

Traffic Area Network Business Plan 2001-02

Contents

CHAPTER 1	3
Introduction	3
PURPOSE AND SCOPE OF THE BUSINESS PLAN	3
CHAPTER 2	4
Organisation, aims and objectives	4
ORGANISATION.....	4
Mission Statement.....	4
TAN Values	4
AIMS AND OBJECTIVES.....	5
Linking Aims and Objectives.....	5
Department of Transport Local Government and the Regions	6
DVO Group.....	6
Traffic Area Network.....	6
Objectives.....	6
Role of Traffic Commissioners.....	7
National Network.....	7
Principal Responsibilities and Main Tasks	7
PLANNING ASSUMPTIONS.....	7
CHAPTER 3	9
Key strategies for the year	9
KEY STRATEGIES.....	9
Key Strategy: Implementing TAN21	9
Key Strategy: Initiate a Programme of Continuous Improvement.....	9
Key Strategy: Driver Vehicle Operator.....	12
Key Strategy: TAN Status.....	13
CHAPTER 4	14
Resources	14
BALANCED SCORECARD	14
HUMAN RESOURCES.....	14
Review of Posts.....	14
Preparing for Agency Status	14
Staff Productivity	14
TAN ESTATE.....	14
FINANCIAL PERFORMANCE.....	15
Balancing Fees and Costs.....	15
Expenditure Plans 2001-02	15
Self Financing Regime.....	15
New Finance System.....	16

Resource Accounting	16
PRESSURES.....	16
Statutory Requirements.....	16
CONTINGENCIES.....	16
Flexibility	16
Estate.....	16
ICT Systems.....	17
CHAPTER 5	18
Sustainable development	18
TAN ESTATE.....	18
Management.....	18
Estate Strategy.....	18
EFFICIENCY AND EFFECTIVENESS	19
Efficiency Initiatives	19
Targets for Customer Service Standards.....	19
Realigning TAN Boundaries.....	19
ANNEX 1	20
Service Standards.....	20
ANNEX 2	22
The TAN Balanced Scorecard.....	22
ANNEX 3	23
Partnering and relationship management process schematic.....	23
Review Partnering/Relationships	23
Establish Strategic Framework for Relationships	24
Define Joint Partnering Plan	24
Establish Communication Channels.....	24
Manage Complaints	24
Schedule Regular Events/Meeting	25
Carry out and Adjust Plans.....	25
ANNEX 4	26
DTLRs Public Service Agreement.....	26
ANNEX 5	27
Whitehall Standards	27
ANNEX 6	28
TAN Volume Forecasts 2001-02	28
ANNEX 7	29
Summary of TAN Estate Information	29
ANNEX 8	31
Progress to Date.....	31

CHAPTER 1

Introduction

PURPOSE AND SCOPE OF THE BUSINESS PLAN

The Business Plan focuses mainly on the work that the Traffic Area Network (TAN) will do during 2001-02 and the resources it will need to do it. However, it looks slightly further ahead where this seems sensible.

The Plan includes a **unifying** business strategy for the TAN that sets the agenda for change and:

- develops a **clear** view of the services that TAN wishes to deliver and outlines work underway in identifying new performance measures;
- galvanises the TAN (managers and staff) to achieve an **ambitious** change programme, and provides the motivational drive to change;
- enables our staff to see how they can **contribute** to delivering the business objectives of DVO* and TAN;
- sets a **framework** for day to day decision making;
- sets **strategies**, consistent with each other and with TAN aspirations;
- demonstrates to DVO agencies and other partners such as the police and local authorities that TAN has an important **role** to play; and
- demonstrates to commercial vehicle operators that TAN is setting a clear agenda with a strong **role**.

*DVO means Driver, Vehicle, Operator, see page 8.

CHAPTER 2

Organisation, aims and objectives

ORGANISATION

Mission Statement

Ministers have agreed the following mission statement for the TAN:

To promote, through effective licensing and compliance services, a safe, fair, and environmentally responsible commercial road transport industry.

TAN Values

In support of successful administration we will:

- act with **integrity**, propriety and political impartiality;
- achieve **results** of high quality and good value;
- be **customer** focused;
- show **leadership** and take personal responsibility;
- value the **people** we work with and their diversity; and select on merit;
- **innovate** and learn;
- be outward looking and work in **partnership**;
- be open and **communicate** well;
- be **professional** in all we do; and
- value the best of our **past**.

STRUCTURE OF THE TRAFFIC AREA NETWORK (TAN)



In the longer term, the TAN Management Board is likely to change to meet the needs of four customers and stakeholders. For example, consideration is being given to the appointment of a Business Communication Director.

AIMS AND OBJECTIVES

Linking Aims and Objectives

As a division of the Department of Transport Local Government and the Regions, and a member of the DVO Group, TAN will contribute towards the achievement of aims and objectives of the DTLR and the DVO. The DVO Group comprises TAN and the four executive agencies (Vehicle Inspectorate, Driver and Vehicle Licensing Agency, Driving Standards Agency, Vehicle Certification Agency) providing a service to drivers and operators of vehicles.

Department of Transport Local Government and the Regions

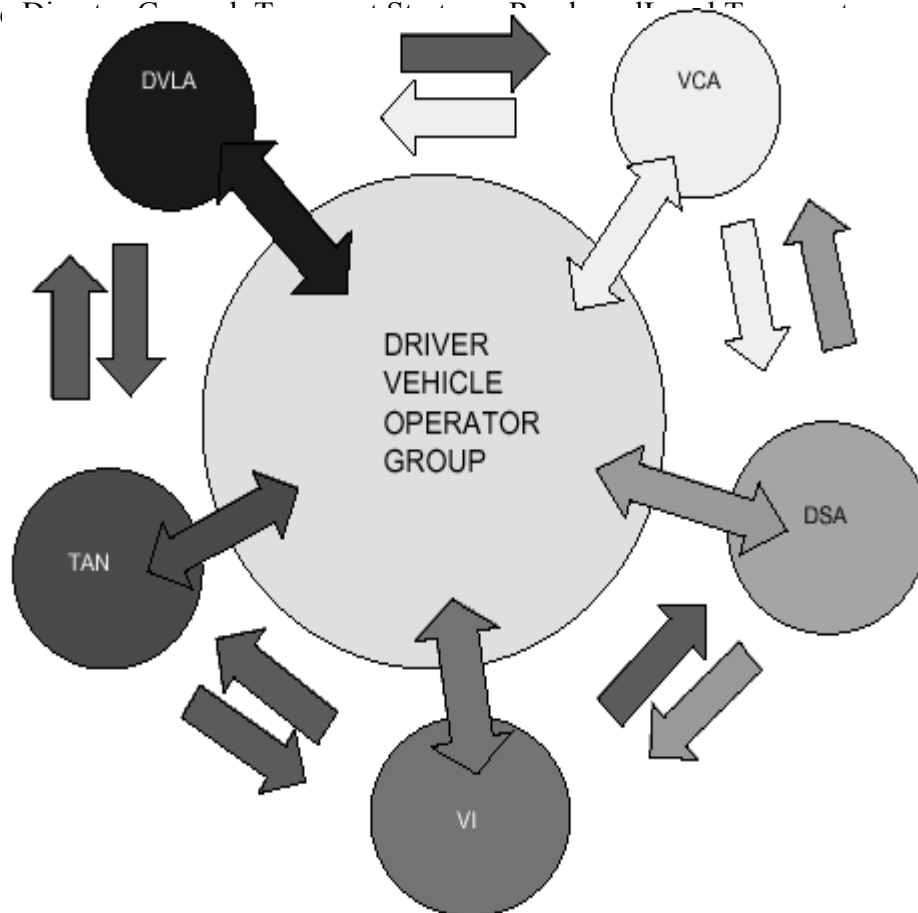
The aim of the DTLR is better transport and thriving, prosperous, safe communities.

The Department has 9 objectives supporting this aim. Of these, the TAN contributes primarily to the following specific objective:

- Improved transport safety and crime prevention.

DVO Group

The work of the DVO Group is brought together through the DVO Executive Board. Each of the agency chief executives sits on the Board, as does the Head of the TAN. The Board has a full time Chairman John Plowman and line management responsibilities for the TAN passed to him on 1 September 2001. Overall strategy for the DVO Group is overseen by a DVO Advisory Board chaired by the



Traffic Area Network

Ministers have agreed the following objectives for the TAN.

Objectives

TANs objectives are to:

- Improve road safety and the environment and safeguard fair competition by promoting and enforcing compliance with commercial operator licensing requirements;

- Deliver high quality and accessible services to customers in line with the Modernising Government objective;
- Work closely with DVO agencies and other partners and suppliers on the principles of joined-up government;
- Run TAN efficiently and effectively; and
- Increase job satisfaction of TAN staff by equipping them with the knowledge and skills necessary to enable them to perform their work effectively.

Role of Traffic Commissioners

The Secretary of State has appointed seven Traffic Commissioners to decide on licence applications and disciplinary action against operators and drivers who have not observed the conditions of their licence. When necessary, they hold public inquiries to consider applications, the suitability of operating centres and the possibility of disciplinary action against operators and drivers. They are supported by TAN staff who perform the routine administration work.

National Network

The TANs services are delivered from a Network of six Traffic Area Offices and a small presence in one of DTLRs London HQ buildings.

Principal Responsibilities and Main Tasks

The TANs principal responsibilities and main tasks, on behalf of the Secretary of State are:

- processing applications for licences to operate buses and lorries;
- registering bus services;
- identifying operators against whom it is appropriate to take disciplinary action;
- running the administration involved in disciplinary action against drivers of buses and lorries who have committed offences;
- supporting Traffic Commissioners to help them make informed decisions on operator licensing, vocational drivers and bus registration requirements; and
- running an information and advisory service for customers, partners and the public. From this autumn, a fuller description of the work of the TAN and how it meets the Departments aims and objectives will be found at website www.tan.gov.uk.

PLANNING ASSUMPTIONS

The key business planning assumptions for the planning period are as follows:

- the regulatory framework of the operator licensing system will remain broadly in its present form;
- by autumn 2001, new rules for impounding illegally operated vehicles will be in operation;

- by summer 2001, the Traffic Commissioners will have assumed greater responsibilities for bus services such as enforcing quality partnerships entered into between bus operators and transport authorities;
- by October 2001, tougher rules on access to the profession will apply to existing operators;
- levels of licensing activity will remain stable over the planning period;
- TAN will participate fully in DVO Strategy Board initiatives;
- over the planning period, the Traffic Area boundaries will remain unchanged although preparatory work will continue for aligning the Area boundaries in England with those of the Government Regions;
- by autumn 2001, DTLR will consult on revised operator licence and registration fees;
- over the planning period, customers will gradually take-up the option of dealing with the TAN electronically; and
- TAN will remain part of DTLR (C) for the planning period but during this time Ministers will make a decision on the future status of the TAN.

CHAPTER 3

Key strategies for the year

KEY STRATEGIES

TANs key strategies are to:

- implement the TAN 21 programme;
- initiate a programme of continuous improvement;
- achieve greater integration of services to customers through working with our DVO partners; and
- prepare for agency status.

Key Strategy: Implementing TAN21

As set out in last years plan, the TAN, through the TAN 21 programme, has launched a major redesign of all its systems including its licensing, compliance and finance services on the principles of Modernising Government. A series of projects due for completion in 2001 will use the latest technology to provide for:

- electronic service delivery via the internet and the telephone;
- 24 hour online access for operators to their licence data;
- electronic payment;
- improved data sharing with enforcement partners;
- electronic transmission of local bus service registrations; and
- potential for one stop shops for operators needing DVO services.

The new Business System and first phase of the Finance System (which will support credit card payments over the telephone and the Internet) is scheduled to go-live by autumn 2001. The final phase of the Finance System element should be completed by November 2001.

The new Management Board and organisational structure will enable the TAN to respond more effectively to the needs of the commercial vehicle industry. In particular, TANs two customer facing divisions licensing (including bus registration) and compliance will provide quicker and more accurate services to operators and Traffic Commissioners. A web-enabled information/advisory service is also being developed.

Key Strategy: Initiate a Programme of Continuous Improvement

The TAN intends to achieve continuous improvement through:

- national improvement teams; and

- the European Foundation of Quality Management (EFQM) Excellence Model.

National Improvement Teams

We have established national improvement teams covering our key areas of activity with each team reporting to the relevant National Director. These teams have an important role to play in recommending improvements in the services we provide and our working lives. The national improvement teams so far established are:

National Improvement Team	National Team Leader	Lead Director
Licensing	N/A	Bill Buckley
Compliance	N/A	John Bannister
Performance Measurement and Learning	Sharon McNair, NETA	David Partridge
Customer Relations, Management and Marketing	Christine Norris, WMTA	Bill Buckley
Knowledge Management	Colin Clarke, SEMTA	John Bannister
Information Management, Communication and General Admin	Cathy Drury, STA	Keith Harding
Working Environment	Mike Molyneaux, ETA	David Partridge
Human Resources and Staff Development	Tim Hughes, WTA	David Partridge

Teams will consist of 7 or 8 individuals representing every Traffic Area Office.

Terms of reference are still being considered but the responsibilities of the national teams are broadly as follows:

Performance Management and Learning team

- use and refine performance metrics in Balanced Scorecard
- arrange EFQM assessments
- set up mechanisms for involving all staff in contributing to and benefiting from learning opportunities

Customer Relationships Management and Marketing

- develop customer and partner relations
- market TAN, including areas such as operator seminars

Knowledge Management

- monitor, review and improve layout and content of TAN Intranet and website
- promote use of Intranet for information dissemination and retrieval and arrange training on its use
- promote the concept of knowledge management, including sharing information within offices and across organisation
- consider how services might be improved or new services developed using knowledge bases in TAN and its partners

Information Management, Communications and General Admin

- promote ICT service, including compliance with government policies
- develop information and data management policies, including data protection
- progress security policy, covering electronic service delivery
- develop general admin support systems including document management
- consider how communication processes can be improved
- establish channels of communication and partnership with DVO

Working Environment

- influence the development of policies on working environment issues and ensure implementation of agreed policies
- act as a source of advice on the resolution of local accommodation issues so as to ensure consistency of approach
- advise on best practice re accident books, safety drills, etc

Human Resources and Staff Development

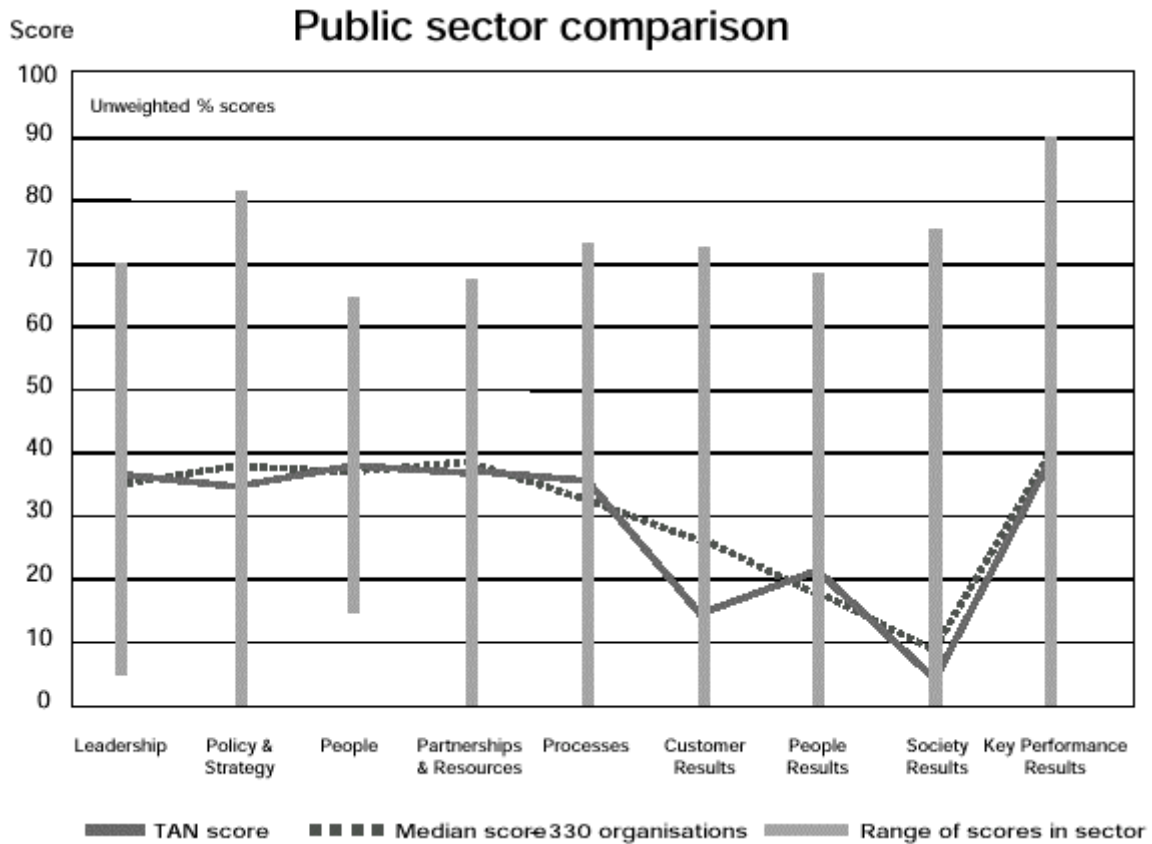
- influence development of policies on HR issues, including staff development and training, and ensure implementation of agreed policies
- act as a source of advice on the resolution of local personnel issues so as to ensure consistency
- advise on best practice in HR procedures eg in respect of personnel record keeping and communications across TAN

The European Foundation of Quality Management (EFQM) Excellence Model

This is a diagnostic tool enabling organisations to identify their strengths and areas for improvement.

Last year, TAN used the model to quality assess the organisation. It achieved a score in the 250-300 range, which is deemed reasonable for its first assessment. The national improvement teams will

have an important part to play in advising the TAN Management Board on how it might raise its score.



EFQM provides a basis for seeking continuous improvement in all areas of our business and it will become one of the main drivers of change in the TAN. By 2004-05, we will seek an EFQM award.

The TAN has developed action plans aimed at improving performance in the nine main EFQM criteria.

Key Strategy: Driver Vehicle Operator

TAN plays a full and active part in formulating and delivering the DVO strategy. The strategy fully reflects the principles of the Modernising Government agenda and the DTLR strategic direction. The headline strategy for the DVO Group is:

to work together to deliver modernised, improved and better joined-up services while improving road safety, reducing crime and helping to protect the environment.

In particular, the strategy is to deliver services in ways that reflect the needs of customers rather than the structure of the organisation. Joining up is a key component. The Group focuses on exploiting synergies between members, initiating collaborative projects intended to reshape delivery around the needs and convenience of customers; making best use of electronic delivery systems; and providing the range of service delivery mechanisms that best suit customers. The Group is developing a range of supporting joint strategies covering information systems, communications, estates and human resources.

In particular, the TAN will:

- contribute to the work of the Executive Board commensurate with its position as a full partner in DVO;
- help develop cross cutting DVO strategies in areas such as human resources, estates, ICT and communications;
- contribute to the development and delivery of DVO e-business; and
- help drive forward DVO strategic infrastructure projects such as a common customer interface and data management.

Key Strategy: TAN Status

Ministers have agreed that the TAN should move towards agency status or something close to it. To achieve this we will:

- further develop our management structure;
- look at ways to improve our management of finance, human resources, working environment and business planning; and
- produce agency-style annual report and accounts for 2001-02.

CHAPTER 4

Resources

BALANCED SCORECARD

To address all our business issues in an integrated way, we use the balanced scorecard system. This ensures that we balance delivery of services with the management and development of our staff, investment in our estate and equipment and the best use of financial resources. A fuller description of the scorecard is given towards the end of chapter 5.

HUMAN RESOURCES

Review of Posts

Once TAN 21 has bedded in, TAN will take a view on the need to evaluate the grading of newly designed posts.

Preparing for Agency Status

A key strategy for the year is to build on progress made in strengthening the management of the TAN to the standards required if the organisation is to be able to function as an agency. Steps already taken include the appointment of a new Management Board, national licensing and compliance directors, and a TAN accountant. It is also planned to appoint a corporate planner.

Staff Productivity

The TAN 21 programme is expected to lead to significant service improvement and productivity gains. Current estimates indicate that it should lead to a reduction of 60 posts over the next 3 years, starting in late 2001. Whilst overall costs are set to rise in 2001-02, for the reasons explained below in Balancing fees and costs, cost increases would have been much higher were it not for the productivity gains arising from TAN21.

As explained in last years plan, the staff reductions do not imply closure of any Traffic Area Office or the relocation of significant numbers of TAN staff. In accordance with DTLRs Redundancy Arrangement, the TAN will agree with the Trade Union Side how best to manage this situation. Maximising the time available to redeploy staff and reducing use of agency/casual staff will help to minimise the risk of redundancies.

Whilst TAN are confident that the TAN21 programme will lead to the expected level of staff reductions, whether the reductions will be achieved within the 3 year period is largely dependent on timely and successful implementation, and the rate of take-up of electronic self-service by customers.

TAN ESTATE

The TAN is participating in various office relocation projects, see chapter 5 (Sustainable Development). These new properties will enable us to offer better facilities for both staff and customers with economies of space use and energy efficiency. However, we have had to bid for additional running costs to cover higher rental costs.

FINANCIAL PERFORMANCE

Balancing Fees and Costs

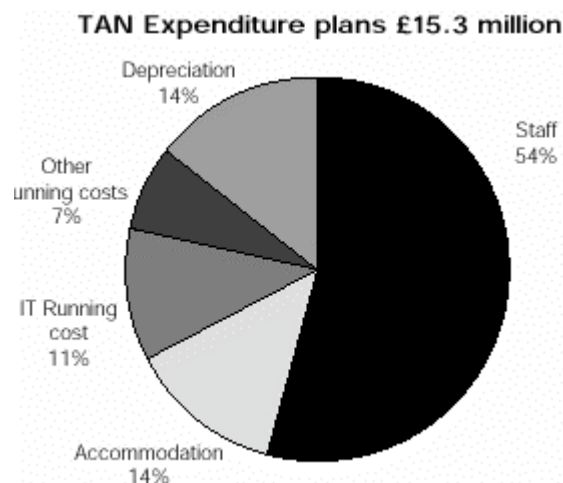
The TAN is responsible for collecting operator licence fees administrative fees (eg application, grant and continuation) and vehicle fees (ie payable for vehicles specified on an operator licence). Administrative fees are intended to cover the TANs full costs in administering the operator licensing regime. Vehicle fees are used to fund vehicle enforcement, which is undertaken by the Vehicle Inspectorate on behalf of DTLR(c).

The TAN has estimated that its full costs in 2001-02 will amount to some £15.3 Million. This sum includes a proportion of the depreciation costs of the investment in TAN 21 (which will be spread over several years); office relocation costs; and a significant strengthening of the TAN management structure to equip the organisation for the future. The figures reported in last years business plan were reported on a cash basis and hence excluded, for example, depreciation costs. They are not therefore, comparable with the full cost accruals based figure given in this plan. In line with the move towards Resource (accruals) Accounting throughout Government, financial figures given in this and future Plans will be given in Resource terms.

DTLR(c) expects the TAN to aim to recover its costs through the administrative fees collected. A consultation exercise on fees is likely to be conducted later this year.

Expenditure Plans 2001-02

Expenditure plans cover staff, accommodation, IT and other running costs and payments and depreciation.



Self Financing Regime

If the TAN is to achieve its aim of moving to a self financing regime, it will be important to bring income and costs into line. In addition, the Treasury will want to be satisfied that:

- TAN has satisfactory financial controls; and
- Administrative costs and income can be properly identified within TANs accounts

New Finance System

A new finance system is currently being developed to meet the TANs business needs, improve its financial processes and support the move to a self financing regime. The new finance system will be integrated with the new business system in order to support e-commerce transactions.

Resource Accounting

Resource accounting and budgeting (RAB) is the application of accruals accounting techniques to planning, control of and accounting for public expenditure. It extends to all aspects of planning and in-year monitoring. RAB took effect from 1 April 2001. The new finance system will be capable of delivering RAB accounts.

PRESSURES

Statutory Requirements

The majority of TAN spending is incurred in the delivery of statutory demand led services to the road transport industry. TAN is not able to refuse to provide such services. While costs tend to rise in line with business volumes, they tend not to reduce in line with falling demand. This is because TAN has limited scope for reducing costs in the short/medium term: in round terms 55% pay; 15% depreciation, 10% estates and 10% contractually committed.

CONTINGENCIES

Flexibility

TAN currently has limited scope to reduce costs in response to changes in demand. In order to increase our flexibility, which will be essential were TAN to move to a self financing regime, we plan to:

- (a) relocate to greener, more modern properties as lease-breaks occur to rationalise accommodation and allow for greater ease of disposal should the need arise; and investigate sub-letting any vacant space that might appear in the future (should there be a downturn in demand for our services);
- (b) contribute to a review of the structure of operator licence fees to ensure TANs income aligns with costs.

Maintaining an adequate level of staff employed on agency/casual terms also increases our flexibility to reduce costs in response to a downturn in demand.

We are developing a business forecasting model to help us to plan for likely changes in demand and income. We are looking at trends over the longer period. Because licence continuations vary over a 5 year cycle, it will take some time to prove the reliability of the model.

Estate

The Town Plan Schemes (see chapter 5) are high profile projects led by professional teams. They promise to lead to overall financial and non financial benefits for DTLR, but TAN costs are likely to increase.

ICT Systems

TAN has completely replaced its ICT infrastructure with modern, state of the art, equipment and software. A new ICT support service contract has been awarded to Computacenter who will work closely with TAN to produce comprehensive contingency and disaster recovery plans.

The new business and finance systems will be thoroughly tested before they go live nationally. System performance will be continuously monitored and adjustments made to reflect demand. The TAN and its support contractors will regularly review technological advances that may offer future improvements in service delivery and performance.

CHAPTER 5

Sustainable development

TAN ESTATE

Management

Day to day management of the properties is currently carried out by TAN staff located in each of our buildings. We will review whether these arrangements could be improved by staff specialising in working environment in fewer locations. The TAN is assisted in its management of the estate by OGC under their Intelligent Client Service.

Estate Strategy

TANs estate strategy consists of the following objectives:

- To improve the working environment for staff and visitors;
- To reduce the amount of vacant space within the estate;
- To relocate/co-locate to greener properties that also offer increased occupational flexibility, and disposability;
- To promote joined up Government by co-locating with DVO partners, other parts of DTLR or other parts of Government wherever practicable.

We are taking the following actions to align our current estate holdings with the above objectives:

- Active participation in Town Plan Schemes in Bristol and Cambridge. These schemes offer significant potential for reducing our current space requirements, joining up with other parts of DTLR and Government, and moving into modern, flexible and greener accommodation. Current indications are that rental costs of participating DTLR organisations would reduce overall but that TANs costs would increase. This reflects the relatively poor quality of TANs existing accommodation.
- Developing a 5 year accommodation works plan.
- Seeking to sub-let surplus accommodation in other TAN properties. We have already sub-let part of Caradog House in Cardiff, our only vacant property, and we are continually looking for other tenants.
- Preparing a Travel Plan for all Traffic Area Offices. We already have a Travel Plan for Hillcrest House, which is our only property with more than 50 staff. The aim will be to encourage staff who currently travel to work by private motor car to consider switching to alternative transport modes, particularly public transport.
- Reducing energy consumption. Each Traffic Area Office is to produce an action plan for the reduction of energy consumption. Our longer-term strategy is to move to greener, more energy efficient buildings. The scope for reducing energy usage within existing older properties is limited but we have taken steps to improve, for example, with better insulation.

- In all cases we will consider reduction, reuse and recovery before disposal of waste.

We will also participate fully in the development of a DTLR-wide estate strategy and procurement plan which is being taken forward by a new Unit in DTLR(c). The aim is for the Unit to produce an estate planning and procurement framework and action plan. The work of this Unit may well lead to changes in TANs estate strategy and property delegations.

Following the issue of the new Departmental Health and Safety Policy Statement the TAN is reviewing its performance in this important area and will make any necessary adjustments to comply with the law and Departmental policy.

Relevant details of the TAN Estate (e.g. space occupancy rates, building lease breaks) are given at Annex 7.

EFFICIENCY AND EFFECTIVENESS

Efficiency Initiatives

The TAN has re-engineered its business services under the TAN 21 programme and is now engaged in a process of continual improvement using the EFQM Excellence Model and national improvement teams.

Targets for Customer Service Standards

Over a number of years, the TAN has increased its performance against customer service standards. The table at Annex 1 indicates that the TAN has performed consistently well comparing one year with another, despite increasing workloads. TAN services were comprehensively re-engineered during 1999-01 in the clear expectation that these changes will lead to significant improvements in customer services and productivity in future years. During the past year, the TAN explored new measures of performance and shadow-ransome of these using existing systems to provide a baseline for the introduction of new measures during 2001-02.

To address all our business issues in an integrated way, the TAN has developed a Balanced Scorecard approach (see Annex 2). This ensures we balance delivery in the following key areas: customers and partners; financial (stakeholder); internal processes; and learning and growth. The scorecard sets out new measures of performance for TANs re-engineered services that will help achieve the organisations objectives.

Realigning TAN Boundaries

The TAN will develop proposals for aligning operational area boundaries in England with those of the Government Regions. Secondary legislation would be required to authorise such changes.

ANNEX 1

Service Standards

Customer Services				
	1998-99	1999-00	2000-01	2001-02
	actual	actual	actual	target
	%	%	%	%
Goods Vehicle Operator Licences				
New applications and major variations without Public Inquiry decided within 9 weeks	95	97	97	95
New applications and major variations with Public Inquiry decided in 20 weeks	84	91	86	85
Non publishable variations completed within 5 working days	96	98	95	95
Refunds authorised within 10 working days	92	94	93	90
Public Service Vehicle Operator Licences				
New applications without Public Inquiry decided within 8 weeks	97	100	99	99
Variations to licences without Public Inquiry completed within 7 working days	97	99	98	97
New applications with Public Inquiry decided within 20 weeks	100	98	100	99

Variations to licences with Public Inquiry				
decided within 20 weeks	100	100	95	99
Refunds authorised within 10 working days	97	96	100	99
Bus Registration				
Bus registrations completed within				
5 working days	91	97	93	95

DTLR Public Service Agreement and Whitehall Standards	2000-01 forecast outturn %	2001-02 target %
Pay invoices within 30 days of receipt of goods/services	99	98
Answer letters within 15 days of receipt	96	100
See people within 10 minutes of prearranged times	100	100

With the new business systems being introduced next year, under the TAN 21 programme, we hope to improve service standards.

During 2001-02, we will redefine our service standards.

ANNEX 2

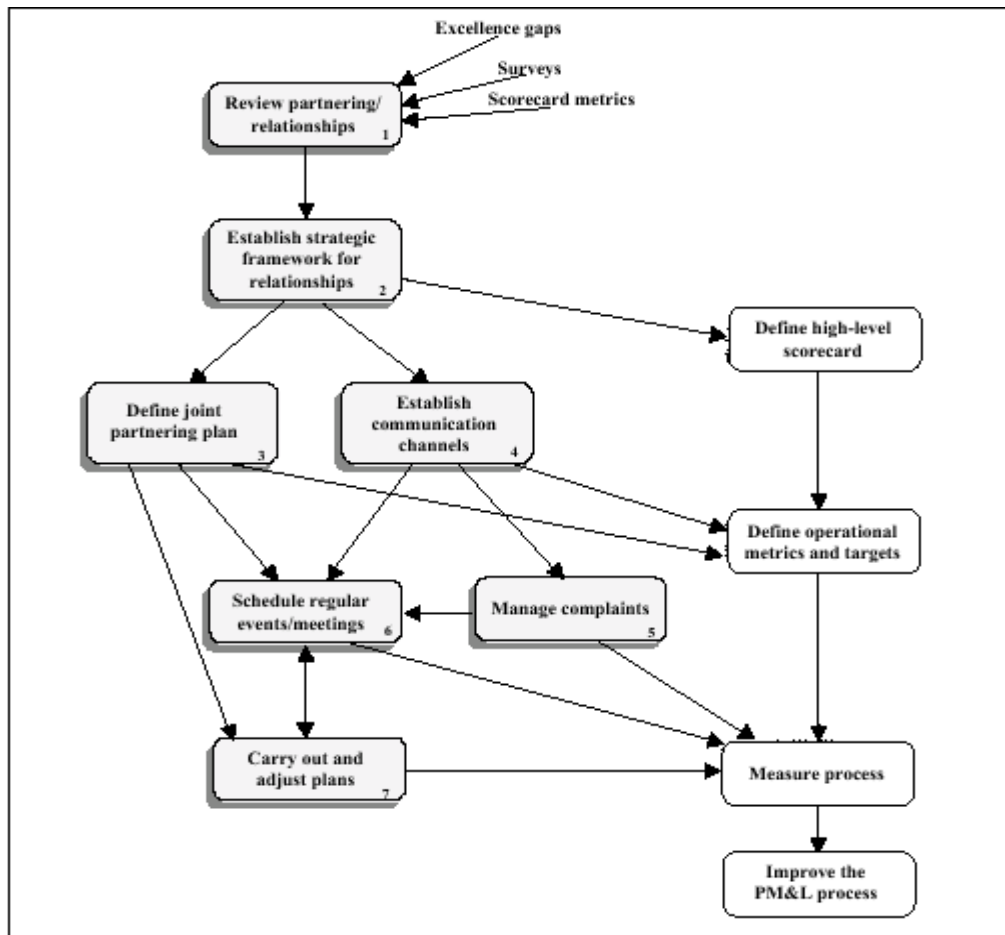
The TAN Balanced Scorecard

	Objective	Metric	Measurement		
Financial (Stake-holder)	Improved road safety	Reduction in offences	Recidivism – % operators and drivers re-offending % change in numbers of offences (non-compliances) detected		
	Minimised costs	Cost per transaction	Cost per transaction processed, by transaction type		
		Cost per case	Cost per case processed		
	Value for money	Stakeholder returns	Return on capital employed		
	Modernising Government	Use of electronic transactions	% transactions available electronically Rate of take up – % increase in use per year % transactions carried out electronically		
Customer (and Partner)	Satisfied customers	Customer satisfaction	From surveys – % customers satisfied and very satisfied (rate of increase). This extends to society's satisfaction Trend in level of complaints		
	Meeting service needs (effective processing)	Satisfaction with services	User perception after first use Trends in use of service options		
			Effective partnering	Partnering in action	Number of electronic links in place Trends in volume of data exchanged by source
		Partner satisfaction	% partners satisfied and very satisfied in surveys		
Internal Processes	Efficient processing	Throughput by service option	Inputs handled (and change per unit time) per person Outputs delivered (and change per unit time) per person Case processing time (and change per unit time) elapsed and per person		
			Motivated staff	Staff satisfaction	% staff satisfied and very satisfied (rate of increase) % personal targets achieved
			Joined-up Government	Level of joint activity	Number of joint initiatives at TAN and TAO levels
	Learning & Growth	Highly capable staff	Competency levels (omnicompetent staff)	% training plans completed each year % TAN planned competency level achieved	
Motivated staff				Staff involvement	% staff involved in improvement activities and in team working Levels of team recognition
Continuous improvement		Level of improvement activity	% improvement suggestions acted on		

ANNEX 3

Partnering and relationship management process schematic

The process for partnering and relationship management deals with the TANs links to its customers, partners and stakeholders and its performance in relation to them.



Review Partnering/Relationships

1. This is carried out on an annual basis (at least) to establish that the TAN is gaining from its current ways of dealing with relationships and from partnering initiatives. The review will:

- Confirm and agree who the partners, stakeholders and customers/consumers are that require managed attention.
- Examine any feedback from surveys that indicates the levels of satisfaction with all aspects of the relationships.
- Assess the effectiveness of the relationships and the partnering and relationship management process and seek ways to improve them.
- Examine the ways being used to measure the success of the relationships and seek ways to improve them.

Establish Strategic Framework for Relationships

2. Establish the means to jointly explore and agree on the basis for partnering relationships. The relationships need to be in line with current strategy and set up so that value to both sides is maximised. It must also recognise the different requirements associated with different kinds of partnering, eg with DVO organisations or industry associations or passenger groups. This activity will:

- Share and understand each others strategies.
- Explore success factors in relationships.
- Agree on strategies and modes of working for the future.
- Establish agreed metrics and targets for the relationships and link them to the TANs scorecard.
- Engage the Customer Relations and Marketing team in looking at partnering.

Define Joint Partnering Plan

3. Create joint improvement activities with partners, leading to better processes and services.

- Identify opportunities for improved services and innovation develop a shared understanding of the improvement opportunities, barriers and constraints; establish ways of working together (around the theme of partners in safe road transport).
- Agree a joint plan of action establish what is to be done to make the partnerships more effective in the future, what resources are needed to do it, how it will be done, who is to do what, how to tell that it is happening, how to learn and how to improve on what is being done.
- Establish agreed metrics and targets for the plans and link them to the TANs scorecard. Establish service standards, where appropriate.

Establish Communication Channels

4. Create (measurably) effective channels of communication to all the partners, stakeholders and customers/consumers and set up opportunities for knowledge sharing. These will be differentiated to meet the needs of each partnering relationship.

Ensure that these channels are appropriate for conveying the right messages to the partners and the market, in line with the TANs communications strategy.

Manage Complaints

5. Act on and manage complaints relating to any aspect of the partnering and relationship management process.

- Define, agree and establish an explicit mechanism for complaining and resolving complaints.
- Establish ways of gathering information on the views, expectations, concerns and explicit and implicit needs of the partners, stakeholders and customers/consumers.

- Communicate all concerns clearly to the partners.

Schedule Regular Events/Meeting

6. Provide regular opportunities (as often as is needed given the type of partnership) for meeting the partners, stakeholders and customers/consumers. Ensure that the meetings are for working purposes and manage them to a relevant business outcome. Meetings will review the partnering metrics and targets and recommend action where necessary.

Regular events for training and communication purposes are scheduled.

Carry out and Adjust Plans

7. Pursue the planned activities. Adjust and refine the plans in the light of progress towards targets or in response to the tactical needs of partners such as local authorities.

ANNEX 4

DTLRs Public Service Agreement

The following extracts from the former DETR Public Service Agreement with the Treasury will impact on the TAN:

- establishing new targets for reducing road accidents in the period up to 2010;
- putting in place an estates strategy which includes targets for reducing the amount of vacant property held;
- paying at least 98% of undisputed invoices within 30 days of receipt of goods or services or presentation of a valid invoice;
- developing a regular and systematic review of services and activities over a five year period in line with Government policy as set out in the handbook Better Quality Services. A programme sets out those services which will be reviewed each year with the intention to review at least 60% of services by 2003;
- establishing a capability for delivering 100% of customer services electronically by 2005; and
- setting targets for reducing staff sick absence.

In response, TAN expects to

- pay 100% of undisputed invoices within 30 days of receipt in 2001-02 (Annex 2) in 2001-02
- establish a capability for delivering 100% of customer services electronically before 2005
- have its sick absence levels monitored monthly against DTLR targets during 2001-02

Half of TANs vacant space is at Gaunts House, Bristol which we expect to vacate under the Town Plan Schemes (chapter 5) in 2002.

ANNEX 5

Whitehall Standards

Whitehall Standards are across-the-board standards for all Government departments and are in keeping with the aims of the Better Government initiative. The standards are:

- to answer letters within 15 working days;
- to see people within 10 minutes of a pre-arranged appointment time;
- to provide information about services;
- to consult users regularly and report findings;
- to provide details of complaints procedures;
- to take all reasonable steps to make services available to everyone.

Only the first two standards require additional monitoring within the TAN (see Annex 2). During the coming year, the TAN will review its appointments procedures for holding Public Inquiries and drivers hearings. Our Information Pack, handed out to licence applicants, provides information about our services. We consult users annually in customer surveys. Our complaints procedure is explained in our Code of Practice which is also handed out to customers.

ANNEX 6

TAN Volume Forecasts 2001-02

Volume forecasts		
FEE EARNING ACTIVITIES	VOLUMES 2000-01 (latest forecast outturn)	VOLUMES 2001-02 (latest forecast outturn)
Goods Vehicle Operator Licensing		
New Licence Applications	9,020	9,200
New Licence Grants	7,980	8,070
Licence Variations (1)	9,530	9,430
Interim Licences	7,420	7,420
Licence Continuation	15,120	15,120
PSV Operator Licensing		
Applications for Restricted Licences	285	285
Applications for SN/SI (2)Licences	670	670
Licence Variations (Chargeable only)	700	750
Continuations (5 Yearly)	1,040	1,010
Continuations (Annual)	3,500	3,100
Bus Permits	1,750	1,820
Bus Registration		
Applications	4,770	4,770
Variations (1)	12,700	12,700

Note 1 Not all variations attract a fee.

Note 2 SN and SI means Standard National and Standard International

ANNEX 7

Summary of TAN Estate Information

Property	ALAm ²	Lease Expiry	Lease Breaks	Occupation Status	Other Comments
Hillcrest House Leeds	1,848	24.12.2006	20.6.2002	Leasehold	May be involved in a DTLR relocation scheme in Leeds
Cumberland House, Birmingham	994 Occupied <i>400</i> <i>Vacant</i> 1,394	28.9.2004	None	Leasehold Minor Occupier	Memorandum of Terms of Occupancy (MOTO) expires on lease break
Terrington House, Cambridge	1,070	23.6.2002	24.6.2000	Leasehold	Currently participating in the GoEast/DTLR Co-location Project
The Gaunts House, Bristol	1,295 Occupied <i>1,291</i> <i>Vacant</i> 2,586 Total	28.6.2002	None	Leasehold Major Occupier	Currently involved in the HMCE/DTLR Bristol Co-location Project
Ivy House, Eastbourne	1,265 Occupied <i>509</i> <i>Vacant</i> 1,774 Total	28.3.2010	28.3.2003 and 28.3.2007	Leasehold Major Occupier	Currently considering the marketing of vacant space
Argyle House, Edinburgh	1,160	2018	None	Leasehold Minor Occupier	MOTO expires on 31.3.06
Caradog House, Cardiff	452 Vacant	28.9.2020	28.9.2012	Leasehold Minor Occupier	One tenant found and another being sought
Total ALA	7,632 Occupied 2,652 <i>Vacant</i> 10,284				

ANNEX 8

Progress to Date

More attention is being paid to tracking income against expenditure. Work has started on a fees review. Current indications are that receipts are a little lower than forecasts in 2000-01. TAN has no real means of influencing demand.

The TAN 21 programme continues to make good progress, despite some delays over procurement. Installation of the new infrastructure has been completed and a contract has been let for the development of the new licensing, bus registration and compliance system. The intention is to complete the business system element of the TAN 21 programme by autumn 2001.

