

Business Plan 2011/12



'Saving lives, safer roads, cutting crime,
protecting the environment'

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VOSA Highlights from 2010/11

▶ Around 40 new operational non-VOSA testing sites

▶ Reduced expenditure from last year by £17.9m (from £195.8m to £177.9m)

▶ Gold Standard Customer Service Excellence re-accreditation for Operator Licensing, Contact Centre and Testing & Support Services

▶ New partnership working approach with industry

▶ Negotiated cost savings with our major IT suppliers

▶ Increased involvement with staff, e.g. through the use of focus groups, to begin to develop a more positive approach to staff engagement

▶ Reduction in the volume of avoidable calls to our contact centre by 50%

▶ Joint working with the UK Border Agency to improve targeting at ports

Chief Executive Introduction



2011/12 will be a year of further change within VOSA as we improve the efficiency and effectiveness of our operations across the 'four pillars' of Testing & Inspection, Enforcement, Licensing & Authorisation and Education & Information in line with our strategic direction to achieve greater compliance.

Across the four pillars we will prioritise those areas of work that have the most potential impact on road safety whilst empowering customers to increasingly manage their own compliance.

This is the third year of our programme to transform the way we carry out testing operations. Our Testing Transformation Programme is moving testing closer to the customer and the point of vehicle maintenance and repair, providing greater customer choice and flexibility and reducing overall vehicle 'downtime'. As more contracts with third party testing facility providers are put in place we will see an increasing number of tests carried out by our staff at mainly private sector premises.

In line with the Government's 'Big Society' vision and De-regulation agenda we will seek to work more effectively in partnership with the trade to provide them with the information and tools to understand and take responsibility for their own compliance; I am pleased that this Plan takes account of, for the first time, some joint action around data sharing, education and communications to achieve that. Conversely we will better target those who are wilfully non-compliant or who pose a serious risk to road safety, deploying staff in the most effective locations and equipping them with relevant, timely and accurate data.

Authorisation processes will become increasingly standardised and customer centric and we will contribute to the Government's 'Digital by Default' agenda by enabling customers to undertake more of their transactions on-line. Our Service Level Agreement with the Senior Traffic Commissioner will ensure that we support Traffic Commissioners to deliver their outcomes both efficiently and effectively.

We and our customers continue to face challenging times, predominantly due to the current economic climate and pressures on the public sector to deliver significant and sustainable efficiencies. Internally our priorities are to continue to deliver our financial recovery plan and to embed a culture of business excellence and continuous improvement across the organisation. In this way we can ensure VOSA has a viable and sustainable future and continues to play a fundamental role in saving lives and making roads safer.

I am confident in the commitment of staff to continue to deliver high quality services whilst positively engaging with change during a period that, despite posing challenges, affords us the opportunity to seek innovative solutions to improve the way in which we work. As an organisation we will always take an immense pride in the work that we do.

A handwritten signature in black ink that reads "Alastair Peoples". The signature is fluid and cursive, with the first name being more prominent.

Alastair Peoples
VOSA Chief Executive

An Introduction to VOSA

VOSA is an Executive Agency for the Department for Transport (DfT). We contribute to saving lives, making roads safer, cutting crime and protecting the environment through ensuring compliance with regulations of drivers, operators, vehicles, MOT garages and maintainers.

We deliver compliance through licensing, testing and education services, and, where necessary, take enforcement action against those who are non-compliant, for example through issuing fixed penalties or through the immobilisation of vehicles. We also ensure that we review our activities in line with changing patterns of non-compliance and accident causation, for example, the increasing numbers of non-GB vehicles on our roads.

Our Four Pillars of Compliance

Testing & Inspection – conducting statutory annual testing for lorries, buses and coaches at both VOSA test stations and authorised, mainly private sector-owned testing premises and supervising the MOT scheme to ensure that garages authorised to carry out MOTs are doing so to the correct standards. We also carry out a number of specialist inspections on a range of vehicles¹.

Licensing and Authorisation – providing administrative support to the Traffic Commissioners (TCs) in considering and processing applications for licences to operate lorries, buses and coaches and carrying out regulatory work for existing licence holders. We also process applications for Authorised Examiners who wish to set up an MOT garage and issue international road transport permits to operators through our International Road Freight Office (IRFO).

Enforcement – identifying drivers, operators, MOT garages, tachograph and speedlimiter centres against whom it may be appropriate to take action for non-compliance. This involves conducting routine and targeted checks and specialised inspections at the roadside, at premises and at MOT garages to check continued compliance with regulations and taking action to instigate appropriate sanctions, for example through issuing a fixed penalty, by withdrawing licences for MOT garages or recommending that TCs consider withdrawing operator licences.

Supporting Industry through Education and Information – ensuring that appropriate data, information, education and guidance are available to the industry to enable them to manage and improve their own compliance with regulations. Information and advice is available through a variety of means, including on-line, at the roadside, through seminars, at operator premises and garages and on a one-to-one basis.

Our Strategic Direction

VOSA's vision for the future is one where drivers, operators, vehicles, MOT garages and maintainers are fully compliant with regulations. The Government's top priority is to tackle the fiscal deficit and VOSA must play its part in this process by investing fee payers' money wisely and ensuring that as a business we are both financially and environmentally sustainable, whilst maintaining our priority focus on making a positive contribution towards road safety.

We have already significantly reduced our costs. As part of the Comprehensive Spending Review (CSR) we have achieved cumulative savings of £24m over the last three years and reduced our workforce by approximately 17% over the last two years. Our Testing Transformation Programme, designed to move testing closer to the customer, has negated the need for significant further investment in our current testing estate.

Moving forward we will transform the way we work to deliver compliance even more efficiently and effectively. Our four core pillars of work will remain the same, but how, when and where we deliver these will alter as we embed an increasingly risk and evidence-based approach, which is proportionate and targeted according to the principles overleaf.

¹ These include, for example, inspections of imported and amateur built vehicles to comply with acceptable safety and environmental standards (Vehicle Approval for cars and motorcycles), inspections to check the identity of written off vehicles that are returned to the road (Vehicle Identity Checks) and tests for the issuing of Low Emission Certificates (LECs)

Principles	
1. Targeting those drivers, operators, vehicles, MOT garages, maintainers and tachograph and speed limiter calibration centres most likely to be non-compliant	A non-compliant operator, driver, MOT garage or maintainer means a potentially unsafe one. We currently use a risk-based system to target both GB and non-GB registered vehicles and we will refine this to further concentrate checks on those drivers or vehicles most likely to be contravening the regulations. The MOT Scheme applies a risk-based approach to schedule assessments of MOT garages and we will build on this existing approach to achieve even better outcomes.
2. Targeting areas of non-compliance most likely to cause accidents / incidents	We are aware that driver error is a contributory factor in a significant number of HGV accidents ² . In future we will make changes to processes, systems and technology to enable an increase in effort on drivers' compliance with hours, tachograph and working time legislation while still targeting unsafe vehicles.
3. Effective location	We will review and rationalise our enforcement sites to ensure that roadside enforcement is conducted in the right locations to better target high risk and non-compliant traffic on the strategic network. Specifically we will ensure we have sufficient access to ports traffic. Through increasing the number of Authorised Testing Facilities (ATFs) we are already moving more testing closer to customers, providing greater flexibility in when and where vehicles are tested.
4. More effective partnering with regulatory and trade bodies	We work closely with TCs to support effective delivery of their licensing and regulatory functions. We will also share data where appropriate and encourage best practice across all European member states and increasingly share data with the industry to lever compliance. We have already established an Industry Liaison Group (ILG) and have worked closely with the trade to agree improvement priorities. Sourcing intelligence from other agencies, for example the UK Border Agency (UKBA), will also help us to target more effectively.
5. A graduated approach	There are different reasons why operators might be non-compliant, ranging from a simple lack of awareness of regulations to wilful non-compliance based on a perception of cost ³ . This suggests that different responses to non-compliance would be appropriate. We will therefore take a graduated approach, seeking to partner willing operators into compliance through engagement and education while dealing with hardened and serial evaders through more punitive measures.

Business Plan Purpose

We have developed a robust Blueprint for the future according to the five principles above, underpinned by a detailed plan to deliver the appropriate changes. This Business Plan sets out the activities we will deliver in 2011/12, and the means by which we will measure success.

The first section of the Plan focuses on *what* we will deliver within each of the four pillars and the improvements that will be made to customer service, and the second section on *how* we will deliver, through our financial, workforce, estate, information and technology management.

The performance framework overleaf summarises our performance objectives.

² Defined as casualty and non-casualty accidents involving an HGV and where a police officer attended the scene

³ KSBR Brand Futures: Road to Compliance, 2009

DfT Vision	'a transport system that is an engine for economic growth, but one that is also greener and safer and improves quality of life in our communities'		
VOSA Performance Measures and Objectives	Reform	Testing Transformation: <ul style="list-style-type: none"> ▶ Deliver new operational Authorised Testing Facilities (ATFs) by 31 March 2012; and ▶ Develop plans for the future estate requirement and gain commitment to those plans from DfT (c) 	75 new sites 25 plans agreed
	Operational	Through improved targeting, VOSA will exceed the randomly sampled non-compliance baseline ⁴	10 percentage points
		Protecting the environment - cut carbon emissions from agency buildings and business use of vehicles by 31 March 2012	5% reduction
		Deliver support services to the Traffic Commissioners in line with the Service Level Agreement (SLA) with the Senior Traffic Commissioner (STC)	Meet the SLA
	Financial	Increase the take-up of key digital services by March 2012 ⁵	60%
		Ensure efficient deployment of staff within the business plan complement set for 31 March 2012	2,312 FTEs
		Ensure the average number of working days lost per Full Time Equivalent (FTE) due to sickness absence does not exceed 8.5 days	8.5 days
		Deliver financial performance in line with Business Plan Deliver efficiency savings by 31 March 2012	£1.2m
	Crosscutting Government Measures	Deliver the eight customer service promises	
		Undisputed and settled invoices paid within 5 days	80%
		Freedom of Information requests completed within 20 working days	93%
		Answers to Parliamentary Questions provided by due date	85%
MPs' correspondence responded to within 7 working days		85%	
Official correspondence responded to within 20 working days		80%	

Our performance objectives also contribute to the wider priorities of the Government as below:

- 'tackle the deficit in a fair and responsible way, ensure that taxpayers' money is spent responsibly and get the economy back on track'
- 'boost enterprise, support green growth and build a new and more responsible economic model'
- 'use digital technology to drive better services and lower costs'
- 'use a wide range of levers to cut carbon emissions, decarbonise the economy and support the creation of new green jobs and technology'

⁴ For 13 years VOSA has been working with DfT to undertake regular random checks of fleet compliance. Prohibition rates identified through our most recent random check form the baseline for this measure, against which we will measure prohibition rates that result from our targeted activities

⁵ This measure is based on a combination of increasing use of existing channels and encouraging take-up of new ones

Our Plans for 2011/12

1. Testing & Inspection

“efficient, customer centric testing services”

Performance Measures

- ▶ Deliver 75 new operational Authorised Testing Facilities (ATFs) by 31 March 2012
- ▶ Develop 25 plans for the future estate requirement and gain commitment to those plans from DfT (c)
- ▶ Increase the take-up of key digital services to 60% by March 2012

This is the third year of our programme to **transform the way we carry out testing operations**. Our Testing Transformation Programme enables us to move **testing closer to the customer** and to the point of vehicle maintenance and repair, providing greater customer choice and flexibility and reducing overall vehicle ‘downtime’. As more contracts with third party testing facility providers are put in place we will see an increasing number of tests carried out by our staff at mainly private sector premises.

What we have already achieved

- ▶ Around 40 new operational non-VOSA sites in 2010/11
- ▶ Approved plans for transferring testing to ATFs in 20 catchment areas⁶
- ▶ Reviewed the roles of our testing staff to ensure they have the flexibility to service ATFs

What we will deliver this year

- ▶ Obtain agreement to plans for the future estate in 25 areas
- ▶ Deliver 75 new operational ATFs
- ▶ Start to roll out a new operational structure so that the right number of staff are available in the right locations to service testing volumes according to industry requirements

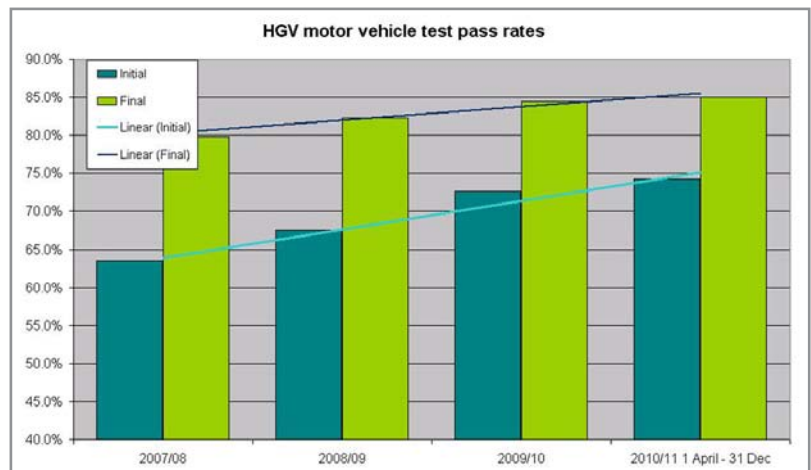
We will also continue to respond to **new policy requirements and legislation** to ensure our testing and inspection regime focuses on those **areas that are key to road safety** whilst minimising the burden on the customer. We will continue to work **to increase test pass rates through closer collaboration with industry**.

What we have already achieved

- ▶ Implemented relevant phases of the Individual Vehicle Approval Scheme (IVA)⁷ for buses and coaches
- ▶ Put arrangements in place to provide appropriate approval for trailers before they are used on the road
- ▶ Reviewed testing processes to identify potential efficiency improvements

What we will deliver this year

- ▶ Introduce new items to the annual test by January 2012 in line with EU 2009/40⁸
- ▶ Identify simplification measures for the annual test while assuming no risk to road safety
- ▶ Increase the proportion of the HGV fleet with access to First Time Pass Rate reports
- ▶ Deliver the next phase of IVA to extend its coverage to buses and coaches built in multiple stages and to LGVs



⁶ Robust market area validation takes place before a plan is developed and approved by the Minister for each specific location

⁷ The IVA inspection checks that imported or self-built vehicles are designed and constructed to meet modern safety and environmental standards for use on UK roads. New phases have extended the scheme from passenger cars to apply to new and existing types of buses and coaches. The next phase will extend coverage to Light Goods Vehicles

⁸ EU2009/40 is a European Directive that will bring new items into annual tests, designed to ensure a consistent approach across Europe

- ▶ Deliver Low Emissions Certificate tests to relevant vehicles to ensure they meet the standards to drive in the London Low Emission Zone by January 2012⁹
- ▶ Contribute to the DfT(c) review of MOT testing and respond as appropriate
- ▶ Respond to the DfT(c) review of the Vehicle Identity Check (VIC) Scheme as appropriate

2. Enforcement

“delivering effective enforcement, professionally”

Performance Measure

- ▶ Through improved targeting, VOSA will exceed the randomly sampled non-compliance baseline by 10 percentage points¹⁰

During 2010/11 we have been working with DfT's In House Analytical Consultancy and Operator Roadworthiness and Licensing Division to consider options for an informed target to maintain or improve the trajectory of compliance with roadworthiness and traffic rules.

The subsequent target agreed with DfT(c) links success to VOSA's effectiveness at targeting HGV non-compliance. We will use random fleet compliance check levels as a baseline and map targeted HGV compliance levels against this. The differences between the two rates will be used to evidence improved targeting. The current baseline prohibition rate from the fleet compliance check for HGVs is 15% and the objective is to exceed the baseline by 10 percentage points, to achieve at least 1 prohibition per 4 HGV encounters.

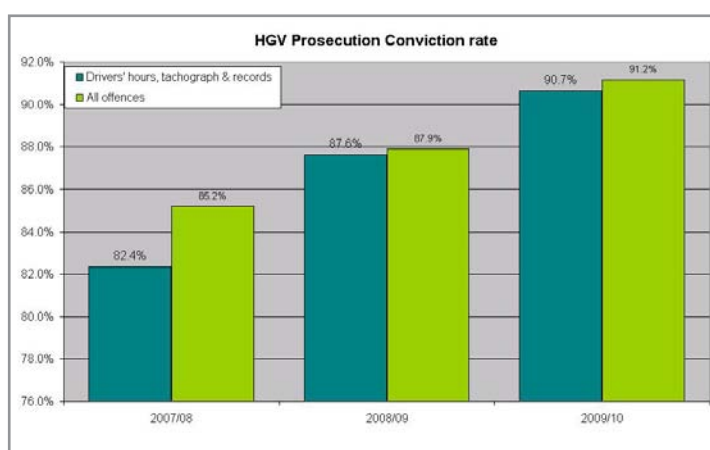
To deliver this measure we will **deploy enforcement resources in the most efficient and effective manner** through:

- Ensuring that roadside enforcement is conducted in the right locations to better target high risk and non-compliant traffic on the main strategic network; and
- Using technology and different ways of working to focus on those operators and areas of non-compliance that most pose a risk to road safety, whilst continuing to ensure that all areas of non-compliance are responded to appropriately.

The Chapter 'Supporting Industry through Education and Information' (page 12) also sets out activities that are intended to make a contribution towards improving overall compliance levels.

What we have already achieved

- ▶ Agreed an Enforcement Site Strategy to ensure our roadside activities are targeted at areas of highest risk
- ▶ Rolled out a targeting model for non-GB operators based on the current Operator Compliance Risk Score (OCRS) regime used for GB operators
- ▶ Established a relationship with the UKBA to improve targeting of ports traffic
- ▶ Improved our processes and quality assurance so that we are better assured of a conviction at prosecution



⁹ The London Low Emission Zone aims to improve the air quality within London by deterring the most polluting diesel engine vehicles from driving into the zone. From 3 January 2012, vehicles need to meet the Euro IV standard for the emission of particulate matter

¹⁰ For 13 years VOSA has been working with DfT to undertake regular random checks of fleet compliance. Prohibition rates identified through our most recent random check form the baseline for this measure, against which we will measure prohibition rates that result from our targeted activities

What we will deliver this year

- ▶ Work with DfT(c) as appropriate in response to plans for HGV road user charging to ensure a fairer arrangement for UK hauliers
- ▶ Make further improvements to and refine the data quality of our OCRS system to enhance the accuracy of our targeting
- ▶ Restructure our operational delivery to ensure our resources are aligned to our enforcement site strategy and roadside activities are located in areas of highest risk
- ▶ Provide input to DfT(c) regarding work on next generation digital tachographs
- ▶ Extend the Graduated Fixed Penalties and Deposits scheme by starting to issue Fixed Penalties at the roadside for drivers' hours offences committed within the previous 28 days, subject to legislative change
- ▶ Continue to ensure delivery of UK obligations to check at least 3% of days worked by drivers under EU Directive 2006/22/EC
- ▶ Pilot the use of Automatic Number Plate Recognition (ANPR) and Weigh-in-Motion Sensors (WIMS) to gather evidence to notify operators of areas of suspected non-compliance. We will review the effectiveness of the pilot to inform future plans

3. Licensing & Authorisation

"a simple to use, single point Licensing body for commercial operators"

Performance Measures

- ▶ Deliver support services to the Traffic Commissioners in line with the Service Level Agreement (SLA) with the Senior Traffic Commissioner (STC)
- ▶ Increase the take-up of key digital services to 60% by March 2012:
 - ▶ Maintain customer take-up for combined operator self service and extended self service transactions at 70%

Our vision is to enable customers to **increasingly conduct their transactions on-line** and move towards a **customer centric authorisation process which is lean, efficient and standardised according to customer need**.

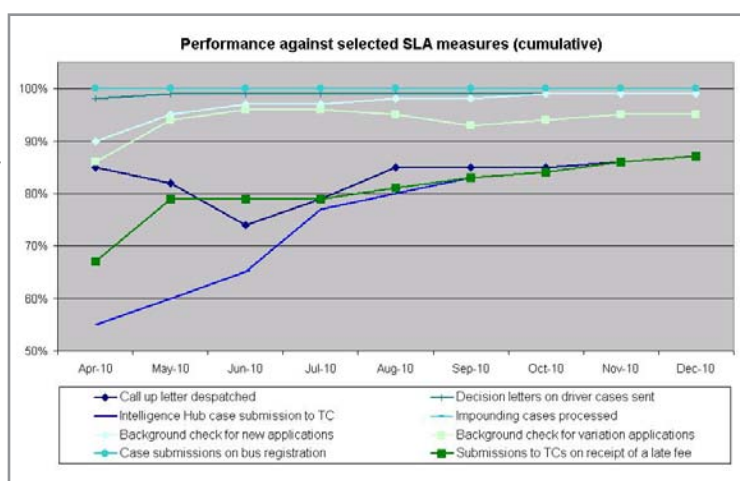
Having undertaken a LEAN¹¹ review of our licensing and regulatory processes this year we will also continue to improve the efficiency and effectiveness of our service to TCs to support the delivery of successful outcomes.

What we have already achieved

- ▶ Increased on-line take up for combined operator self service and extended self service transactions to 70%
- ▶ Supported the development of statutory guidance and directions designed to assist the TCs to work transparently and to the same high quality standards across each Traffic Area

What we will deliver this year

- ▶ Maintain on-line take-up for Operator Self Service at 70%
- ▶ Explore options for centralising the process for handling MOT Scheme applications
- ▶ Implement a new SLA with DfT(c) in relation to delivery of a partnership-based approach to bus punctuality improvement
- ▶ Consider options for supporting the Driver and Vehicle Agency (DVA) in Northern Ireland to establish an operator licensing system subject to Ministerial approval



¹¹ The core principle of LEAN is to maximise customer value whilst minimising waste

Specifically, we have signed up to the shared commitments below with the Senior Traffic Commissioner:

Senior Traffic Commissioner lead	VOSA lead
<ul style="list-style-type: none"> ▶ Publish statutory guidance and directions in line with application of the wider EU Regulations governing access to the road transport occupation and international market 	<ul style="list-style-type: none"> ▶ Ensure implementation of the new EU legislation governing access to the road transport occupation, including provision of a national electronic register of operators by December 2011 and developing a business case to provide for the interconnection of National Registers to other EU member states
Shared	
<ul style="list-style-type: none"> ▶ Implement our SLA which reflects the commitments of both VOSA and the STC to efficient and effective outcomes of the TC service ▶ Implement a new approach to bus compliance monitoring in line with recommendations of the Competition Commission Inquiry and DfT's Bus Partnership Forum ▶ Develop policies and processes to address the special arrangements for licensing Olympics 2012 Family and Spectator Transport ▶ Agree an approach for calling operators at the less serious end of non-compliance to a seminar rather than hold a regulatory Public Inquiry ▶ Implement appropriate quality assurance processes to ensure a consistent approach to decision-making nationwide ▶ Put in place the TC system efficiency measures agreed with the Parliamentary Under Secretary of State for Transport ▶ Implement the provisions within the Local Transport Act for more flexible deployment of TCs ▶ Effectively monitor and manage core business processes such as sickness absence, leave, activity recording and expenses management 	

4. Supporting Industry through Education and Information

“a portfolio aimed at delivering a highly compliant industry”

Performance Measures

- ▶ Increase the take-up of key digital services to 60% by March 2012:
 - ▶ 50% of HGV fleet will have access to First Time Pass Rate, Encounter and OCRS Reports
 - ▶ 60% of known Preparers registered for New First Time Pass Rate report service
 - ▶ 70% of known HGV Leasing companies registered for New First Time Pass Rate report service
 - ▶ Over 50% of HGV fleet receive communications digitally (e.g. Moving On)



From our research we are aware that whilst a majority of operators feel comfortable dealing with most of the issues that arise in their fleet, 24% of operators have limited knowledge of or feel uncomfortable dealing with driver and vehicle legislation and regulation issues¹². In line with the Government's commitment to a 'Big Society' VOSA aims to work far more collaboratively with our partners and customers to empower them more and provide them with the information they need to **manage their own compliance**.

We are committed to **engaging with and educating all industry sectors to enable them to comply**, resorting to enforcement action only where necessary.

¹² VOSA Customer Research 2009

What we have already achieved

- ▶ Worked closely with the DVA in Northern Ireland with the shared objective of better understanding of and addressing compliance issues
- ▶ Implemented an MOT Reminders service
- ▶ Reviewed the focus and frequency of our Trade Association forums
- ▶ Worked closely with industry to agree the shared priorities below for 2011/12

VOSA has been working with Trade Associations to develop a greater industry understanding of what being compliant involves and how best to achieve this. As a result a series of joint activities and aspirations have been developed.

The key workstreams are summarised below and will be driven forward by the newly formed Commercial Vehicle Compliance Forum¹³. Through working with industry bodies and organisations who have proven expertise in supporting organisations through education, inspection and 'accredited' standards, VOSA aims to improve the outcomes and cost effectiveness of its compliance activities.

2011/12 Workstreams:

Enforcement

To identify trends in non compliance and market segments with a poor compliance history in order to develop a targeted communication plan with Trade Associations and other organisations to improve industry awareness of best practice.

Compliance Quality Assurance Systems

To investigate systems for safety assurance already used in the transport industry where third parties audit to accredited standards and develop a proposal for VOSA on the feasibility of using similar type models for demonstrating compliance in the PSV and HGV sectors.

Education

To explore options for Trade Associations and other organisations to adapt or develop training material and seminars aimed at promoting higher compliance standards in distinct market segments.

Communications

To explore options for Trade Associations and other organisations to adapt or develop publications aimed at promoting higher compliance standards in distinct market segments.

Data

To develop a dashboard of key statistics to establish the drivers for improving compliance. This will inform the development of a communications strategy aimed at increasing Operator awareness, and, with their consent, accessibility to education and compliance products offered by Trade Associations and other organisations.

What VOSA will deliver this year

- ▶ Work with industry to establish the new Commercial Vehicle Compliance Forum
- ▶ Work closely with the new Forum to progress the commitments above
- ▶ Roll out operator seminars which provide educative interventions at appropriate stages of an operator's journey
- ▶ Improve the accessibility of information published on key Government websites including Businesslink and Directgov
- ▶ Encourage operators to access key performance information about their fleet on-line through signing up to our registered reports services
- ▶ Provide test history information for the HGV leasing industry and businesses who prepare vehicles for test and work with the trade to ensure they have appropriate access to the information

¹³ Mike Penning MP, Parliamentary Under Secretary of State for Transport has agreed that this will be a new group, designed to promote and share good practice in relation to compliance across the commercial vehicle sector

5. Customer Service

Performance Measures

- ▶ Deliver the eight customer service promises
- ▶ Complete 93% of Freedom of Information requests within 20 working days
- ▶ Provide answers to 85% of Parliamentary Questions by due date
- ▶ Respond to 85% of MPs' correspondence within 7 working days
- ▶ Respond to 80% of official correspondence within 20 working days

During this period of strategic change we will continue to deliver **high quality and good value customer service**.

What we have already achieved

- ▶ Delivered our target to reduce the volume of avoidable calls to our contact centre by 50%
- ▶ Overall customer satisfaction levels of 90%
- ▶ Gold Standard Customer Service Excellence (CSE) re-accreditation for Operator Licensing, Contact Centre and Testing & Support Services

What we will deliver this year

- ▶ The eight customer promises below
- ▶ Maintain Gold Standard CSE accreditation for Operator Licensing, Contact Centre and Testing & Support Services
- ▶ Continue to provide information in a range of accessible formats, and in particular ensure that we treat the English and Welsh Languages on the basis of equality in the conduct of public business in Wales

	Testing Process	Enforcement	Licensing
Operators	90%	91%	91%
Service Agents	84%	NA	NA
Presenters	97%	NA	NA
Road Check Drivers	NA	90%	NA
Private Motorists	98%	NA	NA

Source: VOSA Customer Research

Our Customer Promises (DfT 2008)	
"We will provide a full response to enquiries quickly"	We will respond to 90% of general enquiries within 10 working days
"We will provide a full response to complaints quickly"	We will respond to 90% of complaints within 10 working days
"We will respond to telephone calls promptly and endeavour to resolve all enquiries at the first call"	Our Contact Centre will answer 70% of telephone calls within 30 seconds
"We will use reliable and accurate methods to measure customer satisfaction on a regular basis"	We will maintain overall customer satisfaction of 90%
¹⁴ "We will provide our customers with information that is clear, accurate and complete. If we do not have all the information required, we will advise customers when they will receive the information they requested"	
"Our staff will be polite and friendly to customers at all times and understand our customer needs"	
"We will make information about the full range of services we provide available to our customers and potential customers, including how and when people can contact us, how our services are run and who is in charge"	
"We will make particular efforts to identify hard-to-reach and disadvantaged groups and individuals and will develop our services in response to their specific needs. We will have policies and procedures that support the right of all customers to expect excellent levels of service"	

¹⁴ The second half of the customer promises will be evidenced through Customer Service Excellence accreditation

How we will deliver our Plan

We will continue to improve the efficiency and effectiveness of how we work, and in particular ensure delivery of our financial recovery plan, through:

- Developing a culture of **Business Excellence** and continuous improvement;
- Ensuring the most efficient and effective ways of **communicating and transacting with customers** (see pages 12, 13 and 14);
- **Working more effectively in partnership** with customers, partners and stakeholders (see pages 12 and 13);
- Managing our workforce to **improve staff engagement** and to ensure understanding of and focus on our key priorities;
- **Reducing our estate and managing it sustainably**; and
- **Managing our information** to ensure best value for money and **to provide greater transparency** to customers and the wider public.

1. Financial Management and Efficiency

Performance Measures

- ▶ Deliver financial performance in line with Business Plan
- ▶ Deliver efficiency savings of £1.2m by 31 March 2012
- ▶ Increase the take-up of key digital services to 60% by March 2012

What we have already achieved

- ▶ Reduced expenditure from last year by £17.9m (from £195.8m to £177.9m)
- ▶ No overall increase in test fees despite rising inflation
- ▶ Negotiated cost savings with our major IT suppliers
- ▶ Reviewed all business processes to identify areas for efficiency improvements
- ▶ Reviewed the management of our vehicle fleet to ensure most efficient usage
- ▶ Engaged with the pan-Government review of contracts with suppliers

What we will deliver this year

- ▶ Turn a deficit of £(14.6)m into a surplus of £5m in just two years, despite £7.7m less income
- ▶ Additional operating efficiencies of £1.2m despite increasing equipment and accommodation costs of £1.2m and reduced income of £3m in year
- ▶ Continue to embed a culture of continuous improvement throughout the organisation
- ▶ Implement fee differentials between VOSA and non-VOSA testing facilities whilst ensuring no general fee increase subject to consultation
- ▶ Prepare for migration to a Shared Service Centre by April 2013
- ▶ Support the Efficiency and Reform Group / Cabinet Office initiative to move to more centralised pan-Government procurement
- ▶ Increase the number of communications distributed digitally rather than in hard copy

Planned Income and Expenditure

I&E Detail	2009/10 Actual £m	2010/11 Forecast £m	2011/12 Plan £m
INCOME			
Test fees	76.4	86.3	83.6
Operator fees	20.7	11.2	11.6
MOT slot fees	54.2	55.8	56.9
Business fees	4.3	2.6	2.8
SLAs with DfT	21.4	19.0	18.7
Commercial activities	6.1	5.8	5.1
Interest receivable	0.1	0.1	0.1
Amortisation of project funding	7.0	4.7	3.7
Total income	190.2	185.5	182.5
EXPENDITURE			
Salaries (including agency costs)	(87.3)	(79.6)	(77.9)
Overtime	(2.6)	(1.9)	(3.2)
T&S	(6.7)	(5.0)	(5.2)
Consultancy	(4.0)	(0.8)	(0.9)
Vehicle testing & inspection	(1.8)	(1.5)	(1.8)
Costs of adjudication (TCs)	(1.5)	(1.4)	(1.4)
IT charges – ATOS	(19.3)	(16.0)	(16.4)
IT charges – Siemens	(22.9)	(23.3)	(22.3)
IT charges – misc.	(0.1)	(0.1)	-
Telecommunication	(1.8)	(1.4)	(1.2)
Printing & stationery (including postage)	(1.9)	(1.4)	(1.5)
Publications & advertising	(0.8)	(0.4)	(0.4)
Accommodation	(12.7)	(11.7)	(12.5)
Other costs (including contingency)	(3.5)	(4.8)	(7.1)
Interest payment	(6.2)	(6.0)	(5.1)
Depreciation & cost of capital	(20.2)	(20.7)	(18.5)
Bank & legal charges	(2.5)	(1.9)	(2.1)
Total expenditure	(195.8)	(177.9)	(177.5)
Surplus / (Deficit)	(5.6)	7.6	5.0
Early retirement cost	(9.0)	(3.6)	-
Surplus / (Deficit)	(14.6)	4.0	5.0

Capital Budget

	2009/10 Actual £m	2010/11 Forecast £m	2011/12 Plan £m
Estates (including High Risk Traffic Initiative)	5.2	0.4	2.8
Equipment	2.8	0.1	0.2
Vehicles	1.9	0.5	0.7
IT	7.1	0.4	5.0
Total Expenditure	17.0	1.3	8.7

2. Workforce Management

Performance Measures

- ▶ Ensure efficient deployment of staff within business plan complement of 2,312 set for 31 March 2012
- ▶ Ensure the average number of working days lost per Full Time Equivalent (FTE) due to sickness absence does not exceed 8.5 days

This Business Plan is written on the basis that we will retain a minimum headcount of 2,312 in year. People will leave the organisation for a variety of reasons and we will need to ensure that we can recruit to maintain the minimum resource necessary to deliver our Business Plan.

What we have already achieved

- ▶ Restructured our workforce in line with our new strategic direction and financial recovery plan
- ▶ Agreed a corporate plan for staff engagement based on the results of the Civil Service Staff Survey
- ▶ Delivered refresher guidance on managing sickness absence to all line managers and ensured reasonable adjustments are made to provide staff with the ability to return to work
- ▶ Rolled out HR self service for staff to manage aspects of their own HR administration

What we will deliver this year

- ▶ Plan our workforce to ensure we have the appropriate people and skills in place for a future VOSA in line with demand
- ▶ Continue to review the profile of the workforce to ensure appropriate representation of women, minority ethnic staff and staff who define themselves as having a disability
- ▶ Introduce formal cascade briefings for staff
- ▶ Improve staff access to relevant guidance and information e.g. through revamping our intranet site
- ▶ Deliver all immediate actions detailed in the corporate action plan for staff engagement and develop robust plans for areas of further investigation and longer term actions
- ▶ Finalise and make significant progress in delivering against Directorate plans for staff engagement

3. Estate Management

Performance Measure

- ▶ Protecting the environment - cut carbon emissions from agency buildings and business use of vehicles by 5% by 31 March 2012

We plan to reduce the overall size of the VOSA estate. We will also ensure that any retained estate is managed in a sustainable manner.

What we have already achieved

- ▶ Installed Automatic Meter Reading technology at approximately 85% of the VOSA estate
- ▶ Delivered a carbon reduction across the office estate through more effective management
- ▶ Reviewed the management of our vehicle fleet to ensure most efficient usage (see page 15)

What we will deliver this year

- ▶ Develop plans for four new enforcement sites in strategic locations in line with our Enforcement Site Strategy
- ▶ Obtain agreement to plans for the future testing estate in 25 areas (see page 9)
- ▶ Actively review the use of buildings and facilities to ensure they are utilised most effectively and efficiently e.g. through reducing the use of external MOT training facilities
- ▶ Reduce the total carbon output from within our estate and travel against a 2009/10 baseline

4. Information Management and Technology

Performance Measure

- ▶ Increase the take-up of digital services to 60% overall

We will manage our ICT and intelligence to ensure best value for money and to provide greater transparency to customers and the wider public. We will **generate efficiencies** through procuring IT services in partnership with other Government Departments where possible and will ensure **low cost, sustainable service provision**.

What we have already achieved

- ▶ Reduced spend on our contracts with our core IT service providers by 16% in 2010/11
- ▶ Identified efficiency savings to be delivered through renegotiation of our SLA with Siemens¹⁵

What we will deliver this year

- ▶ In consultation with DfT(c), develop a full business case for the VOSA IT Strategy, ensuring alignment with relevant Government policies and opportunities for more joined-up working
- ▶ Prepare for convergence to the Public Sector Network, which will reduce operating costs and open up opportunities for increased collaboration
- ▶ Review our contract with Siemens to support improvements to managing our MOT Scheme and to comply with the Government's IT efficiency drive
- ▶ Contribute to delivery of Siemens' austerity measures set out within their Memorandum of Understanding with the Cabinet Office

The principle of transparency is already firmly embedded in the business, but we will improve the quality and accuracy of the data we hold internally and increasingly share relevant information with both the industry and the general public. Further efficiencies will be gained through working in partnership with relevant agencies to share data and through increasing use of on-line channels for dissemination of information.

What we have already achieved

- ▶ An agreed approach with UKBA to ensure better targeting of ports traffic (see page 10)
- ▶ Published MOT test results data in the public domain at www.data.gov.uk
- ▶ Reviewed our Effectiveness Report in terms of content and frequency and means of publication (to view our most recent Effectiveness Report [click here](#))¹⁶

What we will deliver this year

- ▶ Work closely with the Commercial Vehicle Compliance Forum to progress the commitments agreed with regard to data sharing (see page 13)
- ▶ Pilot and launch test results information services for the HGV Leasing Industry and known Preparers (see page 13)
- ▶ Maintain a regular dialogue with other DfT agencies, for example, on volume projections
- ▶ Provide the appropriate data and technology to support delivery of commitments within the Plan including OCRS improvements and a National Register.

¹⁵ We have a PFI agreement with Siemens to provide IT management services for our MOT Scheme

¹⁶ <http://www.dft.gov.uk/vosa/publications/corporatereports/2009-2010reportsuite/2009-2010reportsuite.htm>

Annex 1 - Operational Volumes

Key Operational Volumes	Forecast 2010/11	Plan 2011/12	Plan 2012/13 ¹⁷
Testing & inspections:			
HGV Motor Vehicles	501,550	487,950	505,700
HGV Trailers	260,750	257,550	259,600
PSV	94,600	94,850	94,950
SVA/ESVA ¹⁸	1,500	900	0
COIF	5,000	2,250	850
IVA	5,650	7,050	7,800
MSVA	3,700	3,150	4,000
VIC ¹⁹	100,000	92,000	92,000
LGV	3,500	3,200	3,200
Other testing & inspections	73,200	81,650	85,500
Licensing:			
HGV	36,650	36,650	36,650
PSV	2,150	2,150	2,150
Other licensing	14,800	14,800	14,800
MOT	27,200,000	27,775,000	28,052,750
Total	28,303,050	28,859,150	29,159,950

¹⁷ The current plan is based on an expected increase in volumes due to plating and testing exemptions being introduced from October 2012 and an increased need for Low Emission Certificates (LECs)

¹⁸ 2012/13 will see the end of a transition where IVA supersedes the SVA and ESVA schemes for all cars and light vans

¹⁹ This Plan assumes no change to the criteria for carrying out VICs. As per page 10 we plan to respond to the DfT review of the VIC Scheme as appropriate

Annex 2 - Glossary

ANPR	Automatic Number Plate Recognition
ATF	Authorised Testing Facility
COIF	Certificate of Initial Fitness (for passenger vehicles with more than 8 passenger seats)
CSE	Customer Service Excellence
CSR	Comprehensive Spending Review
DfT	Department for Transport
DVA	Driver and Vehicle Agency in Northern Ireland
ESVA	Enhanced Single Vehicle Approval (a pre-registration inspection for vehicles that haven't been type approved to British or European standards)
FTE	Full Time Equivalent
HGV	Heavy Goods Vehicle
HRTI	High Risk Traffic Initiative
I&E	Income and Expenditure
ILG	Industry Liaison Group
IVA	Individual Vehicle Approval (a pre-registration inspection for vehicles that haven't been type approved to British or European standards)
LGV	Light Goods Vehicle
MOT	Annual statutory test for private vehicles
MSVA	Motorcycle Single Vehicle Approval (a pre-registration inspection for vehicles that haven't been type approved to British or European standards)
OGD	Other Government Departments
OLBS	Operator Licensing Business System
OCRS	Operator Compliance Risk Score
PFI	Private Finance Initiative
PSV	Public Service Vehicle
SLA	Service Level Agreement
STC	Senior Traffic Commissioner
SVA	Single Vehicle Approval (a pre-registration inspection for vehicles that haven't been type approved to British or European standards)
TC	Traffic Commissioner
UKBA	UK Border Agency
VIC	Vehicle Identity Check (to help stop stolen cars being passed off as repaired accident-damaged cars)
VOSA	Vehicle & Operator Services Agency
WIMS	Weigh in Motion Sensors

Notes

Visit our websites:

for commercial customers
www.businesslink.gov.uk/transport

for private motorists
www.direct.gov.uk

for corporate information
www.dft.gov.uk/vosa

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