



Date: 19 July 2005

Dear

Freedom of Information

Your e mail of 24 June 2005 sought information under the Freedom of Information Act. You asked for ***“the exact cost of implementing the changes to the vehicle registration document harmonising it across the EU and for the details to include:***

- ***updating the computer system and all set-up costs***
- ***printing the new forms***
- ***postage for issuing the new forms***
- ***information campaign, all forms of media - TV, newspapers, leaflets***
- ***salaries and wages for people employed on the task/a proportional amount where this is done concurrently with other duties.”***

The forecast cost amounts to around £12.9 million. The exact cost is not available as the work is not yet complete. The information is set out below as actual costs to date and forecast costs. To put the information in context, I will also outline some background to the work.

The procedures required to introduce the Harmonised Registration Certificate (HRC) were initiated and have been managed by the introduction of two projects. These are the Harmonised Registration Certificate Project and the Accelerated Harmonised Registration Certificate Project. The latter is still ongoing.

The HRC Project put in place the process for issuing a new registration certificate, the V5C, to every vehicle keeper who notified DVLA that they had acquired a vehicle or had changed their name and/or address. IT system changes were required, with the result that this project incurred the majority of the computer system and set up costs. No postage costs were associated with this project. This is because under the old system a new document would also have been issued following a notification of change, so the issue of a new document was considered business as usual and the costs did not increase.

The planning stages of the Accelerated HRC Project began in 2003. This took the issue of a new V5C a step further by automatically issuing a document once a vehicle had been



relicensed or a Statutory Off Road Notification had been received, if the keeper had not previously received one as a result of notifying a change in personal or vehicle details. This required additional computer system and set up costs; postage costs were also incurred.

The actual costs of both the HRC Project and Accelerated HRC Project, for each financial year up to the end of March 2005, are set out below:

A) HRC Project- actual	2002/2003	2003/2004	2004/2005	Sub Total
	£k	£k	£k	£k
Computer system/set up	40	1,016	152	1,208
Printing of new forms/information booklet		15	19	34
Postage	0	0	0	0
Information campaign (see D below)				
Salaries and Wages	78	383	604	1,065

B) Accelerated HRC Project - actual	2003/2004	2004/2005	Sub Total
	£k	£k	£k
Computer system/set up	130	81	211
Printing of new forms		2,417	2,417
Postage		3,082	3,082
Information campaign (see D below)			
Salaries and wages	49	469	518

C) Combined Totals	2002/2003	2003/2004	2004/2005	Sub Total
	£k	£k	£k	£k
Computer system/set up	40	1,146	233	1,419
Printing		15	2,436	2,451
Postage			3,082	3,082
Salaries and wages	78	432	1,073	1,583

Total	8,535,000
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No Information Campaign costs (publicity/advertising) are included in the above totals. The total cost of raising awareness of the change from V5 to V5C was forecast at £2.7million, up to the end of March 2006. All advertising/publicity costs have been/will be incurred during the Accelerated HRC Project. As this is still ongoing, actual costs are not available. A breakdown of the areas which DVLA has publicised/intends to publicise the message and an estimate of the costs for each one is as follows:

D) Information Campaign - forecast	£k
Adverts in the national and motoring press	1,226,000
On-line advertising on AOL, Channel 4, Wannado and MSN sites	111,000
Leaflets and posters	55,000
Public Relations	56,000
Two week television advertising campaign	1,252,000

Total	£2,700,000
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Accelerated HRC forecast spends from April 2005 up to the end of March 2007 are shown below:

E) Accelerated HRC – forecast	2005/2006	2006/2007	Sub Total
	£k	£k	£k
Computer system/set up costs	10		10
Printing	629	16	645
Postage	550	30	580
Salaries and wages	373	25	398

Total	£1,633,000
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The overall estimated cost of implementing the changes to the V5C therefore amounts to £12,868,000. This figure is reached by adding together the actual spends for the HRC Project (A) and the Accelerated HRC Project (B) (£8,535,000), the forecast spend for the information campaign up to March 2006 (D) (£2,700,000) and the Accelerated HRC forecast spends up to March 2007 (E) (£1,633,000).

If you are unhappy with the decisions made by this Agency in relation to your request, you may ask for an internal review. If you wish to complain, you should write to FOI Champion, External Communications Group, DG, DVLA, Longview Road, Swansea SA6 7JL.

If you are not content with the outcome of the internal review, you have the right to apply directly to the Information Commissioner for a decision. He can be contacted at:

Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire
SK9 5AF.

Please remember to quote the reference number above in any future communication.

Yours sincerely