



Driver & Vehicle
Licensing
Agency



DVLA- IT Contract Let Procurement Programme (CLPP)

Market Engagement Event

29 July 2013

Agenda

Agenda Item	Presenter	DVLA Role
Introduction and Welcome	Brian Etheridge	MD DfT Motor Services Group & CLPP SRO
DVLA Overview	Malcolm Dawson	DVLA CEO
Programme Status	Ann Conway-Hughes	CLPP Programme Director
IT Transformation-The Emerging Journey	Iain Patterson	Director of Technology
Commercial Opportunities	Andrew Falvey	Assistant Director (Commercial)
Question & Answer Session	Brian Etheridge Malcolm Dawson Ann Conway-Hughes Iain Patterson Andrew Falvey	CLPP SRO DVLA CEO CLPP Programme Director DVLA Director of Technology Assistant Director (Commercial)

Introduction & Welcome

Brian Etheridge

DVLA Overview

Malcolm Dawson

What DVLA Does

Primary functions

- Register drivers and vehicles
- Collect Vehicle Excise Duty (road tax)
- Maintain accurate databases
- Issue driver and vehicle documentation
- Share information lawfully

Headline figures

- 45.6 million driver records
- 36.7 million active vehicle records
- Collected £6 billion in road tax
- Road tax evasion at a low of 0.52%
- 175m customer interactions per annum
- Call Centre handled 25 million calls

Structure

- Headquarters in Swansea - local offices will close at the end of this year
- Employ 5,673.5 full time equivalent staff, moving to 4880 by 2015



2012 / 2013 Highlights

- **SoS targets** – exceeded or met 18 out of 20 performance measures and exceeded or met 19 out of 20 of our customer service measures
- **VED compliance** - £6bn collected in VED and highest compliance
- **EVL** - highest ever take up rate of 55.7% (at March 2013)
- **Front Office Counter services (FOCs)** – a new cross-government contract was awarded to the Post Office Ltd for a period of seven years with a forecast saving of around £19 million per year, supporting assisted digital.
- **Card contract** – £360m pan-government card contract for cards offering savings of between 50p - £4.00 per card. £5-6m saved over the term of the new contract with improved resilience reducing burden on the customer.
- **DVLA Personalised Registrations** - the Agency was granted official licensee status for the 2012 Olympic Games raising a total of £4.7 million.
- **Best Overall Contact Centre of the Year Award 2012** - DVLA's Contact Centre beat public and private sector competition in the Customer Contact Association (CCA) annual awards.



DVLA Financial

Generates revenue of over £6 billion for the Government

- Road tax £6 billion
- Fees £404.7 million
- Sale of Marks £67.8 million
- Fines £42 million net

Running costs in 2012/13* £553.3 million

- Outsourced services £222.5 million (includes IT, Post Office & wheel-clamping)
- Pay £158 million
- Service delivery (e.g. postal expenses) £95 million
- Accommodation £14.5 million
- Other running costs £6.3 million

Efficiency savings

- £40.6m of sustainable efficiency savings have been realised to date against 2010/11 baseline



**Latest approved figures*

DVLA Vision

Customers are at the heart of our business and drive everything we do. Our digital services and our people exceed our customers' expectations.

DIGITAL

Ensure all services with more than 100,000 transactions per year will be available by digital and assisted digital channels by 2017.



Importance of CLPP

- DVLA recognises the need to change the way it acquires, designs and operates its ICT services to achieve our vision.
- Given that DVLA's current outsourced ICT contract (PACT) is due to expire in September 2015, DVLA has launched the CLPP as the vehicle to achieve this goal
- Key enabler for wider DVLA Transformation

Programme Status

Ann Conway-Hughes

Background

- DVLA's current outsourced ICT contract with IBM (PACT) is due to expire in September 2015 - no extension allowed
 - Ageing and expensive IT estate, difficult to change
 - Complex supplier landscape
 - IT Strategy ill-defined
 - DVLA an assurer of IT services, not a provider
- Need to procure replacement contracts during 2013/14
- Engagement Partner Tranche 1 appointed in March 2013
- Current status:
 - Fully mobilised programme, with defined scope, programme plan and capable resources
 - SOC Approved (DfT and Cabinet Office)
 - In Prepare Phase - working towards OBC Approval in September 2013
 - Commenced Implementation Phase planning

What is CLPP?

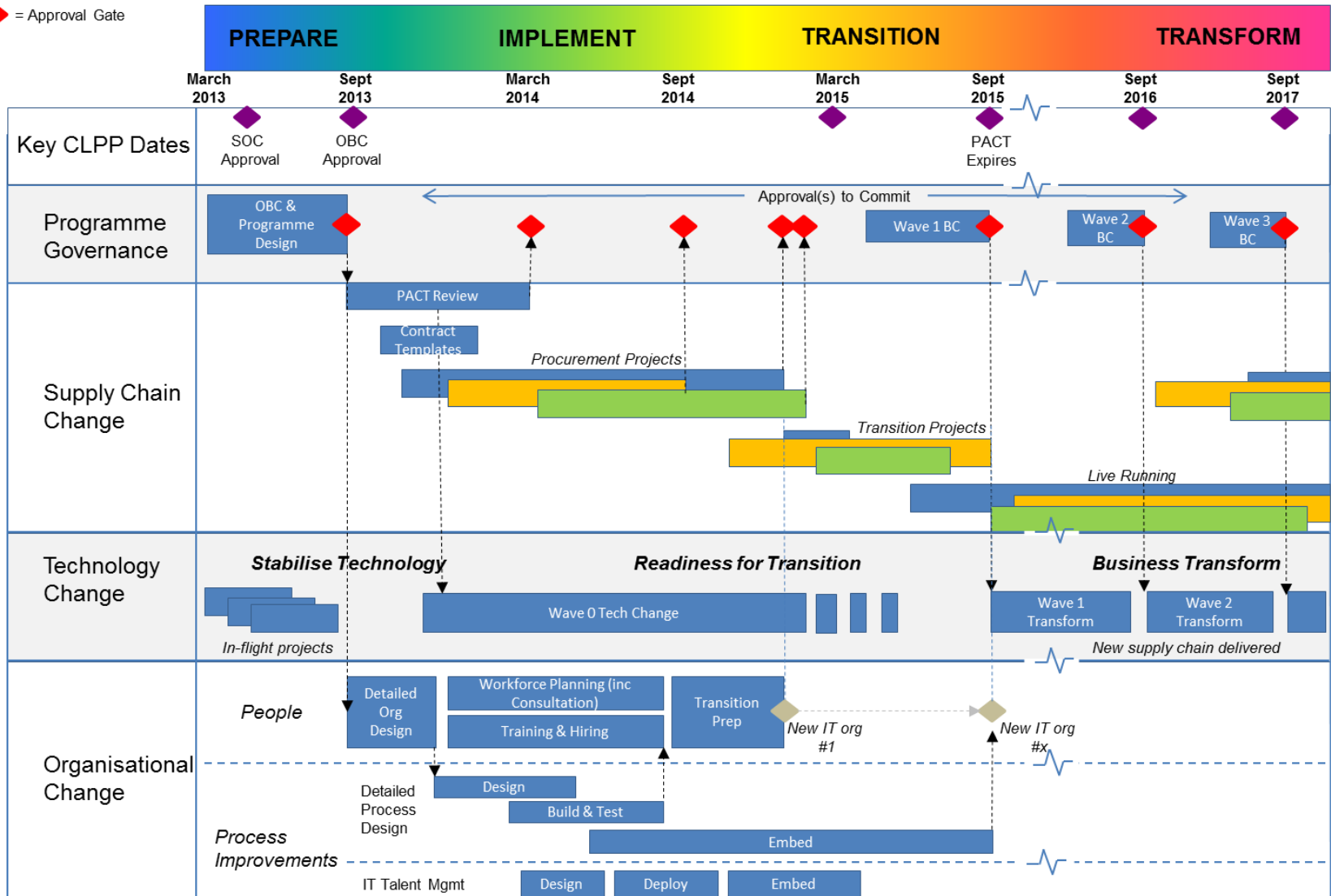
Contract Let Procurement Programme (CLPP) is the single, integrated programme that will progressively transition DVLA to a new tower-based supply chain and revised IT operating model.

Objectives:

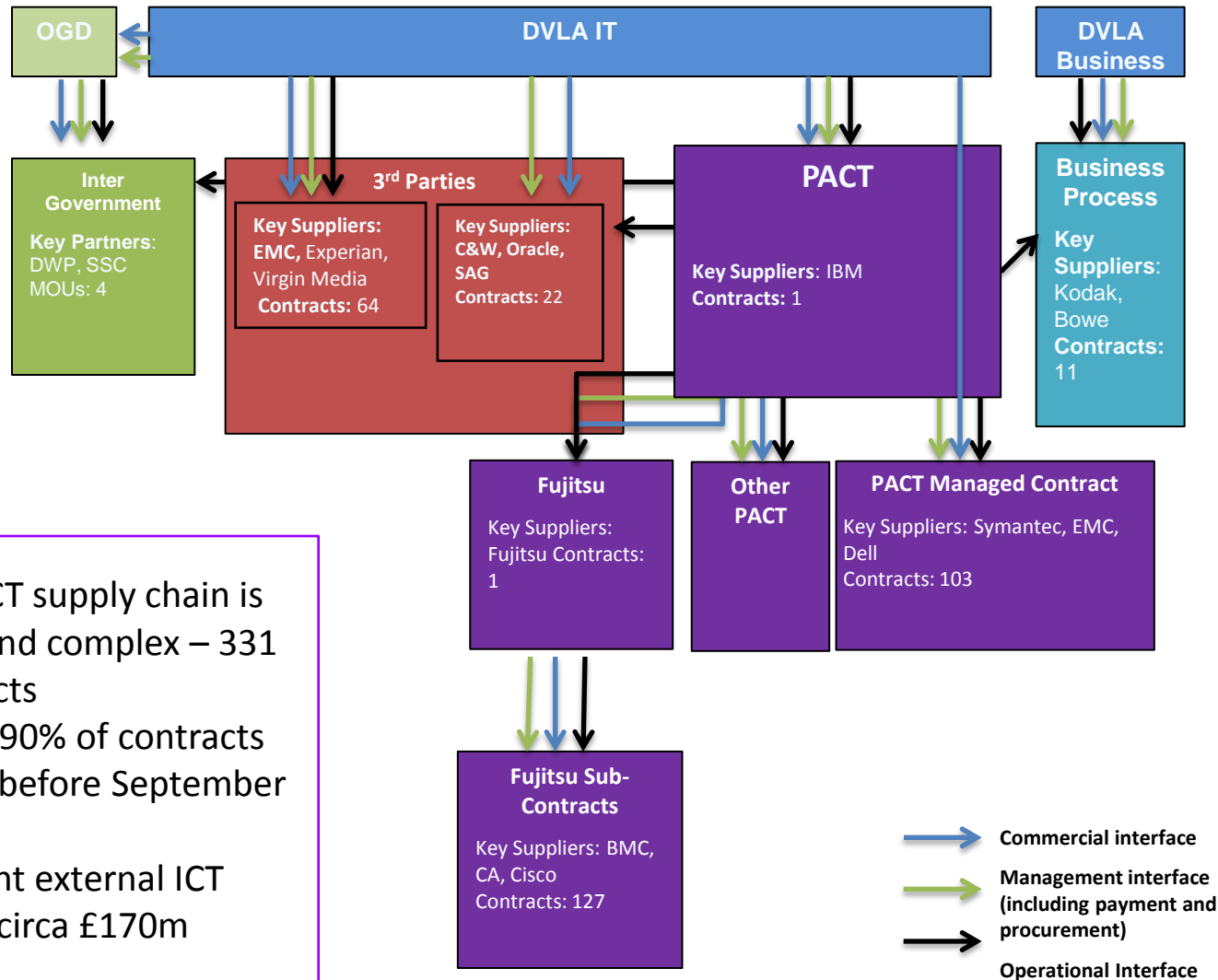
- **Maintain and protect business continuity** before, during and after transition from the PACT contract to the new ICT delivery model.
- **Achieve Value for Money** through the implementation of leading-edge ICT commercial arrangements that minimise the use of long term contract arrangements, maximise competition in the market for tower services, and optimize use of SME services and capabilities.
- **Deliver a revised set of capabilities** in the IT function capable of supporting the transformation of DVLA's services to be “Digital by Default”.

High Level Programme Plan

◆ = Approval Gate



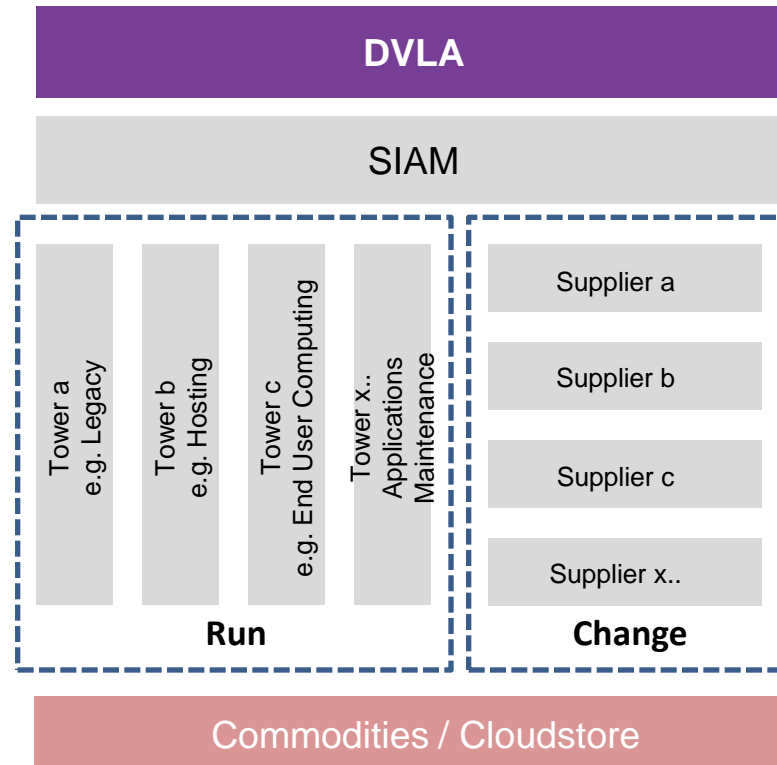
PACT Overview - Current



- Our ICT supply chain is large and complex – 331 contracts
- Over 90% of contracts expire before September 2015
- Current external ICT spend circa £170m

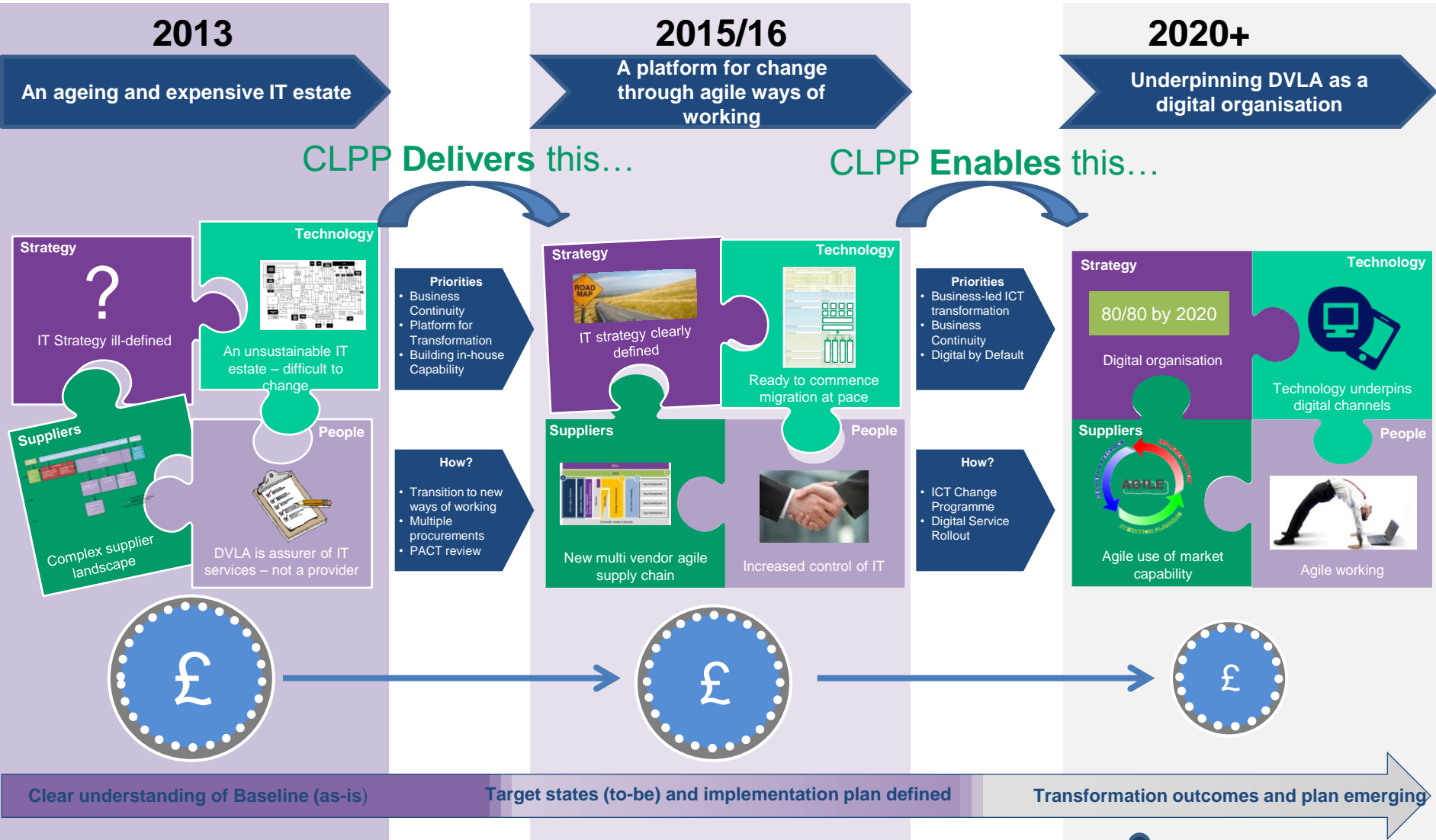
Overview – “To Be”

- A multi-sourcing approach providing IT with greater control, flexibility and agility to support the business
- Significant reduction in ICT contracts directly managed by DVLA (>20)– streamlining supply arrangements
- Current savings target of at least 25% (with an aspiration of between 30-40%)



DVLA Contract Let Procurement Programme

'Delivering the capability to transform DVLA ICT for a digital future'

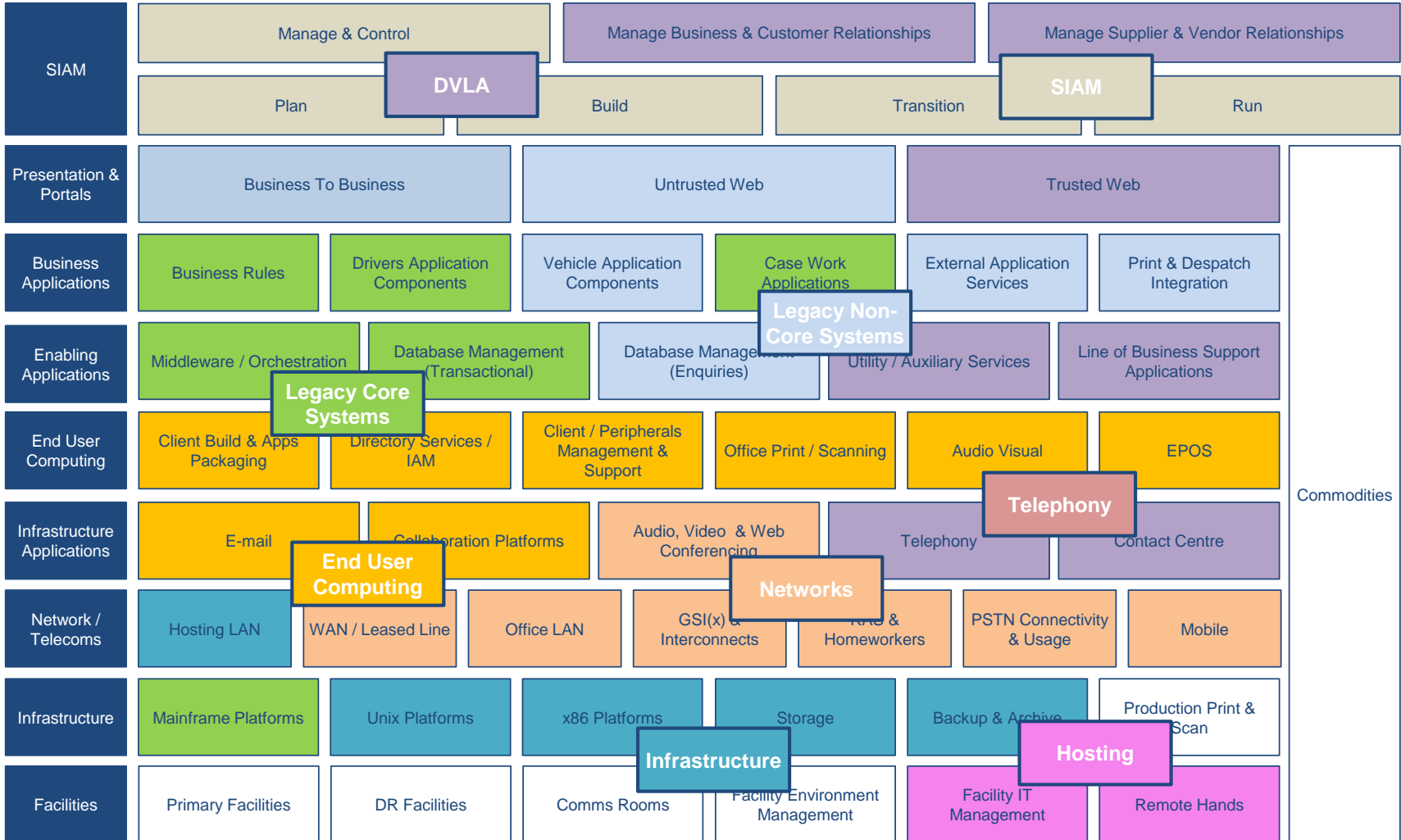


CLPP is a key enabler to achieve DVLA's vision:
*"Customers are at the heart of our business and drive everything we do.
 Our digital services and our people exceed their expectations".*

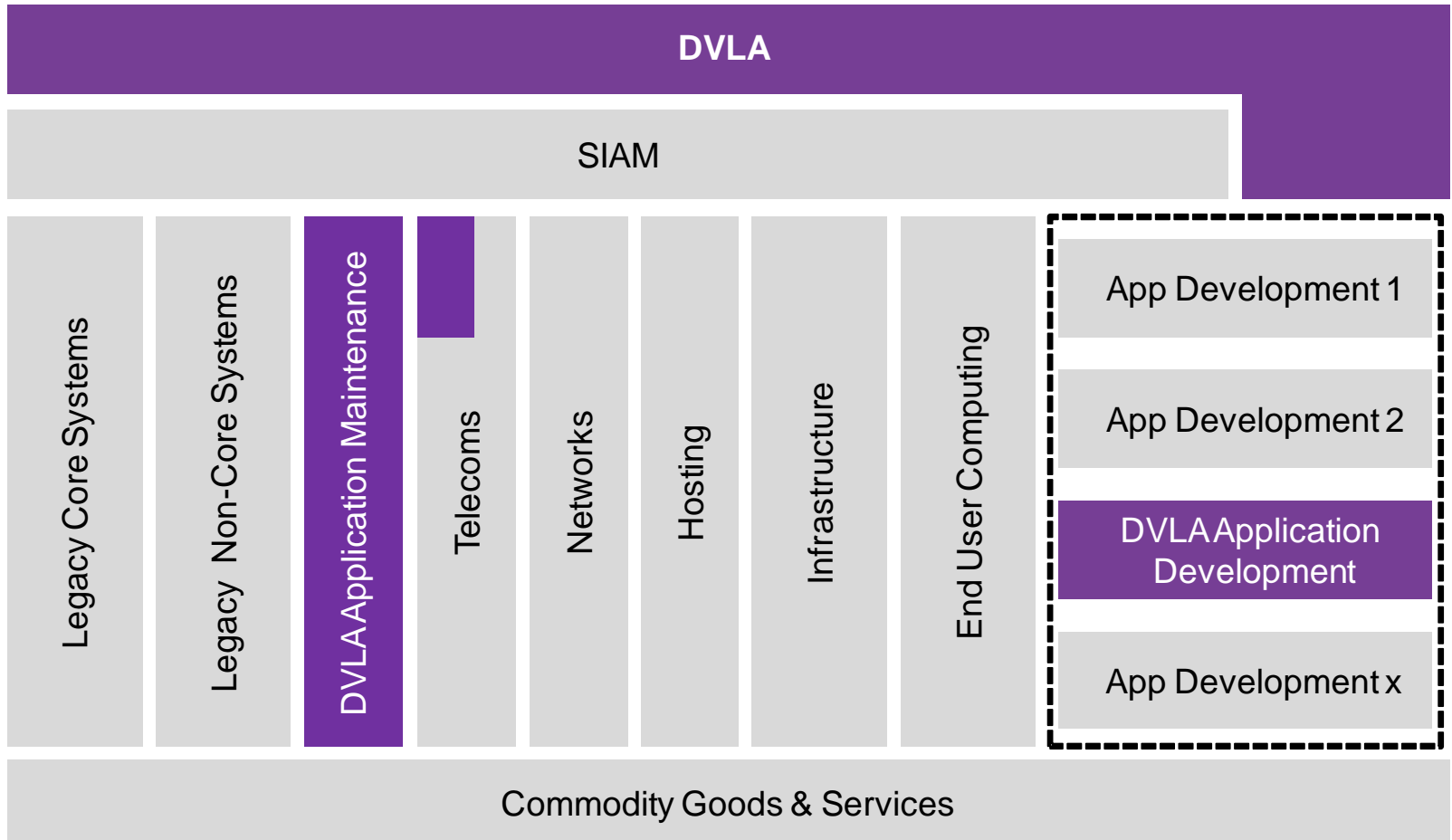
Commercial Opportunities

Andrew Falvey

Service Components



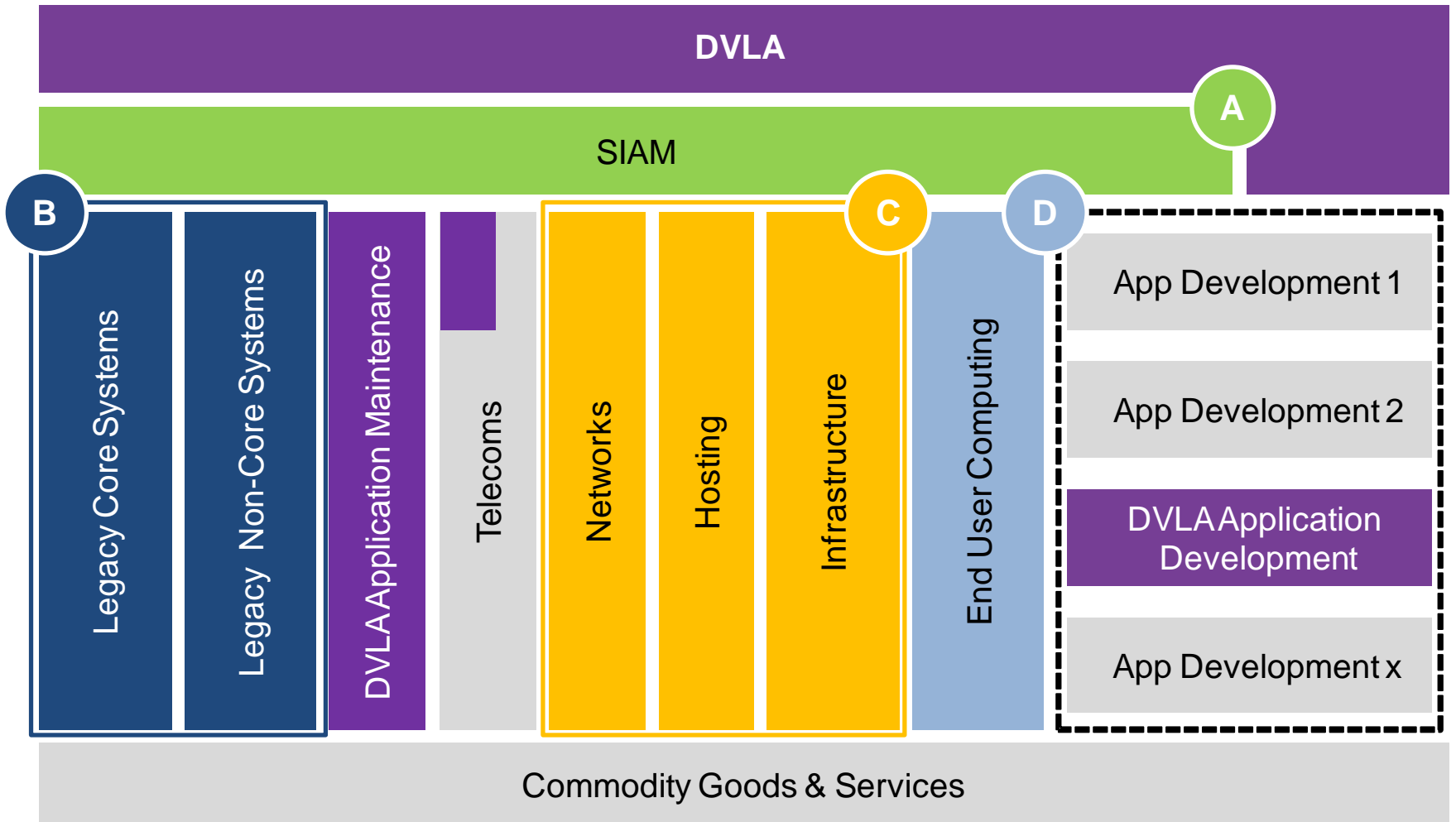
Service Packages



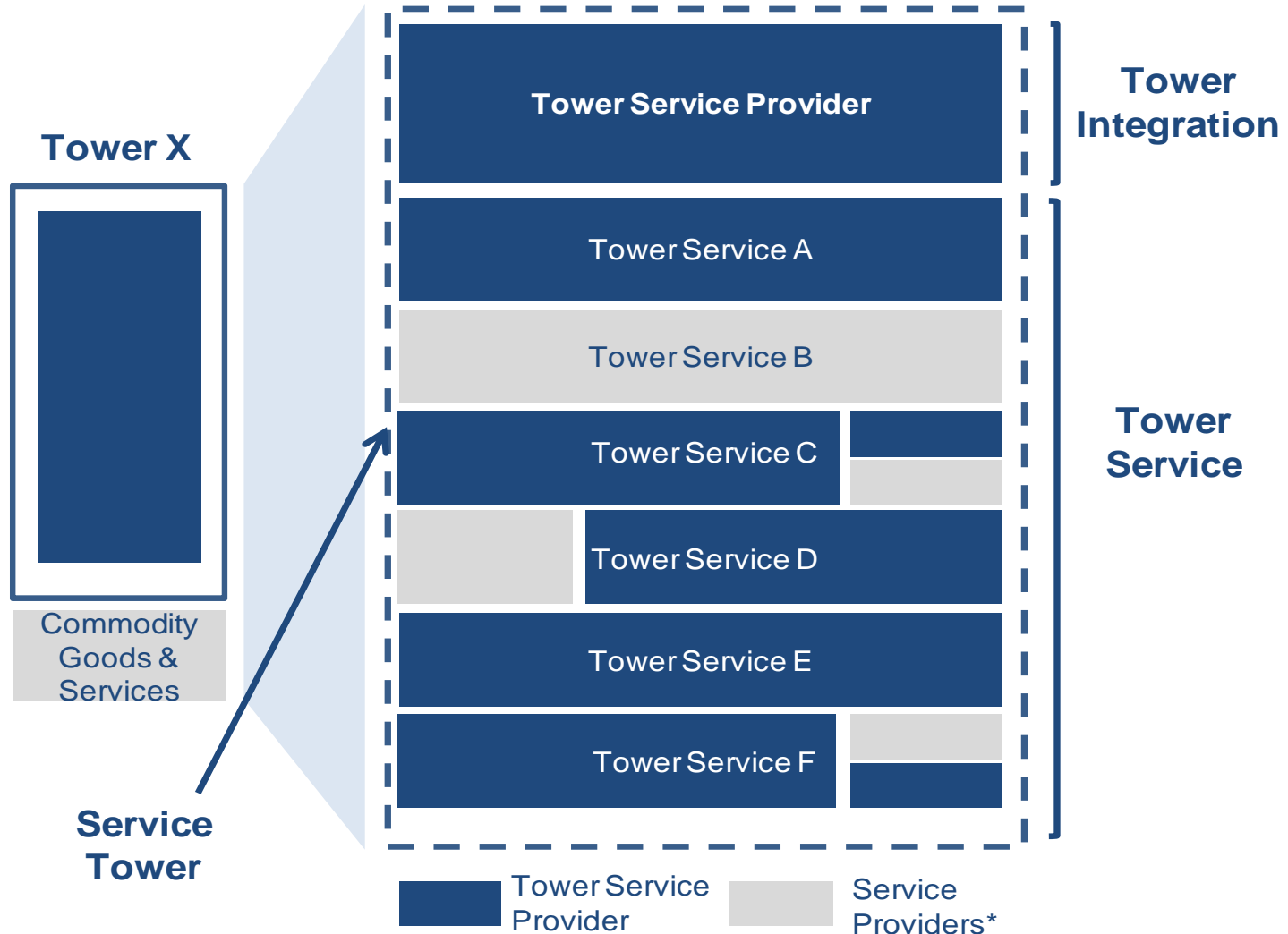
 Services Provided By DVLA Retained IT Organisation

 Services Provided By ICT Supply Chain Providers

Service Towers

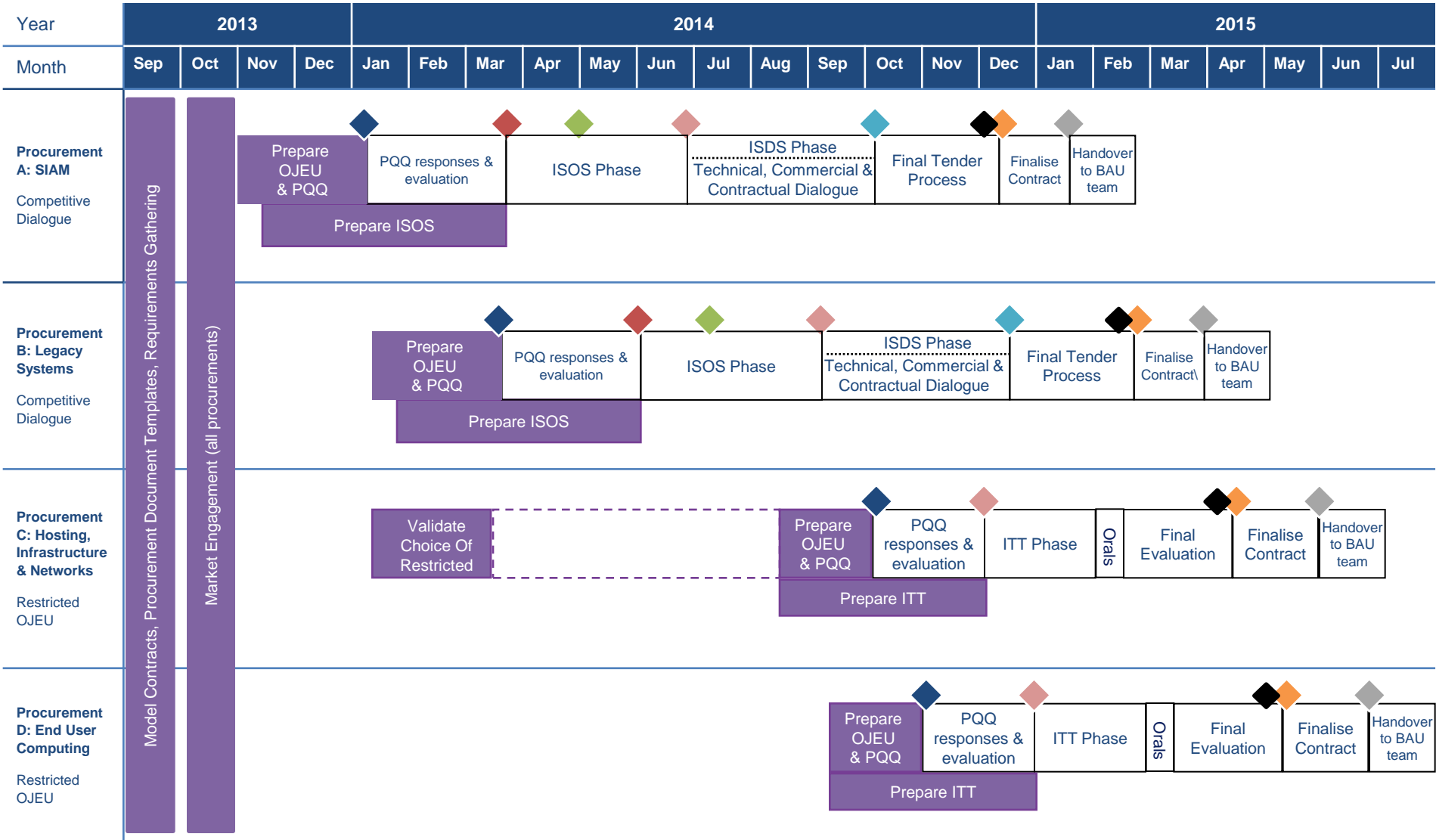


Inside a Service Tower












*Service Providers deliver either discrete Tower Services or a component of an end to end Tower Service offered by the Tower Service Provider.

CLPP Procurement Plan



Key

-  Requirements gathering, RFP writing, market testing, and other pre procurement activities
-  Release OJEU & PQQ
-  Shortlist suppliers
-  Contract Award Notice
-  ITPD and ISOS released to down selected suppliers
-  Receive ISOS responses
-  Invitation to Submit Final Tenders
-  Choose selected bidder, Alcatel Period
-  Gateway 3

IT Transformation The Emerging Journey

Iain Patterson

Question & Answer Session



Supplier Networking Opportunity

