

Proactive Release

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

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

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

<u>Section</u>	<u>Description of ground</u>
6(a)	as release would be likely to prejudice the security or defence of New Zealand or the international relations of the New Zealand Government
6(b)	as release would be likely to prejudice the entrusting of information to the Government of New Zealand on a basis of confidence by (i) the Government of any other country or any agency of such a Government; or (ii) any international organisation
6(c)	prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial
9(2)(a)	to protect the privacy of natural persons
9(2)(b)(ii)	to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information
9(2)(ba)(i)	to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public
9(2)(ba)(ii)	to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest
9(2)(f)(ii)	to maintain the constitutional conventions for the time being which protect collective and individual ministerial responsibility
9(2)(f)(iv)	to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials
9(2)(g)(i)	to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any public service agency or organisation in the course of their duty
9(2)(h)	to maintain legal professional privilege
9(2)(i)	to enable a Minister of the Crown or any public service agency or organisation holding the information to carry out, without prejudice or disadvantage, commercial activities
9(2)(j)	to enable a Minister of the Crown or any public service agency or organisation holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)



16 October 2025

OC250865

Hon James Meager

Action required by:

Associate Minister of Transport

Wednesday, 22 October 2025

APPROVAL TO START PUBLIC CONSULTATION ON CHANGES TO WARRANT OF FITNESS AND CERTIFICATE OF FITNESS A

Purpose

To seek your approval to commence public consultation on a recommended package of changes to Warrant of Fitness (WoF) and Certificate of Fitness A (CoF A) requirements for light vehicles.

Key points

- We recommend publicly consulting (via NZ Transport Agency Waka Kotahi – NZTA) on a package of changes to improve the efficiency of light vehicle inspections between 29 October 2025 and 17 December 2025. The key proposals are:
 - tiered WoF intervals based on vehicle risk:
 - a four-year inspection-free period for new vehicles
 - two-yearly WoF for vehicles under ten years old
 - annual WoF for vehicles over 10 years old
 - a 12-month default CoF A frequency for all light rental service vehicles under five years old
 - an added requirement that certain Advanced Driver Assistance Systems (ADAS) features be tested if fitted
 - to carry out further work to investigate a series of broader system improvements to enhance personal responsibility and enforcement.
- In addition to general feedback, we recommend testing specific aspects of the proposals during public consultation to inform an assessment about the public's view of an acceptable level of risk. Specifically, we recommend seeking feedback on the proposed threshold for annual rather than two-yearly WoF inspections (proposed to be when vehicles are 10 years old), the length of the inspection-free period for new vehicles subject to WoF, and requirements for rental service vehicles.
- Subject to direction from you and final Cabinet decisions in April 2026, we will work to implement any changes by late 2026 with evaluations in 2029 and 2032.

Recommendations

We recommend you:

- 1 **agree** to NZTA publicly consulting on the recommended package of changes listed in Table 1, from 29 October 2025 to 17 December 2025. Yes / No
- 2 **agree** to also explicitly seek public feedback on the following:
 - the proposed vehicle age threshold for yearly, rather than two-yearly, WoF inspections Yes / No
 - the length of the inspection-free period for new vehicles subject to WoF
 - requirements for rental service vehicles.
- 3 **agree** to proactively release the documents listed in Annex 4, to support public consultation and reduce administrative burden on officials. Yes / No
- 4 **agree** that the new Rule will come into effect in late 2026, unless there are substantive changes to the recommended package. Yes/ No
- 5 **refer** this briefing to Hon Chris Bishop, Minister of Transport. Yes / No

s 9(2)(a)

Katrina Quickenden
Manager, Regulatory Reform
 16 / 10 / 2025

Hon James Meager
Associate Minister of Transport
 / /

Minister's office to complete:

☐ Approved

☐ Declined

☐ Seen by Minister

☐ Not seen by Minister

☐ Overtaken by events

Comments

Contacts

Name	Telephone	First contact
Keegan Taylor, Principal Advisor, Regulatory Reform	s 9(2)(a)	
Katrina Quickenden, Manager, Regulatory Reform	s 9(2)(a)	✓

APPROVAL TO START PUBLIC CONSULTATION ON CHANGES TO WARRANT OF FITNESS AND CERTIFICATE OF FITNESS A

Officials have reviewed light vehicle inspection requirements

- 1 In June 2025, Cabinet agreed to the Land Transport Rules Reform Programme [ECO-25-MIN-0083 refers]. This programme included a review of WoF and CoF A requirements for light vehicles, with consultation on possible changes expected to begin in October 2025. This review has been delegated to you, and you have agreed for the consultation in October 2025 to focus on a preferred options package [Briefing OC250303 refers].
- 2 We provided an update on the review in September 2025 [Briefing OC250772 refers] and confirmed your areas of interest were addressed – in particular, alignment with other jurisdictions.

We recommend consulting on a package of changes to improve inspection efficiency

- 3 We have identified a package of proposed changes to both the WoF and CoF A light vehicle inspection regimes we consider provides a more efficient balance across inspection interval, enforcement, and the encouragement of greater personal responsibility. These are summarised in the Table 1 below and more detail is outlined in the attached interim Regulatory Impact Statement (Annex 1):

Table 1: Recommended package of changes

Component	WoF	CoF A
Inspection Interval	Extend initial inspection exemption for new vehicles from three to four years	Introduce 12-month default inspection frequency for all light rental service vehicles under five years of age
	Two-year inspection interval for vehicles under 10 years of age and annual inspection interval for vehicles older than 10 years	
Inspection Scope	Maintain current inspection approach, with improved testing of certain Advanced Driver Assistance Systems features	
Exploring broader system improvements	Consider raising the current fines and/or introducing demerit points for driving or parking a vehicle in a public place without a valid WoF/CoF A or with other vehicle fault conditions.	
	Work with local councils on increasing the frequency and consistency of local council enforcement	
	Design and run public education campaigns to encourage ongoing vehicle maintenance between inspections	

- 4 The recommended package is expected to deliver significant net benefits through reductions in compliance costs for most vehicle drivers and operators. The recommended package achieves this in a way that mitigates negative impacts on road safety outcomes compared to

other approaches. The recommended package also seeks to deliver benefits in the short term without adding additional system complexity.

- 5 Most of the benefits are driven by a reduction in the number of annual inspections (a 15% reduction as a result of the shift to two-yearly and yearly inspections).
- 6 While this reduction would yield considerable savings for vehicle owners, it is also expected to have a significant effect on the inspection industry. For example, modelling indicates up to 350 or 4% fewer full time equivalent inspection staff hours would be required, because there would be \$49 million less charged to motorists by shifts to two-yearly and yearly inspections. It is not known to what extent this reduction in revenue would then reduce the availability of inspections, nor whether inspection organisations would increase other service prices to compensate for lost income.
- 7 We expect to learn more about these effects as part of public consultation. However, any potential reduction in availability is likely to be mitigated by the fact that, in many cases, inspections are not the core focus of the business. Mechanics and service providers — particularly in areas where availability may be at risk — typically rely on a diverse range of revenue streams, with inspections forming only a small part of their overall operations.

We recommend testing specific aspects of the proposal during public consultation

- 8 Subject to your agreement, NZTA is preparing to release the attached discussion document (refer Annex 2) and undertake public consultation on the proposed changes from 29 October 2025 to 17 December 2025 (seven weeks). You also requested letters to send to key stakeholders once public consultation commences. A template letter is attached as Annex 3, and we have provided your office with a list of suggested contacts.
- 9 Consultation provides an opportunity to test the public's risk appetite, as there are ways the recommended package could be amended to deliver additional benefits. These changes would introduce a higher level of risk in absolute terms but may represent a better risk-reward trade-off.
- 10 Key aspects we are seeking feedback on include:
 - 10.1 **Threshold for annual WoF inspections** – Our recommended option proposes a ten-year threshold for a vehicle to change from two-yearly to yearly inspections, as this aligns with some other jurisdictions. However, our analysis suggests vehicle risk begins to increase more markedly at fifteen years of age, and that additional risk introduced by delaying the requirement for annual inspections could be outweighed by the benefit of reduced compliance costs.
 - 10.2 **Initial inspection period length** – Our recommended option proposes raising the initial inspection-free period for new vehicles from three to four years. Newer vehicles are generally lower risk, and this threshold aligns with some other jurisdictions. However, this logic could also be applied to support a shift from a three- to five-year initial inspection-free period. Increasing to five years would benefit a larger vehicle cohort but comes with a higher level of absolute risk compared to our recommended option.

10.3 Requirements for rental service vehicles – Our recommended option proposes rental vehicles under five years old be shifted to a 12-month default inspection interval, based on this age cohort being lower risk and rental vehicles typically receiving more regular ‘between CoF A’ inspections and maintenance than other light vehicles. This logic could also be applied to require rental vehicles to have a WoF rather than a CoF A. This would further reduce the compliance burden for rental vehicle operators in terms of both a less frequent and less intensive (and expensive) test but comes with additional risk compared to our recommended option.

- 11 To support better public understanding of the proposals and reduce administrative workload in responding to Official Information Act requests, we recommend you agree to proactively release the briefings and other documents set out in Annex 4 in addition to the standard package of material accompanying public consultation (e.g. a discussion document). This includes the interim Regulatory Impact Statement and the report on the Cost Benefit Analysis undertaken, which we expect to be requested by various parties and released under the Official Information Act.

We discounted other options based on implementation challenges and/or additional system complexity

- 12 We considered options for inspection intervals that may be more efficient in the long-run, such as distance-based inspection requirements. However, because they were not feasible to implement in the short term, we discounted them. We consider there is value in reassessing the opportunity for distance-based inspection requirements when the fleet wide transition to Road User Charges is further progressed. The potential technology options for Road User Charges could make distance-based inspections more feasible.
- 13 For WoF inspection scope, we considered adding a fast visual inspection and/or a more rigorous inspection for older vehicles (e.g. 15 years or 200,000 kms) but did not consider the safety benefits likely to outweigh the additional compliance cost or system complexity.
- 14 We also considered changes to requirements for non-rental vehicle CoF A vehicles (rideshares vehicles and taxis). However, because these vehicles are less likely to be new and/or receive regular maintenance and inspection, we think the current higher inspection standards are justified.
- 15 A summary of the policy process to date, including the full long list of options considered and assessment criteria, is attached as Annex 5.

Changes could come into effect in late 2026, with evaluations in 2029 and 2032

- 16 Officials are currently working on more detailed implementation planning. Early estimates indicate changes would take at least 12 months to come into effect and cost approximately \$1.6 million. The proposals would affect most elements of the vehicle inspection system, and several system changes would be required, including to key IT platforms and technical guidance.

- 17 An implementation date of late 2026 will be feasible if there are few or no changes to the policy proposals consulted on. If there are changes to the proposals or Cabinet wants further changes or new policies included, a late 2026 implementation date is unlikely to be achievable.
- 18 We expect to monitor and evaluate any changes made to confirm their effect. Further work is underway to confirm the details of the approach. Currently, we plan to recommend Cabinet agree to an implementation evaluation two years after implementation, followed by an outcome evaluation five years after implementation.
- 19 We recommend you agree that any amended Rule requirement come into effect in late 2026. Setting a clear expectation will enable officials to plan for implementation from now rather than delaying this work until after Cabinet makes a formal decision in April 2026.

Next steps

- 20 Officials will analyse the submissions from public consultation and provide you with a final proposal for changes to the *Land Transport Rule: Vehicle Standards Compliance 2002* in March 2026. At the same time, we will provide you with a draft Cabinet paper to enable Cabinet to take policy decisions in April 2026.

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ANNEX 1: INTERIM REGULATORY IMPACT STATEMENT

ANNEX 2: DISCUSSION DOCUMENT

ANNEX 3: TEMPLATE LETTER FOR KEY STAKEHOLDERS

ANNEX 4: PROACTIVE RELEASE BUNDLE

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ANNEX 5: OVERVIEW OF THE REVIEW OF WARRANT OF FITNESS AND CERTIFICATE OF FITNESS A FOR LIGHT VEHICLES

