

## Proactive Release

This document is proactively released by Te Manatū Waka the Ministry of Transport.

Some information has been withheld on the basis that it would not, if requested under the Official Information Act 1982 (OIA), be released. Where that is the case, the relevant section of the OIA has been noted and no public interest has been identified that would outweigh the reasons for withholding it.

Listed below are the most commonly used grounds from the OIA.

<u>Section</u>	<u>Description of ground</u>
6(a)	as release would be likely to prejudice the security or defence of New Zealand or the international relations of the New Zealand Government
6(b)	as release would be likely to prejudice the entrusting of information to the Government of New Zealand on a basis of confidence by <ul style="list-style-type: none"> <li>(i) the Government of any other country or any agency of such a Government; or</li> <li>(ii) any international organisation</li> </ul>
6(c)	prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial
9(2)(a)	to protect the privacy of natural persons
9(2)(b)(ii)	to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information
9(2)(ba)(i)	to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public
9(2)(ba)(ii)	to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest
9(2)(f)(ii)	to maintain the constitutional conventions for the time being which protect collective and individual ministerial responsibility
9(2)(f)(iv)	to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials
9(2)(g)(i)	to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any public service agency or organisation in the course of their duty
9(2)(h)	to maintain legal professional privilege
9(2)(i)	to enable a Minister of the Crown or any public service agency or organisation holding the information to carry out, without prejudice or disadvantage, commercial activities
9(2)(j)	to enable a Minister of the Crown or any public service agency or organisation holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)



14 May 2025

OC250303

Hon James Meager

Action required by:

Associate Minister of Transport

Friday, 23 May 2025

## CONSULTATION APPROACH: WARRANT OF FITNESS AND CERTIFICATE OF FITNESS REFORM

### Purpose

To seek your agreement to an approach to consulting on the review of light vehicle Warrant of Fitness (WOF) and Certificate of Fitness (COF) frequency and inspection content.

### Key points

- The Minister of Transport has agreed to consult the public on a reform of our WOF and COF systems for light vehicles (cars and motorbikes) (OC250164 refers), and has recently confirmed that this work is delegated to you (see weekly report WC 5 May 2025).
- WOF and COF inspections are intended to ensure the roadworthiness of New Zealand's fleet by inspecting some key vehicle features.
- Industry stakeholder bodies are aware of the Minister's intention to include a review of WOF and COF settings in his Land Transport Rules Reform Programme.
- This work includes considering possible changes to light vehicle inspection settings:
  - **WOF frequency:** we require more frequent inspections than many other jurisdictions
  - **When a COF should be required instead of a WOF** (for example for rental cars or taxis): the current COF inspection requirements may not be justified, and
  - **WOF and COF inspection requirements:** we may be inspecting some features unnecessarily, and do not currently inspect many increasingly prevalent modern safety features that rely on complex technology.
- Any proposal to reduce WOF/COF frequency or change the vehicle components inspected is likely to be contentious, as seen during consultation on the current requirements (set in 2014). We are undertaking research to evaluate the likely effect of a reduction in WOF frequency, and considering whether it may be possible to somewhat mitigate any additional risk.

- This work is currently in the policy analysis phase. The next step will be for you to seek Cabinet's agreement to public consultation (due to start in October 2025), either on specific proposals and a draft rule, or on a range of options for reform.
- We recommend consulting on a range of options, as it would:
  - gauge public support for any changes to inspection requirements or frequency without committing to a firm proposal
  - test a range of options for how to best balance reducing cost and inconvenience for vehicle owners and ensuring road safety, and
  - align the consultation approach with the approach you have agreed to for mandating vehicle safety features (OC250364 refers), enabling a balanced discussion of risk appetite across different elements of the regulatory system.
- If public consultation does not provide sufficient information to meet the statutory requirements for a rule change, it may be necessary to consult again. While this could prolong the overall process, our view is that it is the best way to ensure any rule changes are sensible and workable.
- If you agree, we will brief you on the results of our analysis and provide a draft Cabinet paper and consultation document in September 2025 for you to take to Cabinet in October 2025, alongside the work on mandating vehicle safety features.

## Recommendations

We recommend you:

- |   |  |        |
|---|--|--------|
| 1 | <b>note</b> that the Minister of Transport has delegated to you a review of light vehicle WOF and COF frequency and inspection requirements, as part of the Land Transport Rules Reform Programme.   | Yes/No |
| 2 | <b>agree</b> for officials to provide a draft Cabinet paper in September 2025, seeking agreement to consult on a range of options (alongside consultation on vehicle safety features), followed either by a rule change by Order in Council (if consultation has been sufficient to meet statutory requirements for a rule change) or by consultation on a draft rule. | Yes/No |

  
\_\_\_\_\_  
Paul O'Connell  
Deputy Chief Executive, Sector Strategy  
Ministry of Transport

14/05/2025

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Hon James Meager  
Associate Minister of Transport

..... / ..... / .....

Minister's office to complete:

“ Approved

“ Declined

“ Seen by Minister

“ Not seen by Minister

“ Overtaken by events

Comments

**Contacts**

Name	Telephone	First contact
Paul O'Connell, Deputy Chief Executive, Sector Strategy	s 9(2)(a)	
Katrina Quickenden, Manager Regulatory Reform	s 9(2)(a)	✓

PROACTIVELY RELEASED BY MINISTRY OF TRANSPORT TE MANATŪ WAKA

## CONSULTATION APPROACH: WARRANT OF FITNESS AND CERTIFICATE OF FITNESS REFORM

### Purpose

#### The Minister of Transport has delegated oversight of a review WOF and COF settings for light vehicles to you

- 1 The Government Policy Statement on land transport 2024 includes a commitment to review the vehicle regulatory system to enable better management of the safety performance of the vehicle fleet, reduce regulatory burden, and ensure our domestic rules are fit for purpose.
- 2 New Zealand's vehicle inspection system is not as effectively targeted to risk as it could be. We check some things too often and others insufficiently or not at all. New Zealand has one of the most frequent inspection programmes in the world, and it is not clear if this is delivering sufficient safety benefits to justify the costs imposed. Reviewing inspection frequency while improving testing could make the system more fit-for-purpose and lower some compliance costs.
- 3 Our WOF and COF settings have not been substantially changed since 2014. Building on the strong support for reducing WOF/COF frequency for vintage/veteran vehicles and privately-owned heavy motorhomes, it is timely to review the WOF/COF settings for all other light vehicles. This includes personal cars and motorbikes, and light commercial vehicles like taxis and rental cars.
- 4 We have identified three potential areas for reform:
  - WOF frequency
  - WOF and COF inspection requirements, including:
    - When a COF should be required instead of a WOF (for example for rental cars or taxis)
    - What must be inspected.
- 5 Work to consider changes to these settings has been underway for some time, including targeted engagement with industry stakeholder bodies. The Minister of Transport has agreed to consult the public on a reform of our WOF and COF systems for light vehicles as part of his Land Transport Rules Reform Programme (OC250164 refers), and has recently confirmed that you will be responsible for this review (see weekly report WC 5 May 2025).
- 6 This paper explains the opportunities for reform, and sets out options for progressing the work through public consultation.

## Context

### WOF/COF inspections are intended to ensure the roadworthiness of our fleet

- 7 WOF and COF inspections are intended to ensure the roadworthiness of New Zealand's fleet by inspecting some key vehicle features. This can prevent deaths and serious injuries (DSIs) that can be caused by the failure or wear of features such as brakes, steering or tyres. On average, between 2015 and 2019, 35 DSI incidents per year listed vehicle factors as a contributing factor.
- 8 Vehicle registration holders have an obligation to keep their vehicle roadworthy between inspections. There are offences and penalties for driving an unsafe vehicle, including for insufficient tyre tread depth. In practice, however, many drivers have come to rely on inspections to identify and correct maintenance issues, and roadside enforcement is low<sup>1</sup>.
- 9 In-service inspections like WOF and COF are also one of the few levers that our regulatory system uses that encourage people to remove old and un-roadworthy vehicles from the fleet – often when the repairs required to pass the next inspection exceed the value of the vehicle.
- 10 **Annex One** provides additional information about current WOF and COF settings.

## Opportunities for reform

### New Zealand requires more frequent inspections than many places

- 11 An initial scan of other jurisdictions (included in **Annex Two**) shows that:
  - for vehicles that are 5-20 years old, most jurisdictions have either no regular inspections or inspections every 2 years, and
  - many countries have mandatory inspections only on initial registration, sale or transfer.
- 12 However, our inspections are primarily visual or non-invasive, so may be less expensive or onerous than some. The different frequencies and inspection requirements may also reflect the different contexts of these jurisdictions, some of which have:
  - a lower average age of vehicles in the fleet (for example 5.5 years in Singapore, compared to 15 years here)
  - more stringent requirements and/or active enforcement (e.g. by Police), providing a greater incentive to keep vehicles up to the required standard, and
  - infrastructure differences (like predominantly urban environments), which may mean a different risk profile.

<sup>1</sup> The New Zealand Police transitioned from the Tyres, Windscreen, Indicators, Rust, and Lights (TWIRL) to the Restraints, Impairment, Distraction and Seatbelts (RIDS) campaign in 2018. RIDS targets key high-risk behaviours: Restraints (seatbelts), Impairment (alcohol/drugs), Distraction (e.g. mobile phone use), and Speed.

- 13 The key to this work will be striking the best balance between safety and cost/inconvenience for vehicle owners. As vehicles are increasingly fitted with modern safety features, there may be a case for reduction in inspection frequency on the basis that road safety risks are offset by technological improvement. It may also be possible to somewhat mitigate any negative effects on safety by improving the effectiveness of inspections and better targeting them to risk (as discussed further below).

*Data is unlikely to be conclusive on the costs and benefits of a reduction in inspections*

- 14 In 2022, NZ Transport Agency Waka Kotahi (NZTA) evaluated the WOF inspection frequency change from 6-months to 12-months in 2014. Comparing the relevant crash rates for 2015-2019 with crash rates for 2010-2014, NZTA found a small but statistically significant increase in DSIs from crashes where vehicle factors were recorded as a contributing factor. However, NZTA analysis concluded that multiple factors might have affected crash rates, making it impossible to confidently attribute crash outcomes to the WOF regulatory changes.

- 15 We are working to model the costs and benefits of further changes to WOF and COF frequency, but our analysis will face the same limitations, and may be challenged by stakeholders. Challenges include the following:

- data on the causes of crashes is complicated. Most serious crashes involve multiple contributing factors. If someone drinks and drives a car, while speeding, in the rain, with a broken taillight, the degree of blame attributable to each contributing factor in a crash is difficult to evaluate. Additionally, Police can only evaluate visible defects with a vehicle (e.g. tyres). So, the actual effect of a reduction in WOF frequency is hard to evaluate.
- due to limited time and data, some factors will be evaluated qualitatively (e.g. the effect on mechanics/inspection service providers).

- 16 While the analysis and public debate about a possible reduction in frequency will involve data and accident statistics, the key decision-making factors are likely to be largely qualitative.

*Some stakeholders will oppose a reduction in inspection frequency*

- 17 A reduction in frequency would affect inspection organisations. The industry bodies that represent them (particularly the Motor Trade Association and the Automobile Association) are likely to oppose the changes (as occurred with the 2014 changes), and to raise concerns about an increase in DSIs. We will investigate possible mitigations for any increase in life safety risk as we continue policy development work.

- 18 We are unclear on the degree of public support for such changes, but based on the 2014 reform, it is likely to be controversial and the focus of media attention. We note, however, that there has been support for reduction of the vintage car and motorhome WOF/COF frequency.

- 19 There could also be unintended consequences for Road User Charge (RUC) regulations, as WOF/COF inspectors report the mileage of the vehicle to NZTA during inspections, which triggers cost recovery for any unpaid RUC. However, there is work underway to explore other ways of obtaining distance recorder readings.

### **The inspection settings for light rental vehicles and taxis may not be justified**

- 20 Light rental vehicles and taxis require a COF every six months. COFs are more intensive and expensive than WOFs. However, these vehicles are often newer, fitted with more safety features, or kept in better condition than the average personal vehicle. The light vehicle COF may be a case of unnecessary regulation, in which case we may be able to reduce the required frequency or allow light commercial vehicles to transition to WOF.
- 21 The basis for the current requirements is that the vehicles:
- are operated commercially, transporting people who do not have control or knowledge of the vehicle's maintenance, and
  - travel much more than the average vehicle (with corresponding increased wear and tear on brakes, tyres and other areas).
- 22 Other regulatory systems also come into play, including Health and Safety regulations, which may mitigate the risk of unsafe practices (e.g. driving with bald tyres). The review of the *Health and Safety at Work Act 2015* is underway, and it is an opportunity to further examine how these risks are managed.

### **We may be able to better target inspections to risk by ensuring we check the right things**

- 23 There may be vehicle features we currently inspect that are lower risk and could be removed from the inspection regime. There may also be things we should check that we currently do not. Modern vehicles are increasingly fitted with a range of safety features, many of which are associated with software and sensors that are not currently covered by WOF. These systems can develop faults which require rectification to work properly.
- 24 However, there are challenges in inspecting these features, as they work differently in different vehicles and models, and rely on a plethora of different software, mechanisms, and sensors.
- 25 This is an area we would like to work with the sector on to identify what might be feasible. There are a number of ways that inspecting these features can be approached, and we need to balance the cost of additional requirements with safety.

### **Possible approaches to consultation**

- 26 This work is currently in the policy analysis phase. The next step will be for you to seek Cabinet's agreement to public consultation (due to start in October 2025), either on specific proposals and a draft rule, or on a range of options for reform.



27 The table below explains the pros and cons of these two approaches:

Option	Pros	Cons/risks
<p><b>Consult on a specific option:</b> We would advise you on specific policy proposals, and if you agreed, you would seek Cabinet’s agreement to consult on a draft rule in October 2025. You could then make a rule change in February 2026.</p>	<p>Should allow any rule changes to happen quickly and straightforwardly, without further consultation.</p>	<p>Could send a signal about Government intentions – sets expectations that changes will be made unless major risks/concerns are raised in consultation.</p> <p>Proposals may be based on incorrect assumptions, due to limitations of data and modelling.</p>
<p><b>Consult on a range of options (recommended):</b> You would seek Cabinet’s agreement to a discussion document covering a range of options for reform, for consultation in October 2025 (in parallel to consultation on mandating entry requirements).</p> <p>Rule changes could be via an Order in Council if consultation has provided sufficient information to meet statutory requirements for making a rule change. If not, there could be a further round of consultation on a draft rule to enable you to sign rule changes.</p>	<p>Would allow us to gauge public appetite for change to inspections, without giving the impression of certainty about whether/what changes will be implemented.</p> <p>Since aligned with consultation on mandating entry requirements, where you have agreed to an open-ended approach to consultation, it allows for a discussion about the balance of risk across different parts of the regulatory system.</p>	<p>If the initial round of consultation does not enable you to be satisfied, that the statutory requirements for making a rule change have been met, a further round of consultation on a draft rule may be required, extending the overall length of the process.</p>

**Next steps**

- 28 We are continuing our policy analysis, including conducting research to try to model the costs and benefits of the different options.
- 29 If you agree to the recommended consultation approach, we will brief you on the results of our analysis and provide a draft Cabinet paper and consultation document in September 2025 for you to take to Cabinet in October 2025.

## ANNEX ONE – BACKGROUND INFORMATION ON WOF AND COF SETTINGS

Roadworthiness inspections were introduced in 1937 alongside a raft of other measures including mandatory third-party insurance, and more consistent speed limit bylaws. At the time, the rates of car ownership were growing rapidly and there was growing concern of the safety effects. Initially, inspections were done by the local council and focused on ensuring that the lights, brakes, and horn were functional.

### **Warrant of Fitness (WOF)<sup>2</sup>**

Length of WOF for light motor vehicles	
When was the vehicle first registered anywhere in the world?	How long the WOF is issued for
New vehicle that has never been registered	WOF is issued for three years
Less than two years ago	WOF is issued to the vehicle's third 'birthday' (third anniversary of when it was first registered)
More than two years ago, but less than three years ago	WOF is issued for 12 months
On or after 1 January 2000	WOF is issued for 12 months
Before 1 January 2000	WOF is issued for 6 months

The WOF inspection is a general safety check. The aspects checked are set out in the vehicle inspection requirements manual, and include:

- tyre condition (including tread depth)
- brake operation
- structural condition (rust is not allowed in certain areas)
- lights
- glazing (is the windscreen safe?)
- windscreen washers and wipers
- doors (do they open and close safely?)
- safety belts (must not be damaged or overly faded; buckles must work properly)
- airbags (if fitted)
- speedometer (must be working)
- steering and suspension (must be safe and secure)
- exhaust (there must be no leaks and the exhaust must not be smoky or louder than the original exhaust system)
- fuel system (there must be no leaks).

<sup>2</sup> From <https://www.nzta.govt.nz/vehicles/warrants-and-certificates/warrant-of-fitness/>.

### ***Certificate of Fitness (COF)***<sup>3</sup>

#### **Vehicles requiring this certification are:**

- heavy vehicles – trucks, larger trailers, and motor homes
- all passenger service vehicles – taxis, shuttles and buses
- rental vehicles.

**Expiry of a COF:** 3-12 months after date of issue

Approved vehicle inspectors check the aspects set out in the vehicle inspection requirements manual, including:

- tyre condition (including tread depth)
- brake condition and operation
- structural condition (rust is not allowed in certain areas)
- towing connection condition and certification
- load restraints such as load anchorages, log bolsters or curtain systems for condition and applicable certification
- certificate of loading (display and validity)
- transport service licence number (if required)
- lights (are all bulbs working? do lights comply?)
- glazing (is the windscreen safe?)
- windscreen washers and wipers
- doors (do they open and close safely?)
- safety belts (must not be faded or damaged, and buckles must work properly)
- airbags (if fitted)
- speedometer (must be working)
- steering and suspension (must be safe and secure)
- exhaust (there must be no leaks and the exhaust must not be smoky or louder than the original exhaust system)
- fuel system (there must be no leaks).

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<sup>3</sup> From <https://www.nzta.govt.nz/vehicles/warrants-and-certificates/certificate-of-fitness/>.

**ANNEX TWO – INITIAL COMPARISON OF OVERSEAS LIGHT VEHICLE INSPECTION SYSTEMS**

This table summarises an initial scan of vehicle in-use inspection settings in a range of jurisdictions. Most jurisdictions, including New Zealand, also require inspections when a vehicle is imported, first registered, or re-registered – these inspections have been omitted as they are more analogous to our Statement of Compliance than our WOF or COF inspections.

The inspections generally cover a similar list of features as a New Zealand WOF (though methods of inspection may vary) – key differences are noted in the Comments column.

KEY	Same frequency as NZ	Slightly less frequent than NZ	Less frequent than NZ	Much less frequent than NZ
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Jurisdiction	Vehicle age at first periodic inspection	Frequency/trigger for further inspections	Comments
New Zealand	3 years	Annually (vehicles made after 1 Jan 2000) Every 6 months (pre-2000 vehicles)	
New South Wales	5 years	Annually	
Japan	3 years	Every 2 years	Includes a check of exhaust (emissions and noise).
Victoria	No periodic inspection	None	Police officers can make vehicle owners get a vehicle inspection if there are clear faults on the exterior of vehicle (may also be the case in other jurisdictions).
Singapore	3 years	Every 2 years (up to age 10) Annually (after age 10)	The average age of vehicles in the fleet is a third of the age of vehicles in the New Zealand fleet (5.5 years vs 15-years). Light vehicles travel in dense urban environments. Includes a check of exhaust (emissions and noise).
Ontario	No periodic inspection	On sale or transfer of registration	
Alberta	No periodic inspection	After collision	Includes checks for structural integrity following a collision.
United Kingdom	3 years	Annually (up to age 40) Not required under certain conditions after age 40	Includes exhaust emissions testing.
Ireland	4 years	Every 2 years (up to age 10) Annually (after age 10) Every 2 years (age 30-14)	One provider mentioned an on-board diagnostics testing system that is used to scan the vehicle identification number, odometer reading, electronic braking system and anti-lock braking system. Includes exhaust emissions testing.
Sweden	3 years	One inspection 2 years after first inspection, then every 14 months	Police officers and car inspectors are entitled to stop vehicles on the roads at any time for a spot inspection. Includes exhaust emissions testing.
Denmark	4 years	Every 2 years	Includes exhaust emissions testing.
Norway	4 years	Every 2 years	Includes exhaust emissions testing.
Germany	3 years	Every 2 years	Includes exhaust emissions testing.