



Driver & Vehicle  
Licensing  
Agency

2016 to 2017

# Driver & Vehicle Licensing Agency **Business Plan**

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February 2017

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# Contents

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## Purpose of this document

This document provides regular updates on performance against DVLA's Business Plan 2016-17.

## DVLA Key Performance Measures

Our Performance Measures detail the key areas of activities of DVLA and include measures that will deliver current government strategy and reform. DVLA measures are developed within the business during the year and agreed by the Minister for Transport before publication.

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**Annex A. Financial forecast** ..... 09

DVLA's financial summary includes forecasts for:

- Income and Expenditure
- Statement of financial position

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DVLA handle over 170 million transactions per year. The volume forecasts detail our key transactions for the financial year. The grouping of our transactions may vary throughout the year; this will not affect the final volume forecast totals. The transaction services reported in Annex B show groups of individual transactions. It is possible the transactions could change, having a marginal impact on some forecasts and totals contained within the DVLA's Business Plan 2016-17.

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# Who we are and what we do

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## Driver and Vehicle Licensing Agency

**1.1** The Driver and Vehicle Licensing Agency (DVLA) is an Executive Agency of the Department for Transport (DfT).

DVLA holds over 45 million driver records and over 39 million vehicle records and is responsible for collecting around £6 billion a year in Vehicle Excise Duty (VED).

## Our services

**1.2** In addition to DVLA's core business of maintaining accurate and up to date records of drivers and vehicles, we are responsible for:

- recording driver endorsements, disqualifications and medical conditions
- issuing photocard driving licences
- issuing vehicle registration certificates to vehicle keepers
- taking enforcement action against vehicle tax evaders
- registering and issuing tachograph cards
- selling DVLA personalised registrations
- helping the police and intelligence authorities deal with vehicle related crime
- selling anonymised data to those who have the right to use the service.

## Digital services

**1.3** Over the last decade DVLA have expanded its digital services and are now a multi-award winning government organisation, providing excellent digital services to its customers.

Our services include:

### Vehicles online:

- pay your [vehicle tax](#) (including direct debit option)
- [vehicle management](#) notify DVLA you have bought/sold a vehicle
- [vehicle enquiry service](#) check if a vehicle is taxed
- [personalised registrations](#) manage your personalised registration.

### Drivers online:

- view and [share your driving record](#)
- renew/replace your [driving licence online](#)
- [my licence](#) the facility for drivers to give insurance companies permission to check entitlement to drive.

## Commercial customers

- [automated first registration & licensing](#)
- view vehicle record for [fleet scheme](#) members
- V5C on demand for fleets
- [selling/buying a vehicle](#) to/from trade.

## How we manage our organisation

- 1.4** The agency has a framework document agreed with the Department for Transport (DfT), which establishes the governance, accountability, key relationships and financial management arrangements within which the agency operates. At the heart of these arrangements is the [DVLA Board](#) consisting of a Non-Executive Chair, Chief Executive (and Agency Accounting Officer), 3 Non-Executive Directors and 6 Executive Directors.
- 1.5** The DVLA Board establishes a clear control framework to support the effective management of risk, supported by delegations of authority, clear business processes, policies and procedures.
- 1.6** For more information about DVLA's Board and governance visit our [website](#).

## Our strategic direction

- 1.7** We are now in the final year of our Strategic Plan 2014-17. Over the last year, we have successfully achieved all we set out to do, transforming our business, making our services fit for a digital age and continuing to be one of the leaders of digital transformation in government. Our strategic direction reflects the aspirations of DfT putting customers at the heart of all we do.

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Our goal is to get the right drivers and vehicles taxed and on the road, as simply, safely and efficiently for the public as possible

**Simpler licensing** – simplify our policies and technology landscape to improve customer service.

**New opportunities** – use our assets to grow new revenue, efficiency and opportunities across government.

**Excellent services** – build seamless, lean, digital services that exceed expectations with more cost effective channels, recognising and responding to different customer needs.

**The best of DVLA** – develop our capabilities as a centre of excellence, building a unique culture which is commercial, confident and focused on our customers.

**1.8** On 11 September 2015, DVLA became the first in government to move away from a large scale IT contract. The change will transform DVLA's business, at the same time achieving significant cost savings.

**1.9** A large part of the change has been the transfer of new staff who brought with them a wealth of experience, knowledge and skills that will contribute to the agency's ability to deliver excellent services and value for money. As DVLA embrace new technologies and new ways of working, high priority and investment will be given to up-skilling staff in our IT department to deliver the changes.

During the year we will focus on:

**Stabilisation:** we will be monitoring and identifying potential risks and issues on our business as usual activities whilst continuing to provide excellent services to our customers.

**Transition:** we will work toward the migration of our current systems on to a new systems platform and continue to develop new ways of working.

**Optimisation:** we will continue to re-build our IT estate to support and deliver our 24/7 digital services. Through investment we will deliver value for money and build an IT landscape that delivers to our strategic plan and the future world.

**1.10** DVLA's commercial team are currently managing over 300 contracts with more than 200 of these being IT contracts of 2 years or less. The commercial team are also focusing on driving cost out of non-pay spend to contribute towards the Comprehensive Spending Review (CSR) efficiency savings. Within DVLA's commercial area sits a business development team who are looking at opportunities where DVLA can optimise its business as a service provider for government, offering cost savings and improving efficiency across government.

# Plans for 2016 to 2017



## DVLA Key Performance Measures

Category	DVLA Measure	Target	Result	
			Feb 17	16-17
1. Changing our agency	1.1 - Vehicle Excise Duty (VED) Reform: we will implement the new vehicle registration and licensing rules (announced by the Chancellor in July 2015) <i>- On Track</i>	31 Mar 2017		
	1.2 - Drivers Medical Reform: introduce an online service for customers to notify us of a medical condition and renew their short period driving licence <i>- Achieved</i>	Aug 2016		
	1.3 - Contact Centre Modernisation:			
	1.3.1 - to deliver an online self-service facility to support customers with their enquiries <i>- Following further exploration of an online self serve facility, it was decided that a change of approach was required. A new improved e-mail solution was delivered in place of this.</i>	Jun 2016		
	1.3.2 - to deliver an automated telephone call analysis solution providing valuable customer insight to improve and simplify our services <i>- Achieved</i>	Jun 2016		
2. Our Services	2.1 - Collecting VED: develop and agree with Her Majesty's Treasury and DfT a strategy to reduce VED evasion <i>- Achieved</i>	Sep 2016		

Achieved On Track Probable Feasible Doubt Not On Track Achieved Late Missed

Category	DVLA Measure	Target	Feb 17	16-17
<b>2. Our Services - continued</b>	2.2 - IT resilience: To provide scheduled availability (taking into account scheduled downtime) of Vehicle Tax, Vehicle Management, Personalised Registration and Driver Licence online services			
	2.2.1 - Vehicle Tax	99.5%	100.0%	99.9%
	2.2.2 - Vehicle Management	99.5%	99.9%	99.9%
	2.2.3 - Personalised Registrations	99.5%	100.0%	99.9%
	2.2.4 - Driver Licence online	99.5%	100.0%	99.8%
	2.3 - Our total digital and automated transactions at March 2017 will exceed	80.0%	96.4%	96.4%
	2.4 - To despatch a:			
	2.4.1 - first driving licence in 8 days	98.0%	99.9%	99.9%
	2.4.2 - vocational driving licence in 6 days	98.0%	99.4%	99.6%
	2.4.3 - digital tachograph in 8 days	98.0%	100.0%	100.0%
	2.5 - Reduce the number of drivers medical casework (drivers who notify us of a medical condition) waiting for DVLA action by 25% against the 2015-16 baseline	88,000	85,766	85,766
	2.6 - To answer calls queued to an advisor in 5 minutes	95.0%	99.4%	98.2%
<b>3. Meeting customer needs</b>	3.1 - Customer Service Excellence standard	Retain accreditation		
	3.2 - Customer Contact Association standard	Retain accreditation		
	3.3 - Customer satisfaction – maintain customer satisfaction for key transactions:			
	3.3.1 - I want to tax my vehicle	95.0%	95.9%	95.9%
	3.3.2 - I want to amend my vehicle registration details	90.0%	91.7%	91.7%
	3.3.3 - I want to renew my driving licence	93.0%	95.8%	95.8%

Achieved On Track Probable Feasible Doubt Not On Track Achieved Late Missed

Category	DVLA Measure	Target	Feb 17	16-17
3. Meeting customer needs - continued	3.4 - Improve customer satisfaction on drivers medical transactions by March 2017 against the 2015-16 baseline	76.6%	80.0%	84.3%
	3.5 - Customer complaints – by March 2017 reduce the number of formal complaints by 5% on:			
	3.5.1 - Drivers	819		699
	3.5.2 - Drivers Medical	838		948
	3.5.3 - Vehicles	1869		1454
	3.6 - Freedom of Information Act – provide a response within 20 working days	93.0%	97.1%	98.9%
	3.7 - Parliamentary questions – provide a response by due date	100.0%	100.0%	100.0%
	3.8 Ministerial correspondence – provide a response within 7 working days	100.0%	100.0%	100.0%
	3.9 Official correspondence – provide a response within 20 working days	80.0%	100.0%	100.0%
	3.10 Prompt payments – payment of invoices within 5 working days	80.0%	89.0%	86.3%
4. Financial responsibilities	4.1 Deliver the CSR efficiency saving of 14% by March 2017 (34% by March 2020)	14.0%	16.4%	16.4%
	4.2 Financial expenditure – VED collection and enforcement expenditure will not exceed	131m	On Track	On Track
	4.3 Headcount – by March 2017, DVLA full time equivalents will number fewer than	5,497	5,447	5,350
	4.4 Sick Absence – by March 2017 reduce the number of working days lost (by full time equivalents) due to sickness by 0.5 against the 2015-16 baseline and work towards the DfT target of not exceeding 7 days	8.13	8.45	8.40

Achieved On Track Probable Feasible Doubt Not On Track Achieved Late Missed



# Annex



Financial forecast	Outturn 2015-16 £ Million	Business Plan 2016-17 £ Million	Latest Forecast 2016-17 £ Million
Statutory fee income	430	409	434
Commercial fee income	102	93	113
Other income	9	9	11
<b>Total income</b>	<b>541</b>	<b>511</b>	<b>559</b>
Staff costs	167	175	176
Contingent labour	1	0	3
Agents fees	72	69	72
ICT charges	126	109	95
Accommodation	24	26	25
Consultancy and Professional Services	3	3	2
Postage and printing	41	44	40
Depreciation	40	29	27
Other costs	12	17	17
<b>Total expenditure</b>	<b>485</b>	<b>472</b>	<b>456</b>
<b>Net operating income (costs)</b>	<b>56</b>	<b>39</b>	<b>102</b>
Resource DEL	112	113	96
Resource AME	(5)	(3)	(3)
<b>Total Resource and AME</b>	<b>108</b>	<b>110</b>	<b>92</b>
<b>Capital</b>	<b>19</b>	<b>13</b>	<b>8</b>

<b>Statement of financial position</b>	<b>Outturn 2015-16 £ Million</b>	<b>Business Plan 2016-17 £ Million</b>	<b>Latest Forecast 2016-17 £ Million</b>
<b>Non-current assets</b>			
Property, plant and equipment	64.4	59.3	62.7
Intangible assets	43.7	32.7	26.3
Trade and other receivables due after more than one year	0.0	0.1	0.0
<b>Total non-current assets</b>	<b>108.1</b>	<b>92.1</b>	<b>89.0</b>
<b>Current assets</b>			
Trade and other receivables	31.4	29.9	31.3
Cash and cash equivalents	31.7	25.8	51.7
<b>Total current assets</b>	<b>63.1</b>	<b>55.7</b>	<b>83.0</b>
<b>Total assets</b>	<b>171.2</b>	<b>147.8</b>	<b>172.0</b>
<b>Total Liabilities</b>	<b>(75.6)</b>	<b>(55.1)</b>	<b>(75.8)</b>
<b>Total assets less current liabilities</b>	<b>95.6</b>	<b>92.7</b>	<b>96.2</b>
<b>Non-current liabilities</b>	<b>(38.6)</b>	<b>(34.4)</b>	<b>(42.9)</b>
<b>Assets less liabilities</b>	<b>57.0</b>	<b>58.3</b>	<b>53.3</b>
<b>Taxpayers' equity</b>			
General fund	7.5	8.9	3.8
Revaluation Reserve	49.5	49.4	49.5
<b>Total taxpayers' equity</b>	<b>57.0</b>	<b>58.3</b>	<b>53.3</b>

# Annex



Volume forecast		Forecast Outturn	Business Plan	Variance to Business Plan
Category	Service	2016-17	2016-17	%
Cross Government Services	You (DVSA) Want DVLA To Produce CPCs/DQCs	117,765	929	12576.5%
	I Want To Apply For, Or Renew, A Diplomatic Driver Permit	1,272	1,284	-0.9%
	I Want To Register Or De-Register A Diplomatic Or Consular Vehicle	1,965	1,800	9.2%
	You (Home Office) Want DVLA To Print A Biometric Residency Permit	738,130	460,000	60.5%
Cross Government Services Total		859,132	464,013	85.2%
Tachograph Cards	I Want A Digital Tachograph Card	60,991	69,208	-11.9%
	I Want A Replacement Digital Tachograph Card	26,341	28,405	-7.3%
	I Want To Amend Or Surrender A Digital Tachograph Card	7,259	14,173	-48.8%
	I Want To Exchange A Non GB Tachograph Card	3,211	1,958	64.0%
	I Want To Renew A Digital Tachograph Card	176,232	149,815	17.6%
	We Want To Remind You To Renew Your Digital Tachograph Card	271,454	95,000	185.7%
Tachograph Cards Total		545,488	358,559	52.1%
Trade Licensing	I Want A Trade Licence	12,137	12,340	-1.6%
	I Want To Amend Or Replace A Trade Licence	5,469	3,473	57.5%
	I Want To Renew My Trade Licence	94,408	70,000	34.9%
	I Want To Surrender My Trade Licence	3,823	2,100	82.0%
	We Want To Remind You To Renew Your Trade Licence	68,227	62,000	10.0%
Trade Licensing Total		184,064	149,912	22.8%

Volume forecast		Forecast Outturn	Business Plan	Variance to Business Plan
Category	Service	2016-17	2016-17	%
Customer Support & Guidance	I Want To Know How To Do Something	16,138,467	17,352,521	-7.0%
Customer Support & Guidance Total		16,138,467	17,352,521	-7.0%
Data Sharing & Enquiries	I Want To Enquire On My Driver Details	15,581,146	15,845,784	-1.7%
	I Want To Enquire On My Vehicle Details	632,377,288	278,344,282	127.2%
	We Want You To Update Our Database	31,593,451	27,766,199	13.8%
	You Want To Enquire On A Drivers Details	20,981,948	35,218,922	-40.4%
	You Want To Enquire On A Vehicle Details	7,034,265	838,084	739.3%
	You Want To Obtain Bulk Data	1,980,191	2,640,003	-25.0%
Data Sharing & Enquiries Total		709,548,288	360,653,274	96.7%
Driver Licensing	I Want To Notify The DVLA Of A Change To My Medical Status	175,271	159,509	9.9%
	I Want To Renew My Driving Licence	4,146,610	4,296,796	-3.5%
	I Want To Replace My Driving Licence	842,499	782,163	7.7%
	I Want To Surrender My Driving Licence	59,648	50,720	17.6%
	You (DSA/ Military) Want To Apply Test Pass Details	1,753,658	1,677,132	4.6%
	You Want To Add/Amend/Remove Endorsement or Fixed Penalty details	1,575,554	1,613,053	-2.3%
	I Want a Certificate of Entitlement to Drive	17,116	16,640	2.9%
	I Want A Confirmation Of EU/EEA Driver Registration	1,503	1,764	-14.8%
	I Want A Provisional Driving Licence	1,127,561	1,157,246	-2.6%
	I Want To Add Additional Provisional Entitlement To My Driving Licence	78,456	86,346	-9.1%
	I Want To Amend My Driving Licence Details	2,989,929	2,936,445	1.8%
	I Want To Exchange My GB Driving Licence	136,434	209,316	-34.8%
	I Want To Exchange My Non-GB Driving Licence	178,181	150,732	18.2%
	I Want To Notify DVLA Of A Death Of A Driver	171,553	153,906	11.5%
	We Want To Remind You To Renew Or Update Your Driving Licence	4,715,372	1,811,096	160.4%
Driver Licensing Total		17,969,344	15,102,853	19.0%

Volume forecast		Forecast Outturn	Business Plan	Variance to Business Plan
Category	Service	2016-17	2016-17	%
Enforcement	We Want To Enforce Vehicles Legislation	2,273,924	2,258,403	0.7%
Enforcement Total		2,273,924	2,258,403	0.7%
Personalised Registration	I Want To Amend Or Renew A Personalised Registration Certificate Details	64,114	71,397	-10.2%
	I Want To Assign A Vehicle Registration Number To A Vehicle	841,125	526,858	59.6%
	I Want To Buy A Personalised Vehicle Registration Number	369,958	258,900	42.9%
	I Want To Register Or De-Register An Interest In A Personalised Vehicle Registration Number	98,141	114,000	-13.9%
	I Want To Replace My Personalised Registration Certificate	7,449	4,608	61.7%
	I Want To Retain A Personalised Registration Number	802,265	687,783	16.6%
	I Want To Transfer A Vehicle Registration Number	102,847	189,615	-45.8%
	We Want To Remind You That Your Retention Period Is About To Expire	30,682	300,000	-89.8%
Personalised Registration Total		2,316,581	2,153,161	7.6%
Vehicle Licensing	I Want To Amend My Vehicle Tax Details	3,873	3,457	12.0%
	I Want to Notify DVLA Of SORN	3,673,939	3,603,259	2.0%
	I Want To Tax My Vehicle	47,594,158	47,993,390	-0.8%
	We Want To Issue A Vehicle Tax Refund	5,182,356	4,831,122	7.3%
	We Want To Remind You To Tax A Vehicle	32,001,564	41,888,816	-23.6%
Vehicle Licensing Total		88,455,889	98,320,044	-10.0%
Vehicle Registration	I Want To Amend My Vehicle Registration Details	11,076,917	12,291,511	-9.9%
	I Want To Export A Vehicle	369,532	352,499	4.8%
	I Want To Notify DVLA That A Vehicle Has Been Destroyed Or Seriously Damaged	1,852,794	1,714,225	8.1%
	I Want To Notify DVLA That I Have Acquired Or Disposed Of A Vehicle	8,588,413	8,333,951	3.1%
	I Want To Register A Vehicle	3,361,665	3,403,434	-1.2%
	I Want To Request A Vehicle Registration Certificate	1,422,973	1,285,799	10.7%
Vehicle Registration Total		26,672,294	27,381,419	-2.6%
<b>Total</b>		<b>864,963,473</b>	<b>524,194,159</b>	<b>65.0%</b>