



Office of the State Comptroller
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Driving Test Reform

Abstract

Driving Test Reform

Background

In February 2017, the Ministry of Transportation and Road Safety (Ministry of Transportation, MOT), published a tender for a reform in road tests. According to the tender, road tests would be outsourced to two private concessionaires (the Reform). The Reform was intended, inter alia to improve services to the public, ensure the objectivity of the driving tests, create consistency between tests, and enable to document them. The Reform was implemented with an advanced IT system. Following several appeals regarding the results of the tender, in March 2018 the court approved the decision of the MOT's Tenders Committee regarding the two winning companies – Company A and Company B (the Concessionaires). In July 2018, the MOT began implementing the Reform. The reform is based on the Brosh system, which was established especially for the MOT and has an interface with IT components installed in the vehicles used for the road tests. The Concessionaires selected operate 46 road test sites in Israel.

Key facts

7-14 days

Waiting period for a driving test following the Reform, compared to more than two months prior.

38.8%

Percentage of examinees who passed the driving test (the passing rate) in the first six months of 2020. In 2019, the rate was 38.4%, compared to 44.8% prior to the Reform.

8.5%

Percentage of appeals received against the results of the driving test, or led to the scheduling of a retest in the period from April 2019 to August 2020, compared to 1.7% in the period from July 2018 to March 2019.

NIS 20.4

Surplus of the average cost of a driving test paid by the state. The surplus cost reflects the gap between the driving test fees in the amount of NIS 141 examinee pay the MOT, and the average payment per test paid by MOT to the concessionaires in the amount of NIS 161.4.

NIS 226 Million

Amount of fines accumulated by the concessionaires in 2019 due to failure to comply with the conditions of the tender. The amounts were not collected.

29,347

The number of times the concessionaires were late scheduling driving tests in 2019. Delays ranged from 24 hours to more than 72 hours.






Audit actions



From January to July 2020, the State Comptroller examined the implementation of the driving tests Reform at the MOT.

Key findings








-  **Driving tests passing rates** – in the period prior to the Reform, the percentage of examinees who passed the test increased, reaching 44.8%. Following its implementation, the percentage decreased; in 2019 it was 38.4% and in the first six months of 2020 it was 38.8%. There was also a variance in the percentage of examinees passing the test between the two concessionaires.
-  **Rate of justified appeals against the driving test results** – from April 2019 to August 2020, the rate of appeals accepted, or led to the scheduling of a retest, was 8.5% of the total appeals submitted, compared to the rate of 1.7%. In the first nine months of the Reform. From the beginning of the Reform until August 2020, the rate of appeals out of all driving tests (more than one million) was 1.3%.
-  **Average surplus cost per test** – In 2019, the average amount paid by the MOT to the test concessionaires was NIS 161.4, compared to the driving test fee in the amount of NIS 141.0 that MOT charges students. In other words, there is a surplus cost to the state in the amount of NIS 20.4. Taking into consideration that in 2019 617,599 tests were held, this indicates a budget gap of NIS 12.6 million.
-  **Mitigations in the tender's conditions** – due to the difficulties experienced by the concessionaires to comply with the conditions of the tender, the MOT granted several mitigations. Even though some of these were granted by decision of the Tenders' Committee, these mitigations may constitute an incentive for bidders in future for the tenders for the outsourcing of vital services, to submit offers, win the tender, and then request mitigations and changes.
-  **Recruitment of experienced driving testers** – the MOT did not foresee the difficulties recruiting experienced testers, and was thus forced to grant mitigations in the tender, inter alia, relative to the qualifications of testers.



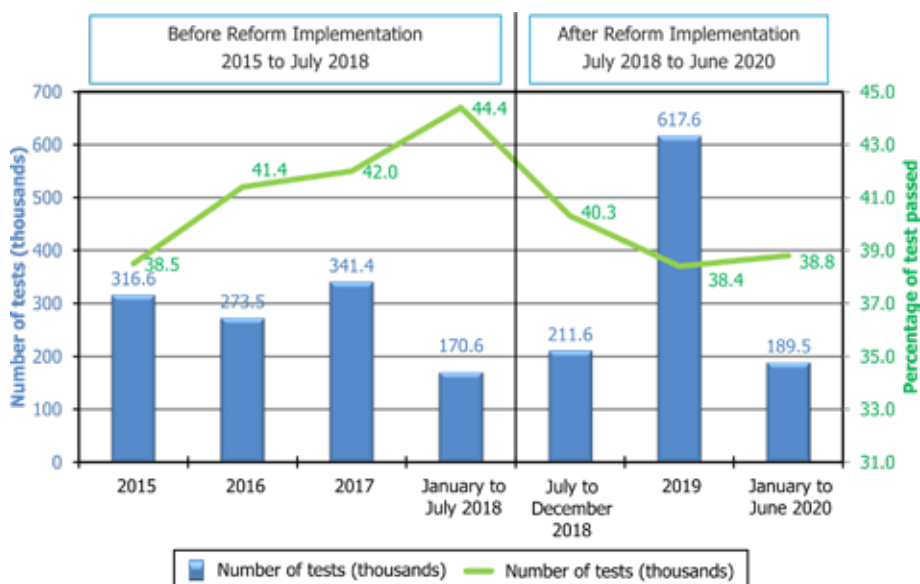
Shortening the waiting time for driving tests – as a result of the Reform, service to the public improved and the waiting time for a driving test was substantially shortened, from 60-90 days to 7-14 days.

The use of Advanced IT system – an advanced IT system was used for the implementation of the Reform, which enabled improvements and consistency of the driving tests irrespective of where they are conducted and the identity of the student. The system also determines randomly the driving tester and the test's route, and enables video documentation take a picture of the test. The video can then be used as evidence by a student in case of an appeal and for the professional supervision of testers.

Key recommendations

-  The MOT should study the pattern of decrease in the percentage of students who passed the driving test since the implementation of the Reform and its reasons. It is also recommended that the MOT evaluates the variance in the percentage of students who passed the tests between the two concessionaires since the implementation of the Reform and the reasons for that variance.
-  The MOT should conduct a satisfaction survey among students and driving instructors to ascertain how the driving test system is working from the perspective of the service recipient. The survey will also help improve the new system and the level of service to the public, especially regarding the new system.
-  The MOT should draw conclusions from this tender so that in the future, before publishing a tender, they can conduct a strategic work. Tender documents should be prepared in a way that they ensure minimum uncertainty and that the data provided is as accurate as possible.
-  The MOT should complete its assessment of the changes and improvements necessary for the Brosh system. The MOT must decide on their full or partial implementation according to priorities and costs, to improve the service and to optimize the supervision and control over the operation of the system.
-  The MOT should examine all current sites used for driver tests to check the loads they create, their proximity to main roads, and how they impact the quality of life of people living nearby. If necessary, the Ministry must work with the concessionaires to find alternative locations.

Number of driving tests and rate of tests passed



MOT data processed by the State Controller.

Summary

The driving tests Reform, which aimed at improving service to the public, contributed to reducing the waiting time for tests and to improving them using a new and advanced IT system that enables consistent tests, transparency, professionalism, and better availability. In addition, video documentation of the test allows better supervision and effective appeals. However, the State Comptroller found several deficiencies in the implementation of the Reform that resulted in additional costs. These include mitigations given by the MOT to the concessionaires in the tender's conditions, and changes to the IT system that were not taken into consideration when it was characterized.

Since the implementation of the Reform, there has been a drop in the percentage of students passing the test and an increase in the percentage of approved appeals. Furthermore, the average payment by the MOT to the concessionaires for each test is higher than the fees charged to students, high fines were accumulated by the concessionaires due to their failure to comply with the conditions of the tender (primarily due to delays in scheduling tests), and supervisors are overloaded, making it necessary to evaluate the effectiveness of their work.



It is recommended that the MOT draw conclusions from the implementation of the Reform, so that in the future, before publishing a tender, the MOT conducts a strategic work to reduce the level of uncertainty and to present more accurate data. It is also recommended to conduct a satisfaction survey among students and instructors to draw conclusions from the Reform and improve its services for the benefit of the public.