. Ensuring that all cars used for ADI practical tests have a front passenger seat belt and additional rear view mirror available for the examiner's use will provide additional safety for examiners.

## **Risk Addressed**

### European changes

53. The risk of not upgrading the qualifying tests taken by driving instructors would be that the content of these tests would progressively fall behind modern standards, with a weaker assessment of the skills of these candidates.

#### Allowing more flexibility in the practical instructional ability test

54. This measure will add the option for assessing an instructor's ability to coach trainees who are not learner drivers. For example, the examiner could role-play a person taking driver development training. This measure will therefore address the risk of a person being excluded from demonstrating competence teaching the type of trainees in the market where they intend to specialise. This flexibility was introduced into the instructor practical check-test in 1998.

#### Requiring candidates for instructor tests to present photo-ID

55. Requiring candidates for ADI qualifying tests and check-tests to present their photocard driving licence (or paper licence plus photo-ID) at the start of the test will address the risk of candidate impersonation by a cheap and simple method of confirming identity.

#### Vehicles used for practical instructor tests to have a seat belt, head restraint and additional rear view mirror for use by the examiner

56. This measure removes the risk of aggravated injury to examiners who are not restrained by a seat belt. (A similar requirement already exists for cars used for tests of learner drivers). Ensuring that an additional rear view mirror is available for the examiner's use will provide further safety protection for examiners.

#### **Those affected**

57. Driving instructors and those seeking to qualify as a driving instructor.

#### **Costs**

##### **Public Sector Costs**

##### European Changes

58. The public sector costs of introducing "show me/tell me" questions into the practical tests for driving instructors will be minimal and not require any test fee increase.

#### Allowing more flexibility in the practical instructional ability test

59. The revised role-play provision will not involve significant additional public sector costs.

#### Requiring candidates for instructor tests to present photo-ID

60. All instructors hold a full car driving licence, so there will be no public sector costs arising from this change.

#### Vehicles used for practical tests of instructors to have a seat belt, head restraint and additional rear view mirror for use by the examiner

61. These requirements will not involve any additional public sector costs.

## **Costs to Business**

### European Changes

62. Those seeking to qualify as driving instructors will need to obtain the appropriate knowledge and skills to pass the “show me/tell me” element of the qualifying test and in order to provide a satisfactory service to their customers. DSA would expect the compliance cost of meeting the higher standards to be modest.

### Allowing more flexibility in the practical instructional ability test

63. There will be no extra cost arising from introducing the additional role play assessment option.

### Requiring candidates for instructor tests to present photo-ID

64. As all instructors hold a full driving licence they are unlikely to face any additional costs. If an instructor who held a paper licence decided to exchange that for a photo-licence, he or she would face costs of around £21 (the £18 DVLA fee for exchange, plus around £3 for photos).

### Vehicles used for practical instructor to have a seat belt, head restraint and additional rear view mirror for use by the examiner

65. These features are already a requirement on vehicles used for driving tests for learner drivers. Most instructors' cars are also used as test vehicles and will already have the fittings installed, so this requirement is unlikely to generate costs.

66. Modern cars already have a seat belt and head restraint fitted for use by front seat passengers. The item which is not standard is an additional rear view mirror, though many instructors will have fitted one for their own use whilst conducting driving lessons. They are available from the high street at a cost of less than £10.

## **Costs to individuals**

### European Changes

67. There will be no costs to individual candidates from these changes.

### Allowing more flexibility in the practical instructional ability test

68. Consumers of driver training services should be beneficiaries as a result of instructors being assessed on delivering instruction to a wider range of trainees.

### Requiring candidates for instructor tests to present photo-ID

69. Consumers of driver training services seem unlikely to face any additional costs as a result of this measure.

### Vehicles used for practical instructor tests to have a seat belt, head restraint and additional rear view mirror for use by the examiner

70. Similarly, the cost to individual instructors of providing a vehicle with a seat belt, head restraint and additional rear view mirror is not considered significant enough to pass on to customers.



**Competition assessment**

71. The proposed new requirements would apply equally to all affected parties. DSA does not, therefore, see any risk of a substantial detrimental effect on competition.

**Social exclusion issues**

72. The Agency does not believe that any social exclusion issues are likely to arise from these proposals.

**Race Equality Issues**

73. DSA does not consider that these changes would have a disproportionate or discriminatory effect on particular ethnic groups within society.

**Impact on small businesses**

74. DSA does not consider that the introduction of these proposed changes would adversely impact on driving schools, individual instructors or those seeking to enter the driving instruction industry.

**Environmental issues**

75. The Agency does not consider that the proposals would have any significant environmental impact either directly or indirectly.

**Application within the United Kingdom**

76. This RIA considers the implications of new arrangements in Great Britain. Driving tests and driver instructor standards in Northern Ireland are subject to separate legislation, and are organised by the Driver and Vehicle Testing Agency there.

**I have read this Regulatory Impact Assessment and I am satisfied that the balance between costs and benefit is the right one in the circumstances.**

**Signed** ...S J Ladyman.....

**Date** ...27/06/05.....

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