



Department
for Transport

Consultation on Motoring Services Strategy

December 2012

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Contents

Foreword.....	4
Executive summary.....	6
How to respond.....	8
The proposals.....	10
Consultation questions.....	20
What will happen next.....	22
Annex A Impact assessment.....	23
Annex B Consultation criteria.....	24

Foreword



STEPHEN HAMMOND MP

One of the Department for Transport's roles is to support motorists, to make sure drivers and their vehicles are safe and to help our customers and businesses to comply with the law. This includes licensing vehicles and testing them for safety and roadworthiness and licensing lorry, bus and coach operators and drivers.

We refer to these as our *motoring services* and they are delivered by the Department for Transport (DfT) through four Executive Agencies:

Driving Standards Agency (DSA)
Driver and Vehicle Licensing Agency (DVLA)
Vehicle and Operator Services Agency (VOSA)
Vehicle Certification Agency (VCA)

These agencies are focused on delivering high quality services to individual customers and businesses. They also uphold legal standards relating to driving tests, MoT tests or driver licensing. All of these agencies are engaged in programmes of reform. They aim to deliver long term financial stability and efficiency, and deliver better services.

This document sets out our longer term view of the future of these reforms. It will be of interest to you if you're a motorist, a road user, a business, or if you work in the agencies or know people who do. It is the Department's response to the Government's broader vision for public

services as set out in the Civil Service Reform Plan, the Open Public Services White Paper and the Government Digital Strategy.

This strategy document sets out a vision for motoring services and some principles to underpin it. It also sets out some specific commitments and it invites your views.

If you drive, run a business, use our roads and pavements or pay taxes you will be a customer of ours, either directly or indirectly. I hope you will find what we want to do of interest and I look forward to hearing your views.

**Our vision is for
motoring services
that have the
customer and
businesses at their
heart.**

Executive summary

1. This consultation seeks your views on a number of proposals for reform of the Department for Transport motoring services agencies.
2. The agencies concerned are:
 - Driving Standards Agency (DSA)
 - Driver and Vehicle Licensing Agency (DVLA)
 - Vehicle and Operator Services Agency (VOSA)
 - Vehicle Certification Agency (VCA)
3. The aim of the strategy is to put the consumer and business at the heart of what we do.
4. We will do this by considering the following:
 - 4.1. Being at the forefront of digital services, maximising the digital delivery of services to motorists to improve the customer experience as well as ensuring that those who find access to digital services difficult are supported to do so.
 - 4.2. Supporting economic growth and vehicle manufacturing by reforming the way the Vehicle Certification Agency works. We will assess how we can enable VCA to grow and contribute to the wider economy, whilst continuing to provide a high quality and trusted service which is recognised for its integrity.
 - 4.3. Bringing the driving test closer to you by exploring opportunities to improve convenience to customers. We will look at the locations from which we deliver tests, and trial approaches which take these closer to the customer.
 - 4.4. Transforming HGV, bus and coach testing by expanding joint ventures and collaboration with private sector providers, and reducing the number of government owned test stations.

- 4.5. Delivering better customer services by listening to what our customers tell us and receiving their feedback. We want all our services to be convenient to customers.
- 4.6. Defining our organisational boundaries to deliver better services, and by rationalising the number of agencies and to reduce cost and improve consistency
5. We are keen to hear the views of our customers and stakeholders as we move forward with our strategic approach to reform and welcome your views.

How to respond

The consultation period began on 13 December 2012 and will run until 7 March 2013. Please ensure that your response reaches us before the closing date. If you would like further copies of this consultation document, it can be found at <https://www.gov.uk/government/publications> or you can contact Nick Whitaker if you would like alternative formats (Braille, audio CD, etc).

To respond to the consultation online please use the following link:

<https://consultation.dft.gov.uk/dft/motoring-services>

Consultation responses can also be sent to

Nick Whitaker,
Motoring Services,
Zone 4/33 Great Minster House,
33 Horseferry Road,
London SW1P 4DR

Phone number: 0207 944 2294

Email address: MSSstrategy@dft.gsi.gov.uk

When responding, please state whether you are responding as an individual or representing the views of an organisation. If responding on behalf of a larger organisation, please make it clear who the organisation represents and, where applicable, how the views of members were assembled.

Freedom of Information

Information provided in response to this consultation, including personal information, may be subject to publication or disclosure in accordance with the Freedom of Information Act 2000 (FOIA) or the Environmental Information Regulations 2004.

If you want information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence.

In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information, we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

The Department will process your personal data in accordance with the Data Protection Act (DPA) and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties.

The proposals

Why Motoring Services matter

Our road network moves people and goods around and makes a major contribution to our economy. We use it for work, education, shopping, and leisure, and widely in our everyday lives. We do so by foot, bicycle, horse, motorbike, car, bus, coach, van and HGV. In 2010, over 91% of passenger journeys and 65% of freight movements were by road.

Underpinning the safe and smooth-running of the road network are a number of requirements for owning, operating and driving a vehicle. These include licences for drivers and HGV and bus operators, driving tests and instructor standards, MOT tests, the safety of trucks and buses and approvals for vehicle designs and components. We provide services to citizens and businesses and we act as a regulator, and often as an enforcement agency too. All of these measures ensure that all road users, vehicles and pedestrians on our roads are safe.

These services may not always be fully visible, but they will nonetheless touch the lives of virtually every one of us, every day, in one way or another. Collectively we refer to them here as the Department's motoring services.

Together, last year we:

- kept an up-to-date register of nearly 45 million driver and 37 million vehicle records. We kept track of vehicles bought and sold, people moving house, people starting to drive or ceasing to drive, people getting points on their licence or having points expire, people passing a test to drive and professional drivers keeping their skills up to date.
- delivered a total of 1.6 million driving theory tests and 1.9 million practical driving tests, as learner drivers sought that that life changing event of 'passing their driving test'.
- tested 407,500 HGVs, 80,500 buses and coaches, (44% of which were at private premises), and oversaw 28 million MoT tests, to check that vehicles were safe and roadworthy.
- checked 148,000 vehicles at the roadside for compliance with safety standards.
- checked the designs of thousands of vehicles, making sure that

what rolled off the production line met the standards of the design and were safe to drive.

- completed 48 million car tax transactions, that helped vehicle keepers stay legal and keep their details up to date.

We spend £930m a year, most of which is paid directly by those using our services, through fees and charges, with a small amount coming from government central funding.

You, our customers, have told us that:

- you would like an online version of the DVLA Medical At A Glance Guide. This is now available and 90% of Drivers Medical customers say they will use it.
- 76% of e-mail customers to DVLA's award winning Contact Centre are satisfied with the e-mail service.
- 95% of you are satisfied with the service provided by VCA.
- satisfaction with booking driving tests by telephone is over 90% while test candidates' satisfaction with online bookings stands at over 93%.
- VOSA has an overall satisfaction rating of 90% and 88% satisfaction with both its testing process and enforcement procedures.

In addition:

- DVLA won the Public Value Award for E-services in November 2011.
- In November 2012 the DVLA Contact Centre was named Best Overall Contact Centre by the Customer Contact Association
- DSA reported further growth in the take up of electronic test bookings. This now stands at 83% of bookings reducing costs of administration and allowing DSA to review its Contact Centre opening hours.
- VOSA working collaboratively with industry won awards for its innovative guide to drivers' hours and horsebox safety.
- VCA customer surveys report that staff score highly in their knowledge of legislation and technical competence, willingness to interpret technical requirements and in their punctuality, friendliness and courtesy.
- all our agencies are fully committed to providing the best possible service, and they all have a robust process to help resolve complaints. In the event that a customer remains dissatisfied, they can ask for a review to be carried out by an Independent Complaints Assessor (ICA).

Motoring Services that have the consumer and business at their heart

Our overall Transport vision is for dynamic sustainable transport that drives economic growth and competitiveness.

For motoring services we are looking at what we can do now to improve our services and thinking longer term about how we keep costs and fees down and invest in improving services in the future.

Over the last 40 years, motoring has changed significantly with a rapid expansion in car ownership. Now nearly 80% of all UK households own at least one car compared to less than 15% in 1951. The UK automotive industry is now operating in a globalised market with 85% of UK built vehicles destined for foreign markets. A greater number of international hauliers are operating in the UK and this has increased the challenge of ensuring safety standards and a level playing field for domestic and foreign operators. Finally, the birth of the internet, and the growth of mobile communications and social media have opened up new channels for our services.

Customer expectations of public services are also growing. We all want services that are more responsive to our needs, are quicker and deliver better quality products. All of this is set against a backdrop of challenging economic times. The need is to find innovative and efficient ways of delivery whilst keeping costs as low as possible.

We've seen major innovation in motoring services in recent times:

- There is a live digital record of MOT Test data.
- You can renew your car tax on line.
- If you operate HGVs, buses or coaches you can use on-line self-service operator licensing.
- We have a growing network of privately owned Authorised Test Facilities reducing costs to lorry, coach and bus operators.
- If you're a learner driver we test your knowledge and hazard perception as well as your ability to drive.
- Over 90% of all theory tests and 80% of practical tests are now booked over the internet.
- We use social media to provide relevant information to our customers.

Improving the everyday experience and investing to transform in the longer term

Our customers rightly have increasing expectations of what and how we deliver. They want better access, choice, response times and overall service quality. They also want services at more convenient times of the day and at lower cost.

We need to be able to respond effectively to changing demands and volumes for individual services. We want to give the best value for money for customers and taxpayers.

We want to help deliver the vision set in the Open Public Services and Civil Service Reform White Papers for improving public services by opening up their delivery to a diverse range of providers and new and innovative delivery models.

Digital technologies and channels offer an opportunity to enhance the type and quality of services we offer.

Many of our internal service provision contracts are coming to an end. This offers a significant opportunity to look afresh at what we deliver and how to drive innovation and efficiency.

We are

- making it more convenient for you to get a test, whether you're a learner driver or operate an HGV, bus or coach.
- increasing the number of driving licence transactions you can do on line.
- improving the service provided by driving instructors.
- improving the application process to become an MoT garage.
- improving our on-line services.
- reducing costs by around £178m over five years.

What we want to achieve in the longer term

The government is determined to deliver more efficient motoring services. We want to get right the things that really matter to people and business, to make our contribution to reducing the cost of living, and to help businesses to become more competitive. We will do all of this while maintaining road safety standards and a cleaner environment.

Our guiding principles

In designing more efficient motoring services, we will be guided by the following principles:

- **Putting consumers and businesses at the heart of what we do.** We want to organise ourselves around the convenience of the users of our services – not the other way round.
- **Rationalising the number of bodies and agencies involved.** We want to deliver services as simply as possible – simple to navigate, simple to understand and simple to use. A more flexible and innovative approach on our part will reduce costs and deliver more efficiently.
- **Working more closely and collaboratively** with a broader range of partners to deliver services. We want to explore new options for delivering services. We will not be constrained by thinking of government as the only provider.

Guiding principles for reform

Putting the consumer and business at the heart of what we do

We want our customers to enjoy the benefits of first class motoring services. This means understanding what customers want, thinking innovatively about how we deliver services and making sure we deal with concerns and complaints thoroughly. We want to offer a cost effective and high quality service. This means using the most cost effective channels available and pushing a 'digital by default' approach, so our services are delivered better on the web or via your phone. Where we deliver face to face services, such as testing, we will make the service more convenient and accessible.

Rationalising the number of agencies and bodies

We want high quality motoring services which can be delivered at the best value for money. Simplifying and streamlining what we do and how we do it will be achieved by sharing our estate and our back office functions more effectively across the motoring services. Reducing the number of organisations we have delivering motoring services will reduce our overall overheads, for example, by combining business areas such as ICT, corporate support, and customer contact centres where it makes sense to do so.

Working with a broader range of partners

We want to build on our existing joint ventures and partnerships and engage with a wider range of partners in the public, private and third sectors to drive improvements to the quality of motoring services.

We aim to move away from a position of direct provision to commissioning high quality individual services from a diverse range of providers. Opening up motoring services provision to a wider range of organisations will allow service providers more freedom to innovate, improve the choices available to service users, and deliver better value for money. It will also support economic growth by creating new

opportunities for small and medium size businesses. As part of our approach, we will consider other commercial and mutual models.

What we will do to deliver that vision

We will:

- 1. Be at the forefront of digital services.** We will maximise the digital delivery of services to motorists. In particular, DVLA is working with the Government Digital Service to maximise the digital delivery of driver and vehicle licensing. We will drive costs down, improve the customer experience and ensure that those who find access to digital services difficult are supported to do so.

We will:

- make it easier for you to access your records and to keep them up to date.
- make it easier to tax a vehicle, apply for and renew a driving licence, buy or change a personalised registration number – all on line.
- widen access to the electronic car tax renewal service
- deliver an innovative partnership with the Motor Insurance Industry to ensure motorists' insurance premiums are properly priced and to reduce the number of claims that are declined or adjusted.
- remove the need for unnecessary paper including abolishing the driving licence paper counterpart and considering the continuing need for the tax disc.

- 2. Support economic growth and vehicle manufacturing by reforming the Vehicle Certification Agency.** VCA works in a commercial environment, and we will assess how we can enable it to grow and contribute to the wider economy, whilst continuing to provide a high quality and trusted service which is recognised for its integrity. We are looking at the options for new models for its business, including mutualisation, joint venture and outsourcing options. We will announce the preferred model next year and then deliver the change swiftly.

- 3. Bring the driving test closer to you.** We will explore opportunities to improve the convenience to customers of both practical and theory driving tests. This means we will:

- look at the locations from which we deliver tests and trial approaches which take these closer to the customer. We will pilot delivery of tests from a greater range of locations including from colleges, retail premises and other public buildings. We are committed to respond more quickly and flexibly to changing demand, where this can be achieved without threatening the integrity of the driving test or resulting in higher fees to the customer.
- explore the options for the delivery of the practical test, including the options for private sector involvement and greater diversity of provision, as well as considering other commercial and mutual options. We are keen to explore all options that maintain the integrity of the test and high quality standards whoever is the provider.
- complete a review of our estate and model the current and future demand from our customers to develop a more optimal distribution of our sites.

4. Transform HGV, bus and coach testing. We will continue to expand our joint ventures with private sector providers to deliver the vast majority of HGV, bus and coach tests at authorised testing facilities which are owned and run by our customers rather than VOSA. This means we will:

- have as few government owned test stations as possible.
- Have stations offering a wider range of motoring services.
- deploy our testing force in a more mobile and flexible way.
- consult on further options for the delivery of testing.
Consistent with our approach to the driving test, we are keen to explore all options, including other commercial and mutual options.
- work collaboratively with industry to improve compliance.

5. Deliver better customer services. We will work more consistently together to ensure that we have comparable processes for listening to what you tell us and receiving feedback. We will use real time and digital technology where it is feasible to do so. We will use this information to improve the overall customer experience and to make sure our services reflect your convenience rather than ours.

6. Define our organisations to deliver better services. We want to rationalise the number of agencies and reconfigure our organisation to reduce cost and improve consistency. We are committed to greater sharing of back office functions and a reduction in our estate. We are equally committed to ensuring that the customer experience is made

simpler and more straightforward. In essence, our businesses are made up of a number of core functions, including face to face testing activities, enforcement, licensing and approval, transactional services and back office functions. We will focus on:

- driving single provision of back office functions, including business support and ICT.
- bringing common services together, and reviewing how they are delivered, including licensing and approvals, testing, training, call centre provision and the provision of advice and information, and standard setting.

Consultation

The document sets out the broad direction for the future of motoring services. Our fundamental aim is to improve services and deliver them at better value for money, in the light of the government's commitments set out in Open Public Services White Paper and the government's Civil Service Reform Plan. There are a number of options as to how this might be achieved. To help the Department finalise this strategy document and to evaluate the options for delivering it, you are invited to offer comments on the guiding principles for reform, the actions proposed to address them and the options on which future choices will have to be made. Some of these will be the subject of more detailed consultation but, the options on which you might like to comment at this stage are:

- The services and products would you like to see delivered increasingly by digital channels, for example car tax and tax discs, and driver licensing.
- Reforming VCA.
- Options for the delivery of the practical driving test and HGV, lorry and bus test, including authorising others to carry out testing on our behalf in certain circumstances.
- Our organisation and what services we could bring together and how.

We look forward to hearing from you so we can continue to move service standards forward.

Consultation questions

1. Which Agencies do you deal with and how often?
2. Which services have you used in the last 12 months?
3. Referring to page 15 of the strategy, “Our Guiding Principles” please tell us which of the principles, if any, would help you in our dealings with us?
4. Will the vision for digital services outlined on page 17 of the strategy help you in your contacts with any of the four Agencies?
5. We plan to move to greater delivery of services online or by other digital means. Will these changes help you in your dealings with us?
6. Do you think the proposals to reform VCA as outlined on page 17 of the strategy will help you and/or the UK economy?
7. Do you have any suggestions for the future structure of VCA or the range of services it offers?
8. Do you support our plans to bring the driving test closer to the customer as outlined on page 17 of the strategy?
9. How would our plans to bring the driving test closer to the customer affect you as a customer or a business?
10. Do you support our plans to reform HGV, bus and coach testing as outlined on page 18 of the strategy?

11. How do you think our plans to reform HGV, bus and coach testing will affect road safety?
12. How do you think our plans to reform HGV, bus and coach testing will affect convenience for customers and businesses?
13. How do you think our plans to reform HGV, bus and coach testing will affect red tape for customers and businesses?
14. Do you have any comments on our plans to reform HGV, bus and coach testing?
15. Do you agree with our outline proposals for defining our organisations to deliver better services as outlined on page 18 of the strategy?
16. Do you have any comments on our plans to re-define organisational boundaries?
17. Do you have any other comments on how we can improve our service to you?
18. Do you have any other comments on our approach as outlined in the strategy?

What will happen next?

A summary of responses, including the next steps, will be published within three months of the consultation closing. Paper copies will be available on request.

Annex A Impact assessment

As no formal proposals have been made there is no requirement for an impact assessment at this stage.

Annex B Consultation criteria

The consultation is being conducted in line with the Government's key consultation principles which are listed below. Further information is available on the Better Regulation Executive website at <https://update.cabinetoffice.gov.uk/resource-library/consultation-principles-guidance>

If you have any comments about the consultation process please contact:

Consultation Co-ordinator
Department for Transport
Zone 1/14 Great Minster House
London SW1P 4DR
Email consultation@dft.gsi.gov.uk

Consultation Principles

- departments will follow a range of timescales rather than defaulting to a 12-week period, particularly where extensive engagement has occurred before;
- departments will need to give more thought to how they engage with and consult with those who are affected;
- consultation should be 'digital by default', but other forms should be used where these are needed to reach the groups affected by a policy; and
- the principles of the Compact between government and the voluntary and community sector will continue to be respected.