

# DVLA drives government e-transformation agenda with IBM



The Driver and Vehicle Licensing Agency (DVLA) is an executive agency of the UK Department for Transport. Its responsibilities include law enforcement, fraud reduction, maintaining driver/vehicle registers, and collecting car tax. The Agency employs 7,000 people and collects £4.5 billion in annual revenues. It is one of the busiest government agencies, handling over 200 million transactions relating to 39 million drivers and 31 million registered vehicles.

Maximising efficiency in this service environment is an immense challenge. With over 43 million transactions each year and an over-reliance on post offices, people-oriented processes and paper checks, collecting car tax was an expensive business. As part of its commitment to the transformation agenda, DVLA wanted to address renewals inefficiencies while improving service to citizens.

“One of DVLA’s primary goals is to make compliance with car tax legislation easier for customers,” explained Julie Palmer, DVLA Electronic Vehicle re-Licensing (EVL) Project Manager. “That’s why we’re shifting channel emphasis from post offices to online and automated telephone renewal.” IBM and DVLA – driving strategic change.

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## Overview

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### ■ Customer Challenge

*Open up new channels for better customer access and choice.  
Deliver efficient, cost-effective online service model that is designed, implemented and engineered from customer’s perspective.*

### ■ IBM Solution

*IBM Business Consulting Services business strategy and technical delivery of Electronic Vehicle re-Licensing (EVL) system. IBM consultants worked in partnership with DVLA staff to build solution.*

### ■ Customer Benefit

*Offers net present value (NPV) of £32 million and reduces service cost to 40 percent of using intermediaries.  
Delivers round-the-clock front-end system integrating insurers and other stakeholders.  
Offers customer choice as it creates customer-friendly renewal channel achieving 11 percent take-up rate and high customer satisfaction (91 percent).  
Provides landmark on UK Government’s e-transformation journey.*

DVLA selected IBM because it offered the best business and technical expertise, placed customers at the heart of its approach and offered a solution that met business needs. DVLA's established relationship with IBM Business Consulting Services was also critical. The Agency has engaged IBM in a 'transform and operate' partnership.

Palmer said: "It was clear to us that IBM would put the customer first and ensure new technology met requirements for scalability and security as well as harnessing existing IT investments."

The initial project focused on understanding and defining DVLA's processes. "IBM challenged many assumptions within the systems and policies used to manage renewals. They brought new thinking and professionalism," Palmer added.

IBM's evolutionary systems approach entailed rolling-out and connecting innovative channels onto existing DVLA and other stakeholders' systems, including the Motor Insurance Database and VOSA (the Vehicle and Operator Services Agency).

With EVL, customers can go online or use a new automated phone system at any time, simply entering minimal details about their car then paying for their new licence or making 'statutory off road notifications'. Further more, integration with insurers, and planned integration with the MOT system, will help ensure speedy renewals without sacrificing necessary legal and fraud checks – these will be made automatically and a new licence sent in a few days.

#### **Route for success**

The project took 12 months to implement and has received very positive public response. A national UK broadsheet newspaper recently described EVL as 'a project that could make UK e-services world class'. According to surveys, motorists using the service respond

positively too – 91 percent said they 'were likely to' or 'definitely would' use EVL again. DVLA expects millions of motorists to migrate to the new, more efficient renewal channels. The initial take up exceeded original estimates at 25 percent and has levelled off to the predicted 11 percent.

The success of the project is attributed to the highly dedicated and skilled teams IBM brought together and the partnership style of working with DVLA. An IBM Partner now sits on the DVLA executive board and there are joint management structures for project teams. "Without IBM's involvement, I don't believe we would have met our timeframes," said Palmer. "Honest and open partnership is at the heart of our IBM relationship. It's a partnership that's been recognised by the Office of Government Commerce as innovative in style and groundbreaking in execution."

For DVLA, the EVL project represents good value too. "The project will provide an anticipated NPV of £32 million and will cut the cost of renewal by two-thirds in some cases." Moving the emphasis from call centres will enable agents to focus on more complex enquiries and problem resolution, as well as concentrating on improving compliance and reducing fraud.

IBM has enabled DVLA to create a best-in-class service built on an integrated front-end system that integrates with VOSA and insurers. This opens up access and choice for customers, providing high levels of customer satisfaction.

"EVL will establish the Web and telephone as primary customer channels. IBM helped us develop a best-in-class customer service and establish a model for how e-government services can be delivered," concluded Palmer.



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