



# What price privatisation?

**T**he shuttering of three test stations announced in the beginning of 2009 by the forerunner of the Driver and Vehicle Standards Agency (DVSA) started the shift to have most truck and coach tests carried out by authorised test facilities (ATFs) built and operated by the private sector – dealers, operators and maintenance providers. Closing its own truck and bus test stations and selling off its mothballed assets saved millions of pounds. There remained a small but significant caveat: “Testing will continue to be run exclusively by VOSA [DVSA] staff.”

While trade unions and vehicle operators felt the plan threatened road safety standards, dealers and maintenance providers spotted a golden opportunity to build an ATF and sign up.

**Too few vehicle examiners at the beck and call of the DVSA has led to renewed calls by the road transport industry to privatise testing. Kevin Swallow reports**

But by 2013 the mood had darkened. It quickly became clear that the return on a £125,000-plus investment was protracted. Vehicle examiners adhere to an eight-hour day (including lunch), and concerns were raised over examiner utilisation, cancellations and payment arrangements. Alternative solutions were raised. The National Franchised Dealers Association and the newly-formed Authorised Testing Facility Operators Association (ATFOA) argued for bringing vehicle examiners into the private sector.

Government reiterated its position later that year, when at the House of Commons’ Transport Committee it said: “The independence of testing from the private sector ensures that the integrity of OCRS (Operator Compliance Risk Score) continues to be held in high regard throughout the transport industry.”

By 2015 that view appeared to soften. The Department for Transport (DfT) Motoring Services Strategy Consultation Paper, a five-year plan, stated: “We will consider whether industry would be best served by a ‘mixed economy’ which allows some private-sector-delegated examiners to conduct LGV tests at ATFs (following the model for cars), with appropriate safeguards to ensure fleet operators could not certificate their own vehicles.”



Fast forward to April 2018, when at the sidelines of the official launch of the Earned Recognition compliance scheme, DVSA CEO Gareth Llewellyn said that the agency is still planning to consider self-testing within its five-year plan to 2022. But he added that it is in no rush to act, partly because it is working to improve the privatised inspection system for cars. He explained: "We know that there's a lot of fraud in the car vehicle MOT system at the moment ... and we need to make sure that system is robust before we do anything in the HGV space."

But Llewellyn proposed that Earned Recognition, if it proves successful, might be the basis for self-testing of both HGVs and PSVs after 2022.

Since January 2018, DVSA has carried out more than 43,000 tests, fulfilled 99.6% of testing reservation slots at 570 ATFs and seven DVSA-owned sites, compared to ATF operators cancelling 2.3% of test slots. Demand for test slots increased by 18% over the past year, though the national fleet size remained static. There is some anecdotal feedback that operators are double-booking slots for a single vehicle at multiple sites to ensure a future test slot.

To meet demand, DVSA is recruiting. It currently has around 550 staff trained to conduct HGV/PSV testing, and is recruiting 77 people who will be "trained and operational by the end of the year". DVSA has also been given the green light to recruit a further 85 testers.

**THE OPPOSITION**

One of the industry's biggest advocates for privatising vehicle examiners is Stephen Smith, ATFOA founder. He contends: "Privatisation would give the industry three things: flexibility, flexibility, flexibility. The public sector cannot deliver the flexibility to deal with the fluctuation in supply and demand of the haulage market, because it does not have the tools the private sector has to manipulate the workforce."

***"There is a lack of technicians. The recent DVSA recruitment campaign also took in non-engineers. That tells a story to me"***

Russell Hallowes

Smith's day job is managing director of Boleyn Recovery & Fleet Services, based in Barking, Essex, where he witnesses the ATF problem first-hand. His allocation of test reservations from DVSA is down by 11% from the last quarter, because it cannot supply enough examiners.

Unnecessary downtime for operators is not acceptable, argues Lee Hosier, the dealer principal of IVECO Retail, a wholly-owned four-dealer group covering south and west of London, which operates an ATF at Farnborough. "From the operators' point of view, it's downtime of the vehicle during the day, pre-MOT check and travel to and from a test station. A lot of downtime can be reduced if the private sector took over vehicle testing," he contends, which would allow better utilisation of the lane and staff during off-peak hours.

Another OEM voice, Russell Hallowes, is more critical of DVSA. As managing director at Mercedes-Benz dealer Northside Truck & Van, he runs seven sites covering north Lincolnshire and Yorkshire, with Bradford and Immingham depots operating ATFs. "We were sold a dream," he says, "and it has not been delivered." Although Northside has built two new ATFs in Leeds and Sheffield, it cannot make them operational, because of low DVSA staffing levels.

Hallowes is withering of DVSA's latest recruitment campaign: "There is a lack of technicians. The recent DVSA recruitment campaign also took in non-engineers. That tells a story to me," he says, suggesting that road

safety standards are at greater risk.

Examiner recruitment remains an issue, admits Mark Serwotka, general secretary for the Public and Commercial Services Union, which represents DVSA examiners, among others. But he argues against privatisation: "There are problems of recruitment which would be best solved by ending the public sector pay cap, paying our members in the DVSA properly, and ceasing the undermining of good terms and conditions within the industry. Privatisation would also endanger long-standing safety standards on our roads. Private sector companies are wedded to the interests of their shareholders, and the public good will always play second fiddle to the pursuit of profit."

Sympathising with both sides of the argument is John Parry, chair of the IRTE's irtec steering group. He initially supported the public-sector role in providing vehicle examiners, but has now changed his mind, due, in part, to excessive administrative costs that exist between coordinating a public body and private industry. He adds: "If the MOTs were being conducted with irtec-licensed technicians (as all DVSA examiners are) within premises that are Workshop Accredited, safety would not be at risk."

He fears that recruiting additional MOT testers to offset the much-publicised shortfall will prove difficult. He says: "Only time will tell whether it will be enough. This situation is emblematic of a much wider problem; a lack of engineers in the transport sector." 