

A regular update for our customers and stakeholders on the DVLA Modernisation Network Services (MNS) Project

April 2013 Headline News

Industry Engagement Event – DVLA will hold a full day 'Transforming DVLA Services' Workshop with key representatives of the motor industry on Friday 10 May 2013. The event will be held at the HMRC Sherbourne House, Coventry and will provide motor industry representatives with a prime opportunity to understand the latest position in relation to closure of the Local Office Network. The day is expected to begin with introductions and a presentation on;

Digital services and future changes.

This will be followed by a series of targeted breakout sessions covering the following topics:

- Intermediary channels for relicensing transactions;
- Parity of service for customers in Northern Ireland;
- Centralisation of services and customer transition.

Closure of Area Enforcement Centres – following the final day of operational business for the 10 Area Enforcement Centres on 22 March 2013, DVLA coordinated a series of closure activities to make the office space ready to be reused or released to lease holders. This was a prelude for the more complex process of decommissioning the 39 Local Offices at the end of the year and has provided some valuable lessons and experiences that will contribute to a smooth decommissioning of the network estate. The internal transition of enforcement work has resulted in minimal impact, with all calls and casework types being handled within the centralised domain.

Grace period for driving whilst awaiting a tax disc – Legislative changes to allow a 14 day grace period for an individual to drive without a vehicle licence (tax disc) after first registration were announced in the Budget on 20 March. These changes are due to come into effect in line with the Finance Bill to be introduced in July 2013.

First Registration User Group (FRUG) – the project gave a presentation to the FRUG on progress of the AFRL Disc Distribution workstream on 20 March at the SMMT's premises in London. The presentation, which included an update on centralisation work, was well received although it was made clear there is still work to be done to ensure the industry have all the information needed for an effective transition to the new ways of working. Areas requiring further attention over the coming weeks include:

- How to improve communication of the new processes to the dealer network and fleet industry;
- Production of more detailed implementation plans (with both business and technical activities).

Temporary First Licence – The temporary first licensing service provided at designated Post Office® branches – where dealers can collect a temporary tax disc valid until the actual vehicle licence has been received – ceased on 1 April 2013. Dealerships that have previously used the service should go to their nearest local office for their first registration applications.



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ARTICLE – What you wanted to know...

In February 2013, DVLA ran a survey of the top 20 customers of each of the 39 Local Offices. The final report from this survey was issued at the end of March 2013 (see the Information Hub section for more details) and the survey highlighted a number of key findings:

- there was a good-level of awareness in relation to the closure of the Local Offices, particularly amongst customers who were members of trade bodies;
- a definite trend was identified in the need to understand how transactions will be undertaken in the future;
- established DVLA stakeholder relationships are an effective means to deliver communications;
- the local office network is a primary mechanism for delivery key messages to commercial customers who are not part of DVLA's established relationships.

These findings have been incorporated into DVLA plans for engagement over the coming months so we take on board customer concerns and ideas in our communication activities. In addition to building on the success of existing relationships with the Industry Liaison Group (ILG), we also plan to increase the amount of communications at local offices to provide greater visibility and direct enquiries more effectively.

Based on comments posted by those who completed the survey, a number of key themes were identified and from this, the project has identified the following key messages which our customers have indicated we need to address or reinforce. The project will build the following updates into its planned communication activities:

1. DVLA needs to emphasise its increased capacity to deal with customer calls.

We have sought and gained approval for an increase in recruitment at DVLA Swansea in order to handle the increase in activity at our contact centre as a result of the impact of local office closures. Whilst every effort is being taken to mitigate the need for customers to contact DVLA (through making improvements to processes and publishing clear instructions for customers), this will help the Agency manage the anticipated increase in calls. This is as important for commercial customers as the general public and we encourage dealers, fleet operators etc to provide appropriate contact details so that DVLA can contact you in order to progress your applications.

2. DVLA needs to state how customers will be able to contact DVLA post-closure

All customer-facing information is being reviewed and updated ahead of the closure period so that the correct contact details can be accessible to customers. You will no longer be contacting us directly in person, instead relying on paper, phone, electronic systems or intermediaries to contact us. We appreciate this change in behaviour needs to be managed appropriately.



mns news

A regular update for our customers and stakeholders on the DVLA Modernisation Network Services (MNS) Project

3. DVLA needs to address the impacts closure of the local offices will have on customers, tackling the problems relating to:

Travelling times

With the coverage of Post Office® branches, you should find that there is less travelling time involved in either posting applications or accessing intermediary services. The following coverage illustrates how the intermediary service offers greater access to DVLA services:

- Vehicle Licence issuing branches 95% or more within 3 miles of an urban area and 90% or more within 5 miles of a rural area.
- O Duplicate Vehicle Licence issuing branches 85% or more within 3 miles of an urban area and 70% or more within 15 miles of an outlet in a rural area.

Queuing times

With the withdrawal of face-to-face service channels, there will no longer be a need for you to queue to process your application for centralised services. Users of the intermediary service will still expect to find queues at the Post Office® however the agreement in place with the Post Office® is that 80% of customers will have to queue for less than 5 minutes.

Posting to DVLA

A major concern expressed by customers includes the potential delays from applications and responses being sent via the post. Whilst options are available for businesses to mitigate these concerns themselves (such as courier services), DVLA has been remodelling internal business processes to ensure that applications spend as little time as possible being processed once they are received. In addition, priority outputs such as tax discs for Cherished Transfers will be posted with a higher postage to ensure it reaches customers as quickly as possible.

• Intermediaries (i.e. Post Office / AFRL)

The expansion of the range of services available at Post Office® branches will see intermediary services for vehicle licensing increase. In addition, early work by the project to tackle some of the barriers to manufacturers joining the AFRL scheme have seen take-up rise to 94%.

4. DVLA needs to emphasise how bulk transaction processing will work post-closure including how the Post Office will support bulk processing services

We are looking at several measures which could be introduced to support commercial companies who wish to transact in bulk. For example, following input from the motor industry DVLA has amended its policy which defines the number of first licensing transactions that combined are eligible to be processed as a bulk transaction. This number has been reduced to 9, which means that customers who submit 9 or more applications at once can benefit from receiving documentation via special delivery arrangements.

With regards to the processing of bulk transactions at the Post Office®, the levels of service you can expect as a minimum for multiple licensing transactions is as follows:

- Up to 5 applications are requested completed immediately at the counter.
- Between 5 and 10 applications completed within an hour.
- Between 10 and 50 applications completed by the next day
- More than 50 applications completed within the week.





mns news

A regular update for our customers and stakeholders on the DVLA Modernisation Network Services (MNS) Project

5. DVLA needs to explain plans to adopt 'first contact resolution' and the importance of customers providing contact details on the forms provided.

We will be changing some of our application forms to allow customers to add contact telephone numbers and email addresses. This way, DVLA can contact you in order to resolve any issues before your application is processed, thereby reducing rejections and associated delays. It is in the customer's interest to provide these details as this will get the application completed quicker.

- 6. DVLA needs to explain when each service currently offered by the local offices will be removed We are in the process of developing and trialling centralised services in order to determine the point at which transactions will be centralised at DVLA Swansea instead of being processed at the local offices. In some cases such as Personalised Registrations, this has been phased into the Swansea head office so that the new process has time to bed into our operations. In the next edition of MNS News, we aim to publish a comprehensive list of when each local office service will be withdrawn or transitioned to Swansea.
- 7. DVLA needs to explain the benefits and potential impacts of process re-engineering, particularly from the customers perspective e.g. operational policy changes regarding first registration. The process of centralising local office services is not a simple "lift and shift" transition. DVLA has been undertaking process re-engineering for some time now in order to redesign these services to make it more efficient end-to-end. This has helped to identify beneficial changes to the way we handle your applications. For example:

<u>Personalised Registrations and V55 applications</u> – previously DVLA will have issued a disc with a record update taking place several days later. This has in the past caused issues with ANPR / TfL / PNC checks. As part of centralisation, we will update records first and issue discs once the record has been updated. This improves the accuracy of the DVLA record. In some instances, this may see some customers receive the V5C prior to the tax disc. As a result of this change, there will no longer be a need for temporary first licences to be issued (accordingly, this service has been removed from the Post Office® from 1 April 2013).

- **8. DVLA needs to address the impacts of Local Office closure on personalised registration dealers** We will be working closely with those businesses involved in personalised registration transactions given the significant impact in centralising these transactions. We have already taken a number of responses from motor dealers on this process and will continue this work in the weeks ahead.
- 9. DVLA needs to reinforce the AFRL service messaging e.g. personalised registration retention via the AFRL system

Much like the Post Office® service channel, the AFRL system already offers some of the manual processes available at the local offices in an electronic channel. As well as encouraging more manufacturers to use this service, we are also keen to stress to existing users the benefits of the service for their customers. This will be a focus of the next MNS News edition.



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10. DVLA needs to explain how payments will be handled post-closure, particularly the continuation of prefunded accounts and how this process will work (particularly for fleet operators)

Whilst a pre-funded account facility will not be available initially, DVLA and Post Office Ltd® are investigating potential alternative payment methods. Once alternative methods have been agreed, you will be advised of the options available. In the meantime, Post Office® branches have been advised of the opportunity to forge commercial relationships with fleet operators in their area. This may be something you wish to discuss with your local motor vehicle licensing Post Office®.

We will shortly be running a similar survey with our general consumers as well as further commercial customer surveys. If you have anything further you wish us to address and share regarding the impacts of the local office closures, we welcome your ideas and suggestions.



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Information Hub

The Information Hub is where we will share detailed information such as changes that will be made to existing services or when you can expect to see these changes come into effect.

Modernising Network Services Survey 2013 (Commercial Customers)

Summary of findings:

- 85% of respondents were aware that the local offices will be closing between October and December 2013.
- 84% of respondents visit the local offices to carry out a vehicle licensing transaction, with 59% carrying out personalised registration transaction and 56% carrying out a vehicle registration transaction.
- 53% of respondents were Motor Traders, with 15% Commercial Fleet Operators.
- 50% of respondents who were eligible advised they were a member of a trade body.
- 88% of respondents advised that they visit the local offices at least once a month with 78% advising they visit the local offices at least once a week.
- Just over half (51%) of respondents who were members of a trade body advised that they were Very dissatisfied/Dissatisfied with the "Ability to ask questions", while 38% of respondents that were a member of a trade body advised they were Very satisfied/Satisfied with the "Frequency of information received". For respondents that were not a member of a trade body, 42% of respondents advised they were Very satisfied/Satisfied with the "Clarity of information received", while 46% of respondents advised that they were Very dissatisfied/Dissatisfied with the "Ability to ask questions".
- When asked "What type of information would you like to be informed about?" 31% advised they would like updates on process changes, with 22% requesting local office closure details.
- Of the respondents that advised they were Very dissatisfied/Dissatisfied when asked "Please advise how satisfied/dissatisfied you have been with the following aspects of the communication around DVLA Local Office closures", of the 60 comments received, 45% advised that they had not received enough communication, while 30% were unsure of the new process.



mns news

A regular update for our customers and stakeholders on the DVLA Modernisation Network Services (MNS) Project

- 88% of respondents that advised they were a member of a trade body stated that they use the local offices for vehicle licensing, with personalised registrations being the second highest with 69%.
- 92% of 73 respondents who advised their company was a member of a trade body were aware of the local offices closures, compared to 78% of 88 respondents who were not members of a trade body.
- The largest amount of transactions carried out on a daily basis was personalised registrations as advised by 84% of respondents, followed by vehicle licensing 82%.



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Workstream Update

Each edition will feature a progress update from specific workstreams within the project, to give you an idea of progress of specific activities that may affect customers.

Extended Licensing Services at Post Office® [Lead: Leanne Hughes]

The new Front Office Counter Services contract awarded to Post Office Ltd went live on 1 April. New services will commence at the end of June 2013 and you will be able to carry out the following additional licensing transactions at any of the 4,600 the Post Office branches:

- You will be able to apply to tax your vehicle even if you don't have a reminder, registration certificate (V5C) or the new keeper supplement (V5C/2). This is subject to you being registered on the DVLA database as the current vehicle keeper.
- Apply to tax in most classes, including HGV's and Reduced Pollution.
- Tax your vehicle if you have a V5C/2 under or over two months old. This may require completion of a V62 (application for a Vehicle Registration Certificate) which may require an additional fee.
- You will also be able to change your tax class into another tax class relevant to your vehicle. This is subject to the Post Office carrying out on line checks with the DVLA. This is relevant for most tax class changes apart from a small number of requests that will need to be sent into DVLA Swansea to change. You will not be able to change the tax class at the Post Office if you have made modifications to your vehicle, such as amendments to wheel plan or HGV re-plating. These will also have to be submitted to DVLA Swansea.

Workstream Objectives

Project Management Office (PMO) - To support successful management and control of the project in line with best practice project management standards and procedures.

AFRL Disc Distribution (ADD) - To enable tax discs printing in Swansea resulting in there being no requirement for dealers to hold discs on their premises

Extended Licensing Services at Post Office (ELSPO) - To extend the scope of vehicle licensing services offered at Post Office branches.

<u>Trade Licensing Services (TLS)</u> - To change the current paper trade licensing process so all applications are processed at DVLA Swansea.

LSN Centralisation - To deliver centralised services for all transactions currently offered within the Local Office Network and will not be offered via the Post Office.

ED Centralisation - To centralise enforcement 'back office' activities, ie penalty payment collection, preparation of court case papers and resolution of disputed cases.

Decommissioning - To facilitate all necessary decommissioning and Local Office closure activities.

In addition, you can apply for a duplicate tax disc at any one of the 400 branches offering this service (see March edition of MNS News for details of these branches). This is subject to you being registered on the DVLA database as the current vehicle keeper.

The Post Office branch finder (www.postoffice.co.uk/branch-finder) will be updated prior to go live, with both the MVL (Motor Vehicle Licensing) and Duplicate branch addresses.



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Trade Licensing rates of duty

From 1 May 2013, applications for trade licences will be processed at DVLA Swansea. Applicants will need to provide the correct fees in order to ensure smooth and timely processing of the application. The following table defines the correct fees to be used:

Month of application	Month of expiry	All Vehicles Rate of duty	Bicycles and Tricycles Rate of duty
January (6month licence)	June	£90.75	£42.90
January (12month licence)	December	£165	£78.00
February (11month licence)	December	£165.00	£78.00
March (10 month licence)	December	£151.25	£71.50
April (9 month licence)	December	£136.10	£64.35
May (8 month licence)	December	£121.00	£57.20
June (7 month licence)	December	£105.85	£50.05
July (6month licence)	December	£90.75	£42.90
August (11 month licence)	June	£165.00	£78.00
September (10month licence)	June	£151.25	£71.50
October (9month licence)	June	£136.10	£64.35
November (8month licence)	June	£121.00	£57.20
December (7 month licence)	June	£105.85	£50.05

Note: New traders who apply for a trade licence at any time other than January and July would need to obtain a trade licence for a period of 7, 8, 9, 10, or 11 months in order for the licence to end in December or June. For example, a customer making an application in March would need a licence to cover a 10 month period to end in December.

For further information please go to <u>Trade licence plates - GOV.UK</u>.



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Questions & Answers

Each month the project will provide answers to questions raised by our customers and stakeholders

Q1: We are a bus operator and currently send our road tax renewal applications to DVLA in Theale, Berkshire. Will I be able to send an individual cheque to cover multiple applications?

A1: One cheque will be acceptable for all applications but it will need to be for the correct amount.

Q2: Are all local offices now sending V55's to Swansea to register?

A2: No. We are currently developing processes to support the full centralisation of first registration transactions. Local offices will still deal with first registration transactions and at present only forward the application to Swansea for the vehicle and keeper details to be updated onto the vehicle database.

Q3: Once the V55 has been posted to DVLA, at what stage can we release the vehicle?

A3: New legislation for not displaying a tax disc for up to 14 days after registration does not apply until end of July. The local office will process the applications as first registrations (not temporary first licenses). As such the current process of not releasing a vehicle until the tax disc has arrived has to be followed. This is seen as an interim measure until i) the new legislation comes into effect and ii) local offices start to close.

As part of the new centralised DVLA process (after the change in legislation has come into effect), confirmation of receipt of an application at DVLA will be classed as confirmation of registration for dealers who utilise the V53 pre-allocation of marks scheme (available to all V55/1 and V55/2 dealers). DVLA will not be notifying receipt of an application if it is sent through the normal post. However, if a dealer chooses to send their application via recorded mail / courier then the confirmation will come from the deliverer and will suffice to release the vehicle.

For dealers who utilise the V53 scheme but do not choose to send their applications via recorded mail / courier, dealers will be able to check the <u>Vehicle Enquiry Screen (VES)</u> to confirm registration as they will know the registration number and make of the vehicle.

Tweet Alert

Some of the comments and messages being posted on Twitter in relation to the closure of the local offices

@DVLAgovuk reduction in price is welcome to many. Well done to listening to your customers for a change.



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FURTHER INFORMATION & CONTACT DETAILS

DVLA welcomes feedback from our customers and stakeholders and the project would particularly like your views on this newsletter. Please let us know what you think and feel free to share with us ideas for future articles or questions you want answered.

- Email the project directly at mns.project@dvla.gsi.gov.uk.
- AFRL manufacturers can direct questions relating to the AFRL Disc Distribution (ADD) initiative directly to AFRLdiscdistribution@dvla.gsi.gov.uk
- New information will be published through www.gov.uk/browse/driving over the coming months (we will keep you informed on this progress).
- For further information about the Transforming DVLA Services Public Consultation conducted last year (including some background context around the reasons for the decision to close the Local Offices), click here.
- Follow DVLA on our official Twitter account: @dvlagovuk

