Ministry for Cities, Environment, Regions & Transport

Local Warrant of Fitness enforcement settings

Date:	5 August 2026	Priority:	Medium	Tracking number:	OC260509

To	Action sought	Response by
Hon James Meager **Associate Minister of Transport**	Seeks your agreement to an approach to support local WoF enforcement via settings for infringement revenue retention and fees for accessing NZTA systems.	17 August 2026

Contact for discussion (if required)

Name	Position	Telephone	1st contact
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Keegan Taylor	Principal Adviser Regulatory Reform		☑

Action for Minister's Office staff

Purpose

1. Advises you on options to support increased local Warrant of Fitness (WoF) enforcement, based on further investigation undertaken by officials.

Key points

2. As part of the recent changes to light vehicle inspection frequency and scope (CAB-26-MIN-0110 refers), Cabinet authorised you and the Minister of Finance to explore options to adjust local enforcement settings to support increased WoF compliance.
3. Officials have engaged with the Parking Warden Association and New Zealand Transport Agency (NZTA). We do not consider there is a case for changing either the infringement revenue split between local and central government or the fee to access the NZTA Motor Vehicle Register (MVR).
4. In line with previous advice (OC260000 refers), improvements to the MVR are an effective lever to support WoF enforcement.
5. We recommend you maintain the current package of light vehicle inspection changes and note that you can direct officials to prepare further advice on improving MVR performance to support enforcement of WoF requirements.

Recommendations

6. We recommend you:

   a. **note** that Cabinet authorised you and the Minister of Finance to adjust local enforcement settings to support increased Warrant of Fitness compliance (CAB-26-MIN-0110 refers)

   b. **note** that changes to the revenue split and Motor Vehicle Register fee are not assessed as the most effective options to support increased local Warrant of Fitness enforcement

   agree to either

   c. **Option One:** maintain the current package (recommended), OR — Yes / ~~No~~

   d. **Option Two**: direct officials to prepare further advice on revenue-share options — ~~Yes~~ / No

   e. **refer** this briefing to the Minister of Finance for agreement if you choose Option Two — ~~Yes~~ / No

f. **note** that you can direct officials to prepare further advice on improving the Motor Vehicle Register

g. **agree** to proactively release this briefing within 30 working days with redactions made consistent with the Official Information Act 1982 — Yes / ~~No~~

Katrina Quickenden
Manager Regulatory Reform
5 / 08 / 2026

Hon James Meager
Associate Minister of Transport
18 / 8 / 26

Comments

Local Warrant of Fitness enforcement settings

Context

1. In April 2026, Cabinet agreed a package of changes to reduce the frequency of most light vehicle inspection requirements (CAB-26-MIN-0110). Less frequent inspection increases the risk that vehicle defects develop and go undetected for longer. Stronger enforcement is one of the complementary measures identified that could be used to offset that risk by increasing incentives for vehicle owners to remain compliant.

2. To mitigate this increased safety risk, Cabinet authorised you and the Minister of Finance to explore options to adjust local enforcement settings to support increased WoF compliance.

WoF compliance is enforced through a range of mechanisms

3. WoF enforcement relies on infringement fees, court-ordered fines and operational tools, shared between two enforcement entities - NZ Police and councils. Parking wardens are appointed by local authorities under the Land Transport Act 1998 and can issue infringement notices for WoF non-compliance, including vehicles without a current WoF and vehicles with visible safety defects such as bald tyres. Parking wardens are estimated to issue about a third of all WoF infringements.

4. Local enforcement is increasingly carried out using vehicles fitted with Automatic Number Plate Recognition (ANPR), which reads plates against the Motor Vehicle Register (MVR) to extend the range and frequency of enforcement, rather than by wardens on foot. NZ Police enforcement focus is on higher-risk offending (such as drink-driving).

5. Under current settings, the Minister of Finance requires councils to return 50 percent of infringement revenue they collect to the Crown[1]. Councils must also pay a fee to access information from the MVR to confirm whether a WoF is current (18 cents including GST per access request).

How can we increase the incentives for local enforcement?

6. We have previously advised that adjusting the revenue share between the Crown and councils and the MVR access fee are two options that could strengthen WoF enforcement (OC260000 refers).

7. The Cabinet paper indicated that any changes would need to be broadly fiscally neutral for the Crown. Reductions in the Crown's revenue from a lower retained share should be offset by

[1] Infringement revenue goes into the Government's Consolidated Fund, not the National Land Transport Fund.

additional infringement revenue from higher enforcement and increased fees (from $200 to $350 for a WoF expired by more than two months).

We met with stakeholders to understand barriers to WoF enforcement

8. Officials have since met with the Parking Warden Association and NZTA, which did not present a case for changing either the revenue split between central and local government or the MVR access fee. Specifically:

    - There is no strong appetite for a revenue-split change. The Parking Warden Association did not consider that a higher council share would drive more enforcement activity. Councils are already set to receive additional revenue per infringement with the 75% increase in the infringement fee for a WoF expired by more than two months. We do not consider extra revenue on top of this additional contribution would drive further enforcement. Given the increase in the usage of ANPR vehicles and recent digital enabling changes via the Regulatory Systems (Transport) Amendment Act 2026[2], we assess the main barrier to enforcement is the MVR system itself, which councils will increasingly rely on to issue infringements.
    - NZTA does not recommend any changes to the MVR access fee. NZTA notes the fee for councils is a cost-recovery charge. NZTA does not consider the MVR access fee to be a significant barrier to local WoF enforcement and does not support changing the fee without further evidence.

Recommended option

9. We have assessed a range of revenue-split options, summarised in Annex 1, to demonstrate how alternative revenue-share arrangements could be structured. We recommend maintaining the current package at this stage (Option One). No evidence has been presented to demonstrate councils are revenue-constrained in their enforcement capacity. Additional revenue is therefore unlikely to drive further enforcement on top of the increase expected from the infringement fee for WoFs expired by more than two months.

10. If you prefer further advice on revenue-split arrangements (Option Two), officials would use the analysis in Annex 1 as the basis for more detailed advice.

11. NZTA does not support changes to the MVR look-up fee for councils. Allowing councils access to the MVR generates an operational cost for NZTA, and the MVR look-up fee is a cost recovery mechanism to help cover this. NZTA considers that no revenue or cost evidence has been provided that the MVR fee is a material barrier to enforcement.

12. Instead, improvements to the MVR system are the changes most likely to increase enforcement

[2] The Act enables electronic verification of WoF and registration status, removing the need for physical labels. Amendments to the associated Rules are being developed and are not yet in force.

activity. As noted in previous advice (OC260000 refers), MVR data quality is a well-known issue that will likely constrain enforcement agencies' ability to shift to more efficient, digital enforcement. For example, out-of-date postal addresses are a regular problem for local councils when trying to send infringement notices to vehicle owners. NZTA already has work underway to improve the MVR including modernising the underlying technology, bolstering its capability and useability, and improving data integrity.

13. Rather than proposing specific MVR options, and in line with our previous advice (OC260000 refers), we note that you can direct officials to prepare further advice on improving MVR performance to support increased WoF enforcement.

Next steps

14. If you agree to Option One (maintain the current package), no further action is required now.
15. If you agree to Option Two (direct officials to prepare further advice on revenue-share options), we recommend you refer this briefing to the Minister of Finance for her agreement as joint decision-maker. We would return to you with a final briefing setting out the proposed increase in councils' retained share of infringement revenue and an engagement plan for councils.
16. Should you wish to strengthen oversight of NZTA's work on the MVR, officials can return with further advice for your consideration.

Annex 1: Options to support increased WoF enforcement via infringement revenue share

Options	Description	Next steps
Maintain the current package (recommended)	Retains the 50% revenue share, relying on existing penalty increases, wider inspection scope, and public education to manage the safety risk from less frequent inspections.	No changes to current settings (50/50 split between central and local government). Rely on existing mitigations (higher infringement fees, penalties for non-compliant tyres, public education).
Invite councils to submit enforcement plans	Central government sets boundaries, then each council submits a plan showing how it would use an adjusted revenue share to boost WoF enforcement. MCERT officials assess plans before finalising rates.	Set bounds (upper limit of revenue-share split, fiscal neutrality for the Crown requirement, plan content requirements). Councils submit plans covering current activity, proposed changes, expected enforcement increase, and requested share. MCERT officials assess plans and advise Ministers on final settings (uniform or differentiated).
Uniform revenue-share increase with review	A single, broad revenue-share increase applies to all councils, paired with a letter of expectations and ongoing monitoring of enforcement through the existing WoF/CoF evaluation programme.	Set one uplifted share for all councils, within fiscal-neutral bounds. Minister of Finance issues a letter of expectations on increasing WoF enforcement and reporting. Fold council reporting into the WoF/CoF monitoring and evaluation cycle (2-year implementation review, 5-year outcomes review).