



National Audit Office

Vehicle and Operator Services Agency

Enforcement of regulations on commercial vehicles

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Comptroller and
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National Audit Office

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In this Report, we examine whether the Agency's HGV and PSV enforcement activities at the roadside and at operators' premises are efficient and effective. We examine specifically whether it is inspecting the right operators, makes best use of its resources and contributes to improving compliance and roadworthiness.

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Summary

Background

1 Commercial vehicles (Heavy Goods Vehicles (HGVs) and Public Service Vehicles (PSVs)) must comply with a wide variety of roadworthiness and traffic regulations covering physical maintenance, weight limits and drivers' hours. Collectively, commercial vehicles make up nearly seven per cent of traffic on Great Britain's roads. The number of commercial vehicles involved in road accidents is decreasing, but 17,415 were involved in road traffic accidents in 2008 (5.6 per cent of all vehicles involved in accidents). Nine per cent of vehicles involved in fatal accidents were HGVs.

2 The Vehicle and Operator Services Agency (the Agency), a trading fund of the Department for Transport (the Department), is responsible for ensuring compliance of commercial fleets with the relevant regulations in Great Britain. The Agency does this by conducting annual statutory tests and inspecting vehicles at the roadside to check their compliance with mechanical and traffic (loading and drivers' hours) regulations; and inspections at operators' premises to check compliance across their fleet and vehicle maintenance management systems. The Agency spent £36.6 million on enforcement of commercial vehicle regulations in 2008-09. The Department for Transport agrees the Agency's objectives, targets and budget each year and monitors the Agency's performance (including its enforcement activities).

3 In this Report, we examine whether the Agency's HGV and PSV enforcement activities at the roadside and at operators' premises are efficient and effective. We examine specifically whether it is inspecting the right operators, makes best use of its resources and contributes to improving compliance and roadworthiness.

Key findings

4 Nationally, the Agency is achieving its annual Secretary of State target to increase the number of dangerous vehicles and drivers it removes from the road, removing 28,900 vehicles in 2007-08 and 36,500 vehicles in 2008-09, but performance against targets varies widely between areas. The national target is cascaded to each of the Agency's 21 Areas through targets for achieving Performance Gain points, with points awarded for action taken to remove dangerous vehicles and drivers from the road. The allocation of targets is driven by each Area's staff complement, which is based on historic points of high traffic flows around the country and does not take account of road safety risk or the current volume of commercial vehicle traffic within Areas. In our opinion, the wide variation in Areas' performance may suggest that targets are not realistic, or that some Areas use their resources more efficiently than others.

5 The Agency publishes an overview of its enforcement objectives in its annual Business Plan. The Department plans to produce a HGV Compliance Strategy which will take into account this Report, to direct further the Agency's efforts. In exercising its strategic leadership role, the Department also has the opportunity to enhance effective joint working between its Agencies to further its objective of improving road safety.

6 The Agency's approach to enforcement is risk-based and it uses a risk rating system to target roadside inspections and visits to operators' premises for those British operators who are most likely not to comply with regulations. The approach is currently more effective in targeting operators whose vehicles do not comply with roadworthiness regulations rather than traffic offences which present a greater risk to road safety. This is despite the Agency placing an increasing emphasis on enforcing traffic regulations and spending 60 per cent of its enforcement expenditure doing so in 2008-09.

7 The bulk of inspections, however, are of low or medium risk operators and there remains scope for the Agency to increase the efficiency and effectiveness with which it deploys its resources. The system also does not distinguish sufficiently between the severity of offences; has little separation between operators in Red, Amber and Green risk bands, although the Agency expects this to improve over time; and as a relative system has no defined limit denoting 'acceptable' performance. The risk scoring system reflects the risks to road safety for which the Agency is responsible.

The Agency's approach to tackling non-compliance

8 The Agency focuses heavily on roadside checks to enforce regulations, carrying out around 252,000 checks in 2008-09. Most accidents are caused by driver performance or driver behaviour on the road. The police are responsible for enforcing road traffic laws and dealing with breaches. Others in the Department have responsibility for driving standards and road safety policy. The Agency could use roadside checks and operator visits to educate drivers and operators about road safety, but the Performance Gain target system does not encourage staff to do so. The Agency does not have a comprehensive education programme for operators or drivers.

9 Enforcement is intelligence-led and the Agency is strengthening its management of intelligence. However, its effectiveness at targeting risky commercial vehicles entering the country is constrained by the lack of access to data contained in HM Revenue and Customs' Freight Targeting database of ships manifest and other information and the location of inspections as the Agency cannot always inspect incoming vehicles at ports.

10 More generally, the effectiveness of roadside checks is constrained because:

- **the Agency's delegated powers to stop vehicles are inconsistently provided across Great Britain.** It has delegated police powers to stop vehicles at the roadside in England and Wales but current accreditation arrangements are cumbersome and inefficient. It does not yet have delegated powers in Scotland. However, subject to Parliamentary approval of the necessary secondary legislation, the Department aims to provide, by October 2010, direct powers for the Agency to stop vehicles throughout Great Britain; and

- **some checksites are situated at locations which are no longer strategically significant.** Some of the Agency's checksites are no longer located on routes with high volumes of commercial traffic. Sites can also be rendered inoperable by local roadworks or diversions.

11 The Agency's overarching aim is to make roads safer through its role in enforcing compliance with road safety regulations, but it is not possible to determine its impact on road safety as there are many contributory factors to incidents. We, therefore, examined the Agency's enforcement interventions on the assumption that, if it removes dangerous vehicles and tired drivers from the road, it is making roads safer. The Agency's interventions include prohibitions given to vehicles and drivers at the roadside for defects or offences and sanctions in the form of financial penalties. Its prohibition rate increased from 19 per cent of checks in 2004-05 to 33 per cent in 2008-09 for HGVs and from 11 per cent to 19 per cent for PSVs. We estimate that the benefits derived from the number of accidents prevented by the Agency's enforcement work in removing dangerous British HGVs from major roads is likely to outweigh the costs of HGV enforcement. This is a conservative estimate of the benefit and does not take into account, for example, non-British HGVs, the deterrent effect or avoiding disruption to the network when incidents not involving casualties occur.

12 Not all sanctions can be deployed effectively against foreign drivers, for example, because they do not have a permanent British address, although the introduction in May 2009 of fixed penalties should improve the Agency's ability to sanction them. The Agency has so far issued around 10,000 fixed penalties to drivers who are not resident in the United Kingdom, amounting to just over £1 million. The Agency has no direct power to sanction the licences of foreign operators, although it does pass information on non-compliant operators to the relevant foreign authorities.

Conclusion on value for money

13 The Agency successfully meets the requirements placed upon it for enforcing regulations against commercial vehicles and has succeeded in increasing the number of dangerous commercial vehicles and drivers that it removes from the roads from 28,900 in 2007-08 to 36,500 in 2008-09. Our estimates suggest that the benefits are likely to exceed the Agency's expenditure. These are satisfactory results. But in our opinion the Agency could deliver significantly better value for money through refining its systems for scoring risk and its targets and deploying staff so as to make better use of its resources. There are also a number of long-standing issues such as the location of checksites which the Department, together with the Agency, must address both to improve value for money and make the Agency's work more effective. The Agency could do more to address the root causes of non-compliance by working with other parts of the Department to ensure that there is a comprehensive education programme for higher risk commercial vehicle operators and drivers.

Recommendations

On the Agency's strategic direction

14 The Agency should use the opportunity of its enforcement activities to educate commercial vehicle drivers and operators to tackle the causes of non-compliance. This should include:

- targeting drivers and operators with publicity on safer driving in conjunction with the Department and other agencies, for example, through the Department's **Think!** or other road safety campaigns; and
- incorporating an educational element into all operator visits including the benefits of a good road safety culture.

15 The Agency should, within the areas of its responsibility, develop an action plan to identify and address the biggest risks to road safety posed by commercial vehicles. The plan should address:

- the deployment of staff flexibly around the country, including the costs and benefits of such restructuring;
- enhancing its work with other agencies, such as the Highways Agency, the police and the UK Border Agency who may be better placed to spot behaviour which could lead to accidents, or to carry out checks on certain groups of drivers and operators; and
- the location of checksites for checking commercial vehicles, including those entering the country and working in partnership with others such as the Highways Agency to relocate checksites on the strategic road network.

16 The Department, in developing its HGV Compliance Strategy, should explicitly address the contribution that the Agency can make towards achieving its overall objective of improved road safety and ensure that arrangements are in place for it to work effectively with other Departmental agencies in pursuit of that objective.

On the Agency's management of enforcement

17 The Agency should:

- a** improve the accuracy of the risk scoring system, for example, by;
 - introducing a graduated transition from historic to predictive scores based on diminishing encounters over time; and
 - separating more effectively operators in Red, Amber and Green risk bands.
- b** revise its Performance Gain points system to reflect appropriately the relative importance of its various educational and enforcement activities; and

- c** set up formal data-sharing arrangements with HM Revenue and Customs to enable it to target vehicles at or near ports more effectively, agreeing its minimum data requirements so that only essential information is shared.

18 The Department should:

- a** assist the Agency in negotiations with, respectively, the Home Office and port authorities to:
 - find a common agreement with all police forces to streamline annual renewals for delegated powers to stop vehicles in advance of any legislative change; and
 - develop a solution that allows the Agency to carry out effective enforcement activities against selected high risk commercial vehicles on international journeys.
- b** encourage operators to develop further systematic and long-term driver training programmes to improve performance and behaviour on the road which lie at the heart of road safety.