

Written evidence from the Freight Transport Association (GMA0015)

1. ***The Freight Transport Association is one of the UK's largest trade associations and represents over 14,000 members relying on or providing the transport of freight both domestically and internationally, to or from the UK. Our members include hauliers, freight forwarders, rail and air freight operators, through to customers – producers, manufacturers, wholesalers and retailers. They cover all modes of transport – road, rail, air and sea. FTA members operate over 200,000 commercial goods vehicles on the roads in the UK; which is approximately half of the UK fleet of goods vehicles. FTA members also consign around 90 per cent of goods moved by rail and around 70 per cent of goods moved by air and sea.***
2. FTA welcomes the opportunity to contribute to the Committee's inquiry into the service standards of the Motoring Service Agencies. The agencies' services are often established to focus upon effective delivery to the individual car owner and motorist. Consequently these systems often create difficulties for the business user, operators of many vehicles or employers of many drivers. The majority of service users will usually undertake only one or two transactions with the agencies in a year: the annual payment of VED on a private vehicle; compare that with the fleet user who will often interact with the agencies on a daily basis sometimes undertaking hundreds of vehicle or driver transactions at a time across the entire range of available services.
3. The Department for Transport appears not to have a clear plan for the development of motoring services; since the Motoring Services Strategy Consultation last year there has been a drip-feed of announcements (first the DSA-VOSA merger, then the DVLA review) but no clearly stated post-consultation strategy. For historic reasons, the services across agencies have become disparate with online users having to log in to a variety of services with different accounts – sometimes within the same agency. Industry and business wants to operate electronically but Government cannot provide the necessary services to a reliably high standard. While the Office of the Traffic Commissioners is not a Motoring Services Agency, to the customer its services are inextricably linked with other motoring services and its staff is provided by DVSA.
4. ***Government must:***
 - ***establish a cross-agency champion for business and fleet users***
 - ***establish a long-term plan for a “one-stop-shop” for driver and vehicle information and services – a combined strategy to deliver combined services.***
 - ***develop a consolidated plan for world standard e-services on a par with online retail providers.***

Cross-agency planning

5. The agencies appear often to work in isolation from each other. DVSA officials have spoken of how the merger between VOSA and DSA has allowed the agencies to “bring down walls” between their operations. It seems disappointing that it must take a significant event such as a merger to enhance cross-working between two agencies in the same Government Department. Furthermore, during a recent meeting between DVLA and FTA regarding the DVLA review, when asked what involvement DVSA was having in the review the Agency gave the disappointing answer: “none.”
6. The Operator Licence Business System (OLBS) is currently under review by DVSA and the Traffic Commissioners; a new system must be operationally live by December this year when technical support for the existing system expires. While the revision has shown some sophistication in data-sharing – particularly in the proposed facility to share company director data from Companies House

- there are still aspects of the proposals which remain in isolation: a vehicle operator wanting to manage its operator licence administration through the self-service function must access a different account from that used for checking their test history, Operator Compliance Risk Score data or book an annual test at a Government test station. Businesses would benefit if all these functions could be carried out together.
7. During implementation of the European Driver CPC Directive FTA urged the Government to establish DVLA as the holder of the Driver Training database (now referred to as the Recording and Evidencing database, R&E) since this would allow it to be directly linked to the driver licensing database and DVLA had greater experience of managing large datasets. Regrettably this function was kept with DSA which has led to a disjointed link between driver and training records. DSA did develop an online mechanism for checking an individual driver training record which includes the facility for a driver to issue a temporary password; this was welcomed by FTA but members quickly recognised that, once again, they need to interrogate data in large volumes, not one driver at a time. FTA has raised with DSA the need for revision to the functionality of the R&E system; this should be a priority for the agency.
 8. It is of concern that DVSA seems unable to identify long-term goals for future functionality of the R&E database. Furthermore the DVLA's system review may be going ahead in isolation of this long term need in driver training data accessibility. It would be disappointing if developments of DVLA's system did not facilitate long-term goals for improved cross-agency services and data sharing with DVSA.
 9. ***The agencies must identify where cross-agency working has been facilitated through the VOSA/DSA merger and act to facilitate similar improvements between DVSA, DVLA and OTC.***
 10. ***The Government must establish a long-term cross-agency vision for the delivery of joined-up motoring services through a "one-stop-shop" for business and fleet customers which allows access to driver licensing, driver training, vehicle licensing, operator services and operator licensing administration.***

Business and Fleet Users

11. Approximately 36 million full driver licenses are in issue in GB and around 35 million registered vehicles; it is understandable therefore that the commercial road transport industry's approximately 750,000 professional drivers and 420,000 registered HGVs are at risk of not receiving the agencies' focus in terms of service provision. The vast majority of service users will usually undertake only one or two transactions with the agencies in a year: i.e. the annual payment of Vehicle Excise Duty (VED) on a private vehicle. The larger operator who employs the most drivers and operates the larger number of commercial vehicles will interact with the agency regularly on all aspects of driver and vehicle administration. In recent consultations the agencies have often failed to recognise the issues facing commercial operators and operators of very large fleets – many of whom will undertake hundreds of transactions a month.
12. FTA recognises 2014 as a pivotal year in the way DVLA interacts with its business customers particularly given the recent Transformation Programme which saw the closure of the agency's local offices and the Department for Transport's own review. The Government should ensure that its agencies recognise that the needs of the business community and that those needs differ significantly from those of the private motorist.
13. Business is legally required to interact with government agencies, it is therefore imperative that the new online systems being designed reflect a modern approach to this interaction, one which places burden and cost on the customer. For example - the proposed direct debit system which is being introduced as part of the abolition of the tax disc offers a new way of paying for VED; however this is unlikely to be taken up by business because it requires a separate direct debit to be taken out for

each vehicle. A second example is regarding payment by credit card: payment of VED online can only be carried out one vehicle at a time with credit card details required to be entered at each occasion. This has now been made even more complex through the introduction of Visa Verify.

14. These two examples highlight the mindset when currently developing online systems. If – as DVLA suggests – it is current Government rules which are proving a barrier to designing business systems for the future, then these need to be reviewed at the earliest opportunity.
15. These are decisions made in consideration of the private individual and do not take into account normal, financial processes in corporate and, particularly, public bodies such as local authorities – many local authorities will simply not have the facility to issue credit cards. In the corporate environment the usual mechanism for transferring payments is through the raising of invoices. This practise is currently restricted by HM Treasury rules, but if Government agencies are serious about improving the levels of service to business and public bodies they will make representations to the Treasury to have this restriction considered.
16. A driving licence is an important tool of the trade for vocational licence holders; however some drivers find themselves without that entitlement for many months as they are taken through the agency's medical process. Delays in a decision could mean the difference in being employed or not. Current feedback from those that have used the system suggests that this area should indeed be reviewed and we are encouraged to see that that the department recognise this and have included the process in its own review of the agency.
- 17. *The motoring services group should be overseen by a “Fleet Champion” at board level who can consider the impact of services and proposals on this important sector of customers with specific operational needs.***

World class e-services

18. FTA members broadly welcome the Government's “digital by default” approach outlined in the motoring services strategy consultation, but fear that government is not currently capable of fulfilling effective online services. In recent consultations DVLA proposals for “channel shift” (the encouragement of customers to use on-line, interactive channels for accessing services) have retained a “single transaction” approach thereby focussing on service provision for private motorists. It was felt that government online services failed to emulate the simplicity and ease of use of the market leaders in online retail.
19. As DVLA's Transformation Programme progresses it remains the Agency's intention that a credit card fee will be applied for each individual vehicle transaction even where several are paid for in a single credit card payment transaction. For example, if paying for VED for 100 vehicles, even if those 100 are paid for in a single credit card transaction for a ‘basket of goods’ the credit card fee charged by DVLA will be £250 (£2.50 x 100 vehicles). This represents an unacceptable direct cost applied by Government to industry. If “digital by default” is to incorporate these sorts of unacceptable costs FTA members would not be able to give support to the principle.
20. It is accepted that not all desirable online services will be achievable immediately, however, the long term goals must be identified so that future developments are not hindered or made more expensive to achieve due to systems introduced in the interim. As the Office of the Traffic Commissioner begins redevelopment of the Operator Licence Business System (OLBS), it is critical that the planning of operator licensing administration is undertaken in conjunction with other services with the long term goal that operator licensing administration is able to be completed entirely online, without the need for documents with a “wet-ink” signature to be submitted by post.

21. Digital services must be designed to cater for the needs of business users. Payment options should be flexible and fees should not be applied on anything other than a strict cost-recovery basis.

February 2014