

2. How the Agency is changing



2.1 Our Strategic Direction

The Agency clearly needs to develop its services to ensure fitness for the future. At the same time, we need to meet the high operational performance and delivery standards expected in relation to our customers and core functions.

The key factor for DVLA is the formal adoption, with Ministerial agreement of a more radical efficiency saving, in line with the fiscal drivers across Government. This Business Plan represents the first year of a four-year plan to make savings of £100m a year against the 2010-11 baseline plan figures.

DVLA will seek out opportunities to work in partnership with industry representatives giving them greater responsibility for managing the relationship between their industry and DVLA. An example of this is the introduction of the use of Accredited Trade Associations (ATA) for the parking industry. Car parking companies must now become a member of an ATA and comply with a strict code of conduct before they are allowed to request vehicle keeper information from DVLA. Any companies found to be acting in breach of the code of conduct can be expelled from the ATA and denied access to information from the DVLA vehicle register.

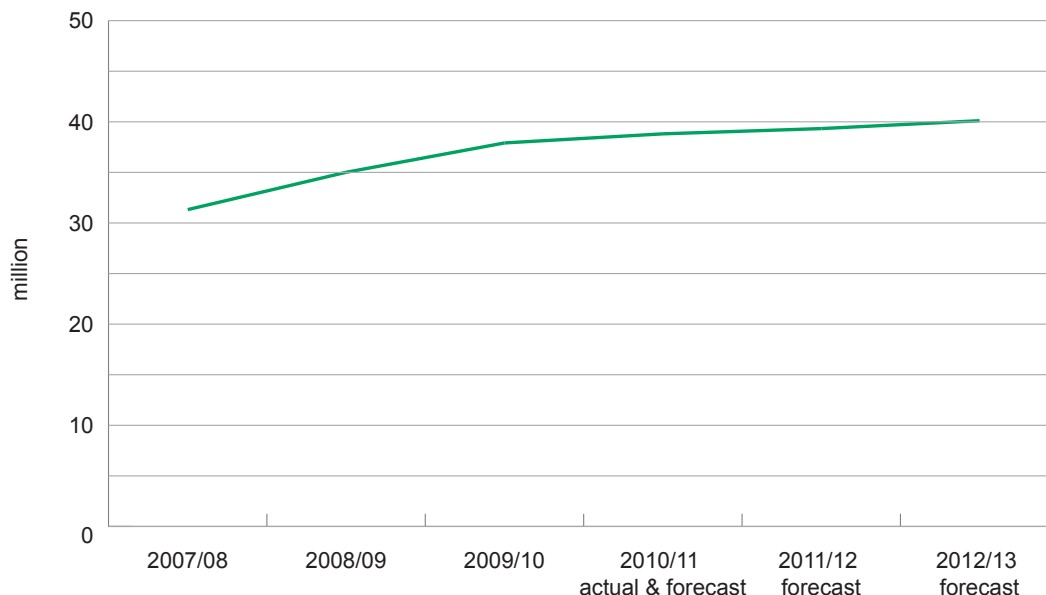
Our key strategic business objective is to reduce running costs and drive process efficiency by using the most

cost effective channels and intermediaries, whilst at the same time driving improvements in accuracy. The emphasis for the Agency is to:

- move from paper to electronic transactions, where this is cost effective and to nudge the public in this direction by making the processes more customer friendly
- move face to face contacts with customers into intermediaries, such as the Post Office®, who can then send their data to DVLA electronically
- streamline our processes, removing duplication of effort for customers and stakeholders
- restructure internally to support new ways of working more effectively, while ensuring that operations and environmental impacts of all these changes are delivered in a sustainable way
- reduce costs and increase efficiency significantly as a result.

In 2011-12 we will increase the range of transactions available online. By 31 March 2012 around a quarter of a million extra customers can choose to and will have, successfully renewed their photocard driving licence online. In future years this will rise to half a million customers. This will be aligned with the new Post Office® channel established in 2010 to allow customers to process their renewals with greater convenience and security for lower overall cost and effort.

Electronic transactions – driver and vehicle





2.2 Reform

Working with other government departments

DVLA will seek out cross-Government opportunities for sharing data where there are customer service benefits and in compliance with the Data Protection Act, including the Identity Assurance programme for increasing the security of electronic transactions and Tell Us Once (TUO) for address change. We are working closely with the Department of Work and Pensions (DWP) and HM Revenue and Customs (HMRC) on both these initiatives.

In June 2011, the Agency will implement a new electronic link with DWP to provide identity checking as we set up new records for drivers. This will improve the customer experience by allowing more drivers to apply for their driving licence electronically, allowing their identity to be proven electronically rather than through the physical production of identity documents. This is linked with cross-checking of photographs held by the Identity and Passport Service, a facility which we first introduced in 2006 and is cited by the Information Commissioner as an example of good practice. More young drivers will be able to apply online for their first driving licence once this new checking facility is enabled and DVLA will be able to set up their record on the register more securely, accurately and at a lower cost. We expect the percentage of successful online first applications to increase by 30%.

Change Portfolio

The Agency has structured the delivery of its Change Portfolio into four programmes, each with an Executive Director with individual and specific responsibility for delivery as Senior Responsible Officer. These programmes will report into the Executive Board and be supported by the Agency Change Office to ensure that all changes to the Agency are planned and co-ordinated so that delivery is efficient and effective.

1. Efficiency Programme
2. Mandatory Programme
3. Infrastructure Programme
4. ICT Contracts Procurement Programme

1. Efficiency Programme

This programme is focused on delivering the £100m savings against the 2010-11 baseline agreed with Ministers to be delivered by the end of 2014-15. In agreeing what will be included in this programme, decisions will need to be taken on what functions and initiatives can be delivered. This programme will commence in 2011-12 and will continue to evolve as opportunities for efficiency savings are identified.

This programme will continue our journey from a paper factory to a secure self-service online organisation. It will also deliver further benefits through continued consolidation of locally undertaken transactions and build on the rationalisation of enforcement activities through delivering further productivity and economies of scale. This change will impact all elements of DVLA's activities in Swansea and the Local Services Network. This will take a pan-UK view of Agency responsibilities and activities which will include those delivered in Northern Ireland to ensure equivalence of service is provided across the UK.

The Efficiency programme will work closely with the Mandatory and Infrastructure programmes. The processes and systems addressed by all three programmes involve the same Driver and Vehicle Registers, which will continue to converge in data and equipment. Therefore co-ordination is essential.

2. Mandatory Programme

This programme will ensure DVLA complies with mandatory and legislative changes required of us as an Executive Agency of DfT. When introducing new legislation and policy change, the Agency will involve stakeholders at an early stage to help understand potential impact and provide the opportunity to influence how the required changes are implemented. This will help ensure that the impact of change is minimised and that there is no 'gold plating' of solutions to meet legislative requirements.

Three examples of such changes are:

- the introduction of the European Third Directive for drivers on driver licensing. By consulting with stakeholders affected by the changes early, the



impacts on drivers (Driving Standards Agency (DSA) and DVLA cost impacts) have been kept to a minimum and we still meet the European Commission's requirements

- the implementation of Continuous Insurance Enforcement legislation enacted in the UK in 2006. From July 2011, working in partnership with the Motor Insurers' Bureau, DVLA will first remind and (if no positive response is forthcoming) issue a fixed penalty notice to the keeper of the uninsured vehicle identified by comparison of the DVLA Vehicle record and the Motor Insurance Database (MID). For more information visit www.askmid.com to check if your vehicle is on the Motor Insurance Database. Offenders who fail to insure will also be liable to prosecution and wheelclamping
- the handling of additional vehicle queries for enforcement on private land when the ability to wheelclamp on private land has been removed.

Following initial discussions with Ministers, DVLA will explore with DfT and others the potential to:

- **Remove the address off the driving licence** – in consultation with the public, law enforcement bodies and industry groups we will seek to amend legislation to allow for the address to be removed off the driving licence. This will remove the need for the old licence to be returned to DVLA when changes are notified, saving costs and helping promote the take up of electronic service channels.
- **Licence drivers with medical conditions** – we will amend our Medical Licensing standards to reflect the changes introduced to European law. This will introduce changes to current licensing standards for epilepsy, diabetes and eyesight. The exact extent of the changes will be decided following public consultation.
- **Abolish the paper counterpart to the driving licence** – implement primary legislation (already in place) that will allow the DVLA register to be recognised as the definitive driving licence record, removing the need for the paper counterpart. Secure electronic enquiry services will be used to access up-to-date information directly from the DVLA record removing the need for the paper counterpart.

- **DVLA Personalised Registrations** – we will review existing Cherished Transfer rules and procedures to introduce process improvements/new service channels to improve customer service.
- **Electronic services** – we will explore opportunities for removing constraints, which impede the take up of electronic services and identify ways of encouraging their use.
- **Change of keeper** – review the process for notifying changes to vehicle keeper details. In consultation with the public, law enforcement bodies and industry groups we will seek out opportunities for improving current arrangements.
- **Partnership** – explore partnership opportunities with trade associations, allowing them to take greater responsibility for the delivery of motoring services to their members.
- **European data sharing** – work with other Government departments to meet the requirements of the various European cross border enforcement treaties by sharing vehicle keeper details to frustrate cross border criminal activity.
- **Insurance industry access to the driving licence register** – work with the Insurance Industry to develop a new enquiry facility of the DVLA record, as announced by the Minister to the Transport Select Committee. This proposed service would allow drivers to give their consent to insurance companies checking their driver record in order to be able to provide an accurate insurance quotation. This will help the insurance industry respond to the serious problem of false declarations and avoid honest customers unwittingly providing incorrect details, which could impact upon the validity of their motor insurance.

3. Infrastructure Programme

This programme will continue to deliver the changes necessary to maintain and develop DVLA's IT infrastructure. It will deliver essential projects that will keep DVLA compliant with government policies, adhere to security protocols, maintain the live estate through refreshing technical systems and modernisation to support the delivery of key performance measures.



This programme will work closely with the final programme in the portfolio, renewing our ICT support. DVLA was the first of the major systems to be outsourced in 1994 and in 2002. IBM replaced the incumbent supplier. There is a great deal of work to do over the remaining four years of the current contract to prepare its infrastructure to gain from the next procurement and be ready for the next steps in the cross-Government ICT strategy and initiatives.

4. ICT Contracts Procurement Programme

The contract for DVLA's ICT service provision must be replaced by September 2015, when the current contract extension with IBM/Fujitsu runs out. During 2011-12 this programme will:

- contribute and align to a cross-Government approach
- undertake preparatory work to specify the form, scope, nature and structure of provision required for the future, working closely with others across DfT on contracts, data centre consolidation and virtualisation of databases
- plan and scope the subsequent DVLA procurement activities needed
- define the infrastructure developments needed to best support the procurement to migration
- deliver the future internal management arrangements needed to manage contract and service delivery (both up to and post 2015).

Processes for delivery of programmes

Whilst we have agreed the core of the above programmes with Ministers, actual delivery will be subject to a number of separate approvals at official level. We will need to address each individual project ([see pages 16 and 17](#)) that we undertake through:

- approving individual business cases through DVLA and where appropriate, DfT official level Investment Appraisal Board approval (exceptionally, also to HM Treasury officials using the Major Project Authority)
- where ICT costs over £1m, seek Cabinet Office official level approval of scope and value
- the Cabinet Office Efficiency Reform Group officials in respect of major projects and procurements

- the Department for Transport approvals process for recruitment of up to 20, specialist contract management (Agency) staff and legal support shaping and letting our major IT supply contract in the future
- public consultation if there is a case for changing processes or services directly affecting the public
- the Information Commissioner approval where the changes impact on data sharing or reduction in duplications of data gathering through joint working or process sharing.

We will plan these changes carefully and engage with a range of stakeholders. This will ensure that the approvals processes necessary before each element of the change portfolio can be delivered. The milestones in DVLA's Change Portfolio for 2011-12 are detailed in [3.1](#). Achieving these milestones within this context will be challenging.



2.3 Our contribution to Sustainable Development

In 2011-12 we will be further embedding sustainable development principles into our decision making processes, policy formulation and programme management. This will be undertaken by detailed impact assessments of our policy and change programme plans. Defining and prioritising our sustainability agenda will ensure we are environmentally, socially and economically responsible in the operation of our business and decision making.

Socially driven

As an employer we are committed to looking after the communities in which we live and work and the staff we employ. We are continually seeking to improve the Agency's commitment and capability in order to meet Corporate Social Responsibility standards ([see 4.7](#)). We will be encouraging our staff to participate in voluntary activities and continuing our efforts to promote staff well-being. Before undertaking any office re-locations we will ensure that a social and environmental impact assessment will be carried out.

As an organisation, we will ensure that when we change our products, this will make compliance easier and will ensure social inclusion for our customers.

Economically sound

Value for money which includes policy and legislation changes is a key driver in ensuring the fee payer is getting the most out of public services.

DVLA's work with other Government departments has a significant role to play in becoming more sustainable ([see 4.6](#)) through reducing process duplication and the time taken by customers to interact with Government.

Environmentally responsible

The Government has set the Agency stretching and significant commitments to improve environmental performance ([see Annex E](#)).

The 4 key areas are:

- to cut carbon
 - from the estate
 - from business related travel
- reduce the amount of waste generated
- reduce water consumption
- sustainable procurement.

Carbon from Energy

As DVLA increases its digital business, it significantly reduces the amount of paper it uses. This in turn reduces the carbon used to transport and process the paper whilst easing compliance for the customer. But it also means that we rely increasingly upon energy hungry IT equipment. The Agency recognises this is a growing issue and has put in clear objectives to make more efficient use of energy to consume and establish the use of cleaner sources.

In order to help us be transparent in how we regulate this, the DVLA has signed up to the Carbon Reduction Commitment efficiency scheme. During 2011-12 the Agency will produce carbon reduction plans which will significantly improve on current performance. For more information visit www.carbontrust.co.uk

In 2011-12 we will:

- reduce carbon emissions by 5% compared to 31 March 2010
- maximise the use of our combined heater and power plants
- rationalise our estate and data centres
- consider investment in viable renewable technologies
- renew our end of life PCs with more energy efficient models
- review all electrical assets to establish whether there are more energy efficient solutions and products.



Carbon from travel

DVLA has carried out significant work over the past two years to reduce the amount and modes of travel undertaken.

During the year we will:

- reduce by 31 March 2012, 5% of carbon emissions from buildings and business use of vehicles compared to 31 March 2010
- reduced the number of hire cars we use. We will also change our pool cars to low emission hybrid vehicles. This should allow us to hit our measures by a further 5% reduction in emissions from road travel
- focus on improvements to the amount of air and rail travel undertaken.

Waste reduction/recycling

The Agency has over 40 different waste streams which we monitor and look at ways to make improvements. In 2011-12 we will introduce a new waste stream, working with the council to collect and compost our food waste.

Water efficiency

Benchmarking shows that in comparison to other government departments, the Agency is water efficient, however, we will not achieve the <4.0m³ per person best practice measure. In order to keep us focussed on continuous improvement we aim to improve our performance to achieve the good practice measure of >6.0m³ per person. We believe this measure to be sufficiently stretching yet realistic for 2011-12.

Our plans to achieve this measure include:

- changing shower heads to be more water efficient
- changing the mains water humidifiers to a jet steam filter system
- composting food waste instead of macerating food and flushing it away
- the impact aerators have on water taps.

Sustainable Procurement

The Government's sustainable procurement five-year commitment is to 'ensure Government buys more sustainable and efficient products and engages with its suppliers to understand and reduce the impacts of its supply chain'.

We have already embedded the Government Buying Standards in departmental and centralised procurement contracts. Over the next year, we seek to improve and publish data on our supply-chains. We will initially focus on carbon but also look at water and waste. We will set baselines for reducing these impacts.

For further information on embedding sustainability in government visit <http://sd.defra.gov.uk/>