

Establishment of a DVLA Trading Fund – Analysis of Responses to Consultation

DVLA issued 82 consultation documents and over 1900 hits (measured as “page depressions”) were recorded against the consultation paper on the Agency’s website. Eight responses have been received; two from governmental organisations and six from representative bodies or companies.

The respondents were as follows:

AA Motoring Trust Agree.

The AA were supportive of DVLA’s proposed move to Trading Fund (TF) status but only on the condition that a “parallel independent regulatory process is created at the same time”. They expressed some concerns that TF status may encourage greater risk taking by the DVLA and suggested that independent financial safeguards be present so that customers are protected from unfair rises in fees and charges. Their letter also voiced their view that “financial freedom for DVLA could also allow it to unfairly exploit its monopoly position as the privileged holder of national vehicle and driver records”.

They were, however, mindful of the need for DVLA to have the financial resources to, in their words, “undertake the badly needed overhaul and improvement of its systems and services”. They recognised this as being a critical time for DVLA when the UK Government and the EU are driving forward ever-increasing changes to vehicle registration and driver licensing processes.

Association of Chief Police Officers in Scotland

ACPOS expressed the view that the manner in which DVLA is funded is unlikely to have an impact on police requirements, provided that the funding mechanism is sufficiently robust to ensure that there is no reduction in the “high standard of service currently provided”.

Experian Limited

Experian produced a detailed nine-page response. They endorsed DVLA’s proposed move to Trading Fund status. The majority of their response covered possible ways in which Experian could work with DVLA as a Trading Fund.

Federation of Small Businesses (FSB)

The FSB was broadly supportive of the proposed move to Trading Fund status. In particular they welcomed:

- the delivery of improved services
- more effective response to customer needs, and
- closer working with other DVO agencies to provide services to individuals and small businesses through a “one stop shop”.

They did however voice concerns that, as a Trading Fund, DVLA could start trading in opposition to small firms. They saw this as a possible way that the DVLA Trading Fund could find extra revenue if it found itself operating in deficit. They were also concerned that the move to Trading Fund would simply be a precursor to DVLA increasing its power and scope to trade – they cited the Local Government Bill giving local authorities the power to trade and charge for services in direct competition with their members.

The FSB were wary of “indiscriminate price hikes for its services” used to cover trading deficits.

Retail Motor Industry Federation (RMIF)

The RMIF welcomed DVLA’s proposals to establish and operate as a Trading Fund on the basis that:

- Trading Fund status should allow DVLA to introduce service improvements more quickly and efficiently, “and hopefully more cost-effectively”.
- DVLA could take a longer-term view over the

The Road Haulage Association Ltd (RHA)

planning of projects and policies.
The RHA fully supports the establishment of the DVLA Trading Fund with the following reservations:

- public accountability should remain as transparent as it is now. “There is considerable feeling amongst commercial vehicle operators that the level of service currently being endured is unacceptable”
- they felt that the payment of dividends by the Trading Fund would be seen as “another source of income to the exchequer at increased costs to the transport industry”.
- that any change in fees and charges, that may coincide with the move to a trading fund, would be coincidental and not a prerequisite to the change.

Scottish Court Service

The Scottish Courts Service had no relevant comments to make as they felt that DVLA’s move to TF status had no impact on them.

Welsh Assembly Government (WAG)

The WAG supported the proposal and welcomed the moves to improved efficiency particularly in the delivery of customer services.