

The logo for the Road Safety Authority (RSA) is an orange square with the letters 'RSA' in white, positioned in the top right corner of the cover.

RSA

***National Car Testing Service
(NCTS)***

2019 Annual Review

Final Report

Údarás Um Shábháilteacht Ar Bhóithre
Road Safety Authority

Table of Contents

1. Introduction & 2019 overview	3
2. Operational audit	9
3. Observed test inspections	15
4. Customer satisfaction	17
5. Complaints & appeals	19
6. Performance management	21
7. Financial matters	23

This report was developed by Deloitte for the Road Safety Authority ("RSA") to inform on operations of the National Car Testing Service ("NCTS"). Its contents are strictly confidential. The performance analysis presented herein is based on provided inputs from: Applus Car Testing Services (ACTS); and the Technical Inspection Services Partner (TISP), the Automobile Association (AA).

The Report has been developed using data and assumptions from a variety of sources. Deloitte has not sought to establish the reliability of those sources or verified the information so provided, nor has the Report been audited by Deloitte. Accordingly no representation or warranty of any kind (whether express or implied) is given by Deloitte as to the accuracy of the Report or any output from it. Moreover the Report does not absolve any recipient from conducting its own audit in order to verify ACTS performance. The calculations based in this report are based on instructions received as part of the 2017 Supervisory Services Contractor (SSC) transition process.

Deloitte accepts no duty of care to any person for the development of the Report, its use, nor in respect of any output from it. Accordingly, regardless of the form of action, whether in contract, tort or otherwise, and to the extent permitted by applicable law, Deloitte accepts no liability of any kind and disclaims all responsibility for the consequences of any person acting or refraining to act in reliance on the Report and/or its output or for any decisions made or not made which are based upon such Report and/or its output.

The matters raised in this report are only those which came to our attention during the preparation of this Report, and are not necessarily a comprehensive statement of all matters that exist, or all actions that might be taken. This report is made solely to the RSA. We do not accept or assume responsibility to anyone other than the RSA.

1. Introduction & 2019 overview

Introduction

This report sets out a summary of the National Car Testing Service (NCTS) operations in 2019.

Periodic roadworthiness testing of passenger cars and commercial vehicles is mandatory in all Member States of the European Union, in accordance with Directive 2014/45/EU.

The NCTS was introduced in Ireland in January 2000 as part of an EU Directive that makes car testing compulsory in all member states. It is aimed primarily at improving road safety and enhancing environmental protection by providing an independent assessment of the roadworthiness and emissions level of vehicles at regular intervals throughout their life. Throughout 2019 the NCTS was conducted at 47 purpose built test centres nationwide.

Applus Car Testing Service Ltd (ACTS), a member of the Applus+ Group, operates the NCTS in Ireland, having been appointed following a competitive tendering process in 2008. ACTS operates the NCTS under a Project Agreement with the Road Safety Authority (RSA) by which it has been granted the exclusive right to provide the service for 10 years until the end of 2019. During 2018, this contract was extended for a six month period until 26 June 2020.

The performance of ACTS is monitored in line with agreed and documented performance standards which have been set out in the Project Agreement. The performance of ACTS is monitored on behalf of the RSA by the Supervisory Services Contractor (SSC) Deloitte, and the Technical Inspection Services Partner (TISP) the Automobile Association.

2019 Performance Summary

In 2019 ACTS achieved the required standard for all key performance measures and no performance adjustments were applied in the period. Please see **Section 6** (performance management) of this report for more detail in this regard.

A high-level summary of 2019 NCT performance indicates:

1. 2019 activity levels across the service were higher than those seen in 2018 as can be seen below.

Table 1.1: Test volumes 2016 – 2019

	2016	2017	2018	2019
Full test	1,465,702	1,355,546	1,343,760	1,390,586 ¹
Lane re-test	497,163	448,387	444,628	474,796
Non lane re-test	262,335	239,950	236,135	233,513
Total	2,225,200	2,043,883	2,024,523	2,098,895

2. Pass rates across all categories of NCT tests conducted increased marginally in 2019 as per **table 1.2** below.

Table 1.2: Pass rates 2016 – 2019

	2016	2017	2018	2019
Full test (%)	47.95	49.20	49.25	49.98
Lane re-test (%)	86.20	86.89	87.65	88.77
Non lane re-test (%)	99.45	99.45	99.50	99.60

¹ The NCTS statistics page states that 1,390,589 full tests were conducted in 2019 – this difference has arisen owing to the timings in which the underlying reports were generated.

3. NCT test accuracy for 2019 was 99.25% (see **Section 3**).
4. NCT customer satisfaction in 2019, measured via the Customer Performance Index (CPI) was 94.40% (see **Section 4**).

2019 NCT test volumes overview

A monthly analysis of the throughput, based on full-tests, of vehicles and pass / fail rates for the NCT in the period January 2018 – December 2019 is presented below in **Figure 1.1**.

The axis on the left details the throughput of vehicles, the axis on the right details pass rates.

Figure 1.1: 2018 – 2019 throughput and pass rates

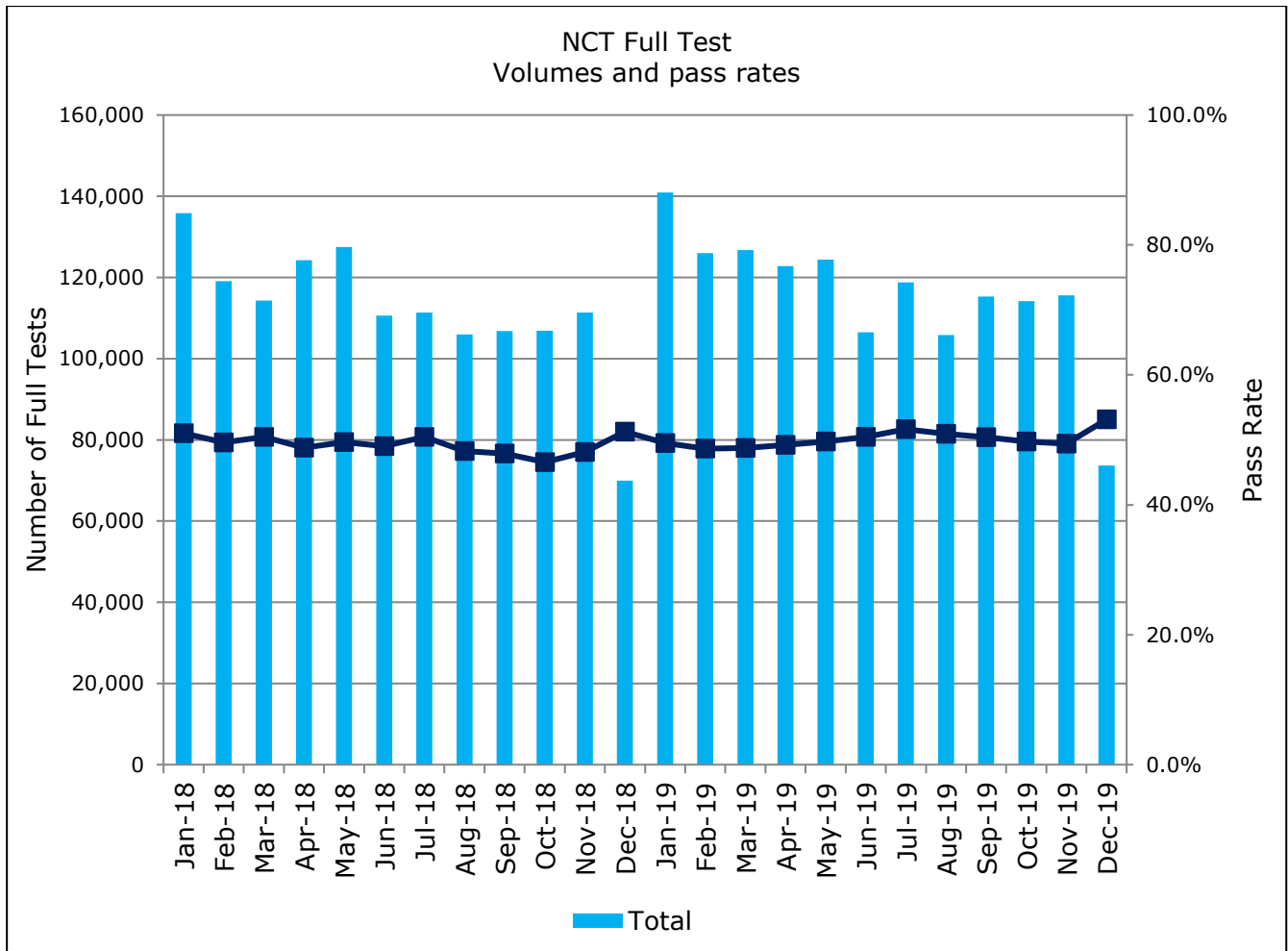


Table 1.3 below sets out a high-level annual summary of NCT activity levels and test outcomes for 2019.

	Pass	Pass advisory	Pass – Pending Recheck ²	Fail / refusal	Visual fail	Fail / dangerous	Visual fail dangerous	Total
Full tests	483,558	190,782	20,645	436,065	167,013	54,590	37,933	1,390,586
	34.77%	13.72%	1.48%	31.36%	12.01%	3.93%	2.73%	100%
Lane re-test	290,748	127,430	3,317	40,266	10,508	1,727	800	474,796
	61.24%	26.84%	0.70%	8.48%	2.21%	0.36%	0.17%	100%
	155,459	76,673	439	-	678	-	264	233,513

² This figure previously referred to non-presentation of ID. Pass pending recheck included instances where no ID was provided and pass pending recheck. As such these figures are not directly comparable with previous years.

Non lane re-test	66.57%	32.83%	0.19%	-	0.29%	-	0.11%	100%
------------------	--------	--------	-------	---	-------	---	-------	------

Table 1.4 below sets out a summary of NCT activity levels, based on full tests, and associated test outcomes on a NCT test centre basis for 2019.

Test centre	Pass		Pass – Pending Recheck*		Fail		Fail dangerous		Total
	No.	%	No.	%	No.	%	No.	%	
Abbeyfeale	8,338	52.73%	255	1.61%	6,188	39.13%	1,032	6.53%	15,813
Arklow	13,476	49.72%	386	1.42%	11,642	42.95%	1,601	5.91%	27,105
Athlone	8,742	47.83%	277	1.52%	8,048	44.03%	1,212	6.63%	18,279
Ballina	8,131	47.34%	200	1.16%	7,603	44.27%	1,241	7.23%	17,175
Ballinasloe	9,543	57.02%	181	1.08%	5,960	35.61%	1,052	6.29%	16,736
Cahir	13,707	48.00%	368	1.29%	12,711	44.51%	1,772	6.20%	28,558
Cahirciveen	1,670	52.20%	31	0.97%	1,253	39.17%	245	7.66%	3,199
Carlow	9,867	36.84%	349	1.30%	14,451	53.95%	2,120	7.91%	26,787
Carndonagh	3,435	47.54%	103	1.43%	3,265	45.19%	422	5.84%	7,225
Carrick-on-Shannon	5,544	42.69%	191	1.47%	6,188	47.65%	1,064	8.19%	12,987
Castlerea	5,364	36.83%	243	1.67%	7,780	53.42%	1,176	8.08%	14,563
Cavan	5,878	39.33%	187	1.25%	7,554	50.54%	1,327	8.88%	14,946
Charleville	8,715	52.29%	258	1.55%	6,502	39.01%	1,192	7.15%	16,667
Clifden	1,815	42.50%	51	1.17%	2,120	48.68%	333	7.65%	4,355
Cork-Blarney	20,328	47.48%	736	1.72%	18,670	43.61%	3,081	7.20%	42,815
Cork-Little Island	33,266	52.25%	911	1.43%	24,979	39.23%	4,513	7.09%	63,669
Deansgrange	55,329	55.74%	1,977	1.99%	37,234	37.51%	4,725	4.76%	99,265
Derrybeg	2,288	41.97%	83	1.52%	2,467	45.25%	614	11.26%	5,452
Donegal	5,240	46.92%	162	1.45%	5,047	45.19%	719	6.44%	11,168
Drogheda	18,603	47.74%	494	1.27%	17,225	44.20%	2,646	6.79%	38,968
Dundalk	10,476	47.65%	274	1.25%	9,857	44.84%	1,378	6.27%	21,985
Ennis	14,261	48.37%	425	1.44%	12,650	42.90%	2,148	7.29%	29,484
Enniscorthy	16,207	44.02%	570	1.55%	17,272	46.91%	2,772	7.53%	36,821
Fonthill	39,906	43.83%	1,281	1.41%	43,087	47.33%	6,764	7.43%	91,038
Galway	27,169	49.33%	728	1.32%	23,584	42.82%	3,594	6.53%	55,075
Greenhills (Exit 11,M50)	31,393	48.94%	955	1.49%	27,810	43.36%	3,985	6.21%	64,143
Kells	16,783	48.44%	526	1.52%	14,958	43.17%	2,383	6.88%	34,650

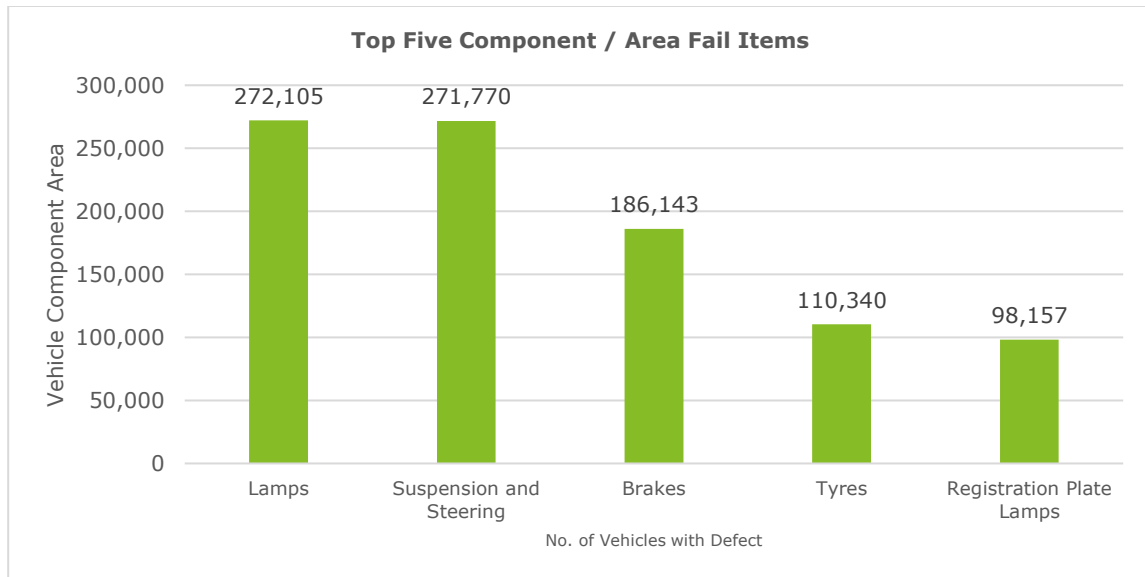
Test centre	Pass		Pass – Pending Recheck*		Fail		Fail dangerous		Total
	No.	%	No.	%	No.	%	No.	%	
Kilkenny	15,924	55.55%	404	1.41%	10,868	37.91%	1,471	5.13%	28,667
Killarney	10,357	53.62%	217	1.12%	7,436	38.50%	1,306	6.76%	19,316
Letterkenny	9,959	47.34%	329	1.56%	9,504	45.18%	1,244	5.91%	21,036
Limerick	23,583	48.25%	791	1.62%	20,848	42.65%	3,657	7.48%	48,879
Longford	6,744	46.84%	184	1.28%	6,503	45.16%	968	6.72%	14,399
Macroom	8,037	49.13%	307	1.88%	6,857	41.91%	1,159	7.08%	16,360
Monaghan	5,790	41.70%	196	1.41%	6,483	46.69%	1,417	10.20%	13,886
Mullingar	10,132	50.34%	236	1.17%	8,442	41.94%	1,317	6.54%	20,127
Naas	21,844	48.56%	654	1.45%	19,741	43.88%	2,746	6.10%	44,985
Nenagh	10,640	47.43%	307	1.37%	9,787	43.63%	1,699	7.57%	22,433
Northpoint 1 (Exit 4, M50)	25,642	43.37%	1,054	1.78%	28,506	48.22%	3,917	6.63%	59,119
Northpoint 2 (Exit 4, M50)	39,655	46.15%	1,459	1.70%	38,981	45.37%	5,826	6.78%	85,921
Portlaoise	14,572	57.92%	270	1.07%	8,843	35.15%	1,476	5.87%	25,161
Skibbereen	6,901	43.21%	271	1.70%	7,621	47.72%	1,177	7.37%	15,970
Sligo	8,758	46.25%	278	1.47%	8,300	43.83%	1,599	8.44%	18,935
Tralee	10,982	50.73%	323	1.49%	9,002	41.58%	1,343	6.20%	21,650
Tullamore	11,180	54.31%	221	1.07%	8,171	39.69%	1,014	4.93%	20,586
Waterford	19,506	51.94%	521	1.39%	15,450	41.14%	2,081	5.54%	37,558
Westport	10,689	51.69%	213	1.03%	8,747	42.30%	1,029	4.98%	20,678
Youghal	7,935	49.62%	208	1.30%	6,883	43.04%	966	6.04%	15,992
Total (Full tests only)	674,340	48.07%	20,645	1.42%	603,078	43.62%	92,523	6.90%	1,390,586

Top Component / Vehicle Failure Items

We set out hereunder (for the three areas listed below) the five most commonly recorded individual fail items recorded in 2019:

1. Component / area;
2. Visual fail items; and
3. Equipment items.

Figure 1.2: Top five – component / area failure items – 2019



Note: 'Tyres' encompasses condition, specification and tread.

Figure 1.3: Top five – visual failure items – 2019

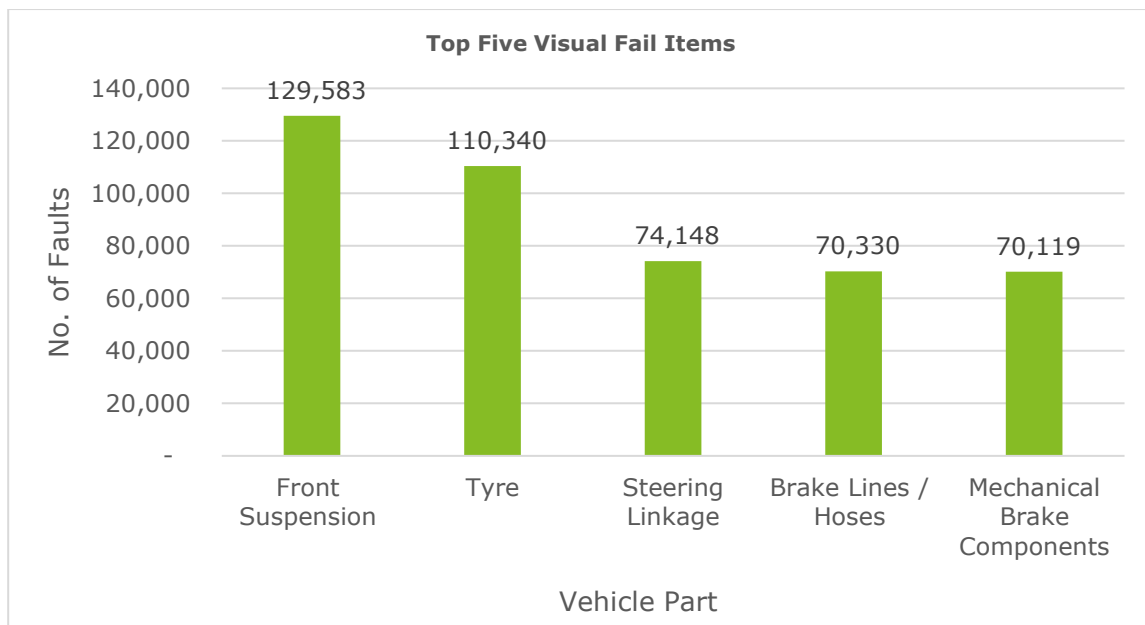
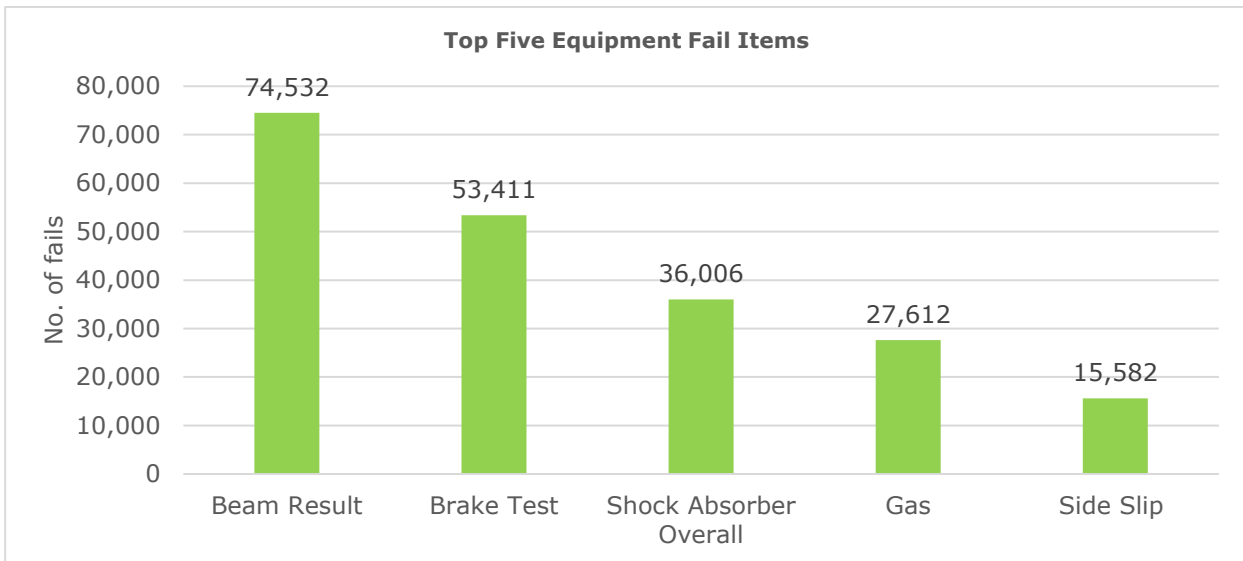


Figure 1.4: Top five - equipment failure items – 2019



The remainder of this report reviews the operation and performance of ACTS during 2019 as follows:

- ❖ **Section 2** – Operational audit – ACTS performance in the area of operational audit.
- ❖ **Section 3** – Observed test inspections – ACTS performance in the area of observed test inspections.
- ❖ **Section 4** – Customer satisfaction – ACTS performance in the area of customer satisfaction.
- ❖ **Section 5** – Complaints & appeals - complaints levels in 2019.
- ❖ **Section 6** – Performance management – ACTS performance against Project Agreement Key Performance Indicators (KPIs).
- ❖ **Section 7** – Financial matters – ACTS financial performance in the period under review.

2. Operational audit

Background & Methodology

The Project Agreement sets out a minimum standard of 90%, which must be achieved by ACTS in the operational audit.

Operational audits are performed on a quarterly basis by the SSC and the TISP. The work programme for the operational audit assesses ACTS performance against a number of pre-determined aspects of NCTS operations across the following areas:

1. Customer Services and Facilities;
2. People Processes and Technology; and
3. Observed and Independent Testing.

Areas of necessary improvement are communicated by the SSC to the RSA, and ACTS.

Responsibility

The operational audit is performed by the SSC and the TISP with a breakdown as set out below:

1. Headquarters component – performed by the SSC and TISP; and
2. Test centre component – performed by the TISP.

Table 2.1 below shows the operational audit scores achieved in the period 2016 – 2019.

The overall performance score for 2019 was 96.67% which is an increase of 2.27% on the 94.4% achieved in 2018. ACTS has achieved the contractual standard in relation to the operational audit for 2019.

Table 2.1: Operational audit scores 2016 – 2019

Category	2016	2017	2018	2019
Total weighted score	97.00%	94.10%	94.40%	96.67%

Section A - Headquarters Review

This section sets out details in relation to the following headquarters operational audit areas:

1. Call centre performance;
2. Waiting times for NCT bookings;
3. Staffing levels & Human Resources; and
4. Information systems & management information processes.

Call Centre

The Project Agreement sets a target of answering 90% of all calls offered within 15 seconds. **Figure 2.1** below sets out the monthly call centre performance for 2019. Overall, the call centre exceeded the service level for the year with 91.64% of calls answered within 15 seconds.

The target service level was not met in October 2019. This was due to a number of factors including:

- A telephony system issue;
- Increases in call volumes and length;
- An increased number of Brexit related queries; and
- An increased number of calls related to EU recognition certs.

Overall call volumes increased marginally in 2019 (see **Figure 2.2** below). This reverses a trend seen in prior years.

Internet bookings also increased in 2019 as can be seen in **Figure 2.3** below. This is in line with the trend seen in prior years.

Figure 2.1: 2019 monthly call centre performance

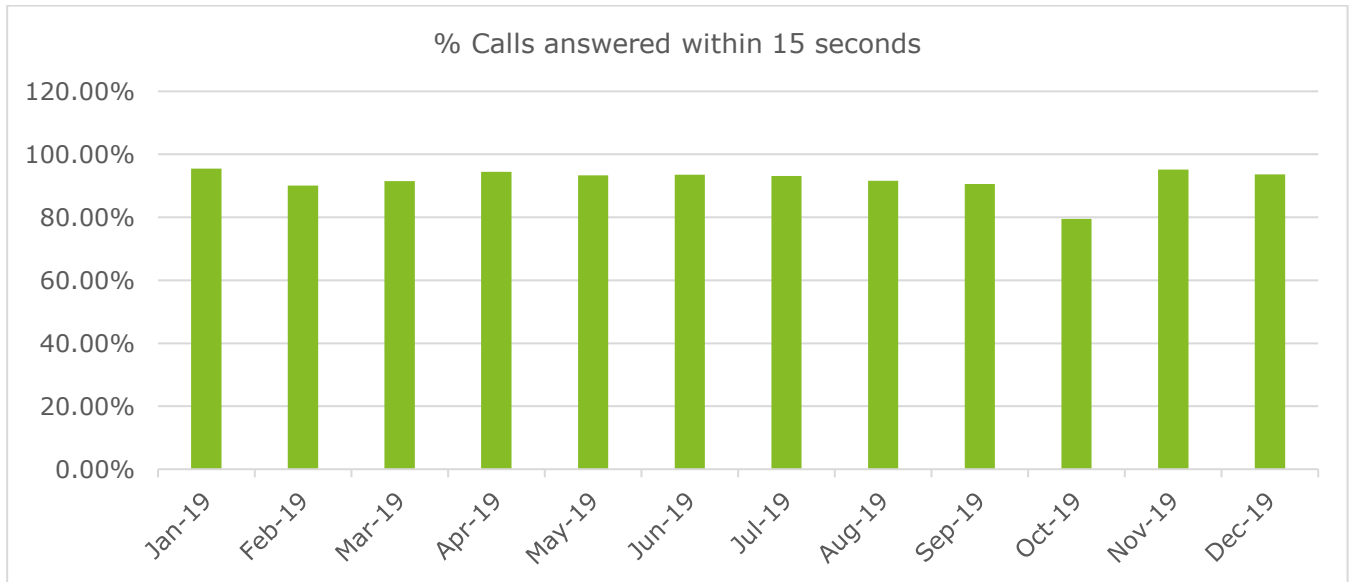


Figure 2.2: 2016 – 2019 call volumes

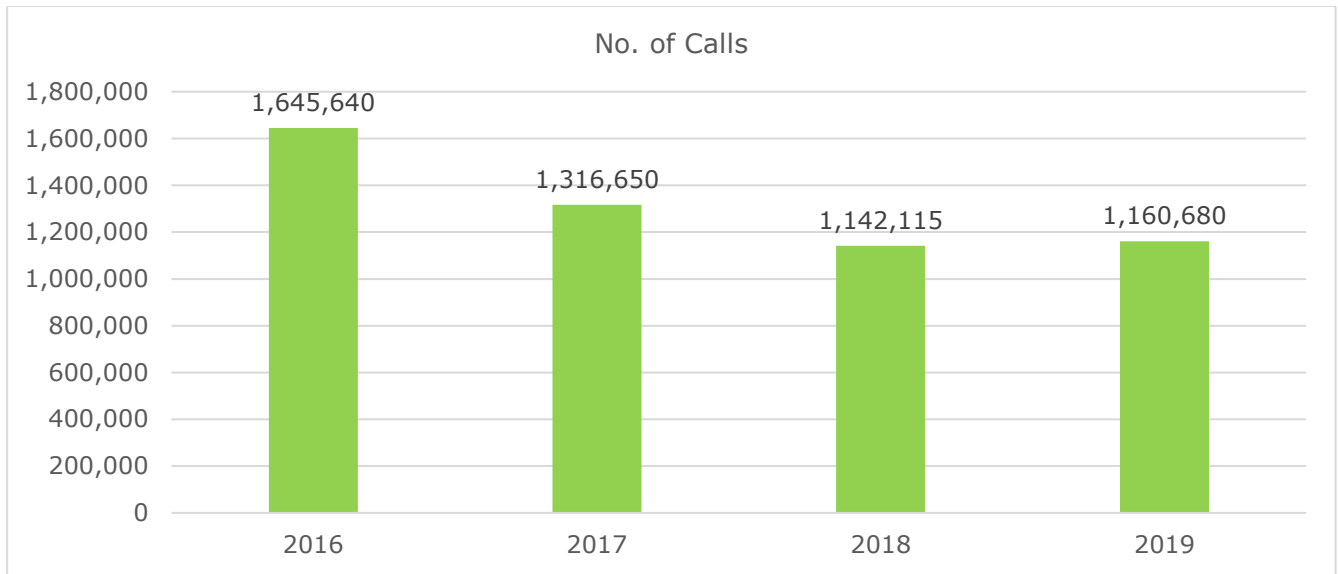
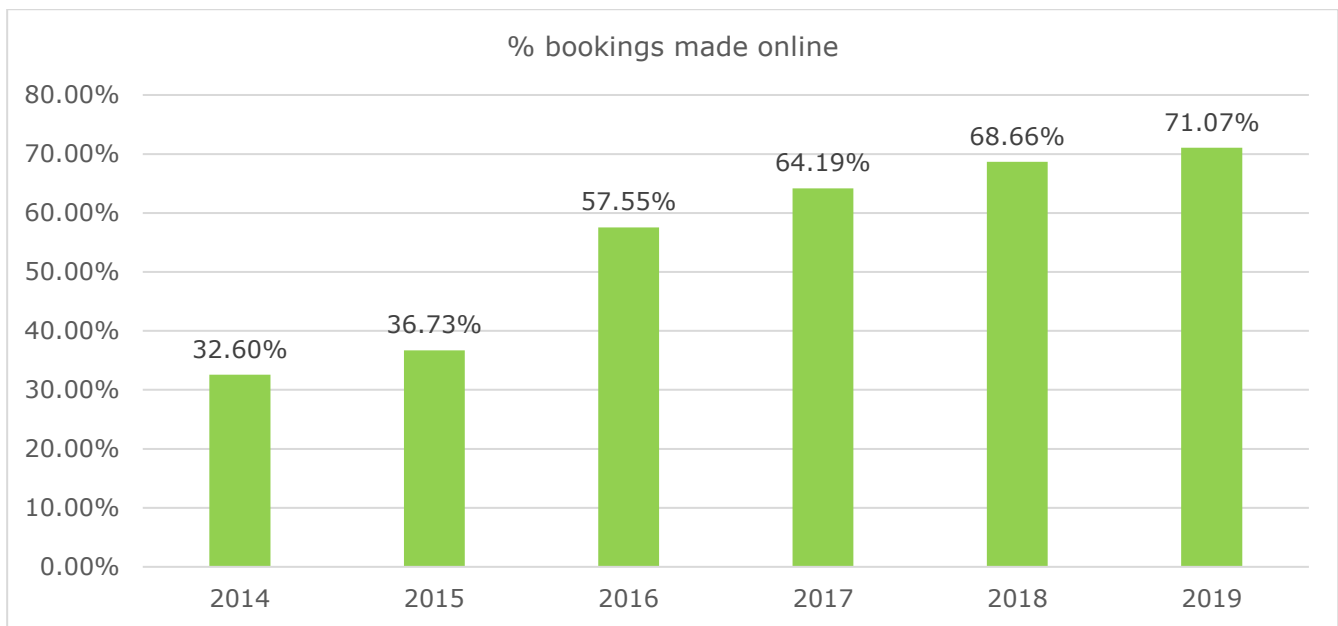


Figure 2.3: 2014 - 2019 internet booking levels



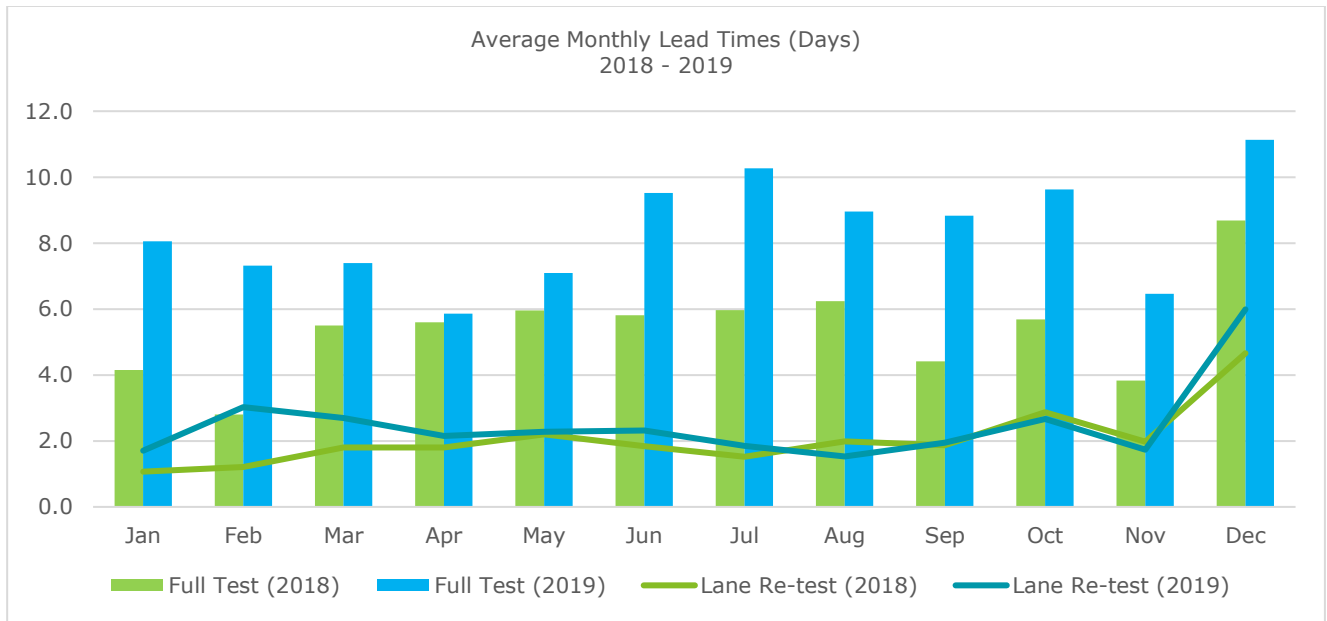
Waiting times for NCT bookings

The Project Agreement sets a target average lead time across the NCT network of 14 days with no individual NCT test centre to exceed 21 days. Lead-times for tests and retests are monitored monthly and quarterly at both a national and test centre basis. The average lead time for 2019 was 8.38 days.

Throughout 2019, the service achieved the required standard with average lead times for full tests generally remaining in the six (6) to eleven (11) day range as can be seen in **Figure 2.4**.

Average lead times increased throughout 2019 by comparison to levels seen in 2018. Furthermore it is noticeable that average lead times peaked in December 2019 as a result of increased voluntary early testing and the Christmas break. This is in line with trends seen in prior years.

Figure 2.4: 2018 – 2019 average lead times



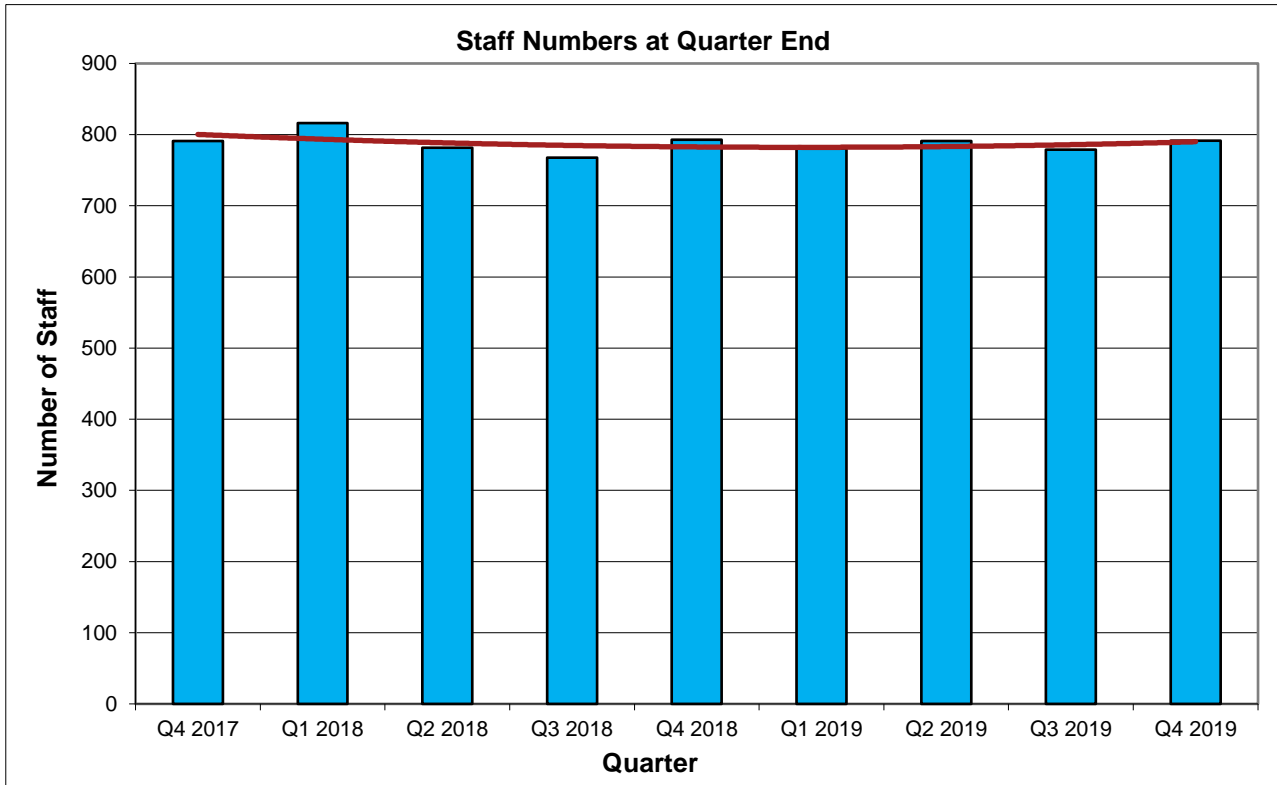
Priority list – In circumstances where an Owner is unable to obtain a suitable National Car Test appointment, customers can add their application for a National Car Test to a priority waiting list.

Average numbers on the NCTS priority list increased throughout 2019 by comparison to levels seen in 2018.

Staffing Levels and Human Resources

Overall staffing levels which include: headquarters; test centre; and call centre personnel, stood at 791.5 Full Time Equivalents (FTEs) in December 2019. ACTS staffing levels throughout the period Q4 2017 – Q4 2019 are shown hereunder in **Figure 2.5**.

Figure 2.5: Q4 2017 – Q4 2019 ACTS staff levels



Annual training of all vehicle inspectors took place in Q3 2019. This annual training addressed the updates to the NCT manual which were introduced to reflect the requirements of EU directive 2014/45/EU. The training programme delivered to vehicle inspectors is independently accredited.

This training covered elements of the test process and test equipment. An assessment of each vehicle inspector was also conducted. Further training was provided throughout the year as new vehicle inspectors were recruited and inducted.

In addition, specific training courses were provided, including occupational first aid training and Health and Safety training, as well as training for call centre staff. New recruit training provided by ACTS is assessed and accredited by the Institute of the Motor Industry.

Information Systems and Management Information Processes

Two of the key systems utilised in the NCTS:

1. Dashboard

The Dashboard system is an integrated application which is used for all elements of car testing including telephone, web and other bookings, test administration and reporting.

2. Vislane

The Vislane application is used to conduct car tests within individual test centres. The Vislane application receives readings from testing equipment used as part of the car testing process. The Vislane application is integrated with the 'dashboard' system.

Section B - Test Centre Review

This section sets out details in relation to the following test centre operational audit areas:

1. Premises;
2. Test equipment & IT; and
3. Observed tests.

Independent inspections take place at each test centre, on an unannounced basis. In total 2,040 such inspections took place in 2019. Overall, the NCT test centres achieved the standard required as measured through the operational audits.

During these inspections, Vehicle inspectors' testing performance was monitored and graded (see **Section 3**). The condition of the premises and the availability and quality of the test centre equipment was checked, as well as the attitude and presentation of staff.

Premises

The service is required to be delivered from premises that are accessible to customers and fit for purpose. This is assessed via a number of methods:

1. By the TISP during on-site inspections of test centres; and
2. Via feedback from NCT customers during mystery shopping and customer satisfaction surveys (see **Section 4**).

TISP inspections revealed that, in general, ACTS maintained the fabric of the premises to the expected standard during the year.

Test Equipment & Information Technology

During the regular inspections of all test centre premises, the availability of the test centre equipment was checked by the TISP. These checks did not involve certification of test centre equipment. The scores for individual test centres against this criterion were gathered and reviewed and a number of minor areas for improvement drawn to the attention of ACTS management.

A key aspect of ensuring the accuracy of testing is to carry out regular consistency checks on all test equipment. Consistency checks were carried out quarterly during the year, with TISP engineers accompanying NCT regional technical staff during Q3 2019.

Observed Tests

A key aspect of the operational audit process is an assessment of the quality of work carried out by vehicle inspectors. During the year the TISP carried out 2,040 visits to NCT test centres, and audited 3,499 vehicles. This is discussed further in **Section 3**.

3. Observed test inspections

Methodology

The methodology for independently observing test inspections is based on a random selection of test centres and vehicle inspectors for unannounced inspection visits. Additional targeted inspections take place at test centres throughout the year.

Vehicle inspectors (VIs) are observed carrying out full tests, with TISP engineers observing their attention to the inspection sequence and their effectiveness in identifying faults. They also assess whether or not any anomalies found would have changed the outcome of the test result.

During 2019 TISP inspections covered:

- 100% of NCTS test centres in the network;
- 100% of test lanes in the network; and
- 97% of VIs.

Further details of the outcome of these inspections is set out hereunder.

During 2019, the TISP team audited 3,499 vehicles. 2,305 independent checks were undertaken during the year. The overall number of independent and observed tests increased in 2019.

Table 3.1 sets out a summary of the number of test centres, test lanes, vehicle inspectors and vehicle tests which were observed in 2019. On average, each vehicle inspector was observed performing 5 – 6 tests throughout the year.

Table 3.1: TISP inspection details 2019

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Individual Centres audited	46	47	47	47	47	47	44	47	47	45	47	47	558
No. of visits in period	141	143	173	185	223	167	208	169	191	172	160	108	2,040
Vehicles audited	393	408	287	339	269	248	237	266	296	299	261	196	3,499
VIs audited	319	328	311	340	288	266	242	238	266	318	293	221	3,430
Lanes audited	96	99	86	88	92	79	71	79	91	97	95	85	1,058
Independent checks	176	172	207	220	244	187	208	185	203	202	180	121	2,305
Independent re-checks	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	1,171	1,197	1,111	1,219	1,163	994	1,010	984	1,094	1,133	1,036	778	12,890

It should be noted that, for the 2019 NCTS annual report details relating to VIs audited sets out the number of VIs audited in 2019.

In 2019 3,430 individual VIs were audited on 3,499 occasions. A breakdown of the test result outcomes is set out in **table 3.2** overleaf:

Table 3.2 Vehicle Inspector Performance Rating for 2019

Category	Score	Q1	Q2	Q3	Q4	Total
Very Good (0 faults omitted)	10	942	1,461	1,353	1,219	5,612
Adequate (<=4 faults omitted)	6	2	21	12	8	54
Unacceptable (any major item or 6 minor items omitted)	0	14	26	30	32	139
C.N.A (Could Not Assess)	-	0	0	0	0	0
Total	-	958	1,508	1,395	1,259	5,805

On the 139 instances where a VI was rated poor or unacceptable, this was brought to the attention of the following parties:

- The VI in question;
- The test centre team / shift leader; and
- ACTS senior management.

Some of the matters which gave rise to an unacceptable rating in 2019 included:

- Tyres - bulge on the tyre, tyres of different size;
- Worn anti-roll bar links;
- Damaged brake lines;
- Seat belt buckle not working;
- Damaged suspension spring; and
- Presence of corrosion.

Independent check tests

2,305 vehicles were fully checked independently by the TISP during the year. These were drawn, at random, from tests completed immediately prior to unannounced visits.

Test accuracy

The Project Agreement sets out a minimum score of 99% for test accuracy which ACTS must achieve throughout the period of the contract. In 2019, 50 pass / fail decisions were overturned as a result of failure items being omitted, or included in error, during observed or independent tests. Of these 50 instances, 45 were associated with a reduced VI score. These 45 instances were included in the test accuracy calculation for 2019 as set out hereunder:

Table 3.3: 2019 Test accuracy calculation

Description	No.
Total vehicles audited	5,984
No. instances where test outcome was impacted and VI scored less than 10	45
Test accuracy (%)	99.25

ACTS test accuracy performance in the period 2013 – 2019 is set out in **table 3.3** hereunder:

Table 3.4: Average test accuracy 2013 – 2019

Year	2013	2014	2015	2016	2017	2018	2019
Test accuracy (%)	99.1	99.1	99.5	99.0	99.1	99.33	99.25

4. Customer satisfaction

The Project Agreement sets out a minimum score of 80% which ACTS must achieve throughout the period of the contract.

In 2019 customer satisfaction levels in relation to the NCTS were captured and measured, via a telephone survey, from 1,024 vehicle owners whose car had been tested throughout the year. Feedback received is collated and, using pre-agreed weightings, used to determine the Customer Performance Index (CPI).

In 2019 ACTS achieved a CPI of 94.40%, this is an increase of 1.88% on the 92.52% achieved in 2018. All but one of the individual aspects of the CPI increased year-on-year as is shown in **Table 4.2**.

However, due to recalibration and redistribution of weightings based on customers' views of the relative importance of aspects of customer service, the total CPI score is not directly comparable with previous years.

In addition, year on year comparisons are not possible across all individual criteria, as individual components were reworded ahead of the 2017 customer satisfaction interviews.

Methodology & approach

The sampling methodology employed in the survey has been designed to ensure that the sample selected is representative of the population of NCT customers and is drawn from across the target population.

NCTS customers were selected, based on:

1. A proportional weighting, applied to the total population of NCT customers from the quarter, based on: the volume of tests carried out at each NCT test centre and the overall national pass rate.
2. A random selection of NCT customers from those selected in No. 1 above.

The 2019 survey was conducted on a quarterly basis with members of the general public who had their vehicle tested in the prior quarter. Feedback was collated by conducting post-test interviews with 1,024 customers during 2019. Interviews were administered using a structured questionnaire dealing with the level of satisfaction with a range of issues that a NCT customer would expect to encounter. All NCT customer data used in the customer satisfaction exercise is processed in line with GDPR requirements.

The survey is divided into six distinct areas, each of which is assigned an agreed weighting, which feeds into the overall CPI. The areas assessed are:

- Booking procedures;
- Waiting times;
- Response to queries;
- Attitude of staff;
- Waiting area; and
- Explanation of test report.

The CPI summarises the overall performance of ACTS into a single score which allows for each year's results to be interpreted at a glance.

2019 Customer Performance Index

The CPI for 2019 was a score of 94.40%. This reflects a very high underlying level of satisfaction with the key aspects of the service that customers deem to be most important.

Table 4.1: Hereunder provides an analysis of the CPI performance achieved in 2019:

Table 4.1: ACTS CPI performance 2019

Factor	Question	Average	Average (%)	Weighting	CPI (%)
Booking procedures	Information provided on booking procedures	94.63	93.20	0.20	18.64
	Registration and vehicle checking procedures at the test centre	92.77			
	Payment procedures at the test centre	92.41			
	How straightforward it was to confirm your test	92.99			
Waiting times	The length of time you had to wait to get a test appointment	93.26	93.92	0.25	23.48
	The length of time you had to wait at the test centre from appointment time to the test itself	94.43			
	The length of time you had to wait if you had a retest	94.07			
Response to queries	The length of time it took ACTS to respond to your queries	92.82	92.82	0.05	4.64
Attitude of ACTS staff	The helpfulness of the staff you spoke to when confirming your test	93.29	94.07	0.18	16.93
	The helpfulness of the staff on reception at the test centre	93.31			
	The attitude of the member of staff who carried out the test	95.14			
	Their ability to carry out the test professionally	94.53			
Waiting area	The cleanliness and comfort of the waiting area and facilities	95.41	95.41	0.03	2.86
Explanation of test report	The test report	95.97	96.01	0.29	27.84
	The testers ability to help you understand the test report	96.04			
2019 Annual Customer Performance Index					94.40

All but one individual aspects which are assessed showed an increase year-on-year as set out in **Table 4.2**.

Table 4.2: CPI breakdown 2018 – 2019

Aspect	2018	2019	Increase / (decrease)
Booking procedures	92.48	93.20	0.72
Waiting area	93.03	93.92	0.89
Response to queries	93.23	92.82	(0.41)
Attitude of ACTS staff	92.56	94.07	1.51
Waiting times	92.59	95.41	2.82
Explanation of test report	92.29	96.01	3.72

5. Complaints & appeals

Customer Complaints

The Project Agreement sets out a maximum threshold of 0.2% in relation to the number of complaints that can be received. In practice this means that the number of complaints received cannot exceed 0.2% of all the vehicle tests performed. Customer complaints are recorded under a number of agreed categories (as set out in the summary **table 5.1** below).

ACTS use a computer system to record initial customer complaints, document their progress and resolution and provide a documented audit trail to retain information regarding promptness and quality of responses to customers.

In 2019, ACTS received 1,085 complaints. This represents a decrease of 12 complaints (1.09%) from the 1,097 complaints received in 2018.

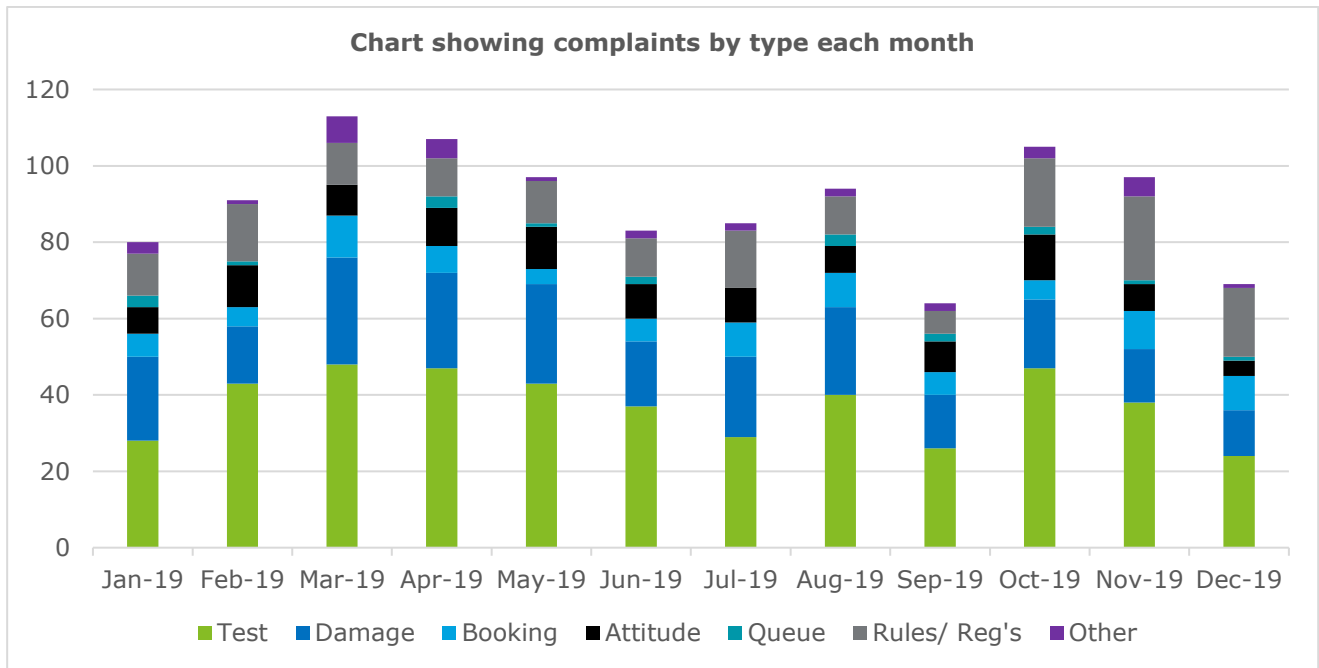
The total number of complaints as a percentage of total tests taken was 0.05%. This is unchanged from the 2018 result (0.05%) and it was also below the target set at 0.20%.

Table 5.1 Year 2019 Customer Complaints (by category)

Complaint category	Total
Test (conduct of test/results)	450
Damage (or loss to property)	235
Bookings (& call centre)	87
Attitude (of staff)	103
Queue (delays at test centre)	19
Rules/Regulations	157
Other	34
Total	1,085
Number of vehicle tests performed	2,098,895
As a % all tests conducted	0.05%

A breakdown of the number and category of complaints received in 2019, by month, is set out below.

Figure 5.1: 2019 complaints by category and quarter



Independent appeals Board

Where required, the Independent Appeals Board, overseen by the TISP, provides an independent review service for the resolution of customer issues, for the small number of cases that require additional investigation.

The Independent Appeals Board received 16 appeals throughout 2019, of which five (5) were upheld after investigation.

Test integrity issues

ACTS operate using an internal Code of Ethics. Each staff member receives refresher training each year on the company's Code of Ethics.

On occasion, matters come to the attention of ACTS, the SSC, the TISP or the RSA, which give rise to investigations into the integrity with which testing is carried out by particular vehicle inspectors or at particular test centres.

Such matters are investigated and, where appropriate, disciplinary action may be taken against any members of staff involved. In certain circumstances, An Garda Síochána are informed. During 2019, one employee was dismissed in relation to breach of code of ethics issues.

6. Performance management

Performance Standards Achieved

Table 6.1 sets out the ACTS level of achievement over the past three years, against the standards of performance required.

Table 6.1 NCT Achievement against Performance Standard 2017 – 2019

Performance Standard	Target	Actual 2017	Actual 2018	Actual 2019
Waiting times (full slots) for bookings – average less than 14 days	<14 days	2.9	5.39	8.38
Waiting times at individual National Car Test Centres – average less than 21 days	<21 days	√	√	√
Test accuracy	99.0%	99.1%	99.33%	99.25%
Customer satisfaction (Customer Performance Index)	80	89.2	92.52	94.40
Operational audit	90.0%	94.10%	94.40%	96.67%
Notifying Owners of the requirement to have their vehicle tested	80% 4-6 weeks before the due date of the test	√	√	√
Notification of results	Transfer of test results to NVDF daily (or issue of test certificates and discs within two minutes of test completion) on 98 per cent of occasions.	√	√	√

√- Denotes satisfactory result by reference to the performance standards.

As shown in the table above:

- The average waiting time for 2019 was 8.38 days, which was within the target of 14 days.
- The test accuracy standard met the target of 99.00% for the year as a whole.
- The Customer Performance Index (CPI) for 2019 was 94.40, above the target of 80.
- Operational audit performance for 2019 was above the target of 90%, at 96.67%.
- The standard requiring at least 80% of owners to be notified in advance was met.

Table 6.2 sets out the performance standards and the performance adjustment criteria, as detailed in the Project Agreement.

Table 6.2 Performance Standards and the Performance Adjustment Criteria

Performance area	Key performance standard	Performance points	Performance bands	Actual adjustment
Waiting times	Average waiting time for test bookings less than 14 days	One point for each day (max. six points per week) greater than the standard	A : 0 points B : 1-4 points C : 5-8 points D : >8 points	No
Waiting times at individual National Car Test Centres	Average waiting time for test bookings less than 21 days	0.33 point for each day (max two points per week) greater than the standard	A : 0 points B : 0-1 points C : 1-2 points D : >2 points	No
Test accuracy	99 per cent of test outcomes to be confirmed on check testing.	One point for each 0.5 per cent below the standard	A : 0 points B : 1-4 points C : 5-8 points D : >8 points	No
Customer satisfaction	Level of customer satisfaction with the National Car Testing service as defined by Composite Customer Satisfaction Index must equal 80% (CPI)	Two points for each three per cent below the standard, taking into account sampling errors	A : 0 points B : 0-4 points C : 4-8 points D : >8 points	No
Operational audit	Average composite index of performance resulting from operational audits of National Car Test Centres must equal 90 per cent.	One point for each one per cent below the standard	A : 0 points B : 1-4 points C : 5-8 points D : >8 points	No
Notifying Owners of the requirement to have their vehicle tested	80% 4-6 weeks before the due date of the test	One point for every 10 percentage points below the standard.	A : 0 points B : 1 point C : 2 points D : >3 points	No
Notification of results	Transfer of test results to NVDF daily (or issue of test certificates and discs within two minutes of test completion) on 98 per cent of occasions.	One point for each one per cent below the standard	A : 0 points B : 1-4 points C : 5-8 points D : >8 points	No

Performance adjustments for the current NCT contract were set up, generally to be applied on a quarterly basis throughout the term of the contract. No performance adjustments, rectification or default notices were applied for 2019.

7. Financial matters

In this section of the report we comment on the overall financial results of ACTS. The purpose and scope of the work of the SSC is not of the nature of a financial audit. We do not provide any assurance or comfort as to the validity of the figures presented in this report and we do not present an opinion as to the true and fair nature of the state of affairs of the company.

We have not been required to assess or validate any of the financial figures made available to us and therefore any errors in the underlying figures will flow through to our report. We accept no responsibility or liability for any such errors. The SSC monitors the financial performance of the company on a monthly basis with reference to the management accounts and discusses the monthly performance and key variances against budget.

Other aspects of the work of the SSC includes assisting in the evaluation of any applications for review of the test and/or retest fee and reviewing the documentation supporting the levy payments made by ACTS to the RSA.

The ACTS profit & loss account for the financial year ending 31 December 2019 is summarised below in **table 7.1**. These amounts have been extracted from audited ACTS financial statements for the year ended 31 December 2019.

Table 7.1: 2019 ACTS Profit & Loss Statement

	2019 €	2018 €	Increase / decrease €	Increase / decrease %
Turnover	80,846,613	79,047,887	1,798,726	2.28
Cost of Sales	(64,232,695)	(64,926,239)	(693,544)	(1.07)
Gross profit	16,613,918	14,121,648	2,492,270	17.65
Administrative expenses	(11,556,913)	(10,326,877)	1,230,036	11.91
Net unrealised foreign exchange gain / loss	(3,818)	70,069	(73,887)	(105.45)
Operating profit	5,053,187	3,864,840	1,188,347	30.75
Finance income	980,336	1,128,687	(148,351)	(13.14)
Finance Costs	(104,003)	-	104,003	-
Profit/(loss) before taxation	5,929,520	4,993,527	935,993	18.74
Taxation	(743,578)	(796,000)	(52,422)	(6.59)
Profit/(loss) after taxation	5,185,942	4,197,527	988,415	23.55
Other comprehensive income	-	-	0	-
Comprehensive income for the financial year	5,185,942	4,197,527	988,415	23.55

The ACTS balance sheet for the financial year ending 31 December 2019 is summarised overleaf in **table 7.2**. These amounts have been extracted from audited ACTS financial statements for the year ended 31 December 2019.

Table 7.2: ACTS Balance sheet as at 31 December 2019

	2019 €	2018 €	Increase / (decrease) €	Increase / (decrease) %
Non-Current assets				
Property, plant and equipment	500,934	2,409,628	(1,908,694)	(79.21)
Intangible assets	31,920	113,179	(81,259)	(71.80)
Right of Use Assets	1,339,376	-	1,339,376	-
Amounts due from group undertakings	-	1,846,000	(1,846,000)	(100.00)
Deferred tax asset	28,263	-	28,263	-
	1,900,493	4,368,807	(2,468,314)	(56.50)
Current Assets				
Trade and other receivables	31,566,142	25,487,864	6,078,278	23.85
Cash and cash equivalents	1,038,390	483,848	554,542	114.61
	32,604,532	25,971,712	6,632,820	25.54
Total Assets	34,505,025	30,340,519	4,164,506	13.73
Equity				
Called up share capital presented as equity	3,010,000	3,010,000	0	0.00
Retained earnings	4,559,757	4,199,447	360,310	8.58
Other reserve	(6,442)	(4,578)	1,864	40.72
Total Equity	7,563,315	7,204,869	358,446	4.98
Non-Current Liabilities				
Provisions	-	325,000	(325,000)	(100.00)
Lease Liabilities	79,479	-	79,479	-
Defined tax liability	-	6,678	(6,678)	(100.00)
	79,479	331,678	(252,199)	(76.04)
Current Liabilities				
Trade and other payables	25,320,760	22,803,972	2,516,788	11.04
Lease Liabilities	1,541,471	-	1,541,471	-
	26,862,231	22,803,972	4,058,259	17.80
Total Liabilities	26,941,710	23,135,650	3,806,060	16.45
Total Equity and Liabilities	34,505,025	30,340,519	4,164,506	13.73

Comments

Turnover for 2019 was €80,846,613– this is an increase of €1,798,726 (2.28%) on the €79,047,887 recorded in 2018.

ACTS recorded an operating profit in the year of €5,053,187 – this is an increase of €1,188,347 (30.75%) on the €3,864,840 recorded in 2018.

Pre-tax profits in the year were €5,929,520 this is an increase of (18.74%) on the €4,993,527 recorded in 2018.



Important notice

At Deloitte, we make an impact that matters for our clients, our people, our profession, and in the wider society by delivering the solutions and insights they need to address their most complex business challenges. As the largest global professional services and consulting network, with over 312,000 professionals in more than 150 countries, we bring world-class capabilities and high-quality services to our clients. In Ireland, Deloitte has over 3,000 people providing audit, tax, consulting, and corporate finance services to public and private clients spanning multiple industries. Our people have the leadership capabilities, experience and insight to collaborate with clients so they can move forward with confidence.

This publication has been written in general terms and we recommend that you obtain professional advice before acting or refraining from action on any of the contents of this publication. Deloitte Ireland LLP accepts no liability for any loss occasioned to any person acting or refraining from action as a result of any material in this publication.

Deloitte Ireland LLP is a limited liability partnership registered in Northern Ireland with registered number NC1499 and its registered office at 19 Bedford Street, Belfast BT2 7EJ, Northern Ireland.

Deloitte Ireland LLP is the Ireland affiliate of Deloitte NSE LLP, a member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"). DTTL and each of its member firms are legally separate and independent entities. DTTL and Deloitte NSE LLP do not provide services to clients. Please see www.deloitte.com/about to learn more about our global network of member firms.

© 2020 Deloitte Ireland LLP. All rights reserved.