

The Written-off Vehicle Scheme (the Scheme) in South Australia is changing. From 1 June 2023, the Scheme will include heavy vehicles and cater for vehicles with cosmetic hail damage.

## The current Scheme

Part 7 of the Motor Vehicle Regulations 2010 (Regulations) provides for a Written-off Vehicles Scheme in South Australia. Under the Scheme, the *Damage Assessment Criteria for the Classification of Light Vehicle Statutory Write-Offs* (*Light Vehicle Technical Guide*) published by Austroads is used for written-off vehicle assessments.

Currently notifiable vehicles are:

- (1) Written-off vehicles less than 15 years of age, including:
  - Motor vehicles (to which the Australian Design Rules apply), with a Gross Vehicle Mass (GVM) not greater than 4.5 tonne.
  - Motor bikes and caravans.
  - "Heavy" trailers with a GVM over 4.5 tonne.

- (2) Interstate written-off vehicles.
- (3) Where a vehicle in one of the above categories is wrecked, or wholly or partly disassembled, any part of the vehicle that bears a vehicle identification plate or vehicle identification number.

Relevant persons must notify the Registrar of Motor Vehicles (Registrar) of written-off vehicles and 'written-off vehicle notices' must be affixed to a written-off vehicle. Failure to comply with these requirements is an offence. Notifiable vehicles are listed on the Written-off Vehicle Register as either a statutory write-off (where vehicles cannot be re-registered), or a repairable write-off (where vehicles cannot be registered until repaired, and passed relevant safety vehicle inspections).

# Why update the Scheme?

#### **Heavy vehicles**

All Australian jurisdictions have agreed to undertake the required legislative changes to capture heavy vehicles under their respective Schemes. The aim is to implement a national recording and assessment scheme for written off heavy vehicles, like that which has existed for light vehicles since 2004. This is to help ensure:

- Theft reduction by helping to ensure the integrity of the vehicle identification system.
- The safety of repairs to heavy vehicles that have sustained sufficient damage to put them into the repairable write-off category.
- The retirement of heavy vehicles that are damaged beyond viable repair i.e. vehicles that meet the criteria to be categorised as a statutory write-off.

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With increased oversight of heavy vehicle repair, road safety outcomes will be improved. Additionally, as all parts used in repairs will need to be linked to "donor" vehicles, the use of stolen parts in relation to heavy vehicle repairs will decrease with an associated increase in the recovery of stolen parts and vehicles.

A joint industry group determined the light vehicle assessment criteria was not appropriate for Heavy Vehicles. Austroads developed and published the *Damage Assessment Criteria for the Classification of Heavy Vehicle Statutory Write-Offs* (<u>Heavy Vehicle Technical Guide</u>) to help implement a nationally consistent Scheme which could accommodate heavy vehicles. New South Wales has already introduced these changes.

#### Vehicles with cosmetic hail damage

Assessors will be able to determine whether a motor vehicle has 'cosmetic hail damage' (which means there is no structural damage to the vehicle or any interior water damage because of hail damage). Although these vehicles will be notifiable, they will not require a written off vehicle label to be affixed and may be driven on roads.

#### **Electric vehicles**

Category 1 electric or hybrid vehicles will be deemed statutory write-offs if there is impact damage to the battery pack or power electronics.

# The updated Scheme

### **Changes in South Australia**

Updates to the Scheme provide for two categories of vehicles:

### **Category 1 vehicles**

Category 1 vehicles include:

The Heavy Vehicle Technical Guide applies

- Prime movers greater than 4.5 tonne GVM.
- Rigid trucks greater than 3.5 tonne GVM.
- Buses greater than 3.5 tonne GVM, built or fitted to carry more than 9 adults.
- Trailers greater than 4.5 tonne GVM.

These types of vehicles align with the groups of vehicles in the Heavy Vehicle Technical Guide. Most heavy vehicles fall within these types.

#### Note:

- No age restriction applies.
- Interstate written-off vehicles are notifiable.
- Where a vehicle in one of the above categories is wrecked, or wholly or partly disassembled any part bearing the vehicle identification plate or number is also captured.

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#### **Category 2 vehicles**

Category 2 vehicles include (with a ceiling of 15 years of age):

## The Light Vehicle Technical Guide applies

 Motor vehicles to which the Australian Design Rules apply (including motor bikes and caravans) with a GVM not exceeding 4.5 tonne that are not a category 1 vehicle or a light trailer.

#### Note:

- Interstate written-off vehicles are notifiable.
- Where a vehicle in one of the above categories is wrecked, or wholly or partly disassembled any part bearing the vehicle identification plate or number is also captured.

An exemption is provided, so that substantially stripped category 1 vehicles returned to the insured as part of an insurance claim, will be considered repairable write-offs. This exemption is set out in the *Heavy Vehicle Technical Guide*.

# **Assessment process under the updated Scheme**

From 1 June 2023, if an insurance assessor or private individual\* is required to assess a vehicle under the Scheme, they will need to consider the following steps:

- Determine if the vehicle is a Category 1 or Category 2 vehicle.
- Assess the damage to the vehicle against the relevant technical guide.
- If the vehicle is assessed as being a written off vehicle, then the vehicle will need to be recorded on the Written-off Vehicle Register by completing the appropriate paperwork and submitting it to Service SA in the same manner as currently occurs for light vehicles.
- Written-off vehicle labels will be required to be placed on written-off vehicles in the same manner (as currently occurs for light vehicles), except for those cosmetically hail damaged vehicles.

### **Types of Notifiers**

There are two main types of assessors who are considered notifiers. They are Insurers and Motor trade.

**Insurers** are employed by insurance companies. These can be independent total loss assessors or insurance company employees who are employed as authorised agents to assess and determine the category of write off.

#### The Motor Trade includes:

- Motor Vehicle Dealers, which is a person who carries on the business of selling motor vehicles.
- Auction Houses.
- Vehicle Wreckers/Dismantlers, which are persons who carry on the business of wrecking motor vehicles or disassembling motor vehicles for salvage.
- Motor Vehicle Repairers.

\*Note: Private individuals that are in possession of a notifiable vehicle must notify the Registrar before selling or disposing of the vehicle. The vehicle will only be recorded as a repairable write-off and will be required to pass road safety and identity inspections before being eligible for re-registration.

## OFFICIAL:

## **Enquiries**

Enquiries concerning the updates to the Scheme can be made in writing to the Department for Infrastructure and Transport, at the Registration Policy email inbox, <a href="mailto:DIT.RegistrationPolicy@sa.gov.au">DIT.RegistrationPolicy@sa.gov.au</a>.