

EXPLANATORY MEMORANDUM TO
THE GOODS AND MOTOR VEHICLES (MISCELLANEOUS
AMENDMENTS) REGULATIONS 2018

2018 No. 25

1. Introduction

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

2. Purpose of the instrument

2.1 The instrument makes a small number of minor changes in relation to vehicles exempt from the requirements of the Goods Vehicles (Licensing of Operators) Regulations 1995 (S.I. 1995/2869) and the Motor Vehicles (Tests) Regulations 1981 (S.I. 1981/1694).

3. Matters of special interest to Parliament

3.1 None.

Other matters of interest to the House of Commons

3.2 As this instrument is subject to negative resolution procedure and has not been prayed against, consideration as to whether there are other matters of interest to the House of Commons does not arise at this stage.

4. Legislative Context

4.1 The Goods Vehicles (Licensing of Operators) Act 1995, together with the Regulations made under it, regulates the licensing of goods vehicle operators in Great Britain. These Regulations amend the Goods Vehicles (Licensing of Operators) Regulations 1995 (“the 1995 Regulations”) to add a new definition of “alternative fuel” in the interpretation provisions and amend the list of vehicles exempt from the operator licensing regime in those Regulations.

4.2 The Motor Vehicles (Tests) Regulations 1981 (“the 1981 Regulations”), made under the Road Traffic Act 1988, regulate the roadworthiness testing regime (“MOT testing”) for relevant motor vehicles, including exemptions from it. These Regulations amend the 1981 Regulations to remove the exemption for certain electric goods vehicles.

5. Extent and Territorial Application

5.1 The extent of this instrument is Great Britain.

5.2 The territorial application of this instrument is Great Britain.

6. European Convention on Human Rights

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

7. Policy background

What is being done and why

- 7.1 Operator licensing is the regulatory regime which exists to ensure the safe and proper use of goods vehicles and to protect the environment around operating centres. Generally, businesses are subject to the regime if they use vehicles above 3.5 tonnes to carry goods for hire or reward or in connection with a trade or business. Any exemptions from Regulations need to be relevant and justifiable, both from the perspectives of road safety and of fair competition.
- 7.2 There is currently an exemption from operator licensing for vehicles with mounted fixed plant or machinery, which also carry goods (including materials) for use in relation to that plant. This exemption is used primarily by operators of vehicles designed to carry the constituents of concrete separately to a site before combining these in-situ to produce the required amount of concrete. Such vehicles are referred to either as mobile concrete batching plant or as volumetric concrete mixers. The volume of bulk materials, which are the constituents of concrete, can be significant. More traditional ‘barrel’ concrete mixers do not benefit from this exemption. This exemption, which currently applies to volumetric concrete mixers, was devised before these vehicles existed in their current form. For these reasons, the Government considers that this exemption is not justifiable and should be modified such that there is no possibility for exempt plant-based vehicles to carry goods, except in highly limited circumstances.
- 7.3 The current exemption from goods vehicle operator licensing for electrically propelled vehicles is also amended. As vehicle technologies have developed, such vehicles are no longer necessarily of highly specialised design and construction that they once were. The Government does not consider this exemption still to be appropriate and will remove it for all such vehicles first registered before 1st March 2015. However, it is recognised that there is a specific consideration around alternatively-fuelled vehicles that are close to the 3.5 tonnes permissible laden mass threshold, above which they fall under operator licensing. The higher unladen weight of these vehicles risks creating a ‘payload penalty’ compared with their conventional counterparts, and hence potentially a disincentive to their uptake. For this reason the Government considers it appropriate to introduce an exemption from goods vehicle operator licensing for alternatively fuelled vehicles whose permissible laden mass, as determined by the vehicle manufacturer, is up to 4.25 tonnes. The exemption will apply to vehicles only ever operated in Great Britain.
- 7.4 The amendment to the 1981 Regulations that is made by these Regulations relates to the exemption from MOT testing for electric goods vehicles. The MOT testing regime is in place to help reduce road safety risks posed by improperly maintained vehicles and this exemption is anomalous and historical. It dates from an era when electric goods vehicles were not of standard design and construction or capable of travelling at normal speeds. The exemption from roadworthiness testing for electric goods vehicles above 3.5 tonnes has already been removed. The Government considers it appropriate to remove this exemption, for electric goods vehicles first registered after 1st March 2015.
- 7.5 These changes come into force on 1st September 2018. This is to allow affected parties sufficient notice to prepare for the regulatory changes, and in particular to apply for an operator’s licence, where required.

Consolidation

- 7.6 The changes resulting from these amending Regulations are minor and do not substantially change the application of the original Regulations. Informal consolidations are available from a number of commercial sources.

8. Consultation outcome

- 8.1 Between 11th December 2014 and 5th March 2015, the Department for Transport (DfT) ran a public consultation on removing an exemption from goods vehicle operator licensing applicable to mobile plant that also carries goods used in connection with the plant. There was broad support at consultation for removing this exemption, primarily on the grounds of fair competition with goods vehicles that are subject to operator licensing, and on the grounds of road safety. A copy of the consultation and a summary of responses are available to view at: <https://www.gov.uk/government/consultations/goods-vehicle-operator-licensing-exemptions>.
- 8.2 Between 26th July 2017 and 18th October 2017 the DfT ran a public consultation on making a number of regulatory changes in relation to alternatively-fuelled vehicles. In this consultation it was proposed to remove the exemption from goods vehicle operator licensing for electrically-powered vehicles. Alongside this, it was proposed to introduce a limited exemption for alternatively-fuelled goods vehicles with a permissible laden mass up to 4.25 tonnes. This proposal received strong support from the limited number of consultees who responded to it. A copy of the consultation and a summary of responses are available to view at: <https://www.gov.uk/government/consultations/category-b-driving-licence-derogation-for-alternatively-fuelled-commercial-vehicles>.
- 8.3 As part of the same consultation, it was proposed to remove the exemption from MOT testing for electric goods vehicles up to 3.5 tonnes. This proposal received strong support from the limited number of consultees who responded to it.
- 8.4 A Government Response, which covers each of the amendments being made by the present Regulations is available to view at: <https://www.gov.uk/government/consultations/goods-vehicle-operator-licensing-exemptions>.

9. Guidance

- 9.1 No changes to existing guidance or new guidance are required as a consequence of these amendments.

10. Impact

- 10.1 The impact on business, charities or voluntary bodies is minimal. The removal of certain operators' exemption from the licensing regime is expected to affect around 270 businesses, costing them each an estimated additional annual average of £290 per year. The removal of certain vehicles' exemption from MOT testing is expected to affect around 2000 vehicles, costing around £103 per vehicle per year. The maximum cost to industry of the measures in these Regulations is therefore around £580,000 in the most expensive year.
- 10.2 The impact on the public sector is expected to be negligible.

10.3 An Impact Assessment has not been prepared for this instrument, since the expected costs involved fall below the threshold for producing one.

11. Regulating small business

11.1 The legislation applies to activities that are undertaken by small businesses.

11.2 No specific action is proposed to minimise regulatory burdens on small businesses.

11.3 The operator licensing and the MOT regulatory regimes apply equally to all vehicle owners, including small businesses.

12. Monitoring & review

12.1 The present Regulations include a requirement to review the amendments to the 1995 Regulations after they have been in force for five years, and for further reviews to be made every five years thereafter.

13. Contact

13.1 Francis Jackson at the Department for Transport (Telephone: 020 7944 2821 or email: Francis.Jackson@dft.gsi.gov.uk) can answer any queries regarding these Regulations.