HOUSE OF COMMONS

Public Accounts Committee

Oral evidence: Driving licence backlog at the DVLA, HC 735

Thursday 24 November 2022

Ordered by the House of Commons to be published on 24 November 2022.

Watch the meeting

Members present: Dame Meg Hillier (Chair); Olivia Blake; Sir Geoffrey Clifton-Brown; Mrs Flick Drummond; Anne Marie Morris; Nick Smith.

Gareth Davies, Comptroller & Auditor General, and Marius Gallaher, Alternate Treasury Officer of Accounts, were in attendance.

Questions 1 - 133

Witnesses

I: Dame Bernadette Kelly DCB, Permanent Secretary, Department for Transport; Emma Ward, Director General for Roads, Places and Environment, Department for Transport; Julie Lennard, Chief Executive, Driver and Vehicle Licensing Agency.

HOUSE OF COMMONS

Report by the Comptroller and Auditor General

Investigation into the management of backlogs in driving licence applications (HC 851)

Examination of Witnesses

Witnesses: Dame Bernadette Kelly, Emma Ward and Julie Lennard.

Chair: Welcome to the Public Accounts Committee on Thursday 24 November 2022. Today, we are looking at how the DVLA—the Driver and Vehicle Licensing Agency—based in Swansea, deals with huge numbers of customer inquiries every year, but particularly, of course, at the backlogs that arose, partly as a result of the pandemic and particularly for those waiting for medical reasons to get their driving licence renewed. This was particularly bad for them and there is still a backlog for people with medical conditions. We are going to go into why that is and what is being done to resolve it. We also want to know what plans there are for resilience in future.

I am pleased to welcome our witnesses today. We have Dame Bernadette Kelly—a frequent flyer here at the Public Accounts Committee—the Permanent Secretary at the Department for Transport, which, of course, is the sponsoring Department for the DVLA. She is joined by Emma Ward, the director general for roads and local transport at the Department for Transport, and Julie Lennard, the chief executive of the DVLA. Welcome to you.

Q1 **Olivia Blake:** This first question is to Dame Bernadette. Why do you think that MPs had such a large amount of complaints from their constituents about the DVLA? The Report highlights how many there were, so I just wondered if you had any views on that.

Dame Bernadette Kelly: The pandemic did have a very significant impact on DVLA's services for a significant and prolonged period, and that impacted on many members of the public. The NAO's Report very helpfully sets out the facts and the figures behind that. As we know, the problems were in two areas, which were paper-based driving licence applications and medical driving licence applications.

I want to say from the outset that the vast majority of DVLA services continued to be delivered to a very high quality of service throughout the pandemic. For example, 98% of online applications were issued within the three-day target. However, that does not alter the fact that a combination of lockdown, the steps that Julie and her senior team had to take to ensure a safe environment at DVLA's offices in Swansea, and industrial action during five months of this period meant that there were some very significant backlogs. The Report sets out that those peaked at

about 504,000 in July 2020 and 836,000 in July 2021. Clearly, that is deeply frustrating for people who are waiting too long.

A significant number of people who were affected then contacted their MPs, as is very often the case. It is a normal channel at DVLA that individuals who are not happy with the service will contact their MPs, and MPs will then have the opportunity to—

Chair: Well, we know what MPs do. That is fine.

Dame Bernadette Kelly: You know what they do.

Sir Geoffrey Clifton-Brown: If we do not, we are in trouble.

Dame Bernadette Kelly: It is a combination of a series of circumstances, which I know we will go into at length over the next hour or so, that were causing interruptions to DVLA's ability to offer those services, with many people affected and a number of them choosing to raise their concerns with MPs.

Q2 **Olivia Blake:** Do you feel that MPs had all the relevant information about what the DVLA was doing at that time to be able to help inform their casework?

Dame Bernadette Kelly: I will start, but I really do need to bring Julie in in particular on this. You would be better placed than I to know what information MPs had and whether that was sufficient. Clearly, Julie, during the whole period of this disruption, was answering many questions from MPs and appearing before the Transport Select Committee to answer their questions and to set out the causes of delays, the impact of those delays and the actions that DVLA was taking to resolve them.

We were certainly doing everything we could, as was the Department and as were Ministers in the Department, to ensure that MPs understood what the circumstances were and what action DVLA was taking to deal with delays. I probably ought to ask Julie to say a little more about the communication with MPs that was going on.

Julie Lennard: Certainly in the early stages, we focused on communicating directly with the public. Particularly for driving licence applications, the vast majority of people would have been able to continue driving under section 88 of the Road Traffic Act, while we were processing that application. We put that information in the reminders to renew licences and things like that. It goes directly to members of the public around that.

We also put a lot of information on GOV.UK and, by 2021, we were publishing processing times for the key transactions. I know that Ministers did a "dear colleague" letter to MPs. There was also a ministerial surgery for MPs, to talk about what we were doing. That was in March of this year. If there is a learning for us, could we look at tailoring it more, maybe with an information pack for MPs? It would definitely be a learning for us, if people felt that it would have been helpful to be able to go

directly back to constituents with information from MPs about things like section 88 and, therefore, give that additional reassurance, not just from us, that the majority of people, unless a medical professional had told them that they could not drive or they had previously been revoked, could carry on while we were processing.

Q3 **Olivia Blake:** I will come back to communication with the public and how effective that was, but other Departments set up things like help desks in Portcullis House for staff to be able to come and bring a large number of cases to talk to, for example, the Home Office around Ukraine and other such instances. Why did the Department feel that it was not necessary to help?

Julie Lennard: We did. We have an MP helpline that was in place.

Q4 **Olivia Blake:** Sorry, an in-person help desk, because the phone lines were very hard to get through to.

Julie Lennard: Because we are based only in Swansea, it would have meant having staff staying in London during that period to do that. It was not something that we particularly looked at, but if we are in the same position we could look at it. What we did was then put more resource into the MP hotline when we saw just how much was coming through from MPs, because, in all reality, people were coming to you because they also then found it difficult to get through to us.

Chair: It is not a good sign when people are contacting MPs in these numbers.

Julie Lennard: We usually get about 4,000 coming through MPs in a year. When you think of the scale at which we operate, which is about 135 million, it is a very small proportion. We would like to have it even lower than that, but we acknowledge the unprecedented circumstances and that unprecedented demand, particularly once the lockdowns eased, because we did see a really pent-up demand coming back after lockdowns.

Q5 **Olivia Blake:** Just moving on, Ms Julie Lennard, could we talk a bit about the increase in complaints and what that says about the quality of the service that was offered at the time?

Julie Lennard: It is a reflection of people jumping straight to coming to MPs rather than—

Olivia Blake: Just in general as well.

Julie Lennard: As Bernadette said, 83% of our transactions are online overall, and the vast majority of people, throughout the pandemic, had a trouble-free experience with DVLA. That is the thing. Thinking about the scale, we had 135 million direct customer interactions, so the vast majority of them were trouble free, even with all the disruption. The last 18 months were unprecedented in terms of the scale of the shock to our processes and systems, and we saw that coming through in complaints.

Q6 **Olivia Blake:** What are you doing to make sure that you have learned the lessons from this so that we do not have a similar rise, if there is an unexpected issue that hits us again in the future, like a pandemic?

Julie Lennard: In terms of complaints?

Olivia Blake: In terms of complaints, yes, and how you would manage those.

Julie Lennard: In terms of complaints, we have trained additional multiskilled staff, so we were able to move people around more. In terms of other learnings that we had, coming back to information for MPs, our normal response with MP correspondence or when we are contacted is that we focus on resolving that individual case, which is, of course, hard to do when you suddenly get into a different scale very quickly, and so we would think differently. We have more staff we can train to deal with them. Also, as I said before, we would look at being able to provide some more information to MPs, so that you could reassure your constituents that, particularly, as I say, they would be able to keep driving.

Q7 **Mrs Drummond:** On a more positive note and at the risk of flooding MPs' inboxes, I found it a very positive experience, so I just want to pass that back. Thank you very much for that. How many people did you have to put on the MPs' hotline? Did you have to divert lots of resources to that? You said there were 4,000 a year. Did that go up, and how did you manage that?

Julie Lennard: We did increase it. I have to say, in the early stages, we focused all our resource on processing applications, because it is always a balance, particularly in the early stages. Do you take people away from processing and getting the backlogs down? Do you put them on other services where you are dealing with queries rather than getting the backlog down?

In the early stages, we were very focused on trying to deal with those applications that were coming in, but we did move people across. Particularly in the last year, we have moved some of our trained drivers medical teams, particularly our very qualified teams, because a lot of the complaints were related to the medical licensing, so that we could deal with those more quickly on an individual basis as well. We were particularly looking for those where MPs highlighted anywhere that there was any kind of hardship or particular concerns; we would try to prioritise those.

Q8 **Chair:** Ms Lennard, you have been at the DVLA since 2014. You were previously director of strategy, policy and communications, which I believe is where you were responsible for delivering the organisation's business strategy and policy development. Did that include resilience planning for difficult situations?

Julie Lennard: It did not, no. That is in a different part of the organisation, but, as part of the executive team, I am very familiar with it.

Q9 **Chair:** Did the executive team, from when you joined or at any point, have a resilience strategy or a disaster recovery strategy for the site?

Julie Lennard: Yes. There is a business continuity team, and that is their entire job. They are very focused on that.

Q10 **Chair:** It did not work very well, though, during the pandemic, so what went wrong?

Julie Lennard: When you look at what we did in the first year, we had our first—

Q11 **Chair:** Not many people needed their driving licence, did they, relatively, in the first year?

Julie Lennard: One thing we did as part of that plan was to push out that level of demand, so we changed the law, which meant people did not need to renew their driving licences in 2020, because they got the additional extension. We did a lot of legislative change in that first year that meant that people did not need to do it. Of course, the difficulty was that that came back in the second year with those higher volumes.

Q12 **Chair:** Which you would have predicted, presumably, in your disaster recovery plan.

Julie Lennard: Yes, we did. In terms of our plan, we started in January 2020 and you could see what was happening in other countries. All of the areas across DVLA then looked at their own business continuity plans in the light of the pandemic. In February 2020, as an executive team we did a full scenario testing exercise related to pandemic.

We did a huge amount of work and we identified very quickly that, because of the scale of DVLA and how much is done online, the first priority was to see whether we could maintain our online services with this kind of shock to the system, if that is what happens, because that is where the big volumes are. We had no history of homeworking and had never worked remotely, so it was about whether we could run that IT estate remotely and maintain that level of service online. That was the first priority, and that worked extremely well.

Q13 **Chair:** So you think that you achieved what you needed to do online in order to keep that going.

Julie Lennard: Yes.

Q14 **Chair:** We will touch on some egregious cases of the challenge for paper-based. What was your plan for paper-based applications?

Julie Lennard: We were flagging and discussing this with Ministers very early on. Paper was going to be a challenge, because, if you are in a

pandemic situation and it is a virus so you are then having to limit numbers, the paper clearly becomes a bigger problem for us. We tackled that in several ways. First of all, we looked at whether we could push out the level of demand. We were looking at it so that we were able to bring in legislation to say that everybody's licence got an automatic 11-month extension. In that first year, nobody had to renew their driving licence. Many people did, but they did not have to, because there was an automatic extension.

We saw very early on that the NHS had challenges, because the clinical need was clearly the priority, and rightly so, particularly at the beginning. We had HGV drivers and vocational drivers who were struggling then, and we were getting industry coming in and saying that it was going to struggle to get the medicals done that they need to be able to renew their licences. We also brought in retrospective legislation to allow one-year licences for HGV drivers without a medical. We moved very quickly on that and were able to announce it in April 2020, and we had specific approval from the Attorney General to do it.

Q15 **Chair:** Let us take this in steps. We know that other Departments had contingency plans. We can talk about remote working as part of this. In January, you saw a problem and you were thinking, "How do we manage the online applications?" In February, you continued to improve the resilience of those online, but the paper was really about changing the law.

Julie Lennard: No, not the only thing.

Q16 **Chair:** What were you doing practically on site or with your staff to make sure that you could deal with paper applications? What was your plan?

Julie Lennard: As I said, some of it was about pushing out the demand. The other thing that we did was to instigate advertising campaigns to promote more digital use, because about 60% of that paper that comes in could be done online, so there is a choice.

Q17 **Chair:** These are all good things, up to a point, but, by that point, you were in the throes of a challenge. When you were talking about your resilience planning before, some of these things like trying to encourage people to digital channels could have been happening in the years that you and others were working there before that.

Julie Lennard: They were. Over the last four or five years, we have seen a huge shift to digital. The numbers who are now transacting online are much bigger than they were pre-pandemic or 2018. We are also in the process of a digital transformation scheme, which started prior to this. DVLA was one of the first Departments to have a really strong digital presence. We have really continued with and been at the forefront of that across Government for many years, and that held us in really good stead. If we had been in the same place we were in, say, five or six years ago, in terms of the volumes of paper—

Q18 **Chair:** As you are describing it, it sounds like it all went swimmingly. Do you have anything to say to the people who were caught in that backlog?

Julie Lennard: Absolutely, this is what I am saying, so 83% of our transactions were online. For anyone who was online, it was trouble free. It absolutely was not for anyone applying on paper, and we recognise that that has been really difficult for a lot of people and caused lots of issues. We saw that particularly in the first lockdown in the first year. In fact, our biggest problem in that year was vehicle-related transactions. The Report has a narrow focus on drivers, but, in the first year, it was vehicles. We really prioritised some of that work.

Q19 **Chair:** When you were prioritising that work, were you aware that there would be a knock-on impact on drivers or did you make a judgment? Other Departments made judgments. "We will drop a control here, but we know that it will create more fraud. We will do this, which will make it difficult for that group of people, but it helps the people in the most need".

Julie Lennard: To an extent, yes, because we were, at the same time, changing the law and looking to promote higher usage of digital channels for drivers, although, as I said, we had changed the law, so no one had to renew their licence in that first year.

Q20 **Chair:** When you made decisions to support vehicles, were you aware that there might be a knock-on, or did you do a risk analysis about what the impact would be on other people approaching the DVLA?

Julie Lennard: With DVLA, you are looking at the volume-driven things, and that is very much the vehicle side. You have to prioritise, and we did on the vehicle side.

Chair: So you made that decision knowing that there would be an impact.

Emma Ward: I just want to inform the Committee that there were a lot of conversations happening with the Department at this point around the planning that Julie and her team had done on the resilience, the trade-offs and the difficult choices that were going to have to be made in terms of prioritisation and where to put the marginal effort.

What Julie has not talked about yet, but I am sure will get into, is a recognition for those who are applying on paper that there is a digital alternative. That is not possible for everybody, and it is not everybody's choice to use that. We knew that paper-based applications would be problematic and, therefore, one of the key things was the investment in the estate to make sure that we could get DVLA staff back into the office to process those paper applications.

There was an awful lot of effort, alongside the things that Julie has already talked about: shifting as much to digital, pushing out the demand in terms of driver applications where we could, in the knowledge that that

would have an impact, but also not with the hindsight of knowing that we would have the second year of the Covid wave, compounded with industrial action. That was not part of that risk calculation at the time.

Chair: You did not calculate for Covid to go on for more than a year.

Emma Ward: We did not calculate for industrial action to compound any second wave of Covid, and it was that interaction that made the second year so challenging in terms of driver applications.

Chair: So you just did not anticipate that at all.

Emma Ward: We knew that it was a risk. Industrial action is always a risk, but the DVLA's relations with PCS and with the union have been pretty strong all the way through. Through 2020, there was engagement in lockstep with the union about how we safely get people back into the workplace. Those discussions in that year were incredibly constructive, and the executive team there invested an awful lot of time in making sure that the return to the workplace was done in a Covid-secure way. Frankly, that is the only way that we could deal with paper-based applications, so that was the focus.

Julie Lennard: We took the decision in April 2020 to take on an additional building in Swansea, in recognition that it might be a difficult winter. Again, looking with hindsight, you can see it, but, at the time, it was not being talked about as going on for years and years.

Q21 **Chair:** We have spoken to a lot of Government Departments. There were plenty of people planning in organisations.

Julie Lennard: We did too, because we took on the extra building. We took that decision in April and we had that ready to use for January 2021, so we did as well on that.

Dame Bernadette Kelly: In fairness, DVLA will always have had business continuity plans. You would absolutely expect that for an organisation providing services to the public on the scale that it does. In terms of pandemic planning and preparation, while the NAO has reported on this more widely, perhaps the Committee has heard that parts of the Civil Service entirely predicted how this pandemic would play out and were able to plan for it.

Chair: No, I was not saying that, Dame Bernadette.

Dame Bernadette Kelly: It was a shock to all of us.

Q22 **Chair:** The first year was a shock, but it was not a surprise that there would be further waves, and the idea was not generally that people would be back within a year.

Dame Bernadette Kelly: Indeed, and as it became more apparent, early on in that first lockdown, what we were dealing with, which was a pandemic, unlike the kind of flu pandemic that most contingency planning had been done around, what was going on was a strategy that I think

about in my head as having a supply side and a demand side. On the supply side, DVLA was trying to make sure that more and more of its staff could work effectively remotely, this being an organisation where staff had not worked remotely. It went from nought to 2,500 by March 2022. We were trying to ensure that it had safe offices, so that more people could come back and work onsite, securing more capacity.

Chair: I am going to stop you there, because we are going to come back to that in more detail.

Q23 **Sir Geoffrey Clifton-Brown:** All three of you have, in a way, touched on what I am going to ask. Ms Lennard, good morning. On business continuity, why did it take Covid to prompt you into thinking that you needed a different office in a different location? Surely, any key next steps agency such as yours, which is so vital to parts of the infrastructure of this country, would say to itself, "We need to have an alternative office in a different location"—for fire, flood, terrorism or whatever—"rather than concentrate it all in one place".

Julie Lennard: It is a fair question. Of course, we used to have offices elsewhere in the country. Going back 10 years, as an exercise to reduce costs, the decision was taken that, as more and more became digital, we would centralise in Swansea. I have to say that, for many years, it absolutely worked and was the right decision. One of the things that we have looked at and recognised, and why we now have the office in Birmingham, is exactly that. As you say, it is for that resilience. We became very susceptible, particularly in something like a pandemic situation, to whatever the local levels of infection were. Of course, our numbers reflected what was happening in the local area, so you are right, and that is what we have done, by opening that office in Birmingham.

Q24 **Sir Geoffrey Clifton-Brown:** What proportion of your business is now done in Birmingham as opposed to Swansea?

Julie Lennard: It is not a large proportion. It is focused at the moment on drivers medical, because that is particularly where we are looking to get those backlogs down and what we have been working on. It is exclusively drivers medical at the moment.

Q25 **Sir Geoffrey Clifton-Brown:** Going into the NAO Report, you had a big spike in 2020 as the pandemic started. You then worked very hard and got it down. It then increased again in 2021. Did you not learn the lessons of the pandemic in 2020 to stop it increasing again in 2021? In fact, it was worse in 2021 than 2020.

Julie Lennard: It also reflects on how hard staff worked to bring those backlogs down. They came in throughout the entire pandemic, doing a large amount of overtime. They have worked incredibly hard, because they do focus on customers. It is a real credit to all of those individual members of staff to get that down.

Sir Geoffrey Clifton-Brown: I was specifically not criticising staff. I did

say that they worked very hard.

Julie Lennard: They have throughout. Where you see that second spike, what it is reflecting is, again, the second wave of Covid. When people had to self-isolate, it was still for around 14 days at that point. We have family members and people in the same household. When households were having to self-isolate, it would take out more than one member of staff who was on site, so the second wave impacted us.

The industrial action that we have talked about impacted us, and the other thing was, of course, the measures that we had taken in 2020 to put out the demand, particularly for driver's licences, to 2021. For all those people who had had the extension, we then had those extras coming in, so we had a higher volume in 2021-22 than we ever would have done in a single year pre-pandemic.

Q26 **Chair:** That is what I am puzzled about. We have seen this before. Passports are an example, both in Covid and when the banking crash happened, where people did not renew because they were not travelling, so you could see the spike. All of the metrics would show that the spike was coming through. You made a rational decision to extend, so what was your plan to deal with that spike?

Julie Lennard: The plan was there, and the NAO touches on it, in terms of our business plan for the additional space and the additional headcount. Having that additional office that was up and running for January 2021, we then had additional space. Even if we still had social distancing measures in place, we had additional space.

Q27 **Chair:** Were you confident that that was enough to deal with it?

Julie Lennard: We did think that would be enough, because, of course, it is staggered. It would not all come in at one time, because everyone was pushed out. They got an 11-month extension. It would have been a constant increase, so it would not all just come in one go. We did think that we would be able to do it over that time, but, as I say, with the second wave and people then having to self-isolate, which takes numbers out of your workforce, because there were higher levels in the area around that sort of time at the turn of the year, and with the industrial action, there were several things that compounded and made the impact worse.

Q28 **Sir Geoffrey Clifton-Brown:** Given the Chair's point that all the metrics were showing you that we were moving into another huge spike, did you not consider using the emergency Covid legislation to prolong the renewal of licences, certainly in key public worker areas, or was it too much of a danger?

Emma Ward: It was actively considered by Ministers at the time. What you have to remember on all these things is that the driving licence regulations are there for a reason. Fundamentally, that is road safety. It is ensuring that people are qualified and medically fit to drive. The policy

balance is always the risk to road safety, and the danger to themselves and other users of the road, versus the importance that people place on their ability to drive and get on with their lives. Fundamentally, that is the policy decision that was made.

There were also reasons why we could not extend some of the legislation, because of the fact that some of it was from EU regulations and we had the interaction with the ending of the transition period. Fundamentally, the policy choice is around the balance on road safety. For a year, you can probably take that policy risk. Would you want to do it for longer? That is a risk-based judgment on what you are trying to balance.

Q29 **Chair:** Blanket extensions are an awful lot easier in every way, but did you consider any segmentation so that certain key people could prove in some simple way that they were fit and healthy and could continue to have an extension? I appreciate that an awful lot of legislation and lots of things were going through, and it is difficult to get that balance, but was that considered? I am not asking you to reveal advice to Ministers. It sounds logical that it might have been considered.

Emma Ward: I cannot recall whether we considered segmentation, but certainly, from my recollection of the conversations we had when we first thought about it, you are also then balancing how complex this is to administrate. DVLA may well have thought about it from a segmentation perspective. From a departmental perspective, my instinct is that that would have been far too difficult to achieve in terms of deliverability.

Julie Lennard: Particularly as you were then adding it on to 11 months where people had already had that extension, it does bring in the road safety element. For the D4 medicals, where we allowed that for a year, when that was debated in Parliament, that was very much around a year being the maximum for reasons of road safety. It would be problematic to do that on several levels, particularly road safety, but also the complexity.

Q30 **Nick Smith:** Ms Ward, you talked about UK-EU regulatory difficulty, which I can understand. I wonder if you could just tell us a bit more about that. What was the impact of that in terms of helping the organisation perform a better service?

Emma Ward: Was it the 11-month extension, just to make sure that I am talking about the right regulation?

Julie Lennard: Yes, it was.

Emma Ward:. The 11-month driver licence extension is an extension of UK law that is based on an EU regulation. Before the end of the transition period, there was a move by the European Commission to do something EU-wide in order to allow flexibility in terms of extension. We could exercise our right to do that. Post the transition period, that would have required primary legislation. As I say, that was a technical issue that we needed to factor in, but, fundamentally, the policy decision was taken on

risk-based road safety versus what you are trying to do to control the demand that was coming into the DVLA.

Q31 **Nick Smith:** We were up here at the time, legislating. Changes could have been made up here, I expect, if they were seen to be important, so I am just trying to understand the impact of the difficulty. How big a deal was it?

Emma Ward: As I say, it was a technical matter. I mentioned it only because it was relevant at the time, but, fundamentally, this is a trade-off between road safety and controlling the demand.

Q32 **Chair:** One thing that has puzzled us in preparing for this is that other Departments, Ms Lennard, were just better geared up for remote working—DWP, a very people-based organisation, and HMRC. The MoD was in front of us the other week. They said that they had not worked remotely, but they quickly got 180,000 laptops out to people, which is a small part of what they achieved. Why were you so behind on the remote working? This issue about isolating households was a big concern in a small area where families work in the main employer in the area.

Julie Lennard: What makes DVLA a little different is the scale of those databases that we hold compared to other Departments.

Q33 **Chair:** Compared with HMRC?

Julie Lennard: Yes, because it is the closest thing that we have in this country to an ID database, to be honest with you. It has a photo, a signature, and your date of birth, name, address, previous addresses, financial information and medical information. It has convictions relating to motoring. It is a vast amount of personal data. In fact, that data is used to update the police national computer on a daily basis. It is used by other Departments.

Q34 **Chair:** So the reason was that there was a security risk.

Julie Lennard: There is a security risk because of the scale and the national significance of a database of this nature. It is very personal data. This is not just a GDPR issue. This is bigger than that in terms of being able to keep that data secure, when everything had been designed to do that by having onsite access.

Q35 **Chair:** We have talked to DWP a lot about the uplift in universal credit applications. They made judgments about risks that they took to get that volume through, but they did get it through and their staff were mostly working from home, so they had to drop certain safeguards. I know everyone was working at pace, but, in your resilience planning, did you compare notes with other Departments of a similar scale?

Julie Lennard: We did. I personally had conversations with people from the Passport Office, for example, to see what they were doing. It is worth recognising as well, again because of the understandably narrow focus on driver licensing here, that we made changes both to the underlying

technology and to our processes to allow more people to do remote work working on vehicle-related transactions.

Chair: So less data.

Julie Lennard: Less personal and less sensitive data.

Q36 **Chair:** Talk us through the challenges of getting people to work from home when they had not. Had you really had no remote workers?

Julie Lennard: None at all. I do not have access to any of the databases, because I do not need them in the course of my job, and there are a lot of people in that same position, so there is nothing that would have stopped that. There is a really strong sense of fairness within DVLA, and that was very much seen. It is a challenge that we have now. Where some people can work from home and some have to be on site, it is difficult.

Q37 **Chair:** Basically, you did not have laptops and setups to take home.

Julie Lennard: No. For most people, it was desktop-based. We had started working on that and some had laptops, and we were rolling that out.

Q38 **Chair:** In your resilience planning, had you considered that that might be a problem?

Julie Lennard: We had started a process pre-pandemic to move people on to laptops, but laptops are not the issue.

Chair: It is access to the database.

Julie Lennard: It is access to the databases.

Q39 **Chair:** I am puzzled. DWP also deals with quite personal information, admittedly not some of the information described. Every Government database has a lot about the citizen. They could manage it. Was it just not part of DVLA's DNA?

Julie Lennard: It was not part of the DNA to be able to have remote access to that level of data. Bear in mind that the vast majority of people who needed to work onsite were dealing with paper coming in. We were getting between 50 and 60 items of paper every day coming in, and the vast majority of people there are processing paper that is coming in. A lot of that would have things like passports or birth certificates for an ID document.

Chair: We are going to come to some of that in a moment.

Q40 **Nick Smith:** Ms Lennard, we all get the complications of this huge database. We absolutely get that, but, when you were talking about the possibility of people working from home, you talked about it seemingly being an issue of fairness in the workplace, in that some people could work from home and some not. Could you tell us a bit more about that?

Julie Lennard: It was pre-pandemic, which is one of the reasons we had not particularly focused on it and done it, but it does cause issues now and did through the pandemic. One of the things that the union latched on to is that feeling of some people being able to work from home and some not. That does create challenges in one organisation.

Dame Bernadette Kelly: It is worth pointing out that there was a rapid move to working from home and to enabling that in DVLA. By the beginning of May 2020, there were about 1,500 people working from home, from zero, virtually, so the acceleration of homeworking happened very quickly, once it became clear what DVLA was dealing with and what the impact of the pandemic would be. The issue has always been the need for people to be onsite, dealing with paper applications.

Q41 **Nick Smith:** I completely understand that. Ms Lennard, had you tried to introduce the possibility of working from home pre-pandemic?

Julie Lennard: Where we were rolling out laptops, we had done it, but that was one of the business continuity exercises that we discussed in January, when we were looking at it. Then, in February, the exercise was not only about online, but whether these systems will deal with people also accessing the networks remotely. For those in support areas who could work from home, we started trialling that before the lockdowns to test what the limits were.

Q42 **Nick Smith:** You were piloting and testing the kit and the interface. Surely, if they had been trialled pre-pandemic, they would be more likely to work during the pandemic, would they not?

Julie Lennard: They would, but we were in an early process of that move away from desktops at that point. We had not reached a critical mass pre-pandemic around that, so that would have come, I am sure, if the pandemic had not then hit and accelerated all of that. Again, our IT department moved extremely quickly. We did not have access to Teams before the pandemic, so we were not working in that way. Again, they moved very quickly so that everyone we could get working from home could work effectively from home, and we carried on increasing that throughout the pandemic.

As I say, we moved to being able to have people having access to the vehicle side of things, and we started piloting on the driver side as well. Then, of course, by the time we get to this year, you are not in the same place in terms of restrictions, but with some of the changes we have put in place, if there was another pandemic tomorrow, we would be in a different position in terms of being able to respond.

Q43 **Anne Marie Morris:** Ms Lennard, I am still very confused as to what the ongoing, big picture strategy is. We have talked about what happened during Covid. We have talked about the resilience plan that you think you now would have in place, were there Covid 2, yet we have a complete mishmash of plans. Any Department like yours has a number of assets

that it needs to use in the most cost-effective way. You have the property, owned or rented, you have your people, you have your infrastructure and IT systems, and then you have the processes that go behind them.

When I look at the office space, you have taken on more, and I understand why, in the short term. All other Government Departments are reducing their property, yet you have quite a large capacity. Likewise, for staff, there are varying numbers in terms of what you wanted to take on and recruit, and what you ultimately then downsized to take on. It is not clear, if we are moving to this digital world, what your strategy is. What is the ultimate right number and what is the balance between home and office working?

In terms of infrastructure and technology, we will talk a little later about digitalisation, but what is digitised will make a very big difference to the other two issues around people and property. What is the big plan or what is the steady state that you now are aiming for? What changes will you therefore be making in those key areas of asset?

Julie Lennard: You are absolutely right that it does make a big difference and, in fact, as I was saying at the beginning, 83% of all our transactions are already digital, so that has already had an impact on us and how we work. Of course, in terms of overall headcount, what you will often find with going digital is that the jobs are different. It is not automatically always a complete difference in overall numbers. There are reductions, but the jobs are different.

Bearing in mind that you asked about the additional space we took on, it is on a short-term, four-year maximum. We would want to keep Birmingham, as we have said before. We have learned that lesson of resilience. The other office in Swansea has been taken on, on a four-year lease. At the same time, our contact centre also comes up at a certain time, I think in 2026. There is scope, if we needed to condense down into the Swansea office, but, of course, there are risks with that. We will balance these out as we go through.

Dame Bernadette Kelly: Stepping back to the strategy, I know we will come on to this, but, clearly, a key part of that strategy is moving more services online and encouraging more people who do not use online services to use them, because that then eliminates, as it were, many of the resilience challenges that DVLA experienced during Covid.

Q44 **Anne Marie Morris:** Ms Kelly, you are right, but, clearly, there will always be some people who cannot use digital.

Dame Bernadette Kelly: Indeed, which is why those channels exist.

Q45 **Anne Marie Morris:** Exactly, partly because of connectivity and partly because of the fact that some of these documents are physical. Ms Lennard, I do not think that I have had an answer to the question yet. You are telling me what the problem is. You are not telling me what

conclusions you have come to or even that there is a group of you sitting down and trying to work out what good looks like finally. On digitalisation, digitising records is one thing, but do you envisage that, as we have done away with the tax disc, we are going to do away with the physical driving licence? That would make a big difference.

To the point that was raised earlier in terms of medical records and access, are we going to be able to overcome, in the same way that DWP has, this confidentiality issue? All of those things need to be part of a really good strategy, because, if we understand where you are going, we can then understand the decisions that you make about workforce planning and the physical property assets.

Julie Lennard: We are in a three-year strategy now and we talk about a digital driving licence in that. We are aiming to get to a digital licence. The challenge on that is that it is not accepted internationally at the moment, so we will still have to provide the physical licence until international law catches up. If someone wants to hire a car abroad, they will need a physical licence, because there is not yet a country in the world that will accept just a digital licence as evidence that you are able to drive. There are some challenges.

Absolutely, we have a view of where we want to get to. It will take time, because, although we would like to be much more digital than we already are, not everyone is able to, as you said, whether that is due to ability or connectivity, and it will take time to get there.

We have in our strategy to make sure that we provide other channels as well as paper, such as the post office. It comes to us as a digital transaction. You are going into the post office with paper and cash or cheque, and then it comes to us digitally. For us, there is an opportunity to look more at what we can do to help people who are not ready to go digital themselves, but we do not exclude them, because we are extremely mindful of not excluding people. There is a very clear strategy.

Q46 **Anne Marie Morris:** What is that strategy? You are still telling me what the problems are, not where you want to be. In three years' time, where do you want to be? Where will we be with the digitalisation? Where will we be, therefore, in terms of the number of people you need, what will they do and where will they be based? What property will you, therefore, still be in?

Julie Lennard: We do have that, but it is on a 10-year timeline. In terms of moving more people on and making the changes that we are making, it is more of a 10-year timeline to be predominantly or almost everything digital. I am not sure that it will be a paperless organisation for some time.

Q47 **Anne Marie Morris:** I am sure it will not. What concerns me is the idea of 10 years. That is forever. Your strategy has to be not just about digital. You have to make some assumptions, it seems to me, but you have to determine what numbers of people you want and, therefore, how

you are going to use your assets. At the moment, given the state of knowledge you have, where you know you are going to be in terms of digitalisation and where you are going to be in the next three years, which is not an unrealistic timeframe, what are your staffing levels going to be? How many are going to be working at home? What are you going to do with the property that you are in?

Julie Lennard: I do not think that the staffing levels will change hugely in a three-year timeline, partly because we have taken a conscious decision to do a lot more work for other Government Departments. We have the space and we have the expertise. We are one of the biggest employers in the Swansea area, and we take that responsibility very seriously as well.

We produce all the biometric residency permits under contract to the Home Office. We are now one of the biggest secure printers and mailers in Government. Prior to the pandemic, we would handle about 7 million a year. Last year, it was 13 million. We sent out mostly things like the vaccination invitation letters. They came through us. Our staff were onsite and dealing with that, because other organisations could not.

We have very experienced, qualified staff. We have invested in our facilities onsite. We want to provide really good value for money for the taxpayer, not just in terms of what we are doing. If we have additional capacity as we switch more to digital, and we are on that journey, our intention is to be able to offer more services to other parts of Government, because, of course, it is done on just a straight cost recovery basis.

Q48 **Anne Marie Morris:** That diversification and using existing assets is, undoubtedly, welcome, but I am still not clear of your plans with regard to staffing. You surely cannot be staffing to help other Departments. It is staffing for what you need to do in your core activity. What is the plan? Reading through the NAO Report, there seems to be a sense that you are moving towards almost a 50/50, whereby people spend half of the week at home and half of the week in the office. Have I misread that? If I have, why is that the balance, given the need that you have identified and that there will still be—that, because of confidentiality and because of paper, people need to be in the office?

Julie Lennard: Almost 60% of staff are entirely in the office, and have been throughout the pandemic, it needs to be said. I have to put on the record that one thing that really has frustrated staff, and DVLA has had some really difficult publicity on in this time, is this idea that operational people were at home. As I say, 60% of all our staff have been onsite the entire time, and that still remains. I have around 40% who are in roles they can carry out in a hybrid way, in line with wider Civil Service rules, which is around a minimum of 40% on site and 60% remotely. That is the Civil Service rule. In fact, now that we have absolutely no restrictions onsite, we are finding that a lot of those people who can work in a hybrid way are coming on to site a lot more.

Q49 **Anne Marie Morris:** Would you confirm that it is always going to be your view going forward and your approach that how people work is going to be driven entirely by the need, rather than any rules about how much time you should be able to work at home and how much time you should be able to work in the office? Ultimately, we are here to provide a service.

Julie Lennard: You are absolutely right that it is about the need, and that is why our staff did come in and work all the way through the pandemic. It is absolutely about the need.

Q50 **Anne Marie Morris:** Excellent. Let me now take you on to GPs, if I may. This is one of the more challenging areas, because we have already had quite a lot of evidence that it simply has not worked. One of my concerns with regard to this is the approach that we have to medical evidence. Hopefully you can put me right, but I have had a number of constituents with issues whereby they need some medical evidence, but DVLA has refused to accept evidence from GPs, because, even though the GP is prepared to say, "This person is fit to drive", you have insisted, during the pandemic, which is an odd time to do it, that they go to the consultant.

The problem is that consultants, particularly during Covid, were, frankly, very hard to come by and had more important things to do. Many of these individuals then tried to go to the private sector, if they could afford to, to get consultant letters. I am beginning to be a bit frustrated and a bit concerned. If you need evidence and if a GP is prepared to say, "This person is fit to drive", why, particularly given your challenges with backlog and the pressure on consultants' time, do we continually go to consultants, which just delays the process?

We now hear the NHS, to deal with the backlog, wants to tell GPs, "We want you not to refer people to consultants. We want you to deal with it in primary care". Why did you do it in that way during Covid? Are you changing the practices now?

Julie Lennard: It is not routine. It is not for every case. It will be case by case. I can say now that, so far this year in drivers medical, 46,000 customers have had a licensing decision made the same day that we received the application. If we can make the decision based on the information provided by the driver alone—and, in some cases, we can—we will do it. The law does prescribe how we do an investigation into it, and so our first port of call is to ask, "Can we get enough information from the individual?" Those will tend to be much more straightforward, simple cases of a single condition, very well managed, and someone with a very good understanding of their own condition and how that is being managed.

As soon as you get to something more complex, we are likely to need the GP and, if it is very complex or multiple conditions, it is likely to be a consultant, because it is the consultant who understands that condition much more than the GP, in many cases, but not always. Sometimes, we

will get enough that we need just from the GP, but, like I said, it is certainly not in every application that we go through a staged process. We will try to make a safe licensing decision at the first point that we can.

Q51 **Anne Marie Morris:** Are you in communication now with the Department of Health, as I hope you were during the pandemic? It was telling GPs, effectively, to deprioritise, helping you and helping the applications. Are you talking to them now, given their new approach and their desire for GPs to do more themselves, to adapt your approach within whatever the constraints of the legislation are that you are working under?

Julie Lennard: The challenge for us on this is that the work GPs and consultants do for us is not under the GP contract, so it is not done via the Department of Health. It is separate and counts as private work. We pay every GP and every consultant for every questionnaire that they return to us. The negotiation around that is with the BMA and the Royal College of GPs, because it is completely outside of the GP contract.

Q52 **Anne Marie Morris:** Have you then talked to those organisations? It seems to me that those are all pretty critical issues.

Julie Lennard: We have constant dialogue with them. The advice to GPs and consultants to deprioritise DVLA work, understandably, particularly at the beginning of the pandemic, came from the BMA and Royal College of GPs.

The only time that we talked to the Department of Health around what we were doing, it came to us with the rollout for the booster vaccine and asked us to just not send anything at all to any medical professionals. The Department of Health re-emphasised that message that was already coming from the BMA and the Royal College of GPs. We are in dialogue with them, but, for much of the pandemic—and we can completely understand why—their focus was on clinical need.

The BMA was very understanding. We have spoken to them all the way through and, where they did then refine the advice that they were giving to GPs and consultants, it was to prioritise key workers and vocational drivers, because of the importance of keeping supply chains moving. We were talking to them through that, and their advice refined as we went through that process, so that at least we could help keep those vital supply chains moving.

Emma Ward: The frustration that you express is familiar to us. Although this does not help in the short term, what I would say is that we are very conscious that the legislation underpinning drivers medical has not been looked at for a very long time. We have an ageing population. We have more people who want to drive for much longer. Indeed, we have more people who hold licences for much longer. I cannot remember the numbers off the top of my head, but it is now a significant number more of over-70s who hold a licence and drive.

It is a very valid question to ask. Is the framework fit for purpose for that demographic? Does it strike the right balance? Can the DVLA get the

right support that it needs from the medical profession to make what are, in some cases, very difficult, marginal calls, recognising the importance of independence for people as they age or as they have complex medical conditions? I completely hear your frustration and it is something that we are reflecting hard on, particularly given the lessons that we have learned from the pandemic.

Q53 **Anne Marie Morris:** Ms Ward, that is incredibly helpful and it is something that I take away as an issue that needs to be addressed. I sincerely hope that, Ms Kelly, you will also push Ministers that this absolutely needs to be addressed and looked at. The point that you make, Ms Ward, that it is not fit for purpose seems to be borne out by the evidence.

One final point, otherwise the Chair will be very frustrated with the amount of time that I am taking, is on the mechanism for communication. We have talked a lot about paper, but particularly with the medical profession we seem to be totally bogged down in paper, and there has historically been an acceptance or a lack willingness to change that. Are you having conversations with the BMA, with NHS England or with the Department of Health to look at how we can make this digital rather than this paper chase?

Julie Lennard: We would love to. I completely agree with you on that. We have been having conversations for a while. One of the challenges around that is health being devolved. There is not one overarching system. There are just technical challenges around it, because, in different nations, there are different views and approaches. We are absolutely looking at what we can do. It would speed things up if we were able to get information directly from GPs and consultants.

The health service has changed massively through the pandemic in terms of embracing technical change, and that opens a real opportunity up for us. That willingness is there on that side as well.

Q54 **Chair:** I just want to flag that we have had a lot of evidence from people. I hope that you will have a chance, but, if you have not read it, I really urge you to. There are tragic cases of people unable to work after a five-month wait. A gentleman had to take the bus and spent between £2,000 and £3,000 to visit his wife with advanced dementia, on a very limited bus service, because he was no longer able to drive. The human stories in the evidence that we had are immense. I just wondered if you have a message for the people who were and are still waiting, given the chaos that they were living through?

Julie Lennard: I completely understand. We saw those same cases and were genuinely trying to prioritise those cases that were coming through where people had either financial or other reasons.

Q55 **Chair:** How could you prioritise it? If you had a backlog of unopened post that you were opening, what was your system for triaging those? We have seen some of the worst cases. We saw those as MPs as well, but

how were you able to triage those? Was an MP's inquiry getting it up the list? Was a GP inquiry getting it up the list?

Julie Lennard: We were dealing with MP inquiries, but also individuals coming in and contacting us. The thing to remember is that it was not that we had loads of unopened mail sitting around a lot. We knew where it was and when it had come in. It is all very regimented in terms of how we kept it. At its height, we had a team of runners who would go looking for things, because it comes in on certain dates, in certain orders, and we could, most of the time, locate it, even when you are looking at the backlogs that there were, in those really extreme circumstances. It was the same for passports. If people had an urgent need because they were travelling, a lot of the time, although not always, we were able to find it and facilitate it.

Chair: So a workaround on a huge pile of backlog, basically.

Julie Lennard: It was about customer service and trying to provide that service for those who really needed it, but bearing in mind that, for drivers and that side of it, they would have had, in the vast majority of cases, cover to drive. Where there was a job offer or employment dependent on it, we looked to prioritise that. Anything coming in to drivers medical—and it has been coming in for many months—we triage. As I say, we have been able to make those 46,000 licensing decisions on the same day they come in. It is being triaged now as it comes through, and things will get escalated, if for example a job offer is dependent on it.

Q56 **Chair:** A couple of our colleagues have asked us to raise particular points. The Member for Central Ayrshire, Philippa Whitford MP, said, "The repercussions for someone who faces a delay in regaining their licence can be severe, particularly from the point of view of employment", so she has had a number of cases there. Clive Efford, the Member of Parliament for Eltham, said that he has a case at the moment of a constituent who is threatened with losing his job as a bus driver because of delays at the DVLA. If I can get them to pass those particular cases on to you, could you please look into them? That bus driver is, still now, about to lose his livelihood because of ongoing delays.

Julie Lennard: Absolutely, pass those on, but we do not have any in the medical space. We are back to normal processing times of vocational licences. I am absolutely happy to take that away and see what is happening in that case.

Chair: There is an equalities issue here as well for people who, because of a health condition, are then finding it hard to hold on to their job or, indeed, have other important life issues.

Dame Bernadette Kelly: Can I just add to what Julie has said on behalf of the Department and Ministers? We know that the human stories behind these cases can be genuinely very difficult, and I absolutely recognise how important they are. This is not just a numbers game. It is not just about processing and backlogs. It is about real people and the impact

that not being able to get a driving licence can have on their livelihoods and their lives. I did just want to be clear that we completely understand that. In terms of drivers medical more generally, the pandemic has clearly exacerbated a challenge that we already faced in the system.

Chair: We have got the pitch that there may be a time to review this, so you may have some allies here and in those who have given evidence that being over 70 does not suddenly make you more dangerous than when you were 69, or at least not in the majority of cases. We recognise the safety issue, but the problem for us, as you are picking up, is that the backlog got so big that it just caused people problems. A lot of people with very difficult circumstances have very clearly put in their evidence to us that they understood that there might be a bit of a delay. They might understand a couple of months, but when they are still waiting, nine months later, that shows that there is a big, systemic problem at DVLA.

Q57 **Olivia Blake:** Just to pick up on that, are you concerned about the risk of a discrimination case being brought against the DVLA for the way it has handled disabled applicants?

Julie Lennard: There is that interplay here in terms of our responsibility. The legal responsibility on us is assessing someone's fitness to drive and to be on the road, and that road safety. There is legislation that puts an obligation on us to investigate and, in some areas, governs exactly how we investigate and who we can go to for information.

Q58 **Olivia Blake:** Is there any compensation available for anyone who has lost income as a result of delays in your services?

Julie Lennard: If someone has particular issues, they can write to us. We would look at every case on an individual basis.

Q59 **Olivia Blake:** I have certainly had a number of cases where people have either lost income or not been able to see family members, because they are clinically extremely vulnerable, so cannot use public transport. They are the main carer of their elderly parent and things like that. I just wanted to probe a bit more into how you have an understanding of the people who were contacting you and how you prioritised that backlog.

Julie Lennard: It is worth bearing in mind again that the vast majority of people would have been able to continue driving under section 88.

Q60 **Olivia Blake:** That comes on to my next question, because that was not clear to people who were contacting MPs, certainly in the case of my office, and there was a lot of uncertainty in the communication that was had. From the records of the calls that you were receiving from the general public, did you think that that message got through to people? Is there anything more that you could have done, perhaps having a recorded message on the help line, to explain this extension? From the hundreds of people who got in touch with me about these cases, it was not clear to people.

Julie Lennard: It is a challenge, when you operate at the scale that we operate at, to reach absolutely every single person with this. The message is there on the renewal letters that go out to people saying that they need to renew their licence. It is there on the website. We were putting it out on social media messages. Our contact centre staff were repeating those messages. We used it every time we had media queries, which, over the last couple of years, has been quite a lot. It has been in those lines and messages as well. We clearly reached a lot of people with it.

Did we reach everyone? We issued 24 million driving licences in this timeframe that the Report has covered. Did we reach all 24 million? I would suggest that, with the examples you have had, possibly not, but they are in the tens, compared with the volumes that we did process. People did know and did understand that, but it is always one of those challenges. People hear and receive information in different ways, so we are always open to exploring what more we could do to get those messages out there.

Q61 **Olivia Blake:** Just moving back to paper, I am interested to know, especially with the move of the medical team to Birmingham, how the flow of paper moved through the systems. If you had to move the site, was it just a single site where you deal with paperwork during the pandemic, did that affect the number of people who you could have involved in it, and how mechanised is it as a system? Could you answer some of those points?

Julie Lennard: It varies according to the different work streams of what is coming in. In some work streams, it is not very mechanised at all, because, particularly if you have ID documents in with it, rather than trying to separate things out and things like that, you are processing it there and then. We can now scan quite a lot of the medical information. It is scanned in and they can work from scans in different areas, but, of course, you still have the challenges around accessing the vast database, because it is full access to that database and all of the medical data.

Q62 **Olivia Blake:** On the medical records, I know that you talked about the difficulties of doing something digital, but has the DVLA ever thought about hosting something that GPs could log into, rather than it being on the medical system to come up with a solution?

Julie Lennard: To be honest, yes. We have been talking to the BMA and the NHS about the best way to do that. There is some feedback that medical professionals would like something that is as easy as possible for them to use. Having to log into another system has its challenges, but these are things that we are open to exploring.

Q63 **Olivia Blake:** Do you feel that the system you have for dealing with paper is as mechanised as possible? Aside from trying to increase digitalisation, is the system as proficient and as good as it could be?

Julie Lennard: Do you mean for drivers medical or across the board?

Q64 **Olivia Blake:** For drivers medical, but across the board as well.

Julie Lennard: Looking at drivers medical first, we have an online service for single conditions. That is probably about half of the people who are coming through drivers medical. It becomes more difficult to build fully automated digital systems for particularly the more complex and medical conditions. We have about 350 medical conditions that we list as things that people would have to notify us of, and that is not exhaustive. When you get into the realms of the rarer and more unusual conditions, it becomes increasingly difficult to build digital systems to deal with that, and the same for more complex conditions or if you have multiple conditions. There can be many variables in terms of the conditions, medication or treatment.

If you look at our system now for single conditions, every single condition is built as a digital service almost separately, because it has a different decision logic that sits behind it and the work is streamed in different ways, according to what it is. It becomes very complex to do that. In the end, you risk having, essentially, a digital front that looks very digital, but where at the back end someone is still having to do the same decision-making process, because, the more complex it gets, a lot of this will come down to clinical judgment.

We employ 43 doctors and eight nurses, and so, when you get into those really complex cases, it is clinical judgment on some of those. It would help in that someone does not need to post you a form, and we can do that, but these are considered decisions from a road safety perspective, using that expertise that our doctors have in road traffic medicine, which is quite a specialised field, to be able to then make a decision.

Q65 **Olivia Blake:** In terms of the paper movement, is that as efficient as possible? How many manual interactions with the mail are there at the moment?

Julie Lennard: The mail comes in and has to be physically opened, because people will quite often put several things in one envelope. We have 49 postcodes for our one building, because that helps us stream the workflow, so that it does not get caught up internally. Quite often, people will put multiple things in one envelope, so there is an element of sorting and streaming it. The ideal is to get to a point where we minimise the paper coming in, because our intention with digital services is and always has been to make them so good that people choose to use them.

Q66 **Olivia Blake:** At the moment on the medical side, if you were to start an application online, is there ever a situation where that would switch to being paper-based?

Julie Lennard: It will not switch to paper for the customer in most cases, but it would depend. If there were particular complexities, we might need to go out and get more information. It is the core of what they have done. Where the digital system is really effective for people with single conditions, there are some conditions, coming back to the

point earlier, that we do not need any more information about. If you tell us that you have diabetes controlled by diet, you will get an automatic decision on the online system there, because of how it is being managed, what it is and where the risks are with things like that. It really depends.

Q67 **Olivia Blake:** Should that be on the list of conditions? How often do you review that list of conditions, if there is an algorithm that says, "Actually, you are fine"?

Julie Lennard: We do review them. A lot of them have been set particularly at a European level, because of the point at which we have had that legislation. There is evidence behind a lot of it, because, quite often, you might find that someone who has diabetes controlled by diet may well progress and may have other conditions as well.

Q68 **Olivia Blake:** Just to go back to some of the infrastructure issues that you were mentioning earlier, Ms Lennard, it sounds like a legacy system and a very complicated system. How confident are you that that is resilient as a system against other issues that you have contingency plans for? It sounds to me like the problem was getting access to the data system remotely, from what you were saying.

Julie Lennard: It is resilient, bearing in mind that it has been built and designed to be accessed onsite rather than remotely. You are right that there are some underlying legacy technologies there, but it is not one reason that caused some of the challenges with being able to access it remotely. It is multiple, coming back to data security and the scale of what is there, as well as some underlying technological challenges.

In terms of the resilience, it is resilient and is very well protected, but why we are particularly looking to move is to give us more flexibility. Utilising those legacy systems can limit what we can do, and so, ultimately, it has to change to be able to have more flexible systems. If you think of something like vehicle excise duty, on the vehicle side of it, it limits how flexible we can be on things.

Q69 **Olivia Blake:** Are you anxious about modernising the system because of the risks of data migration and things like that? Is that what has led to an on-site access model?

Julie Lennard: In terms of the data migration, with our transformation we are taking a Strangler approach, where we are building new elements of it, but we are not going to have one big bang where we try to migrate all that data. For instance, the tacho card services that we launched online during the pandemic are completely out of our legacy systems. They are very much new world and cloud-based, and that is going to happen increasingly as we go. We are deliberately de-risking that and not doing a big bang approach, where you have to migrate all the data, because, as you say, that would be high risk.

Q70 **Olivia Blake:** Are you thinking about the customer as you migrate that data—for example, making sure that the things that need to be

accessible to staff to do things quickly and that could be done at home are done first? Is that in your mind when you are thinking about the change that needs to happen?

Julie Lennard: It is, but we are looking at it from a customer perspective as we are doing our transformation, rather than trying to transform it to have more people working from home.

Chair: I think what Ms Blake is saying is that, if people can work at home, that is a resilience issue for the customer.

Olivia Blake: Exactly, it is a backup.

Julie Lennard: In terms of the transformation, we are, as I said, in a much better place than we were in March 2020. In terms of the people working on the vehicle side of things, we now have that capability for many of them to work from home. We have started on the driver side as well. We do have more resilience, but is it the long-term strategy? Because of some of the security reasons, it is not the thing that drives the transformation.

Q71 **Olivia Blake:** Just going back to the paper-based side of things, you said that you can scan medical records. Now that you are on two sites, is there anything that cannot be scanned and would be required to be posted between those two sites, for example?

Julie Lennard: We are trying to minimise that completely. That was one of our considerations. Trying to move paper between sites is challenging. That is one of the things that we really tried to minimise.

Q72 **Chair:** But you do some of it. How do you send it—in the post?

Julie Lennard: No, we have our own—

Chair: A van?

Julie Lennard: Yes.

Q73 **Olivia Blake:** You mentioned the 49 postcodes, and I am interested in that. At the critical point of the pandemic, was there ever a situation where there was a mountain of mail because of the way you had to work? Is that what has caused part of the backlog? Was that resilient to a change in working practices during that early part of the pandemic?

Julie Lennard: There was a peak at which there was a lot of mail on site, but, as I was saying earlier, we were very good at making sure that it was segmented and we knew the date that it had come in. It is already segmented into workflows. What we were trying to do was open, check what was there and see if there were things.

We tried different ways of working at the height when people were particularly concerned about things like ID documents. For that, we trialled being able to open it, check the document and get that document sent back, even if the application was not processed at exactly the same

time. We trialled lots of different things to see if that would be more efficient and effective. Ultimately, that is not something we maintained, but we pivoted a lot to try to see what would work in those circumstances.

Q74 **Chair:** Have you ever trialled any of those before at other points?

Julie Lennard: No. In fact, we are not doing that now. It is not the most efficient way of processing with those coming in. We were trying to get documents back to people.

Q75 **Chair:** That was a workaround because of the backlog.

Julie Lennard: It was, because we had people talking about the human impact. We had people saying things such as, "I do not care about the licence. I just need my document back because I need to do X, Y and Z". We were trying to meet that kind of customer need.

Q76 **Olivia Blake:** My final question about this element is what lessons you have learned for the future and how quickly you could implement something like this. I want to know how this has helped your contingency plans for the future.

Julie Lennard: It has helped us enormously. We are much more nimble, flexible and able to move much more quickly than we would have done, say, a few years ago for things like this. From a digital point of view, we also put more online. We created new systems. Our transformation is also changing how we offer services. That will give us a lot more resilience as well. We have learnt a huge amount.

We took the decision to have the building in Swansea, that first extra building, partly because of the reasons about the ease of being in the same local area for training new staff, if we were having to move anything between offices and things like that. Looking back, with the benefit of hindsight, if we had had Birmingham first, that might have given us greater resilience.

In that second wave, at one point in December 2020 Wales had some of the highest infection levels in the world according to BBC websites. Everything that happened in the local community was reflected in our own levels, because of course people are out and about as well. Looking back, and with the benefit of hindsight, we might have been better off doing it the other way round—have Birmingham first and then the extra office space in Swansea.

Q77 **Olivia Blake:** I am still quite concerned about communication. I have not asked this question yet and I would like to. With the extension of people's ability to drive for 11 months, et cetera, how good were the conversations that the DVLA had with insurers? I certainly had cases where it was difficult for people—the relationship between the insurers and them about clarity of the situation. Could you explain a bit more?

Julie Lennard: We had a few of those letters as well. We had conversations with the industry about that. We talked to them and they knew what was happening. It was also happening in other areas, such as MOTs. It was not uncommon for different areas relating to motoring. On the whole, most insurers were absolutely clear on it and fine with it, but we had some cases as well, and again we would pick up particularly with the industry bodies around that.

Q78 **Olivia Blake:** Some were not, were they?

Julie Lennard: No, that probably reflects a lot of changes in lots of sectors at the time and making sure those messages got through. We did talk to the insurance industry.

Q79 **Sir Geoffrey Clifton-Brown:** I would like to probe in more detail some of the issues that Ms Blake has been raising. They all relate to your future business model, because we could not have a hearing like this without knowing where you are going in the future. Paragraph 3.9 on page 41 tells us that you have only 362 staff in Birmingham. That is a very small operation compared to the rest of your operation. What do they do in Birmingham?

Julie Lennard: It is the drivers medical team. It is exclusively drivers medical, so they are making licensing decisions on applications for people who have medical conditions.

Q80 **Sir Geoffrey Clifton-Brown:** Great, let us start there. This whole business of health records and health decisions is a key area that slows down that application for medical records. I was horrified to hear you say that somebody could apply online and thereafter it might go back to paper. Could you explain that reply?

Julie Lennard: It will not go back to paper. I was saying that we might need to send, as part of that, a questionnaire to medical professionals. I am saying that sometimes it can be done fully online and that is it, if that is the only information we need. It does not go back to the individual for them to apply on paper.

Q81 **Sir Geoffrey Clifton-Brown:** No, I understood that. It sounds as though you are going back to paper to get the inquiry from the GP or consultant.

Julie Lennard: The online system is for the public. As we were saying earlier, we do not have those links yet into GPs, NHS and medical practitioners to do all that digitally, but we are very keen to explore that.

Q82 **Sir Geoffrey Clifton-Brown:** Who is the laggard here—the medical profession or the DVLA?

Julie Lennard: It is the complexities around trying to get a system when health is devolved, so there are different approaches in the different nations. That makes it quite challenging to get one solution. One thing that came up before was about whether we have some kind of portal we ask people to log into. When we have looked at that sort of thing, it has

not had a huge amount of favour with medical professionals, who are already very pushed for time, to have to go into another system.

We have talked to the NHS. We have talked to NHS England. Could we put a flag on the existing systems to say, "This is a patient"? There are a lot of flags already on their systems, which means that there is not a huge amount of enthusiasm for that, but we are very open. I do not think that it is a fair characterisation about being a laggard. Both sides see the absolute benefit of that. It reflects the complexities around it.

Q83 **Sir Geoffrey Clifton-Brown:** I get that. Can we probe the decision-making on this medical stuff? The applicant makes an application. They send their medical records. That flags up something. On one of those I think you said there were 180 medical conditions you have to look at.

Julie Lennard: There are over 300.

Q84 **Sir Geoffrey Clifton-Brown:** That is even worse, or more difficult for you. Presumably you have medical teams or medical people who are experts in all of those 300.

Julie Lennard: Not in all of those 300. I have 43 doctors and eight nurses on staff. We also have Secretary of State panels. They are experts in their field. They are different specialisms, so there is one on neurology, one on drug and alcohol misuse. They are different, so we have access. They help and guide when we need it. If you have one very rare condition out of that 300, it would be difficult for us to justify employing people who are experts in every single one of those. We have access to experts in the conditions that we can go to.

Q85 **Sir Geoffrey Clifton-Brown:** How long, on average, does it take you to resolve a medical issue?

Julie Lennard: Pre-pandemic, our target had always been 90% within 90 days. That allows that time for going out to GPs or consultants and getting stuff back. That was the target pre-pandemic, but it varies. It will depend on the complexity of the case. As I was saying, I have 46,000 this year where the decision has been made the same day it was received. Those will be simple.

Q86 **Sir Geoffrey Clifton-Brown:** 46,000 out of how many each day?

Julie Lennard: It is about 56,000 a month coming into drivers medical.

Sir Geoffrey Clifton-Brown: So it was 46 a day.

Julie Lennard: No, 46,000 this financial year—and 82,000 within 10 days.

Q87 **Sir Geoffrey Clifton-Brown:** If you have 56,000 coming in a month, that is six hundred and something thousand. You are only doing 40,000-odd that year.

Chair: Figure 7 is useful in this respect.

Sir Geoffrey Clifton-Brown: It seems to me that 90 days is still quite a long time. There must be an awful lot of to-ing and fro-ing, and I am wondering how this whole process could be streamlined. This is the route block to your whole organisation—these medical cases. It seems that 90 days is a long time.

Julie Lennard: That is an average.

Sir Geoffrey Clifton-Brown: That is three months.

Julie Lennard: It is an average. Of course, within that you will have some who get a very quick decision, because they are very simple, straightforward cases, and others where you might have multiple conditions. Looking at the data the other day, currently there is one individual with 14 different notifiable conditions. That is a lot of complexity to determine their ability to drive. Our doctors, our staff, do not see patients or motorists themselves. They are reliant on information coming from the medical practitioners who are most familiar with the condition of that particular motorist.

Chair: To be clear, in figure 7, which goes up to September 2022, in July, August and September 2022, over 10% of medical cases were taking more than 251 days. There are still quite a lot of cases that are stuck up in these medical queues.

Q88 **Sir Geoffrey Clifton-Brown:** Yes, indeed. What plans have you to streamline this system with the medical profession? It actually sounds as though it is more your own processes, rather than the medical profession. You are sending a letter, or hopefully an email, out to the GP or the consultant. Are they the ones who are not replying quickly, or is it you? You get a letter. You do not quite get the information you want. You send them another letter. Give us a flavour of why it takes so long.

Julie Lennard: There can be an element of both of those things. If all of the information is not there, it means sometimes having to go back out again. In other cases, we can have GPs and consultants who take some time to come back to us, particularly now. It is understandable when the focus is on clinical need. It can be a combination of both but, on the whole, when you look at it, we are able to make decisions quickly once we have the information.

Q89 **Sir Geoffrey Clifton-Brown:** It does not sound as though it is you. It is the doctors and the consultants.

Julie Lennard: It is a combination, in fairness. This is the one area of DVLA where it is not entirely in our control, because we are reliant on third parties. It is not just getting information from GPs and consultants. It might be that various tests are needed. We have things such as vision tests or visual field tests. For people where there is persistent misuse of alcohol or drugs there may be blood tests needed. We have franchised

doctors and labs that will do that. There is a combination of factors there. A more simple and straightforward case, in general terms, is much faster than a medical condition where it is more complex and there are likely to be multiple conditions.

Q90 **Sir Geoffrey Clifton-Brown:** Ms Kelly or Ms Ward, what plans have you to help poor Ms Lennard speed this whole process up, either by giving her the investment to do it more digitally, or, better still, talking to your equivalent in the Department of Health and Social Care to see what can be done to streamline and rationalise these processes?

Dame Bernadette Kelly: That is a very fair challenge. Obviously, the reason we are at this hearing is because of the impact that the pandemic had and the backlogs it created. It is fair to say that, long before the pandemic, drivers medical has been the most challenging part of DVLA's casework. There have always been cases that take a very long time to resolve. That will continue to be the case.

As my colleague Ms Ward has already indicated, it is not just about DVLA processing. It is about how the system as a whole is set up to work. There is a challenge for us, and a fair challenge, to think about how we can make that better, smoother and more efficient.

Chair: I would not want to diminish the numbers here, but in January of 2020, so before the pandemic had hit the UK, 90% of medical cases were done in time. That does not mean that the 10% was not a lot of people still struggling, but about 2% of those were over 251 days. That is still a lot of people, but that graph tells you the performance has gone down and not really gone up. It has dribbled along the bottom.

Q91 **Sir Geoffrey Clifton-Brown:** Yes, absolutely. Referring to that same table, over half are taking over 90 days and, my goodness, there is a small percentage that are taking over 351 days. That is almost a year. If I was waiting for a driving licence for over a year, particularly if I had other things, a job or whatever, that depended on that, that would be catastrophic.

Dame Bernadette Kelly: Of course, people can mostly drive, unless they are instructed not to, during this period. This does not always represent people who are prohibited from driving while this process is happening. That is an important point to keep in mind as well.

Q92 **Sir Geoffrey Clifton-Brown:** Yes, but if I was in that category I would be asking, "Is my time limit going to expire and am I going to be stopped from driving simply because DVLA has not processed my application?" This is a serious matter. I wanted to just probe this whole business of the vast amount of post you get. Some of that must be original documentation. Why is there any need for any original documentation? Surely, with things like passports, it would be possible to ask an applicant to take a photograph of the relevant page. You then have full access to the passport data systems. You can check it out. Why do they need to

send an original passport?

Julie Lennard: They do not if they have a passport. If they have a UK passport, they just need to give us the passport number and we then have direct digital links in with Passport Office. Also, we will take the photo from that, and previously we could take the signature and put that on the driving licence. There is no need to send us anything. It is a very straightforward online application if you have a UK passport.

Where we have greater challenges is if you are a UK citizen and national who does not have a passport, or if you are an overseas national now living here, because we do not have that same access into other countries' passport systems. That is why we would need it. Otherwise, that works extremely well, is very efficient and is a very quick process.

Q93 **Sir Geoffrey Clifton-Brown:** I get that, but it still sounds as though you have a vast amount of post. Why do you have this vast amount of post? Why can more of that not be digitalised? What plans do you have to do it? Why do we need to send any original documents? I accept the people who do not have passports, the overseas passports or whatever, but, for a normal application, why does anybody need to send original documents?

Julie Lennard: For a lot of our applications, we estimate that around 60% of what comes in by mail could be done online. Then you are into the realms of either choice or difficulty accessing online. During the pandemic, with our campaigns to try to increase digital take-up, we did some research and found that one thing that stopped people is that they did not really trust putting their personal data online. They would prefer to send the physical. That is what we did. A lot of our campaign at the beginning was around trying to give people reassurance that it was safe, it was secure and you could do it. As we were saying earlier, I think this will be a slow process.

Q94 **Sir Geoffrey Clifton-Brown:** I am really worried about that, because that sounds as though you are going to be reactive rather than proactive in this digitalisation process. You can make payments with your bank online, so your bank details are fully secure. People can get their medical records now from the NHS app. This really worries me now that you said 60% of all that post could be digitalised. That is a vast improvement you could make.

Julie Lennard: It is a real challenge, and it is how you reach people. Some of those people will be people who just do not feel confident or there are connectivity issues, depending on where you live. It is not just a case of people saying, "I do not trust the online", but that is part of it. This is a challenge for us and we are doing more on that. We are about to launch another campaign, trying to encourage more people to use online. I think it will happen over time.

We have heard stories from your constituents coming forward and from publicity that we have had over the last 18 months. If there are people

who know that, if they put it in on paper, it will take longer, because we have backlogs, but still would choose to do it, there is something else there that is preventing people. You are right. There is a challenge for us as to how we overcome that.

Lloyds Bank does a very good survey about digital inclusion and looks at it every year. It finds that there is a significant minority who, although they are confident using things like email and have smartphones, are not confident about running their whole life from that sort of thing. There is a way to go and almost all organisations must have the same challenge. For a Government Department, these are edge cases in a way, but, when you deal at a UK-wide scale those numbers grow pretty rapidly.

Q95 **Sir Geoffrey Clifton-Brown:** I wonder whether you could not be more proactive, and particularly more proactive in your communications to your clients, saying, "we cannot guarantee how long it will take if you apply on paper, but if you apply online we would aim to meet these targets", so that people would know. If some of those 351-day people had known that, if they applied online, they would get it done in 40 days, they may well have been persuaded to do it online.

Julie Lennard: We did that through the pandemic. We updated weekly the times we were working to. The first thing that we had on the top of every single page was, "There are no delays if you apply online. There have been no delays throughout the pandemic. If you can apply online, do, because you will get it within a matter of days". We always, again, put that out in terms of messages to media and the public.

Q96 **Sir Geoffrey Clifton-Brown:** As I expected, I am being told by the Chair to speed up. I have two important points. Ms Kelly, this sounds like an organisation that has considerable scope to digitalise. What targets are you going to set it over what timescale to see how these improvements can be made?

Dame Bernadette Kelly: I agree, and Ms Lennard would agree, that there is definitely scope to digitise. You have a digitisation programme. It is best if I ask Ms Lennard to set out the timeframe for that. Encouraging more people who are able to do so to use online services has to be a central part of this strategy. That is something I think I said earlier. If I have my numbers right, 83% of people apply for drivers licences online and they all get dealt with, and have been dealt with throughout the pandemic, on time. You have 17% who are not doing that, of whom about half, I think—60%—could be applying online and are not doing so.

The challenge of getting that communication out there is a really important one. I do not think that we have set you a target, but you definitely have a digitisation plan. I wonder whether you want to say a bit more about that.

Julie Lennard: It is really important to bear in mind the 24 million driving licences that we issued in this period, of which 87% were issued

without any delays whatsoever. It is that thing about "we are into the hard graft". For any organisation aiming to be fully digital, you have early gains, which we have had. You are into the hard graft when you are looking to try to encourage those numbers. I still get a number of people who will post us cash to pay their car tax every year. We do not advertise that. We do not promote that in any way. I have probably said it now, which I should not have done. These are people who want to be compliant with the law and want to able to pay their tax, but they want to send it to us in cash. People do.

Q97 **Chair:** They do not have a bank account and a credit card.

Julie Lennard: Yes, exactly. It is very difficult. We are really conscious and aware that we do not want to disenfranchise anyone who has those challenges. Our byword has always been that we want to create digital services so good people choose to use them.

For tacho cards for the industry, for vocational drivers and companies, we have been able to switch off the paper entirely. When we were designing that system, we worked with the industry and drivers. We do that with every service. We have a UX lab in Swansea. We also go out round the country. We test everything as to whether it works and whether people understand it.

Q98 **Chair:** Every Government Department will have to deal with people who still use cash, whether it be paying through the post office or other routes. Digitisation just gives you the time to free up for the most vulnerable customers. It is not that that the deputy chair is talking about. It is the broad brush.

Julie Lennard: Pretty much everything is digitised. What we are left with is pretty small scale. For complex medical cases it is not digitised. That is on paper. There are some other smaller areas, in our number terms, bearing in mind the volumes that we operate at, such as used car imports and certain exports. That is paper based. Vocational drivers, because of the medical element with that, is still paper based. For everything else there is a digital alternative.

Sometimes people can fall out of that because we need additional information. This is one of the things that, during the pandemic, we looked to address. If you have a newer passport, the Passport Office no longer collects signatures and has digital signatures. We were at a point where we could take the photo from a passport, but we had no signature. One of the services we built during the pandemic, and this was designed and driven entirely by that—we did it out of sequence from what we were planning to do—is our online renewal service and online application for provisional licences. You can now upload your photo. You can upload your signature.

Chair: We do not need to go into the precise details.

Q99 **Sir Geoffrey Clifton-Brown:** There is one last question from me on

what you were just saying. You could reduce that figure of 60% paper. You said 60% paper. That is a vast amount of paper you could reduce. There is considerable scope for improvement there.

I have one last question for you, Ms Kelly, and this refers to Ms Lennard's earlier answers on the other services that DVLA provides, not core services to the driving licences, vehicle licences and so on. We, in the Public Accounts Committee, are very keen to follow the money. I am wondering whether those core services should be separated off, so that we can see precisely what impact they are having on the business.

Ms Lennard may well tell us that they are actually having a beneficial impact because they are subsidising her overheads. It may, on the other hand, be a distraction for her management, even if it is financially beneficial. Is there not a clear case to separate these out? What is more, is there not a fair case to say that, if we can privatise passports, we can surely privatise some of this high-security stuff that she does?

Chair: We have not privatised passports.

Sir Geoffrey Clifton-Brown: We have put it out to private tender.

Dame Bernadette Kelly: In respect of all of those services where the DVLA has taken on processing activities for other parts of Government, it will have been done because those parts of Government wanted to access the resources, people and digital capacity that DVLA has, which is fairly unique in Government. It will have been done, I am sure, because we were seeking to be a collaborative whole-of-Government public service. It will have been done because it was seen as an efficient and effective way of doing those things.

To your argument about following the money, that is exactly what DVLA is doing when it takes those services on. A judgment is made that that is an efficient and effective way to deliver those parts of our services for other parts of Government. Separating out would be highly disruptive, I imagine, for my colleagues in other Government Departments who have chosen to use DVLA for those services, so there would be consequences elsewhere.

It might well make Ms Lennard's life a bit easier if DVLA has fewer things to do, but I am not sure it would be ultimately to the benefit of the public and taxpayer. Clearly, though, from a purely DfT and DVLA perspective, we want to keep a balance and ensure that DVLA is not taking on services that then cause knock-on consequences for the core services.

Chair: Basically, DVLA is competing to provide these services with other providers. Can I clarify? I think I misunderstood the deputy chair. Passports are not privatised. The deputy chair was referring to the printing of them, which is done by a secure printing company.

Q100 **Sir Geoffrey Clifton-Brown:** Even if you are not going to separate it out—and I am more than happy that Ms Lennard does these services,

because she no doubt does them very efficiently—we should have a separate accounting unit, so we can see very clearly whether it is being cross-subsidised or not.

Dame Bernadette Kelly: I understand. How we account and report on those activities and the funding streams is something that I am sure DVLA can look at. As I say, the first responsibility for DVLA and the Department is to ensure its core services are as good as they need to be.

Q101 **Anne Marie Morris:** I am going to be quick, and I am going to turn to the good old telephone. We have spent a lot of time talking about paper and computers, but the good old telephone has its place. However, if we look at figure 8, during the pandemic the number of unanswered calls peaked and it was just dire. Can you explain why that happened? Why were you not able to address the issue rather sooner to stop it continuing, never mind falling completely? What systems have you put in place now to make sure that we never have those sorts of spikes again?

Julie Lennard: When you look at figure 8, you can see that demand dropped off completely during that first lockdown. Also, we prioritised, as Ministers asked us, vocational drivers' medicals. We had key workers, so a lot of the phonelines were dedicated to dealing with anything to do with key workers.

Q102 **Anne Marie Morris:** Was it a separate phone number?

Julie Lennard: It was a separate number, so it was coming through on separate numbers.

Anne Marie Morris: You have your general number and then—

Julie Lennard: We have multiple numbers. There are separate ones for drivers medical, general drivers and general vehicle. They break down into different numbers depending on what you are seeking to do. You see, when lockdown ended in July 2020, that huge spike. You can see that big increase in demand. We were, on the drivers side of it, taking about 450,000 calls a month.

Q103 **Anne Marie Morris:** Did you not see that coming?

Julie Lennard: We did, but it is very hard to staff up to that. At the same time, we had restrictions on the numbers of people and just, in general, recruiting. It is this thing. We were, pre-pandemic, and are a very efficient organisation, which meant that there was very little slack in the system. Once you have a shock to this sort of scale, it is very difficult to scale up to that quickly.

Q104 **Anne Marie Morris:** For the future, what would you put in place? Let us say—hopefully it does not happen—we get Covid 2 in a year's time. What would you do differently? What do you have planned to deal with this issue?

Julie Lennard: During the pandemic we used the cross-Government surge team for some of our contact centre calls. That team has to go

wherever the greatest demand was, so we did not have it as early as we would have liked because of the Ukrainian situation, so it was diverted to that. That is completely understandable, but we are very grateful for that support, so we have that experience.

Q105 **Anne Marie Morris:** What about going forwards?

Julie Lennard: During this time period, and we had started this before, we had reprocured what I am going to call, because we did internally, our telephony contract, but that hides the sheer complexity and scale of that contract. It is cloud-based, so we have more flexibility, rather than it being physical lines. We can scale it much more than we could. We had a limited number of lines available to us for most of this. We had already started that procurement process and we managed to maintain a service and switch out supplier and a whole new system during the pandemic. We have more flexibility.

We have brought together our digital capability and physical answering of the phones. As we go forward, if someone starts on webchat online and wants to switch into a call, we can do that seamlessly. The agent will be able to see what the person was asking about. We are looking at, and hoping to introduce quite soon, virtual queuing, so that, if somebody rings, instead of having to stay on the phone or keep phoning repeatedly, we will be able to ring them back when there is availability.

There are a lot of steps that we have put in place, so a huge amount of work, to be able to do that. Again, there is a process. It also has to link into all our backend systems. You can phone up and pay your car tax using the phone system. For us, that is a digital transaction. It needs no human intervention whatsoever. If you think of the complexity of what that is doing behind the scenes, that is checking that it is the right car, that it has MOT, that it has insurance and your payment.

Q106 **Anne Marie Morris:** For me, that is good, but I would like your reassurance that the new systems you have in place are user friendly and capture all the very specific users with particular concerns who, as you say, have separate phone lines. One of my constituents tells me—this was a bus driver—that there is a vocational hotline, or at least there was then. I am sure that there still is. There was no queue. There must have been people you have not captured, and he was one of them, in your unanswered calls. Will the new system have a mechanism to make sure that, across all these systems, the call does not get lost and there is a way of picking it up, particularly for something as crucial as vocational? It seems to me that that matters.

In terms of the user friendliness, a number of constituents said that they found the actual conversation, when they got to speak to someone, unhelpful. They would say, "Yes, we got your letter"; they would not say, "These are what the next stages are and you are going to wait for X amount of time". Are both of those addressed?

Julie Lennard: I would say yes, in terms of the system. Things such as virtual call-back will address quite a lot of those concerns. I have to say that this is taking us time to put it in, because it is a brand new system and brand new supplier. We are doing that in stages, because anything at this scale is complex and challenging. Yes, we are well on the way to having a much better system and approach to deal with that.

Q107 **Anne Marie Morris:** That is wonderful. I have one final question, which is about the confidence you have that the backlogs are actually going to be fixed, which is what you have currently promised. At the moment, you are saying that standard backlogs—tick—are dealt with. We are into the usual standard timeline for responses. Medical is getting there. Currently, you are saying that by January 2023 it will all be fine, but you said that before and missed that deadline. How confident are you that, by January 2023, which really is not very far away, the system will be back to its efficient and effective self, particularly with regard to medical?

Julie Lennard: All the things that are in our control are completely back to normal and were from earlier this year. For vehicles, it was in February of this year that we were back to normal turnaround times. For drivers, it was May. This is the one area that is not fully in our control. All things being equal, actually we are making really good progress. In fact, if you look at the dates and figures you have in this Report, I think the most recent figure I had for yesterday is 168,000 people who were in this space. Normally, we run at around 120,000. Of course, we have more staff than we have ever had before in this area.

Anne Marie Morris: You have given me some confidence, which is great. It is what I needed. The issue of what is outside your control is clearly mission critical here. I would find it very helpful if, specifically, you could set out for us which things that are outside your control need to be addressed to enable us to improve the system. Ms Ward earlier said that the whole framework needed to be addressed. If that could be included in your response, that would be helpful.

Q108 **Chair:** Ms Lennard, we have heard about legislation. We talked a bit about GPs and consultants. What else would you like to see change that is outside your control?

Julie Lennard: What I meant when I was talking about things outside our control is that we are reliant on information coming back and what is happening in those areas, for GPs, consultants and some of the contractors.

Q109 **Anne Marie Morris:** You mentioned, for example, the BMA and the fact that paying for the GP certificate or letter is not part of the GP contract. That is actually quite important. If you take a view that driving licences are something you ought to be able to achieve, it should not be an optional thing for a GP to do. When you say, very broadly, "All the other stakeholders", we want specifics.

Julie Lennard: We can write to you with that.

Q110 **Nick Smith:** I am going to talk about industrial relations first, but then some of the wider issues need a bit more challenge on them. Dame Bernadette and Ms Lennard, between April and August in 2021, nearly 12 weeks of industrial action took place at DVLA. Medical licensing staff took part in industrial action too for 33 days. What is your assessment of the state of industrial relations then? How did it come to that?

Dame Bernadette Kelly: Remember, at that point that was an industrial dispute that was DVLA specific. It was a dispute with the PCS union, but the employer was DVLA. I am sure that Ms Lennard can say more about the state of industrial relations.

Nick Smith: That was my question. Let us go to Ms Lennard, then.

Dame Bernadette Kelly: Clearly, the situation was a very difficult one. Ms Lennard can say more about the circumstances that led to the strike ballot and then strike action, which were related to Covid safety, and the steps taken to resolve that.

Julie Lennard: Locally, we had a very good relationship with PCS all the way through. In 2020, during the first three months we rearranged the entire estate, so that we could separate people out. The union was with us every step of the way with that. It would come in and inspect before we brought people back in. Locally, the relationship was very good, up until about January 2021, when it became more of a national issue.

Nick Smith: Tell us more.

Julie Lennard: It became a national issue. There was an *Observer* article in January 2021. After that, it became a national union issue.

Q111 **Chair:** When you say that, what do you mean?

Julie Lennard: The national body became much more heavily involved in DVLA. The full-time employees of the union became much more involved in what was happening at DVLA and the discussions and negotiations. It was a different dynamic from January onwards. Now I would say that locally the relationship is good, generally, with the local reps.

Emma Ward: Shall I say a bit more and go back to what prompted the ballot that took place? You saw, and I think you can see in the Report, the spike in Covid, although it is not in this Report, is it? In that autumn and into the winter, the spike in Covid cases prompted the national union to become more closely involved and prompted the ballot on the basis of safety in the workplace. It was the beginning of that second Covid wave that prompted the dynamic of that shift.

As I said, and as Ms Lennard has referenced, all the way through, in terms of bringing the workforce back during that first wave and during 2020, that was done in lockstep with the PCS union. Up until that time, relations had been very constructive and the executive team at DVLA had worked incredibly closely to make sure that we could bring staff back

safely. It was the second Covid wave that prompted a shift in the tone of that dialogue.

Q112 **Nick Smith:** What was the impact on the ground at the height of the strike?

Julie Lennard: There was certainly an impact on the backlog, because we had months. There was certainly an impact in drivers medical, because the union paid staff to take action. Because we have a lot of staff who are part time, there is a flat payment and it is not taxable income, so people were able to take home a higher amount than they would if they had been working. It was very much an incentivised action in that part and it was promoted by the union internally as that. It had an impact on backlogs and it was divisive.

With the first ballot, they got over the 50% threshold. It was 50.3%, so they got over by 0.3%. Then, when they balloted for a second time, they did not come across the threshold. It was a divisive, difficult time. I regret hugely that we ended up with that sort of division at DVLA.

Q113 **Nick Smith:** The atmosphere has changed in here now and your response appears a little defensive. You are not really going into the detail. Perhaps that is difficult for you.

Julie Lennard: It was definitely a very challenging time. DVLA staff really care about customers. They really care about each other. There are people who go back a long way. We touched on this before. You have different generations or different members of the same family. There is quite a unique culture in DVLA, again because we are all in one area. Yes, what I am reacting to, I suppose, is that it was a very difficult time.

Q114 **Nick Smith:** Have you repaired that relationship now, do you think?

Julie Lennard: Yes, we have. It has taken time to do that, but we have, definitely locally.

Q115 **Nick Smith:** That raises the question of whether you think that there will be other industrial action on the site in the future. I know that there is a possibility of a pay strike just over the horizon.

Dame Bernadette Kelly: Maybe I should say something at that point. The PCS has now balloted nationally and secured a mandate for strike action in, I think, 126 out of 214 relevant employers. That includes the DfT and our four agencies, including the DVLA. That is the situation we are in. My understanding is that the PCS is going to set out what next steps it proposes in terms of strike action, possibly later today.

The head of the PCS has already indicated that DfT, and I take that to include our agencies, will be one of the organisations or parts of the Civil Service where it intends to target action. We face that prospect and that is extraordinarily disappointing and deeply frustrating, given the work that has gone on in recent months to deal with the service impacts on DVLA of previous challenges, strike action and the pandemic, and the

work that has gone on to restore those relationships that Ms Lennard was talking about.

Q116 **Nick Smith:** If there is a strike, what impact will that have on the DVLA and its performance in the coming months?

Julie Lennard: It is hard to know at this point. It will depend on whether it is incentivised and paid. It will depend on how long and which areas. I doubt very much that it is across the entire organisation, so it will depend. We have no information on what that may look like at this point.

Q117 **Chair:** Do you have a plan? Presumably you are working up plans and options for resilience to support customers.

Julie Lennard: We have, and in different areas. One thing we worked to particularly protect last time around was being able to send out licences and have our own staff being able to do that. We have a private sector contractor that does some of the other work that we have, such as your V11 reminder for when your tax is due. We can do some of that elsewhere, which then allows our staff to focus on the things that only our staff can do. We have learned a lot about resilience, but it depends on what it looks like in terms of what impact there is.

Q118 **Nick Smith:** Are there any client groups that you are going to try to support?

Julie Lennard: To be honest, when we had strike action before, we talked to industry bodies and they are very helpful. If there are, say, vocational drivers being able to come through, it goes through those trade bodies. They have direct routes into us and we help them with that. We are putting messages out about digital. We use those different groups to promote those sorts of messages, as we did before. Yes, but it really will depend on what it looks like in terms of any action.

Q119 **Chair:** The strike this time is about pay.

Dame Bernadette Kelly: It is about national pay. It is not related to conditions or specific issues at the DVLA.

Q120 **Chair:** I was going to ask whether there are any specific issues, given you had your settlement from the Treasury, as far as it goes. You did not get extra. We will not go into the numbers, because they can be read in different ways. Is the Department for Transport part of that negotiation, or is it national across the Civil Service? Is there anything specific to your Department on pay?

Dame Bernadette Kelly: At the moment, the PCS is seeking to negotiate this nationally, recognising that the issues it is raising about pay and pensions are Civil Service-wide.

Q121 **Chair:** You are not specifically at the negotiation table.

Dame Bernadette Kelly: No. I stand open to speak to the PCS in a constructive way at any time. At the moment, the PCS is seeking to have those negotiations with my colleagues in the centre of Government.

Chair: I just wanted to be clear.

Q122 **Nick Smith:** Through the session, we have all got the complexity of your organisation. We have all understood the scale of it. We understand the challenges you faced during the pandemic and the very large number of staff you have. Listening to you, there are at least, I think, three things that I have not felt comfortable that you have persuaded us that you have really gripped.

The first one is this issue, Ms Ward, about an ageing society and the medical needs it has. I have been listening to you and thinking, "Does the DVLA have a strategy for this and the ways in which it is perhaps going to have to change regulations and its way of working, and have a stronger relationship with the NHS and GPs in order to support changing demographics across the piece?" I am not persuaded that you are on that, so I would be grateful if you could tell us more about what you are going to do to deal with that really big picture issue. It is not one that just you face; lots of organisations do, but I am not sure that I get the impression that you are and the DVLA is.

Sir Geoffrey Clifton-Brown talked about handling paper. I hear a lot of iterative ideas for improving things, but I am not sure that, as an organisation, gosh, you are really working at that and are going to deal with it. It seems to me that, very often, you are talking about the workplace and the provision of a service from that workplace. I am not sure that you are sufficiently consumer-focused to deal with that big issue of paper.

Then there is this third issue of working with GPs. Frankly, that seems to be a muddle from the outside looking in. It is not clear where responsibility lies. It seems as if you have lots of things to do with these sets of people across the country in small GP practices and so on. I am not sure where the responsibility lies. We would be really grateful if you could tell us more about how you are going to get to the nub of that and sort it out.

Emma Ward: Going back to your first point, you picked out the ageing society piece. If you look at the work that the DVLA does, in terms of the delivery of critical frontline services, it sits within an environment where there are quite a lot of challenges and opportunities in the environment. An ageing society is one of them.

With the transformation and automation of transport, there are opportunities in that if you think about the evolution that we are going through in terms of electric vehicles and where that might take licensing and vehicle registration issues. There are a whole host of opportunities and challenges in there. There is digital licensing and how we interact on

that. Is it right that you get a licence once in your life—the 45 years or 70 years?

All these things have grown organically and decisions have been taken by different Governments at different times. When is the right time to step back and say, "We have reached a tipping point and we need to look at it again"? That is why, in response to your question, I said that, from our perspective, it was already something that we were thinking about before the pandemic. The pandemic has really brought home, in terms of the experience, particularly on medical conditions, that there is a time to step back and think about whether the framework is the right one.

From my perspective, we have recognised it. Do we yet have a process I can set out to you that says, "This is how we will address it?" No, but very early in my conversations with our new Secretary of State I put this on his radar as something that we need to come back to. There will be opportunities, I hope, in the very near future, to come back to that.

I have to say that the focus at the moment for the organisation is on getting the backlogs down and getting the existing service back on to a reliable and sustainable footing for customers. The recognition that that is a challenge and that there are other opportunities is absolutely there. I can reassure you that the conversation is happening. I would be delighted to come back and talk to you in the future about how we then address that.

What is the process by which we do it? As you have heard today, it is highly complex. There are interactions into the health service that need to be looked at. There is a legislative dynamic. There is a cost dynamic. There is a medical professional dynamic. Then there is the road safety dynamic. Ultimately, we are making really big judgments that affect the lives of people.

Q123 **Nick Smith:** Ms Lennard, all of this falls on your shoulders, does it not? Do you have the headspace to grip the issues that Ms Ward is talking about? Are you going to modernise the DVLA so that it improves its performance and produces a much better service for consumers?

Julie Lennard: Looking at DVLA, I come back to the fact that 83% of what we do is already digital.

Q124 **Nick Smith:** But 20% is not.

Julie Lennard: I get that. There is a policy choice there. That is not because we do not have the digital services in the vast majority of those cases. It is because people choose not to use them. There is a policy choice, and of course it is open to us as a policy choice, to say, "We simply will not accept paper". For me personally, I would find that very uncomfortable, because there are a lot of people who would struggle if we did that, but it is a policy choice.

Q125 **Chair:** Could I just draw the corollary with the passport service? If you

want to go and have it checked, you can get check and send at the post office. We have a network of post offices. There are other agencies out there that can do some of that basic physical check on ID, for example, verify something and then send it on.

Julie Lennard: We do that too. We have that with the Post Office. You can do that same check and send. They can take your photo for you. In fact, we have just worked with them. They have just removed the photo booths out of post offices. They are now doing it on iPads. We worked very closely with the Post Office to make sure that was coming through in a format that we could use. We absolutely offer that. It is possible for us to say that to people in some of these transactions and just shut it off. That would be a policy decision. There are things that are open to us, so I absolutely get the challenge.

I also completely welcome the discussions around drivers medical. The overarching framework for drivers medical goes back at least to the 1980s. Things have changed in that time. The complexity, the number of conditions that people have now, compared to going back decades, is a complete step change. People expect to drive longer. People want to drive longer and people are able to live active lives for longer. That makes it more complex for us. I am completely open to considering whether there is a different legislative framework that could underpin this.

Q126 **Nick Smith:** My challenge back to you is why it takes a pandemic for you to grip this thorny issue, which has been a thorny issue for a long time now.

Julie Lennard: It was one that we were looking at before and thinking, "What are the options?" There is no easy answer and no easy solution. It is one of those thorny issues, but this has created much more of a focus. The other thing coming down the track that we will need to factor in, and it is not the case now but will be in years to come, is how autonomous vehicles are going to interact with people's ability to drive. We are probably on the cusp of a big change that will be coming that way, so there is that thing about how you bring some of those things together, so you are only making one massive change once.

Q127 **Sir Geoffrey Clifton-Brown:** I have a very quick question for you, Ms Lennard. In terms of customer service expectation and those medical applications, and I am particularly concerned on that page about the 10% that are over 250 days, do you keep them regularly updated with where their application has got to and what the problems are?

Julie Lennard: Quite often, yes, but it depends. In some of those cases that have been open for a long time, there might be very specific circumstances. Some of it might be to do with adaptations to vehicles that are waiting to be done. Some people who are driving will need specialist vehicles and then they are assessed within that as to what they need. Some of it will be cases that are open. It looks like they are open

on our books and are going to be open for some time because it is taking longer to resolve some of those issues, which are for the driver themselves to resolve.

We look at this and try very hard to really make sure. We go back if we have not heard from GPs or consultants. I think that the NAO Report mentions that in the back. What we call our live queue will also include those where we have already gone out to ask a GP or a consultant and we have not heard back. When we have done that and it has gone out, it sits in a BF—bring forward—queue. It drops back out of that automatically, into the live queue, if we have not heard over, say, six weeks, so that we will then do a chaser. Those things are coming in and out of that queue repeatedly if we are trying to chase. We try to keep individual updated at the same time.

Q128 **Sir Geoffrey Clifton-Brown:** That is precisely the point of my question. If the individual knows that their GP has not responded in six weeks, they will go and chase too.

Julie Lennard: We encourage people to do that.

Q129 **Chair:** The evidence we had in was that it was very frustrating for people when they did not know what was happening. It felt like they were throwing things into a black hole. There were many examples of GPs not even contacted. Some of this was at the height of the backlog.

We have heard some useful information. The impact on people is really immense when this does not go well. I wanted to ask a couple of last questions about when you are looking at other office space. There is a disadvantage and an advantage to being in one location. From my experience with the Newport passport office, I know how good the workers of south Wales are and how productive they were in that still just about open office. Are you looking at using any of the Government hubs that have been or are being created by the Government Property Agency?

Julie Lennard: It was one thing we looked at. We talked to GPA when we were looking for additional space. It was quite hard during the pandemic to identify space that we could actually utilise.

Q130 **Chair:** Is that partly because you have big servers with all your equipment, due to your old IT systems?

Julie Lennard: Partly, but it was the Department that helped us find the Birmingham space, so we are mindful of that. To come back to the questions earlier about what our size and shape will be, some of our space has been used by other Government Departments, so we could become a hub in and of ourselves, which I suspect is more likely. That does not help our resilience issue.

Q131 **Chair:** I am just thinking that, in some ways, what you do is quite similar to passports—secure information, secure documents and so on—and you

have the specialist printing, although they send that out to the private sector because of capacity issues. There are seven passport offices and they have secure IT. They have the different police forces sometimes sat in. There are DBS checks as well—another example where they do similar. They have different offices. You are still based in Swansea; I do not think that that is likely to change, but is there no prospect of you using the secure sites that passports and DBS use?

Julie Lennard: We looked at some of that and there were challenges—as well in getting the access in, then of course recruiting staff into those areas and being able to train them.

Q132 **Chair:** This is about the long-term resilience points that Mr Smith was raising.

Julie Lennard: Certainly we have a different view around resilience than we did before.

Q133 **Chair:** Crucially, how much of this is down to your creaking IT systems not being able to be used from other sites?

Julie Lennard: It is not down to creaking IT systems. It is something that we can actually organise. It was difficult to organise in a pandemic. The IT systems are not creaking, and it is not the case that that is the barrier. We can do it, as we have done by having a new office in Birmingham and a new office in Swansea. That is not the issue with that.

Dame Bernadette Kelly: I should say that one big learning point from the pandemic for the DVLA has been around resilience and the part that a single location plays in that, or the inhibitor that it may be as well. There is a very interesting history, of course, as to why DVLA is located in Swansea—a very conscious decision to create really excellent employment opportunities there.

Chair: Yes, absolutely. I do not think that any of us disagree with that.

Dame Bernadette Kelly: That is a vital part of its wider contribution to the economy as well. Unquestionably, this question of diversifying the estate in order to build that resilience is high on Ms Lennard's mind and ours in the Department as well. Clearly, this has exposed some of the risks that exist from having, basically, a single very large site.

Chair: Can I thank you very much indeed for your time? Our transcript of this will be on the website uncorrected in the next couple of days. A warm thanks to our colleagues at *Hansard* for their services in that respect. We will be producing a report on this. It is likely now to be after the Christmas recess, as we are only four weeks from recess. Thank you very much indeed.