

## **TARGETED FOLLOW UP CONSULTATION ON FEE PROPOSALS – DRIVING LICENCES AND VEHICLE REGISTRATION ARISING FROM 27/05/03 CONSULTATION – MEASURES INTRODUCED**

(The following text was issued in a letter format to all those who responded to the earlier consultation) [27/05/03 DVLA consultation on fee proposals](#).

“You were recently sent a copy of the above document for the consultation that ran between 27 May and 18 August 2003.

Following an analysis of the results, Ministers have agreed that the proposal to combine the costs of driver licensing and vehicle registration operations in a single pool and set fees to recover those costs, should be adopted. It has also been decided that the fee structure set out in option 1 of the consultation should be introduced. A press release was issued by DVLA on 9 October and is available on the DVLA web site at

[http://www.dvla.gov.uk/public/press\\_releases/2003/p\\_release\\_2103\\_9Oct03.htm](http://www.dvla.gov.uk/public/press_releases/2003/p_release_2103_9Oct03.htm).

In the consultation it was proposed to raise the fee for a first provisional driving licence, which would enable future licence upgrades following a test pass to be free of charge. However, we regret that the consultation did not make clear that an underlying costing assumption in respect of option 1 of the consultation was that those applicants who had already paid a lower fee for a first provisional licence (£29) under the old fee structure, would be required to pay an upgrade fee (£9) when claiming their first full licence.

Such a transitional arrangement would ensure equity between provisional licence holders on passing their tests i.e.;

- Drivers who had paid the old £29 provisional licence fee would pay an upgrade fee of £9 when claiming their first full licence after the introduction of the new fee structure. Total fee payable under this scenario would be £38.
- Drivers who pay the new provisional licence fee of £38 would not be charged a fee when they claimed their first full licence. Total payable under this scenario would be £38.

Both the above scenarios would represent a saving to the individual of £3 compared to existing arrangements where drivers pay £29 for a provisional licence and £12 when upgrading to their first full licence. The £9 fee would also be payable by applicants for a first full licence who had successfully retested following revocation under the Road Traffic (New Drivers) Act 1995, where their provisional licence was issued under the previous fee regime.

The majority of applicants who go on to pass a driving test and apply for a full licence do so within two years of obtaining their provisional driving licence. Therefore, this transitional arrangement would be discontinued two years after its introduction.

It should be noted that a transitional exchange fee would only be payable by those drivers exchanging provisional licences issued under the old regime for a first full licence issued under the new regime. Given the policy aim of easing entry into the driving of buses and lorries, the fee to upgrade following any vocational test pass would be nil. Similarly, those licence holders wishing to add provisional entitlement to learn to drive different vehicles will be able to exchange free of charge. A nil fee will also apply to full licence holders upgrading following a further test pass, e.g. a full car licence holder adding full motorcycle entitlement. The following illustrates the policy:

<u>Circumstances of Application</u>	<u>Fee Payable from 1/3/04</u>
Claiming a first full licence: Provisional issued prior to 1/3/04.	£9
Claiming a first full licence: Provisional issued on or after 1/3/04	£0
Adding a further test pass to a full licence.	£0

We welcome and consider any representations you would wish to make in respect of these proposed transitional arrangements. It would be helpful if your responses could be received by 23 December 2003.