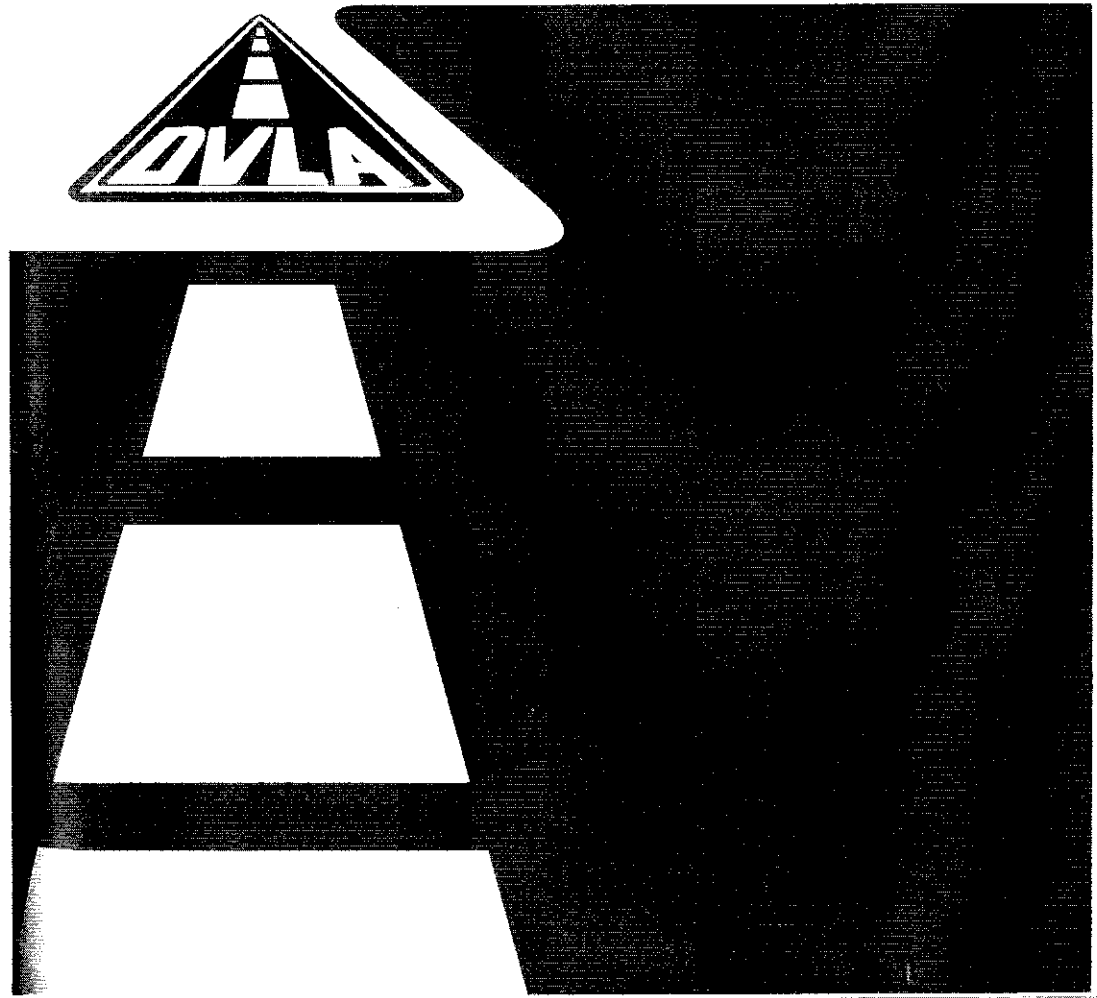


Framework Document 1995

Driver and Vehicle Licensing Agency



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FOREWORD BY THE SECRETARY OF STATE FOR TRANSPORT

The Driver and Vehicle Licensing Agency (DVLA) was established in April 1990. Since then, the Agency's customers have benefited significantly from improvements in service quality and value for money. Customers can now expect to receive ordinary driving licences four days sooner, and new vehicle registration documents two days sooner than they did before DVLA became an Agency. DVLA has reduced its operating costs in real terms, so benefiting both fee paying customers and taxpayers. It has introduced also a number of innovations in response to customer demand, such as the telephone ordering of duplicate driving licences, and various special telephone enquiry services, for instance for the hard of hearing. These efforts were acknowledged in October 1993 when DVLA was awarded the Charter Mark for excellence in the delivery of public services.

The Agency faces a substantial programme of further change over the next few years. Already, new vehicle registration and licensing are being automated, enabling the vehicles register to be updated more quickly, accurately and economically, while providing a more convenient service to customers. Re-engineering of Agency systems will reduce the need for manual processes and paper handling, and help to bring further improvements in cost effectiveness and the quality of services. The change to a system of continuous licensing of vehicles will mean fundamental restructuring of DVLA's work in enforcing the payment of Vehicle Excise Duty.

Carrying through these changes, while continuing to maintain and improve high standards of service and efficiency, will be a demanding agenda for the Chief Executive and his staff. I wish John Ford well, as he builds on the solid foundation laid by his predecessor, Stephen Curtis.



DR BRIAN MAWHINNEY
Secretary of State for Transport

1. AIMS, RESPONSIBILITIES AND OBJECTIVES

Aims

1.1 The Driver and Vehicle Licensing Agency was established as an executive agency of the Department of Transport in April 1990. Its primary aims are:

- to facilitate general law enforcement by maintaining registers of drivers and vehicles;
- to collect taxation - Vehicle Excise Duty;
- to assist the road safety objectives of the Department.

1.2 The Agency's title is "Driver and Vehicle Licensing Agency". It is generally known by the initials "DVLA".

1.3 This document describes the framework within which DVLA operates from May 1995.

Responsibilities

1.4 DVLA's principal responsibilities, on behalf of the Secretary of State, are:

- the maintenance of records of drivers and vehicles to meet the needs of law enforcement agencies and others with a legitimate right of access;
- the issuing of licences to drivers;
- the issuing of registration documents to vehicle keepers;
- the collection of Vehicle Excise Duty and the conduct of such enforcement of payment as shall from time to time be agreed with the Department.

DVLA's main statutory responsibilities are shown at Annex A.

1.5 DVLA may be asked to take on other tasks using its skills in registration and licensing. New responsibilities may require changes to the ambit of its Vote.

Objectives

1.6 DVLA's objectives are:

- in line with the principles of the Citizen's Charter, to identify customer needs and to provide good service to customers within the resources available;
- to improve the effectiveness of its services and the efficiency of its use of resources.

1.7 In doing this the Agency is required to meet the performance targets set each year by the Secretary of State for Transport and to contribute to the formulation and achievement of Government policies.

Organisation

1.8 DVLA consists of a headquarters at Swansea and offices throughout the country which provide local services and which deal with Vehicle Excise Duty enforcement. The main provision for routine vehicle relicensing is through a national network of contractors' offices.

1.9 The Secretary of State for Transport's responsibilities for vehicle licensing and registration and for the collection and enforcement of Vehicle Excise Duty in Northern Ireland are discharged through the Department of the Environment for Northern Ireland by its executive agency, Driver and Vehicle Licensing Northern Ireland.

1.10 Responsibility for driver licensing in Northern Ireland rests with the Secretary of State for Northern Ireland.

2. ACCOUNTABILITY

The Secretary of State

2.1 The Secretary of State for Transport is responsible for the policy framework within which DVLA operates; for determining its strategic objectives; for setting its annual financial and performance targets and for monitoring performance against these targets. The Secretary of State exercises these responsibilities by :

- approving the framework document and any revisions to it;
- approving DVLA's corporate and business plans, including key annual targets;
- monitoring DVLA's performance against key targets, in particular by considering the Agency's annual report and accounts.

Chief Executive

2.2 The Chief Executive is appointed by the Secretary of State normally following open competition for a fixed term, with the possibility of an extension subject to satisfactory performance. He is directly accountable to the Secretary of State for the day to day running of the Agency, its overall performance and the efficiency of its operations. The Chief Executive is an Additional Accounting Officer within the Department, appointed by Treasury, with responsibility for the Agency's Vote and other accounts. Accountability for this expenditure is exercised in accordance with the allocation of responsibilities set out in this Framework Document. The Chief Executive's accountability is subject to the Permanent Secretary's overall responsibility for the organisation and management of the Department of Transport.

Permanent Secretary

2.3 The Permanent Secretary is the Secretary of State's principal adviser on targets and objectives for DVLA and policy issues relating to the Agency. The Permanent Secretary is the Principal Accounting Officer for the Department. He is responsible for ensuring a high standard of financial management in the Department as a whole; and for ensuring that DVLA has adequate financial systems and procedures in place to promote the economical conduct of its business and to safeguard financial regularity and propriety.

Advisory Board

2.4 The Secretary of State appoints an Advisory Board chaired by the Permanent Secretary. Other members of the Board are the Chief Executive, representatives of those parts of the Department with responsibility for executive agencies and for road and vehicle safety, one or more non-departmental members with relevant business experience, and such other members as the Secretary of State may decide. Other DVLA management staff are invited to attend meetings at the discretion of the Chief Executive. The terms of reference of the board are to assist the Permanent Secretary in advising the Secretary of State on:

- the annual Business Plan for the Agency, including its budget, performance targets and unit costs;
- the Corporate Plan, including the strategic objectives of the business, the long-term financial and performance targets, the resources needed to achieve those objectives and targets, and the capital investment programme;
- the Agency's performance, monitored against the targets set in its Business and Corporate Plans.

Parliamentary Responsibilities

2.5 The Secretary of State is accountable to Parliament for the work of DVLA.

Parliamentary Questions and Ministerial Correspondence

2.5.1 Members of Parliament are encouraged to deal direct with the Chief Executive on day to day operational matters. The Secretary of State normally asks the Chief Executive to reply direct to any correspondence or Parliamentary questions which fall within DVLA's delegated responsibilities as set out in this Framework Document. The Secretary of State will continue to deal with correspondence and Parliamentary questions about matters of overall strategic policy and resources.

Public Accounts Committee

2.5.2 The Chief Executive as Accounting Officer for the DVLA Vote, business accounts and the Motor Tax Account is answerable to the Public Accounts Committee (PAC) for the performance of the Agency and for all other responsibilities set out in the Accounting Officers' Memorandum. The Permanent Secretary, as the Principal Accounting Officer for the Department, is answerable to the PAC on the Department's responsibilities for the Agency.

Other Parliamentary Committees

2.5.3 The Secretary of State is responsible for deciding representation at Departmental Select Committee hearings. Where a Committee's interest is confined to matters delegated to the Chief Executive, the Secretary of State normally regards the Chief Executive as the person best able to answer on his behalf. The Permanent Secretary, as Principal Accounting Officer answers on those matters concerning the Agency within his responsibilities as defined in this Framework Document.

Parliamentary Commissioner for Administration

2.5.4 The Agency is subject to the jurisdiction of the Parliamentary Commissioner for Administration. The Permanent Secretary is the Principal Officer of the Department for this purpose, but will delegate to the Chief Executive responsibility for replying on matters concerning the Agency.

Financial Arrangements

2.6 The financial arrangements under which the Agency operates are set out at Annex B.

3. MANAGING THE OPERATION

3.1 The Chief Executive prepares each year a longer term Corporate Plan and an annual Business Plan. These plans are discussed with the Advisory Board before being put to the Secretary of State for approval.

Corporate Plan

3.2 The Corporate Plan covers the current year and at least the three subsequent years and is rolled forward and updated each year. It includes:-

- main strategic objectives;
- assumptions about demand and other external factors;
- proposals for delivering efficiency, including capital investment and market testing.

Business Plan

3.3 The annual Business Plan, which is published, is based on the forecasts and assumptions in the Corporate Plan and sets out detailed proposals for the year immediately ahead. It includes the key targets set by the Secretary of State and is the document against which performance over the year is judged.

Performance Measures

3.4 The Secretary of State sets key targets against which DVLA's performance is measured. These include:

- efficiency
 - an Overall Efficiency Index comparing the whole resource costs of the core activities between years one and two, at constant prices;
- quality of service
 - time to issue documents,
 - accuracy of information recorded;
- effectiveness
 - number of enforcement cases successfully completed,
 - enforcement revenue to cost ratio.

DVLA is also required to deliver its business plan within the cash provision voted by Parliament.

Monitoring

3.5 The Chief Executive will provide regular reports to the Advisory Board on expenditure and on progress in meeting DVLA's targets.

Audit Arrangements

3.6 The Chief Executive is responsible for ensuring that internal audit services for the Agency are provided to the standard required by the Government Internal Audit Manual. These services are provided by the Agency's Internal Audit unit. The unit reports to the Chief Executive on all the work it carries out in the Agency. The Department's Head of Internal Audit carries out periodic checks to confirm that the work of the Agency's audit unit meets prescribed standards. The Permanent Secretary may commission audit work to be undertaken in the Agency after consultation with the Chief Executive.

3.7 The Agency is subject to external audit and value for money scrutinies by the Comptroller and Auditor General.

Annual Report and Accounts

3.8 The annual business accounts, prepared in accordance with a Direction issued by the Treasury, will be submitted for audit and certification by the Comptroller and Auditor General. The combined annual report and audited business accounts will then be laid before both Houses of Parliament before the summer recess and published by HMSO.

4. PERSONNEL

4.1 The Chief Executive is responsible for the personnel management functions of DVLA staff, except for pensions and security matters, where delegated authority has not been granted to DVLA by the Treasury. In view of the new structure of the Senior Civil Service, the responsibility for certain personnel management functions for staff at Grade 5 level and above may change from 1 April 1996.

Conditions of Service

4.2 Staff of DVLA continue to be civil servants of the Department of Transport. Their existing terms and conditions of service continue to apply unless changes are made in the light of the development of the Agency after prior consultation, including consultation with staff and their recognised Trade Union representatives and with the Department, Treasury and the Cabinet Office (OPSS) as appropriate. Staff remain in, and new recruits will join, the Principal Civil Service Pension Scheme unless they opt not to do so. Staff of the Agency will share with other staff of the Department eligibility to transfer and be promoted elsewhere within the Department.

Pay and Grading

4.3 The Chief Executive keeps the Agency's pay and grading arrangements under review and any changes proposed will be subject to the consultation described at 4.2 above. DVLA conducts its own pay negotiations with Trade Unions recognised by the Agency for this purpose and will implement new pay arrangements as appropriate. The Chief Executive's existing pay delegation is in respect of staff up to and including Grade 5. From 1 April 1996, this may change to take account of the new structure of the Senior Civil Service.

Recruitment and Promotion

4.4 External recruitment will normally be through selection on merit on the basis of fair and open competition unless one of the permitted exceptions applies (Civil Service Order in Council 1995). Promotion will also be on merit.

4.5 The approval of the Office of Civil Service Commissioners is required for recruitment to senior posts at Grade 5 and above (apart from appointments of less than 12 months).

Redundancy

4.6 The Agency follows Departmental redundancy arrangements which provide for Agency specific schemes.

Equal Opportunities and Health and Safety Policies

4.7 DVLA is an equal opportunities employer and will comply with the general principles and practices of its equal opportunities policy statement and action plan. The Agency will abide by relevant Health and Safety legislation and the DVLA Health and Safety Policy will be complied with and updated as necessary.

Employee Relations

4.8 The Chief Executive is responsible for good employee relations, communications and consultation, including local Whitley arrangements, within the Agency.

Training and Development

4.9 The Chief Executive is responsible for ensuring that staff have the necessary training to acquire the expertise and skills required for the Agency to exercise its responsibilities and achieve its objectives. From 1 April 1996, the training arrangements for Senior staff at Grade 5 and above may change to take account of the new structure of the Senior Civil Service.

5. REVIEW

Review Arrangements

5.1 The Secretary of State and the Chief Executive will review this Framework Document in 1998. The Trade Unions will be notified of the review and will be invited to contribute. The Secretary of State may, after consulting the Chief Executive, the Treasury and the Cabinet Office (OPSS), amend the Document.

5.2 Annexes to the Framework Document may be changed by agreement between the Chief Executive and the Chairman of the Advisory Board.

Publication

5.3 Copies of this Document and any subsequent amendments will be placed in the libraries of the Houses of Parliament.

Any enquiries on this Framework Document should be addressed
in the first instance to:

Head of Strategic Planning and Corporate Communications Group
DVLC
Swansea SA6 7JL

Tel. (01792) 782781

The main statutory provisions covering DVLA's operations are:-

1. Vehicle Licensing and Registration and the Collection and Enforcement of Vehicle Excise Duty

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| (a) Vehicle Excise and Registration Act 1994 | This is the primary legislation covering the licensing and registration of vehicles and the enforcement of Vehicle Excise Duty (VED) in the United Kingdom. |
| (b) Road Traffic Act 1988
(Sections 47 and 143) | Production of vehicle test and insurance certificates at vehicle relicensing. |
| (c) Vehicle Excise and Registration Act 1994 (Section 25) | Cherished Transfer/Fees. |
| (d) Customs & Excise Management Act 1979 (Section 102)
(This provision transfers to the Vehicle Excise and Registration Act from May 1995). | Requirement to surrender excise licence obtained on a cheque which is subsequently dishonoured and penalties for failure to comply. |
| (e) Vehicle Excise and Registration Act 1994 (Section 19A and 35A, awaiting Royal Assent) | Enforcing payment of VED and surrender of VED licences obtained by dishonoured cheques. (This provision transfers from the Customs and Excise Management Act to the Vehicle Excise and Registration Act from May 1995). |
| (f) Vehicle Excise and Registration Act 1994 (Section 60A and Part VIII Schedule 1) | "Revenue weight" for taxation of goods vehicles. |

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| (g) Magistrates' Courts Act 1980 and Criminal Justice Act 1982. Police and Criminal Evidence Act 1984. | Procedures/presentation of prosecutions; level of penalties for VED offence etc. |
| (h) Motor Vehicles (International Circulation) Order 1975, 1980, 1985 | Circulation of foreign vehicles in Great Britain temporarily without registration and licensing. |
| (i) Data Protection Act 1984 | Use of computer data files, and release of personal data to data subjects. |

In Northern Ireland very similar provisions are administered by the Department of the Environment for Northern Ireland, as agents for the Department of Transport. The principal powers covering the functions are provided by:-

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| Vehicle Excise and Registration Act 1994 | Vehicle licensing and registration and the collection and enforcement of Vehicle Excise Duty in Northern Ireland. |
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2. Driver Licensing in Great Britain

The issue of driving licences and the use of information on the Driver Licence Record are governed or affected by a wide range of legislation. Only the most important are listed below:-

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| (a) Road Traffic (Driver Licensing and Information Systems) Act 1989 and related regulations | Transfer vocational driver licensing functions to Secretary of State and provides for establishment of new integrated vocational driver licensing system. |
| (b) The Driving Licences (Community Driving Licence) Regulations 1990 | Provide legal basis for the introduction of a Community driving licence. |

(c) Road Traffic Act 1988, Road Traffic Offenders Act 1988 and Road Traffic Act 1991 and related regulations	Govern the conditions for granting, renewing, revoking and charging for driving licences etc.
(d) Public Passenger Vehicles Act 1981 and related regulations	Govern the issue of driving licences to PSV drivers.
(e) Visiting Forces Act 1952	} Legislation governing visitors driving in Great Britain.
(f) Diplomatic Privileges Act 1964	
(g) Motor Vehicles (International Circulation) Orders 1975, 1980, 1985 and 1989	
(h) The Driving Licences (Community Driving Licences) Regulations 1982	
(i) Magistrates' Courts Act 1980	} Legislation related to Court evidence, defences and appeals against decisions of Licensing Authority.
(j) Magistrates' Courts Rules 1981 and (Amendment) 1983	
(k) Theft Acts 1968 and 1978	
(l) Crown Court Rules 1982	
(m) Criminal Justice Acts 1972 and 1982	
(n) Powers of Criminal Courts Act 1973	}
(o) Data Protection Act 1984	
	Use of computer records and release of personal data.

Regime

1. DVLA operates within a modified gross running costs regime on a cash limited vote, known as demand financing. The Agency's direct cash expenditure and appropriated receipts are subject to the normal Public Expenditure Survey and Supply procedures. As part of the business planning process DVLA, DOT and Treasury agree the programmes of work which can be accommodated within the cash provision voted by Parliament taking into account forecast inflation, the agreed efficiency target and other commitments.

2. On its demand-led licensing and registration functions, absorbing around 80% of its total resource, DVLA will agree with DOT and Treasury each year unit cost targets for a basket of key Funding Units. The unit costs are constructed on a whole resource basis including depreciation, notional costs and expenditure borne on other government votes, in addition to direct cash expenditure. In-year adjustment will be made to DVLA's running costs provision, within agreed limits, to reflect the variable running cost elements of the funding unit cost targets, in respect of volume fluctuations from those agreed in the business plan.

Efficiency Measurement

3. The Overall Efficiency Index (OEI) reflects the movement in Funding Unit costs (para 2 above) between financial years, at constant prices, together with a comparable measure of performance on VED enforcement work. The OEI embraces the core functions of the agency and some 95% of its total resource costs.

Accountability

4. The Chief Executive has been appointed by Treasury as an Additional Accounting Officer. He is responsible for discharging all the duties of Accounting Officers relevant to DVLA, set out in Government Accounting and updated from time to time, and in particular for the production and presentation to Treasury and Parliament, as appropriate, of:

- the Appropriation Account for the DVLA Vote;
- the accruals based Business Accounts;
- the Motor Tax Account.

He is further responsible for ensuring that the Agency observes any general guidance issued by Treasury or the Cabinet Office (OPSS), and for putting into effect any recommendations of the Public Accounts or other Parliamentary Select Committees or other instructions which are accepted by Government.

Delegations

5. The Chief Executive has financial and contractual authority for all expenditure and receipts falling within the ambit of the DVLA Vote up to the Departmental limits and for any other delegations that have been granted to him by Treasury. All delegations are subject to the general provisions outlined in Government Accounting, in Dear Accounting Officer letters and other relevant Treasury instructions. In particular all novel and contentious cases will be referred to the Treasury.
6. The Chief Executive may authorise the sub-delegation of his authority to other agency staff at his discretion. All sub-delegations will be given in writing.