

## Driver and Vehicle Agency– Annual Audit of Financial Statements

Mr Kieran Donnelly CB, Comptroller and Auditor General (C&AG), has issued a report on the results of his audit of the 2019-20 accounts of the Driver and Vehicle Agency (DVA).

The report comments on the substantial loss of income for the DVA following the suspension of MOT tests due to faults identified in test centre scissor lifts during the financial year.

In late January 2020, the DVA announced that most vehicle testing services were to be suspended for safety reasons, following the identification of faults in test centre scissor lifts. In response to these safety issues, the Minister for Infrastructure commissioned two independent reviews.

- The first was a short review by independent engineers exploring the steps needed to return the MOT centres to full service operation. It concluded that the defects were a result of fatigue and that the lifts had exceeded their design load cycles.
- The second review was conducted by the Northern Ireland Civil Service Group Audit Service and focussed on the timeline of events which led to all lifts being taken out of operation. It confirmed that a Planned and Preventative Maintenance schedule had been in place and noted that a survey of all existing vehicle testing equipment had been carried out in 2018. The survey showed that the lifts, while showing signs of wear and tear, were generally in good condition. However, the report also found that the DVA had not determined the projected absolute life end for the lifts.

Following receipt of independent advice, the DVA proceeded to replace 52 lifts, at a cost of £1.8 million. This formed part of an action plan devised by the DVA to address the issues identified by both reviews. As of October 2020, all replacement lifts have now been installed.

Mr Donnelly's report notes that the suspension of MOT tests resulted in lost revenue of £2.95 million for the period January – March 2020. In addition, costs of in the region of £980,000 were incurred, including £702,368 in compensation for cancelled tests, and other expenses associated with issuing temporary exemption certificates. Overall, the DVA made a loss for the 2019-20 year of £2.1 million, compared with a surplus of £5.5 million in the previous year.

As the DVA is primarily funded through fees collected for services to the public, COVID 19 has had a major impact on its current financial position. Whilst services have been resumed, it is unlikely that there will be a full resumption of all services in the 2020-21 year as a result of continued restrictions.

Mr Donnelly commented:

*“The suspension of MOT tests due to the faults in the lifts caused significant disruption to the public and substantial loss of income for the DVA. I am aware that similar and unforeseen problems with the same make and model of lift were experienced in other countries. I am, nonetheless, surprised that the DVA had not projected the end life of the lifts and did not have a replacement plan in place. The substantial reserves built up by the DVA over the years allowed it to finance replacement equipment. However, it is important that lessons must be learned from this and I will continue to closely monitor the DVA's implementation of its action plan.”*

Mr Donnelly notes that he will continue to monitor the DVA's financial position in the months ahead.

ENDS

**Notes for Editors**

1. The Comptroller and Auditor General is Head of the Northern Ireland Audit Office (the Audit Office). He, and the NIAO, are totally independent of Government. He certifies the accounts of Government Departments and a range of other public sector bodies. He has statutory authority to report to the Assembly on the economy, efficiency and effectiveness with which departments and public bodies use their resources. His reports are published as Assembly papers.
2. This report is available on the [Northern Ireland Audit Office website](#).
3. The 2019-20 Driver and Vehicle Agency Annual Report and accounts are available on the [Department for Infrastructure's website](#).
4. The Investigation Reports into Vehicle Lift faults within DVA MOT Test Centres can be found on the [Department for Infrastructure's website](#).
5. Background briefing can be obtained from the Audit Office by contacting Colette Kane (028 9025 1064) or Suzanne Murphy (028 9025 1125).