



## **OMBUDSMAN RELEASES REPORT ON VICROADS REGISTRATION PRACTICES**

UNDER STRICT EMBARGO UNTIL 6.00 AM WEDNESDAY 15 June 2005

The Victorian Ombudsman, Mr George Brouwer, today released the findings of his investigation into VicRoads registration practices.

The wide-ranging report found that the computer system at the heart of the VicRoads registration process is outdated and in need of replacement.

Mr Brouwer said inadequacies of the computer system have been compounded by inaccuracies in the recording of vehicle details and procedural loopholes.

“Inaccurate, incomplete and fraudulent registration records result in millions of dollars of lost revenue for the State of Victoria,” Mr Brouwer said.

The investigation identified 47,000 offences involving vehicles found to be unregistered during the 2004 calendar year. Of that number, traffic cameras detected 10,611 offences. In those cases, because the vehicles were unregistered, and the correct vehicle operator was not necessarily recorded on the VicRoads’ vehicles register, infringement notices were often issued to obsolete addresses or otherwise went unpaid.

A further 6,109 vehicles were photographed displaying false number plates in the same period.

Mr Brouwer also noted in his report that VicRoads has been aware since 2000 of at least 66 ‘grey vehicles’ imported for parts, rebuilt and illegally registered using the Vehicle Identification Number (VIN) of an Australian car of the same model already written off.

“At the time of publishing, only 15 of those 66 vehicles identified in 2000 have been investigated and deregistered by VicRoads,” he said.

“Subsequent enquiries by my Office have determined that the total number of illegally registered ‘grey’ imports may be as high as 1800.”

The report also found:

- There was \$554 million in uncollected fines, largely due to difficulties in issuing the infringement notices because of inaccurate or out of date registration information on the VicRoads registration database.

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- VicRoads issues duplicate plates even if number plates are stolen from a vehicle. The practice allows a stolen registration plate to be re-issued to the person who stole the plates.
- significant flaws exist in the management and auditing of VicRoads' Dealer Certification Scheme (DCS). Through delegations from VicRoads, some traders are able to modify, inspect and register vehicles that would not have been registered otherwise.
- an audit of a six-month period found 23 significant breaches of computer access protocols in relation to 'high-risk' vehicles on VicRoads' registration database.

Mr Brouwer said that the investigation was part of his Office's ongoing commitment to improving public administration practices. "This report is the result of six months of investigations by my Office, in consultation with a large number of organisations and individuals," he said.

"The report presents a significant opportunity to put in place systems that will give VicRoads a fresh start. I am encouraged that VicRoads has largely accepted my recommendations."

The recommendations include:

- upgrading or replacing the VicRoads registration computer system.
- exercising discretionary powers to suspend vehicle registration where applicable fees have not been received in full.
- reviewing audit procedures for the Dealer Certification Scheme.
- requiring the return of number plates following the expiration, suspension or cancellation of a vehicle's registration.

A full copy of the report is available from the Ombudsman Victoria website at:

[www.ombudsman.vic.gov.au](http://www.ombudsman.vic.gov.au)

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