



Vehicle & Operator Services Agency

The background of the page is a photograph of a blue truck cab, viewed from a low angle looking up. The sky is a vibrant blue with some white clouds. The truck's windshield and side mirror are visible.

**Business Plan** 2003/2004



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## Chief Executive's Statement

The coming year will see us building on the foundations we have already put in place to form the Vehicle and Operator Services Agency (VOSA) through the merging of the Traffic Area Network (TAN) and the Vehicle Inspectorate (VI). The main driver behind the merger is a desire to deliver a simplified and more effective service to our customers by combining the expertise and experience of two well established organisations.

The move towards a fully merged organisation will necessarily be by way of incremental change, and will ensure that all issues are resolved to the benefit of our customers. We will initially be focusing on the main issues arising from the merger, such as the need to retain the independence of the Traffic Commissioners. The merger has already seen closer working between all of our staff, and at the beginning of this year we have in place our agency name and Trading Fund status for the entire agency.

We will continue to work closely with our partners in the Driver, Vehicle and Operator (DVO) group. The focus for DVO over the next few years is the delivery of the Strategic Investment Programme (SIP). This is a programme of modernisation with a focus on improving the delivery of services to the customer. Within this programme we are heading a range of projects, including Automatic Number Plate Recognition (ANPR) and the introduction of digital tachographs. This year we will continue to play the active role that we have in the past, contributing to more efficient and effective cross-agency working and the delivery of a more joined-up service to our common customers. This year will see a number of our staff working more closely with staff from other agencies within a DVO context.

As well as contributing to our desire to play a greater role within DVO, our staff will play a key role in the development of the merged organisation. Last year, VI achieved re-accreditation in the Investors in People award. This covers the whole of VOSA this year, and throughout the year we will be developing the skills of our staff throughout the agency. We will also be working towards establishing harmonised terms and conditions for our staff and progressing a programme of diversity awareness.

Both the TAN and VI operating divisions will be undertaking a range of new initiatives. We will begin to offer self-service licensing facilities to operators. This year will also see the introduction of the Vehicle Identity Check, Motorcycle Single Vehicle Approval and the provision of powers for our enforcement operations staff to stop vehicles at the roadside without police support. Within this plan are detailed a range of other projects and initiatives focused on improving the effectiveness and flexibility of our services.

We will continue with our ongoing programme of investment through major long-term projects. These include MOT Computerisation, improving the effectiveness of our mobile targeted enforcement, and our work in conjunction with our DVO and other governmental partners on e-business strategy. We will also begin to realise the improvements in our delivery capability through our partnership with SchlumbergerSema within the Business Solutions Programme.

Throughout the year, all of the activities we engage in will contribute to the development of VOSA as an agency, and the combining of TAN and VI resources will improve our ability to deliver on a substantial agenda for the year. It will be an exciting and challenging year and we believe we will be able to meet the challenges successfully.



*Maurice Hawley*

# **Our Customers, Organisation and V**



# Work



## **Our Customers**

Our activities support the following people and organisations: the Road Haulage and Public Service Vehicle industries; vocational drivers; MOT garages; private vehicle owners and the related trade associations; vehicle manufacturers and importers; the Traffic Commissioners; the Courts; the Police; and the public.

We will continue to develop our understanding of our customers by working with them to identify their needs and to improve communications and delivery of our services.

We are accountable to the Secretary of State for Transport and we will work closely with our partners in the DVO group, other agencies of the Department for Transport (DfT), local authorities, other government departments and overseas partners to deliver our services effectively.

## **Our Organisation**

We employ approximately 2,600 staff. They work in our TAN and VI divisions. The TAN division has sites in Edinburgh, Leeds, Cambridge, Birmingham, Bristol, Eastbourne and London. The Head Office of the VI division is in Bristol with offices in Swansea and Cambridge and 100 test stations and area offices nationwide.

## Our Work

In the coming year, VOSA will undertake a range of administrative, educational, deterrent and sanction activities, all of which support our aim and objectives. These activities include:

### Licensing

- Providing administrative support to the Traffic Commissioners in considering and processing applications for licences to operate heavy goods vehicles and public service vehicles. This ensures that licence holders meet the standards set for entry into the commercial vehicle operator industry and seeks to minimise the environmental and road safety impact around goods vehicle operating centres. We also approve applications from operators wanting to run heavy goods vehicles at increased weights.

### Bus Regulation

- Providing administrative support to the Traffic Commissioners in the registration of bus services. In recognition of the differences in bus registration legislation in Scotland, where this function is devolved to the Scottish Parliament, we shall work closely with the Scottish Executive in ensuring that any relevant changes in law are incorporated into working practices.

### Testing and Inspections

- Statutory annual testing and voluntary testing; specialist inspections, e.g. certification of public service vehicles before they enter service; inspections of imported and

amateur-built vehicles to ensure that they comply with acceptable safety and environmental standards (Single Vehicle Approval (SVA) and Motorcycle Single Vehicle Approval (MSVA)); inspections to check the identity of written-off vehicles that are returned to the road, to ensure these vehicles are legitimate (Vehicle Identity Check (VIC)).

### MOT

- Approving Authorised Examiners (AEs) and Nominated Testers (NTs) to provide MOT testing services; provision of statutory training for AEs and NTs; monitoring standards at MOT garages and tests, providing local seminars and other advisory services and, where appropriate, taking disciplinary action, to improve testing standards and to raise the levels of compliance.

### Enforcement and Compliance

- Supporting the Traffic Commissioners to help them make informed decisions on operator licensing, vocational drivers and bus registration requirements; identifying operators against whom it may be appropriate to take disciplinary action by assembling and evaluating a range of compliance data and presenting it to the Traffic Commissioners; routine and targeted checks of operators' premises and systems designed to check compliance of vehicle fleets; targeted and random checks of vehicle roadworthiness and compliance with other road traffic legislation (e.g. Drivers' Hours) at the roadside and at operators' premises; administering the Vocational Driver Conduct system on cases referred by the DVLA and where vocational



## Accident Investigation and Technical Research

- Technical investigations by our Vehicle Safety Branch (VSB), into potential manufacturing or design defects, highlighting safety concerns and monitoring safety recalls; supporting the Police by examining vehicles involved in accidents to identify contributory defects, including determination of whether a criminal act has been committed; providing information, through our accidents and defects databases, to manufacturers, the Police and DfT, to assist in identifying issues and formulating policy; delivering a programme of research into new developments.

drivers have committed non-endorsable road traffic offences; enforcing compliance with the approved driving instructor (ADI) scheme; monitoring the compliance of bus operators with their registered timetables.

## Training and Education

- Provision of a range of educational and advisory activities at the roadside, at operating premises and on a one-to-one basis, publications and videos designed to promote improved compliance of operators and drivers; delivery of local seminars aimed at improving compliance of vehicle operators and drivers with roadworthiness and traffic regulations; provision of commercial training courses and products which complement our core business activities.

# Our Plans in Context





To maintain and improve the quality of service delivery to our customers, we ensure that our objectives and strategic direction are consistent with those of the DfT, our partners in the Driver, Vehicle and Operator group (DVO), and with the work of the Traffic Commissioners. Development of our new agency, VOSA, through the merger of TAN and VI will be a major driver for 2003/2004.

## **Department for Transport**

DfT is responsible for providing an effective, efficient and accessible transport system. This is encompassed within the aim of DfT:

### **“transport that works for everyone”**

As an executive agency within DfT we play an integral part in supporting this aim. Our activities support DfT’s aim in four areas. These are outlined in more detail overleaf.

- Improve Accessibility
- Reduce Casualties
- Respect the Environment
- Support the Economy

### Improve Accessibility

- We contribute to the departmental target to improve the accessibility, punctuality, reliability and usage of local public transport by registering bus services and monitoring the compliance of bus operators with their registered timetables.

### Reduce Casualties

- We contribute to the departmental target to reduce the number of people seriously injured or killed in road accidents in Great Britain by ensuring that drivers, vehicles and operators comply with roadworthiness standards, licensing and traffic legislation. We also provide support to the Traffic Commissioners in their role as regulators of the commercial vehicle operator industry.

### Respect the Environment

- We contribute to the departmental target to improve air quality through the national air quality strategy by carrying out emissions testing on various classes of vehicle and by supporting the Traffic Commissioners in the role they perform in minimising the environmental impact around goods vehicle operating centres.

### Support the Economy

- We aim to help create conditions where fair competition between operators is promoted by actively dealing with non-compliance.



## Driver, Vehicle and Operator Group

The DVO group comprises ourselves, the Driver Vehicle Licensing Agency (DVLA), the Driving Standards Agency (DSA) and the Vehicle Certification Agency (VCA). Members of the DVO group work together to provide joined-up service delivery to our common customers and to manage strategic change consistently and effectively across the group. The goal of the DVO group, working with others, is to deliver:

**“safe and secure drivers and vehicles”**



The DVO group's objectives for this planning period are to:

- deliver better services to customers
- improve compliance and reduce vehicle-related crime
- demonstrate efficiency and effectiveness.

All of the customer services we will deliver this coming year, and the various initiatives for new or improved services that we will be pursuing, contribute to the achievement of the group's aim and objectives.

## Traffic Commissioners

There are seven Traffic Commissioners (TCs) appointed by the Secretary of State. They act as regulators of the commercial transport industry, enforcing statutory levels of entry and membership of the industry for operators and drivers. TCs are statutorily independent in their licensing functions. When necessary, they hold Public Inquiries to consider applications, the suitability of operating centres and the possibility of disciplinary action against operators and vocational drivers.

TCs are supported by TAN division staff who process and decide licence applications and disciplinary casework under delegated powers. The arrangements in VOSA will ensure the continued independence of TCs.

## Development of the New Agency, VOSA

The Government announced to Parliament its intention to merge the Traffic Area Network (TAN) and the Vehicle Inspectorate (VI) in July 2002. The new agency operates officially from 1 April 2003 under the name of the Vehicle and Operator Services Agency (VOSA).

VOSA's aim and objectives for this year have been formed by combining the aims and objectives of VI and TAN. These organisations operated in similar business environments and, as a result, their aims and objectives were closely matched.

## Aim:

“To contribute to the improvement of road safety and environmental standards and to the reduction of vehicle crime.”



## Objectives

- To work with our stakeholders, including the Traffic Commissioners, to ensure fair competition and to raise the compliance of the road haulage and passenger transport industries with licensing, roadworthiness, road traffic and environmental standards.
- To improve the roadworthiness and environmental standards of private motor vehicles, and to contribute to the reduction of vehicle-related crime.
- To work with DVO group members and other partners to provide customers with a choice of modern, accessible and user-friendly services.
- To run an efficient, effective, continually developing and valued business, equipping our staff to make best use of available technology, skills and knowledge.

As the newly merged organisation develops, our aim and objectives will be revisited.


Customers will not see any immediate major changes in service delivery as a result of the merger because the two organisations will initially work as two operating divisions of VOSA under one executive board. There will be a progressive integration of activities and services over the following months, and customers will be kept fully informed of changes that affect them.

The following four chapters reflect each of our four business objectives. Within each chapter we outline the range of activities which are planned for the year. In some instances we refer to work which is under consideration and dependent on the completion of legislation and/or provision of additional resources.



# Business Objective:





“ To work with our stakeholders, including the Traffic Commissioners, to ensure fair competition and raise the compliance of the road haulage and passenger transport industries with licensing, roadworthiness, road traffic and environmental standards.”

This business objective supports our aim of improving road safety through: the administration of operator licensing; annual statutory vehicle testing; enforcement activity to check vehicle roadworthiness and the compliance of drivers and operators with road traffic legislation. Through the TAN division, we provide the independent Traffic Commissioners with administrative support in regulating the commercial vehicle transport industry, including the registration of bus services, the licensing of vehicles and operators, and Public Inquiries.

### **Improvements to the Licensing and Bus Registration Services**

We will deliver a clear customer strategy with revised performance measures and an improvement in the services we provide, which will reduce the burden on operators and increase accuracy and efficiency by:

- launching an online licensing self-service facility for operators to change their licensed vehicles and to pay fees (see key measure 2 p.36)
- piloting a telephone licence application service
- setting up a national accounts service for operators holding licences in more than one Traffic Area
- piloting scanning facilities for operator documents relating to operator licence and bus registrations to allow online processing within VOSA, to speed up decision-making and to provide an improved service to customers (see key measure 5 p.37)

- providing new payment channels, including the use of credit and debit cards
- piloting online registration of local bus services and links to local councils, Passenger Transport Authorities and Transport Direct (see key measure 4 p.36)
- issuing redesigned operator licence application forms and guides to help customers get the application 'right first time'.

Further improvement in compliance services will be achieved by linking the TAN and VI divisions' databases. The intention is to achieve full partner access so that each division has access to the other's data. Eventually we aim to have one electronic file on each operator, allowing us to avoid the need to duplicate information on both systems and to ensure all data captured is up to date and comprehensive by keeping records that encompass licence history, test history and prohibitions.

## Testing

We conduct annual statutory tests and re-tests of lorries and trailers (HGVs), buses and coaches (PSVs) and a limited number of smaller vehicles (LGVs). In addition, we also certify new buses and coaches, undertake advisory testing, and offer a wide range of specialist inspections including the carriage of dangerous goods, the carriage of foodstuffs on international journeys, and goods sealed for customs purposes.

We expect the overall numbers of vehicles presented for test to grow by

a small amount in line with the trend over previous years. Within an increase of 1% there will be a continuation of the shift towards multi-axle vehicles and trailers, as well as a growth in the demand for tests in Designated Premises (DPs). These are privately owned sites where testing is carried out by VI divisional staff.

To assist vehicle operators in ensuring the roadworthiness of their vehicles throughout the year, we will continue to offer voluntary checks, one-to-one advice and guidance, as well as a number of open days at test stations. Local seminars will also continue as a means of sharing information with local operators.

### Forward Booking Times

Operators in certain parts of the country have not always been able to get a test at a time convenient to them. Measures were put in place during the latter part of last year to deal with the worst backlog, and these will continue in 2003/2004. Key measure 6 (p.37) is focused on improving Forward Booking Times. Further work to address this issue will include:

- flexible working trials
- workforce planning (to set staffing levels against anticipated testing volumes)
- test lane capacity review.

### Bus and Coach Type Approval

In response to an EC Directive, a simplified set of regulations for the interior layout of large passenger



vehicles is likely to be produced. VOSA will play a prominent part in the arrangements for the approval of such vehicles through the examination of individual units.

We will also be looking at introducing arrangements to allow the registration and subsequent annual testing of vehicles built to the interior layout and other Directives, including the publication of operating instructions and manuals, national and local seminars, and a complete training programme for technical staff undertaking Bus and Coach Type Approval.

### Other New Initiatives

There is a range of short and long-term initiatives we will be exploring, including, in the short term:

- streamlining the test process through the introduction of heavy duty shaker plates to remove the need for jacking on every occasion
- Predominance Valve settings test
- test of the ISO7638 connectors which control the anti-lock braking system connection.

And in the long term:

- low emission diesel testing
- a review of the feasibility and implications of extending a risk-based approach to inspection by giving operators who can demonstrate the highest standards, an option of self-assessment, subject to standard setting and inspection by the agency.

## Enforcement

The range of our enforcement activity will continue to include routine and targeted checks of operators' premises and systems, targeted and random checks of vehicle roadworthiness and compliance with other road traffic legislation. We will continue to focus our activities on those operators and drivers who fail to comply.

We will be looking at ways of streamlining existing TAN and VI processes as well as improving the methods we use to collect and analyse data pertaining to operators. We will be using the knowledge bases of both organisations to improve the way we enforce standards and target enforcement activity.

Our enforcement activity is measured in Performance Gain (PG) points. Memoranda of agreement with DfT detail specific activities and minima to be achieved and these are fed into our area and national targets. Throughout the year, we will be reviewing the performance measurement strategy for the entire organisation and this will include a review of Performance Gain (see key measure 1 p.36).

### Education and Advice

Additionally, PG provides increased opportunities for staff to offer education and advice to those who are experiencing problems with understanding and meeting their road safety commitments. In 2003/2004, 13% of our total PG points will be achieved through educational and advisory activities, and we will be developing a measure or package of measures to review the quality of the

educational and advisory work that we provide. We will be extending our programme of educational visits, providing information on licensing conditions to include all newly licensed operators.

### Powers to Stop

This year will see the legal powers to stop vehicles for roadside checks extended from the Police to VOSA in England and Wales. The VOSA personnel involved must have accreditation from the Police to perform this task. A trial will commence in six of our 23 enforcement areas by summer this year (see key measure 9 p.37).

Powers to Stop will make our enforcement activity more effective and efficient, as we will be able to perform more enforcement checks without having to rely on police support. This will also free up police time to focus on their other priorities. We believe that this will make a significant contribution to our long-term effectiveness as we establish how we can more successfully use this new authority to improve our enforcement capability.

We have consulted with the trade throughout our planning for Powers to Stop and we will be conducting a thorough programme of publicity and education to publicise to drivers and operators that VOSA has this new authority.

### Mobile and Remote Detection Equipment

A number of projects are ongoing to look at equipment which will improve our ability to identify and target non-compliant drivers and vehicles at the roadside, including:

- Automatic Number Plate Recognition (ANPR) using digital technology cameras to read and capture vehicle registration plate information (see key measure 7 p.37)
- a continuation of our assessment of the most efficient way to utilise Mobile Roller Brake Testers (MRBTs) to improve the effectiveness and mobility of our enforcement
- Digital Tachograph: an ongoing project to introduce digital tachographs and smart cards
- capture and management of the Testing and Enforcement data project: to improve our customer service and our effectiveness at statutory testing and roadside enforcement activity by improving the quality of data we capture
- improving mobile data access at the roadside: a two-year programme to provide Vehicle Examiners (VEs) and Traffic Examiners (TEs) with roadside applications they can access from any location at any time
- improving targeted enforcement: we will begin a long-term programme to design, build and support new business applications to allow VEs and TEs to more effectively target non-compliant operators, drivers and vehicles.

## Fixed Penalties

Work will continue this year to investigate the use of fixed penalty notices as a means of dealing with UK and foreign drivers for some offences found at roadside checks. A range of options covering the issue of the notices and how and when payment will be reconciled will also be considered as part of this project.

## Roadside Deposits

Development work will be carried out this year into a system enabling roadside deposits to be taken against a court-imposed fine for drivers who commit offences and are unable to prove UK residency.

## Intelligence Gathering

Improved intelligence is a key area of linkage between TAN and VI divisional operations. The merger will lead to more formal data links and an improved strategy for collecting and utilising intelligence.

Within the framework of the Government Agencies Intelligence Network (GAIN), we are bringing together government agencies to establish effective ways of working and sharing information. On Euro Contrôle Route, the group of European enforcement agencies that work together to find common methods of working in the field of enforcement, VOSA will chair the Exchange of Data working group with a particular focus on drivers and operators of UK- registered vehicles committing offences in Europe.

## Accidents and Collisions Investigations

The Vehicle Safety Branch works to gather technical information from vehicle collision crash sites, to investigate the extent to which mechanical factors may have contributed to the crash. In the coming year we will be extending our work in this area with the provision of specialised training and equipment to selected VEs. The training programme will involve analysis of vehicle dynamics, electronic devices, gathering and preservation of evidence, technical report writing and modern vehicle technology. This will enable us to conduct more thorough investigations and will reinforce our commitment to increasing road safety.


## Sanctions

We will continue to issue prohibitions where they are necessary and we will work to improve our targeting and produce better quality prohibitions, where we are more effectively targeting serious offences.

Impounding powers introduced in January 2002 have proved to be effective by raising awareness of and generating an increase in licence applications, as well as taking illegally operated vehicles off the road. This activity is intelligence-led and is a high-profile deterrent which continues to have a positive effect on road safety.

# Business Objective:





“To improve the roadworthiness and environmental standards of private motor vehicles, and to contribute to the reduction of vehicle-related crime.”

Through the supervision of the MOT testing scheme for private motor vehicles, we regulate standards and raise general compliance. This supports our aim by making such vehicles on the road safer and less damaging to the environment. Other services which we deliver under this objective are: LGV enforcement; SVA, ESVA and MSVA inspections; Defects and Recalls activities; and Vehicle Identity Checks which contribute to the reduction of vehicle-related crime.

### **MOT Computerisation**

The introduction of MOT Computerisation has been delayed due to unforeseen problems with the coding of the system and the need to include additional functionality. To ensure that the revised timetable is deliverable, we have taken expert independent advice from the Office of Government Commerce, who have made recommendations which should ensure that we remain on course to roll out to all MOT garages in 2004.

MOT Computerisation will provide a system to ensure more consistent testing standards, with the widespread distribution of vehicle-specific testing information. Computerised test certificates will also reduce the potential for theft and fraud, thereby improving consumer protection. As well as increasing administrative efficiency, the system will provide the basis for a database of vehicle information which can be analysed to increase our knowledge of common vehicle defects.

## Revised Timetable for Delivery of MOT Computerisation

- summer/autumn 2003: testing of the system by VOSA and our supplier Siemens Business Systems
- winter 2003: 50 volunteer MOT garages will take part in a trial using the computerised system for two months
- early 2004: following successful completion of the trial, the system will be installed in a further 950 MOT garages
- spring 2004: the service will go live, beginning with those 1,000 MOT garages that have taken part in the trials. Roll-out to the remaining MOT garages will take approximately six months (see key measure 25 p.39)
- a series of MOT Computerisation seminars in early 2004 will inform MOT garages of what the requirements are for the installation and administration of the computerised MOT system
- late 2004: MOT Computerisation systems roll-out completed.



## Ongoing Work for the MOT Testing Standards Team

Much of the work of our MOT staff and our Vehicle Examiners will be in support of the MOT Computerisation project. However, the day-to-day work of MOT Testing Standards and Policy staff will be ongoing to ensure standards are maintained and new equipment researched. We anticipate demand for MOT certificates to rise by 1–2%.

In addition the MOT Testing Standards team will be looking at:

- completion of a trial of automated test equipment. If trials prove successful this will allow single-person testing
- national 'new technology' seminars on vehicles and testing equipment
- publication of four issues of our trade magazine for MOT testing, *Matters of Testing*, each issue accompanied by a video
- a review of the cost-effectiveness of MOT re-test procedures
- a review of MOT training courses.

## Introduction of the Vehicle Identity Check (VIC)

This new scheme to reduce vehicle crime will be launched in April 2003. The VIC will verify the identity of vehicles that are returned to the road after being written off by insurance companies, and is aimed at deterring criminals from stealing cars and passing them off as repaired accident-damaged ones. Preparation for the scheme required the setting up of a major project and involved joint working with DVLA. It involved a significant programme of recruitment of examiners and administration staff and the provision of new training and equipment, as well as new and refurbished sites around the country.

Throughout the year we will be working to embed the VIC scheme, and we will conduct a review of the effectiveness of the scheme by the end of 2003 (see key measure 8 p.37).

We will also continue our work with the Home Office and DfT on vehicle crime reduction through our membership of various vehicle crime subgroups.

## Motorcycle Single Vehicle Approval (MSVA)

This year will see the introduction of MSVA, a pre-registration safety and environmental check for motorcycles and associated vehicles (these include motor-powered bicycles, quad bikes, trikes and sidecars).

There will be 22 MSVA testing sites around Britain, primarily using SVA personnel. Volumes are difficult to predict, and extra staff may have to be recruited in areas where demand for these tests is particularly high, such as stations near to import sites.

## LGV Enforcement

We will continue with our programme of Light Goods Vehicle (LGV) enforcement work. A fleet compliance check on LGVs (and private motor vehicles) will be carried out in the autumn, to establish the baseline of roadworthiness compliance of these vehicle categories, and to compare with previous years' checks.

## Emissions Checks

Local authorities are increasingly gaining approval from the department to perform these checks and are beginning to do them. We will continue to work closely with local authorities through training and quality assurance and the development of a strategy to ensure that they coordinate their tests with our own to minimise any unnecessary disruption to local motorists.

# Business Objective:





“To work with DVO group members and other partners to provide customers with a choice of modern, accessible and user-friendly services.”

Within this objective we aim to make it easier for our customers to comply with road safety legislation by giving them greater access to the services and information they need. This will contribute directly to government objectives to modernise the Civil Service and to departmental targets to reduce road deaths and serious injury, improve air quality and reduce vehicle crime.

The merging of TAN and VI, and work with other members of the DVO group, will bring improved services and added benefits to customers through the sharing of technology, data and resources. The new name, ‘Vehicle and Operator Services Agency,’ reflects the culture change in the two organisations over previous years and the increased emphasis we now place on activities that support compliant operators and drivers.

## **Modernising and Improving Customer Services**

As the merging of our services progresses, we anticipate that we will be able to identify further improvements for our customers. Better Customer Services (BCS) is a methodology we are developing as a member of DVO to help us improve our customer services. It is important to have a strategy for using any new technology that we introduce to ensure that the improvements in infrastructure actually add value for the customer, enabling a simpler customer experience. BCS will be utilised in support of all future improved service delivery projects within the DVO programme. VOSA is spearheading a number of projects, details of which can be found in the DVO Business Plan.



## Easier Access to Information

An integrated website for VOSA will be accessible, drawing on the best features of TAN and VI's former sites. This will be part of a longer-term internet strategy bringing together our data and services. It is possible that this will eventually plug into a DVO portal, giving customers a single point of entry to all DVO group services. Development of our web services is designed to be consistent with this strategy and approach. The DVO Common Customer Interface (CCI) is a research project to provide a common framework for DVO web services. Processes such as applications and complaints will be streamlined to ensure the customer gets the service they need through fewer interactions between themselves and individual agencies.

In addition to telephone and internet access, customers have always been able to visit Test Stations and Traffic Area Offices in person. In future they will be able to find out about agency-wide services at any VOSA location. In the first instance we will be

piloting public counter services in Wrexham and Llantrisant (see key measure 12 p.37) giving customers face-to-face access to licensing information and advice. VOSA is currently researching the feasibility of providing an 'all-in-one' licensing and testing service at VOSA stations, as part of the DVO group modernisation and strategic investment programme.

During the year we will be working on the development of the Commercial Vehicle Portal. This is a point of entry on the internet to a wide range of information and services provided by the DVO group for commercial vehicle operators and drivers (see key measure 23 p.39).

## Communicating with Our Customers

Using workshops and seminars enables us to find out what our customers want and expect, and to improve our services accordingly. Such information also supports our other research and provides the evidence needed for robust policy making.

Working with other DVO group members we are developing a range of cross-agency activities that will measure both customer satisfaction and requirements for the future. The feedback will be used to develop the new agency and to align it with the wider DVO.

These activities include:

- creation of a Customer Satisfaction Index as a measure that can be used to report on annually (see key measure 11 p.37)
- taking part in a DVO programme of regional operator workshops designed to seek customer feedback on a number of cross-agency issues including the provision of more joined-up services
- carrying out surveys across a number of customer groups including operators, drivers, fitters, MOT garages, Traffic Commissioners and trade associations
- reviewing national service standards for the new agency which can be measured year on year.

We are seeking funding to produce *Moving On*, a free newsletter sent to all licensed operators, which provides information and advice on VOSA services and those of other DVO group members.

## Partner Links with DVLA

During the year we will continue to explore the re-establishment of direct VOSA access to the DVLA vehicle database and to establish a link with DVLA to provide details of persistent Vehicle Excise Duty (VED) offenders and ‘bounced cheques’.

## Partner Links with the Scottish Executive


Following lengthy consultation with the Scottish Executive and the Confederation of Passenger Transport in Scotland, this year will see the establishment of a Bus Users’ Complaints Tribunal within the Traffic Area Office in Scotland. The aim of the Tribunal is to provide a voice for bus users for improved bus services in Scotland. VOSA staff will administer the service on behalf of the Tribunal. The agency will also continue the expanding initiative set up in Scotland in 1998 by administering the Parking Appeals Service on behalf of local authorities in the area who have decriminalised parking offences.

## CITA

We will continue our work as a representative on several CITA (Comité International de l’Inspection Technique Automobile) subgroups. In the coming year we will be joining our partners in efforts to establish a European standard for electronic braking, agree tighter emissions standards, develop testing strategies for on-board electronic diagnostic and management systems, and find ways of harmonising our approaches to quality management in the field of annual testing.

**Business Objective:**





“To run an efficient, effective, continually developing and valued business, equipping our staff to make the best use of available technology, skills and knowledge.”

This objective ensures that we maintain a balance across our activities. Investment in major projects, our staff, equipment and estate, and sound financial management are essential both to the efficient running of our organisation and to the continued delivery of our other business objectives. This objective is also focused on the development of the staff, equipment and processes of VOSA in the light of the merger.

## Human Resources

### Human Resources Strategy for the Merged Organisation

This year will see the scoping of a VOSA HR strategy to reflect the characteristics and priorities of the merged organisation.

This strategy will include:

- working towards harmonised terms and conditions, including harmonised pay conditions for all staff and the implementation of a new Staff Handbook
- a review of progress against the Diversity Action Plan, the appointment of a full-time Diversity Officer and the setting of new milestones and targets for the new organisation (see key measure 19 p.38)
- widening the use of competency-based assessment for recruitment
- establishing baseline data for the number of women and ethnic minorities appointed on promotion to band 3 and setting an annual improvement target by the end of the year (see key measure 18 p.38)

- completing the delivery of sickness absence coaching for all VOSA line managers, followed by a sickness absence management survey, establishing baseline sickness absence data for VOSA, and setting improvement targets for the TAN and VI divisions (see key measure 20 p.38)
- running Educational Health Seminars for staff
- the provision of post-trauma counselling and training for our staff involved in road collision investigation work
- continuous involvement in the DVO HR workstreams: Diversity; Training and Development; Competency; Workforce Planning and Recruitment.

### Staffing Projections

Recruitment activity will continue to meet ongoing demands of the business to bring complements in operational areas to the required levels and to fill posts created by new initiatives and ongoing projects. These include Powers to Stop and Accidents Investigations (14 backfilled) in addition to final recruitment for the VIC scheme (14 staff). Ongoing projects include MOT Computerisation and the Business Solutions Programme (57 staff), where existing staff will need to be recruited to the projects and their posts backfilled.

### Investing in People

Last year, VI was re-accredited against the Investors in People (IiP) National Standard. VOSA will retain this recognition for the next three

years. In the coming year we will be reviewing our Continuous Improvement Action Plan in the light of the merger and seeking to put in place an official IiP standard for recruitment. In the longer term we will be looking to apply further the IiP standards for both management development and work/life balance.

## Training and Development

### Training Needs Analysis (TNA)

A full TNA of the TAN division will be carried out. Along with the results of the TNA performed for all VI staff last year, this will be used to construct a training blue-print for the entire organisation which will improve the effectiveness of our training delivery. The TNA will focus on three main areas: leadership skills, diversity and vocational skills training. The TNA will also incorporate a small number of VI division staff specifically to test the effectiveness of the VOSA Diversity Training Programme.

Other training initiatives to be introduced this year include:

- the customisation and delivery of Customer Awareness Training to TAN divisional staff
- a review of existing courses to serve the needs of the merged organisation
- development of e-learning initiatives (linked to a modernisation of our Learning Resource Centre).

## Business Solutions Programme

As planned last year, a new contract for the provision of IS services was completed in July. SchlumbergerSema (SLBS) was appointed and has created an innovative strategic partnership with a long-term programme of activity entitled Business Solutions Programme (BSP), designed to deliver VOSA's business outcomes. Transfer to the new provider took place in January 2003 with minimal disruption. The programme will continue to be rolled out to planned milestones.

The programme of activity is flexible. The contract has been developed to allow new initiatives and changes in strategic direction to be rapidly incorporated, with the terms and conditions of the contract adjusted accordingly. The merger of TAN and VI will require initiatives to be integrated into one programme. Many projects within the programme contain an element of measurable skills transfer from SLBS to VOSA staff. A list of criteria has been drawn up to measure skills transference.

This year BSP will deliver information systems that provide more accessible, accurate and integrated intelligence for targeting and decision-making. Specific activities are referenced in key measure 24 (p.39).

The risks associated with the delivery of this programme are shared, with SLBS shouldering a significant portion of the risk in delivering new projects. The payments that SLBS are to receive are linked to VOSA's business objectives being met.

## Knowledge Management

We will be embarking on a long-term project to improve the way we exchange knowledge and information internally and externally. This project will entail the formulation of:

- a VOSA Knowledge Management strategy
- personalised knowledge portals for each individual user (incorporating intranet and internet portals)
- the purchase and implementation of an agency-wide Electronic Document and Records Management system to meet Modernising Government targets and provide the platform for further information-sharing developments.

## Video Conferencing

Travelling long distances can be a significant inconvenience for many staff. We will be looking into how we can use video conferencing as a communications medium to improve the quality of life for our staff and to deploy energy and resources in a more efficient manner.

## Estates and Facilities

The merger of TAN and VI will not greatly affect the provision of our estate and facilities. Traffic Area Offices will not move outside of their existing geographical locations.

Work will include:

- the completion of a radical refurbishment project at the Kidderminster testing station. Following careful analysis of the project as a whole, the design and working practices will be used as a template for refurbishment of a significant number of stations in core locations
- completion of the development of buildings required for implementing the Vehicle Identity Check scheme
- the development of a new multi-agency site at Bredbury.

Our programme is likely to include:

- reaching preferred bidder stage in our contract for the supply and maintenance of Roller Brake Testers to all VOSA test stations (see key measure 26 p.39)
- completion of our programme to replace the final 25% of the Test Station network's Roller Brake Tester cabins
- we will conduct a scoping study to find replacement protective equipment that meets the required standards of our organisation.

## Health and Safety

This year we will continue to invest in equipment and work systems, to improve employee and customer safety, including:

- supplying personal gas monitors to staff at our test stations who test gas-fuelled vehicles and those carrying flammable or toxic gases, in line with Health and Safety Executive guidance and best practice in industry
- new procedures and equipment for the prompt removal of broken-down vehicles from our test lanes, improving both safety and customer service
- re-measurement of noise levels during vehicle inspections in advance of forthcoming reductions in occupational noise exposure levels
- improving the safety and security of our operational staff and our staff and Traffic Commissioners at Public Inquiry venues.

## Financial Performance

### Single Agency Trading Fund

Following the announcement by the Government in July 2002 to merge TAN and VI, one of the first tasks undertaken was to establish a single agency Trading Fund. VI was established as a Trading Fund in 1991. TAN has been operating as a division within the centre of the department, but its potential for executive agency status has long been recognised. As a single agency Trading Fund, we will have the objective to break even year on year. Specifically, the costs incurred in undertaking all aspects of work involved with a particular scheme should be covered by the scheme's fee or payment. For example, the full cost incurred in the testing of HGVs should be matched by the total amount of income received from the fees charged for carrying out those tests.

Work to create the single agency Trading Fund has been ongoing, including consultation with interested parties in accordance with the provisions of the Government Trading Funds Act 1973. The VOSA Trading Fund order was laid in March 2003 and subsequently granted, enabling the VOSA Trading Fund to come into existence on 1 April 2003. The pie charts in this section show the consolidated financial position for 2003/2004.

### Return on Capital

Another Treasury target the Trading Fund must meet is 'Return on Capital'. This measures the return on average assets consumed. Performance is monitored throughout the year through assessment of a forecast figure, and the final outturn forms part of our audited accounts. VOSA's financial target is outlined in key measure 14 (p.38). The indicative in-year target is +3.5%.

### Forecast Income

Our income is derived primarily from operator licensing fees, vehicle fees, statutory testing fees and sales of MOT certificates. Consultation is taking place on increasing statutory testing fees and MOT pad fees.

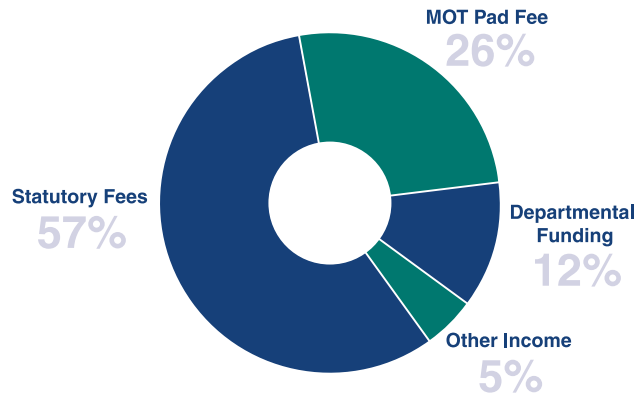
### Expenditure Plans

Expenditure plans cover staff, accommodation and other running costs and payments. These include: MOT Computerisation project costs; BSP and other IT project costs; Traffic Commissioner (TC) salaries and Deputy TC fees; research and development investment; and interest payments on our loans and dividend payments to Her Majesty's Treasury (HMT).

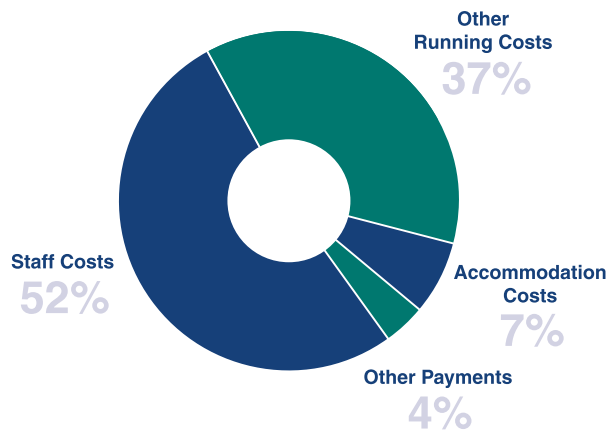
### Capital Investment

This year's planned investment includes continued investment in the estate and a continued programme of replacing equipment for use at test stations and at the roadside, as well as further enhancements to the TAN IT systems.

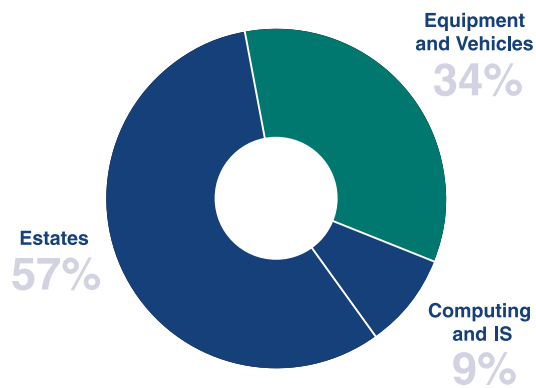
### Forecast Income £135.7m



### Expenditure Plans £135.1m



### Capital Expenditure £9.0m



## Measuring Efficiency

There are a number of strands to our efficiency strategy. Within our operational areas there are two specific measures currently set to deliver 2% (see key measures 16 and 17 on p.38). In addition to these, benefits and efficiencies are also detailed in the business cases of our major programmes and supporting projects. The major programmes currently being undertaken are: MOT Computerisation, TAN 21, the TAN/VI merger and the Business Solutions Programme. As the merger evolves in the current year, we will look to develop a measure of efficiency for the business as a whole (see key measure 15 p.38).

## Risk Management

We are required by HMT to provide a statement on internal control procedures in the Annual Report and Accounts. Risk management is a significant element of our internal control system and the statement and underlying procedures that we have in place must satisfy the National Audit Office.

We will continue to develop our corporate risk register in 2003/2004. This contains the top risks pertaining to VOSA, having been reviewed to incorporate both TAN and VI risks relevant to the newly merged organisation. We will be identifying risks inherent to the merger process itself in due course.

Registers will be maintained by each group and used to monitor risks. A full reporting process will be put in place. This is reflected in key measure 21 (p.38).

We will be issuing a series of guidelines to help staff to identify, monitor and communicate risks. A series of seminars will be launched aimed at making staff aware of how they can identify risks that they become aware of.

## Evaluating our Performance

### Key Targets for 2003/2004

We have six key targets that are agreed annually with the Secretary of State through DfT. These are broad and strategic and are supported by 27 key measures that we can use to evaluate business performance.

For 2003/2004, as a newly merged agency, these reflect both a mix of new agency-wide targets and separate TAN and VI division activities.

Our first key measure is to review performance measurement strategy for the new agency to deliver revised targets, measures and a balanced scorecard for VOSA from April 2004.

Our targets and supporting key measures are supported by a range of performance indicators and service standards, which look in more detail at aspects of customer service and delivery. They are published in separate leaflets and in memoranda of agreement. In addition, we are tasked by the department to meet PSA targets, which are published in conjunction with the spending review. Together, these give a more rounded picture of the health of the business than the key targets alone.

## Key Targets and Measures 2003/2004

### Key Target 1: Effectiveness

To deliver against an effectiveness and quality improvement programme.

- VOSA**
1. To put a project in place to review performance measurement strategy, including Performance Gain for the new agency starting in September 2003, to deliver a revised balanced scorecard for 1 April 2004.
- TAN**
2. To roll out the goods vehicle operator web-enabled self-service package and develop usage so that self-service applications increase to the point where 20% of GV80 vehicle change transactions are conducted online during the month of September 2003.
  3. To baseline data for TAN division service standards and set new thresholds for the key service standards, which start from the point where an application is received, by 31 March 2004.
  4. To pilot the fully electronic bus registration package (TransXchange) so that it is capable of integration with operator and local authority systems and is also available to bus monitors by 31 March 2004.

5. To pilot and implement scanning technology within Traffic Area Offices to deliver online document processing by 31 January 2004.

- VI**
6. To improve Forward Booking Time performance so that by 1 January 2004 all Heavy Goods Vehicle test stations provide 95% of tests within 18 working days instead of the current target of 90%.
  7. To introduce a fully equipped Automatic Number Plate Recognition vehicle in each Traffic Area, making an effective contribution to our enforcement activity by 31 July 2003.
  8. To implement, embed and review the Vehicle Identity Check scheme by 31 December 2003.
  9. To pursue plans to introduce Powers to Stop in six police force areas in England and Wales by 31 December 2003.

#### Key Target 2: Customer Focus

To pursue internal and cross-agency initiatives which provide seamless services to our customers through a choice of delivery channels.

- VOSA**
10. To deliver against agreed milestones in the internal electronic services programme in order to achieve the PSA target of 100% electronic service capability by 2005.
  11. To create a customer satisfaction index as a measure that can be used to report on annually by 31 May 2003.
- TAN**
12. To establish a TAN division presence in Wrexham and Llantrisant by September 2003.
- VI**
13. To manage a programme of projects involving DVO agencies, DVTA (Driving and Vehicle Testing Agency) Northern Ireland and the police to ensure that the UK is ready for the introduction of digital tachographs according to European legislative timescales.

### Key Target 3: Financial (ROC)

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To break even while achieving an average 3.5% real rate of return on capital over the period 1 April 2003 to 31 March 2008.

- VOSA** 14. To achieve an in-year indicative measure of +3.5%.

### Key Target 4: Efficiency

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To increase value for money.

- VOSA** 15. To develop a measure for the business as a whole.

- VI** 16. To deliver +2% Performance Gain in enforcement.  
 17. To deliver +2% Aggregated Cost Efficiency (ACE) in vehicle testing.

### Key Target 5: Internal Management

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To improve performance management across the business.

- VOSA** 18. To contribute to Civil Service targets to increase the number of applications from ethnic minorities, and the number of women and ethnic minorities appointed on promotion to band 3 (level 4) or above by establishing baseline data for VOSA and setting an annual improvement target by 31 March 2004.
19. To review and update the Diversity and Continuous Improvement Action Plans to reflect the merged organisation.
20. To establish baseline data on VOSA's sick absence levels and set realistic improvement targets for each operating division of the Agency by 31 March 2004.
21. To establish within VOSA a standard corporate risk management strategy/process.

## Key Target 6: Investment

To secure the long-term development of the organisation.

- VOSA**
- 22. To successfully implement the agreed recommendations of the TAN/VI merger subgroups.
  - 23. To scope and produce an outline business case for the Commercial Vehicle Portal.
- VI**
- 24. To complete two of the initial building blocks in our IT infrastructure transformation by transferring to CITRIX 'Thin Client' by 31 October 2003; and by piloting roll-out of mobile user data capture and enquiry devices by 31 March 2004.
  - 25. To have commenced roll-out of MOT Computerisation by 29 February 2004.
  - 26. To have selected a preferred bidder for the supply and maintenance of Roller Brake Testers by 31 October 2003.
  - 27. To develop a strategy for ongoing investment in estate and facilities.

## Performance Monitoring

The agency provides the advisory board and departmental customers with performance monitoring information, which takes the form of regular reports and formal in-year statements that include comments on progress and performance against our key targets and PSA targets.

We also produce a monthly performance report which includes projected key target outturn and financial and scheme performance, in addition to the performance indicators and internally produced action plans and project milestones.

Public reporting of our performance will be through the published Annual Report and Accounts and our Annual Effectiveness Report.

## Glossary

### ACPO

Association of Chief Police Officers

### AE

Authorised Examiner – individual, person in partnership or company meeting the requirements (premises, equipment, personnel and good repute) to carry out MOT testing

### CITA

Comité International de L'Inspection – International Motor Vehicle Inspection Committee

### DfT

Department for Transport

### DP

Designated Premises – privately owned test bays at which VEs and Assistant VEs undertake annual HGV and PSV tests

### DSA

Driving Standards Agency

### DVLA

Driver and Vehicle Licensing Agency

### DVO

Driver, Vehicle and Operator group. This group is made up of VOSA, DVLA, DSA and VCA

### DVTA

Driver and Vehicle Testing Agency

### ESVA

Enhanced Single Vehicle Approval scheme

### HGV

Heavy Goods Vehicle – goods carrying vehicle over 3,500kg design gross weight

### iIP

Investors in People – personnel and business management accreditation

### LGV

Light Goods Vehicle – goods carrying vehicle not exceeding 3,500kg design gross weight

### MOT

Annual statutory test for cars and motorcycles

### NT

Nominated Tester – qualified mechanic who has been nominated by an AE to carry out MOT tests

### PI

Public Inquiry

### PSV

Public Service Vehicle – vehicle licensed to carry (normally nine or more) fare-paying passengers

### SVA

Single Vehicle Approval scheme

### TAN

Traffic Area Network – organisation that merged with VI in April 2003 to form VOSA

### TCs

Traffic Commissioners – seven Traffic Commissioners are appointed by the Secretary of State for Transport and are statutorily independent in their licensing functions

### TE

Traffic Examiner – VOSA employee responsible for front-line enforcement of safety and licensing provisions on HGVs and PSVs

### VCA

Vehicle Certification Agency

### VE

Vehicle Examiner – VOSA employee responsible for front-line enforcement of roadworthiness of HGVs and PSVs and standards control of MOT testing stations

### VI

Vehicle Inspectorate – agency that merged with TAN in April 2003 to form VOSA

## **Where to find out more:**

VOSA website: [www.vosa.gov.uk](http://www.vosa.gov.uk)

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