

**SERIOUS ORGANISED CRIME AND POLICE BILL
FINAL REGULATORY IMPACT ASSESSMENT
OFFENCE OF USING AN INCORRECTLY REGISTERED VEHICLE**

1. Title of proposal

Offence of using an incorrectly registered vehicle

2. Purpose and intended effect of measure

(i) The Objective

The objective is to reduce the number of incorrectly registered vehicles, which are regularly used in criminal and anti-social undertakings, and the owners or users of which it is difficult to establish. While it is currently an offence not to register one's vehicle correctly, it is not an offence to use such a vehicle; a person so doing can therefore evade penalty by claiming not be the owner. The intention is to make it an offence to use an incorrectly registered motor vehicle on a road or in a public place. The proposal does not involve the imposition of any new requirement on business or the charitable and voluntary sector. .

(ii) The Background

There are currently 1.2 million unregistered vehicles on the roads, according to figures from the Driver Vehicle and Licensing Agency. Many of these vehicles fall into the category commonly described as 'underclass' where the keeper is unknown, the vehicle is untaxed, uninsured and unsafe. A significant number of these vehicles are 'pool cars' often involved in anti-social behaviour on roads generally and within urban estates (both on and off-road) where they pose a dangerous nuisance to the local communities.

In addition it is this group of vehicles that are frequently employed in the commission of crime, where the lack of keeper details make it almost impossible for the police to trace the user of the vehicle. This inability to apportion responsibility for a vehicle means that it is also more likely to be abandoned, or burnt out, in a public space. There are consequent financial impacts for the emergency services, the Local Authorities and others..

The introduction of continuous registration is a major step forward to deal with those vehicles already in the system but it leaves a loophole for those that are outside of the registration regulations and are still being driven on the roads. It is this group of vehicles, and the drivers using them illegally, that are to be targeted by this new legislation.

The increased use of ANPR technologies by the police has enabled them to target effectively this group of unregistered vehicles for enforcement action. Although, however, the police are able to deal with any motoring offences discovered, such as no insurance, they cannot directly address the fact that

the vehicle is unregistered. As noted above, it is an offence not to register, but the user of the vehicle at any particular time is not guilty of any offence if he cannot be proved to be its keeper. The proposed new offence would enable the police to deal immediately and directly with someone driving an incorrectly registered vehicle in the same way as they would for other offences.

(iii) Risk Assessment

The only identified risk is that a person could be penalised for using an incorrectly registered vehicle when it was not his intention to do so or he did not know he was doing so. The measure will allow a defence if there had been no reasonable opportunity to provide the required information or corrections to incorrect information already held or if the information had been supplied but not entered on the register or entered incorrectly.

3. Options

Option 1 – Do nothing

This would allow the continuance of avoidably high levels of criminal and anti-social behaviour, with their associated costs, through the continuing difficulty of associating a driver with a vehicle, as described above.

Option 2 – introduce new offence of using an incorrectly registered vehicle

This would enable the police to deal effectively with the users of unregistered vehicles and reduce the number of such vehicles. It would deal with vehicles that have no current keeper registered, vehicles with registered keepers who no longer have any responsibility for the vehicle and vehicles with false registration details. The offence introduced would be continuing and the vehicle user could be stopped and dealt with until there was a correct entry on the register.

4. Benefits

Economic

The enhanced ability to identify those who have responsibility for a motor vehicle is one of the major drivers for this new legislation. The unregistered vehicle is more likely than any other class of vehicle to be abandoned (and whilst abandoned to be more at risk of arson). Nation-wide, in 2002 there were at a rough estimate about 300,000 vehicles abandoned. This number has been increasing and is expected to increase further. Research has found that in 2000-01, one county council (Kent) removed nearly 10,000 vehicles at a cost of around £79 per vehicle. To give a very broad indication of the scale of costs, the removal of 300,000 vehicles at £79 each would cost £23.7 million. There are other costs associated with work in connection with abandoned vehicles, on the part of other local authorities, fire brigades (in 1999 there were 63,200 malicious road vehicle fires) and the police. These

costs should be reduced considerably if there are fewer vehicles that can not be assigned to a keeper.

There is also at present considerable police time occupied in seeking to identify the owners /users of vehicles involved in crime and anti-social behaviour. A more accurate register, which this measure (together with others such as continuous registration) would help achieve, would reduce this activity as well as making the identification of suspects easier.

The failure to register the keeper details of a vehicle is usually accompanied by a failure to insure the vehicle or to pay vehicle excise duty, which ranges from £55 to £165 per annum (if all the estimated 300,000 abandoned vehicles paid tax the figure would be £16.5 to £49.5 million)

Finally there would be income of perhaps £1,050,000 from the fixed penalties paid in respect of this offence (see calculations under costs below)

Environmental

The measure will help reduce environmental degradation by abandoned vehicles, vehicles burnt out and vehicles in poor condition

Social

Unregistered vehicles are often used for criminal and anti-social purposes and being unregistered they can change hands very easily. It is currently difficult to identify those using such vehicles. The new measure will facilitate the process and thereby improve the quality of life locally.

5. Costs

This measure has no direct economic, environmental or social costs. There are potential costs down the line for courts in cases where the police decide it is not appropriate to offer a fixed penalty, where a fixed penalty is offered but not accepted and where an accepted fixed penalty is not paid. The number of offences over-all will however diminish as the number of incorrectly registered vehicles decreases through the operation of measures already in place. Continuous registration, for example, has led to a 17% increase in the number of registration documents issued in the first three months).

There are an estimated 1.2 million unregistered vehicles on the roads, but it is not possible to say with certainty how many of these the police would detect, or how many of those would be prosecuted, how many would be offered a fixed penalty instead and how many would face no further or no separate action. While there would be some immediate prosecutions decided by the police and some cases where the suspect chose prosecution rather than accepting a fixed penalty, it is probable that most cases would be dealt with by offer of a fixed penalty. It is unlikely that the police would seek to prosecute just for an offence of using an incorrectly registered vehicle (non-endorsable; Level 3 fine – currently £1,000). There would be little advantage to a person in choosing to go to court. That course is usually chosen with other fixed

penalties in two circumstances: when the alleged offender believes he will receive a lower fine than the fixed penalty, which in this case will be £30; or, when he thinks he can argue some fault with the type approved equipment which detected the offence. Neither of those circumstances arise here.

Court costs would arise chiefly therefore from fixed penalties accepted but not paid. Based on experience with other non-endorsable fixed penalty offences, 30% of fixed penalties offered for the new offence might not be paid, of which about 69% might be registered as fines and court proceedings issued against 2.4% . The court costs arising if all 1.2 million unregistered vehicles were detected and their drivers offered a fixed penalty have been estimated at £12 million (this covers, using the percentages quoted, 248,400 fine registrations, 8,640 court proceedings and 864 Crown Court appeals). Such an outcome is however inconceivable. Most incorrectly registered vehicles would be detected as a result of Automatic Number Plate Recognition (ANPR) camera operation. In the recent pilot of ANPR usage in 23 police forces, including the largest, 22,370 vehicles were dealt with for registration offences. As ANPR usage expands this might increase, on a generous estimate, to 50,000, 4.2% of the 1.2 million total. 4.2% of the estimated £12 million figure is £504,000 (representing 15,000 fixed penalties unpaid, 10,350 registered as fines, 360 court proceedings and 36 Crown Court appeals). This would be offset across Government by the income accruing from the fixed penalties paid for this offence (70% of 50,000 at £30 each = £1,050,000.)

6. Issues of equity and fairness

The measure does not impact on equality issues. The requirement to register a vehicle and correct any errors in existing registration details applies equally to all. The offence is absolute and not subject to interpretation; enforcement will be by reference to the register, which is an objective database.

7 Consultation with small business

A Small Firms' Impact Test is not required in this RIA because the proposal impacts only on public services.

8. Competition assessment

Not applicable

9. Enforcement and Sanctions

This is a new offence to be enforced by the police. It is appropriate that it should fall within the fixed penalty system, with the limited bureaucracy that involves. In keeping with other similar offences in the system, it will be non-endorsable and punishable in court with a maximum fine at Level 3.

10. Monitoring and review

The number of offences enforced will be reflected in the published annual statistics (eg, fixed penalties issued for licence and record keeping offences). The benefit of the new offence will be reflected in improvements to the vehicle register, though these will reflect more the effect of other legislation, such as the introduction of continuous registration.

11. Consultation

The measure has been fully discussed within Government and does not impact on members of the public other than offenders.

12. Summary and recommendation

Option	Total cost per annum Economic, environmental, social	Total benefit per annum Economic, environmental, social
1 Do nothing	Continuance of preventable criminal and anti-social behaviour with associated direct and indirect economic and other costs as outlined	Nil.
2 Make it an offence to use an incorrectly registered motor vehicle	None directly. Potential court costs associated with up to 10,350 fine registrations, 360 court proceedings and 36 Crown Court appeals in respect of unpaid fixed penalties (likely to total around £504,000 per annum some or all of which may be offset by revenue made from fixed penalty notices)	Easier identification of vehicles and their owners will save police time, reduce the costs associated with abandoned and burned out vehicles and potentially lead to more take up of insurance and payment of vehicle excise duty at a rate of between £55 and £165 per vehicle. The scope for criminal and anti-social behaviour will be reduced. There will be direct income from the payment of fixed penalties offered for the offence.

The continuous registration regulations are an important step forward in being able to track and monitor vehicle ownership in the United Kingdom. They help,

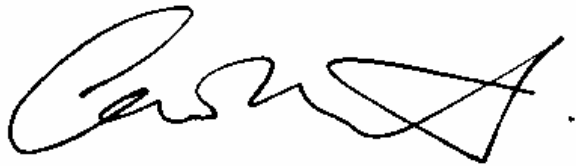
however, only with vehicles already in the registration system. The large pool of vehicles not on the register remains unregulated and the lack of responsibility for this group of vehicles remains unchecked.

Giving the police a power to deal with people, whether owners or not, for using an incorrectly registered vehicle, rather than owners for failing to register, will help reduce the use of such vehicles. Option 2 is recommended accordingly.

13. Declaration

I have read the regulatory impact assessment and I am satisfied that the benefits justify the costs

Signed

A handwritten signature in black ink, appearing to read 'Caroline Flint', with a stylized flourish at the end.

November 2004

**Caroline Flint MP
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