



Vehicle
Certification
Agency

VCA Fees Increase

Consultation Response

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VCA Fees Increase

Introduction

Motor vehicles are required to be type-approved before they go on sale. Type approval ensures that manufacturers are producing vehicles that comply with the relevant standards, for example safety and environmental obligations, set out in legislation.

Type approval in the UK is obtained from the Vehicle Certification Agency (VCA), which acts as the *Approval Authority* and issues the related certification. The VCA also acts as a “technical service” and charges fees on an hourly basis for its engineers to carry out or witness type approval testing. When applying for type approval, manufacturers can therefore choose to use either the VCA or private companies that have been recognised as designated technical services to carry out the necessary tests.

From 16 February to 16 March 2026, the VCA consulted on increasing certain fees that it charges for examinations. The consultation sought views on proposals to increase the hourly rate charged for examinations, as well as an additional uplift for work carried out by highly specialised staff and a charge for using test equipment owned by the VCA.

This document provides a summary of responses to the consultation, analysis of the responses and next steps in relation to the proposed fee increases.

The consultation was run online using Smart Survey, with other formats available upon request. This was a targeted stakeholder consultation aimed at the VCA’s customers in the automotive industry. It was sent to 254 individual VCA customers, as well as relevant automotive trade bodies, including the following:

- SMMT (Society of Motor Manufacturers and Traders)
- NCC (National Caravan Council)
- NTTA (National Trailer & Towing Association)
- WAVCA (Wheelchair Accessible Vehicle Convertors Association)
- VBRA (Vehicle Builders and Repairers Association)
- MCIA (Motorcycle Industry Association)
- AEA (Agricultural Engineers Association)

About the respondents

12 manufacturers responded to the consultation, covering a range of companies from multi-nationals to SMEs. In addition, 2 trade bodies responded: the SMMT and WAVCA.

The SMMT represents more than 800 member companies according to their website, including all major vehicle manufacturers, component and system suppliers, aftermarket suppliers, services and engineering firms, technology companies and mobility start-ups.

WAVCA is the United Kingdom's trade association for manufacturers of Wheelchair Accessible Vehicles (WAVs) and represents 14 organisations according to their website.

Specific geographical information was not sought as part of the consultation. Most of the organisations who responded used the online survey tool, with 3 responses received via email.

Background

The VCA is an executive agency of the Department for Transport. Its main responsibility is acting as the Type Approval authority for motor vehicles in the United Kingdom and issuing vehicle type approvals on behalf of the Secretary of State. They are required to cover their own costs.




The fees that the VCA charge are set out in statute. The VCA proposed:



- An increase to the hourly rate charged for examinations, currently set at £89 per hour. The proposed new hourly rate is £134, which represents a 51% increase (but which is still below the hypothetical amount which would have resulted had the fee increased in line with inflation since the last increase in 2006).
- A further enhancement to the increase on the hourly rate for examinations where a specialist's involvement is required to analyse the safety, security or emissions performance of a vehicle. This will mean an hourly rate of £192, which equates to a further 43% uplift on the proposed £134 per hour fee. Predominantly, this will be for areas such as:
 - Cyber security;
 - Safety case reviews for certain driver assistance systems and automated driving systems;
 - Auxiliary Emissions Strategies (AES)/Base Emissions Strategies (BES) evaluations as part of an emissions approval.
- The introduction of a fee where test equipment owned by the VCA is used. This is intended to support the purchase, maintenance, and replacement of this equipment. The fees would only apply in cases where tests are carried out on VCA premises using VCA equipment. Tests can be carried out at approved manufacturer or third-party sites, using non-VCA equipment, so these fees would not apply in those cases. It is understood that most of their customers either own and use their own equipment, or that of an approved third-party test facility for testing.



Headline responses



The consultation asked the following questions:

1. How important are the following elements of the vehicle type testing services provided by the VCA to your business:

1.a) The quality of the service?			Response Percent	Response Total
1	Very important		78.6%	11
2	Quite important		14.3%	2
3	Neither important nor unimportant		7.1%	1
4	Don't know		0.00%	0
5	Quite unimportant		0.00%	0
6	Very unimportant		0.00%	0
7	Not applicable		0.00%	0
			answered	14

1.b) The consistency of the service?			Response Percent	Response Total
1	Very important		71.4%	10
2	Quite important		28.6%	4
3	Neither important nor unimportant		0.00%	0
4	Don't know		0.00%	0
5	Quite unimportant		0.00%	0
6	Very unimportant		0.00%	0
7	Not applicable		0.00%	0
			answered	14

1.c) The speed of turnaround?			Response Percent	Response Total
1	Very important		85.7%	12
2	Quite important		14.3%	2
3	Neither important nor unimportant		0.00%	0
4	Don't know		0.00%	0
5	Quite unimportant		0.00%	0
6	Very unimportant		0.00%	0
7	Not applicable		0.00%	0
			answered	14





2. How important is it to your business that the VCA can provide the right level of skilled resource to meet your needs?				
Answer Choices			Response Percent	Response Total
1	Very important		78.6%	11
2	Quite important		21.4%	3
3	Neither important nor unimportant		0.00%	0
4	Don't know		0.00%	0
5	Quite unimportant		0.00%	0
6	Very unimportant		0.00%	0
7	Not applicable		0.00%	0
			answered	14
			skipped	0






3. How important is it to your business that current VCA service levels are maintained or improved?

Answer Choices			Response Percent	Response Total
1	Very important		85.7%	12
2	Quite important		7.1%	1
3	Neither important nor unimportant		7.1%	1
4	Don't know		0.00%	0
5	Quite unimportant		0.00%	0
6	Very unimportant		0.00%	0
7	Not applicable		0.00%	0
			answered	14
			skipped	0

4. To what extent do you agree that the following changes are a fair way to ensure current service levels are maintained or improved:

4.a) Increasing the hourly rate charged for technical work from £89 per hour to £134 per hour, in line with costs?			Response Percent	Response Total
1	Strongly agree		7.1%	1
2	Agree		28.6%	4
3	Don't know		14.3%	2
4	Disagree		21.4%	3
5	Strongly disagree		28.6%	4
6	Not applicable		0.00%	0
			answered	14

4.b) A further increase of the hourly rate for technical work to £192 where specialist skills are required, for example in areas such as cyber security and complex electronics, in line with costs?			Response Percent	Response Total
1	Strongly agree		0.00%	0
2	Agree		14.3%	2
3	Don't know		28.6%	4
4	Disagree		28.6%	4
5	Strongly disagree		28.6%	4
6	Not applicable		0.00%	0
			answered	14

4.c) The introduction of a fee where test equipment owned by the VCA is used, to support the purchase, maintenance, and replacement of this equipment?			Response Percent	Response Total
1	Strongly agree		0.00%	0
2	Agree		28.6%	4
3	Don't know		21.4%	3
4	Disagree		28.6%	4
5	Strongly disagree		7.1%	1
6	Not applicable		14.3%	2
			answered	14

One trade body provided a rating of 'don't know' in respect of questions 4.a, b & c, pointing to the varying views among their members. However, it was stated that there was general agreement on the following:

- Understanding and acceptance that fees needed to be increased after 19 years;
- Understanding that the introduction of the new GB Type Approval scheme had required a significant increase in VCA resource;
- Understanding and acceptance that the deployment of new technologies required re-skilling/up-skilling of the VCA's workforce.

There was concern expressed over the proposed introduction of the changes early in the 2026/2027 financial year, as some respondents felt this would not give sufficient time for budgets to be updated to reflect the new fees.

Another trade body provided a response of 'strongly disagree' to the first two parts of question 4, and 'don't know' to the third. They commented that they felt it unfair to introduce what they considered to be a large increase in one go. They stated that if baseline hourly rates needed to be increased then this should be done at the rate of inflation for that year. They felt it was unfair to instead apply what they saw as a cumulative 19-year fee increase in one go.

They also said that there should be differential charging based on the economic resources that manufacturers had available to them, and they felt that special purpose vehicles should attract lower charges based on the social benefit they provide.

There was agreement in principle with the notion of a charge for use of the VCA's test equipment, but it was felt that the current proposal was confusing, as it did not clearly set out in what circumstances the fees would be applicable.

Analysis

The consultation consisted of a number of multiple-choice questions, with the ability to provide additional comments. As such the analysis of the overall response is based on both the quantitative and qualitative responses.

Question 1 - **How important are the following elements of the vehicle type testing services provided by the VCA to your business:**

- a. The quality of service?
- b. The consistency of service?
- c. Speed of turnaround.

Nearly all respondents agreed that all the elements above were either 'very important' or 'quite important', with one response of 'neither important nor unimportant'. The highest positive ratings were against speed of turnaround (85.7%) and quality of service (76.6%).

One trade body commented – “We believe that these three elements are critical to the industry’s ability to bring products to market. The introduction of the GB Type Approval scheme has demonstrated this with all three of the elements causing difficulties originally. Most of our members now report improvements in all areas, although some issues remain.”

Another trade body commented - “Type Approvals are necessary for the sale of vehicles and therefore the economic viability of members’ businesses, it is absolutely vital that members can rely on the VCA to advise and agree robust worst case agreements that accurately demonstrate compliance and can be relied upon, this enables members to invest in testing and inspections. The subsequent timely delivery of the approval is literally make or break for some members. Unexpected delays in issuing the approval or last-minute technical changes must be avoided at all costs. We rely on the VCA’s technical expertise and professionalism on this.”

In terms of comments from individual respondents, the importance of the service quality provided by the VCA was emphasised, as was the criticality of turnaround times. Respondents noted that consistent and timely certification programmes were needed to bring a product to market and support return on investment, particularly for smaller manufacturers. Some concerns were raised about waiting times and the need to simplify the approval application portal.

Question 2. **How important is it to your business that the VCA can provide the right level of skilled resource to meet your needs?**

All respondents agreed that this was either 'very important' (78.6%) or 'quite important' (21.4%).

One trade body commented – “Without skilled resource the VCA would not be able to operate as a technical service.”

Another trade body commented – “We believe that it is essential that the VCA have the right level of skilled people to be able to support the industry through the

approval spikes that will inevitably happen as a result of regulatory changes applied across all vehicles from time to time.

With the myriad new technologies also being deployed, the VCA must maintain expert knowledge of such systems to be able to adequately and promptly evaluate them, both in respect of issuing type approval and in respect of authorisation of automated vehicle technologies.”

In terms of comments from individual respondents, the importance of the right level of skilled resource was noted, including the high level of dependency industry has on the VCA in order to continue to provide vehicles or parts to the market. The need for pragmatic engineers was also noted by one respondent. Another noted the need to have engineering staff with a broad range of expertise.

Question 3 - How important is it to your business that current VCA service levels are maintained or improved?

A large majority of respondents (85.7%) agreed that this was very important to their organisation, with only one feeling that it was quite important, and one feeling that it was neither important nor unimportant.

One trade body commented – “It is critical that service levels are at least maintained but preferably are improved across all of the approval schemes that the VCA is active in to avoid unnecessary delays and burdens on industry. We recognise the significant investment that the VCA has put in to increase resource, skills and knowledge and while many of our members report an acceptable or good service level now, there are still parts of the industry who report that they do not receive the same level of service currently.

In some cases, this may be because they require an additional level of support, but the VCA, as the single type approval authority for the UK, needs to find ways to provide the same level of service to all parts of the industry wherever possible.”

Another trade body commented – “Delivery of outputs seems to rely on the availability of workforce and resources, this should be planned and maintained.”

In terms of comments from individual respondents, it was agreed that any reduction in service levels would have a significant impact. One respondent felt that service levels had deteriorated over recent years, and another commented on the time taken to process approvals.

Question 4 - To what extent do you agree that the following changes are a fair way to ensure current service levels are maintained or improved:

- a. Increasing the hourly rate charged for technical work from £89 per hour to £134 per hour, in line with costs?
- b. A further increase of the hourly rate for technical work to £192 where specialist skills are required, for example in areas such as cyber security and complex electronics, in line with costs?
- c. The introduction of a fee where test equipment owned by the VCA is used, to support the purchase, maintenance, and replacement of this equipment?

In respect of 4a, 50% of respondents strongly agreed, agreed or didn't know, with 50%, disagreeing or strongly disagreeing.

In respect of 4b, 42.9% of respondents strongly agreed, agreed or didn't know, with 57.2% disagreeing or strongly disagreeing. However, comments pointed to a potential lack of clarity around how specialist skills would be defined and the circumstances in which the uplift might apply, which may have been a contributing factor to the level of disagreement.

In respect of 4c, 49.9% of respondents strongly agreed, agreed, or didn't know, with 35.7% disagreeing, or strongly disagreeing. 14.3% of respondents responded with a 'not applicable' rating. Again, comments pointed to some uncertainty around the circumstances in which charges would apply, which may have been a contributing factor to the level of disagreement.

One trade body commented that they had answered 'don't know' to all of the above on the basis of variations in views within their membership. However, they also commented – “There is general agreement on the following:

- Understanding and acceptance that fees need to be increased after 19 years.
- Understanding that the introduction of the new GB Type Approval scheme has required a significant increase in the VCA resource – the same can also be said for the automotive industry.
- Understanding and acceptance that the deployment of new technologies requires reskilling/up-skilling of the VCA resource.
- Concern over the proposed introduction of the changes in early 2026/2027 financial year as this gives no time to allow for budgets to be updated, or preferably be created, with the new fees. The increases may appear insignificant as part of a full type approval programme but the industry is undergoing significant challenges from many different directions at the moment and any increase in costs against budget can create a negative impact to the businesses.”

Members of one trade body had varying views on the amount of the increases – some accepted the level of increase; others felt that it was too significant in one step. Some highlighted that the increases made the fees higher than for some other EU type approval authorities / technical services.

Another trade body commented – “We believe that it is unfair to introduce such a large increase in one go, if baseline hourly rates need to be increased then they should be at the rate of inflation for that year, it is unfair to apply a cumulative 20-year fee increase.”

Other comments pointed to the potential for differential charging by organisation size, suggesting that a lower fee could be charged to SMEs, particularly those that promote social good. It was also felt that the equipment charging measure required further clarification.

In terms of comments from individual respondents, there was some acceptance that the increases in fees were inevitable but that this needed to be followed by service improvements. Some respondents sought further clarity on the specialist rate uplift, feeling that it was too vague. There were some observations around payments for equipment owned by the VCA being unclear and requests for further clarification.

Government Response

The Department has carefully reviewed the consultation responses and taken into consideration the range of views expressed by industry in the formulation of this response.

It is welcome that there was broad recognition and acceptance of the need to increase the VCA's fees after 19 years. We note, however, the considerable challenges industry is currently facing due to the global economic outlook and the need to ensure any impacts of the fee increase are carefully considered, with sufficient time for businesses to plan and budget for them accordingly.

We received responses from 14 out of 261 organisations consulted and although we are unclear how many may have fed their views into the largest trade body, the SMMT, the limited number of direct responses may suggest that most recipients were either content with or indifferent to the proposals for increased fees and thus saw no need to respond with objections.

We note the broad consensus among those who responded that the quality, consistency and speed of VCA's services are of high importance and that these are key to enabling manufacturers to plan with confidence and bring their products to market. Ensuring this can be done in the most effective and efficient way possible is key to kickstarting economic growth, which is the Government's top priority.

Putting the VCA on a firm and sustainable financial footing is therefore essential to ensure the quality, consistency and speed of its services can be maintained and improved going forward, enabling vehicles to be placed on the market effectively and efficiently in line with the Government's growth agenda.

Consultees were similarly clear about the importance of the VCA possessing the correct amount of skilled resource to support their businesses. A suitable fee increase, including an uplift for specialists, is vital to support successful recruitment and retention of specialists to carry out the relevant tests, thus enabling the VCA to maintain their levels of skilled resource. This will contribute to maintaining the quality, consistency and speed of VCA's services, in light of rapid regulatory change and the increasing complexity of vehicle technology.

Consultees again strongly believed it was important for VCA to maintain or improve their service levels, given their dependence on the VCA's approval services in order to bring their vehicles to market on time. Without a fee increase, VCA would be unable to sustain the resources necessary to maintain or improve their service levels over the longer term.

We have noted the feedback from several respondents that any increase in fees should be reflected in service improvements. This is of course the intention. The fee increase will ensure that the VCA can operate efficiently and protect the quality of its services. It will enable the VCA to retain the necessary levels of resource to provide high-quality and reliable testing services, enabling its customers to plan with confidence.

As noted above, it will also help to ensure that it can attract and retain the necessary specialist resource to deliver the increasingly complex testing required for new vehicle technologies. These benefits will be accompanied by investment in skills and the modernisation of the VCA's systems and tools to provide the best possible service to its customers. Efficient systems and processes will help to free up frontline staff time to ensure that time available for certification activity is optimised.

Taken together, these measures will ensure the VCA's services can be maintained and, wherever possible, improved going forward, as well as ensuring it has a sustainable long-term financial model.

In line with feedback to the consultation, the VCA will ensure that improvements in service delivery are monitored and reported on publicly and transparently. It will set ambitious customer satisfaction targets in its annual business plan, which is published on its website, seeking to improve on its score of 86% for the 2024-25 financial year. This will be measured through regular customer satisfaction surveys to identify which elements of the type approval process are working well and where further improvements are needed. This will be accompanied by reporting against KPIs on certification turnaround times, noting that 85.7% of respondents identified the speed of VCA's services as "very important". Performance against these customer satisfaction and turnaround time targets will be reported in the VCA's annual report and accounts, published on its website, enabling customers and members of the public to scrutinise its performance and track improvements to service delivery.

Consultees were evenly split on the question of whether increasing the fee for technical work in the manner proposed was a fair way to ensure service levels were maintained. Overall, more respondents agreed with the proposal than disagreed, but more strongly disagreed with the proposal than strongly agreed.

We have taken into account in our analysis that one trade body, representing a large proportion of manufacturers, recorded a consistent "don't know" response across all parts of question 4. As the trade body in question represents many members who use the VCA's services, this reflected a range of differing membership views. Thus, it is expected that many of the VCA's customers appear in the 'don't know' category. Most other responses received represented individual manufacturers. The responses have therefore been analysed with this weighting in mind. Broader feedback made clear that those represented by the trade body agreed on the need for the fee increase overall. We recognise however that there are naturally concerns about a significant fee increase, especially for SMEs.

We have considered the concerns from some respondents regarding the first increase to the VCA's fees for 19 years being implemented on a cumulative basis rather than incrementally. It should be noted that the proposed increase from £89 to £134 per hour for technical work represents a nominal uplift of 51%. This remains below what the fee would be if it had been updated in line with inflation since 2006, when the fees were last updated. This fee increase has been designed to ensure the VCA can cover the current costs of testing and avoid further indirect subsidisation by the taxpayer, rather than seeking to recoup costs from the previous 19 years in

which fees have not increased. Were the fees to be increased only incrementally, this would mean that the VCA would continue to operate at a loss, requiring further taxpayer subsidisation and failing to meet the requirements of HM Treasury's Managing Public Money guidance, as well as potentially negatively impacting the Agency's ability to provide a reliable service to its customers. To support this, the VCA will also undertake an extensive programme of business transformation activities to modernise its systems and ensure it can provide the best possible service to its customers, enable resource to be used more efficiently and effectively, and provide the best possible value to the taxpayer.

Consultees also had mixed views about the proposals for a higher specialist rate and for equipment fees. Qualitative feedback indicates that much of the opposition came from a lack of clarity about how and in what circumstances the fees would be levied, for example whether multiple uses of a piece of equipment within one inspection would incur a single or multiple fees.

We note that just over half of respondents either disagreed or strongly disagreed with the proposed specialist fee. However, this uncertainty was frequently linked to requests for greater clarity on when specialist fees would apply, with several respondents highlighting a lack of definition of what constituted a specialist or specialist testing. We also note that around a third of respondents were opposed to the equipment fee. Again, comments pointed to some uncertainty about the circumstances under which such charges would apply.

These concerns over a lack of clarity have been considered and further detail on the application of the fees and additional next steps have been summarised in the section below.

In response to the feedback from some respondents against the proposal for specific specialist and equipment fees, a flat fee increase of 56% to the hourly rate charged to manufacturers across both specialist and non-specialist work has been considered as an alternative means of cost recovery. This has however been discounted following further analysis as it would mean all VCA customers paying more than under the current proposal, regardless of the level of specialist testing and resource required for approval of their particular vehicle. This would likely have a disproportionate impact on SMEs, for whom the higher fee would represent a larger proportion of their overall cost base than for larger manufacturers. It would also mean manufacturers who own and use their own equipment for testing cross-subsidising the use of VCA equipment by other manufacturers. This would unfairly disadvantage those who have invested in testing equipment and could discourage manufacturers from doing so in future.

A trade body argued that lower fees should be applied to smaller organisations, particularly those providing vehicles which are considered a social good. The Government has carefully considered this proposal and has concluded that differentiated or subsidised fees are neither feasible nor appropriate. The VCA does not have a reliable, objective, or enforceable mechanism to assess an organisation's ability to meet criteria around providing a social good, size, or profitability. There is a risk, therefore, that taxpayers may be indirectly subsidising smaller but highly

profitable companies should a differential fee be applied to SMEs. Furthermore, there is no legislative basis for applying differential fees to different organisations for the same statutory service.

It should also be noted that the vehicle type approval market is competitive and operates at an international level. Vehicle manufacturers and converters are under no obligation to use the VCA as their technical service, as several others operate in the UK, and even more operate internationally. Manufacturers are therefore able to choose the provider of technical services which offers the best value-for-money for their business, and for those who produce low volumes there are other approval routes available beyond the standard type approval process. These could provide a more cost-effective route to approval for manufacturers in certain circumstances, particularly SMEs producing low volumes of vehicles.

We have also carefully considered the concerns raised regarding the timing of the fee implementation. Some respondents noted that they would struggle to cater for the fee increase in their budgets given the lack of notice if it was implemented at the beginning of the 2026/27 financial year.

We recognise the need to ensure businesses have sufficient visibility of any future changes and are able to plan their budgets accordingly. In response, the implementation of the revised fees will be staggered and clearly communicated, ensuring the VCA's customers are given sufficient notice and to ensure work commenced before the fee increase is implemented is not subject to the new fees. The fee increase will therefore be limited to new work orders raised on or after the date that the new fees are implemented. Existing work orders will continue to be charged at the current rates to ensure VCA customers are able to plan their business with confidence. Further detail on the expected timings for implementation of the fee increase is outlined in the next section.

Next steps

After careful consideration of the responses provided and in light of consultees' clear views about the importance of the VCA maintaining or improving service levels, alongside quality, speed and skilled resource, we have decided to proceed with the proposed fee increases.

We note however the concerns from some respondents, in particular in relation to the timing and specific application of the proposed fees. We have set out steps to address these concerns below.

The decision to proceed with the proposed fee changes is necessary due to the VCA operating at a loss at present, with the deficit being subsidised by public funds. The VCA reported a net deficit of £8.778m in its accounts for the 2024/25 financial year. Income was reported at £22.252m against costs of £31.031m. This is primarily because the fees it charges have remained unchanged for over 19 years, during which time operational demands, specialist testing requirements, and technology costs have increased significantly, alongside sustained high inflation.

The VCA has up to now been able to avoid fee increases through a combination of efficiencies and careful cost management. However, this is not sustainable over the longer term and any continuation of current loss-making could over time have an impact on service delivery for the VCA's customers.

The current deficit and fee structure are also contrary to HM Treasury's Managing Public Money requirements, which are clear that public bodies should neither make a profit nor require taxpayers to subsidise services provided to industry: at present, taxpayers are unfairly covering these costs. Moreover, if the VCA continues to charge artificially low fees, it could undercut private testing providers it is in competition with, harming their businesses and distorting the market.

Main fee

The standard hourly rate for technical work will increase from £89 to £134 per hour. This will enable the VCA to cover the costs of testing and avoid indirect subsidisation of private companies' testing fees by the taxpayer. The purpose of the increase is therefore not to generate surplus revenue, but to ensure compliance with Chapter 6 of Managing Public Money, which instructs government agencies to "...make sure that the government neither profits at the expense of consumers nor makes a loss for taxpayers to subsidise." The proposed fees have been calculated to meet this requirement by enabling the VCA to recover the full cost of delivering the statutory services it is legally required to provide.

Specialist Fee

When specialist technical input is required, an enhanced hourly rate of £192 will apply, representing a 43% increase over the standard rate of £134. This uplift reflects the higher cost of employing and maintaining specialist expertise where it is required, during examination, for example, when specialists must carry out analysis to determine the acceptable level of safety performance of a vehicle relating to certain Advanced Driver Assistance Systems (ADAS). Generally, the proportion of an approval programme charged at the specialist rate will be small.

The specialist uplift is essential for the VCA to recruit, retain, and deploy qualified specialists, especially for technically complex subjects. This is a particular concern in the rapidly evolving automotive sector, where new, increasingly complex technologies, such as automated vehicles, are becoming more prevalent. The current fee structure is no longer sufficient to support the level of expertise required to make decisions in specialist areas of the testing process. These skills are often scarce and in high demand. Without a cost-reflective specialist rate, service sustainability, regulatory quality, timeliness, and resilience are at risk. Therefore, the specialist uplift will help towards maintaining manufacturers' service requirements, as VCA will have the necessary resources to deliver highly specialist testing.

We have noted the request for further clarity around which VCA staff would qualify as a 'specialist'. We are able to clarify this as follows, which will be reflected in the legislation for the fees: A specialist carries out technical analysis as part of an examination to determine regulatory compliance in respect of specific areas such as emissions control strategy analysis, cyber security and/or software update management system analysis, and analysis of the safety case for certain advanced driver assistance systems (e.g. ELKS, Emergency Lane-Keeping System) and automated driving systems.

This will be made clear in the implementing legislation itself and, in recognition of the request for further clarity from respondents, in updated guidance on the VCA website. The VCA and DfT will also carry out engagement with key stakeholders from the sector ahead of implementation to provide any further clarification as needed.

Equipment fees

Equipment fees will be charged when VCA-owned test equipment is used within a test, as outlined in Annex 1 below. This is necessary to support the purchase, maintenance, and replacement of that equipment. It will also ensure these costs are borne by those using the equipment, rather than indirectly subsidised by the taxpayer. The number of customers using VCA's equipment for testing is expected to be limited, as most companies use their own, or third-party equipment. This fee is therefore expected to apply to a small number of businesses which opt to use the VCA's test equipment.

The VCA will add guidance to its website to provide manufacturers with a clearer view of how and when the equipment fees will apply.

Timing of introduction

Legislation to implement the fee increase is expected to be brought forward in the early autumn of 2026. Subject to Parliamentary approval, the fee increases will be implemented from 1 November 2026 for new work orders commenced on or after that date. There will be no increase for work orders already in progress.

This timing has been chosen to strike a balance between giving the VCA's customers sufficient time to adjust their budgets and plan accordingly, while ensuring that losses made by the VCA under the current fee structure are kept to a minimum, in line with Managing Public Money.

Annex I – proposed charges for using VCA-owned test equipment

Equipment		
Equipment Group	Explanation	Fee
Reference Instruments	Reference instruments are the high-level equipment used to calibrate and check the equipment used as part of in-house testing.	£75 per applicable test
Workshop Equipment	This is the general test equipment stationed within the workshop, examples include tyre pressure gauges, the weigh bridge, tape measurers, vernier callipers etc. This equipment is usually used for every test to check the test condition (weight/tyre pressure) of the vehicle(s).	£76 per applicable test
Dataloggers	This equipment interprets signals from the test equipment, displays the data and records the data from the test. Use of this equipment is dependent on the either the test requirements, regulations or, for example, requirements of the test requestor. This equipment would be used in conjunction with the specific test equipment labelled below.	£111 per applicable test
Braking	This is all the standard test equipment used for braking tests within a vehicle or trailer.	£113 per applicable test
Steering	This is the test equipment used for steering effort tests e.g. steering wheel force meter.	£223 per applicable test
Noise	This is the test equipment used for noise testing e.g. microphones and sound level meters.	£304 per applicable test
Weather station	This equipment is used to record weather conditions outside, during a test, to ensure the conditions do not fall outside of regulated conditions.	£239 per applicable test

Washer bottle Testing	A climatic test chamber is required for this test, controls the temperature and humidity, this is used to automate a test for a washer bottle used in vehicle windscreen washing systems.	£807 per applicable test
Coordinate Measurement Machine (CMM)	A CMM is used to accurately measure the dimensions of a product to compare with engineering specifications.	£197 per applicable test
MTS Rig (Electro hydraulic structural test equipment)	This equipment consists of hydraulic actuators that are used to test towbars. It is also used to test the strength of rear, or side, under run devices by initiating a large push force.	£207 per applicable test
Regulation 100	This equipment is used to test the electrical safety of a high voltage vehicle.	£252 per applicable test
Guided Soft Target (GST)	Robotic platform on which is mounted a soft target representing a passenger car to be used as the target vehicle in tests where there is a risk of collision between the vehicle under test and the target vehicle.	£1400 per day for an applicable test
Launch Pad	Small robotic platform on which are mounted soft targets representing; motorcycle, bicycle, adult pedestrian, child pedestrian mannequins as a target where there is a risk of collision between the vehicle under test and the target.	£800 per day for an applicable test