



## Transport Committee

### Oral evidence: Government motoring agencies – the user perspective, HC 1109

Monday 24 March 2014

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Members present: Mrs Louise Ellman (Chair); Sarah Champion, Jim Fitzpatrick; Karl McCartney; Mr Adrian Sanders, Chloe Smith; Graham, Stringer, Martin Vickers

#### Questions 1-109

*Witnesses:* **Karen Dee**, Director of Policy, Freight Transport Association, **Jack Semple**, Director of Policy, Road Haulage Association, and **Adrian Jones**, National Officer for Road Transport Commercial, Logistics and Retail Distribution, Unite the Union, gave evidence.

**Chair:** Good afternoon, and welcome to the Transport Select Committee. I would like to declare that I am a member of Unite. Are there any other declarations?

**Graham Stringer:** I am a member of Unite.

**Q1 Chair:** Could I invite you to give us your names and organisations?

**Karen Dee:** I am Karen Dee, director of policy for the Freight Transport Association.

**Jack Semple:** I am Jack Semple, director of policy for the Road Haulage Association.

**Adrian Jones:** I am Adrian Jones, national officer for Unite, the union for road transport.

**Q2 Chair:** Could you tell us which of the Government's motoring agencies you have the most dealings with, and what is your experience of dealing with those agencies?

**Jack Semple:** Most of the dealings are with the DVSA, formerly VOSA and DSA of course. Both are very important. Of those two, VOSA is probably more important than DSA, but we deal with all the agencies.

**Q3 Chair:** What about the other witnesses? Mr Jones, what is your involvement?

**Adrian Jones:** Much like Mr Semple—VOSA and DVLA.

**Karen Dee:** All of them, essentially, including the office of the traffic commissioner as well, which is not in quite the same ballpark.

**Q4 Chair:** Can you give us any idea of how your members find those agencies? Can you give any examples of good or bad experiences of any of the agencies?

**Jack Semple:** It is probably patchy, as in many things. The members' key contact is with the DVSA and its enforcement side. It is something of a curate's egg in terms of overall performance. There is recognition of improvement in some areas. There is a lot of attention on compliance standards at the moment, some of which is understood and some of which is probably less understood. There are issues. It is a bit of a curate's egg—some good, and some probably needs a bit of attention.

**Q5 Chair:** What about the cost to your members?

**Jack Semple:** The cost is fairly stable. Our members are concerned more with performance than cost, given that the cost is fairly stable.

**Q6 Chair:** Ms Dee, what is your experience and that of your members?

**Karen Dee:** Broadly similar. There are some things that some of the agencies do well; there are some parts that we have big frustrations with. Our overall view is that the biggest frustration for our members is a lack of joined-up thinking, or of the agencies talking to each other. In order to comply with the regulation, members have to deal with all the agencies; you do bits with one and then you have to come out and go on to a different system to do something else. The system as a whole is not coherent, and that imposes some costs. For certain transactions there is also a monetary cost that members are very concerned about.

**Q7 Chair:** Are there any particular experiences you can tell us about?

**Karen Dee:** A particular bugbear is if you are trying to relicense vehicles. If you have 500 vehicles and you want to go online to DVLA to relicense them, it means you have to go in and come out 500 times, because you can only do one vehicle at a time. If you want to pay for those transactions, you are charged £2.50 for each one. You cannot do a bulk transaction, so that is 500 vehicles times £2.50. There is also a difficulty in that you have to use the VOSA or DVSA system to get the vehicle test data that you need to relicense it, and those two systems are separate.

**Q8 Chair:** Mr Jones, what are your experiences?

**Adrian Jones:** It is very much a hands-on response from drivers when they are trying to relicence or when there are challenges or revocations, through health issues for example—the time span between a medical practitioner saying that you aren't fit to drive, and going through a process of challenge and having that situation addressed. On many occasions when our members feel aggrieved, they are proven right. There is a significant amount of time taken up in the process of challenging that. From the driver's point of view, they could have lost their livelihood. They have certainly lost income because they are not legally entitled and able to drive. From the employer's point of view, they have lost an extremely valuable resource in that individual being able to work.

It is compounded somewhat by almost a faceless element of the organisation, in that a lot of it is online. When a phone call is made you can talk to somebody, but it is not a decision maker, so it is a very rigid process that takes time. We would like that to be looked at and streamlined as much as possible to make it as quick as possible.

**Q9 Chair:** Have your members been affected by the closure of the DVLA offices?

**Adrian Jones:** There are no specific negative remarks that I can report back to the Select Committee, but obviously the default to online takes it away from the end user. We would always like someone to be able to take ownership of an issue, where our members have one, and that may be compounded by the closure of offices.

**Q10 Chair:** DVLA are to go online, and you have expressed concerns about that.

**Adrian Jones:** Our general concern is that not everybody has online access. The professional driver work force is an ageing one, and it is well documented that the older people get, the less likely they are to access online facilities—I am pleased to say that is changing. We also have drivers who are away for significant amounts of time, and while we have fantastic mobile technology, that can sometimes be an obstacle as well.

**Q11 Sarah Champion:** Mr Jones, I am not sure if this is an anomaly or if we are facing a problem, but my casework on drivers who have had their licences taken away, have passed their medical and are now trying to get them back has noticeably increased. It is taking months and months. Would you say that is a recent occurrence? Is it just a phenomenon in Rotherham, or is it happening all over?

**Adrian Jones:** There have been some issues over the last few months about eyesight, medical tests and the statutory tests, which should now have been dealt with, but the residual effect is that there are significant numbers of drivers who face losing their licences because of that.

**Jack Semple:** We have had similar feedback from members. It causes a lot of concern. There seems to be a view—we have noticed this with several agencies—that, if the form is not entirely correct, there is no mechanism to say, “Let's look at what the issues are here and see if we can speed it up.” For example, if the GP fills in the form incorrectly, it is the driver who suffers. Similarly, we have a specialised but important issue for international hauliers. When they register their vehicle, it is very important for them in terms of

compliance on the continent to have the euro number in the registration document. We have been asking DVLA for quite some time to make that change. It is not a legal requirement. We would have thought it is a fairly small change, but it has proved very difficult to get that change put into effect, which would have a really big benefit for international haulers.

**Q12 Chloe Smith:** Going on from the points about the move to digital channels, do any of your members, or policy units, have thoughts on how else to save £155 million?

**Chair:** Are there any suggestions?

**Karen Dee:** I am not sure I am with you.

**Q13 Chloe Smith:** I am picking two figures and putting them together: £100 million by the end of 2014-15 and £55 million by the end of 2015-16—from the DVLA—committed to those things.

**Karen Dee:** FTA members are supportive of going online. That is how most of our members do business and would prefer to do business. Our concern is more about making sure the DVLA systems are not designed in a way that prevents them at a later stage talking to DVSA systems, OTC systems or indeed any other systems, because at the moment they do not. We are in favour of the principle of making online services available.

The one concern we do express is that commercial road fleet operators are a relatively small customer base for DVLA, and for that very reason the needs of operators, employers and businesses are not always taken into account, so there is not a very thorough understanding of what the business needs are compared with, say, an individual wanting to go online and just re-tax their vehicle. Our members will be doing hundreds of transactions a month, not just one each year, to renew a licence, but I do not think the agency particularly understands that.

**Jack Semple:** We need a clearer focus on not only what is the cost but what are the service levels and business benefits that can be derived for a certain level of cost.

**Q14 Chloe Smith:** Do you agree with the level of cost that they have to get to? Are you supportive of having to make savings?

**Jack Semple:** Improving value for money, certainly. I feel it is more for the Department to identify the appropriate level of savings, but cost in itself should not be the key driver; value for money should be the key driver.

**Q15 Chloe Smith:** Have you any suggestions as to what comprises better value for money than what you have seen?

**Jack Semple:** The point that my colleague has just been talking about. Joining up the various elements of the system and making the administration easier is one; and having a more flexible response to industry demands, as we have discussed, and where a problem is identified, being able to address it.

**Adrian Jones:** I would not necessarily try to suggest how to make £155 million-worth of savings, but there is certainly an opportunity to maximise income, which is the other side of the budget sheet, if you like. Members raise concerns about the way the enforcement agencies collect penalties from domestic hauliers and drivers. There is not necessarily the same fastidiousness about European and continental drivers and trucks coming into the country, whether that be infringements related to vehicle maintenance problems or to drivers as well. It is a matter of making sure there is proper enforcement and that every penny that should be collected is collected. That would obviously reduce it, and any streamlining of systems that cuts down on time may equate to cuts in finance as well.

**Q16 Chair:** Is the problem of lack of enforcement against foreign vehicles a serious one?

**Adrian Jones:** It is difficult to say. Anecdotally, yes, we would say there is clearly a perception that for European and continental trucks and drivers the pursuit of infringements or penalties is not as robust. We have a concern about vehicle maintenance in European countries where their standards are not as high as they are in the UK. It is not about us going down to their level; it is about ensuring that every vehicle on the UK's roads is up to the highest possible level. Anecdotally, I would say that, yes, it certainly is a problem. The real challenge is how to enforce that across borders. I have not got any data to support the fact that European drivers who get fixed penalties disappear back to the continent and do not pay them, but anecdotally that is what our members report.

**Q17 Chair:** Would anyone else like to add to that, and perhaps also address the issue of enforcement of the HGV user levy, which is due to come into effect soon? Are there any concerns about how that will be implemented?

**Jack Semple:** If I could, I will address the issue of the condition of foreign vehicles; it is very important. The enforcement effort from the 2008 high-risk traffic initiative has had an impact on compliance levels of the foreign fleet. It is important to recognise that, but a lot more needs to be done. The last thing we need to do is to take our foot off the gas, as it were. We have issues in terms of vehicle condition, overloading and, above all, drivers' hours. There are worrying concerns about the level of non-compliance on drivers' hours, the level of falsification of drivers' hours records, which is an issue we have brought to the Committee before, and effective sanctions. The penalties and regulatory sanctions against the O licence are far stronger against the UK operator than against the visiting operator. These concerns are being addressed through the commercial vehicle road safety compliance forum, which I know you commented on in your report on VOSA last year. We would like to see faster progress. I believe progress is being made, and hopefully we will see evidence of that in the coming months. It is a very important issue, and I do not think we are there yet.

**Q18 Chair:** Do you think that collecting the levy will be a problem?

**Jack Semple:** In terms of collecting the levy, we are assured that robust systems are in place, and we look forward to the levy being paid. It has been welcomed by the industry.

**Q19 Chair:** Ms Dee, do you want to add to that, or to say anything more generally about the effectiveness of DSA and VOSA in dealing with non-compliance by everybody, not just foreign vehicles?

**Karen Dee:** We support the way that DVSA is intending to set up its targeting. Its approach to enforcement, at least against a UK operator, should be targeted where it has a pretty good idea who the worst operators are. We support all of that.

I would echo Jack's and Adrian's points about the need to ensure that foreign operators receive adequate attention. All the evidence suggests that it is a random selection; they are not targeted in the same way. That suggests their compliance is at a lower standard than for most UK operators. We are pleased with the direction of travel. There is probably still further improvement that can be made, but we like the targeting approach.

**Q20 Chair:** Would you say that VOSA's move to authorised testing facilities has been a success?

**Jack Semple:** It probably has been to a degree. It has not been without its issues. The big issue for the industry now is that the requirement for VOSA staff to carry out the annual test is holding back the industry. That would be our key point in terms of ATFs. We would see more investment and development of the training culture, and it would also free up VOSA staff to focus on enforcement and compliance more than they can otherwise. We are seeing repeated drives by VOSA/DVSA to recruit staff to carry out the testing, and we do not see a reason why good quality operators cannot do that job.

**Q21 Chair:** Have the changes resulted in more flexibility in terms of your members being able to have tests conducted?

**Jack Semple:** Marginally. There is marginally more flexibility, in that there are certainly more locations. I suspect VOSA itself would concede that there is more scope for flexibility even within the current arrangements, and were ATFs able to carry out the tests themselves there would be a great deal more flexibility on top of that. I suspect you would also see an increase in investment in ATF standard facilities and an increase in the number of sites offering tests.

**Q22 Chair:** Ms Dee, what is your members' experience?

**Karen Dee:** It is similar to that. FTA has been very supportive of the principle of the testing transformation system or scheme. As more and more ATFs are opening, it is providing greater flexibility and choice for members, which is a positive thing. The picture is still slightly mixed; it is still a journey, if you will pardon the pun. There are some areas which are not yet well served by ATFs, and that can mean quite some distance between test stations if there are not ATFs in place. It is a slightly mixed picture. Unfortunately, it is one where we still have some way to go, but we support the process and the way it is beginning to roll out.

**Q23 Chair:** Mr Jones, what are your views?

*Adrian Jones:* It is predominantly an operator's problem rather than a driver's problem. Our concern would be about maintaining standards. Enforcing maintenance schedules and ensuring vehicles are meeting the appropriate standards is the concern. We would have that ongoing concern as the process developed, but there is no evidence that there have been any major problems or detrimental effects on the testing regime.

**Q24 Chair:** What are your views on the current certificate of professional competence arrangements? Do they work properly?

*Jack Semple:* For drivers or managers?

**Chair:** You can tell me about both.

*Jack Semple:* For managers, the CPC is an interesting position because it was changed to make the qualification probably more demanding, so that, rather than have a national and an international CPC and a division between the two, you have to cover both areas of competence. The glaring paradox, or inconsistency, in the regulation is that, if you are operating any number of HGVs, or a single HGV, as a haulier, to carry other people's goods, you have to have a manager CPC, which is becoming more demanding. There is more and more attention as to what that should look like and the skills that would happen thereafter. If you are running one lorry, or a fleet of lorries, to carry your own goods, whether you are a skip loader, scaffolder, furniture manufacturer or wholesaler, you do not need to have anybody with any sort of CPC to manage the fleet. That is an interesting issue, which I think is coming to a head. VOSA is creating a new area of cost to instruct new operators in their responsibilities, which they should already know, because of this paradox in the regulation. In terms of driver CPC, we are getting an increasingly positive view of it in many ways given that it is here, but for a lot of smaller firms how they are going to get real value remains problematic, and that is an issue that as an industry we have to work at.

**Q25 Chair:** Mr Jones, do you have any views?

*Adrian Jones:* Yes. We would welcome any opportunity for managers to become more competent, as you can probably imagine. From the driver's perspective, it has not really delivered. In concept and theory, creating a certificate of professional competence for drivers to professionalise the industry and demonstrate that, yes, it is a profession where a wide range of skills and knowledge is required is exactly the right thing to do. The process of the driver's CPC in this form does not do that; where drivers have to do 35 hours, but can sit the same module five times, it is no benefit to the driver, the employer or the industry.

Unite has adopted a policy where we now believe that there should be some form of qualification, and some sort of examination to pass at the end of the training to establish a certain level of understanding and capability, but we do not believe that it is delivering what it should be doing. The reports that come back from our members are extremely concerning. Even for the good employers I have met, who are paying significant amounts of money for drivers to undertake the test, the quality of the training is not sufficient to encapsulate what a professional driver should be doing.

**Q26 Chair:** Are there any specific areas not being covered adequately?

**Adrian Jones:** It is the fact that it is more participation than actual training. We have heard stories where, quite literally, people sit down for seven hours and read the paper, or just look at a flip chart or PowerPoint presentation, which clearly is not the intention. Of course, there will always be the good, bad and indifferent in any scenario, whether it be union officials or CPC providers, but ultimately our members want to see a professional certificate and qualification. The best are going through a proper process; the worst see it as nothing more than a burden and an onerous process that has to be done, otherwise the drivers cannot drive.

We have serious concerns the closer we get to September, for road transport drivers. In the bus industry, it has been in place since last September. It is a different kind of environment for bus drivers; it is a lot more organised and the industry is dominated by a much smaller number of larger companies. In road transport, we are now seeing drivers who have not completed the training faced with having to pay for themselves in their own time, which is another cost. In the long-hours culture that Jack referred to earlier, drivers are already working many hours. A lot of them are then expected to spend another seven hours on a Saturday or Sunday on what, in our opinion, is vocational training that should be paid for by the employer in work time. While we broadly welcome the CPC, and our members are very engaged in the process, we have significant concerns about what it will actually deliver to the industry.

**Q27 Sarah Champion:** All of you have come up with suggestions as to how to make the service better, and tweaks that need to be implemented. When the Committee met the chief executive, he seemed to be very practical and down to earth in trying to find a way forward in a very tight financial climate. Has each of you gone to them with these suggestions? How are they received? Are they being implemented, or is there a block there?

**Karen Dee:** Are you talking about DVSA specifically?

**Sarah Champion:** Yes.

**Karen Dee:** We have regular interactions with DVSA, with Alastair Peoples and various other parts of the agency. Our perspective on the CPC is slightly different from some; there are bad elements, and quality can be a problem in some areas. The system—the processing—is quite clunky, so we have issues with that, particularly around approvals and what constitutes a good course. From our members' perspective, a lot of the companies we represent have been doing driver training for many years and are now trying to fit into a regulation about things they are already doing.

**Q28 Sarah Champion:** I was talking more broadly rather than about professional competence. You came up with some very good ideas. You talked about having to log on and log off 500 times. More broadly, when you go to VOSA or the Department for Transport, are they responsive to needs that users are presenting to them?

**Karen Dee:** Sometimes, but we certainly still have these problems, which are not new ones, so I cannot say that they have been solved. The biggest issue for us is that we feel the DFT needs to take a more hands-on approach and outline its vision for what these



agencies should deliver. You can have a chief executive of one agency doing very good things, but if the chief executive of the other agency is not given a similar remit we will not see the sort of cross-agency working we want. We would like the DFT to take more of a view on it and specify what they think the agencies can deliver, and particularly address for us where commercial fleet operators fit in with all of this. I do not think we have that kind of vision yet.

**Jack Semple:** I would agree with the last point. We are very keen for the Department for Transport to take leadership and set the framework. That was why we were very keen for the DFT to chair the CV compliance forum, for example. I believe we are starting to see a little more of that. As to the DSA end of the DVLA and the driver CPC, we are putting a number of issues. The level of real engagement with the agencies sometimes falls short of what we would like it to be. For example, I would probably take a more positive view of the driver CPC than Adrian. We are evolving all the time. There is a leadership role where the agency could help in freeing up the training issues and giving an idea of what is required, but also reducing the cost and the burden. If you vary a course, you have to apply for an entirely new accreditation for it. There are things like that where I think we could make more rapid progress.

**Q29 Sarah Champion:** Mr Jones, do your members feel listened to when they point out changes that could be made?

**Adrian Jones:** Our members are not shy about coming forward with suggestions, some more constructive than others. I meet representatives of VOSA—I will stick with VOSA for the time being. We do not have direct consultation or meetings with DVLA, but we have started to pursue information and questions through DVLA about licensing and different aspects, and that will certainly develop with the merger with DVSA. We would love to roll all of that into one. How responsive is it? Certainly, when it comes to clarifying issues that our members are facing—for example, we have had an issue about over-length vehicles—VOSA were extremely helpful with that, directly to me. We had some issues out in the regions, but I am sure that will be sorted. Yes, they are helpful, but not with really significant changes to respond to what our members are saying. We will just have to wait and see over the coming months whether that changes with the development of the new agency.

**Jack Semple:** On the creation of the new agency, I do not think we underestimate the degree of challenge, but it is going to take a lot of time and resource. We hope that the service to the industry does not suffer as a result.

**Chair:** Thank you very much for coming.

### Examination of Witnesses

*Witnesses:* **Stephen Smith**, Operations Director, Confederation of Passenger Transport, **John Lepine**, General Manager, Motor Schools Association of Great Britain, and **Jay Parmar**, Legal and Policy Director, British Vehicle Rental and Leasing Association, gave evidence.

**Q30 Chair:** Good afternoon, and welcome to the Transport Select Committee. Could you give us your name and organisation, please?

**Stephen Smith:** My name is Stephen Smith. I am from the Confederation of Passenger Transport.

**John Lepine:** My name is John Lepine, and I am general manager of the Motor Schools Association of Great Britain.

**Jay Parmar:** I am Jay Parmar, legal and policy director, representing the British Vehicle Rental and Leasing Association.

**Q31 Chair:** Could each of you tell us what your involvement is with the different motoring agencies?

**Stephen Smith:** From the Confederation of Passenger Transport's point of view, we engage quite extensively with VOSA, and also with what used to be DSA, DVLA and the office of the traffic commissioners for the registration or licensing of bus services and, working back, the licensing of drivers and vehicles through DVLA and, through VOSA, for every aspect of compliance for buses and coaches on the UK's roads.

**Q32 Chair:** Have you had good experiences?

**Stephen Smith:** It varies dramatically. I will start with the good bit, dealing with VOSA. Over the last six years, since I have been at CPT, the relationship, particularly with VOSA at senior level, has been nothing short of really good since Alastair Peoples became chief exec. He and his directors and staff under him have been very quick to engage and consult with the industry on all aspects that would affect our members. I have to say that we do not have the same sort of relationship with DVLA in terms of senior directors, but there are two ladies at Swansea who are absolutely brilliant, and we engage with them on a regular basis, and there are a couple of chaps, who also work in the licensing department, who are also brilliant, so we are able to bypass a lot of the bureaucratic problems that drivers and members have. We are pleased that DSA has merged into VOSA, and we are already starting to see some benefits through a change of attitude and policy as a result of that merger.

**Q33 Chair:** Mr Lepine, what has your involvement been with the agencies?

**John Lepine:** Our members deal with DVLA, mostly for licence checking—people who come forward either for ordinary driver training for licence acquisition or for courses as qualified drivers. The majority of our members deal mostly with what was the DSA but has now been taken over—I suggest—by VOSA, rather than merged. Whether that is a good or bad thing we will have to wait and see.

Our relationship with DSA/DVSA has always been excellent. We have very good communication with them. Obviously, we do not agree on everything, but there is an awful lot we do agree with. The good side is that their moves on digital by default have been absolutely excellent. They provide a really good service online. A downside of that is that they provide virtually no services that are not online, so if one is not in a broadband area, or one does not want to embrace the new technology, contrary to the Cabinet Office guidelines, it is almost impossible to try to deal with DSA.

**Q34 Chair:** Why do you say it is a takeover and not a merger?

*John Lepine:* There are not many DSA staff left at director level; they are all VOSA people.

**Q35 Chair:** Mr Parmar, what has your experience been?

*Jay Parmar:* It would probably be helpful to explain that our sector represents 3.3 million vehicles. To break that down, it represents one in four trucks, one in seven vans and one in 10 passenger cars on UK roads. When you look at our industry engagement with all the agencies, it represents broadly 6 million to 7 million separate transactions that the sector has with the various agencies, whether that is registering the vehicle, getting the vehicle taxed, getting the vehicle tested or disposing of the vehicle.

**Q36 Chair:** Have your experiences been generally favourable?

*Jay Parmar:* I do not think they have necessarily been favourable. When the Achilles heel—

**Q37 Chair:** What sorts of problems arise?

*Jay Parmar:* I was turning to that. I guess that, for the association, the Achilles heel has been that the motor agencies do not necessarily recognise the sector's having multiple vehicles. Given the way they are structured, they are dealing with our sector predominantly as individual registered keepers when we have multiple vehicles. As you heard earlier, that creates a number of inefficiencies for businesses when you have to deal with separate transactions for multiple vehicles. Paperwork gets lost in the post; you have to reapply for that within the agencies. There has been a lack of communication across the agencies, which, certainly during the economic recession, has had a direct impact on our members.

When you look a little deeper, one of our concerns—this relates back to road safety—is that if those compliances are not being met, or if the register DVLA looks after is not accurate, it starts to unravel itself to create inefficiencies in road safety and road safety compliance. From our perspective, it is imperative that the agency has a strategic outlook in what it is trying to achieve. There are opportunities. We have been making representations to help with some of those inefficiencies, and we are starting to see early changes taking place.

**Q38 Chair:** Have there been any problems with the closure of local DVLA offices?

*Jay Parmar:* From our perspective, while we were consulted we highlighted a number of concerns about local offices closing, particularly with tax disc distribution, which has been centralised at Swansea. That had a direct impact on our members. The real benefit for our sector is the speed at which we can get vehicles on to UK roads. There seems to be a lag, which I do not believe the DVLA has necessarily thought through, when dealers were no longer able to issue tax discs and register them from the dealerships; they were being issued from Swansea. That created a situation where those vehicles could not be put on to the road for a number of days. That created difficulties. We are pleased about the announcement the DVLA has made about abolishing the need to display the tax disc, and that could go some way to remove some of the difficulties we experience.

**Q39 Chair:** Mr Smith, have you had problems with the closure of offices?

**Stephen Smith:** Yes, particularly for bus and coach manufacturers, who usually had a local DVLA office nearby. It was common practice that, as the vehicle was getting ready to be finished, all the paperwork would be taken to the local office and it would be done. The tax disc would be there, and the vehicle would be delivered to the customer ready for the road there and then. Unfortunately, the closure of the office caused a whole range of bureaucratic problems, not least of which was that the customers who were buying the vehicles had to supply electric and gas bills for their operations, which meant that tax discs were not being issued on time and vehicles were sitting around for the best part of two to three weeks, even four weeks in some cases. If an operator has just bought a nice new coach for £300,000, to have it sitting there and being unable to use it for his latest coach tour because of this particular bureaucratic problem is very frustrating. We are slowly working our way through that, working with the DVLA, in a sense, to make sure that all the manufacturers, together with the operators, are aware of the processes and the many and various forms that have to be completed so the thing gets done in good time and things are issued right.

I have a slight concern about the loss of the tax disc. One of the key roles for any driver as part of his daily walk-round is to check that his tax disc, together with his O licence, is in place. When the tax disc disappears, some of the vehicles they are driving will have tax discs in them and others will not. He will be relying, effectively, on the operator having taxed all the vehicles on time because he will not actually be able to check that they are.

**Q40 Chair:** Mr Lepine, has the closure of local offices had an impact on your members?

**John Lepine:** Not really. That is not something driving instructors deal with. Talking about the disappearance of tax discs, we are also very concerned about the disappearance of counterpart licences. As you know, the DVLA has announced that counterpart licences are to go. That will mean it will be impossible for a driver trainer to know not only whether a person has any endorsements on their licence, which is not vital, but whether they have any short period disqualifications. If a court disqualifies someone for a short period, it does not confiscate the licence but simply writes it on the counterpart. If the counterpart is no longer going to exist, how will the driver trainer know if a person who comes for a speed awareness course, or a red traffic light course, is legally allowed to drive? The only way to check at the moment would appear to be a premium rate line to the DVLA. The person who turns up, the trainer or the trainer company will have to pay £2.57 a minute—I think it is—to find out if that person is allowed to drive and to make sure they do not have an SPD.

**Q41 Chair:** Are there any particular problems with DVLA going online? For example, are there any security issues that concern you?

**Stephen Smith:** One of the things we are looking forward to seeing is that, hopefully, DVLA will be a lot more efficient when it goes online. If this solves the problem of its medical branch, that will be brilliant. That is the worst organisation, or section, we ever have to deal with. If somebody has a medical problem, when you will get the thing back is almost like the proverbial black hole. Through our contacts, we find ways to work round a lot of these things, but we should not have to. The new systems are in the process of being

developed. One good thing is that they have agreed, and we have offered, to set up a number of focus groups with bus and coach operators, so the people building the system can sit down with the people who use it on a regular basis and see that, hopefully, it becomes fit for purpose and not say after it's been built, "Oh, if only you'd told us." We have offered, so, hopefully, some positive moves will come out of that.

**Q42 Chair:** Does anybody else want to make any comments about the DVLA going online? Do you welcome it, or do you have concerns about it?

**Jay Parmar:** Over the last 10 years, we have been making certain recommendations about digitalising some of the services and preventing the DVLA from becoming a very large paper-based organisation. We are starting to see some of the efficiencies, and businesses are already transforming. It is the only part of our members' businesses that has to do with Government agencies that is done through paper; everything else is dealt with via e-mail, or there are electronic communications. We have estimated savings in excess of £20 million in DVLA becoming electronic. Simple things like not receiving the vehicle registration document and being able to notify electronically that you have sold a vehicle will start to improve efficiency, and will also improve the accuracy of the databases. Certainly from our perspective, digitalisation and going online will help improve efficiency for businesses, and—going back to the purpose of this inquiry—it will start to deliver user experience; from our perspective, it will enhance user experience. Motorists and businesses are looking for a one-stop shop; they do not necessarily differentiate among the various motoring agencies. They want to deal with a single entity when it comes either to driving licences or to the actual motor vehicle itself. They want to see a one-stop shop for all interactions. If we can start to see the agencies working more collaboratively, I think we will start to see some of those synergies unravelling.

**Q43 Chair:** Mr Lepine, do you have any comments about that?

**John Lepine:** The main concern to us is the cost of dealing with DVLA. That will be reduced by being digital, but it appears to be very difficult for a self-employed micro-business driving instructor who needs to check a licence to do so. We have talked to DVLA about the possibility of developing some kind of application for a mobile phone, or whatever, that would allow people to do that in a cost-free way, so there would not be the heavy cost of ringing a premium rate number.

**Q44 Chair:** You say costs will be reduced. Have you been told how much less you will have to pay to use the service?

**John Lepine:** No. There is no cost in a counterpart licence; it just comes as a piece of paper. The cost saving will be to DVSA. Our concern is that, if there is no counterpart, the driver trainer will not be able to tell if the person is qualified to drive. In other words, are they disqualified? Do they have a particular pattern of convictions? They will not be able to see that without telephoning DVLA on a premium rate number. That is the difficulty.

**Jay Parmar:** That is a very important point. One in four customers wishing to rent a vehicle turns up without their counterpart, and we have to phone the DVLA; to the tune of 750,000 phone calls are made annually. Once the counterpart goes, under the red tape challenge, it will mean that every single driver will need to be checked and verified. You

touch on a very important point about how the fees will operate if it is a chargeable service, because having to carry out those checks will impose a new cost on businesses.

Under the red tape challenge, our view is that it has to be a win-win situation. Yes, we can understand the efficiency savings Government is going to make, but those costs should not necessarily be passed on to businesses. Our concern is whether DVLA will be able to provide those efficiencies. If you take Heathrow airport, dealing with thousands of customers turning up at peak times, how are you going to verify and check every single driving licence 24/7? Once we have the necessary assurances—I think DVLA is making the right noises—we need that system to be tested and verified to ensure it is fit for purpose.

**Q45 Martin Vickers:** I have a question for Mr Lepine. At present, I am dealing with a constituent who has had her driving instructor's licence suspended by the agency because of an illness she suffered, but the medical advice is that she is perfectly safe. It may be that the agency acted perfectly reasonably—I do not know the outcome yet—but do you find on the whole that the agency is a little heavy-handed, or is it quite understanding of the position of your members?

**John Lepine:** For our members, one of the advantages is that we understand the system very well and we are used to dealing with the people. Because of that we do not have many problems. Members come to us with problems that are quite straightforward to solve, but only because we have the expertise. For an ordinary driving instructor who is not a member of a trade association, understanding the system can be fraught with difficulty. They get very frustrated and annoyed. The case that you state would seem to be wrong. If the person is allowed by DVLA to drive, there should be no reason why she should not have an instructor's certificate. The only extra requirement for a driving instructor medically is that they are able to read a number plate from a greater distance. If they are medically fit to drive under DVLA rules, they should be fit to instruct.

**Q46 Chloe Smith:** I would like to stick with the same theme of the shift to digital. I am aware of some figures from last year that suggest that the costs of booking a driving test are radically different by post, online and by phone. It costs £6.62 to book one by post, £4.11 by phone and 22p to do it online. As you can tell, there is a difference of 30 times between the worst and the best, the worst being most expensive for the taxpayer and the best being the cheapest in my view. Obviously, many of your members are also taxpayers. I am sure they have a robust set of opinions that they carry around with them in vehicles—taxi drivers and instructors being some of the most informed members of our society, of course.

**Martin Vickers:** Keep digging.

**Chloe Smith:** Seriously, can I just ask for other views your members may have about how these organisations can make savings for the taxpayer at a time when such savings are needed?

**John Lepine:** I do not recognise those figures at all. I do not know whether you are talking about bogus websites that charge people for Government services.

**Q47 Chloe Smith:** No. I can explain. The reference is [gds.blog.gov.uk](https://gds.blog.gov.uk) on 17 January 2013. It is about the cost to the taxpayer of doing Government transactions.

**John Lepine:** Sorry, I didn't realise.

**Chloe Smith:** I assume they are DVLA figures.

**John Lepine:** I think we are all in favour of DVLA, DSA and everybody else becoming digital. The problem is that, while the vast majority of our members are more than happy to embrace digitalisation, driving instructors by the nature of what they do are practical people who teach real people to drive real cars. They do not have computers sitting on their knee all day. Therefore, in many cases they are not digitally aware. In some cases they are not able to access the digital network because of lack of broadband in some places. It has therefore become almost impossible for a driver trainer to book a driving test for a pupil, for instance, except digitally or by telephone. Some people would like to fill in a form and send it in; they are not a vast majority, and, according to the Cabinet Office guidelines as we understand them, people should be able to do that, but that is what is being excluded.

**Q48 Chloe Smith:** Does anyone else have a view on that?

**Jay Parmar:** On channel shifting, our members are making a contribution to both agencies to the tune of £120 million. That is a cost we have to pay for those services. If there are inefficiencies because they have to deal with greater amounts of paper and items are being lost in the post, there is greater cost in chasing up and finding out where those documents are. If that can be improved, it has to be a good thing. If it also helps to deliver value for money, that has to be a good thing. The cost reflects the channel shifting that you make reference to. Those costs are reflected in the agencies, and ultimately we as taxpayers have to fund those different channels. If we can incorporate efficiencies, from our perspective it has to be a good thing.

**Q49 Chloe Smith:** Mr Parmar, could you clarify an earlier comment? I am not sure I understood you. You said that the only part of your business with Government was the paper bit. Could you explain that a little more? Does that mean you have a whole mound of paper that you have to do with Government?

**Jay Parmar:** It is part of compliance. When you have to notify that you have sold a vehicle you have to do it by paper; there is no alternative. The DVLA is starting to listen to some of the comments we are making about being able to do that electronically. We have to send annually by paper 5 million items, and again that is a cost to businesses. Someone has individually to complete it for every single vehicle we are disposing of. We are disposing of about 1 million vehicles every year, so you can start to see the whole cost.

To give another experience that our members are complaining about, they are receiving in excess of 750,000 cheque refunds for tax discs that are being cashed in. Those cheques have to be processed and administered, and yet we are purchasing 1 million vehicles annually. Rather than refunding that amount through cheques, perhaps a simpler idea would be to hold on to it through a pre-funded account, which could be used to offset future purchases. That would be a far more efficient way for the agency to be run. Those are simple examples we can give that would help deliver some of the efficiency that you refer to.

**Stephen Smith:** Given that the best part of the employees in the industry are 120,000 or 130,000 bus and coach drivers, when we are looking to employ new people, who in some cases are giving up a job to join our industry, it is incredibly frustrating that they have to wait two, three or four weeks while the provision of the licence is struggling through the bureaucratic system. Nobody is going to be keen to put themselves at risk because they have a gap in their finances. It is important that the digital part works in speeding up these types of services. We had a fast-track service, which the industry paid for. That meant licence applications were turned round exceptionally quickly, effectively within 48 hours. They were checked, and a fax came back to the operator saying that this person was fine, that his provisional was on its way and he could start training.

During the recession not so many people were joining the industry because not so many were leaving it. Therefore, the numbers using the fast track dropped substantially, to the point where the time taken between the two was basically the same, so DVLA took the option to save money and withdraw that. We are now coming out of that situation. More people are joining the industry again, but that service is no longer available to us, and people are having to wait a lot longer to get their licence so they can start training. That is a burden not only on employers but also potential employees themselves. Potentially, we are losing good people to the industry because of this particular service. We have mentioned to DVLA that we would like to see the service resumed.

As to the provisional part, it is not too much of a problem at that end, we are told, but they are no longer allowed to fax back to an operator that the person is okay. That is under your data protection rules. It drives you mad, to say the least, and stops people getting a job. We want to give them a job. We want to get them started but we cannot because this stuff gets in the way.

**Q50 Chloe Smith:** If I had to characterise where they should look for efficiencies, it is time and leanness while retaining choice.

**Stephen Smith:** Yes.

**John Lepine:** For a minority.

**Q51 Chloe Smith:** Mr Parmar, you said something interesting that I would like to know more about. I think you referred to Heathrow airport and having to process thousands of licences. Are you referring to the use of the licence as an ID document, and have you any further thoughts on that?

**Jay Parmar:** No. Under road traffic legislation, before our members hand over the key to a motor vehicle they need to be satisfied that the individual has a valid driving licence. They need to verify. Quite often, because the photocard is a nice credit card-sized document that fits in a wallet, most people tend to leave the clunky paper document behind, so they turn up without their full driving licence. Before our members can release the vehicle, they need to authenticate that the person in front of them has a valid driving licence, and that they are not banned from driving, for example, or do not have endorsements or penalty points that would impinge on their motor insurance policy requirements. They have to carry out a number of checks. Our concern—we have echoed these points to the DVLA—is that, if the counterpart does go, there needs to be a direct replacement to be able to check that information online 24/7. The earlier comment on fees is an area of concern,



because at the moment there is no cost for checking a driving licence. In the future, if there is a fee, that will be quite stifling and will start to erode the whole process, both for the consumer renting the vehicle but also for the business trying to provide the motor vehicle.

**Q52 Chloe Smith:** For clarity, you are not talking about passengers flying in or out of Heathrow using it as an ID document; you are talking about customers renting vehicles.

**Jay Parmar:** Absolutely.

**Q53 Chair:** Mr Lepine, is there a problem with fake DVLA websites?

**John Lepine:** Not so much DVLA websites as DSA websites. They are not fake as such. They are bogus, inasmuch as, if someone puts into a search engine that they want to book a driving test, a website will come up that says they can book a driving test, and they enter their details. There has been some tightening-up of the rules on this. It may well say that the site offers a special insurance scheme to people who book through it, but they find they are paying a £10 or £15 fee on top of the fee they would pay if they just went to gov.uk. We would like to see those sites stopped altogether. Obviously, driver trainers recommend that people book only through gov.uk, but there are a lot of sites people can go to in order to book a driving test that are not Government sites, and they charge a premium for doing that, but there is no real benefit.

**Q54 Chair:** Do you think the Government should do anything about that?

**John Lepine:** I understand they have tried to clean it up, but it would be good if it was just not allowed. It is like a lot of so-called bogus sites that offer information about different Government subjects. People pay a premium to go on them and they are really just given a rehash of what is on the ordinary Government site.

**Q55 Chair:** Mr Smith, would you say that, generally speaking, the DSA and VOSA are effective in dealing with non-compliance?

**Stephen Smith:** It is steadily getting better. Working through the commercial vehicle road safety compliance forum, both the trade associations and VOSA are getting to understand why vehicles are not passing their MOT tests first time round and what issues are being found at roadside. Together, we are trying to work towards education of operators.

**Q56 Chair:** But are they being effective?

**Stephen Smith:** Only time will tell. We are only at the early part of this particular process.

**Q57 Chair:** But at the moment would you say that VOSA is an effective organisation?

**Stephen Smith:** I think they are trying to be effective.

**Q58 Chair:** Does that mean they are not effective?

**Stephen Smith:** I am not saying they are not effective. That would be unfair.

**Q59 Chair:** How would you describe them?

**Stephen Smith:** I would describe them as need to do better, or must try harder, to get the serially non-compliant off the road.

**Q60 Chair:** Let me give you one example. In September 2012 a coach carrying people returning to Merseyside from the Bestival music festival on the Isle of Wight crashed. Three people died in that vehicle: Colin Daulby, Kerry Ogden and Michael Molloy. It was found from the inquest that was held, and the public inquiry, that the reason for those deaths was a tyre that was 20 years old. Do you think VOSA should have done something about that before the crash occurred?

**Stephen Smith:** I cannot really comment on that. It was a tragic loss. You would like to think that the operator would have prepared his vehicles and checked them properly, and made sure they were all safe before they went out. I cannot comment on the circumstances that caused it, because I do not know. However, what we can say is that both VOSA and ourselves have issued a compliance bulletin to all our members about how operators should look at tyres and check tyre ages to make sure that, going forward, they have all the right information so that nobody else ever has to go through that particular situation.

**Q61 Chair:** Have you been asked to take action after the date of that crash?

**Stephen Smith:** No; we took it upon ourselves.

**Q62 Chair:** The DFT has not at any stage asked you to look at that.

**Stephen Smith:** No. We took it upon ourselves.

**Chair:** They haven't?

**Stephen Smith:** No, we took it upon ourselves to deal with that and provide information to members.

**Q63 Chair:** It is thought that there are 20,000 tyres over 10 years old. Is that something that concerns you?

**Stephen Smith:** It depends on the condition. I am not an expert on tyres, and therefore I cannot comment.

**Q64 Karl McCartney:** You are saying that in the past, before this accident, your members—your operators—even though it is very easy to tell the age of a tyre, had not as a matter of course logged the age of the tyres on their vehicles.

**Stephen Smith:** No, I am not saying that at all. There are lots of good operators out there in the industry who consistently check their tyres and change tyres on a regular basis, and therefore would not have tyres of that vintage in their particular location. However, not all operators are in that particular category. Why this particular operator was in that condition I really cannot comment, because I do not know.

**Q65 Karl McCartney:** Do you think the DFT should give you direction? Sometimes there is a need for more regulation, although as a good Conservative that is not really what I look for. Do you think there should be more regulation to make sure all operators conform to keeping good records of the types of tyres they have on their vehicles, and how old they are?

**Stephen Smith:** You would expect good operators to keep that anyway without the need for any regulation whatsoever. What is important is that the industry, VOSA and the tyre manufacturers work together to make sure that information is widely available so that there is no excuse for anybody to say, “We didn’t know,” but you cannot always legislate for those who decide not to follow what goes on.

**Q66 Karl McCartney:** What is the average price of a normal tyre? Do you have the same charge that we as common-or-garden drivers have to get rid of old tyres, which is about £3.50?

**Stephen Smith:** Most of it works out at so much per mile. It is done through a contract with tyre manufacturers for the vast majority. In terms of the price for a tyre, I have never had to buy one so I do not know, and it would be wrong to guess.

**Jay Parmar:** On compliance, as part of that review we would certainly encourage not more regulation but greater enforcement of existing laws. It is about getting boots on the ground and freeing up VOSA from some of the bureaucracy. Our view is that perhaps management of the database and dealing with the administration of the vehicles should be more integrated with DVLA.

**Q67 Chair:** Has the issue of the age of tyres ever been brought to your attention as an organisation?

**Jay Parmar:** Not to our sector. We have a mandatory code of conduct. We regularly carry out inspections of our members’ vehicles. Our members tend to keep passenger cars for up to three years and they are de-fleeted after that. Vans are normally four years, and some of the trucks our members operate are between five and seven years old.

**Q68 Chair:** There could still be issues about the age of tyres fitted.

**Jay Parmar:** We have a very robust maintenance programme that is carried out in line with the manufacturers’ guidelines. Both the condition and tread of tyres are regularly reviewed, and our sector would certainly take the view that compliance in road safety is of the utmost.

**Q69 Chair:** Is the age of the tyre ever seen as relevant? One of the issues about this tyre, which was nearly 20 years old, was that there was a rotting of it from within. That is thought to be characteristic of tyres of that age.

**Jay Parmar:** Absolutely. Our view is that a 20-year-old tyre would be unacceptable. The tread itself is something we would look at, but our members would regularly change tyres and ensure a fresh set was put on those vehicles.

**Q70 Chair:** What age would you consider to be appropriate?

**Jay Parmar:** Because of the miles driven by some of our members' vehicles, tyres are changed annually, if not within 18,000 to 20,000 miles. There is already a regulation about tread rather than the age of the tyre. It is more likely than not that the tyre will be changed.

**Q71 Chair:** Mr Smith, going back to the points you made, in the actions that you take voluntarily is there a maximum age of tyre that is acceptable?

**Stephen Smith:** It is all about condition, and regular checking and monitoring.

**Q72 Chair:** It is not about age; it is about the things you can see.

**Stephen Smith:** You could have a tyre that is only a year or two old, but if it has not been looked after and its condition is not right, it is no good. There are others that may well be slightly older but are looked after properly and may not get as much use. It is all about monitoring and checking.

**Q73 Chair:** But you could also have an older tyre where you did not measure anything wrong but actually it was rotting from within.

**Stephen Smith:** That is all about your tyre fitter, or whoever is putting the tyres on, checking the condition of those tyres when you come to fit them. If it does not look good, you would not fit it.

**Q74 Chair:** Mr Smith, let me ask about the current driver certificate of professional competence. Are you happy with the current arrangements?

**Stephen Smith:** It is now implemented for our particular industry. We have been involved over the last six or seven years with DSA and various others in implementing it in the UK, and the bus and coach industry has a tremendous background anyway in delivering training. Long before CPC was even thought of we were delivering training to drivers. It may not be the same quantity, but we have been delivering training. That has meant that, given the way we are organised, the vast majority of our operators have devised and delivered the courses that are right for their particular business. They have been incredibly successful.

Where it gets more difficult is around independent training providers who have seen the industry as a way of making some money. They think, "I'll call this a customer care course," and it may well not deliver either what the driver particularly wants, especially if he has had to pay for it himself, or what the operator requires. That comes round to the monitoring and auditing of courses as they are provided. You have to remember that we are the only European state that has implemented it with controls in this particular way.

**Q75 Chair:** We have been told that it is not possible for an employer to check which modules a driver has taken. The driver is choosing which modules to take and an employer cannot check. Is that correct?

**Stephen Smith:** The operator does not have automatic access to the DVSA's recording and evidence procedure. He has to get the driver's permission to be able to look at it.

**Q76 Chair:** Do you think that is a satisfactory situation?

**Stephen Smith:** Not particularly, because as an operator I would want to be able to check everything. I would not be employing anybody unless I knew what courses they had taken. Similarly, I would be deciding what courses they should be sitting, because it is right for our business.

**Q77 Chair:** But could you do that under this system? We are told that, because of the way the system operates, the employer would not know what a driver had actually learned.

**Stephen Smith:** That depends. The operator has the ability to know, if he wants to, exactly what courses have been sat. What I am concerned about going forward is the issue of people wanting examinations as part of the CPC courses. The one thing that is good about it is that in a sense you are able to set a framework for the course that is right for you as an operator, if you so wish. We have many people working in our industry who are, shall we say, educationally challenged potentially, and the mere thought of having to sit another exam at the end of a course would fill them with dread. It also introduces consequences—what happens if they fail that particular test, for a whole variety of reasons? Similarly, courses will start to be delivered purely around passing the test at the end, rather than on the subjects that ought to be covered. I have real concerns about that going forward. It is trying to fix a problem in the wrong way. The problem should be fixed through proper auditing of all the courses that are being delivered and then working out who are the wrong course providers.

**Q78 Chair:** What are your general views on the new DSA service? Are you all enthusiasts for the new service?

**John Lepine:** For the DVSA?

**Chair:** Yes.

**John Lepine:** We are hopeful that it will all be wonderful when it comes. There are some things we would particularly like to see both pro and anti-digital by default. Currently, the booking system for approved driving instructor standards checks is a joke and wastes a huge amount of resource, both for the agency and for driver trainers. We have been promised a new system for years and nothing has come. Equally, referring to something I talked about before, being able to do some stuff still in paper form would be useful for those who still want to do it. Most importantly, we are interested in whether a new agency will be able to carry through some policy change. The policy from DSA in the past has been hopeless. They have never ever managed to carry through any serious policies with the help of a Minister or central Government that have actually done any good. There have been all sorts of proposals for things down the years where we have co-operated with DSA, like trainer registers, learners on motorways and the provision of cars fitted only with dual controls to be used on tests. None of these things has ever managed to be carried through. Whether that is the agency's fault or just the machinery of government we do not know, but we hope that the new agency might be a bit more forthright in carrying policies through.

**Q79 Chair:** Mr Parmar, do you have any views? Are you hopeful that it will work very well?

**Jay Parmar:** We are certainly hopeful. The fact that it takes the merger to help break down some internal barriers is a worrying statement. It also demonstrates our concerns elsewhere within Government agencies where left and right are not necessarily communicating as efficiently and effectively as perhaps they can. On policy and its enforcement, our members tell us they are not sure which agency to go to when there is an issue. When they approach one agency, there is lack of accountability and ownership of the issue. As I said in my opening remarks, it is vital that we start to see a joined-up approach among all the motoring agencies to compliance and road safety. If we can get that change taking place, that itself will lead to a greater level of services.

**Q80 Chair:** Mr Smith, are you an enthusiast?

**Stephen Smith:** I am an enthusiast in that, having struggled to deal with the DSA at different times over the years, anything that improves dealing with them is only good. I give you an example to close on. One of the things in our response to the consultation on motor services last year was that for years the larger operators in the bus and coach industry had been able to carry out driver tests themselves, which has been a big benefit—without recourse to a DSA examiner. They are exactly the same standards and rules. The industry is keen to expand that, so that more of the burden shifts away from DSA inspectors and towards examiners from within the industry itself. DSA would not talk about it, and would not even approach it. We approached the chief exec of VOSA direct as to our vision and where we think we would like to see things go over a number of years. Very quickly, people who refused to talk to us before are now sitting down and talking to us about how we can improve driver testing for bus and coach drivers going forward. If we can get something approved and agreed—maybe not next year or the year after; but nevertheless we are talking about it—potentially that will have great benefits for the industry going forward.

**Chair:** Thank you very much.

### Examination of Witnesses

*Witnesses:* **Beverley Bell**, Senior Traffic Commissioner, and **Leon Daniels**, Managing Director, Surface Transport, Transport for London, gave evidence.

**Q81 Chair:** Good afternoon. Could we have your names and organisations, please?

**Beverley Bell:** I am Beverley Bell, senior traffic commissioner and also traffic commissioner for the north-west.

**Leon Daniels:** I am Leon Daniels, managing director, surface transport, Transport for London.

**Q82 Chair:** Could you tell us something about your involvement with the main motoring agencies at the moment and how you see them?

**Beverley Bell:** Our involvement at this stage is very much the same as it has been in the past. We continue to deal with the main directors who were at VOSA and who are now

changing to the transition board. We continue to liaise with DVSA through the tripartite meetings, but at this stage it is too early to say how things will change once the merger becomes effective.

**Leon Daniels:** Our view is that the merger has much promise. We think it will improve communication and reduce bureaucracy, and that our relationship with the new DVSA will be better than it was previously with the two old organisations, but it is early days.

**Q83 Chair:** Do you think any responsibility should have been devolved to Transport for London?

**Leon Daniels:** I have no strong view that any further responsibility should have been devolved at all. Many of the issues which the new agency is dealing with apply nationally, and it is perfectly reasonable that those standards are applied equally across the whole country.

**Q84 Chair:** How effective do you think the DSA and VOSA are in enforcing regulations against non-compliance?

**Beverley Bell:** They are getting better. I would echo the comments of Stephen Smith.

**Q85 Chair:** Are they getting better from being bad or very bad, or what?

**Beverley Bell:** You may recall I gave evidence on a previous occasion when I said I felt it was important for the then VOSA to target the serially and seriously non-compliant. It is fair to say that DVSA has sat up and listened to that. In particular, through the DFT-led compliance forum, we are all working together as commissioners, enforcement agencies and the trade, as Mr Smith said before, to find out what makes operators non-compliant, and also to improve levels of compliance.

We are now being consulted on the DVSA business plan. That is really valuable work. Two of my colleagues are now working with DVSA enforcement direct to make sure that, as we regulate, we are doing so on the basis of the enforcement that is being carried out. Things are certainly moving forward. It will always take some time, but I and my colleagues are confident that it is moving very much in the right direction.

**Q86 Chair:** Is the July 2012 framework document working better now?

**Beverley Bell:** Yes. We still have regular meetings and we continue to have very good relationships with DFT, so that is very beneficial.

**Q87 Chair:** Mr Daniels, you said you would like more support from the agencies on vital safety issues. Could you tell us a bit more about what you mean and how it could be done?

**Leon Daniels:** As you know, we have been working very hard to improve the safety of HGVs in London following a series of incidents and fatalities involving cyclists. We are very keen that operators who bring HGVs into London are not only aware of the hazards but are also aware that if their vehicles are not compliant, or the drivers are not compliant, there is a serious chance that they will be found out. With colleagues in the Metropolitan police and what was VOSA, we carried out a series of intelligence-led enforcement

exercises. We found from those intelligence-led exercises that some 70% of the vehicles had some issue relating to either the driver or the vehicle. That figure sounds alarming, but since it is intelligence-led it is not surprising that the police, with VOSA, are stopping vehicles that they believe to be non-compliant and are finding that to be the case.

We are very keen to do this and that DVSA has an appropriate budget to be able to continue this enforcement activity. In some cases DVSA operatives are making some very difficult choices between the cost of mounting an enforcement operation and other duties they have to have, and, equally, we would like to make sure they are resourced not only from a practical point of view but from an intelligence point of view so they can do the necessary work behind the scenes so that the resources used for enforcement are used wisely.

**Q88 Jim Fitzpatrick:** Mr Daniels, you made the quite appropriate point that 70% was a high percentage but it was targeted; it was risk-assessed and therefore validated the judgment of the various authorities that you were picking the right vehicles. What percentage of the overall number of HGVs does the 70% represent? Is it targeting 5% or 10% of vehicles? Can you give us an idea of how many vehicles out there are potentially not conforming to the appropriate standard?

**Leon Daniels:** I am not able to answer that accurately. We were targeting 100% of vehicles that we thought might not be compliant, but I cannot give you a figure as to what that represents.

**Q89 Jim Fitzpatrick:** But you understand the question. If the targeting of 100% represented only 2% of traffic, then 98% is relatively safe.

**Leon Daniels:** Indeed.

**Q90 Jim Fitzpatrick:** If you are targeting 50% of vehicles, almost half—or certainly over a third to a half—of the vehicles on London’s roads are a worry.

**Leon Daniels:** The figure for compliance against non-compliance at annual test for vehicles being stopped is available on the public record. It opens another point, if I may make it. Part of the problem is that the gathering of intelligence and sharing of data between the agencies is not perfect. For example, if the Metropolitan police stop an HGV and find it to be clear, it is almost certain that that check, which is clear, is not put on to the operator’s record. DVSA maintains a particular record, called the OCRS score, which is designed to be an indicator of the level of compliance, both practically and in terms of paperwork, over the operator’s risk. You will accept that, if the correct number of clear checks is not being transmitted by, say, the police to the DVSA, the proportion of clear checks is not finding its way through to the operator’s record and, therefore, thoroughly compliant operators are not being recognised as such. The point we would make is that, in all the work we are doing across all these agencies, the ability to share data between the Metropolitan police, the DVSA and the other agencies involved is critical; otherwise, it could give a misleading result.

**Q91 Chair:** Ms Bell, you conducted an inquiry into the fatal coach crash in September 2012 when three people were killed returning from a music festival. The cause identified was a 20-year-old tyre that blew when the vehicle was passing.



**Beverley Bell:** It was 19 years old.

**Q92 Chair:** Looking at the history of the company involved, as set out in the report you produced, there was very clear evidence of a long history of neglect and dereliction of duty, and the licence was revoked from the people involved as far back as 2003. There was a whole history of failures.

**Beverley Bell:** Yes.

**Q93 Chair:** Does all of that, which culminated in that horrendous crash with the loss of three lives, say something about VOSA or the traffic commissioners? Does it mean that the system is not working, and that those problems should have been stopped before they reached this terrible position?

**Beverley Bell:** It was a tragic case. I recall it well. It has had a lot of publicity. My view is that it raised two issues. The first is what do we do about old tyres? I will talk to you about that in a moment, if I may. It is right to say that that operator and the related family were well known to me, and also to VOSA—as it was at the time. That is what I mean when I talk about VOSA targeting the serially and seriously non-compliant. It is my view that OCRS is not the answer to everything. It is important to look at the intelligence that VOSA receives—I am talking about VOSA in its previous form—and to act on the intelligence it receives and regularly check that operators are compliant. All the computer systems in the world are not going to assist. It is vital to visit operators. I think Mr Parmar referred to putting boots on the ground. I couldn't agree more. There is a real need for examiners to be out there, both at the roadside and at operators' premises, looking and checking.

If I may bring in a point Mr Daniels was talking about earlier with regard to Mr Fitzpatrick's question, when targeted work is done the results are very rewarding. It does not really matter what the stats are; it is changing the culture of the individuals and the operators. The London exercise has shown that where there are vehicles that are exempt from licensing, such as volumetric mixers, the levels of compliance are not at all acceptable. For me, it is about enforcing at ground level. Once that is done, we have the evidence as traffic commissioners to be able to take action. That can be frustrating for us: we need that evidence. We cannot take action against operators without it.

If I may move on to the situation regarding the tyre that was 19 years old, I think I said in my public inquiry that that tyre died of old age with catastrophic consequences. As a result of that, as you may know, the Department for Transport has issued guidance to operators regarding the fitting of tyres and their age. They have said that tyres should not be fitted if they are over 10 years old. That of course is a minimum standard. I reckon that it is my job and that of my colleagues as commissioners to promote best practice. Both the goods and passenger industries are now looking at promoting a best practice document that says to operators, "This is what you should do to make sure that where vehicles have perishable parts"—because it does not apply just to tyres; it applies to anything that has a perishable part—"there are proper systems in place so that such an incident does not happen again." It is about educating drivers as well to make sure they know that the date of manufacture is on the side of the tyre and they include that as part of their driver daily walk-round check.

**Q94 Chair:** When will this be ready? I am still trying to work out what has actually happened since that terrible tragedy to prevent something like that happening again.

**Beverley Bell:** I have done all I can as traffic commissioner for the north-west to raise this issue with the industry. The answer lies in industry's hands, and then it lies in commissioners' hands in terms of licensing. The north-west maintenance liaison committees for both goods and passengers are, as we speak, working on a best practice guide. I do not know when it will be issued, but when it is there will be a press release. I also issued a press release after that decision, to raise awareness in the industry about the issue.

**Q95 Chair:** An issue was also raised about the age of the tyre. In your conclusions you said that that was not for you but for VOSA and the Minister.

**Beverley Bell:** I think I said that it was not for me to tread on the toes of the Department that has issued guidance, as a direct result of that case, where the Department said operators should not fit tyres over 10 years old. It is not my job to tread on their toes, but it is my job to promote best practice. It may well be that the final document issued by industry may give a shorter life span, but I do not want to prejudge until industry has looked at that and is working with the tyre manufacturers and operators to see what is going to be viable.

**Q96 Chair:** Mr Daniels, how has the operation of the Vehicle Certification Agency affected your work?

**Leon Daniels:** We work very well with the Vehicle Certification Agency. They do a number of jobs with us—for example, certifying different types of CCTV for vehicles, and issuing the paperwork that goes with some of those systems to make sure that the vehicles are able to operate. There is some concern that the issue of that certification takes longer than is necessary, and we would urge that all steps be taken to make sure that, where the operator has done something to improve the quality and safety of his vehicle, the work of the VCA surely must be to put that on record at the earliest opportunity and issue the paperwork so that the vehicle can be used.

As we said in our submission, some of this technology is moving very quickly—for example, in the case of CCTV. It is very important that the VCA stays ahead of the market and is investigating the types of equipment that might be able to be fitted to vehicles, carries out adequate tests and is ready, so that the industry is not waiting for the VCA to be ready to certify, but it is ready to issue that certification as soon as is reasonable.

**Q97 Chair:** Do you think it has been efficient enough at encouraging new technology?

**Leon Daniels:** It has been adequate in that. I would simply suggest that in the fast-moving technological world in which we sit new developments come to the market very quickly sometimes. We would like it to be as agile as possible with new forms of technology and be ready to move.

**Q98 Chair:** What are your views on the certificate of professional competence? I know you have expressed concerns to us about the way it operates. Could you tell us a little more?

**Leon Daniels:** I have a driver certificate of professional competence myself. I gained mine by going to four different operators in different parts of the country and taking a different module on each occasion. The aggregation of that was that I got my driver CPC card, which incidentally has a small anomaly; I am obliged to carry my driver CPC card with me but I am not obliged to carry my driving licence with me, which of course it supports.

I went through a series of different sorts of syllabuses, including the safer urban driving module, where we make PCV and HGV drivers ride bicycles round London. That was hugely illuminating, mostly for the PCV and HGV drivers. I could have got my driver CPC by going to the same course in the same office on five consecutive days and sitting through the same syllabus on five consecutive days. At the end of that week I would have the same card as I have now. It is entirely inappropriate that there is a shortcut that allows people to get their driver CPC in that way.

As a result, it follows that the different modules that drivers take as part of continuous training ought to be varied. It ought to be capable of being examined on the record, and it ought to be relevant to what they do. If you were going to be driving, shall we say, a PCV or HGV in London, where there are a large number of cyclists, I would like to think that taking the safer urban driving course that involves sensitivities to cyclists is not only recommended but ought to be mandatory, because those are the very conditions that those drivers are likely to come up against. If you are going to be a long-distance coach driver, you might well want to take a driver CPC module that is more appropriate to that.

It is important that there is more rigour over the types of courses and modules that different sorts of people have. We must never forget that PCV and HGV drivers cover a very wide range of activities: fast long-distance coach services, perhaps internationally; domestic bus services; driving construction vehicles; or driving very large articulated lorries, again internationally. I would truly recommend that the driver CPC is sharpened up so that it is appropriate to the work drivers are undertaking, and, moreover, that that record is easily accessible for the employer to see.

**Q99 Jim Fitzpatrick:** Mr Daniels, was there a comment or observation from the drivers who undertook the cycling experience that they particularly mentioned afterwards?

**Leon Daniels:** In any one of these courses, which perhaps have 10 people on them, there is a range of personalities, from the soft, gentle and kind people like myself right the way through to the very big, strong and muscular HGV driver who has spent quite a lot of his life doing manual labour. Broadly, the more you were towards that end of the scale, the more scared you were on a bicycle while cycling around London; the more you were towards my end of the scale, the less frightening it was. I think that demonstrates that for people with long experience in the industry, perhaps involving a large amount of manual labour like loading, roping, sheeting and so on, it is entirely appropriate that they are reminded about what is going on in the rest of the road, in particular for vulnerable road users, pedestrians, cyclists and so on, because it is possible that over time they may have not kept up with those sorts of developments.

**Q100 Martin Vickers:** Mr Daniels, you have just highlighted some shortcuts in the various training courses and modules, where it is possible to repeat the same thing and so on. Clearly, that is an anomaly that should be tightened up, but, despite that, overall do you think standards have increased in recent years?

**Leon Daniels:** Standards have definitely improved. Although I made a light-hearted comment about some of the people on one or two of the courses I went on, in general, members of staff taking driver CPC courses were all delighted that, just for once, out of their daily work five or six days a week, 48 weeks a year, one whole day had been reserved for them to learn some things about the very industry in which they were employed. One of the tutors asked who had a copy of the Highway Code. The Highway Code has not been issued since 2007, but, nevertheless, if you were a professional driver, you would expect to have a copy of the Highway Code. I have a copy of it; 90% of the drivers on the courses I went on did not have an up-to-date copy of the Highway Code, and probably had not seen one since they passed their driving test.

All that being said, it was an opportunity for them not only to learn but to discuss issues and learn about why things were the way they were. To have one day a year to undertake continuous personal development does not sound like very much to me, but the standards were definitely improved, and in most cases people left that course grateful not only for what they had learned but for the opportunity just to reset in their minds how they were to do their job. We should do more of it. Many responsible employers do far more than that, which has to be commended, but it is good to take them out of their daily environment and have that sort of course.

**Q101 Martin Vickers:** Ms Bell, do you agree with Mr Daniels? Have standards on the whole improved?

**Beverley Bell:** Standards are continually improving. I endorse most of the comments Mr Daniels made. I also want to repeat what he said about the quality of some of the courses and about some of the operators who choose to send their drivers on the same course four or five times. Just because somebody has done a course does not mean they have learned from it. I have seen examples in public inquiry where drivers have, by coincidence, been on a course the previous day and retained little knowledge of what they supposedly learned. It is about investing in the staff and the drivers through the courses, but then making sure they have learned from those courses. It is an opportunity that we really need to develop over the next few years, to make sure we are properly investing in the staff and the drivers. Most of the time they do a fabulous job; it is always the small percentage who give the industry a bad name.

**Q102 Chair:** Ms Bell, how far have you been involved in the new structure that the Government are attempting to implement with the changes to the motoring agencies? You said earlier that you had been involved in some work.

**Beverley Bell:** Not at all with regard to structure, no. We are always invited to respond to consultations and we welcome that, but, with regard to any detail, that is not a matter for us at all. We are told what is going to happen.

**Q103 Chair:** So on all of the changes you have just been told; you have not been party to them, or contributed to any of them.

**Beverley Bell:** You are worrying me now. I cannot think of any examples where we have been consulted or asked about structural changes. No, we are not.

**Q104 Chair:** Mr Daniels, you raised concerns about assessing driver fitness and you said that you felt the current system of self-assessment is inadequate. What do you think should be changed?

**Leon Daniels:** There was a particular reference to drivers self-declaring certain conditions. Eyesight was one we particularly highlighted. If you are a vocational driver, the continuation of your vocational licence is the key to your continued employment. Those are entirely the wrong conditions for self-confessing—for example, if you are suffering from deteriorating eyesight. It is human nature. Any degradation is gradual, so perhaps you do not notice it yourself. You put it down to age, say, and over time it gets to the point where you realise that your eyesight has deteriorated, but perhaps you put off having it checked because that saves you from having to declare that perhaps your eyesight has fallen below a certain level. Therefore, it is possible that you could be driving below the legal standard, which is potentially dangerous to other road users.

We believe that proper clinical testing, as opposed to subjective testing, of conditions such as eyesight ought to be mandatory. I draw your attention to my case. When I got my PCV licence at 21, the next time authority would touch me was when I was 45, which would be the age of my first mandatory medical. It would be unusual in many other situations—aviation, the railways and so on—for it to be possible for vocational licence holders to go for decades without some check on their health, and, as they get older, making sure it was properly checked.

**Q105 Chair:** Why is a system of third-party notification an inadequate back-up to self-declaration?

**Leon Daniels:** I am afraid it just relies on people who are also concerned about their employment, their families and their income. On general balance, people would continue to take the steps necessary to keep their employment in preference. Therefore, while for many people it is a fairly straightforward matter, when one is a road user, perhaps a pedestrian, cyclist or so on, one would hope that, as you are crossing the road, all of the drivers who stop for you are at least of the minimum standard, and that standard has been checked by some authority or other in the recent past.

**Q106 Chair:** You also said to us that TfL had problems in enforcing penalty charge notices because of failure to notify changes in ownership.

**Leon Daniels:** The point about that was that we would hope going forward that agencies—in this particular case DVLA, but agencies generally—strove for higher standards of record keeping. In the case of DVLA, there are two very important statistics. First, for about 5% or 6% of the requests that we put in for the name and address of the keeper of a vehicle we have seen committing an offence, there is no record; that is to say, the vehicle details are available but the details of the keeper are not. When we receive representations from people who have got a fixed penalty notice during the course of their

activities, some 14% are from people who sold the vehicle to another registered keeper some time previously, and had completed the necessary paperwork to do so and demonstrated that to us. I have lost sight of the number of times I have been sent copies that people have kept for this very reason; they have sold their vehicle and kept a record of what they sent to the DVLA, and some months later they were tasked to explain themselves on a fixed penalty notice. With the advent of more technology, we have to get better and faster at recording all that information, so that when we are carrying out the enforcement activities that we are doing we are not wasting a lot of time trying to get to the right keeper and the right driver of vehicles.

**Q107 Chair:** Do you think any of these changes are likely to achieve that?

**Leon Daniels:** It looks quite promising. The proof of the pudding will be in the eating. The prospects look quite good. I hope that the agencies involved share our desire that those standards are driven upwards. We are not doing it for the sake of target-setting; we are doing it because the cost of handling people who are mishandled is very expensive, and, frankly, people who have not committed any offence do not deserve to receive suggestions that they have.

There is one more area to mention about DVLA; it was talked about in the previous session—websites where entrepreneurs charge members of the public for a service that is available free from a Government agency or local government agency. In our particular case, we were getting many thousands of people who were buying our congestion charge from third parties. Instead of paying £10, they were paying £15 or more. As part of the things we were trying to do, we asked the DVLA whether they would write on our behalf and at our expense to the people who had been caught by this, just drawing to their attention that they had paid £15 to a third party when they could have paid £10 to us. It is not a threat or a fine; it is just a letter saying, “I’m awfully sorry, I’m afraid you’ve been caught, but we’d like to tell you that next time you can do it this way.” The DVLA was unable to do that for us, because of concerns about probity, and the security of the information it was holding.

I would like to think that where it is very clear that there is a benefit to the public—so they are not overcharged in this particular case—it ought to be possible for agencies such as the DVLA to act with other agencies to deal with issues such as that. A suite of arrangements such as that, including dealing with internet service providers, will eventually stamp out the practice without the Government having to think about primary legislation to do so.

**Q108 Chair:** Ms Bell, do you expect any of the proposed changes to bring about improvements in safety standards and enforcement?

**Beverley Bell:** As a result of the merger?

**Chair:** Yes, the merger or any other changes that have been discussed. Will it make any difference?

**Beverley Bell:** It just means that traffic commissioners will probably be an even smaller part of an even larger agency. I am looking forward, once the new board is in place, to working with them to see how the service we get continues to improve. There will be a big need to educate DSA staff, who, quite frankly, have no knowledge—why would they?—of traffic commissioners and who we are, what we do or how we do it. We need to make sure that we educate key DSA staff, at senior management and director level, to make sure they

know what we are doing and that the levels of service we get and that we give to operators continue to improve. We are going through a bit of a change with regard to our own computer system, which is being replaced. It is not being upgraded; it is being replaced. That will offer a better service to operators and applicants for operator licences. It is vital that enough resource is put into those computer systems to make sure that operators can get that good service.

**Q109 Chair:** What about your budget? How will that be affected?

**Beverley Bell:** Our budget comes from our operator licensing fees, as you well know. I have been working with the key finance people in VOSA, not yet with DSA, on how the operator licence fee income is spent and the allocations are made. I have received nothing but co-operation from them. It is complex, and it is a matter that I continue to deal with on behalf of colleagues. I remember giving evidence on a previous occasion that we were working on that. We still are. It is a very complex matter, but, as far as I and my colleagues are concerned, it is vital that the fee income is used for appropriate purposes for traffic commissioners. It is such a tiny budget; something like £11 million is all we generate in fee income. I would like to know, and I am sure the industry wants to know, that that is being spent wisely by DVSA. I am asking those questions and continuing to get full co-operation, but I do not yet have all the answers.

**Chair:** Are there any other questions from members? Thank you very much.