

# **NEATH PORT TALBOT COUNTY BOROUGH COUNCIL**

## **Environment and Highways Cabinet Board**

10 December 2015

### **Report of the Head of Engineering & Transport**

D. W. Griffiths

#### **Matter for Decision**

**Wards Affected:** All

#### **Installation and accreditation of MOT Class 4, 5 & 7 Testing Facility at Tregelles Court Vehicle Maintenance Workshops**

#### **Purpose of Report**

- 1 To seek Members' approval to apply to the Driver and Vehicle Standards Agency (DVSA) to install a Vehicle Test Station and become a designated Council/authorised Examiner at the vehicle maintenance workshops at Tregelles Court, Neath Abbey, Neath.

#### **Executive Summary**

- 2 Currently this service is outsourced to a number of local MOT Test Stations, where they conduct the annual tests for an agreed fee.
- 3 It is proposed that we set up and conduct an in-house MOT testing facility. This facility will offer added service to the area, where there are limited facilities for some of the additional classes of vehicles we propose to test. We will not only provide savings to the Authority's fleet, but also offer an impartial test for others like the taxi trade, schools, staff and members of the public.
- 4 A new MOT facility will not be expensive to set up as we already have the majority of equipment installed. The additional testing will help secure jobs within Fleet Services and deliver efficiency savings whilst also meeting the financial challenges faced by the Authority through income generation.

## **Background**

- 5 The vehicle maintenance section currently arranges around 225 annual MOT tests on Class 4, 5 & 7 vehicles. (Appendix 1) These vehicles range from small, medium, heavy vans and also include buses/ mini-buses operated by the Authority and Schools.
- 6 Our current arrangement means that we sub-contract this work to a number of local MOT test stations at cost of approximately £12k to the Authority. On top of the cost of paying for the MOTs, the current process is very labour intensive, as we have to arrange delivery and collection of these vehicles with limited staff numbers, which has a large impact on workshop productivity.
- 7 As part of the Authority's review into income generation and to reduce costs, initial work between the Fleet Manager and the Project team has been undertaken to look at conducting MOT testing in-house, as well as offering a service to taxi trade, staff and the general public.
- 8 Applying for accreditation is a complex process, where a number of requirements set by the DVSA have to be satisfied in order to become an authorised test centre.

## **Current Provision**

- 9 Currently this service is outsourced to a number of local MOT test stations where they conduct the annual tests for an agreed fee; this is both expensive and labour intensive for the following reasons:
  - Before taking vehicles for test, the vehicles are already inspected by our own workshop staff to make sure we get limited failure rates, so we are already examining vehicles to MOT standards in-house only for them to have another test by an authorised test station.
  - With staff being reduced within the section to achieve budget savings, we are required by some test centres to deliver vehicles and collect them for testing. This has a direct impact in lost productivity in the workshop and has an effect on service delivery to other service users and front line services.

- Current vehicles being tested in class 4, 5 & 7 amount to approximately 225 vehicles per year, with prices ranging from £30 to £58 per test.
  - The workshop at Tregelles Court in Neath Abbey currently has most of the equipment needed to set up as a Test Centre, which will include two test bays to give flexibility for testing.
- 10 We have recently installed a DVSA approved brake tester, emissions tester and already have in place one pit, one 5 ton vehicle lift, one beam tester and other equipment needed.

### Application Process

- 11 Fleet Services require Council approval to apply to the DVSA to become a designated Council/authorised Examiner and conduct MOT testing. The application will be submitted after we are satisfied we conform to DVSA requirements. These include:
- Planning Permission
  - Planned drawings for the layout of existing bay areas, parking and access and exit from site
  - Checking that current equipment is on approved list
  - Staff training to required standards
  - Signing off by Accountable Managers
  - Viewing area
  - Computer system updates
  - Health & Safety plus risk assessments for members of the public

### Changes to Fleet Services

- 12 To ensure Fleet Services conform to the above application, additional equipment and provisions need to be approved. These include:
- Pit turn plates and lift beam tester
  - Re-coat existing pit area flooring and paint
  - Staff re-alignment and training. As part of the application, designated roles must be submitted which will include; designated Council/authorised Examiner, Station Manager,

nominated testers and quality controller. Possible minor restructure to enable accountability and control may be required.

- IT equipment
- Planning consent
- Training of staff for the above roles (free training with DVSA)
- Paying facility at reception area
- Secure safety deposit box and accountability

See financial section of report for cost information.

- 13 The introduction of a testing facility at Tregelles Court would help secure additional work for Fleet Services and secure vehicle technician jobs, whilst the current fleet is being reduced.
- 14 It will provide a valued service to a number of areas, in particular, the taxi trade, staff and members of the public, by providing an impartial MOT test through a recognised and trusted organisation.
- 15 This will have a positive impact in relation to road safety, provide cost savings and income generation to meet the Authority's financial challenges.
- 16 There is also a lack of class 5 and 7 testing stations in the locality, so we will provide added value to the local area.
- 17 All equipment and services can be easily removed and reinstalled in the event of any Local Government reorganisation or possible site relocation in the future.
- 18 Staff will have additional training delivered free of charge by the DVSA located in Bridgend. This will give a more consistent level of testing standards with the current inspection team and have regular quality controls in line with national standards for both MOT and taxi testing.
- 19 Some local MOT stations will lose business due to the Authority bringing the testing back in-house and possibly losing some business from members of the public vehicles. However, the class 5 and 7 test centre currently used are located out of the County Borough in Swansea.

## Market Research and Benchmarking

20 The Local Authority has recently undertaken a benchmarking exercise of all Local Authorities across Wales in relation to Authorities who operate MOT testing facilities, of the 22 Authorities in Wales, 13 responded. From the survey, seven Local Authority fleet workshops offer MOT testing facilities which are utilised both for Authority vehicles, taxi trade, 3<sup>rd</sup> party contracts, members of staff and the general public. Testing prices have been obtained from both external local supplier data and data received from various Local Authorities. Using this data we can then align testing costs for all vehicle classes with varying prices for staff, third parties and the general public. We can also offer MOT tests to taxi proprietors. Currently taxis require the following:

- Annual MOT test conducted by local garage
- Two Council tests under Local Provisions Act conducted by Fleet Services at Tregelles Court

21 With the introduction of an MOT station at Tregelles Court, we could include one of the two current taxi tests with an MOT test for all Hackney Carriages and private hire vehicles. This will be at a reduced cost to the taxi trade not only in payment costs, but also proprietors having to arrange separate MOT tests, which result in lost labour taking them for two tests as opposed to one.

### Current MOT Station Rates in Neath Abbey Area

<u>Garage Name</u>	<u>Class 4</u>	<u>Class 5</u>	<u>Class 7</u>
Abbey Services	£50	£50	N/A
CEM Days	£35	N/A	N/A
Enterprise Tyres	£45	N/A	N/A
Autofix Skewen	£50	N/A	N/A

22 If MOT testing was approved for taxis and members of the public, we would encourage on-line payment of fees in line with the 'Digital by Choice' strategy. There could however, be an option to allow card payments to be made at Tregelles Court at a cost of £1,200 per annum.

23 Depending on the success of the initiative, there may be a future requirement to make a slight amendment to the existing staffing

structure to incorporate a nominated MOT Station Manager. Any changes to the existing structure will be reported to Members as appropriate.

### Proposed way forward

- 24 If this proposal is supported, then an application will be submitted to the DVSA for class 4, 5 and 7 test station approval. Before approval is granted, work will commence installing the remaining equipment needed for carrying out testing on both bays, subject to a site inspection by a DVSA vehicle inspector. Any staff training can be arranged and completed, and possible realignment of staff agreed and put in place.
- 25 After full site approval has been granted, testing can commence firstly on Authority vehicles, but also with a view to rolling out to the taxi trade, staff, 3<sup>rd</sup> party companies and the general public. Financial analysis will also be carried out to see if any further income could be generated.

### **Financial Impact**

	<u>One-off</u>	<u>Annual</u>
Set-up costs	-3,625	
Savings – current MOT costs		12,472
Other possible income – taxis (based on 150 of the 300 taxis we inspect)		1,943
Other possible income – contract hire vehicles (based on all contract hire vehicles we have)		614
Other possible income – members of the public (based on 200 MOTs p.a.)		1,898
	-3,625	16,927

### **Equality Impact Assessment**

- 26 Screening Assessment has been undertaken to assist the Council in discharging its public sector duty under the Equality Act 2010.

After completing the assessment, it has been determined that this function requires a full Equality Impact Assessment. (Appendix 2)

### **Workforce Impact**

- 27 This has a positive impact on staff regarding job security and additional training to develop new skills.

### **Legal Impact**

- 28 The MOT Station will comply with all legal aspects set out by the Driver and Vehicle Standards Agency (DVSA).

### **Risk Management**

- 29 As NPT will be carrying out the MOTs on behalf of DVSA, some risks will be passed onto them. NPT will receive regular inspections by DVSA vehicle examiners to ensure we comply with their rules and regulations. DVSA then have the ability to remove us from their list of authorised test stations.
- 30 However, we will need the necessary public liability insurance cover in place in the event of a claim being made directly against the Council. This will be done, however this will not incur any additional cost.

### **Consultation**

- 31 There is no requirement under the Constitution for external consultation on this item.

### **Recommendation**

- 32 It is recommended that Members approve the above proposal so that an application can be submitted to the DVSA to become a designated Council/authorised Examiner and conduct MOT testing on the above classes of vehicles.

### **Reason for Proposed Decisions**

- 33 To increase the efficiency of the Authority through reducing unnecessary downtime incurred by staff having to go off-site to present vehicles for testing.

- 34 Financial savings on its own fleet as well as generating income from external sources.
- 35 Offer a professional service to the taxi trade, which will reduce taxi testing costs.
- 36 Provide an impartial class 4, 5 & 7 testing facility to the public and staff, at a competitive rate, whilst adding value to the area.
- 37 Secure jobs within the section by taking on additional work, whilst the current fleet is being reduced.

### **Implementation of Decision**

- 38 The decision is proposed for implementation after the three day call in period.

### **Appendices**

Appendix 1: Description of vehicle classes

### **List of Background Papers**

Cost breakdown and benchmarking spreadsheet

### **Officer Contact**

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## Appendix 1

### Test Classification

The test classes are:

Class I — [Motor bicycles](#) (with or without side cars) up to 200cc

Class II — All motor bicycles (including Class I) (with or without side cars).

Class III — 3-wheeled vehicles not more than 450 kg unladen weight (excluding motor bicycles with side cars).

Class IV — [Cars](#), including 3-wheeled vehicles more than 450 kg unladen weight, taxis, [minibuses](#) and [ambulances](#) up to 12 passenger seats, Goods Vehicles not exceeding 3,000 kg Design Gross Weight (DGW), [motor caravans](#) and Dual Purpose Vehicles.

Class V — Private passenger vehicles, ambulances, motor caravans and dual purpose vehicles with 13 or more passenger seats

Class VII — Goods vehicles over 3,000 kg up to and including 3,500 kg DGW. If a vehicle is presented with a manufacturer's plate and a 'Ministry plate' the weights to be used are those on the 'Ministry plate'.

PSV test (Class VI) — Public service vehicles used for hire or reward with more than eight passenger seats (test conducted by DVSA/DVA staff their own stations, or at DVSA authorised testing facilities (ATF) or designated premises (DP)).

HGV test — Goods vehicles over 3,500 kg GVW and trailers over 1,020 kg unladen weight or 3,500 kg GVW if fitted with overrun brakes (test conducted by DVSA/DVA staff their own stations, or at a DVSA authorised testing facility (ATF) or designated premises (DP)).