

**EXPLANATORY MEMORANDUM TO**  
**THE DRIVING THEORY TEST FEES (VARIOUS AMENDMENTS)**  
**REGULATIONS 2014**

**SI 2014 No. 1816**

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 These Regulations amend three pieces of subordinate legislation so as to reduce some of the fees for driving theory tests administered by the Driver and Vehicle Standards Agency (DVSA), the executive agency of the Department for Transport responsible for driving tests. These Regulations apply to tests taken by learner car drivers and motorcyclists, and those seeking to qualify as lorry and bus drivers and driving instructors.

2.2 The regulations affected are:

- the Motor Vehicles (Driving Licences) Regulations 1999 (SI 1999/2864) notably regulations 23A (for fees for theory tests taken by learner drivers and motorcyclists) and 30 (for fees conducted by appointed persons).
- the Motor Cars (Driving Instruction) Regulations 2005 (SI 2005/1902) notably regulation 17 (for the fee for the submission to the written examination taken by prospective driving instructors).
- the Vehicle Drivers (Certificates of Professional Competence) Regulations 2007 (SI 2007/605) notably regulation 5 (to introduce revised fees for driving theory tests for lorry and bus drivers). This is to obtain a Certificate of Professional Competence as required by Directive 2003/59/EC.

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

3.1 None.

**4. Legislative Context**

4.1 The Driving Standards Agency (DSA) operates as a Trading Fund under the Driving Standards Agency Trading Fund Order 1997 (SI 1997/873). In accordance with Her Majesty's Treasury (HMT) guidance<sup>1</sup>, the Agency is required to set fees and charges for its activities at levels that generate sufficient revenue so that the costs of

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<sup>1</sup> Managing Public Money, HM Treasury, July 2013

its operations are recovered from users and are not a burden on the general taxpayer. DSA forms a part of the larger DVSA, which was formed administratively on 2 April 2014, and also includes the Vehicle Operators Services Agency.

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

5.1 Amendments made to SI 1999/2864 (the driving licence regulations) and SI 2005/1902 (the driving instructor regulations) only extend to Great Britain. Amendments to SI 2007/605 (the driver CPC regulations) extend to the whole of the United Kingdom.

## **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 The policy objective for the provision of driving tests is to increase road safety by ensuring that those driving and riding on public roads are sufficiently competent to do so. The driving test consists of two parts – the theory test, which is a computerised desk-based examination, and the traditional, on-road, practical test. The theory test must be passed before the practical test can be taken and is made up of two elements - a moving image Hazard Perception Test (HPT) and multiple choice questions. Those seeking a full driving licence must pass a theory test, as must those who are seeking to upgrade their entitlement to drive a lorry or a bus, or qualify as a driving instructor.

7.2. The outsourcing of theory tests is subject to competitive tendering. The cost to the DVSA of delivering the driving theory test will reduce from this autumn, under revised contract arrangements. The savings made from the reduction in the cost of the contract will be passed on to customers via lower fees for tests. This is in line with the overall policies of promoting efficiency in delivery of public services, reducing costs from government procurement, reducing the cost of motoring and making the process of obtaining a driving licence as straightforward and economic as possible.

7.3 Driving test fees are set in subordinate legislation therefore regulatory change is required to pass on the cost savings.

- *Consolidation*

7.4 There are no plans to consolidate the legislation amended by these Regulations.

## **8. Consultation outcome**

8.1 The Agency undertook a public consultation on the proposed fee reductions between 10 April and 15 May 2014. The consultation paper was posted online inviting comments on the Agency's proposals. Notifications about the consultation

were sent via Facebook, Twitter and to those persons who have registered to receive the Agency's news alerts "DSA Direct". Trade Associations for the driving instruction and training industry were also notified. There were 281 responses, with the proposals being supported by 79% of those who responded. Those responding included driver trainers, representatives of the passenger transport and road haulage industries and members of the public.

8.2. There was overall support for the fee reduction. Many respondents welcomed this as offering some modest assistance to learner drivers. Of those who did not support the reduction, reasons provided were that the quality of service should not reduce alongside the fee; concern that the standing of the test could be devalued and suggestions for alternative use of the savings. Some expressed concern about potential future increases, linked to a rebalancing of other test fees. These issues have been addressed in the Response To Consultation report<sup>2</sup>, which is published on the DVSA's section of the [www.gov.uk](http://www.gov.uk) website.

## **9. Guidance**

9.1 The new fees and the dates from which they will apply are available when clients book their tests and can also be found on the DVSA section of the [www.gov.uk](http://www.gov.uk) website.

## **10. Impact**

10.1 The impact on business, charities or voluntary bodies is nil.

10.2 The impact on the public sector will be neutral because the reduction in fee income will be offset by the reduced costs of delivering the relevant theory tests.

10.3 An Impact Assessment (IA) was produced to accompany the consultation paper on the proposed fees. This identifies a benefit to those taking theory tests over the ten year period considered by the IA. This delivers a cost saving in line with the "user pays" principle. A copy is attached to this memorandum.

## **11. Regulating small business**

11.1 The Regulations do not apply to small business.

## **12. Monitoring & review**

12.1 Fee levels are reviewed periodically in accordance with managing public money and adjusted as necessary in accordance with Government and Her Majesty's Treasury guidance.

## **13. Contact**

Robin Massey, Driver and Vehicle Standards Agency Tel: 0115 936 6098 or email: [robin.massey@dsa.gsi.gov.uk](mailto:robin.massey@dsa.gsi.gov.uk) can answer any queries regarding the instrument.

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<sup>2</sup> Driving theory test fee changes 2014/15, A Response To Consultation Report, Driver and Vehicle Standards Agency June 2014