

# Results of Consultation on the Review of the Registration of Number Plate Suppliers

This report is divided into four categories; -

1. Reforms that require an Act of Parliament.
2. Reforms that require amendment to regulations.
3. Reforms that can be introduced without amendment to legislation.
4. Areas of the scheme where changes have been considered but will not be implemented.

## 1. Reforms that Require an Act of Parliament

The following proposals were included in the Road Safety Bill, which was originally introduced in Parliament on 30 November 2004. The Bill did not gain Royal Assent prior to the general election, but it was reintroduced on 24 May.

- **We will introduce legislation to extend the scheme to Scotland and Northern Ireland.**

At present the scheme does not apply throughout the United Kingdom, and consequently, its operation in England and Wales is undermined. To provide secure, effective and consistent control over the supply of number plates on a UK-wide basis it is necessary that Scotland and Northern Ireland operate the same scheme.

This proposal was very favourably received and was strongly supported by the Association of Chief Police Officers in Scotland and the major number plate manufacturers. There have also been specific consultation exercises in Scotland and Northern Ireland with similar results.

- **We will introduce legislation to make it an offence to supply any plate bearing a vehicle registration mark and designed to be fitted to a vehicle or trailer that does not comply fully with the display requirements and British Standard as contained in regulations. Regulations will be made to exempt plates with wording such as "NOT FOR ROAD USE" printed on the face of the plate.**

Many suppliers sell plates showing vehicle registration numbers, often with a disclaimer that they are not for road use because they do not comply with regulations. Nevertheless, these plates are often fitted to vehicles and in some cases it is difficult for cameras or eye - witnesses to identify the number correctly. We intend to prevent this by making it an offence to supply a plate displaying a vehicle registration number that does not comply with regulations.

The second part of the proposal would give show plates legal recognition for the first time and allow a legitimate trade in show plates to continue. This would be achieved by making an exemption to the above offence for plates with a disclaimer printed on the face of the plate. This issue prompted more comment than any other. There was a broad consensus that the distinction between vehicle number plates and show plates needs to be clarified. However, some consultees were concerned that any move to recognise 'show plates' in legislation would leave a loop - hole for vehicle cloners to exploit and argued for a total ban on any plates that did not comply with regulations. Having taken all factors into account, we believe that making a clear distinction based on the use of wording on the plate itself would assist the police in the prosecution of offenders.

- **We will introduce legislation to obtain enforcement powers for DVLA and for English County Councils.**

At present powers of enforcement reside with the police and persons appointed by District, or Unitary local authorities. DVLA does not have direct enforcement powers, but has adopted a proactive approach through co-operation and partnership with the Police and Trading Standards. To improve and strengthen the enforcement effort, DVLA has sought to obtain powers to enter and inspect premises and bring prosecutions together with obtaining power for all trading standards officers to work independently in this field.

This proposal was strongly supported. Leading manufacturers believe that current enforcement is not effective enough and therefore not a sufficient deterrent. They want to raise the profile of the enforcement effort so as to overcome commercial disadvantage as compared with those who fail to comply with the legislation. It was

suggested that the success of enforcement depends on the publicity it generates and that the financial level of fines handed out are insignificant in comparison to the revenue generated from the sale of illegal plates.

## 2. Reforms that Require Amendments to Regulations

We believe that the following reforms will make the existing scheme more customer – friendly and easier to operate while maintaining security. At present, we expect the necessary amendments to regulations to come into force on 1 September. We will write to suppliers 3 months in advance to notify them of these changes and send a reminder and updated briefing material nearer the time.

- **Motor dealers who fit plates to vehicles for onward sale will be exempt from the need to obtain documentary evidence of identity.**

Many motor dealers re-fit their used vehicle stock with new number plates displaying the dealers details. By doing so they identify themselves as the supplying outlet, so it is right that they should be regarded as suppliers subject to registration. Registration also enables them to obtain plates or components from a manufacturer without providing documentary evidence as listed in the regulations. Therefore the business activity of motor dealers will remain within the scope of the regulations. Dealers should continue to register, keep records of sales and record the document reference number taken from the vehicle registration certificate (V5C), but they will no longer be required to obtain documentary confirmation of name and address. This exemption would not of course apply when a motor dealer sells number plates as separate items as opposed to fitting them to the vehicle for onward sale.

Motor dealers should note that this does not affect their obligation to notify DVLA using the registration document or otherwise in writing when they sell a vehicle out of the trade.

The majority of those who responded welcomed this proposal, particularly the Retail Motor Industry Federation, who have lobbied for this requirement to be removed.

- **The requirement to record the method of payment along with cheque number or credit/debit card details should no longer apply.**

Registered number plate suppliers are required to keep records of all transactions including the method of payment for any plates they sell together with the cheque or debit/credit card number. This requirement has led to criticism about potentially creating opportunities for credit fraud. Our view has been that the onus is on the supplier to keep this information securely and in any case, a criminal would usually need the expiry date of the card and possibly a security number as well as the card number. Nevertheless, we feel that we can respond positively to the criticism received by removing this requirement.

No objections were raised to implementing this proposal.

- **We will adjust the lists of documentation needed to verify name and address and establish a connection with the vehicle to provide greater flexibility while maintaining security.**

This proposal prompted a mixture of responses ranging from full agreement to concerns that it would weaken the controls already in place. Purely from a security standpoint, Government - issued documents with a photograph offer the most reliable means of verification, but we are also mindful of the fact that prohibitive obstacles should not be placed in the way of the legitimate sale of number plates.

In the absence of a photocard driving licence, the current legislation requires a number plate supplier to check two documents to verify name and address, e.g. a passport and a bank statement. This is in addition to a registration certificate or prescribed alternative. The new regulations will still require the supplier to verify three things – name, address and a legitimate connection with the vehicle, but there will be more flexibility concerning the combination of documents necessary to accomplish this. The new lists are attached.

To meet the concerns about security, we have resisted the temptation to expand the list of documents to any significant degree and for the same reason, we have also decided not to include a separate list of company identification. (The position of large fleet operators is dealt with in section 3 below).

## 3. Reforms that can be introduced without amendment to legislation.

- **We will remove the supplier identity number (SID) from the Internet to make the system more secure.**

The register of number plate suppliers is in the public domain and details must be disclosed to anyone who requests the information. DVLA discharges this duty by publishing the register on the Internet. The SID is also included on the Internet. The SID can be used as a point of reference when trawling the register in order to locate a particular supplier. However concern has been expressed that the SID displayed on the web site gives rise to the possibility of someone pretending to be a registered supplier in order to obtain plates.

Some number plate manufacturers have commented that using the SID to access a particular entry on the register is the only practical means of checking whether a potential customer is registered. They pointed out that it would be difficult to tell the difference between customers with similar names. Our view is that removing the SID number from the Internet will not prevent suppliers checking whether another supplier is registered. One method would be to check the letter of confirmation issued by DVLA when an application to register is accepted. If necessary, suppliers could contact the DVLA help – line in cases of doubt. We will also introduce a facility to check the register by inputting a post-code to make the register more accessible.

- **We will allow fleet operators that participate in DVLA's fleet re-licensing scheme to register as an extra statutory concession.**

Businesses that buy or assemble plates solely for their own use, rather than to supply to customers are not within the scope of the legislation. We recognise the difficulties of large fleet operators who often order plates in bulk and keep the vehicle registration documents at their administrative headquarters rather than with the vehicle. This was why we made the provision for fleet operators to present a letter of authority on company headed note paper with contact details stating that the company holds the registration certificate (V5C) and quoting the document reference number or the vehicle identification number (VIN). Despite this, some fleet companies have either of their own volition or acting on the advice of their suppliers applied to register as number plate suppliers in order to circumvent the requirement to produce documentation. We propose to allow fleet operators to register as number plate suppliers as an extra statutory concession provided they are current participants in DVLA's Fleet Re-licensing scheme. This qualification is necessary to prevent uncontrolled registration with the potential for abuse that goes with it. In consequence of this concession, it will no longer be acceptable to quote the VIN as an alternative to the V5C document reference number.

No objections were raised with regard to the recommendation to allow fleet operators to register and the British Vehicle Rental and Leasing Association welcomed it.

This proposal will be implemented on 1 June. Applicants will be asked to provide their DVLA fleet re-licensing identification number.

#### **Areas of the scheme where changes have been considered but will not be implemented.**

- **The supply of plates to vehicles registered for the first time in the UK is to remain exempt.**

The only supply activity exempted under the legislation is the supply of plates for vehicles registered for the first time in the UK. This decision was based on the fact that we do not believe the allocation of registration numbers and the fitting of plates to newly registered vehicles is a problem area requiring further regulation. The majority of consultees agreed with this recommendation.

- **The supply of rear plates will remain within the scope of the scheme.**

Trailer dealers have lobbied for exempting the sale of rear yellow plates and consideration has been given to this. It has been argued that vehicle thieves would need a complete set of plates, so there is no point in regulating the supply of rear plates as separate items. However, the rationale for the decision to include the sale of rear yellow plates in the scheme remains unchanged. To exempt the sale of rear yellow plates would create a loophole whereby criminals could use them on stolen caravans and trailers.

The consensus of opinion was to agree with this recommendation.

- **The supply of plates for historic vehicles will remain within the scope of the scheme.**

Prior to the establishment of the RNPS, the Federation of British Historic Vehicle Clubs requested an exemption for number plates supplied to vehicles constructed before 1 January 1973. This request was carefully considered and rejected for two reasons. Firstly the view of the police was that the theft of historic vehicle was a small but lucrative activity, which it would be wrong to neglect. Secondly, the greater the number of

exemptions, the less complete and effective the scheme would be. No new factors that would justify a change of policy are apparent.

- **The registration fee of £40 per outlet is to remain unchanged.**

Prior to the establishment of the RNPS, the Federation of British Historic Vehicle Clubs requested an exemption for number plates supplied to vehicles constructed before 1 January 1973. This request was carefully considered and rejected for two reasons. Firstly the view of the police was that the theft of historic vehicle was a small but lucrative activity, which it would be wrong to neglect. Secondly, the greater the number of exemptions, the less complete and effective the scheme would be. No new factors that would justify a change of policy are apparent.

#### **THE FOLLOWING APPLIES FROM 1 SEPTEMBER 2005**

**Number plate suppliers must check original documents to confirm the customer's identity, address and entitlement to the registration number. You must check at least one document from each of the lists below. Please ensure that whatever combination of documents is used, it must be sufficient to check name, address and entitlement.**

#### **List 1 - Documents to confirm identity**

**A driving licence whether or not issued in the United Kingdom (with or without a photograph.) This is preferred because it is a secure Government – issued document showing both name and address.**

**A bill issued by an electricity, gas or water supplier, a land – line telephone bill or a council tax bill.**

**A bank or building society statement.**

**A passport (whether or not issued in the United Kingdom).**

**A national identity card issued by the Government of a state or territory other than the United Kingdom.**

**A debit or credit card issued by a bank or building society (the requirement for a photograph will no longer apply).**

**A police warrant card.**

**An armed forces identity card.**

#### **List 2 – Documents to establish entitlement to the registration number**

**The preferred document is a vehicle registration certificate (V5C).**

**Tear off slip from V5C (V5C/2).**

**Certificate of entitlement to a registration mark (V750).**

**Cherished transfer retention document (V778).**

**Vehicle licence renewal form (V11).**

**Temporary registration certificate (V379).**

**Authorisation certificate (V948)**

**A letter of authorisation from a fleet operator (including a lease/hire company). Please note that the letter must quote the document reference number from the V5C. Quoting the vehicle identification number will no longer be acceptable.**