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# ***The Vehicles (Crime) Bill***

**Bill 1 of 2000-2001**

The *Vehicles (Crime) Bill* introduces various measures aimed at reducing vehicle crime. Some of these measures were proposed by the Vehicle Crime Reduction Action Team (VCRAT) established in September 1998. Other measures include enabling certain magistrates' courts' receipts to be used to pay for speed and red light camera enforcement and allowing police access to motor insurance information. The Bill was introduced into the House of Commons on 7 December and is to have its Second Reading on 18 December.

Parts I and II, and sections 34 to 37, extend to England and Wales only. Sections 31 to 33 and Part IV, subject to section 34(3), extend to England and Wales, Scotland and Northern Ireland.

Explanatory Notes and four separate regulatory impact assessments have been produced in conjunction with the Bill.

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## Summary of main points

The Bill is divided into four parts:

Part I, Regulation of Motor Salvage Operators: introduces powers to regulate the motor salvage industry and requires motor salvage operators to register with local authorities, keep records and for the police to have right of entry to registered premises without warrant.

Part II, Regulation of Registration Plate Suppliers: introduces powers to control the supply and issue of number plates. It requires number plate suppliers to register, to make suitable checks before selling a number plate and to keep records of transactions.

Part III, Other Provisions Relating to Vehicle Crime: This Part:

- enables a vehicle which has been written off to be required to have an identity check if the Driver and Vehicle Licence Agency (DVLA) receives a request for it to be allowed back on the road. This will prevent the identity of stolen vehicles being disguised by that of other, legitimate, vehicles. It also provides a power to prescribe the form and manner in which information on number plates must appear;
- amends the *Scrap Metal Dealers Act 1964* so as to enable scrap metal dealers disposing of motor vehicles to be obliged to notify the destruction to such persons as are specified (the main intended recipient of the notification being the DVLA);
- includes a provision to allow the police bulk access to a motor insurance industry database which will allow them to identify more easily uninsured drivers;
- includes a provision extending the time limit for bringing prosecutions for the offence of taking a mechanically propelled vehicle without authority. This enables proceedings for summary offences to be commenced (subject to a general time limit of three years) at any time within six months from the date on which sufficient evidence came to the knowledge of the prosecutor; and
- allows certain magistrates' courts' receipts to be re-circulated to pay for speed and red light camera enforcement.

Part IV, Supplementary: this Part has a number of standard provisions relating to financial arrangements, consequential amendments and orders and regulations as a result of the Bill.



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## I Introduction

Vehicle crime is the largest single category of recorded crime in England and Wales. There were 1,475,889 vehicle crimes recorded in 1999/2000 including 374,686 thefts of vehicles and 669,232 thefts from vehicles.<sup>1</sup> This represented 28% of all recorded crime in 1999/2000. The estimated cost of vehicle crime is £3.5 billion a year including the costs of the criminal justice system. Apart from the distress caused to victims, car crime is thought to act as a gateway to the commission of other serious offences such as drug trafficking, terrorism and other criminality. The government has set a national target of reducing vehicle crime by 30% over the period from 1999 to 2004. Using a baseline of recorded vehicle crime figures for 1998/99, this means a reduction of over 300,000 offences by the end of the five-year period.

To develop a strategy for implementing this target the Home Secretary set up the Vehicle Crime Reduction Action Team (VCRAT) in September 1998. The action team and its task groups included representatives from every sector of the vehicle industry as well as the police, consumers, insurers and government. The starting point for the Action Team's work was the "14 Point Plan" for reducing vehicle crime which had been jointly developed by the Association of Chief Police Officers (ACPO), the Home Office and the Department of Environment, Transport and the Regions (DETR).

The VCRAT proposals were set out in a report published in September 1999.<sup>2</sup> Several of the proposals contained in this bill derive from recommendations contained in the report.

## II Motor salvage

### A. Introduction

Part I of the bill is about the regulation of motor salvage operators. It introduces powers to regulate the motor salvage industry and require operators to register with local authorities, keep records and for the police to have right of entry to registered premises without warrant. It gives legislative effect to an existing code of practice.

One of the proposals in the report of the Vehicle Crime Reduction Action Team (VCRAT), set up by the home secretary Jack Straw in September 1998, was to improve regulation of the salvage industry and tighten up vehicle registration procedures.<sup>3</sup> The action team commissioned different task forces to produce plans for their areas, including the Motor Salvage Regulation task group. This included members of the police, the insurance industry, the International Association of Auto Theft Investigators, the British

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<sup>1</sup> Home Office Recorded Crime Statistics 1999/2000

<sup>2</sup> Home Office *Tackling vehicle crime: a five year strategy* (A report of the Vehicle Crime Reduction Action Team) October 1999

<sup>3</sup> *Ibid*, chapter 6

Vehicle Salvage Federation, the Motor Vehicle Dismantlers Association of Great Britain, and appropriate government departments and agencies (Home Office, Department of the Environment Transport and the Regions, Driver Vehicle and Licensing Agency and the Department of Trade and Industry). During development of the proposals, over a period of about 12 months, the industry representatives consulted widely with their membership. One of the group's proposals was to improve the regulation of the salvage industry to help to stop vehicles being stolen for spare parts. Reducing the market for stolen vehicles in this way would mean they have less value to the thief who in turn would have less to gain in stealing them in the first place.

The action team recommended three ways that the salvage industry could be better regulated:

- The existing Motor Conference code of practice for the disposal of motor salvage should be enhanced.
- The coverage of the code of practice should be extended to include companies such as fleet hire companies and others that self-insure.
- The action team should give further consideration to the question of legislation to prevent vehicle owners being allowed to retain salvage and giving legislative protection to manufacturers' marks on parts.

The third point led to the Home Office issuing a consultation paper, *Motor salvage industry: consultation on the proposal to regulate the industry*, in April 2000, that put forward three options:<sup>4</sup>

- to rely on present controls, which are limited as the motor salvage and dismantling industry is only regulated for environmental purposes;
- to apply a voluntary code of practice across the entire motor salvage industry; (this has already been developed by the insurance industry and is aimed at the responsible disposal of those vehicles written-off by insurers);
- to introduce statutory regulation.

Twenty-six organisations replied to the consultation document. Of these twenty-two endorsed the proposal for statutory regulation. As a result the Home Secretary decided that statutory regulation was the preferred way forward and his proposals are the object of this part of the bill.<sup>5</sup>

The main exception was the Federation of Small Businesses (FSB) who argued that small businesses should be exempt from any statutory regulation.

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<sup>4</sup> Home Office *Motor salvage industry: consultation on the proposal to regulate the industry*, April 2000

<sup>5</sup> The Responses are summarised in the Regulatory Impact Assessment 2000

## **B. Background**

### **1. Industry information**

There is little specific information about the industry but the VCRAT and the Home Office have made certain assumptions in the two published reports.<sup>6</sup>

The motor salvage industry sector (which includes salvage dealers, dismantlers and repairers) is not strictly speaking an arm of the metal recycling industry since the primary aim is to reclaim vehicles or sell car or lorry parts. Once the reusable parts have been removed from a vehicle it is sent to a shredder where the ferrous, and non-ferrous, metals are recovered. Whilst the exact size of the sector is not known the industry estimates that there are approximately 2,500 to 3,000 companies in the U.K. employing some 20,000 to 30,000 people. The bulk of these will be vehicle dismantlers, and there will be a large number of very small back street dismantlers who dismantle the odd vehicle as necessary.

The lack of proper regulation and policing of this sector from a crime reduction viewpoint means there are many opportunities for disposing of stolen vehicles. These vehicles may be broken up for their component parts which are sold on, broken up to provide parts to repair a damaged vehicle, or used to provide the 'recipient' vehicle onto which the identity of an accident damaged 'written-off' vehicle is transferred (a process known as 'ringing').

According to the VCRAT, salvage dealers dispose of about 1.5 million vehicles a year. In 1998, of the vehicles handled by the salvage industry, about 430,000 were written off by insurance companies, most of which would have been disposed of through the salvage industry. It is these vehicles which provide cover for disguising the true identity of some of the vehicles stolen and not recovered.

The scale of the criminal problem can only be estimated, but official statistics indicate that about 70% of all stolen vehicles are recovered. The problem therefore is measured by those vehicles that are not recovered, which number about 120,000 per year. The Motor Salvage Regulation task group estimates that 25% of these non-recovered vehicles are used for 'ringing' and 40% are broken for their parts. Therefore up to 78,000 vehicles every year, reported stolen and subsequently not recovered are likely to have been broken up for parts, or 'rung'. In addition, a further 20% are thought to be the subject of insurance fraud (where vehicles are disposed of by the owner and then reported stolen). Perhaps 50% of these, that is 12,000 vehicles, would be affected by the bill. The balance is thought to be stolen vehicles that have been exported.

The Home office estimate that the average economic cost (including criminal justice costs) of a single stolen motor vehicle is about £4,700. This means that the order of costs

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<sup>6</sup> The following information is taken from these two reports.

for vehicles stolen for their parts and 'ringing' would be about £367 million every year. Add to this the cost of the 12,000 or so insurance fraud vehicles that are not recovered (with an estimated economic cost of £2,800) and the total would be about £400 million.<sup>7</sup>

## 2. Existing legislation

While scrap metal dealers are currently regulated by the *Scrap Metal Dealers Act 1964* (SMDA), the motor salvage and dismantling industry is not. This view is based on the opinion given in *Such v. Gibbons* (June 1980) and it does not appear that the ruling has since been challenged. That ruling confirmed the definition that a scrap metal dealer carried on a business that was wholly or partly concerned with buying or selling scrap metal. A motor salvage dealer (who may also deal in scrap metal) on the other hand purchases worn out or damaged vehicles in order to repair them or recover reusable parts, which would be regarded as useful (as opposed to scrap) objects.

The motor salvage and dismantling industry is already regulated by the *Environmental Protection Act 1990* (EPA) and will be subject to the new European directive on end of life vehicles (ELVs), when this comes into force (probably around 2002).<sup>8</sup> Both these are pieces of environmental legislation and do not deal with matters of general criminal law. They do not therefore deal with issues such as detection and enforcement of crime, and it appeared to the government that this legislation, with its environmental purpose, was unsuitable for amendment to deal with crime reduction.

The ELV directive will require all dismantlers receiving end of life vehicles to be licensed or registered under the waste framework directive, and require certificates of destruction to be issued when end of life vehicles are delivered into the authorised treatment system. However this may fall short of the level or type of record keeping required under the SMDA 1964. In addition, the right of entry and search by the police would be difficult to justify in what is environmental protection legislation.

In terms of reducing vehicle crime, existing regulation is achieved by trade associations. The British Vehicle Salvage Federation (BVSF) represents the larger salvage dealers (over 70% of the salvage business) and the Motor Vehicle Dismantlers Association of Great Britain (MVDA) represents smaller dealers. They undertake to comply with the Motor Conference code of practice for disposal of motor salvage, which provides for the responsible disposal of written off vehicles.

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<sup>7</sup> Home Office Economics Unit 1999, quoted in the Home Office's report *Motor salvage industry: consultation on the proposal to regulate the industry*, April 2000, para 10; *Vehicle (Crime) Reduction Bill 2000-01*, Regulatory Impact Assessment, December 2000

<sup>8</sup> EC draft directive 7214/00. The final text has been agreed, but not yet published.

### 3. Code of practice

A code of practice "for the disposal of motor car salvage to detect and deter criminal activities" was launched by the insurance industry with the support of the DVLA and the police in December 1995 and reprinted in 1998. This is a voluntary code between insurers and salvage dealers, aimed primarily at the responsible disposal of those vehicles written off by insurers. Insurers are committed to ensuring that seriously accident damaged vehicles are crushed by reputable car breakers to safeguard against any possibility of them being repaired and returned to the road.<sup>9</sup>

The main points of the code of practice are:

- salvage should be inspected and categorised as to whether it is suitable only for scrap or is repairable;
- insurers should notify the DVLA of the salvage category into which a written off vehicle has been put;
- a notification of destruction should be sent by the salvage dealer to the DVLA when a motor vehicle is broken up and the chassis crushed;
- DVLA should ask the police to investigate when an application is made for documentation for a motor vehicle which had previously been notified as written-off and "unrepairable".

All total loss vehicles are placed into one of four categories depending on the extent of the damage. Vehicles in category A are suitable for scrap only; category B vehicles may be broken for spare parts and the remains crushed as in category A. Vehicles in these two groups should never appear on the road. Form V23 must be completed by insurers and returned to the DVLA as soon as possible to freeze the records. Insurers used to be expected to obtain and return the vehicle registration document to the DVLA before making a total loss payment, but now they are expected to destroy the documents. In addition vehicle dismantlers are expected to notify DVLA of vehicles they dispose of. Any request for a replacement registration document (V5) is notified by the DVLA to the police.

Category C and D cover vehicles that may be repaired. Category C are vehicles with a pre-accident value (PAV) of more than £2,000 and where the engineer's assessed repair costs exceed the vehicle's PAV. In practice these may have been involved in the more serious accidents. The DVLA will be informed on Form V23 of these vehicles but they can be kept or sold on for repair, although the police may be asked to investigate any relicensing activity. All other vehicles are in category D. In these cases there is no need to inform the DVLA on a V23 and so it will have no record of the past history of cars in this group even if they have been an insurance write off.

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<sup>9</sup> Department of Transport press notice 12 December 1995

The Association of British Insurers say that virtually all their members have signed up to the code of practice. In addition the ABI have worked on two supplements. One provides insurers with more guidance on how they should be drawing the distinction between the various categories of vehicle salvage. This has been a problem in some cases. For example an insurance company may categorise a car as A or B but the salvage company argue it is repairable. It is taken off for repair and someone then tries to relicence it. The DVLA inform the police who go to examine the vehicle. Often they will agree that it should have been in category C and are somewhat irritated at the waste of time.

The other supplement gives guidance on the technical standards which have to be achieved in order for a repaired vehicle to be transferred from the Vehicle Condition Alert Register (VCAR), the trade register of written off vehicles to the Vehicle Condition Inspected Register (VCIR). The VCAR was a system set up a few years ago to show all total loss vehicles. The idea was that if a vehicle was repaired and put back on the road, it should be inspected and transferred to the VCIR. However in practice, most repaired cars in categories C and D stay on the VCAR even if they have been properly and safely repaired. Apparently the industry was not enthusiastic enough to make the system work and there are not enough inspectors.

Details of all vehicles in total loss cases are notified to the MIAFTR (motor industry anti fraud and theft register), which is not available to the public, and these are passed to HPI and other similar organisations, who enter details on their registers. Any later changes to a category or if the damage does not render a car a total loss, are notified and the entry amended but not deleted.

The DVLA will act to prevent vehicles in categories A and B reappearing on the road but other written off vehicles may legally and safely continue to be used. The existence of a V23 is unlikely to be entered on the logbook and the police are unlikely to take any action in the case of category C vehicles.

The VCRAT examined the potential for better regulation of the salvage industry to be achieved by voluntary means. It concluded that the existing code of practice could be enhanced in a number of ways, for example by:

- linking the insurance industry MIAFTR database to the DVLA vehicles register. This would enable DVLA to have a more comprehensive record of total loss vehicles and to make that information more widely available (e.g. on the Vehicle Registration);
- establishing a set of requirements for record keeping so that an effective audit trail of purchases and disposals is maintained;
- agreeing to police and legitimate insurer fraud enquiry access to premises and records when required;

- setting minimum standards for identification procedures for anyone selling or disposing of a vehicle to a salvage dealer, or purchasing one from a salvage dealer;
- improving procedures so that motor salvage is properly categorised at the outset so that fewer vehicles are re-categorised later on. This will enable attention to be focussed on a smaller number of re-classified vehicles and improve the prospects of identifying those which have been stolen and "rung";
- improving procedures for salvage dealers to complete a Certificate of Destruction whenever a motor vehicle is destroyed;
- improving procedures for the responsible disposal of motor salvage;
- developing more stringent checks on repaired or re-built vehicles before they are returned to the road.

The effectiveness of the code of practice would also be improved if it were adopted by companies (principally those such as hire companies, and the Crown, that operate large fleets of vehicles) which carry their own insurance against total loss. A draft revised code of practice is being issued for consultation.

As regards regulation, the Home Office said in its consultation paper:

17. Policing the code is in the main the job of the insurance industry, which could, in theory, refuse to sell salvage to a dealer who failed to comply. In addition, the British Vehicle Salvage Federation (BVSF) makes compliance a condition of membership. The BVSF currently has 75 members who together account for about 75% of the insurance industry salvage business (that is, accident damaged written-off vehicles). The ability of the insurers and the BVSF to police their members is relatively limited, and in any event the likely effect of sanctions, especially by the latter, may not be a sufficient deterrent to abide voluntarily to the code of practice.

18. The other main industry representative body, the Motor Vehicle Dismantlers Association of Great Britain (MVDA) represents, in the main, smaller businesses whose primary function is dismantling. It could be said therefore that it is this part of the "industry" which is most likely to handle vehicles that are broken for parts. The MVDA represents about 10% of the 2,000 - 2,500 dismantlers in the country. Their members also adopt a Code of Practice, but the same limitations outlined above about policing and the deterrent effect are also likely to be true here.

19. Regardless of the ability of the insurers and trade associations to police the "industry", a large number of businesses do not fall within the orbit of these groups, would have no reason to adopt the Code of Practice, and would fall outside any internal policing mechanism. This could account for about 25% of the salvage business, and as much as 90% of the dismantling business.

The action team considered that the enhancements to the code of practice would, if implemented, make a significant contribution to reducing vehicle crime but that

maximising the benefits required the backing of legislation given the disparate nature of the industry.

## C. The Bill

The purpose of part 1 of the bill is to bring the motor salvage industry within a framework of statutory regulation so as to reduce the opportunity for disposing of stolen vehicles. It is also to assist the police and other authorities investigating such offences.

Within the salvage industry there are opportunities:

- to give the identity of legitimate vehicles which have been seriously damaged or written-off to stolen vehicles;
- for stolen vehicles to be broken up into their component parts which are then re-used to repair other vehicles or sold into the market for second hand spares;
- for vehicles to be disposed of and then fraudulently reported as stolen to insurance companies.

By regulating this industry it is believed that about 30,000 vehicle thefts and 6,000 fraudulent insurance claims could be avoided per year.<sup>10</sup>

### 1. Regulation

**Clauses 1, 2, 3, 4, 5, 6 and 12** are about the registration of motor salvage operators. The intention of these clauses is to require the motor salvage industry to register with the local authority. The whole industry would be covered, regardless of size or turnover, despite the arguments of the FSB, who wanted small businesses to be excluded. The Home Office, in its consultation paper, asked whether it might be better if registration was handled by the Environment Agency. Under the SMDA 1964 dealers are required to register with the relevant local authority for their area but they are also required to keep records for the duty of care transfer note system under the terms of the *Environmental Protection Act 1990*, which is enforced by the Environment Agency. The government has concluded that the registration required for the motor salvage and dismantling industry should be with local authorities.

**Clause 1** provides that a person, including a body corporate, who carries on a business in the motor salvage industry will be required to register with the local authority and it will be an offence not to do so. The business of a motor salvage operator is defined as one that consists of a business that is concerned:

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<sup>10</sup> *Vehicles (Crime) Bill 2000-01*, explanatory notes, para 10

- (a) wholly or partly in the recovery for re-use or sale of salvageable parts from motor vehicles and the subsequent sale or other disposal for scrap of the remainder of the vehicles concerned;
- (b) wholly or mainly in the purchase of written-off vehicles and their subsequent repair and re-sale;
- (c) wholly or mainly in the sale or purchase of motor vehicles which are to be the subject (whether immediately or on a subsequent re-sale) of any of the activities mentioned in paragraphs (a) and (b); or
- (d) wholly or mainly in activities falling within paragraphs (b) and (c).

Local authorities will be responsible for maintaining registers, which will contain details to be prescribed. Such details will include the name of the person and the address of the premises where the business is conducted. The contents of the register will be available to the public. Registration will lapse after three years, although it can be renewed (**clause 2**).

**Clause 3** says that an application for registration should be made to the local authority, accompanied "by a fee of such amount (if any) as the local authority may determine". The local authority will be responsible for determining the application or renewal fees, based on the recovery of the costs of administering the registration scheme. Fee levels were mentioned in the consultation paper and in its response, the Local Government Association was concerned that any costs incurred by local authorities should be recoverable through fees charged for registration. Registration under the SMDA 1964 is free of charge but there is clearly a cost to the enforcer in maintaining and updating a register, and in investigating breaches of the registers. The consultation exercise therefore considered whether the registration system proposed should be self-financing and the operator should be required to pay a small registration fee. One suggestion was that there could be a sliding scale of registration charges, based on the size of the company, perhaps turnover. The Home Office estimated that 2,000 companies would be categorised 'small', and could pay a registration (and renewal) fee of £15; that 750 companies would be categorised 'medium', and pay a registration (and renewal) fee of £30; and that 250 companies would be categorised 'large', and pay a registration (and renewal) fee of £50. Depending on the degree of overlap with companies who already register, and who the registration authority was, there could be opportunities to 'roll up' existing registration/licensing fees. The Home Office concluded that the total registration cost to the industry sector (excluding the 'overlap effect') would be £65,000 in the first year and thereafter at three yearly intervals.<sup>11</sup>

Under clause 3, the registration authority will also have the discretion to decide whether a person is "fit and proper" to carry on business in the motor salvage industry. In deciding this, the local authority will have regard to:

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<sup>11</sup> Home Office *Motor salvage industry: consultation on the proposal to regulate the industry*, April 2000, para 25-7

- (a) whether the applicant has been convicted of any offences under this Part; and
- (b) whether the applicant has been convicted of any offences of a description specified by the Secretary of State by order.

**Clause 12** clarifies that "fit and proper" is a test that can be applied to companies and limited liability partnerships. The test will apply to any director or partner.

If the local authority decides that a person or any person responsible for the control and management of a body corporate or a limited liability partnership is not "fit and proper", it can refuse or cancel registration (**clause 4**). If registration is refused or cancelled on this ground, the local authority need not consider a further application for registration from the applicant for a period of three years.

**Clause 5** ensures that a local authority refusing an application for registration or the renewal of a registration, sets out its reasons. A person is entitled to make representations to the local authority. If the local authority proceeds with the refusal or cancellation, the person may appeal to the magistrates' court under **clause 6**.

## **2. Records**

**Clauses 7 and 8** cover the keeping of records. Any registered motor salvage operator must maintain records to be specified in regulations. It will be an offence not to do so and anyone contravening the provision will be liable to a level 4 fine. Regulations will require records to be kept of all vehicles (excluding the engines) entering the motor salvage industry, and such records will need to be kept for three years (**clause 7**). Further, the secretary of state may, by regulation, provide that registered motor salvage operators be obliged to notify the destruction of any vehicles (in practice it is intended that the main recipient of the notification is the DVLA). If a person does not maintain appropriate records or make these notifications, this will be an offence and he will be liable on summary conviction to a fine (**clause 8**).

In their responses to the consultation paper both the BVSF and the MVDA concluded that the general record keeping requirements outlined in the code of practice fell within what could be regarded as "normal business records".

The larger businesses in the industry already voluntarily prepare a certificate/notification of destruction for every end of life vehicle, as a requirement of the code of practice. Under the terms of the end of life vehicles directive the whole industry may be required to do this. It still has to be agreed how the EU certificate of destruction should be implemented in the UK and how it will be financed. At this stage it is not clear what the cost will be or who will bear it. In order to avoid duplication with the end of life directive, no business will be required to issue both a certificate of destruction (under the directive) and a notification of destruction (under this bill) in respect of the same vehicle.

The regulations are likely to include a requirement to undertake identification checks and the practicality of this was questioned by one respondent where a third party delivered a vehicle or it was collected by a salvage operator. The government accepted that this would need to be addressed in the guidance to be issued on the implementation of the legislation.<sup>12</sup>

### 3. Supplementary provisions

**Clause 9** gives the police powers of entry to registered premises without a warrant. For entry to unregistered premises, or entry to registered premises where entry has previously been refused, a warrant issued by a justice of the peace can be obtained to secure entry with the use of force if necessary. A police constable may inspect any motor vehicles or salvaged parts kept at the premises and inspect or copy any records that the motor salvage operator is required to keep.

**Clause 10** requires the person registered or applying to be registered to notify the local authority of any changes affecting the accuracy of information provided, within 28 days of the change taking place. Failure to do so will be an offence, although there is a due diligence defence.

**Clause 11** makes it an offence for a person to give a false name or address when selling a motor vehicle to a motor salvage operator.

**Clause 13** provides for the police or local authorities to bring prosecutions. Prosecutions by anyone else must have the consent of the attorney general.

The MVDA felt strongly that the aim of 39,000 fewer vehicle thefts could only be achieved if the regulation was supported by an effective enforcement regime. Enforcement will be the sole responsibility of the police service. As this will form part of their routine investigations the cost, estimated by ACPO at around £110,000 a year, would be absorbed by the police.

**Clause 14** allows the secretary of state to amend or repeal any private or local act if it appears to conflict with this act.

This power was included after one business drew attention to the existence of a local act that imposed similar regulatory requirements.<sup>13</sup>

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<sup>12</sup> *Vehicle (Crime) Reduction Bill 2000-01*, Regulatory Impact Assessment, December 2000, para 42

<sup>13</sup> *Ibid*, RIA para 42

**Clause 15** defines the terms used in this part of the bill including what constitutes carrying on a business as a motor salvage operator in the area of a local authority and a motor salvage yard.

## **D. Financial implications**

According to the full Regulatory Impact Assessment (RIA), the estimated total registration cost to the industry sector is £65,000 in the first year and thereafter at three yearly intervals.<sup>14</sup>

The cost to the industry of checking the identity of vehicles and recording the details is estimated at a maximum of £285,000 per annum. The Home Office estimates that about 20% of vehicles are processed by the small end of the industry, which is not already complying voluntarily with the code of practice.<sup>15</sup>

The cost of assisting with enquiries is estimated to be no more than £110,000 per annum although it is agreed that this is difficult to assess.<sup>16</sup>

Non recurring costs for small businesses are estimated to be up to £115,000. This makes allowance for such businesses not familiar with the voluntary code of practice to understand the new requirements and the cost of producing notifications of destruction.<sup>17</sup>

No comments were received on the compliance costs included in the consultation paper except from the FSB, who wanted small businesses to be exempt. It argued that 7,500 small businesses would be covered whereas the government had estimated 3,000 businesses. The FSB was asked for a breakdown of its figure but it is difficult to distinguish between scrap metal dealers and vehicle dismantlers and the number of vehicle repair services (the largest group) that also engage in dismantling or the purchasing or repairing of insurance write-offs for resale. Ordinary repair services fall outside the proposed legislation. The government concluded that the information provided by the FSB was not sufficiently detailed to enable their figures to be included in the RIA, particularly as the Environment Agency's response to the consultation paper agreed with the MVDA's figure of 2,500 dismantlers in the small business sector.<sup>18</sup>

In summary the government estimate that with this legislation there would be 39,000 fewer vehicle thefts per year with an economic benefit of £183 million. In addition there

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<sup>14</sup> RIA para 26

<sup>15</sup> RIA para 27

<sup>16</sup> RIA para 28

<sup>17</sup> RIA para 29

<sup>18</sup> RIA para 44-5

would be 3,000 prevented insurance fraud "theft claims" with an economic benefit of £8 million. The cost would be up to £555,000 a year.<sup>19</sup>

## **E. Conclusion**

The government will ask the police force and local authorities to monitor the impact of the regulations and report the results to the Home Office. It will consider the results when it reviews the regulations in the light of the implementation of the end of life directive, expected in April 2002.

The Local Government Association had questioned whether the regulations should be more widely drawn to cover scrap metal dealers, abandoned vehicles and waste management. The government considered this too ambitious. It would need further substantial consultation and policy development. This would have led to delay in achieving the main purpose of the proposed regulation, which is to drive out the criminal element in the salvage industry.<sup>20</sup>

## **III Registration plate suppliers**

### **A. Background**

Many criminals using vehicles to carry out criminal activity use false plates to avoid detection. Such activity can range from terrorism, the use of getaway cars by armed robbers to burglars using vehicles to transport stolen goods. The main objective of part II of the bill is to regulate the supply of number plates in order to combat vehicle 'ringing' and vehicle cloning. Vehicle 'ringing' is the name given to the process of giving the identity of legitimate vehicles which have been seriously damaged or written-off to stolen vehicles. Vehicle cloning uses the identity of an existing vehicle to disguise another.

The Regulatory Impact Assessment of part II of the bill gives some figures about the business of number plate supply.<sup>21</sup> There are estimated to be around 27,000 outlets that assemble number plates, supplying around 6-7 million plates each year. Around 2 million are fitted to new vehicles, a further 2 million are 'trade-ins' and the balance is accounted for by replacement plates. All rung vehicles require a change of number plates.

At present there is no control over the supply of number plates and suppliers are not required, before supplying a set of plates, to check the identity of purchasers or their

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<sup>19</sup> RIA section IX

<sup>20</sup> RIA para 35

<sup>21</sup> DVLA, *Regulatory Impact Assessment – Regulating the Supply of Number Plates*

entitlement to use plates containing particular registration marks. In addition, the practice of altering the spacing and fonts on number plates can make it difficult for the Automated Number Plate Reader (ANPR) cameras to read plates. It is estimated that 25% of all unrecovered vehicles have been rung, so that 30-40,000 vehicles are being rung each year. Using the Association of British Insurers figures this means that vehicles with a total value of £112 million a year are being lost as a result of vehicle ringing. The UK is the only country in Europe where number plates are so readily accessible. In Sweden where tight control of number plate supply was introduced in 1993 the recovery rate of stolen vehicles is 93%.

This part of the Bill aims to ensure that plates are issued only to those with a genuine reason for having the plates and that they are used for the correct vehicle.

## **B. The Bill**

Part II of the bill, **clauses 17 to 30**, provides for the registration of persons carrying on the business of a number plate supplier; the charging of a registration fee; a power by which the Court may suspend registrations of persons contravening this Part; and a power to prosecute for contravention of the statutory requirements. It also allows the secretary of state to remove from the register persons whom he believes to have ceased trading.

It also creates three new offences; that of selling plates which purport to be registration plates but are not, of knowingly supplying plates to a person who is in the business of selling fake registration plates, and of knowingly supplying components or plates to an unregistered person.

### **1. Registration of suppliers**

**Clause 17** compels the secretary of state to establish and maintain a register of persons carrying on a business as number plate suppliers and for the register to contain such particulars as may be prescribed. This clause also compels the secretary of state to supply any person who has requested information from the register with the information requested, subject to regulations made under this clause which lists those people not entitled to be supplied with the information and such information as may not be supplied.

The secretary of state may make all of the information contained in the register available to the Police Information Technology Organisation for use by constables investigating offences under this part.

The Regulations made under this clause can determine the circumstances under which the police may disclose information obtained by them from the register.

**Clause 18** allows the secretary of state to charge a fee for registering an application to allow him to recover reasonable costs incurred. An application for registration cannot be

accepted while the registration of the applicant has been suspended by a court order under **clause 19**.

**Clause 19** provides for a registered person convicted for an offence under this part to receive a fine and/or a suspension of his registration for up to five years. The suspension must not come into effect before the time allowed for the person convicted to bring an appeal in the Crown Court, or if an appeal is brought, before the final determination of the appeal.

**Clause 20** allows the secretary of state to cancel a person's registration if he is satisfied that the registered person has ceased trading. This is assumed if the person has not been carrying on business as a number plate supplier for at least 28 days while registered. This is subject to the provisions of **clause 21**.

**Clause 21** sets out the procedure that the secretary of state must go through to cancel the registration of a number plate supplier. This involves the serving of notice and allowing the supplier 14 days to respond to the notice stating either that he wishes to make representations about the notice or that he does not wish to make representations.

Representations may be made orally or in writing. If the supplier wishes to make oral representations he must have the opportunity to do so in front of a person appointed by the secretary of state (**clause 21(6)**). If the secretary of state decides to proceed with the cancellation of registration he must serve a notice on the person informing him of the decision. This must contain the information that the person has the right of appeal to the magistrates' court under **clause 22**.

**Clause 22** allows a person served with a notice of cancellation of registration to appeal to a magistrates' court against the cancellation of his registration within 21 days of the receipt of the notice of cancellation. The procedure for the appeal shall be by way of complaint for an order and in accordance with the *Magistrates Court Act 1980*.

**Clause 26** requires a registered person to give notice to the secretary of state of any changes in the information provided in his entry in the register within 28 days of the change occurring.

## **2. Keeping of records**

**Clause 23** provides for the secretary of state to make regulations for the keeping of records by registered persons. **Clause 24** provides for the secretary of state to make regulations providing for the obtaining by registered persons of information of a prescribed description from prospective purchasers before selling number plates.

## **3. Rights to enter premises**

**Clause 25(1)** gives a police constable or an authorised person the right to inspect the premises, entered in the register as being the premises occupied by a person selling

number plates. Under **clause 25(2)** such a person may require at “any reasonable time” the production and inspection of number plates or the records which must be kept under this part of the Bill. **Clause 25(4)** provides for the issue of a warrant by a justice of the peace to enable a constable or authorised person to enter premises of number plate suppliers using reasonable force if necessary.

#### 4. Offences

All offences created under part II of the bill are summary offences. **Clause 16(1)** creates an offence for any person to carry on business as a number plate supplier in England or Wales without being registered. The offence will be punishable by a fine up to level 5.

**Clause 23(3)** makes it an offence for a number plate supplier not to keep records and under **clause 24(3)** for a supplier not to obtain information from a purchaser before the sale of a number plate. Both offences are punishable by a fine up to level 3.

Under **Clause 25(7)** it is an offence punishable by a fine up to level 2 for a number plate supplier to prevent an authorised person entering his premises.

**Clause 27** makes it an offence for a person to sell a counterfeit number plate or to supply number plates to someone who is in the business of selling fake plates. Those committing such offences are liable to a fine up to level 4.

It is an offence under **clause 28** for a person to supply a number plate or related device to an unregistered person if he knows or suspects that it will be used as a number plate or as part of a number plate.

**Clause 29** states that proceedings can only be brought for an offence under this part of the Bill by a local authority or police constable unless with the consent of the Attorney General. **Clause 30** defines the terms used in this part of the bill: these are mostly definitions as contained in the *Vehicle Excise and Registration Act 1994*.

#### 5. Regulatory impact assessment

The registration of number plate suppliers is expected to deliver a little over 10% of the government’s target of reducing vehicle crime by 30% by 2004, by preventing 24-33,000 ringing offences annually.<sup>22</sup> Assuming a one-off registration fee of £50, the British Number Plate Manufacturing Association (BNMA) estimated that the first year cost of a registration scheme would be £5.92 million with an ongoing annual cost of £3.27 million. Averaging costs between the estimated 27,000 businesses works out at approximately £219 per business for set up costs and £121 for ongoing annual costs. The DVLA would need funding to cover set up costs.

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<sup>22</sup> DVLA, *Regulatory Impact Assessment – Regulating the Supply of Number Plates*, October 2000

The views of small or medium sized businesses were sought in order to assess the effects of the proposal. None opposed regulation and all of them considered the potential costs to be insignificant.

The registration of small businesses does not come within matters which are reserved to the UK government under either the *Scotland Act 1998* or the *Northern Ireland Act 1998*, so the provisions extend only to England and Wales. To achieve uniformity in the UK it would be for the Scottish Parliament and the Northern Ireland Assembly to pass similar legislation.

## **IV Other bill provisions**

### **A. Vehicle licensing and registration**

The VCRAT recognised the vital role played by DVLA in helping to reduce vehicle crime by maintaining a comprehensive and accurate vehicles register, containing information about vehicles and their registered keepers. The report found that improving vehicle registration procedures could help reduce crime involving ‘ringing’ and cloning vehicles, but could also help to reduce so called vehicle ‘clocking’, where the mileage recorded on the vehicle odometer is reduced. The VCRAT believes that the most effective way of helping to combat these problems is by raising the status of the Vehicle Registration Document (V5). At present its status is unclear and it is relatively easy to obtain a replacement which can be used to disguise the identity of a stolen vehicle. The action team thought that the procedures for issuing form V5 should be changed so that it was better protected from fraud and contained more information of value to consumers. The measures suggested in the report are the following:

- Requiring proof of identity of the applicant at the time a Vehicle Registration Document is issued;
- Making it compulsory for the appropriate part of the Vehicle Registration Document to transfer with the vehicle when it is sold;
- Requiring production of the Vehicle Registration Document with an application for the Vehicle Excise Duty licence, if not submitted on a V11 form;
- Making collection of mileage data compulsory and making the information more widely available. The proposed computerisation of the MOT will assist this process;
- Collecting more data on total loss vehicles and recording it on the Vehicle Registration Document;
- Reviewing fine levels for vehicle registration document offences and possibly making such offences "endorseable";
- Setting up a DVLA telephone "hotline" to provide the public with total loss vehicle information;

- Making, at least, a voluntary provision on the vehicle registration document to record ownership, although there are outstanding problems as to how this could be achieved;
- Charging for duplicate vehicle registration documents.

The incentives for criminals arise if they can obtain a low-value accident damaged or scrapped vehicle (salvage) and subsequently sell a similar stolen vehicle to an unsuspecting purchaser at a higher price. One of the main objectives of this part of the bill is to make it harder for such criminals to obtain new registration documents for 'rung' vehicles.

**Clause 31** of the bill amends section 7(1) the *Vehicle Excise and Registration Act 1994* to increase the amount of information that someone applying for a V5 can be required to give.

**Clause 32** amends the *Vehicle Excise and Registration Act 1994* to provide enabling powers to the secretary of state to introduce vehicle identity checks (VICs) when someone applies for a new registration document. The explanatory notes to the bill point out that the key to the successful implementation of vehicle identify checks is the mechanism for ensuring that vehicles are submitted for test. This is to be achieved by a combination of factors:<sup>23</sup>

- the destruction of the registration document for salvage vehicles (which is something that is already provided for under a Code of Practice which applies where a vehicle insurer makes a 'total loss' payment to a policyholder);
- making it compulsory for a vendor to transfer the vehicle registration document to the new keeper of a vehicle (which will be achieved by making a minor change to secondary legislation);
- making it a requirement for motorists to produce either their vehicle excise licence renewal notice or registration document in order to re-licence their vehicle (thereby making it harder for criminals to 'legitimise' a ringed vehicle);
- introducing a requirement for the identity of a 'salvage' vehicle to be checked before a replacement registration document is issued to a new keeper.

The initial objective is to apply this requirement for vehicle identity checks to higher value more recently registered, vehicle salvage. Although the requirement could be extended later to other vehicle classes.

Under the terms of the code of practice described in section II. 3. of this paper, the appropriate sections of the document V5 for the vehicle have to be returned to the DVLA for all category A-C salvage. In addition where a vehicle insurer makes a total loss payment in respect of a written-off vehicle the insurer also sends a form (V23) to DVLA.

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<sup>23</sup> *Vehicles (Crime) Bill 2000-01*, explanatory notes

This enables DVLA to put a 'special interest marker' on the vehicle record. Under the proposals contained in **clause 32**, in any case where someone seeks to obtain a V5 from DVLA and /or to re-licence the vehicle, they will be advised to firstly submit their vehicle for a Vehicle Identity Check (VIC) inspection (in its repaired state). If this check establishes that the subject vehicle is the original a VIC certificate will be issued, a V5 issued to the keeper and the vehicle can be re-licensed.

This proposal was subject to a detailed Regulatory Assessment Impact.<sup>24</sup> Two options for the VIC were considered; a basic identity check and an enhanced check to include roadworthiness. The enhanced check was not thought to be cost effective. The estimate of the cost of the basic identity check was £20-£25 per vehicle. This would amount to £2.8 million per annum if only Category C vehicles were included and £5.7 million if Category D vehicles were included. Set up costs of £610,00 are expected and the Vehicle Inspectorate will need to recruit additional staff to carry out inspections.

The VIC should be effective because a criminal will not be able so easily to sell on a ringed vehicle to an unsuspecting purchaser (since he will not have the registration document for it). Equally he will not be able to make it look 'genuine' by licensing it (since it will not be possible in future to re-licence a vehicle without either the V5 or the vehicle excise licence renewal notice (form V11)).

**Clause 33** inserts a new section 27A into the *Vehicle Excise and Registration Act 1994* enabling the secretary of state to make regulations to prescribe specifications for the size, shape or material of number plates and to introduce vehicle identification features on number plates.

New style number plates have been the subject of consultation and new number plate regulations are to be laid before Parliament early in 2001 and will be introduced on 1 September 2001.<sup>25</sup> Once the regulations are in force all number plates will have to conform to the new size.

Sections 42-44 of the *Vehicle and Excise and Registration Act 1994* make it an offence to use registration plates other than in accordance with the statutory requirements. Such offences are prosecuted by the police.

The VCRAT report welcomed the proposed new regulations setting out requirements for the display of vehicle number plates which will prohibit fonts, layout or the fitting or treating number plates in such a way as to make them difficult to read or photograph. It considered that these new regulations will assist in the identification and recovery of stolen vehicles and tackling crime generally.

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<sup>24</sup> DETR, *Regulatory Impact Assessment on the Proposal to introduce Vehicle Identity Check (VIC) Scheme*, 17 October 2000

<sup>25</sup> HC Deb 13 November 2000 cc475-476W

The action team also considered the options for other information that number plates might contain such as make or model or identification number. Such information could be incorporated by regulations made under **clause 33** of the bill. Clauses 31-33 extend to England and Wales, Scotland and Northern Ireland.

## **B. Information requirements**

### **1. Notification of destruction of motor vehicles**

**Clause 34** of the bill requires scrap metal dealers to notify the secretary of state when a motor vehicle is destroyed. Regulations under this section may provide for the keeping of records by scrap metal dealers of all notifications of scrapped vehicles made by them to DVLA. These regulations will be made under a new section 4A in the *Scrap Metal Dealers Act 1964*. This measure should also help to prevent stolen cars being issued with new registration documents by the DVLA as the DVLA will have been informed of the original destruction.

### **2. Police access to insurance information**

**Clause 35** of the Bill enables the home secretary to make regulations under which the police will be able to have bulk access to the Motor Insurance Database (MID). Information from the database will be used in conjunction with the Automatic Number Plate Recognition (ANPR) system to help the police detect people driving without insurance. This provision is necessary in order to put the information transfer on a clear statutory basis, on a par with the transfer of DVLA records to the police. The regulations made under this section may prescribe the circumstances in which the information is provided and for what purpose.

Section 29 of the *Data Protection Act 1998* contains an exemption enabling the police to have access to personal information otherwise protected by the Act in order to prevent or detect crime etc. However, this exemption must be applied on a case-by-case basis and cannot be used in order to sanction the mass transfer of data, much of which will be about people who are fully insured and are not suspected of any crime. **Clause 35** should ensure that the bulk transfer of data from the MID fulfils the requirement of the first data protection principle, that “personal data shall be processed fairly and lawfully”.<sup>26</sup>

The Association of British Insurers (ABI) estimate that there are at least one million persons driving whilst uninsured (about 5% of all drivers).<sup>27</sup> The Motor Insurers Bureau (MIB) meets the costs of accidents suffered by victims of uninsured drivers. In 2000 the

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<sup>26</sup> 1998 Act, Schedule 1, Part I, para 1

<sup>27</sup> Home Office Regulatory Impact Assessment, November 2000

levy on insurance companies to fund the MIB is expected to be about £215 million. In addition the costs borne by insurance companies directly are thought to be at least as much again. These costs are both passed onto policyholders in the form of higher premiums, between £15-£20 per policy holder.<sup>28</sup>

The conclusion of a cost benefit analysis, conducted by the ABI, concluded that a database was the most effective means of tackling the problem of uninsured driving. The MID, which is a central computerised register of all motor insurance policies, is being developed by the MIB and is expected to be operational in July 2001.

All motor insurance companies are required by section 145(5) of the *Road Traffic Act 1988* to belong to the MIB. There is currently no legal requirement for motor insurance companies to contribute data to the MID but they are doing so voluntarily. It is expected that the Financial Services Authority will compel insurance companies from July 2002 to submit data to MID as part of the implementation of the EU Fourth Motor Insurance Directive 2000/26/EC.

Under bulk access provisions the police would cross-match MID against other databases on the police national computer (PNC) to produce a sub-set of data which could then be used with Automatic Number Plate Recognition (APNR) technology to identify drivers who are uninsured. Bulk access to MID is not expected to be used by police until 2003/4 when fleet operators will be required by the EU Fourth Motor Insurance Directive to notify details of insured vehicles to MID. In the interim the police will have access to MID on a case-by-case basis while making general enquiries about a vehicle. The PNC will offer an immediate check at the roadside on insurance status via an online link from July 2001. The DETR expect to have amended regulation 10(4) of the *Motor Vehicles (Third Party Risks) Regulations 1972* by that time: this relates to the keeping of records by insurance companies. The delay before bulk access is introduced will allow for further consultation.

## C. Miscellaneous

### 1. Extension of prosecution time limits

**Clause 36** of the bill inserts a provision after section 12 (4) of the *Theft Act 1968* (the offence of taking a conveyance without authority) to extend the time limit for bringing prosecutions under this section. This enables proceedings for summary offences to be commenced (subject to a general time limit of three years) at any time within six months from the date on which sufficient evidence comes to the knowledge of the prosecutor.

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<sup>28</sup> Ibid

Advances in forensic science (particularly fingerprints and DNA) mean that it is possible reliably to match an offender with a crime after the prosecution time limit has expired.<sup>29</sup>

## 2. Speed cameras

The cost of installing and maintaining speed cameras has meant that some police forces have only one in eight devices operating at any one time and drivers are beginning to realise that they are unlikely to be caught.<sup>30</sup> The Association of Chief Police Officers (ACPO) have wanted the government to divert to police forces and local authorities a percentage of fixed penalty motoring fines or an additional charge on top of the fine to help pay for the cameras.

The problem is that all the income from speeding fines goes to the Lord Chancellor under section 60(1)(a) of the *Justices of the Peace Act 1997*. Ministers have until recently taken the view that a fixed penalty system in which speeding fines were not paid to the Exchequer would be tantamount to decriminalising speeding. However there are precedents (e.g. parking fines and the penalties imposed on motorists whose vehicles break emission laws) and the government has been under considerable pressure to do something about the funding of speed cameras.

The costs and benefits of speed cameras established by research, published in 1996, were cited in an adjournment debate in 1998 by the home office minister, Paul Boateng:<sup>31</sup>

My hon. Friend the Member for Stafford referred to some of the analysis that we have commissioned on traffic lights and speed cameras, and has cited some results that we published in 1996. When considering the fall in accidents at speed camera sites--some 28 per cent., as my hon. Friend said--the £5.3 million investment made to install cameras, the fivefold return on that amount after one year and the return of more than 25 times that amount after five years, we must recognise that it is not all cash, and that opportunity costs are included. Nevertheless, the figures are impressive, and they show the benefits. They also show some spin-off advantages. Many forces found that the use of cameras released officers from other duties. That is enormously important. Significantly, cameras have produced some useful results in terms of the detection of other crime, not least in the identification of stolen vehicles.

The road safety white paper published in March 2000 referred briefly to a pilot of a new funding scheme from April 2000<sup>32</sup> and a little more detail was given in the speed policy paper:<sup>33</sup>

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<sup>29</sup> Home Office Press Notice 7 December 2000 398/2000, "New controls to crack down on car crime"

<sup>30</sup> "Speed cameras left unused by police to save money" *Guardian*, 23 January 1997

<sup>31</sup> HC Deb 9 December 1998 cc 453-460

<sup>32</sup> DETR *Tomorrow's roads - safer for everyone*, March 2000

<sup>33</sup> DETR *New directions in speed management - a review of policy*, March 2000, page 18

## **Current measures for influencing vehicle speeds**

### **Enforcement and penalties**

77. Speed cameras are particularly effective at reducing vehicle speeds. A Home Office research report shows that speeds at camera sites were reduced by an average of 4.2 mph and accidents by 28% (Hooke et al 1996). But their effectiveness is blunted by the cost of their operation.

78. DETR and other interested authorities are developing a pilot scheme for a new financial system which will allow the additional cost of camera enforcement to be funded from speeding fines. HM Treasury has set the rules for the two year pilot which will start in April 2000 in eight police force areas.

79. If the results are satisfactory, we will develop a system for the police, courts, local authorities and others to reclaim the costs of buying additional cameras, or increasing the use of existing ones, where otherwise no funding would have been available.

80. Even where they can be used fully, cameras should not be regarded as a panacea. Motorists tend to slow for cameras and increase their speed once past.

Results from one of the trial areas, Northamptonshire, were recently reported in the *Times*.<sup>34</sup> The police force has been allowed to keep about a third of speeding fines paid by motorists and apparently the numbers killed or seriously injured fell from 76 last year to 38 in the same month this year. Similar results are said to have been obtained in the other pilot areas.

There have been two recent cases which have raised the possibility that the owners of cars caught speeding on speed cameras might be able to refuse to tell the police who was driving on the grounds that to do so would breach their human right not to incriminate themselves. However the government is confident that the use of speed cameras is compatible with the European Convention on Human Rights based on European case law.<sup>35</sup>

**The Earl of Shrewsbury** asked Her Majesty's Government:

Whether, in the light of the incorporation of the European Convention on Human Rights into English law this week, the use of enforcement cameras against speeding motorists is legal.

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<sup>34</sup> "Deaths fall as speed camera penalties soar", *Times*, 20 November 2000

<sup>35</sup> HL Deb 5 October 2000 c 1698

**The Parliamentary Under-Secretary of State, Home Office (Lord Bassam of Brighton):** My Lords, the Government are satisfied that the use of enforcement cameras against speeding motorists is compatible with the convention rights.

**The Earl of Shrewsbury:** My Lords, I thank the Minister for that reply. In the light of court cases in Scotland and more recently in England, are the Government confident that Section 172 of the Road Traffic Act 1988, which makes it an offence for a registered keeper to decline to name the driver at the time of an alleged offence, is compatible with the keeper's right under Article 6 of the European Convention on Human Rights not to incriminate himself or herself?

**Lord Bassam of Brighton:** My Lords, there has been much misinformation and misreporting of those two cases. The case of Brown in the Scottish court was said to affect the use of cameras. That was not correct; no cameras were involved in the case. The judgment specifically excluded any application of the ruling to the use of Section 172 of the Road Traffic Act in camera cases.

The second case--that of Chauhan and Hollingsworth in Birmingham--did not involve the use of speed cameras either. The court did not conclude that Section 172 procedures for obtaining details of the driver were in breach of the convention.

I can also advise the House that there already exists well-established European case law going back to 1995; that of Tora Tolmos. It upheld the principle that owners of vehicles have obligations to identify the driver of a vehicle involved in an offence and that it is not in breach of the convention.

**Clause 37** amends the *Justices of the Peace Act 1997* to allow the Lord Chancellor to make payments to responsible authorities in respect of the whole or any part of their relevant expenditure. Relevant expenditure is limited to the magistrates court costs of dealing with certain speeding offences and offences. The offences listed include various speeding offences.

**Clauses 34-37** extend to England and Wales only.

## **V Supplementary**

Part IV, clauses 38-45 of the bill, contains a number of standard provisions relating to financial arrangements, consequential amendments and orders and regulations as a result of the bill. This part extends to England and Wales, Scotland and Northern Ireland.

## **VI Further Reading**

Vehicle Crime Reduction Action Team, *Tackling Vehicle Crime: A Five Year Strategy*, October 1999

Home Office, *Motor salvage industry: consultation on the proposal to regulate the industry*, April 2000

*Vehicles (Crime) Bill 2000-01*, Explanatory Notes

Home Office, *Full Regulatory Impact Assessment (RIA)*

DVLA, *Regulatory Impact Assessment – Regulating the Supply of Number Plates*, October 2000

DETR, *Regulatory Impact Assessment on the Proposal to Introduce Vehicle Identity Check (VIC) Scheme*, October 2000

Home Office, *Regulatory Impact Assessment*, November 2000

DETR, *Tomorrow's roads - safer for everyone*, March 2000

DETR, *New directions in speed management - a review of policy*, March 2000

## Abbreviations

<b>ACPO</b>	Association of Chief Police Officers
<b>BNMA</b>	British Number Plate Manufacturing Association
<b>BVSF</b>	British Vehicle Salvage Federation
<b>DVLA</b>	Driver and Vehicle Licensing Agency
<b>ELV</b>	End of life vehicles
<b>FSB</b>	Federation of Small Businesses
<b>MIAFTR</b>	Motor industry anti-fraud and theft register
<b>MIB</b>	Motor Insurers Bureau
<b>MID</b>	Motor insurance database
<b>MVDA</b>	Motor Vehicle Dismantlers Association
<b>PNC</b>	Police National Computer
<b>RIA</b>	Regulatory Impact Assessment
<b>VCAR</b>	Vehicle Condition Alert Register
<b>VCIR</b>	Vehicle Condition Inspected Register
<b>VC RAT</b>	Vehicle Crime Reduction Action Team
<b>VIC</b>	Vehicle identity check