

Draft Regulations laid before Parliament under paragraph 1(3) of Schedule 7 to European Union (Withdrawal) Act 2018, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2019 No.

**EXITING THE EUROPEAN UNION
ROAD TRAFFIC**

**The Motor Vehicles (Compulsory Insurance)
(Amendment etc.) (EU Exit) Regulations 2019**

*Made - - - - - ***
Coming into force in accordance with regulation 1*

The Secretary of State makes these Regulations in exercise of the powers conferred by section 8(1) of, and paragraph 21 of Schedule 7 to, the European Union (Withdrawal) Act 2018⁽¹⁾.
In accordance with paragraph 1(3) of Schedule 7 to that Act, a draft of this instrument has been laid before Parliament and approved by a resolution of each House of Parliament.

PART 1

Introduction

Citation, commencement, extent, interpretation and savings

1.—(1) These Regulations may be cited as the Motor Vehicles (Compulsory Insurance) (Amendment etc.) (EU Exit) Regulations 2019 and come into force on exit day.

(2) Regulations 2 and 3 extend to England and Wales and Scotland only. Regulations 5 and 6 extend to Northern Ireland only.

(3) In these Regulations, “the 2003 Regulations” means the Motor Vehicles (Compulsory Insurance) (Information Centre and Compensation Body) Regulations 2003⁽²⁾.

(4) Where a court in any part of the United Kingdom was seised before exit day of legal proceedings against MIB under regulation 11 or 13 of the 2003 Regulations, regulations 2, 10, 11, 12(3) to (5), 13 and 16 of those Regulations shall continue to apply as if these Regulations had not been made and as if the United Kingdom remained a member State of the European Union.

(1) 2018 c. 16.

(2) S.I. 2003/37, to which there are amendments not relevant to these Regulations.

- (5) In this regulation a court shall be deemed to be seised—
- (a) at the time when the document instituting the proceedings or an equivalent document is lodged with the court, provided that the applicant has not subsequently failed to take the steps the applicant was required to take to have service effected on the respondent; or
 - (b) if the document has to be served before being lodged with the court, at the time when it is received by the authority responsible for service (being the first authority receiving the document to be served), provided that the applicant has not subsequently failed to take the steps the applicant was required to take to have the document lodged with the court.
- (6) In this regulation—
- (a) references to “applicant” include “claimant” or “pursuer”, and references to “respondent” include “defendant” or “defender”;
 - (b) “MIB” means the Motor Insurers’ Bureau (a company limited by guarantee and incorporated under the Companies Act 1929 on 14th June 1946).

PART 2

Amendment of primary legislation

Amendment of the Road Traffic Act 1988

- 2.** In section 145 of the Road Traffic Act 1988(3) (requirements in respect of policies of insurance), in subsection (3)—
- (a) in paragraph (aa) for “another” substitute “a”;
 - (b) in paragraph (b)—
 - (i) for “other than Great Britain and Gibraltar” substitute “of Northern Ireland and”;
 - (ii) in sub-paragraph (i) for “of the State in whose territory” substitute “applicable in the territory in which”.

PART 3

Amendment of subordinate legislation

Amendment of the Motor Vehicles (Compulsory Insurance) (No. 2) Regulations 1973

- 3.—**(1) The Motor Vehicles (Compulsory Insurance) (No. 2) Regulations 1973(4) are amended as follows.
- (2) In regulation 5(1) for “other than Great Britain and Gibraltar” substitute “of Northern Ireland or”.
- (3) In regulation 6(1)—
- (a) after “other than” insert “Northern Ireland or”;
 - (b) for the words from “the territory in” to the end substitute “Great Britain, in accordance with the requirements on compulsory insurance against civil liability in respect of the use of vehicles in Part VI of the Road Traffic Act 1988.”.
- (4) In regulation 7(3)(c)—

(3) 1988 c. 52; section 145(3) was amended by S.I. 1992/3036, 2000/726 and 2011/1043.

(4) S.I. 1973/2143, relevant amending instruments are S.I. 1974/791, 2011/1043, 2012/1809.

- (a) after “a place not in” insert “Northern Ireland or”;
 - (b) omit “other than Gibraltar”.
- (5) In regulation 8 omit “other than the United Kingdom and Gibraltar”.

Amendment of the Motor Vehicles (Compulsory Insurance) (Information Centre and Compensation Body) Regulations 2003

- 4.—(1) Subject to regulation 1(4), the 2003 Regulations are amended as follows.
- (2) In regulation 2(1)—
- (a) omit the following definitions—
 - (i) claims representative;
 - (ii) compensation body;
 - (iii) foreign compensation body;
 - (iv) MIB;
 - (v) second motor insurance directive;
 - (b) in the definitions of “European insurance policy” and “foreign information centre” omit “other than the United Kingdom”.
- (3) In regulation 3—
- (a) for paragraph (1) substitute—

“(1) MIIC is the information centre for the United Kingdom.”;
 - (b) omit paragraph (6).
- (4) In regulation 4—
- (a) in paragraph (b)—
 - (i) at the end of sub-paragraph (iii) insert “and”;
 - (ii) omit sub-paragraph (iv);
 - (b) in paragraph (c) for “derogation provided in Article 4(a) of the first motor insurance directive” substitute “exception in section 144(2) of the Road Traffic Act 1988 or in paragraph (2)(a) or (aa) or paragraph (2A) of Article 90 of the Road Traffic (Northern Ireland) Order 1981”;
 - (c) in paragraph (d) omit the words from “(in” to “applicable”.
- (5) For regulation 7(1) substitute—
- “(1) Every person who takes advantage of an exception in section 144(2) of the Road Traffic Act 1988 or in paragraph (2)(a) or (aa) or paragraph (2A) Article 90 of the Road Traffic (Northern Ireland) Order 1981 to—
- (a) use a motor vehicle on a road or other public place without there being in force in relation to the use of the vehicle by that person a UK insurance policy; or
 - (b) cause or permit any other person to use a motor vehicle on a road or other public place without there being in force in relation to the use of the vehicle by that person a UK insurance policy,
- shall maintain a record of the information set out in Part 3 of the Schedule for the period specified in regulation 3(3).”.
- (6) In regulation 9—
- (a) in paragraph (1)—
 - (i) in sub-paragraph (b)(i) omit “other than the United Kingdom”;

- (ii) omit sub-paragraph (c).
- (b) in paragraph (4)—
 - (i) at the end of sub-paragraph (b) insert “and”;
 - (ii) omit sub-paragraph (c);
 - (iii) in sub-paragraph (d) omit “other than the United Kingdom”.
- (7) Omit regulations 10 to 16.
- (8) In Part 3 of the Schedule—
 - (a) for the heading substitute—

“Information to be Recorded by Users Taking Advantage of an Exception from the Requirement to hold Compulsory Third Party Motor Insurance”;

- (b) for “Article 4(a) of the first motor insurance directive” substitute “section 144(2) of the Road Traffic Act 1988 or paragraph (2)(a) or (aa) or paragraph (2A) of Article 90 of the Road Traffic (Northern Ireland) Order 1981”;
- (c) in sub-paragraph (b) for “derogation” substitute “exception”.

PART 4

Amendment of Northern Ireland Orders in Council

Amendment of the Road Traffic (Northern Ireland) Order 1981

- 5.** In Article 92 of the Road Traffic (Northern Ireland) Order 1981⁽⁵⁾ (requirements in respect of policies), in paragraph (1)—
- (a) in sub-paragraph (bb) for “another” substitute “a”;
 - (b) in sub-paragraph (c)—
 - (i) for “other than Northern Ireland and Gibraltar” substitute “of Great Britain and”;
 - (ii) in head (i) for “, of the State in whose territory” substitute “applicable in the territory in which”.

PART 5

Amendment of Northern Ireland subordinate legislation

Amendment of the European Communities (Motor Vehicles: Compulsory Insurance) (Northern Ireland) Regulations 1973

- 6.—(1)** The European Communities (Motor Vehicles: Compulsory Insurance) (Northern Ireland) Regulations 1973⁽⁶⁾ are amended as follows.
- (2) In regulation 5(1) for “other than Northern Ireland and Gibraltar” substitute “of Great Britain or”.
 - (3) In regulation 6(1)—

⁽⁵⁾ S.I. 1981/154 (N.I. 1); Article 92(1) was amended by S.R. 1993 No. 57; there are other amending instruments but none is relevant.

⁽⁶⁾ S.R. & O. (NI) 1973 No. 448, amended by S.R. 1974 No. 206; there are other amending instruments but none is relevant.

- (a) after “other than” insert “Great Britain or”;
 - (b) for the words from “the territory in” to the end substitute “Northern Ireland, in accordance with the requirements on compulsory insurance against civil liability in respect of the use of vehicles in Part VIII of the Road Traffic (Northern Ireland) Order 1981.”.
- (4) In regulation 7(4)(c)—
- (a) after “a place not in” insert “Great Britain or”;
 - (b) omit “other than Gibraltar”.
- (5) In regulation 8 omit “, other than the United Kingdom and Gibraltar,”.

Signed by authority of the Secretary of State for Transport

Date

Name
Minister of State
Department for Transport

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations are made in exercise of the powers in section 8(1) of the European Union (Withdrawal) Act 2018 (c. 16) in order to address failures of retained EU law to operate effectively and other deficiencies (in particular under section 8(2)(a), (d), (e) and (g)) arising from the withdrawal of the United Kingdom from the European Union. Regulation 1(4) to (6) is made in exercise of the power in paragraph 21 of Schedule 7 to that Act.

These Regulations make amendments to legislation in the field of compulsory motor insurance. Part 2 amends primary legislation, Part 3 amends subordinate legislation and Parts 4 and 5 amend Northern Ireland legislation. The amendments in regulations 2, 3, 5 and 6 adjust language and references to recognise that the United Kingdom is no longer a member State of the European Union but otherwise maintain the status quo in respect of compulsory third party liability insurance in the UK. Regulation 4 removes the requirement for the United Kingdom's Motor Insurer's Bureau ('MIB') to act as a Compensation Body under the European Union's protection of visitors scheme ('visiting victims scheme') which will no longer be appropriate once the United Kingdom leaves the European Union. Regulation 1(4) ensures that the visiting victims scheme continues to apply where court proceedings are commenced before exit day by UK residents against MIB under regulation 11 or 13 of the Motor Vehicles (Compulsory Insurance) (Information Centre and Compensation Body) Regulations 2003.

An impact assessment of the effect of these Regulations on the costs to business, the voluntary sector and the public sector is available from the Department for Transport, Great Minster House, 33 Horseferry Road, London, SW1P 4DR and is published alongside this instrument at www.legislation.gov.uk.

An Explanatory Memorandum has been prepared and is available alongside this instrument at www.legislation.gov.uk.