

OC210799

17 November 2021

s 9(2)(a)

I refer to your rescoped request dated 12 October 2021, pursuant to the Official Information Act 1982 (the Act), seeking:

“Substantive briefings produced in the last six months on any analysis or advice available around how people are progressing through the [Graduated Driver Licensing] system (including any info on barriers) and planned work underway to support progression through the system.”

The following documents fall within the scope of your request and are enclosed. There is one redaction in document 2, under section 9(2)(j) of the Act, 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). There are also redactions in documents 3a and 4 under section 9(2)(a) of the Act to protect the privacy of natural persons.

Number	Title	Date	Description	Released
1.	Graduated Driver Licensing System Regulatory Review Engagement Workshop Notes	19 April 2021	Summary from Cross-agency workshop ¹	In full
2.	Time-limited licences – current state and options	13 May 2021	Waka Kotahi Memo	Partially – some information withheld under s9(2)(j)
3a.	Time-Limited Licences Expiring from 1 December 2021	23 June 2021	Te Manatū Waka Briefing	Partially – some information withheld under s9(2)(a)
3b.	Appendix 1: Waka Kotahi Options Analysis		Appendix 1	
4.	Engagement update and key messages for interagency work to improve access to driver licences	28 July 2021	Te Manatū Waka Briefing	Partially – some information withheld under s9(2)(a)

¹ This is not Government policy. It is a summary of ideas that were discussed as part of the engagement workshop.

While I note that you specifically excluded publicly available documents in your original request, I have included links to some documents below that may be of interest.

Title	Description	Link
Amending the Land Transport (Driver Licensing) Rule 1999 to revoke the time-limited licence policy	Cabinet paper	https://www.transport.govt.nz/assets/Uploads/Amending-the-Land-Transport-Driver-Licensing-Rule-1999-to-revoke-the-time-limited-licence-policy-Cabinet-paper.pdf
Revoking the time-limited licence policy	Regulatory Impact Statement	Revoking-the-time-limited-licence-policy-RIS.pdf (transport.govt.nz)
Land Transport (Driver Licensing) Amendment Rule (No 2) 2021	Overview for consultation	https://www.nzta.govt.nz/assets/consultation/land-transport-driver-licensing-amendment-rule-no2-2021/land-transport-driver-licensing-amendment-rule-consultation-overview-130921.pdf
Submission to the Education and Workforce committee on driver licensing	Select Committee Submission	Ministry of Transport - New Zealand Parliament (www.parliament.nz)
Rates of driver licence holding in Aotearoa New Zealand	Report and data	Rates of driver licence holding in Aotearoa New Zealand Motu

I also identified the following documents which fall within the scope of your request but are being withheld in full under section 9(2)(f)(iv) of the Act to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials.

Title	Date	Description
Employment, Education and Training Ministerial Group Meeting agenda and papers	1 July 2021	Initial advice on the Graduated Driver Licensing System regulatory review
Systematic Regulatory Review of the Graduated Driver Licensing System (GDLS)	24 June 2021	Research/background

Graduated Driver Licensing System Regulatory Review Phase 1: Issues Paper	30 June 2021	Research/background
The effectiveness of advanced driver training	March 2021	Waka Kotahi research
Land Transport: Driver Licensing Amendment Rule 2019 Summary of Submissions Report	July 2019	Draft summary of submissions
Employment, Education and Training Ministerial Group Meeting agenda and papers	9 September 2021	Advice from the Ministry of Social Development and Waka Kotahi on review of access to driver licensing
Update on the GDLS Regulatory Review	19 October 2021	Briefing and related documents

Regarding the information that has been withheld under section 9 of the Act, I believe there are no countervailing considerations that make it desirable, in the public interest, to make the information available.

You have the right under section 28(3) of the Act to make a complaint about the withholding of information to the Ombudsman. The Ombudsman can be contacted at info@ombudsman.parliament.nz.

The Ministry publishes our Official Information Act responses and the information contained in our reply to you will be published on the Ministry website. Before publishing we will remove any personal or identifiable information.

I hope this information is helpful to you.

Yours sincerely

s 9(2)(a)

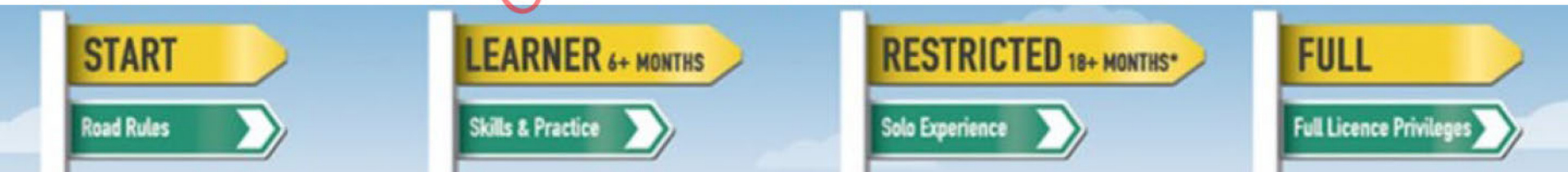




GRADUATED DRIVER LICENSING SYSTEM REGULATORY REVIEW ENGAGEMENT WORKSHOP NOTES

19 APRIL 2021

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Ministry of **Transport**
TE MANATŪ WAKA



**MINISTRY OF SOCIAL
DEVELOPMENT**
TE MANATŪ WHAKAHIATO ORA

WAKA KOTAHI
NZ TRANSPORT
AGENCY



INTRODUCTION

On 19 April 2021 the Ministry of Transport, Ministry of Social Development and Waka Kotahi co-hosted a workshop with a wide range of stakeholders in the regulatory review of the Graduated Driver Licensing System (GDLS).

The purpose of the workshop was to garner the views of stakeholders regarding their ideas of how the GDLS could be improved to increase access to driver licensing and training, ensuring equity while enhancing driver skill and road safety. The views are intended to inform the GDLS Regulatory Review, led by the Ministry of Transport and Waka Kotahi NZ Transport Agency (Waka Kotahi). The regulatory review is a priority action in Road to Zero action plan for 2020-2022.

IF YOU COULD CHANGE ONE THING

All stakeholders introduced themselves to the group and provided what was the key thing for them that they would like to change (Appendix 2).

From these initial changes there were seven main themes identified:

- Funding/Costs
- Testing
- Accessibility
- Relationships/Co-ordination
- Government
- Cultural Responsibility
- Education/Training

Groups of those interested in these themes then spent time together identifying steps that need to be taken and resources required to progress the changes considered to be needed. The following slides outline the information gathered on each of the change themes.

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FUNDING/COSTS

This theme considered the funding and costs of both testing and education/training.

Steps to be taken: Testing:

- Review the funding model – funding needs to recognise ‘user pays’ as well as ‘public good’
- Assess contract monopolization

Steps to be taken: Education/Training

- Consider public good vs individual good
- Improve already existing ‘universal education’ provision and resources
- Require quality control of parental training
- Need to articulate an equitable framework approach
- Consider how to fund those who need extra support
- Define priority groups
- Require models to support sufficient community funding
- Design, pool, and redistribute existing funding and spend

Principles

National funding strategy with principles such as:

- Impact based reporting models
- Cultural appropriate, mana enhancing, user targeted wrap-around support
- National backend reporting model
- Consistent standards to inform funding with universal baseline
- Ongoing and secure
- Limited outcomes-based funding / broader definition of outcomes
- Equity approach which delivers funding to expert community providers based on a set of remuneration principles and indicators of success which are appropriate to the cohort being reached

Resources

- Leverage community providers and expertise in a sustainable way with more national coverage
- Targeted additional and intensive support
- Central plan led by one agency with responsibilities delivered through different appropriate agencies or providers

Immediate Steps

- Blended CDMP model
- Consider student loan?
- Have a shared/cross agency plan – which clearly outlines who is responsible for what
- Consolidate funding for service provision & establish AOR leads re: education, training, resourcing
- Fund ‘train the trainers’



TESTING

Steps to be taken:

- Examine Testing Officer process
- Ensure Testing Officer integrity – above influence of relationships; bias etc
- Test integrity and standards questioned
- Points failure – Fail test
- Disconnect between training and test expectations
- Remove barriers to driver instructor availability
- Barriers to initiation and progression – costs; multiple fails; no vehicle availability, wait times;
- Set up expectations/prepare for testing environment
- Contract Requirement to target access and equity issues
- Put Class 6, classes 2-5 into course providers – remove from testing environment
- 'R' plates?
- Common terminology explained

Resources

- Could a future 'AA' be required to deliver a mobile test set up to a Marae? [Theory testing]
- Increasing test sites for greater availability [Practical testing]
- Endorsement holders recruited as temporary Testing Officers
- Introduce Saturday testing
- Independent team of authorised Testing Officers

To get resources:

- Use EV funding to increase practice vehicle numbers
- Logbook use to support testing
- Take a holistic view of journey
- Connection between trainers and testing organisation
- VTNZ or Waka Kotahi to continue common fail points sharing with instructors

Immediate Steps

- Building a relationship at beginning of test
- Improve the Theory test environment – e.g. not noisy; supportive
- Fully explained conversation of failure and why
- Restricted test to somehow assess driving behaviour/personality/emotions
- Remove Full Licence Test
- Implement Saturday testing



ACCESSIBILITY

Steps to be taken

- Consulting and contracting with Iwi for training and testing
- Administration support for getting an ID and filling in forms
- Addressing the postcode lottery (regional differences)
- Identifying what works well and building on it
- Ensure access to a car for training
- Accounting for diverse learning needs (range of materials, training resources and channels)
- Adding to the curriculum
- Consider rural needs – provide mobile practical testing
- Prepare drivers to sit tests in unknown places (e.g. simulation of cities)
- Developing the road code to be more accessible
- Identifying and meeting individual needs (not one size fits all)

Resources

- Consistent feedback from service users – analyse and act
- Consultation and ongoing input from Iwi
- Road code
- Simulation devices/machines
- Funding for: more training; testers to travel to rural communities; curriculum changes

To get resources:

- Targeted budget bid
- Connecting with communities and existing providers

Immediate Steps

- Formally identify and recognise the barriers that exist
- Talking to a range of people about the barriers they face
- Development of a road code in multiple ways e.g. on-line, translated appropriately; picture-heavy
- Preliminary assessment to identify individual needs
- A 'flag' at the learners test if someone fails to assess their needs and the barriers they face



RELATIONSHIPS & CO-ORDINATION

Steps to be taken

- Nationally led approach to resource community-led delivery
- Stakeholder Hub/Governance Group  to manage regional contract [Likened to EETMS with focus just on DLS]
 - Useful flow of information
 - Co-ordination of contracts and funding so all providers have equal opportunity
 - Quality assurance throughout the whole process (training, delivery, monitoring, & testing)
- One Government Minister responsible for driver education, training and licensing

Resources

- Sustainable funding
- Human resource
- Education and training
- Technology – website where all information can be accessed
- Systems that are able to be accessed by community providers that support individuals:
 - licence bookings
 - payments [i.e need comms staff/skill]
 - education/testing sites
- Shared resources e.g. Virtual tools / simulators

To get resources:

- Funding
- Engagement
- Scoping Evidenced-based monitoring

Immediate Steps

- Stocktake of programmes currently delivered
- Needs analysis in all areas to ensure funding directed where needed with no overlapping/gaps
- Appoint a Minister to ensure ministerial oversight and accountability
- Develop a reporting framework to measure equitable access

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GOVERNMENT

Steps to be taken

- Ensure Ministerial responsibility
- Ensure that people understand the value-add of a Drivers Licence and Drivers Licence is perceived as a value-add
- Alignment of work programmes that focus on upskilling people through having a driver's licence
- Ensure cross-agency collaboration, providing the climate/means to do so effectively
- Leadership and sponsorship at highest level of Government
- Change the narrative
- Budget
- Evaluate and adapt accordingly
- Make the necessary legislative changes
- Ensure right people have the right mandate and courage to make changes

Resources

- Dedicated funding
- High quality, reliable, accessible data (including ethnicity o application)

To get resources:

- NLTP (National Land Transport Fund) & CRSF model review
- Combined budget-bid

Immediate Steps

- Dedicated agency and resources
- Dedicated senior management

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CULTURAL RESPONSIBILITY

Steps to be taken

- Engagement within communities – Māori; Pacific: other ethnic groups; all cultures
- Define what cultural responsibility means
- Recognition
 - responsibility to Māori and the Treaty of Waitangi
 - responsibility to non-Māori
- Understand Māori, feel comfortable having a Māori face in front of those providing the services and administering the system This needs to be applicable to all cultures
- To have ethnic representatives as the 'tester'
- Needs to be an authentic connection
- We should showcase how we take cultural responsibility seriously and put it into action effectively

Resources

- The Treaty of Waitangi
- Organisational networks
- Te Arawhit (OGA) – Ministry of Pacific Peoples; Department of Internal Affairs
- Embassies – immigration demand information
- Uara
 - whanaungatanga
 - manaakitanga
 - kotahitanga

To get resources:

- Connect with Iwi, Rūnunga to get a gauge on what best works for Māori

Immediate Steps

- Understand the audience (Māori, rangatahi)
- Change how 'the system' best delivers to all cultures
- Give the mantle to Iwi, Māori – in the same way as Whanau Ora – i.e fund them
- Let the people teach in a manner appropriate to their communities

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EDUCATION & TRAINING – GROUP A

Problem: People are taught to pass a test

Steps to be taken

- Mandate 'driver education'
- Define standards and framework
- Make driver education more accessible
- Delivery by community
- Within schools enable students to get Learners licence – MoE reallocate funding and use outside funding
- Ensure people are able to practise a lot for their Restricted - limit to 3 years beyond which they re 'illegal'; include 'test'
- Full Licence
 - should be confident
 - tutor should be empowering
 - safety – no doubts

Resources

- Schools – funds reallocated and/or outsourced
- Moderate the standard resources allocated to the 'course'
- NZTA: Develop; Moderate; Evaluate course providers and 'expertise' in driver education
- Fund to run a sustainable programme

To get resources:

- NZTA develop, moderate, evaluate 'course material' and resources used

Immediate Steps

- Identify gaps in the local communities
- Work with organisations to review impact of expanding and making changes

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EDUCATION & TRAINING – GROUP B

Steps to be taken

- Mandate 'driver education' in core curriculum (NCEA) and integrate into Maths and Science topic areas
- Mandate logbook hours for driver training i.e. hours behind the wheel
- Develop the 'toolbox' for schools keen to pick up driver education
- Get best practice driver simulators

Resources

- Be innovative in resources and approaches – simulators are an example
- Implement app-based driver logbook
- Provide funding to uplift capacity of schools to provide driver licence education/training

To get resources:

- Review the cost recovery model
- Consider the sound dividend and the social cost benefits
- Advocacy
- Need cross-agency/cross-party support to ensure sustainability

Immediate Steps

- Update NZTA base material (LSFDI / Road Code)
- Incentivise advanced driver training

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COMMON REQUIREMENTS ACROSS THE CHANGE THEMES

- Ensuring uniformity of accessibility, equity and standards of driver training and education across geographic locations
- Funding – sustainable, universal
- International recognition of Driver Licences from other countries
- Single point of oversight from one Ministry
- Accessibility for all rangatahi - jobs; ID; funding to accommodate different learning needs and styles
- Get Iwi / Māori provider input from the beginning
- Recognise the role of Māori-led partnerships including Iwi
- Employment testing process review – look at the process – how is it fair?
- Co-ordinate and communicate between governance and operations
- Fully funded right through GDLS
- Provide support for low-income whānau to participate and get their 'foot in the door'
- Iwi know what best suits their people
- Have a 'people-first' approach

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APPENDICES

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START

Road Rules

LEARNER 6+ MONTHS

Skills & Practice

RESTRICTED 18+ MONTHS*

Solo Experience

FULL

Full Licence Privileges



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APPENDIX 1: ALL ATTENDEES 'IF I COULD CHANGE ONE THING

Education/Training

- Leave school with Learner Driver Licence
 - Education system over-loaded
 - Teachers would need to be trained
 - It would add to their workload
 - Additional costs for school students
- Have driver education as part of the school curriculum targeted to meet the learning needs of the students
 - Make it part of the compulsory school curriculum
 - Introduce driver education into schools at all levels
- More liaison required between industry and government agencies
- Introduce independent licensing assessments following training as opposed to trainer delivered assessments
- Drivers are empowered and confident
- Creating safer drivers
- Ensure appropriate support and resources
- Introduce a community-lead strategy
- Increase motivation to obtain a driver's licence
- Provide pastoral care where required
- Review costing for licensing and defensive driving course
- Regulation, audit and professional development for endorsed instructors

Education/Training

- Remove barrier as Road Code is not appropriate for most literacy and language levels
- Use image-based training materials
- Reduce need to know content to the bare minimum
- Simplify the education
- Accommodate hands-on learners
 - Provide practical education using vehicles (cars)
- Use a range of strategies to deliver theory
- Barrier: At risk kids that leave school at 16 need to be accommodated
 - Introduce learners test at age 14
- Mandate driver training
 - Define hours
 - Use professionals
 - Log training hours
- Additional funding
- Work on changing the "She'll be right" mindset
- Deliver the training to the schools not by the schools, e.g. like bike safety programmes
- Cover costs of training

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APPENDIX 1: ALL ATTENDEES 'IF I COULD CHANGE ONE THING



Testing

- Mobile testing everywhere
- Consistency across all testing stations
- Change the cost of the test fees
- Provide Saturday testing
- Remove opportunity for unconscious bias in testing
- Review employment process of testing officers
- Have Iwi providers as testers and provide funding
- Lower driver licensing fees and the defensive driver course fees
- Iwi providers as teachers x2
- Enhance tests – make more like the driver website

Driver Licence Stages (learners, restricted, full)

- Re-calibrate the GDLS class 2 – 5 to two levels of licence
- Re-brand the learner licence
- Regulatory change to adjust licence pass thresholds
- Enable people to succeed through the GDLS 'of the people, for the people, by the people'
- System tracking through stages, ensure places to go for support locally
- Drop age to 14/15 – most at risk young people are outside of the education system
- Focus on holistic training - Learner to restricted to full training
- Governance of driver licensing providers

Cultural Responsibility

- Culturally appropriate and responsive system
- Education that responds to the diverse cultural needs
- Culturally appropriate driver education and training
- Ensure cultural sensitivity
- Have more Iwi GDLS providers
- Development of a system that reflects the principals of the Treaty of Waitangi
- Not just about cultural sensitivity but what partnership obligations the Government/Crown has to Tangata Whenua re. Te Tiriti
- Monopoly of driver testing is a barrier to having a culturally appropriate system
- Fund and resource Iwi testing stations etc.
- Current cost and processes not culturally appropriate

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APPENDIX 1: ALL ATTENDEES 'IF I COULD CHANGE ONE THING



Government

- One government agency responsible for funding national driver education strategy
- International licence rules – there should be no driving until practical test taken
- Less prescriptive legislation (legislative changes required)
 - Legislation for testers
 - Legislation needs to be able to be updated to allow growth and change along the way
 - Change legislation to allow driver licensing to be more malleable
- Ensure data:
 - Is of high quality;
 - includes information on demographics;
 - is easily collected (without duress);
 - has outcomes and measures that reflects all aspects of licencing benefits.
- Ensure narrative shift from a deficit model to a credit based model
- Decision making at highest level – Ministerial/Cabinet
 - Should be a Ministerial priority
- Co-ordinator needed to drive and connect all driver licence work to connect governance with operation
 - Local and national governance for solutions for everything on this list
- Funding structure/Ensure funding
- Consider driver education and the effects on the climate
- Address lack of ownership at senior levels of Government
- Law changes to pay mentors/navigators to assist students within training programmes

Questions

- Why not the Ministry of Transport or Waka Kotahi as the single agency responsible?
- Who owns the narrative?
- Who gets to access data?
- Who is allowed to tell the story?

APPENDIX 1: ALL ATTENDEES 'IF I COULD CHANGE ONE THING



Accessibility

- Require learner-centric models (best practice)
- Ask and listen to our young people as to what they need
- There is a barrier when people rely on parents and car ownership
- Provide sufficient funding and training for mentorship/driver training within the community
- Reduce barriers with regards to access to testing centers (e.g. rural)
- Consider geography and costs of setting up testing centers across New Zealand (varies)
- Provide functioning and legal vehicles
- Māori need to be involved at all levels
 - Iwi on approach
 - Iwi on consultation
 - Iwi in providing safe legal vehicles
- Ranga Tahi are struggling to feel connected and doubt their ability to pass. They are told to get a licence to get a job but may not have a vehicle to do tests or to practice on. They are discouraged to reapply if they don't pass the first time.
- Barrier of access for those in Corrections system
- Driver simulators required for driver training in prisons
- Accessibility of driver education should start in schools
- Bust the myth that licensing is an individual benefit not a public one
 - Recognize a driver's licence is a public good
- Provide equity of access
- No I.D., can't afford to get an I.D., don't know how to get an I.D.
- Not just a licence, provides:
 - Self-worth;
 - Opportunities; and
 - Improved employment
- Change mindset around importance of licence
- Provide training and financial support to every young person who needs it to get a licence
- Lift resourcing and capacity, including pastoral care/support
- Consider literacy rates in regard to Road Code and testing

APPENDIX 1: ALL ATTENDEES 'IF I COULD CHANGE ONE THING'



Relationships/Co-ordination

- Co-Ordinator training/education
 - Quality controlled
 - Access to all
 - Development/evaluation
- Co-ordinated agency leading programme development, practice and evaluation with strong local delivery
- Single Ministry with oversight and accountability
- Nationally held, locally delivered education systems
- Remove siloed government budget process and conflicting programmes of work
- Engagement using community providers (Māori)
- Involve communities to create better engagement and the importance about licensing
- Quality control over driving instructors
- Build healthy relationships to support positive change
- Co-ordinate Government's response to driver licensing
- One Minister and agency to hold responsibility for ensuring education, training and licensing is available for all
- Require more R&D in conjunction and co-ordination with academics and practitioners
- Bring New Zealand up to date with international standards in driver education
- Require national body, policy and accountability
- Be sure to include 'operations people' who manage the work at the table of conversations
- Need a strategy for best practice
- There is lack of innovation – we need other ideas instead of Road Code etc.

Relationships/Co-ordination

- Incentivize targeted driving experience (120 hours)
- Know and talk with the right people to make this happen
- Pastoral care
- Turn vicious cycles into virtuous cycles with support
- Provide MoE with a mandate
- Provide support and co-ordination for community driver training groups
- 'Someone' needs to be recognised as having the role and resources to 'just-do-it'
- Ongoing integrated data required monitoring how we are progressing and pinpointing populations at risk
- Recognise that data analysis is easier, faster and more able to be used when we are not reliant on IDI (Integrated Data Infrastructure)

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APPENDIX 1: ALL ATTENDEES 'IF I COULD CHANGE ONE THING



Funding/Cost

- Require additional funding
- Fully fund community programmes
- Provide more access to free learner driver licensing programmes for Ranga Tahī working with schools
- Currently GDLS not accessible for all Ranga Tahī due to ongoing costs throughout process (they don't have money as they don't have a job and as a consequence the licensing process is too expensive – catch 22, to get a job the person needs a licence)
- The way driver licensing is delivered needs to be international best practice
- The cost of training needs to be reviewed to ensure accessibility
- Not clear where community programmes access funding from
- Currently only small amounts of funding available for short periods of time
- Require a universal funding model
- Fully fund the current GDLS to achieve its potential
- Co-ordinated funding required
- Need to be realistic
- Incentives for learner to get a safe first car (provide subsidy)
- Additional identification of effective incentives to complete GDLS and ensure equity

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To

s 9(2)(a)

From**Date**

13 May 2021

Subject

Time limited licences - current state and options

PURPOSE

The purpose of this memo is to provide you with the issues, options analysis, and my recommended option for addressing the impending time-limited licence extension expiry. In addition, the purpose of this memo is to obtain your approval on how to proceed with this issue.

BACKGROUND2014 Amendment Rule

The 2014 Amendment Rule introduced the policy of the 'time-limited licence' for learner and restricted Class 1 and Class 6 licences, to encourage learner and restricted driver licence holders to progress through the GDLS during the 5-year timeframe.

The then Minister of Transport also required that:

- a time-limited licence could not be renewed prior to the expiry date
- a time-limited licence holder must re-sit and pass the relevant theory test as a mandatory renewal requirement.

The policy rationale for time-limited licences was to alleviate a perceived road safety issue called 'pooling' (staying on a learner or restricted licence for extended periods of time). As novice drivers and motorcyclists acquire the skills and driving experience needed to drive safely on the road, they are expected to graduate from a learner licence to a restricted licence, then to a full licence, within a reasonable timeframe.

At the time, creating a time limit was seen as striking a balance between providing sufficient incentive for individuals capable of progressing to do so, but avoiding prematurely forcing those who do not feel skilled enough to progress. The inclusion of the theory test as a mandatory requirement for renewal was to reassure Waka Kotahi that the time-limited licence holder was still current in their driving knowledge, and to incentivise graduating to the next licence stage. It was also included to penalise those who did not progress.

Problem identified with time-limited licences in 2019

The progression of the initial cohort (1 December 2014 – 1 December 2019) of time-limited licence holders through the GDLS was encouraged via the normal messaging through driver licence communications and education. However, little monitoring was undertaken to assess the effectiveness of the change. Once the extent of the non-progression was known, steps were taken to intensify awareness and encourage progression.

Once aware of the problem, work was undertaken by Waka Kotahi to urge progression, including 10,000 letters sent six months prior to expiry and then further reminders eight weeks prior. This was unsuccessful in prompting these time-limited licence holders to progress. By 30 July 2019, only 238 time-limited licence holders had booked practical tests to progress to the next stage of their licence.

Due to the wording of the 2014 Amendment Rule, time-limited licence holders were unable to renew their licence and resit a theory test, until the day of, or after their driver licence had expired. At the time, there was limited capacity in the driver testing system to cope with a potential influx in test bookings from time-limited licence holders.

Known accessibility barriers were also an issue, for example – the cost of theory and practical tests, the cost of renewing, adequate supervision/training, and access to a road legal vehicle in which to be trained in, or to take to a practical test. In addition, research has confirmed that there are wide ranging reasons licence holders don't progress through the GDLS, such as:

- only needing a learner licence to ride a moped
- only wanting a driver licence identification purpose
- in the case of a restricted licence, only needing to transport children or a spouse.¹

These barrier issues and reasons for non-progression were further confirmed in mid-2019 when the Waka Kotahi Contact Centre carried out a series of outbound calls (less than 100) to impacted time-limited licence holders, asking why they did not progress.

It was not until early to mid-2019 that the size of this issue was realised, and a plan put in place to address the impending expiry dates. Data showed that from 1 December 2019 to 1 December 2021, 144,000 time-limited licences were due to expire.

Planning then commenced between Waka Kotahi and the Ministry of Transport to address the operational and legislative issues (e.g. capacity, lack of progression, limited window for testing).

2019 Amendment Rule

Due to the wording of the 2014 Amendment Rule and the limited operational levers available, a further change to the Rule was immediately required. The then-Associate Minister of Transport and Cabinet chose a two-year extension to remedy the issues. The *Land Transport Rule: Driver Licensing Amendment (No 2) 2019 (2019 Amendment Rule)* came into effect on 1 Nov 2019, with the following changes:²

- time-limited licences expiring between 1 December 2019 and 1 December 2021, received an automatic two-year extension from the original expiry date;
- time-limited licence holders who want to remain at their current licence stage were given the ability to renew their licence up to 90 days prior to the expiry date; and
- new photo driver licences were not issued as this was a blanket extension

Withheld under section 9(2)(j) of the Official Information Act 1982

To communicate these changes, [REDACTED] was allocated for a six-month social media campaign, and new letters/emails were sent to all applicable time-limited licence holders. Further, time-limited licence renewal reminders were updated, and a new series of reminders introduced when the time-limited licence holder was eligible for their next stage of licence.

¹ John Langley et al (2012) *Non-progression through graduated driver licensing: Characteristics, traffic offending, and reasons for nonprogression*, 13-1, 7-13.

² New photo driver licences were not issued as this was a blanket extension.

The reach of the social media campaign was particularly successful, with 4.2 million impressions (number of times posts were displayed) and 120,000 plus link clicks.

CURRENT STATE

The purpose of the 2019 Amendment Rule extension was to prevent a bottleneck situation occurring, and it has not had the desired effect. Approximately 110,487 (as at 26 February 2021) time-limited licences with an automatic 2-year extension from 2019, will begin to expire from 1 December 2021. Projections show between 3,000 – 5,000 licence holders a month until late 2023 will have their time-limited licence expire.

Alongside of this group, there are also a large group of licence holders (321,087) still on a 10-year graduated class who have not progressed to a higher class and whose licences become time limited licences on renewal. Driver licensing agents (the agent network) can only process on average 11,000 – 15,000 standard driver licence applications per month (e.g. 10-year full licence renewals, new class of licence, licence reinstatements, licence replacements, etc).

In short, the time-limited driver licence bottleneck has simply moved into the future, where it will soon begin to affect the broader driver licensing system. Further issues have compounded this bottleneck, and these are detailed below

Capacity Issues

When combining time-limited licences with standard driver licence applications, the agent network will not be able to cope with the increased demand, causing a knock on effect for other licence holders and creating delays in an already congested system. Significant agent network and testing capacity issues will likely further hinder these time-limited licence holders, particularly if they are intending to progress to the next stage of the GDLS. Currently there are substantial wait times for all stages of the GDLS across New Zealand, but Auckland is particularly affected.

MSD Financial Assistance

In 2019, MSD began to provide targeted financial assistance within the South Auckland Region. This has supported driver licensing uptake in Māori and Pasifika communities, and is expected to continue until at least 2022. While MSDs investment has enabled more people to enter the driver licensing system and Waka Kotahi supports this, it has unintentionally increased test wait time demand in Auckland. While this increased demand is being addressed operationally, time-limited licences will continue to compound wait times.

Impact of COVID-19

Furthermore, the impact of COVID-19 lockdowns during 2020 and into 2021 (and potentially beyond) has been significant and will continue to negatively affect the driver licensing system for some time. The economic effects of COVID-19 will have disproportionately impacted communities who already experience accessibility issues within the driver licensing system. The expiry of time-limited licences will also begin in the upcoming 2021/22 summer period, a traditionally busy demand period for driver licensing services. This will further increase waiting times.

Overseas Driver Licence Extension

The *Land Transport (Driver Licensing) (Covid-19 Temporary Extension of Deemed Licences) Amendment Rule 2020* came into force in December 2020. Its intention is to enable overseas driver licence holders to continue to drive on their overseas licence for up to 24 months in New Zealand.

This was to provide relief to overseas licence holders who have been unable to leave New Zealand due to COVID-19 border restrictions, and to help manage the number and flow of licence conversions in the driver licensing system. Extended overseas driver licences will begin to expire from December 2021,

with the extension itself expiring at the end of March 2022. This will also place further stress on the driver licensing system during the same time period as the time-limited licence extension expiry, as many of these drivers will be required to convert to a New Zealand licence to continue driving in New Zealand.

OPTIONS

Seven options have been developed for analysis to remedy the risks and issues created by time-limited licences:

- A. Keep the current time-limited licence policy in place and amend the Rule to allow the licence holder to sit a theory test as part of the renewal application at any time prior to the expiry date, rather than only within 90 days of the expiry date
- B. Keep the current time-limited licence policy in place and amend the Rule to allow the licence holder to renew the licence at any time prior to the expiry date and remove the mandatory theory test requirement
- C. Keep the current time-limited licence policy in place and let time-limited licences expire. Waka Kotahi will continue to communicate and educate on the requirements of holding a time-limited licence
- D. Amend the Rule to revoke the time-limited licence policy and revert all time-limited licences back to a standard 10-year licence validity (**recommended**)
- E. Amend the Rule to extend the expiry date for time-limited licence holders by 12-24 months to allow these drivers extra time to renew or progress
- F. With any of the options suggested, amend the Rule to make the display of an R plate on any vehicle operated by a restricted licence holder mandatory
- G. Amend the Rule to create an extension only for those time-limited licence holders within the window of December 2021 – December 2023

Assessment Criteria

Each option above has been assessed against the following criteria:

- Safety: the impact on road safety outcomes
- Accessibility: the impact the option will have on access to a local driver licensing or testing site, access to a supervisor and a road legal vehicle for vulnerable drivers
- Social Impact: the broader social impact the option will have on vulnerable drivers, such as equity, affordability, etc
- Capacity: the impact the option will have on the Driver Licensing and Driver Testing systems capacity
- Implementation: the impact the option will have on implementation
- Revenue: the impact the option will have on Waka Kotahi revenue

Whether the option has met any of the criteria is noted in the Options Analysis table. Please see **Appendix 1** for this.

RECOMMENDATION

It is recommended Waka Kotahi supports and advocates for **option D**, which would revoke the time-limited licence policy and revert all licences back to a standard 10-year licence validity. This is based on the options analysis table in **Appendix 1**.

This is the preferred option because data reflects the initial policy has not had the desired outcome of reducing pooling and progression through the GDLS. It is also placing additional pressure on an already

strained driver licensing system. This option aligns with the Road to Zero strategy, the GDLS review, and the MSD cross-government working group on improving access and equity to the licensing system. This option will not adversely affect vulnerable drivers, instead it will positively impact the time-limited licence cohort and all other licence holders.

This is because it removes the time pressure, cost, stress, and access issues of meeting the time-limited licence requirements and it frees-up system capacity for other driver licence holders, while also being relatively simple to implement for Waka Kotahi. This option will not have a negative impact on road safety as the initial policy did not achieve the intended outcome, nor did it improve road safety outcomes. While no options have yet been fully costed due to time constraints in getting this issue to the Ministry of Transport and then before the Minister and preferring to instead get a steer on what option/s is acceptable, it's expected that this option is one of the more cost effective for Waka Kotahi to implement.



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RECOMMENDATIONS

Based on the options table in Appendix 1, it is recommended that you:

agree Option D – to amend the Rule to revoke the time-limited licence policy and revert all time-limited licences back to a standard 10-year licence validity, is the preferred Waka Kotahi solution to the current issue of time-limited licence holders	Yes	No
agree to send this briefing with the covering email drafted for you at Appendix 2 to the Ministry of Transport at your earliest convenience	Yes	No

Signed



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APPENDIX 1 - OPTIONS ANALYSIS TABLE

Assessment against Criteria	
Option A: Allow renewal to occur at any time with a theory test – renewed validity period of 5 years from grant date (regardless of any time which may remain in the current period)	
Advantages	Disadvantages
- the theory test ensures that these licence holders remain knowledgeable of the road rules - Reduce reputational risk for Waka Kotahi - Does not pose privacy integrity risk, as the customer will be in contact with Waka Kotahi to update address information	- Requires amendment to the <i>Land Transport (Driver Licensing) Rule 1999</i>, which is a resource intensive process. - Will place stress on agent and testing capacity – especially since the COVID-19 Overseas Driver Licence Extension will expire on 31 March 2022 - Accessibility and equity barriers: cost, and adequate training will impact willing compliance - Risk that drivers who have become accustomed to driving on their licence and do not want to re-sit a theory test, will not renew and will drive unlicensed - For drivers to renew their licence and not progress, challenges the integrity of the GDLS. The system is not intended to have drivers remain at the learner or restricted driver licence stages - Has not been costed by Waka Kotahi due to time constraints
Criteria met <u>Safety</u>: Will have a neutral safety impact <u>Accessibility</u>: This change would continue the known accessibility issues, of cost, access to adequate training, proximity to licensing agent and/or test location <u>Social Impact</u>: Will have a minimal positive impact as it will mean licence holders aren't required to renew within a set period, but will continue the known accessibility issues, of cost, access to adequate training, proximity to licensing agent and/or test location and place unnecessary stress on the licence holder and their Whānau. <u>Capacity</u>: It may smooth out some capacity demand as renewal can be completed at any time prior to expiry, but if people choose not to renew before their licence expires, then stress will still be placed on agent and testing capacity <u>Implementation</u>: Low level complexity. From a technical systems perspective, this will require some changes to the Driver Licence Register and from a communications perspective will require a series of direct messaging and broader communications. A full analysis of implementation requirements has yet to be completed. <u>Revenue</u>: Will have a neutral effect to expected cashflow revenue	

Assessment against Criteria	
Option B: Allow renewal to occur at any time without a theory test – renewed validity period of 5 years from grant date (regardless of any time which may remain in the current period)	
Advantages	Disadvantages
- Acts as an incentive to move drivers through the GDLS system as the licence has to be renewed more frequently than a full class, but does not impact on resources for either theory or practical testing - Will reduce the risk of non-compliance if drivers do not have to re-sit a theory test - Does not pose privacy integrity risk, as the customer will be in contact with Waka Kotahi to update address information - Doesn't impose a significant cost on the licence holder as only the renewal fee must be paid (\$20.10)	- Requires amendment to the <i>Land Transport (Driver Licensing) Rule 1999</i>, which is a resource intensive process. - ACC research indicates many of the drivers who do not progress through the system lack clear coaching instruction and find it hard to know when they have the skills to successfully sit the test - Will place stress on agent capacity – especially since the COVID-19 Overseas Driver Licence Holders Extension will expire on 31 March 2022 - Potential damage to the reputation of Waka Kotahi as we would be retreating the policy that was put in place, and would not be ensuring these licence holders remain knowledgeable of the road rules - Accessibility and equity barrier : will impact willing compliance - For drivers to renew their licence and not progress, challenges the integrity of the GDLS. The system is not intended to have drivers remain at the learner or restricted driver licence stage - Has not been costed by Waka Kotahi due to time constraints
Criteria met	
<u>Safety</u>: Will have a neutral safety impact. <u>Accessibility</u>: This change would continue the known accessibility issues, of cost, access to adequate training, proximity to licensing agent and/or test location <u>Social Impact</u>: Will have a minimal positive impact as it will mean licence holders aren't required to renew within a set period or sit another theory test, but will continue the known accessibility issues, of cost, access to adequate training, proximity to licensing agent and/or test location and place unnecessary stress on the licence holder and their Whānau <u>Capacity</u>: It may smooth out some capacity demand as renewal can be completed at any time prior to expiry and no theory test required, but if people choose not to renew before their licence expires, then stress will still be placed on agent and testing capacity <u>Implementation</u>: Low to medium level complexity. From a technical systems perspective, this will require some changes to the Driver Licence Register and from a communications perspective will require a series of direct messaging and broader communications. A full analysis of implementation requirements has yet to be completed <u>Revenue</u>: Will have a neutral effect to expected cashflow revenue	

Assessment against Criteria Option C: Maintain Status Quo – allow the Time- limited Licence Extension policy to expire, and instead Waka Kotahi continue to communicate and educate on the implications of a time-limited licence	
Advantages - Would align with the original intent of the time-limited Licence policy - No additional costs to Waka Kotahi	Disadvantages - A significant number of licences begin to expire from 1 December 2021 - Will place stress on agent and testing capacity – especially since the COVID-19 Overseas Driver Licence Extension will expire on 31 March 2022 - Risk that drivers will drive unlicensed - MSD review: would not improve access and equity - Will adversely affect vulnerable drivers
Criteria met Safety: Will have a neutral safety impact Accessibility: This change would continue the known accessibility issues, of cost, access to adequate training, proximity to licensing agent and/or test location Social Impact: Will continue the known accessibility issues, of cost, access to adequate training, proximity to licensing agent and/or test location and place unnecessary stress on the licence holder and their Whānau. The time-limited licence policy is also contrary to the current views of driver licensing enabling broader social outcomes Capacity: Will continue to place significant stress on agent and testing network capacity as an extra 3000-5000 time-limited licences will expiry every month until the end of 2023, with further time-limited licences coming through every month with a future 5-year licence validity (e.g. when a learner or restricted licence issued prior to 1 December 2014 is renewed, it will be issued as a time-limited licence) Implementation: Low level complexity. Will not require any technical system changes, instead only a communications plan Revenue: Will have a neutral effect to expected cashflow revenue	

Assessment against Criteria Option D: Remove the entire time-limited licence policy and revert all licences back to a standard 10-year licence validity (recommended).	
Advantages - Would remove an ineffective policy which places additional barriers on vulnerable groups - More efficient – frees up space at driver testing sites - Allows people to remain on their licence for the purpose they need it for without undue pressure to progress - Waka Kotahi and MOT will not have to respond to the mass expiry of time-limited licences every few years - Would free up internal Waka Kotahi resources - Would align with Road to Zero, the GDLS review, and MSD's focus around improving access and equity to the licensing system - Will not adversely affect vulnerable drivers - Will not have a negative impact on road safety	Disadvantages - Requires amendment to the <i>Land Transport (Driver Licensing) Rule 1999</i>, which is a resource intensive process. - Evidence shows that people who do not graduate through the GDLS are at a higher risk of fatal crash. Removing this policy could mean more people pool in the learner and restricted stages - Has not been costed by Waka Kotahi due to time constraints
Criteria met Safety: The change will have a neutral safety impact Accessibility: Will have a positive impact as it allows vulnerable drivers on time-limited licences to stay on their licence if they choose to, or progress without the added time pressure of a shorter validity period Social Impact: Positive impact. This change aligns with the MSD review on improving access and equity to the licensing system, aligns with Road to Zero and supports the preliminary finding of the GDLS regulatory review	

- Capacity: Will alleviate the incoming bottleneck and spread out the renewal of these licences more evenly
- Implementation: Medium level complexity. From a technical systems perspective, this will require a greater level of changes to the Driver Licence Register, but from a communications perspective is likely to only require a broad communications approach. A full analysis of implementation requirements has yet to be completed
- Revenue: Will reduce expected cashflow in the short-term

Assessment against Criteria

Option E: Further 12 - 24 month extension

Advantages:	Disadvantages:
• Time-limited licences will start expiring on 1/12/2021. This would allow drivers in this cohort extra time to progress • Allows testing sites extra time to increase resources to manage these extra drivers over coming years • Would give extra time for Waka Kotahi to design and implement a plan to encourage progression through the GDLS	• Requires amendment to the <i>Land Transport (Driver Licensing) Rule 1999</i>, which is a resource intensive process. • Analysis of the data of those who have progressed to another class during the 2019 extension period indicates that the extension was ineffective – out of the 131,232 licences extended there is still a remaining pool of 110,516 sitting on the same class having done nothing in the extended period. • Could exacerbate the testing capacity issues i.e. 3,346 time-limited licences will expire in December 2021, and between around 3000 – 6000 are expected to expire each month until the end of 2023 • Mass change to expiry dates in the Driver Licensing Register will impact the integrity of the register and its data. Licence records are already out of sync with photo driver licence (PDL) card details as no replacement cards were automatically issued for previous extensions and further extensions will exacerbate problems as more licences will have expired by the time a decision is made • Drivers may not be aware of the new expiry date as new PDLs are not issued for the extension and despite an extensive communications campaign, confusion is widespread. • There is already existing confusion among extended time-limited licence holders and industry on when their licence actually expires despite the communications campaign from Waka Kotahi. • If a new PDL is not issued, downstream effect of not being able to use for ID purposes • Has not been costed by Waka Kotahi due to time constraints
Criteria met • <u>Safety</u>: May assist with compliance as licence holder not caught out with an expired licence, but the change itself will have a neutral safety impact • <u>Accessibility</u>: This change would continue the known accessibility issues, of cost, access to adequate training, proximity to licensing agent and/or test location • <u>Social Impact</u>: Will have a minimal positive impact as it will mean licence holders aren't required to renew or sit a test when not ready or when the system has limited capacity, but will continue the known accessibility issues, of cost, access to adequate training, proximity to licensing agent and/or test location and place unnecessary stress on the licence holder and their Whānau • <u>Capacity</u>: It may smooth out some capacity demand in the short term but will only push the issue out further to form a larger bottleneck • <u>Implementation</u>: High level complexity. From a technical systems perspective, this will require a significant update to all affected driver licence records on the Driver Licence Register, and an extensive social media,	

communications and industry/stakeholder engagement approach. It will be difficult to communicate as some licences will be extended and others will not

- Revenue: Will have a neutral effect to expected cashflow revenue

Assessment against Criteria

Option F: Amend the Land Transport (Driver Licensing) Rule 1999 for the mandatory display of an R plate on any vehicle operated by a restricted licence holder

Advantages:	Disadvantages:
• Research evidence from New Jersey shows a direct positive effect on road safety through a 9% reduction in crash rates in the first year of introducing a comparable measure (only for drivers less than 21 years old) despite preliminary evidence showing variable compliance with the requirement (between 46%-70%) • Provides an additional incentive for restricted licence holders to progress to a full licence in order to avoid incurring monetary penalties as well as demerit points for non-compliance. There is also likely to be an incentive created by creating a wish to avoid embarrassment associated with the display of such plates. • May increase awareness of the restricted licence conditions amongst parents and peers, which could lead to improved compliance • Enhances enforcement efforts relating to licence condition breaches by increasing the visibility of restricted licence holders. The New Jersey study identifies a 14% increase in citation rates or violation of driver licence requirements and attributes (despite evidence that not all drivers were displaying the required decal). • Alerts other road users to the restricted licence holders' licence status and potential skill limitation • Small additional cost (about \$10 per pair of signs or can be made by the licence holder) • No need for amendment to Waka Kotahi information technology	• Requires amendment to the <i>Land Transport (Driver Licensing) Rule 1999</i>, which is a resource intensive process. • Does not directly address the specific issue of Time-Limited Licences expiring from 1 December 2021 • High level of non-compliance with L plates brings the effectiveness of mandatory R plates into question • The transferability of the successful New Jersey experience to New Zealand is unknown as are the longer-term impacts on driver behaviour (the New Jersey study covered only the first 12 months after the law change and enforcement activity was concentrated in the first few months after the law's implementation • Requirement could be easily breached as R plates are easy to remove (in 2011 nearly 26,000 offences of removing L plates were detected) • Penalty costs to drivers for non-display could total \$2.6 million (previous costings) if there is the same incidence of non-display as for L plates • Would have an associated cost to Waka Kotahi for initial implementation of \$510,000 and annual costs of \$393,000 (costed in 2013 'Proposals to Address Driver Licence Pooling' Regulatory Impact Statement, but these numbers would need to be updated and upfront costs likely absorbed as part of other changes from GDLS regulatory review).

Criteria met

- Safety: research shows that displaying R plates improves road safety
- Accessibility: Unlikely to have a negative impact, when compared to the gains in road safety. Based on the current cost of L plates for learner drivers, R plates could cost \$2 to \$5
- Social Impact: Neutral impact
- Capacity: Will have no impact
- Implementation: Low level complexity. No technical system changes required as this would only require a relatively extensive communications campaign linked to other changes as part of implementing the GDLS regulatory review
- Revenue: No impact

Assessment against Criteria	
Option G: An extension only for those within the window of December 2021 – December 2023	
Advantages:	Disadvantages:
- Time-limited licences will start expiring on 1 December 2021. This would allow drivers in this cohort extra time to progress - Allows testing sites extra time to increase resources to manage these extra drivers over coming years - Would give extra time for Waka Kotahi to design and implement a plan to encourage progression through the GDLS	- Requires amendment to the <i>Land Transport (Driver Licensing) Rule 1999</i>, which is a resource intensive process. - Analysis of the data of those who have progressed to another class during the previous extension period indicates that the extension was ineffective – out of the 131,232 licences extended there is still a remaining pool of 110,516 sitting on the same class having done nothing in the extended period. It does not seem that COVID-19 was a large factor in this based on progression data from 2014 to 2019. - Could push the testing capacity issues i.e. 3,346 time limited licences will expire in December 2021, and between around 3000 – 6000 are expected to expire each month until the end of 2023 - Mass change to expiry dates in Driver Licensing Register will impact the integrity of the register and its data – Licence records are already out of sync with PDL details as no replacement cards were automatically issued and further extension exacerbates problems - Drivers may not be aware of the new expiry date due to known confusion from the 2019 extension and because contact details in the Driver Licence Register are often out of date. - Despite posted letters, media statements, social media advertising and memo to industry, there is already existing confusion among extended time-limited licence holders and industry on when their licence actually expires - If a new PDL is not issued for all drivers, there will be further confusion for licence holders, insurance companies, financial institutions and roadside Police enforcement activities - If a new PDL is not issued, downstream effect of not being able to use for ID purposes - Has not been costed by Waka Kotahi due to time constraints
Criteria met	
<u>Safety</u>: May assist with compliance as licence holder not caught out with an expired licence, but the change itself will have a neutral safety impact <u>Accessibility</u>: This change would continue the known accessibility issues, of cost, access to adequate training, proximity to licensing agent and/or test location <u>Social Impact</u>: Will have a minimal positive impact as it will mean licence holders aren't required to renew or sit a test when not ready or when the system has limited capacity, but will continue the known accessibility issues, of cost, access to adequate training, proximity to licensing agent and/or test location and place unnecessary stress on the licence holder and their Whānau <u>Capacity</u>: It may smooth out some capacity demand in the short term but will only push the issue out further to form a larger bottleneck <u>Implementation</u>: High level complexity. From a technical systems perspective, this will require a significant update to all affected driver licence records on the Driver Licence Register, and an extensive social media, communications and industry/stakeholder engagement approach. It will be difficult to communicate as some licences will be extended and others will not <u>Revenue</u>: Will have a neutral effect to expected cashflow revenue	

APPENDIX 2 – DRAFT COVERING EMAIL TO MOT

Kia ora s 9(2)(a)

As you know, Waka Kotahi has undertaken work on options to identify and alleviate risks to the driver licensing system posed by the upcoming expiry of a number of time-limited driver licences.

The attached briefing provides further background and options analysis for remedies to time-limited licence-related matters, as well as the rationale behind our preferred option.

Given the relatively short timeframe available to both our organisations, it would be great if our respective representatives could meet at your earliest available opportunity to discuss the best way forward.

Ngā mihi

s 9(2)(a)

RELEASED UNDER THE
OFFICIAL INFORMATION ACT



23 June 2021

OC210468

Hon Michael Wood
Minister of Transport

Action required by:

Friday, 2 July 2021

TIME-LIMITED LICENCES EXPIRING FROM 1 DECEMBER 2021

Purpose

Seek your approval to amend the Land Transport (Driver Licensing) Rule 1999 to revoke the time-limited licence policy for learner and restricted Class 1 (car) and Class 6 (motorcycle) licences.

Key points

- In 2014, the Land Transport (Driver Licensing) Rule 1999 (the Driver Licensing Rule) was amended to introduce 'time-limited licences' for learner and restricted Class 1 (car) and Class 6 (motorcycle) licences (the 2014 Amendment Rule). This policy intended to encourage learner and restricted licence holders to progress to a restricted or full licence during a 5-year timeframe.
- Implementing the time-limited licence policy has not had the intended effect of progressing people through the driver licensing system and we do not have any data showing that there have been improved safety outcomes.
- There have also been challenges for those on a time-limited licence to progress given capacity issues in the driver testing system. In 2019 it was identified that 144,000 time-limited licences had not progressed as intended by the 2014 Amendment Rule and were due to expire. The system did not have the capacity to progress all those drivers through the system so all licences were extended by 2 years via an Amendment Rule.
- Current data (as at 26 February 2021) shows that approximately 110,487 time-limited licences, which have already been granted a 2-year extension (through the 2019 Amendment Rule), will begin to expire from 1 December 2021.
- Waka Kotahi's practical driver testing provider VTNZ has increased the number of testing officers since March 2020 by 26% above the normal level and introduced further Saturday testing to help address the increased demand in testing caused by COVID-19 lockdowns. Despite this increase in capacity, the driver licensing system does not have enough capacity to renew or test all of these time-limited licence-holders before their licences expire.

- We propose to revert the Class 1 and 6 learner and restricted licences to a standard 10-year validity (the same as the Class 1 and 6 full licence) when a licence-holder renews their time-limited licence.
- The 2014 Amendment Rule also introduced changes limiting when a time-limited licence can be renewed (on the day of or after expiry), and requiring a licence holder to re-sit and pass a theory test when renewing their licence. The 2019 Amendment Rule increased the time for renewal, allowing a time-limited licence holder to renew their licence up to 90 days prior to the expiry date. We propose revoking these amendments as they place unnecessary barriers and costs in the driver licensing system.
- As the licences will begin to expire in December 2021, we recommend you proceed with an urgent Amendment Rule, which would require:
 - Agreement from Cabinet to the proposed policy change and to waive the 28-day rule
 - a targeted stakeholder engagement process (using contacts identified as part of the GDLS review and Waka Kotahi contacts) instead of a formal public consultation process.

Recommendations

We recommend you:

1 agree to:

Yes / No

- revert the Class 1 and 6 learner and restricted licences to a period of validity of 10 years when renewed
- remove the 90-day time restriction on renewal, allowing these licence holders to renew their licence any time before expiry
- remove the requirement for the licence holder to re-sit and pass the relevant theory test to renew their licence.

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Hon Michael Wood
Minister of Transport

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Minister's office to complete:

☐ Approved

☐ Declined

☐ Seen by Minister

☐ Not seen by Minister

☐ Overtaken by events

Comments

Contacts

Withheld under section 9(2)(a) of the Official Information Act 1982

Name	Telephone	First contact
s 9(2)(a)		✓

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

TIME-LIMITED LICENCES EXPIRING FROM 1 DECEMBER 2021

The Land Transport (Driver Licensing) Rule 1999 was amended in 2014

- 1 The Land Transport (Driver Licensing) Amendment Rule 2014 (the 2014 Amendment Rule) introduced the policy of the 'time-limited licence' for learner and restricted licences for Class 1 (car licence) and Class 6 (motorcycle licence). The intention of introducing the time-limit was to encourage learner and restricted driver licence holders to progress through the Graduated Driver Licensing System (GDLS) within the 5-year timeframe.
- 2 The 2014 Amendment Rule also introduced restrictions on renewal, including that a time-limited licence could not be renewed:
 - 2.1 prior to the expiry date
 - 2.2 unless the holder re-sat and passed the relevant theory test

Policy rationale for the 2014 Amendment Rule

- 3 Time-limited licences aimed to alleviate a perceived issue known as 'pooling' (staying on a learner or restricted licence for extended periods of time). As novice drivers and motorcyclists acquire the skills and driving experience needed to drive safely on the road, they are expected to graduate from a learner licence to a restricted licence, then to a full licence, within a reasonable timeframe.
- 4 At the time, creating a time limit was seen as striking a balance between providing sufficient incentive for individuals capable of progressing to do so, but avoiding prematurely forcing those who do not feel skilled enough to progress. The inclusion of the theory test as a mandatory requirement for renewal was to reassure Waka Kotahi that the time-limited licence holder was still current in their driving knowledge, and to incentivise graduating to the next licence stage. It was also included to penalise those who did not progress.
- 5 In proposing the policy, it was also noted that 'pooling' increased the likelihood of drivers not complying with their licence conditions, but there was no evidence that those who remain on learner and restricted driver licences had any higher risk of crashes. The advice also noted that 'pooling' at the learner and restricted licence stage, while not consistent with the policy framework of GDLS, could have some road safety benefits. If people on their learner and restricted licence comply fully with the conditions of the licence, their exposure to risk would be limited.

The Rule was amended again in 2019

- 6 In early 2019 it was identified that 144,000 time-limited licences were due to expire between 1 December 2019 to 1 December 2021. When Waka Kotahi identified this issue, steps were taken to intensify awareness and encourage progression through the system. Monitoring the progression of time-limited licence holders confirmed that these efforts to improve implementation were unsuccessful in prompting the time-limited licence holders to progress.

- 7 These licences were extended by 2 years through the Land Transport Rule: Driver Licensing Amendment (No 2) 2019 (2019 Amendment Rule), recognising that the driver licensing system did not have the capacity to progress all drivers through the system before licences would expire.
- 8 The 2019 Amendment Rule came into effect on 1 November 2019, with the following changes:
 - 8.1 time-limited licences expiring between 1 December 2019 and 1 December 2021, received an automatic two-year extension from the original expiry date
 - 8.2 time-limited licence holders who wanted to remain at their current licence stage were given the ability to renew their licence up to 90 days prior to the expiry date
 - 8.3 new photo driver licences were not issued for the automatic two-year extension as this was a blanket extension.
- 9 Issuing new photo driver licences, would have been cost prohibitive, and a privacy concern as addresses recorded on the Driver Licence Register are not required to be kept current. NZ Police were still able to confirm the driver licences correct expiry date through their systems.
- 10 To communicate these changes and encourage progression through the system, Waka Kotahi:
 - 10.1 launched a six-month social media campaign
 - 10.2 sent new letters/emails to all applicable time-limited licence holders
 - 10.3 updated time limited licence renewal reminders
 - 10.4 introduced a new series of letter and email reminders and varying intervals for when the time-limited licence holder was eligible for their next stage of licence.

Implementing the 'time-limited licence' policy has not encouraged progression through the GDLS

- 11 Current data (as at 26 February 2021) shows that approximately 110,487 time-limited licences which were automatically extended by 2 years (by the 2019 Rule Amendment), will begin to expire from 1 December 2021.
- 12 Projections show between now and late 2023, approximately 3,000–5,000 licence holders a month will have their time-limited licence expire, meaning they become ineligible to drive and will need to renew their licence for a fee, pass a theory test and be issued with another 5-year time-limited licence. Despite increasing testing officers, the driver licensing system does not have the capacity to test all of these licence-holders, or renew their licences, before they expire.
- 13 Alongside this group, there are also a large group of learner and restricted licence holders (321,087) still on a 10-year licence who have not yet progressed to a higher class. When these licences are renewed, they will become time-limited licences.

- 14 Waka Kotahi has attempted to encourage progression through the driver licensing system by:
 - 14.1 Social media advertising campaigns
 - 14.2 Renewal reminders
 - 14.3 Increasing the number of testing officers available
 - 14.4 Working with stakeholders and community groups, such as NZIDE, AA, VTNZ, the Driving Change Network.
- 15 Despite the efforts of Waka Kotahi, implementing the time-limited licence policy has not supported the progression of drivers through the GDLS as intended. The capacity issues currently in the driver testing system affecting most regions across the country, particularly in Auckland, may have also limited those who want to progress.

Research shows there are a number of reasons why licence holders do not progress

- 16 There are barriers to the accessibility of a driver licence that prevent some people from progressing through the system. These barriers include the cost of tests (both theory and practical) and renewing a licence, and having access to adequate supervision/training or a road legal vehicle in which to be trained in, or to take to a practical test.
- 17 Research has also confirmed that there are a wide ranging reasons licence holders don't progress through the GDLS, such as:
 - 17.1 only needing a learner licence to ride a moped
 - 17.2 only wanting a driver licence for identification purposes
 - 17.3 in the case of a restricted licence, only needing to transport children or a spouse.¹
- 18 These barriers and reasons for non-progression were further confirmed in mid-2019 when the Waka Kotahi Contact Centre carried out a series of outbound calls (less than 100, as a pulse check) to impacted time-limited licence holders, asking why they did not progress.

The time-limited licence policy impact on safety outcomes is unknown

- 19 The policy rationale for the 2014 Amendment Rule noted that licence 'pooling' was not an existing safety concern. It was pursued primarily to encourage progression through the driver licensing system over 5 years.
- 20 There is no clear safety rationale or data available to demonstrate the safety impact of the time limited licence policy:

¹ John Langley et al (2012) *Non-progression through graduated driver licensing: Characteristics, traffic offending, and reasons for nonprogression*, 13-1, 7-13

20.1 A 2019 evaluation of the GDLS (Schiff Consulting, July 2019) states “*For drivers in the dataset who progressed to a full licence by the end of 2017, we found no evidence that the amount of time taken to progress (i.e. speed of progression) had an impact on crash rates*”.

20.2 Waka Kotahi has advised us that they do not have the data to confirm whether the time limited licence policy has had any impact on road safety outcomes. Instead, Waka Kotahi noted that the policy introduced further barriers that limit willing progression to a full licence by adding to the current bottleneck in the licensing system.

We propose revoking the 2014 amendments to the Land Transport (Driver Licensing) Rule

21 The Ministry and Waka Kotahi propose to:

21.1 revert the Class 1 and 6 learner and restricted licences to a period of validity of 10 years (the same as the Class 1 and 6 full driver licences) when a licence-holder successfully renews their time-limited licence.

21.2 remove the 90-day time restriction on renewal, allowing these licence holders to renew their licence any time before expiry (aligning to other driver licences)

21.3 remove the requirement for the licence holder to re-sit and pass the relevant theory test.

22 These changes would effectively remove all of the 2014 and 2019 amendments to the Land Transport (Driver Licensing) Rule.

Revoking the ‘time-limited licence’ policy provides the most benefits

23 Waka Kotahi has advised that this change would remove a policy which places additional barriers on vulnerable groups.

24 An analysis of this proposal against our assessment criteria is in the table below.

Criteria	Assessment	Impact
Safety <i>The impact on road safety outcomes</i>	No evidence to signal a positive or negative impact on road safety.	Neutral
Accessibility <i>The impact the option will have on access to a local driver licensing or testing site, access to a supervisor and a road legal vehicle for vulnerable drivers</i>	Allows vulnerable drivers on time-limited licences to stay on their licence if they choose to, or progress without the added time pressure of a shorter validity period or stress and cost of a theory test. Allows people to remain on their licence for the purpose they need it for without undue pressure to progress.	Positive

Social Impact <i>The broader social impact the option will have on vulnerable drivers, such as equity, affordability, etc</i>	This change aligns with the MSD review on improving access and equity to the licensing system.	Positive
Capacity <i>The impact the option will have on the Driver Licensing and Driver Testing systems capacity</i>	Will alleviate the incoming bottleneck and spread out the renewal of these licences more evenly.	Positive
Implementation <i>How easy the option is to implement</i>	Medium level complexity. This change would free up some internal Waka Kotahi resources in the long term. From a technical systems perspective, this will require a greater level of changes to the Driver Licence Register but from a communications perspective is likely to only require a broad communications approach. A full analysis of implementation requirements has yet to be completed.	Neutral – more work required to determine full impact
Revenue <i>The impact the option will have on Waka Kotahi revenue</i>	In accordance with Treasury requirements, Waka Kotahi administers the driver licensing system on the principle of cost-recovery (commonly known as 'user-pays'). Therefore, driver licensing fees are intended to be set in such a way that those who use (and benefit directly from) the service are charged appropriately. Under a user-pays system, the level of revenue to operate the system is based on the volume of people using and paying for the services they use. Removing the time-limited licence for the 10-year standard licences will therefore reduce expected cashflow in the short-term for Waka Kotahi.	Negative initially, due to a reduction in forecasted cashflow, but as the system is operated on cost recovery, it will be corrected in the short to medium term as a neutral impact.

Waka Kotahi considered a number of other options to address this issue

25 Waka Kotahi considered a range of options, these were:

- 25.1 Keep the current time-limited licence policy in place and amend the Rule to allow the licence holder to sit a theory test as part of the renewal application at any time prior to the expiry date, rather than only within 90 days of the expiry date
- 25.2 Keep the current time-limited licence policy in place and amend the Rule to allow the licence holder to renew the licence at any time prior to the expiry date and remove the mandatory theory test requirement
- 25.3 Keep the current time-limited licence policy in place and let time-limited licences expire. Waka Kotahi will continue to communicate and educate on the requirements of holding a time-limited licence

- 25.4 Amend the Rule to revoke the time-limited licence policy and revert all time-limited licences back to a standard 10-year licence validity (**recommended**)
- 25.5 Amend the Rule to extend the expiry date for time-limited licence holders by 12-24 months to allow these drivers extra time to renew or progress
- 25.6 Amend the Rule to create an extension only for those time-limited licence holders within the window of December 2021–December 2023
- 26 Waka Kotahi's Analysis of the options considered against the assessment criteria is included in Appendix 1.

Revoking the time-limited licence policy should confer only benefits to the public

- 27 This option will not adversely affect vulnerable drivers, instead it will positively impact the time-limited licence cohort and other licence holders. This is because it removes the time pressure, cost, stress, and access issues of meeting the time-limited licence requirements and it frees-up system capacity for other driver licence holders.
- 28 There is the risk that this change would result in some licence holders continuing to not progress through the GDLS, however, this should not have a negative impact on road safety as the initial policy was not intended to improve road safety outcomes.
- 29 There are separate pieces of work underway to review the GDLS and to increase access to driver training and licensing. The GDLS review is considering the extent to which the GDLS is achieving road safety, access and equity outcomes. Changes from this review are likely to support progression through the GDLS. Advice on the regulatory review of the GDLS is expected to be provided to you in August 2021.

We intend to consult on this proposal

- 30 Subject to your agreement, we intend to perform targeted stakeholder engagement using contacts identified as part of the GDLS review and Waka Kotahi's stakeholder lists, as this would be a wide-ranging policy change that affects a significant number of New Zealanders. However, because we consider that it confers only benefits to the public and because of the timeframes required to make the proposed amendments, we do not propose to hold wider public consultation.

Implementation and impacts for Waka Kotahi

- 31 This proposal has not yet been fully costed by Waka Kotahi and more work is required to determine the next steps for implementation. Indicative costs of IT system changes and external communications are \$650,000. Waka Kotahi is currently securing funding for this and developing an implementation plan.
- 32 In the long-term, Waka Kotahi expect this proposal to be one of the more cost-effective options to implement, of the options they considered.

Proposed timeline

- 33 We propose to work to the following timeline, which was produced in consultation with your office and Parliamentary Counsel Office:

Briefing signed by you	2 July 2021
Draft Cabinet paper provided to other agencies for consultation (1 week)	9 July 2021
Ministry of Transport provides draft Cabinet paper and any associated documents to your office for consideration (excluding feedback from departmental consultation)	14 July 2021
Caucus consultation and feedback	20 July 2021
Updated draft of the Cabinet paper provided to you (incorporating departmental feedback)	23 July 2021
Ministerial consultation	23 July - 3 August 2021
Cabinet paper for DEV lodged	5 August 2021
Drafting instructions issued to PCO	16 August 2021
Consultation package prepared	16 August 2021
Targeted consultation (4 weeks + allowing two weeks for any extensions requested)	13 September – 8 October 2021 (or 22 October if required)
Summary of submissions and final briefing provided to you	29 October 2021
Any further drafting instructions provided to PCO	5 November 2021
Proposed Amendment Rule provided to you for signing	19 November 2021

- 34 We anticipate requesting permission from Cabinet to waive the 28-day rule on the basis that this proposal only confers benefits to the public.
- 35 Ideally, we would look to amend the Driver Licensing Rule as one package along with the recommendations from the GDLS review, but as we need to address this issue prior to 1 December 2021, we need to progress this issue separately. We will develop communications material to ensure stakeholders and the public are aware of the broader review underway.

APPENDIX 1 - OPTIONS ANALYSIS TABLE

Assessment against Criteria Option A: Allow renewal to occur at any time with a theory test – renewed validity period of 5 years from grant date (regardless of any time which may remain in the current period)	
Advantages	Disadvantages
- the theory test ensures that these licence holders remain knowledgeable of the road rules - Reduce reputational risk for Waka Kotahi - Does not pose privacy integrity risk, as the customer will be in contact with Waka Kotahi to update address information	- Requires amendment to the <i>Land Transport (Driver Licensing) Rule 1999</i>, which is a resource intensive process. - Will place stress on agent and testing capacity – especially since the COVID-19 Overseas Driver Licence Extension will expire on 31 March 2022 - Accessibility and equity barriers: cost, and adequate training will impact willing compliance - Risk that drivers who have become accustomed to driving on their licence and do not want to re-sit a theory test, will not renew and will drive unlicensed - For drivers to renew their licence and not progress, challenges the integrity of the GDLS. The system is not intended to have drivers remain at the learner or restricted driver licence stages - Has not been costed by Waka Kotahi due to time constraints
Criteria met <u>Safety</u>: Will have a neutral safety impact <u>Accessibility</u>: This change would continue the known accessibility issues, of cost, access to adequate training, proximity to licensing agent and/or test location <u>Social Impact</u>: Will have a minimal positive impact as it will mean licence holders aren't required to renew within a set period, but will continue the known accessibility issues, of cost, access to adequate training, proximity to licensing agent and/or test location and place unnecessary stress on the licence holder and their Whānau. <u>Capacity</u>: It may smooth out some capacity demand as renewal can be completed at any time prior to expiry but if people choose not to renew before their licence expires, then stress will still be placed on agent and testing capacity <u>Implementation</u>: Low level complexity. From a technical systems perspective, this will require some changes to the Driver Licence Register and from a communications perspective will require a series of direct messaging and broader communications. A full analysis of implementation requirements has yet to be completed. <u>Revenue</u>: Will have a neutral effect to expected cashflow revenue	

Assessment against Criteria Option B: Allow renewal to occur at any time without a theory test – renewed validity period of 5 years from grant date (regardless of any time which may remain in the current period)	
Advantages	Disadvantages
• Acts as an incentive to move drivers through the GDLS system as the licence has to be renewed more frequently than a full class, but does not impact on resources for either theory or practical testing • Will reduce the risk of non-compliance if drivers do not have to re-sit a theory test • Does not pose privacy integrity risk, as the customer will be in contact with Waka Kotahi to update address information • Doesn't impose a significant cost on the licence holder as only the renewal fee must be paid (\$20.10)	• Requires amendment to the <i>Land Transport (Driver Licensing) Rule 1999</i>, which is a resource intensive process. • ACC research indicates many of the drivers who do not progress through the system lack clear coaching instruction and find it hard to know when they have the skills to successfully sit the test • Will place stress on agent capacity – especially since the COVID 19 Overseas Driver Licence Holders Extension will expire on 31 March 2022 • Potential damage to the reputation of Waka Kotahi as we would be retracting the policy that was put in place, and would not be ensuring these licence holders remain knowledgeable of the road rules • Accessibility and equity barriers: will impact willing compliance • For drivers to renew their licence and not progress, challenges the integrity of the GDLS. The system is not intended to have drivers remain at the learner or restricted driver licence stage • Has not been costed by Waka Kotahi due to time constraints
Criteria met • <u>Safety</u>: Will have a neutral safety impact. • <u>Accessibility</u>: This change would continue the known accessibility issues, of cost, access to adequate training, proximity to licensing agent and/or test location • <u>Social Impact</u>: Will have a minimal positive impact as it will mean licence holders aren't required to renew within a set period or sit another theory test, but will continue the known accessibility issues, of cost, access to adequate training, proximity to licensing agent and/or test location and place unnecessary stress on the licence holder and their Whānau • <u>Capacity</u>: It may smooth out some capacity demand as renewal can be completed at any time prior to expiry and no theory test required, but if people choose not to renew before their licence expires, then stress will still be placed on agent and testing capacity • <u>Implementation</u>: Low to medium level complexity. From a technical systems perspective, this will require some changes to the Driver Licence Register and from a communications perspective will require a series of direct messaging and broader communications. A full analysis of implementation requirements has yet to be completed • <u>Revenue</u>: Will have a neutral effect to expected cashflow revenue	

Assessment against Criteria Option C: Maintain Status Quo – allow the Time- limited Licence Extension policy to expire, and instead Waka Kotahi continue to communicate and educate on the implications of a time-limited licence	
Advantages	Disadvantages
• Would align with the original intent of the time-limited Licence policy • No additional costs to Waka Kotahi	• A significant number of licences begin to expire from 1 December 2021 • Will place stress on agent and testing capacity – especially since the COVID-19 Overseas Driver Licence Extension will expire on 31 March 2022 • Risk that drivers will drive unlicensed • MSD review: would not improve access and equity • Will adversely affect vulnerable drivers
Criteria met • <u>Safety</u>: Will have a neutral safety impact • <u>Accessibility</u>: This change would continue the known accessibility issues, of cost, access to adequate training, proximity to licensing agent and/or test location • <u>Social Impact</u>: Will continue the known accessibility issues, of cost, access to adequate training, proximity to licensing agent and/or test location and place unnecessary stress on the licence holder and their Whānau. The time-limited licence policy is also contrary to the current views of driver licensing enabling broader social outcomes • <u>Capacity</u>: Will continue to place significant stress on agent and testing network capacity as an extra 3000-5000 time-limited licences will expire every month until the end of 2023, with further time-limited licences coming through every month with a future 5-year licence validity (e.g. when a learner or restricted licence issued prior to 1 December 2014 is renewed, it will be issued as a time-limited licence) • <u>Implementation</u>: Low level complexity. Will not require any technical system changes, instead only a communications plan • <u>Revenue</u>: Will have a neutral effect to expected cashflow revenue	

Assessment against Criteria Option D: Remove the entire time limited licence policy and revert all licences back to a standard 10-year licence validity (recommended).	
Advantages	Disadvantages
• Would remove an ineffective policy which places additional barriers on vulnerable groups • More efficient – frees up space at driver testing sites • Allows people to remain on their licence for the purpose they need it for without undue pressure to progress • Waka Kotahi and MOT will not have to respond to the mass expiry of time-limited licences every few years • Would free up internal Waka Kotahi resources • Would align with MSD's focus around improving access and equity to the licensing system • Will not adversely affect vulnerable drivers • Will not have a negative impact on road safety	• Requires amendment to the <i>Land Transport (Driver Licensing) Rule 1999</i>, which is a resource intensive process. • Removing this policy could mean more people pool in the learner and restricted stages • Has not been costed by Waka Kotahi due to time constraints
Criteria met • <u>Safety</u>: The change will have a neutral safety impact	

- Accessibility: Will have a positive impact as it allows vulnerable drivers on time-limited licences to stay on their licence if they choose to, or progress without the added time pressure of a shorter validity period
- Social Impact: Positive impact. This change aligns with the MSD review on improving access and equity to the licensing system
- Capacity: Will alleviate the incoming bottleneck and spread out the renewal of these licences more evenly
- Implementation: Medium level complexity. From a technical systems perspective, this will require a greater level of changes to the Driver Licence Register, but from a communications perspective is likely to only require a broad communications approach. A full analysis of implementation requirements has yet to be completed
- Revenue: Will reduce expected cashflow in the short-term

Assessment against Criteria	
Option E: Further 12 - 24 month extension	
Advantages:	Disadvantages
• Time-limited licences will start expiring on 1/12/2021. This would allow drivers in this cohort extra time to progress • Allows testing sites extra time to increase resources to manage these extra drivers over coming years • Would give extra time for Waka Kotahi to design and implement a plan to encourage progression through the GDLS	• Requires amendment to the <i>Land Transport (Driver Licensing) Rule 1999</i>, which is a resource intensive process. • Analysis of the data of those who have progressed to another class during the 2019 extension period indicates that the extension was ineffective – out of the 131,232 licences extended there is still a remaining pool of 110,516 sitting on the same class having done nothing in the extended period. • Could exacerbate the testing capacity issues i.e. 3,346 time-limited licences will expire in December 2021, and between around 3000 – 6000 are expected to expire each month until the end of 2023 • Mass change to expiry dates in the Driver Licensing Register will impact the integrity of the register and its data – Licence records are already out of sync with photo driver licence (PDL) card details as no replacement cards were automatically issued for previous extensions and further extensions will exacerbate problems as more licences will have expired by the time a decision is made • Drivers may not be aware of the new expiry date as new PDLs are not issued for the extension and despite an extensive communications campaign, confusion is widespread. • There is already existing confusion among extended time-limited licence holders and industry on when their licence actually expires despite the communications campaign from Waka Kotahi. • If a new PDL is not issued, downstream effect of not being able to use for ID purposes • Has not been costed by Waka Kotahi due to time constraints

Criteria met

- **Safety:** May assist with compliance as licence holder not caught out with an expired licence, but the change itself will have a neutral safety impact
- **Accessibility:** This change would continue the known accessibility issues, of cost, access to adequate training, proximity to licensing agent and/or test location
- **Social Impact:** Will have a minimal positive impact as it will mean licence holders aren't required to renew or sit a test when not ready or when the system has limited capacity, but will continue the known accessibility issues, of cost, access to adequate training, proximity to licensing agent and/or test location and place unnecessary stress on the licence holder and their Whānau
- **Capacity:** It may smooth out some capacity demand in the short term but will only push the issue out further to form a larger bottleneck
- **Implementation:** High level complexity. From a technical systems perspective, this will require a significant update to all affected driver licence records on the Driver Licence Register, and an extensive social media, communications and industry/stakeholder engagement approach. It will be difficult to communicate as some licences will be extended and others will not
- **Revenue:** Will have a neutral effect to expected cashflow revenue

Assessment against Criteria

Option F: An extension only for those within the window of December 2021 – December 2023

Advantages:

- Time-limited licences will start expiring on 1 December 2021. This would allow drivers in this cohort extra time to progress
- Allows testing sites extra time to increase resources to manage these extra drivers over coming years
- Would give extra time for Waka Kotahi to design and implement a plan to encourage progression through the GDLS

Disadvantages:

- Requires amendment to the *Land Transport (Driver Licensing) Rule 1999*, which is a resource intensive process.
- Analysis of the data of those who have progressed to another class during the previous extension period indicates that the extension was ineffective – out of the 131,232 licences extended there is still a remaining pool of 110,516 sitting on the same class having done nothing in the extended period. It does not seem that COVID-19 was a large factor in this based on progression data from 2014 to 2019.
- Could push the testing capacity issues i.e. 3,346 time limited licences will expire in December 2021, and between around 3000 – 6000 are expected to expire each month until the end of 2023
- Mass change to expiry dates in Driver Licensing Register will impact the integrity of the register and its data – Licence records are already out of sync with PDL details as no replacement cards were automatically issued and further extension exacerbates problems
- Drivers may not be aware of the new expiry date due to known confusion from the 2019 extension and because contact details in the Driver Licence Register are often out of date.
- Despite posted letters, media statements, social media advertising and memo to industry, there is already existing confusion among extended time-limited licence holders and industry on when their licence actually expires
- If a new PDL is not issued for all drivers, there will be further confusion for licence holders, insurance

	companies, financial institutions and roadside Police enforcement activities • If a new PDL is not issued, downstream effect of not being able to use for ID purposes • Has not been costed by Waka Kotahi due to time constraints
Criteria met • <u>Safety</u>: May assist with compliance as licence holder not caught out with an expired licence, but the change itself will have a neutral safety impact • <u>Accessibility</u>: This change would continue the known accessibility issues, of cost, access to adequate training, proximity to licensing agent and/or test location • <u>Social Impact</u>: Will have a minimal positive impact as it will mean licence holders aren't required to renew or sit a test when not ready or when the system has limited capacity, but will continue the known accessibility issues, of cost, access to adequate training, proximity to licensing agent and/or test location and place unnecessary stress on the licence holder and their Whānau • <u>Capacity</u>: It may smooth out some capacity demand in the short term but will only push the issue out further to form a larger bottleneck • <u>Implementation</u>: High level complexity. From a technical systems perspective, this will require a significant update to all affected driver licence records on the Driver Licence Register, and an extensive social media, communications and industry/stakeholder engagement approach. It will be difficult to communicate as some licences will be extended and others will not • <u>Revenue</u>: Will have a neutral effect to expected cashflow revenue	

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