

Business Plan 2002–03
Traffic Area Network

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Traffic Area Network

‘Contributing to the improvement of road safety and environmental standards’



Our work promotes a safe, fair and environmentally responsible commercial road transport industry

Following the reorganisation of the government in May 2002, the responsibilities of the former Department for Transport, Local Government and the Regions (DTLR) in this area were transferred to the Department for Transport.

Department for Transport
Great Minster House
76 Marsham Street
London SW1P 4DR
Website: www.dft.gov.uk

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The Department for Transport
PO Box 236
Wetherby
West Yorkshire
LS23 7NB
Tel: 0870 1226 236
Fax: 0870 1226 237
Textphone: 0870 1207 405
E-mail: dft@twoten.press.net

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Head of Traffic Area Network's Foreword



This is a big year for the Traffic Area Network. New Information Communications Technology (ICT) systems are being introduced. These will put the Organisation – which is part of the recently formed Department for Transport – at the leading edge of e-commerce.

The new ICT systems are part of TAN 21, a major change programme covering all aspects of the Traffic Area Network's (TAN) operations. It also involves organisational change, culture change and the redesign of business processes.

The new business systems are being designed to enable TAN to:

- Provide easier-to-use, modern services to the road transport industry, including e-commerce services via the Internet;
- Provide a much improved service to the Traffic Commissioners in the form of better targeting of non-compliant operators; and
- Increase co-operation with other enforcement agencies.

Our goal, ultimately, is to provide our customers with a wide choice of services delivered from a fully electronic office business environment, while at the same time continuing to offer the more traditional methods of doing business to those that want to use them.

David Liston-Jones, who I succeeded in April, and TAN staff at all levels got our change programme off to a very good start. We aim to build on this to ensure that the remaining parts of the programme are introduced as smoothly and effectively as possible over the course of the year.

We shall continue to play a full and active part with our Driver Vehicle Operator (DVO) Agency partners to provide seamless (joined-up) services to our customers, informed by the findings of our customer surveys. We shall also join in the cross-DVO work on compliance and enforcement to improve levels of effectiveness.

This year for the first time our plan is set around TAN's six key business objectives, which underpin our aim. This will help to highlight the degree of continuing change we face in delivering our new services over the year.

Ann Godfrey

CHAPTER 1

Introduction

Our Customers

- 1.1 The groups and individuals we support include the road haulage and public service vehicle industries, Traffic Commissioners, trade associations and the public. To deliver our services effectively, we also work closely with the Driver Vehicle Operator (DVO) Group, the police, other government departments and local authorities.

PURPOSE AND SCOPE OF THE BUSINESS PLAN

- 1.2 The Business Plan focuses mainly on the work that the Traffic Area Network (TAN) will do during 2002–03 and the resources it will need to do it. The Plan also looks slightly further ahead where appropriate in the context of our business requirements.
- 1.3 The Plan includes a **unifying** business strategy for TAN that sets the agenda for the change we are undergoing and:
 - develops a **clear** view of the services that our Organisation needs to deliver and outlines work underway in identifying new performance measures;
 - drives TAN staff to consolidate the achievement of an **ambitious** change programme, and provides the motivation to change further;
 - enables our staff to see how they can **contribute** to delivering the business objectives of TAN and the related work of the DVO Group;
 - sets a **framework** for day to day decision making;
 - sets short and medium to longer-term **targets**, consistent with each other and with TAN aspirations;
 - sets out the **resources** agreed for the year;
 - sets out the **risks** we need to manage and how the TAN Management Board will monitor performance;
 - demonstrates to DVO agencies and other partners, such as the police and local authorities, TAN's commitment and has an important **role** to play in the road transport arena; and
 - demonstrates to commercial vehicle operators, the Secretary of State and Traffic Commissioners that TAN is setting a clear agenda for service improvement.

WHAT THE BUSINESS PLAN COVERS

- 1.4 The plan provides the basis against which TAN's progress towards its objectives is monitored. It is high level, focusing on key priorities and providing the context for the work of each work-stream and each member of staff. Detailed objectives and targets will be picked up in each person's personal development plan.



TAN corporate planning team (from l to r Colin Auton and Richard Wendland)

CHAPTER 2

Organisation, aims and objectives

Organisation

2.1 Our Mission statement is:

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

OUR VALUES

2.2 In support of our business undertakings 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 help them develop their full potential;
- **innovate** and learn;
- be outward looking and work in **partnership**;
- be open and **communicate** well;
- be **professional** in all we do; and
- value what we have **achieved**.

Structure of the Traffic Area Network (TAN)



FUTURE OF TAN MANAGEMENT BOARD

- 2.3 In the short term, it is likely that a transitional structure will be needed for the TAN Management Board to drive the organisation to meet the needs of our customers and stakeholders; and to take the work forward in developing a strategy, plan and timetable for forging closer links with our DVO partners.

Our Aims and Objectives

LINKING AIMS AND OBJECTIVES

- 2.4 TAN is a Division of the recently formed Department for Transport and also part of the DVO Group.
- 2.5 The DVO Group comprises TAN and the four executive Agencies (Vehicle Inspectorate, Driver and Vehicle Licensing Agency, Driving Standards Agency & Vehicle Certification Agency) providing services to drivers and operators of vehicles.
- 2.6 We will contribute towards the achievement of the aims and objectives of the Department and DVO.

DEPARTMENT FOR TRANSPORT (DFT)

2.7 The Plan refers to the aims and objectives of the former Department of Transport, Local Government and the Regions (DTLR). We will update the plan when the Department for Transport’s aim and objectives have been published. The aim of the former DTLR was better transport and thriving, prosperous, safe communities. The former Department had 9 objectives supporting this aim. Of these, the TAN contributed mainly to the following specific objective:

- Improved transport safety and crime prevention.

DVO GROUP

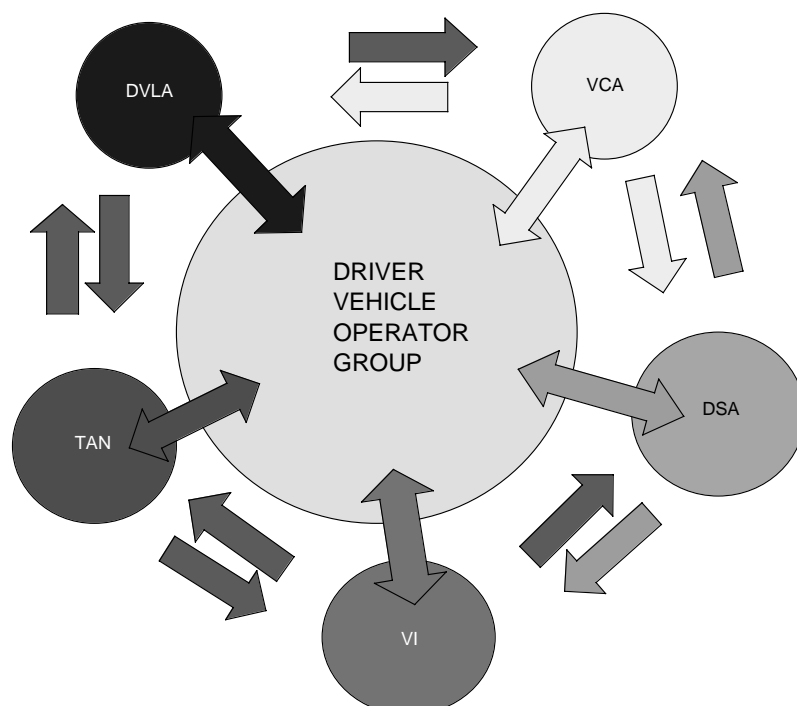
2.8 The work of the DVO Group is brought together through the DVO Executive Board. Each of the Agency Chief Executives sits on the Board, as does the Head of the TAN, Ann Godfrey. The Board has a full time Chairman – John Plowman – who is also Group Director for TAN. A Director General level DVO Chairman is due to be appointed later this year.

2.9 Each member of the Executive Board is a DVO ‘Champion’ for one or more of the DVO Workstreams. Ann Godfrey is responsible for policy and delivery of Government objectives.

2.10 Overall strategy for the DVO Group is overseen by a DVO Advisory Board which is currently chaired by Willy Rickett, Director General, Transport Strategy, Roads, Local and Maritime. In due course, a DVO Director General will chair the DVO Advisory Board.

2.11 Through the DVO Group we aim to deliver effective and easy-to-use joined-up services.

2.12 Overall, by working towards shared strategies, policies and practices, we aim to deliver a more cohesive approach and greater impact on improving road safety, reducing crime, environmental protection and the provision of modern, user-friendly services.



TRAFFIC AREA NETWORK

2.13 Our organisational aim is:

- to contribute to a safe, environmentally friendly commercial road transport industry and a reliable bus service.

2.14 This is supported by our six key business objectives:

- Deliver high quality and accessible services to customers;
- Work with the Traffic Commissioners to improve road safety and the environment and safeguard fair competition by promoting and enforcing compliance with commercial operator licensing requirements;
- Work closely with DVO agencies and other partners and suppliers on the principles of ‘joined-up’ service delivery;
- Run TAN efficiently and effectively;
- Increase job satisfaction of TAN staff by equipping them with the knowledge and skills necessary to enable them to perform their work effectively; and
- Achieve sound finances for running the TAN’s business activities.

ROLE OF TRAFFIC COMMISSIONERS

2.15 The Secretary of State has appointed seven Traffic Commissioners. They act as regulators of the commercial transport industry, enforcing statutory levels of entry/membership of the industry and its drivers. Commissioners are statutorily independent in their licensing functions. When necessary, they hold public inquiries to consider applications, the suitability of operating centres and the possibility of disciplinary action against operators and vocational drivers. They are supported by TAN staff who process and decide licence applications and disciplinary casework, under delegated powers.

Our National Network

2.16 TAN’s services are delivered from a Network of six regional Traffic Area Offices and a small presence in DfT’s London HQ building (Great Minster House).

TAN’S MAIN RESPONSIBILITIES AND TASKS

2.17 Our main responsibilities and tasks are to:

- process and consider applications for licences to operate buses, coaches and lorries;
- register bus services;

- identify operators against whom it may be appropriate to take disciplinary action by assembling and evaluating a range of compliance data and presenting it to the Traffic Commissioners;
- run the administration involved in disciplinary action against drivers of buses and lorries who have committed road traffic and other driver-related offences;
- support Traffic Commissioners to help them make informed decisions on operator licensing, vocational drivers and bus registration requirements; and
- run an information and advisory service for customers, partners and the public.

2.18 We are also engaged in the wider DVO work to deliver joined-up services to customers.

2.19 A fuller description of the work of TAN and how it meets the Department's aims and objectives will be found at website www.tan.gov.uk which is planned for this summer.

CHAPTER 3

Business Objective – Deliver high quality and accessible services to customers

Organisation of TAN Services

- 3.1 TAN has organised its business into two customer – facing service streams, licensing and compliance, each with its own national director. This provides our customers with a quicker and more accurate service.
- 3.2 Licensing is the business of considering applications for licences to operate lorries, buses and coaches and registering local bus services. Compliance is the business of ensuring operators and their drivers comply with the conditions of their licences.

Modernising Services to Customers

- 3.3 One of the main objectives of the Government’s agenda is that we should deliver high quality and accessible services to our customers.
 - 3.4 The needs of the customer are at the forefront in the way we provide our services. Our main customers are the bus, coach and lorry operators and their drivers, the Traffic Commissioners and the general public who might be affected by the activities of licensed operators and their drivers.
 - 3.5 Our main strategies for improving customer services are to:
 - a) consolidate and build on the TAN 21 programme of improvements to service delivery;
 - b) provide information and advisory services;
 - c) review Traffic Area boundaries;
 - d) follow a DVO strategy (in common with DVO partners).
- a) Customer Services: Consolidate TAN 21 Programme**
- 3.6 Last year, TAN through the TAN 21 programme, undertook a major redesign of all its systems including its licensing, compliance and finance services.
 - 3.7 A series of projects used the latest technology which will help TAN to provide improvements in service delivery, including electronic service delivery via the internet and the telephone later this year.

- 3.8 To make best use of these new systems a number of consolidation measures will be required:
- ensuring the new Business and Finance Systems are efficient and deliver the services customers want;
 - introducing and promoting the take-up of customer self-service, including electronic payment of fees;
 - introducing new services including a virtual call centre, telephone applications, new payment methods and the concept of national accounts for those who hold licences in more than one area;
 - establishing electronic links with compliance partners;
 - improving the ease with which the system is used and its reliability; and
 - promoting an increase in new technology skills.
- 3.9 Over the plan period, the principal aim is to “bed down” the new systems and identify any weaknesses and exploit opportunities for enhancements. Our National Improvement Teams have played a key role in this learning process.
- 3.10 We will also seek feedback systematically from all our staff, customers, partners, stakeholders and trade associations through annual surveys, meetings and seminars.
- 3.11 Achieving the full benefits of the new Business System depends on our promotion to customers of the self-service facilities soon to be piloted in advance of it being made available to all licence holders. To this end we aim to persuade 20% of our operator customers who make vehicle transactions with the TAN to use the self-service facility within 12 months of its availability to them, rising to 50% by 2005.
- 3.12 In promoting the use of self-service we will brief trade magazines; continue our dialogue with road transport associations; arrange industry seminars; and put relevant information on the TAN and DVO websites and in the DVO newsletter when they become available.
- 3.13 To improve the quality of TAN’s licensing and compliance information, we will establish computer links with VI to access their data warehouse, enhance computer links with DVLA’s driver database and explore with DVLA the possibility of direct access to their vehicle database.
- 3.14 To make the system more customer-friendly and reliable TAN wants to introduce a single point of entry to its licensing service (a virtual call centre) with telephone customers automatically re-routed to the Traffic Area Office best placed to take their call. When it is launched, we will promote the use of a national telephone number and a national accounts service. This will deliver a quicker and more reliable service to customers.
- 3.15 We plan to launch a telephone licence applications service and are devising new more customer-friendly application forms and guides.
- 3.16 We will invest in further staff training aimed at helping staff to get the best out of the new system. Also we will undertake staff refresher training in customer care.

- 3.17 Additionally, during the year we plan to complete the TAN 21 project to deliver electronic registration of bus routes based on former DTLR's TransXchange protocol. (TAN's Bus Registration Project is covered in more detail in Chapter 4.)
- 3.18 In partnership with the Association of Transport Co-ordination Officers (ATCO) and the Confederation of Passenger Transport (CPT), we aim to enable TransXchange to be used by bus operators to supply all service related information as part of DfT's Transport Direct policy. This will ultimately lead to better information to the public and thus contribute to the Government's 10 Year Transport Plan target of an increase in bus patronage of 10% by 2010.

b) Customer Services: Information and Advisory Service

- 3.19 We will launch a website during the year that will enable operators to conduct some of their business with TAN directly through our new Business System. We will also use it to further our information and advisory services to our customers. The website will include links to all DVO websites with other appropriate links added over time.
- 3.20 TAN will progress to Government Secure Internet status.

c) Customer Services: Review Traffic Area Boundaries

- 3.21 The Department is exploring ways in which we might re-align the present six Traffic Areas in England to comply with government policy that administrative boundaries should over time be aligned with regional boundaries. The government wishes to reduce customer confusion about which administrative areas serve them. Options will be subject to public consultation. Any changes are likely to take effect in 2003–04.

d) Customer Services: DVO Strategy

- 3.22 DVO issues are mainly dealt with at Chapter 5 but some references are made here to initiatives on customer service.
- 3.23 Last year, the DVO Group's 'Blueprint' recommended the establishment of a strategy for improving the delivery of integrated and new customer services across the DVO area, including a flexible customer interface facility. The DVO Strategy was launched in April this year.
- 3.24 Possible new DVO services being looked at include:
- small vehicle operators being dealt with at one-stop shops: for driving licences, vehicle inspections and vehicle tax; and
 - single accounts being provided for large road haulage and bus companies.

Regulatory Burden

3.25 Sitting alongside Government modernisation, it is Government policy to lift the regulatory burden on the haulage industry where this seems sensible. To this end, the Department are looking to

- grant further licence exemptions; and
- explore alternatives to windscreen discs

LICENCE EXEMPTIONS

3.26 The Department is taking forward plans, already agreed with industry, to exempt certain vehicles (eg play buses, mobile libraries, mobile clinics and mobile exhibitions) from operator licensing. There are other minor changes in train to make life easier for users of recovery vehicles and those taking trailers for annual tests.

WINDSCREEN DISCS

3.27 Operators are legally required to display a windscreen disc as evidence that a vehicle is authorised by an operator licence. The Department is discussing with the police and VI the scope for using modern technology (for example automatic number recognition) as an alternative to discs.

EVALUATING TAN EFFECTIVENESS IN IMPROVING CUSTOMER SERVICES

3.28 The effectiveness of TAN's activities to improve customer satisfaction will be measured through the Balanced Scorecard. (See Annex 3.)

CHAPTER 4

Business Objective – Improve road safety and protect the environment; and safeguard fair competition by promoting and enforcing compliance with commercial operator licensing requirements

4.1 There are three components to this objective:

- improving road safety;
- protecting the environment; and
- safeguarding fair competition.

Business objective – Improving Road Safety

GOVERNMENT ROAD SAFETY STRATEGY

4.2 The Government's road safety strategy is set out in 'Tomorrow's Roads – Safer for Everyone', published in 2000. The strategy has been formulated around three new road reduction targets:

- A 40% reduction in the number of people killed or seriously injured (ksi) in road accidents;
- A 10% reduction in the slight casualty rate, expressed as the number of people slightly injured per 100 million vehicle kilometres; and
- A 50% reduction in the number of children killed or seriously injured.

4.3 The targets cover all road accidents; not just those involving commercial road transport.

HOW WE ARE CONTRIBUTING

4.4 TAN's routine activity contributes to government policy on road safety in three key areas:

- a) TAN's Licensing Service;

- b) TAN's Compliance Service; and
- c) TAN's Advice and Guidance Service.

A) ROAD SAFETY – LICENSING SERVICE

- 4.5 Licensing is the business of issuing licences to operate lorries, buses and coaches and registering local bus services. Licences are only granted to operators who can demonstrate that they meet the standards required to operate their fleet safely.
- 4.6 The road safety implications of the location of a road haulier's operating centre can also be considered and the use of a centre refused or the effects mitigated by the attachment of conditions to a licence.

BETTER LICENSING INFORMATION

- 4.7 The improvements being delivered under the TAN 21 programme will mean staff have access to up to date information on operator licence holders and applicants as it is gathered from across the Network and from enforcement partners. Traffic Commissioners will be able to make more informed decisions, based on an applicant's previous performance and record, and thus significantly improve TAN's contribution to road safety.
- 4.8 A new service delivered via TAN's website will provide greater access to up to date information for applicants, licence holders, partners (including enforcement agencies) and the general public. Access to publications and a search facility for those who hold licences will be available for the first time.

RAISING STANDARDS – TRAINING

- 4.9 The holders of a national and international operators' licence or their transport managers are required by legislation to be professionally competent. This is achieved by gaining a certificate of professional competence (CPC) or an equivalent qualification. As the CPC is awarded for life there may be significant benefits in introducing a form of "refresher" training for transport managers, especially if the holder has been out of the industry for some time. The Department will be looking at this issue and industry would be consulted on any proposals to raise the standards of entry/membership to the industry. It would fall to TAN to enforce any agreed higher standards.

B) ROAD SAFETY – COMPLIANCE SERVICE

- 4.10 While we maintain standards through licensing and we raise compliance through preventative action such as increased education and advice, there will always be a need to sanction those who flout the conditions of their licence.

Better Compliance Information

- 4.11 The comments in paragraph 4.7 above covering better information on licensing apply equally to TAN's compliance service.
- 4.12 Through TAN 21, TAN has the potential to improve its computer links with DVO agencies such as VI and DVLA. These computer links will eventually enable TAN to cross check its operator records against those of VI and DVLA.
- 4.13 We will also continue to improve our links with the courts and police and establish new links with enforcement agencies and other bodies who can provide information on a wide range of operator/driver offences.

Better Use of Public Inquiries

- 4.14 The Traffic Commissioners and the Department will be looking into ways of making better and more consistent use of Public Inquiries (PI) and Driver Conduct Hearings (DCH).
- 4.15 At present many offences go to court but there is a case for more cases going directly to PI or DCH. This would enable unsuitable operators to be considered by Traffic Commissioners more quickly than at present to the benefit of road safety.



Public Inquiry Room at the Bristol Office

C) ROAD SAFETY – ADVICE AND GUIDANCE SERVICE

- 4.16 We are putting greater emphasis on education and advice to the commercial road industry, as we recognise the role in such initiatives in raising compliance levels.

Seminars

- 4.17 For several years TAN has run educational seminars for operators jointly with the Vehicle Inspectorate (VI). These are well received by the industry.
- 4.18 More recently, we have begun to run industry seminars, again in co-operation with VI, but now also in co-operation with trade associations. These seminars inform the industry about what TAN expects of them in the way they run their operations and will promote the use of TAN21 self service to the industry. This year, we expect to run a significant number of industry seminars throughout the country.

Evaluating TAN Effectiveness in Improving Road Safety

NATIONAL AUDIT OFFICE

- 4.19 We will be discussing with the National Audit Office a possible study of Operator Licensing and enforcement. If a study is undertaken it will help evaluate TAN's performance and shape its future.

MEASURES

- 4.20 To measure the effectiveness of TAN's compliance activities we propose to record the percentage of operators/drivers who are repeat offenders (recidivists); changes in the number of offences detected and growth in compliance/educational activity; and record this on our Balanced Scorecard. (See Annex 3).

Business Objective – Protecting the Environment

- 4.21 We contribute to the protection of the environment by controlling the use of haulage operating centres at environmentally unsuitable or sensitive sites.

HOW ACHIEVED

- 4.22 Applicants for new goods vehicle operator licences and major changes to existing licences must advertise their intentions in the local newspapers. TAN also publishes the information in a journal called 'Applications and Decisions' that is distributed to statutory bodies such as local authorities and the police. Local residents and statutory bodies can object to the environmental impact of a proposed operating centre.
- 4.23 In addition, complaints can be lodged against established operating centres for consideration at a licence's five year review point.

- 4.24 Commissioners will assess the merits of the objections and representations, sometimes holding Public Inquiries to consider cases. Commissioners can respond by:
- refusing new operating centres/ removing established centres; or
 - restricting licences by reducing the numbers of vehicles authorised to operate from centres, cutting centres' opening hours, etc.

IMPROVING ADVERTISING AND INFORMATION SYSTEMS

- 4.25 Through TAN 21, we will make several improvements to the way the advertising system works. Greater access to data on sites for operating centres that are environmentally sensitive is also becoming available to staff.
- 4.26 As TAN builds up its database it will be better able to advise customers which newspapers should be used to insert their application adverts. TAN will also introduce a service to applicants which would provide a draft of an advert they should use. This will improve service to customers and help to avoid costly errors by customers.
- 4.27 We will arrange for customer surveys during the year which should give us an indication of how successful these improvements have been.

EVALUATING TAN ROLE IN PROTECTING ENVIRONMENT

- 4.28 Only 40% of opposed licence applications and applications to vary are granted in full. The rest are either refused or restricted. The existing system of environmental protection around haulage operating centres clearly works, but we are seeking to improve the dissemination of information on applications.

Business Objective – Safeguarding fair competition

- 4.29 TAN contributes to fair competition by:
- a) enforcing the entry standards to the industry;
 - b) helping to prevent unlicensed operators from operating; and
 - c) regulating local bus services.
- 4.30 These activities ensure a level playing field for operators. All operators must attain certain standards to be licensed. Licensed operators should not have to compete with unlicensed operators and bus operators should not engage in unfair competitive practices. There is a supplementary benefit in terms of ensuring bus service reliability.

a) Enforcing entry standards

4.31 The operator licensing system protects operators from having to compete with those who would cut corners by not complying with the standards set for the industry.

b) Preventing Unlicensed Operation (Impounding)

4.32 The Transport Act 2000 empowered the Secretary of State to **impound** the vehicles of illegal operators (those who should have an operator's licence but do not), and to enable abolition of the "margin" concession. This will improve VI's information about vehicles specified on licences.

4.33 An impounding scheme was devised in consultation with the Road Haulage Association, Freight Transport Association and others and VI started impounding goods vehicles in late 2001. Impounding is providing a strong deterrent and it is proving to be an effective sanction against illegal operation.

4.34 The Department intends to abolish the "margin" concession which allows operators to use vehicles, within the total authorised, for up to 28 days without notifying their Traffic Commissioner. Operators will then be required to notify the Traffic Area Office as soon as they acquire a vehicle. However, abolition has been deferred until ways can be found to deal with the administrative burden on the industry.

4.35 The TAN21 programme will introduce systems to facilitate immediate notification of vehicle changes and payment of vehicle fees, including payment by credit card or direct debit.

c) Bus Service Regulation

4.36 Local bus services outside London must be registered with TAN, and operators must provide particulars such as terminus points, route description and timetable. Bus operators are expected to keep to their registered details with Traffic Commissioners having a role in ensuring bus service reliability.

4.37 During 2002, regulations for two small changes have come into effect.

- Firstly, the '5 minute rule' (which allows operators to vary timings of individual services by up to five minutes without notifying the Traffic Commissioner) was abolished for new registrations;
- Secondly, the 42-day notice period for introducing or changing registrations was extended to 56 days.

4.38 A consultation paper will shortly be issued inviting comments on proposals to amend the regulations on registration of local services in England and Wales so as to facilitate the registration of flexibly-routed services, and to make corresponding amendments to the criteria for Bus Service Operators' Grant. Subject to the consultation these regulations should take effect before end March 2003.

- 4.39 Under TAN 21, we aim to deliver for testing by March 2003 an electronic bus registration service which will provide the facility to allow registration data, including timetables, to be supplied by licence holders to TAN and local authorities in an electronic form to aide their public information role.
- 4.40 In addition, Notices and Proceedings (notes used to notify statutory objectors of bus registration applications/changes) will be available:
- on TAN's website;
 - electronically by e-mail
- 4.41 There are plans to move to weekly publication instead of fortnightly.



CHAPTER 5

Business Objective – Work closely with DVO agencies, other partners & suppliers on the principles of ‘joined-up’ government – offering modernised and customer-friendly services

Driver Vehicle Operator Group

- 5.1 TAN is playing a full and active part in delivering the recently launched DVO Strategy to improve the joined-up services of the Organisations within the DVO Group and their delivery to customers.
- 5.2 This consists of the implementation of a forward strategy, recently developed for the DVO Group, taking a 10-year horizon consistent with and in support of the Department’s 10 Year Transport Plan by:
 - Re-designing its delivery of service around the needs and convenience of customers and stakeholders;
 - Making the best use of electronic means of delivery while maintaining existing means of delivery to give greater choice;
 - Implementing a work programme to ensure service delivery becomes simpler, more responsive and flexible; and to meet the government’s 2005 e-enabling target;
 - Ensuring the new projects accepted into the DVO programme contribute to improving road safety, compliance with the regulatory framework and environmental protection; and
 - Commissioning research into the contribution to be made to improving road safety by harnessing the information available to the Group.
- 5.3 The Group, both collectively and on an individual organisational basis, also makes an important contribution to the Corporate Modernisation objectives which includes the Department’s contribution to the Government’s Electronic Service Delivery (ESD) targets for 2005.
- 5.4 The Group is also developing a range of supporting joint strategies covering information systems, communications, estates and human resources.

A BLUEPRINT FOR THE FUTURE

- 5.5 Projects to improve still further the services of the organisations within the DVO Group have been shaped by the development of a DVO Blueprint.
- 5.6 Produced by a team drawn from across each of the DVO Organisations, the Blueprint was drawn up to:
- create a vision and strategy for the development and delivery of relevant 10-year Transport Plan targets; and
 - drive a transformation in service delivery across the group to meet customers' needs.
- 5.7 The DVO Blueprint covers:
- a medium and long term Vision & Strategy;
 - a prioritised work programme showing the key strategic work streams (and their component projects) needed to deliver the Vision and Strategy;
 - a “Balanced Business Scorecard” of measures and targets for the DVO Executive Board to monitor progress towards delivering the Strategy;
 - business models describing current processes and customer services;
 - proposals for the development of new customer services; and
 - proposals for managing change.

TAN'S CONTRIBUTION TO DVO

- 5.8 We will be actively involved in the follow-up DVO implementation work, especially on the projects aimed at the commercial sector. In particular, we will:
- contribute to the work of the DVO Executive Board as a full partner in DVO;
 - help develop and apply cross-cutting DVO strategies in areas such as ICT, human resources and estates;
 - on the strength of the trail-blazing TAN 21 programme, contribute to the development and delivery of DVO e-business;
 - take the lead in driving forward DVO strategic infrastructure projects such as the Commercial Vehicle Portal – an integral part of the common customer interface and supporting data management project;
 - establish and develop links, including self service, with compliance partners and encourage a two-way exchange of information with enforcement agencies;
 - contribute to a DVO Operator newsletter; and
 - participate also in DVO co-ordinated exhibitions.

- 5.9 The DVO Blueprint implementation work will require considerable resource (personnel) contributions from the five DVO Organisations. We will pay due regard to this in allocating our key resources over the year.

ENHANCED PARTNER LINKS

- 5.10 For many years, TAN has had particularly close working relationships with the Vehicle Inspectorate and the Driver and Vehicle Licensing Agency.
- 5.11 In 2002–03, we will strengthen these links by:
- establishing a computer link with VI that allows access to the VI database;
 - building on a Service Level Agreement with VI that sets out accounting services they provide to TAN to enhance our financial performance;
 - considering a joint review with VI of the case for a limited form of self regulation for the industry with a simplified fees structure;
 - holding a joint ‘away day’ event with VI on compliance and licensing issues;
 - sharing the results of VI’s customer survey;
 - playing an active part in VI’s customer focus groups;
 - enhancing computer links between the TAN Business System and the DVLA drivers’ database; thereby improving the operation of the driver conduct process;
 - working with DVLA and VI on how best to use camera technology (automatic reading of number plates) to improve compliance;
 - exploring with DVLA the re-establishment of direct TAN access to the DVLA vehicle database; and
 - establishing a link with DVLA to provide details of persistent VED offenders and “bounced” cheques

ICT SUPPLIERS

- 5.12 We have completely replaced our ICT infrastructure with modern, state of the art, equipment and software. A new ICT support service contract has been awarded to Computacenter. The relationship will continue to develop with regular meetings and contact. Over time, under the DVO partnership process, TAN also hopes to benefit from the opportunities presented by DVLA’s own evolving ground-breaking partnership arrangements (PACT) and VI’s equivalent arrangements with their respective ICT suppliers.

COURTS, CUSTOMS, LOCAL AUTHORITIES AND POLICE

- 5.13 Our partnership policy is to improve our links with the courts, police, Customs and Excise, and other enforcement agencies and organisations to gather more relevant information to assist the compliance process.
- 5.14 Local authorities and the police will be provided with far greater access and search facility of TAN's data and publications to assist them in their role as statutory objectors.

HIRE COMPANIES AND CONSIGNORS

- 5.15 Van and minibus rental companies and consignors will be provided with a new search facility. They will be able to search TAN's website to check that a vehicle hirer holds an operator licence. This should aid compliance.

EVALUATING TAN PARTNERSHIP WORKING

- 5.16 The effectiveness of TAN's activities to improve partnership working will be measured through the Balanced Scorecard. (See Annex 3.)

CHAPTER 6

Business Objective – Run TAN Efficiently and Effectively

TAN 21: Achieving Efficiency

- 6.1 TAN has re-engineered its business services under the TAN 21 programme which is expected to lead to significant service improvement and productivity gains.
- 6.2 Current estimates indicate that the programme should lead to a reduction of 60 posts over the next few years. Although overall costs may rise in 2002–03 – for the reasons explained below in ‘Balancing Fees and Costs’ (paragraphs 8.1 – 8.5) – cost increases will be minimised due to the planned productivity gains arising from TAN21.
- 6.3 As we have explained in previous business plans, the staff reductions do **not** imply closure of any Traffic Area Office or the relocation of significant numbers of TAN staff. We will consult with the Trade Union Side how best to manage this situation. We will also make the most of the time available to redeploy staff and reduce the use of agency/casual staff which will help to minimise the risk of redundancies.

TAN BALANCED SCORECARD

- 6.4 To address all our business issues in an integrated way, TAN has developed a “Balanced Scorecard” approach (see Annex 3). This ensures we balance delivery in the following key areas: customers and partners; financial (stakeholder); internal processes; and learning and growth. The Scorecard will set out new measures of performance for TAN’s re-engineered services that will help achieve the organisation’s objectives.
- 6.5 At the same time, TAN will be participating in the evolving work associated with the higher strategic level DVO Balanced Scorecard and ensuring consistency between the DVO and TAN Scorecards.

REVIEW OF TAN’S BUSINESS SUPPORT SERVICES

- 6.6 In Spring 2002, the Department’s internal business consultants (BIA) started a review of the organisation of our business support services (eg Human Resources and Finance).
- 6.7 This has fed into our own work in looking at our needs as a business, including the interface with the DVO Group, over the next two years.

ACHIEVING CONTINUOUS IMPROVEMENT

6.8 In addition to TAN’s review of its business needs in the short-term, we are engaged in a process of continual improvement through:

- the input of innovative ideas from our 8 National Improvement Teams spanning the key areas of our business; and
- the European Foundation of Quality Management (EFQM) Excellence Model.

National Improvement Teams

6.9 We established the National Improvement Teams as part of TAN’s Change Management Programme covering our key areas of business activity with each team reporting to the relevant National Director.

6.10 These teams have played an important role in recommending improvements in the services we provide and our working lives. The national improvement teams are:

National Improvement Team	National Team Leader	Lead Director
Licensing	N/A	Bill Buckley
Compliance	Colin Flower, STA	John Bannister
Performance Measurement and Learning	Sharon McNair, NW/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 and Health & Safety	Mike Molyneaux, ETA	Ann Godfrey
Human Resources and Staff Development	Tim Hughes, WTA	Ann Godfrey

6.11 In underlining our policy of inclusion, the teams consist of some 8 individuals, aiming for at least one from each TAN Office.

6.12 The teams’ 2002–03 targets are as follows:

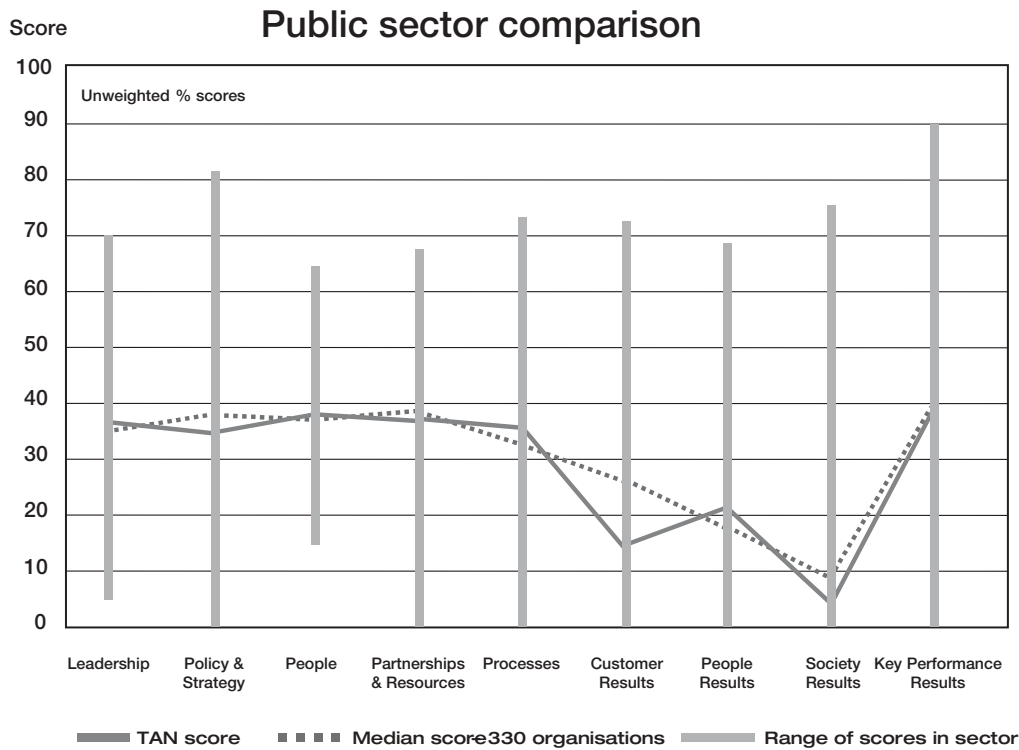
- each team is to produce specific recommendations for improving their areas of business; and
- the licensing and compliance service teams are to update and improve the consistency of TAN working practices and improve customer services.

6.13 The teams’ findings on best practice are posted on the TAN Intranet and help to promote consistency across TAN.

The European Foundation of Quality Management (EFQM) Excellence Model

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

6.15 Our National Improvement Teams have an important part to play in advising the TAN Management Board on how it might raise its score against EFQM criteria.



6.16 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 TAN.

6.17 The 2002–03 targets are as follows:

- re-assess progress against EFQM criteria;
- update EFQM action plan;
- report on implementation of action plan to TAN Management Board;
- send a significant number of staff on EFQM Awareness seminars; and
- produce an annual review of partnership working.

6.18 TAN has developed an action plan aimed at improving performance in the nine main EFQM criteria. The plans will be extended to cover the next three years following surveys of staff and customers in July 2002.

ATTAINING AGENCY STATUS

6.19 Ministers have initially agreed that TAN should move towards agency status or something close to it. A final decision on our future status will be taken when the TAN 21 ICT systems have been installed and “bedded down”.

- 6.20 In the meantime, in support of this objective, we will for the first time, work towards producing the following documents:
- a corporate plan (2003-06);
 - an agency-style draft ‘framework’ document; and, later in Spring 2003,
 - a draft agency-style annual report and accounts (2002–03).
- 6.21 As mentioned elsewhere in this plan, we are also reviewing the structure of the TAN Management Board in the light of our needs as a business, including the interface with the DVO Group, over the next two years.
- 6.22 In addition, we will consider developing agency-style draft ‘key tasks’ for the organisation to achieve. We will also consider commencing a rolling review of a number of areas to see if they meet agency standards, including TAN’s:
- aims and objectives;
 - performance targets;
 - responsiveness to customers;
 - partnership working;
 - business planning;
 - management control and information systems; and
 - budgeting and resource planning.

ACHIEVING A SUITABLE WORKING ENVIRONMENT

- 6.23 During the year, we will continue to take an active part in “Town Plan Schemes” in Birmingham, Eastbourne and Leeds.
- 6.24 These schemes offer significant potential for reducing our current space requirements, joining up with other parts of DfT and Government, and moving into modern, flexible and “greener” accommodation. Current indications are that rental costs of participating DfT organisations would reduce overall but that TAN’s costs would increase. This reflects the relatively poor quality of TAN’s existing accommodation.
- 6.25 As a member of the Bristol Town Plan Scheme, TAN’s Bristol Office will move into a new, environmentally friendly office in Temple Quay, Bristol in May 2002. This is in line with former DTLR’s Estates Strategy and the principles of joined-up government. The Traffic Area Office will share the building with the Government Office for the South West, DEFRA and HM Customs and Excise. The move has resulted in the additional benefit of achieving a significant reduction in TAN’s total vacant space.



TAN's new Bristol office

- 6.26 TAN's Eastern Traffic Area Office in Cambridge office will also be relocating to new offices located in the centre of Cambridge in autumn 2002.
- 6.27 We will continue to develop our 5 year accommodation works plans to assist in planning, particularly financial planning, and to seek opportunities to sublet surplus accommodation. By the end of the plan period, we hope to have achieved a substantial reduction in surplus space. A Travel Plan has been produced for the Leeds Office, in line with Departmental policy. The Working Environment national improvement team will now consider travel issues in relation to the other Traffic Area offices.
- 6.28 During the year, we will raise the profile of health and safety by:
- issuing a supplemental Health and Safety Policy Document to staff;
 - adopting a TAN-wide uniform approach to health and safety policies and procedures;

- arranging for the Department's Occupational Health and Safety Unit to visit each Traffic Area Office to give a presentation; and
 - ensuring health and safety training is updated in all offices.
- 6.29 A sub-group of the Working Environment national improvement team has been established to take forward health and safety issues.

MONITORING SICK ABSENCE LEVELS

- 6.30 The Department has set targets for reducing sick absence across the Civil Service as a whole, that require reducing:
- current levels of sick absence to 7.9 average working days per staff year; and
 - future levels of sick absence to 6.9 average working days per staff year (by December 2003).
- 6.31 These targets are below current levels of sick leave in TAN and we will need to address this issue in consultation with the Department's Occupational Health and Safety Unit.

CHAPTER 7

Business Objective – Increase job satisfaction of TAN staff by equipping them with the knowledge and skills necessary to enable them to perform their work effectively

- 7.1 Our greatest asset is our staff and we are committed to ensuring they are properly managed, trained and their potential realised.

CULTURE CHANGE

- 7.2 We are engaged in a process of culture change aimed at developing a less hierarchical, command and control, management system and thereby releasing the creative energies of all staff.
- 7.3 This process includes EFQM and TAN's National Improvement Teams. (Details are given at Chapter 6.)
- 7.4 Under TAN 21, operational staff (licensing and compliance) were reorganised to work in self-supporting teams that are based on the creation of a shared understanding, commitment and responsibility, fostering continuous learning and where everyone is encouraged to contribute ideas for process improvement.
- 7.5 Performance measures will be monitored at team level. Additionally, TAN's Human Resources National Improvement Team will begin developing a distinctive TAN culture based on self-supporting teams.

TRAINING AND DEVELOPMENT

- 7.6 We aim to continue to develop staff skills and competencies in order to provide the organisation with new capabilities to offer information and advisory services that will be increasingly expected by the public, industry and other bodies.
- 7.7 All TAN's operations and procedures have been affected by the introduction of the new information systems, some of which have still to be made operational. As a result, staff training and development in using these new systems continues to be a major requirement. Training and Development will not only encompass IT competencies, but also address the need to make sure that every member of staff is aware of changing business priorities. These issues will be covered in TAN's Training and Development Plan.

KNOWLEDGE MANAGEMENT

- 7.8 We aim to use our Intranet to provide our staff with the knowledge they need to perform their work effectively.
- 7.9 This will be a key year in raising the profile and use of the TAN Intranet throughout the organisation. Each office and the National Improvement Team has its own 'Content Publisher' to keep the Intranet up to date. The Knowledge Management national improvement team will regularly review contents and usage.

INVESTORS IN PEOPLE

- 7.10 TAN continues to play its role in the implementation of IiP principles, including a commitment to develop staff in order to achieve the organisation's aims and objectives. We will be working towards IiP accreditation for the new DfT(c) in 2003.

DIVERSITY TRAINING

- 7.11 We will continue to develop and implement TAN's Diversity Action Plan in pursuit of more harmonious workplaces where staff are able to flourish and are supported by suitable structures (eg teams).
- 7.12 The objectives of the Diversity Action Plan are to:
- promote an environment free from discrimination;
 - promote equal treatment of part-time staff regardless of grade or employment status;
 - promote feedback that encourages participation and ideas; and
 - improve communications with all staff.
- 7.13 Attainable targets are being developed for each objective. For instance, we will arrange the timing of training and events better to suit the needs and aspirations of TAN's part-time staff.

INTERNAL COMMUNICATIONS

- 7.14 Last year, we surveyed our staff to gauge their levels of satisfaction for the purposes of both EFQM and Investors in People. The surveys indicated that TAN needed to improve its internal communications.
- 7.15 We therefore intend to:
- develop further a programme of visits by national directors and business planners to local offices to communicate emerging plans and strategies and to demonstrate new systems stemming from the evolution of the TAN 21 ICT Programme;

- make better use of the Intranet and take other opportunities to explain policy developments to staff;
 - ensure effective and rapid internal communications within the organisation and use other communication approaches, eg formal ‘launches’ of plans, posters, leaflets, plan summary booklets;
 - encourage wider participation in the planning process; and
 - promote monthly team meetings throughout the TAN.
- 7.16 TAN produced a Summary Booklet on last year’s Business Plan that was circulated to staff together with a survey questionnaire. A representative response received indicated that the Booklet is a useful way of keeping staff informed.
- 7.17 In addition, the new Head of TAN will visit each Traffic Area Office by the end of June. She is meeting staff and finding out about their ways of working and their aspirations for themselves and the organisation. She will devise a regular programme of visits throughout the year to meet the needs of TAN and its staff.

MANPOWER PLANNING

Human Resource System

- 7.18 If the decision is taken to move TAN to agency status, we may need to purchase a Human Resource system. In the meantime, we will be developing manual systems to assist in manpower planning, pay modelling and identifying training needs.

Review of posts

- 7.19 Once TAN 21 has ‘bedded down’, we expect to commence an evaluation of the grading of newly designed posts. Many posts in TAN can be described as being newly designed.

Employee Relations

- 7.20 We intend to maintain the momentum of the good working relationship that has been cemented with the Trade Union Side and we will work towards improving this relationship. We will continue to consult the TUS as required and keep them informed of developments at the outset.

Staff Opinion Survey

- 7.21 During the summer, we will conduct a TAN specific staff opinion survey, with a view to communicating the findings to everyone and producing an action plan based on those findings by the end of the financial year 2002–03.

Evaluating TAN Staff Satisfaction

- 7.22 To measure the effectiveness of TAN’s activities to improve staff satisfaction we have recorded them on the Balanced Scorecard. The high level Scorecard is shown at Annex 3.

CHAPTER 8

Business Objective – Achieve sound finances for running TAN’s business activities

FINANCIAL RESOURCES

Balancing fees and costs

- 8.1 We are 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).
- 8.2 Administrative fees are intended to cover TAN’s 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 DfT(c).
- 8.3 TAN has estimated that its full costs in 2002–03 will amount to some £16.4 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 our management structure to equip the organisation for the future.
- 8.4 In line with the move towards Resource (accruals) Accounting throughout Government, financial figures given in this plan are expressed in resource terms.
- 8.5 The Treasury expects TAN to aim to recover its costs through the administrative fees collected. A consultation exercise on fees is being undertaken which may lead to the first fees increase since 1996.

Moving to a self-financing regime

- 8.6 We aim to move to a self-financing regime, possibly a Trading Fund at some point in the future.
- 8.7 An important step to achieving this is to bring income and costs into line, which is likely to take a few years. 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 TAN’s accounts.

New Finance System

- 8.8 TAN’s new Finance system will enable us to:
 - utilise the system’s budgeting and forecasting tools with a view to improving financial controls; and

- improve management accounting data to enable benchmarking comparisons to be made across TAN.

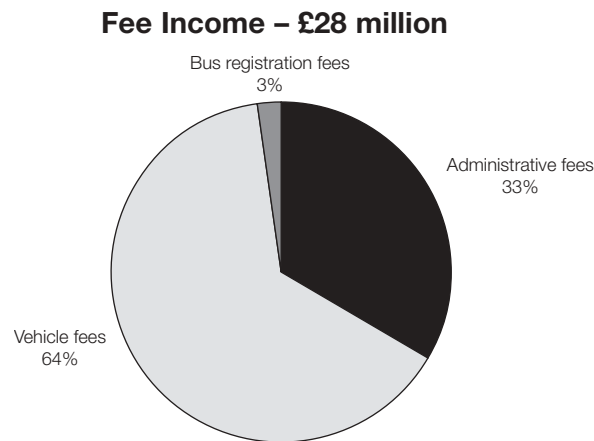
8.9 We are allocating TAN budgets on a directorate rather than a Traffic Area basis. The new Finance system would make this significantly easier.

Organisation

8.10 To support the new Finance System, we will consider establishing a new National Improvement Team for Finance.

Forecast Income

8.11 The sources of our income are shown in the following chart.



8.12 Vehicle fees are used to fund enforcement activity by VI.

Capital Investment Plan

8.13 Our major investments in ICT were completed this year under TAN 21 but there will inevitably be a need to enhance these systems in future years – see Chapter 3, ‘Customer Services: Consolidate TAN 21’.

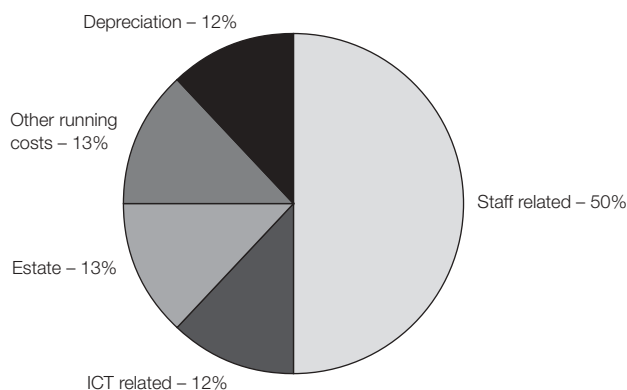
8.14 We will also be relocating our Bristol and Cambridge offices this year – see Chapter 6 ‘Achieving a Suitable Working Environment’.

8.15 Furthermore, we may need to develop our HR systems as we prepare for agency status.

8.16 Details of our capital investment programme over the next two years are provided as follows:

Description	2002-2003 £	2003-2004 £
IT Related Spend		
System development, refresh programme and improvement to ICT network		
Sub total	417,500	670,000
Other Capital Works		
Eastbourne estate works	108,000	40,000
Birmingham estate works	45,000	37,500
Cambridge estate works	392,000	0
Leeds estate works	100,000	125,500
Bristol estate works	3,500	0
Sub total	648,500	203,000
TOTAL	1,066,000	873,000

Expenditure plans 2002–2003 – £16.4 million



8.17 Expenditure plans cover TAN staff, accommodation, IT and other running costs and payments, depreciation and cost of capital.

8.18 In addition, TAN is taking a lead role in developing the DVO project on the Commercial Vehicle Portal, which is part of the wider DVO Common Customer Interface Project.

Description	2002-2003 £	2003-2004 £
DVO Interface (Commercial Vehicle Portal)	750,000	

PRESSURES

Statutory Requirements

8.19 The majority of our spending is incurred in the delivery of statutory demand led services to the road transport industry.

8.20 While our 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 50% pay; 12% depreciation, 13% estates and 10% contractually committed.

Traffic Area Network

- 8.21 During the year, TAN intends to explore options for providing customers with a service capability presence in Wales. This will be considered in conjunction with the review of English Traffic Area boundaries.

Opening Hours

- 8.22 Electronic self-service through the TAN 21 ICT systems will be available to customers almost 24 hours a day and 7 days a week.
- 8.23 However, we recognise that many of our customers will continue to do business through conventional channels (eg post, telephone and face to face ‘over the counter’). Our services will therefore continue to serve the needs of all our customers.
- 8.24 Some of our DVO partners already offer their customers extended opening hours, especially in the evening and at weekends. TAN will explore the scope for this over the plan period as well as exploring with DVO partners the scope for one-stop-shop services.

Extra Driver Conduct Casework

- 8.25 DVLA currently notify TAN of about 15,000 cases a year where vocational drivers have committed offences (typically when drivers have 9 or more points on their licence). The Traffic Commissioners then decide whether drivers are fit to retain their vocational licences.
- 8.26 The increasing use of roadside and mobile safety cameras could lead to DVLA notifying us of far more cases. In addition, the build up of non-endorsable offences data on TAN’s Business System will lead to an increase in the number of conduct cases instigated in Traffic Area Offices. We will consider the implications this has for case clerk workloads.

Maintaining Records

- 8.27 TAN will make plans for electronic records management for implementation over the next two years.

CHAPTER 9

Risk analysis and management

Business Continuity Planning

- 9.1 In the aftermath of 11 September, and as a consequence of the TAN21 change programme, TAN will keep its business continuity plans under continuous review.

RESPONDING TO CHANGES IN THE BUSINESS ENVIRONMENT

- 9.2 TAN currently has limited scope to reduce costs in response to changes in demand for its services.
- 9.3 In order to increase our flexibility – which will be essential were TAN to move to a self financing regime – we plan to:
- (a) continue to keep the fees structure under review to bring TAN's income and costs into line;
 - (b) 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);
 - (c) explore the scope for flexible working; and
 - (d) fully utilise our ICT assets and staff skills to enable us to take full advantage of ‘wider markets’ activity.
- 9.4 Maintaining an adequate level of temporary staff also increases our flexibility to reduce costs in response to a downturn in demand. Conversely, hiring temporary staff enables us to respond cost effectively to short-term pressures.

TAN INCOME

- 9.5 TAN wishes to become self-financing which means we will have to rely on our income in future to cover all our costs.
- 9.6 We are developing a business forecasting model to help us to plan for likely changes in demand and income.
- 9.7 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.

TAN'S ESTATE

- 9.8 The Town Plan Schemes (see chapter 6) are high profile projects led by professional teams.
- 9.9 The Schemes should improve our ability to either dispose of or sub-let parts of the TAN estate in response to changes in the pattern for our services. TAN's increased use of modern 'managed' buildings should improve the reliability of essential services.

ICT SYSTEMS

- 9.10 We have completed the replacement of our ICT infrastructure with modern, state of the art, equipment and software.
- 9.11 A new ICT support service contract has been awarded to Computacenter who have worked closely with TAN to produce comprehensive contingency and disaster recovery plans. System performance will be continuously monitored and adjustments made to reflect demand.
- 9.12 TAN and its support contractors will regularly review technological advances that may offer future improvements in service delivery and performance.

RISK REGISTER

- 9.13 During the planning period, we will begin developing an initial corporate risk register and use the 2002–03 period to ensure that the risk management process is fully embedded throughout the organisation.
- 9.14 This will involve:
- developing a clear risk identification process;
 - integrating risk assessments and management into the planning cycle and project programmes; and
 - increasing the visibility of monitoring and review activities.

ANNEX 1

Planning Assumptions

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

- the regulatory framework of the operator licensing and compliance systems will remain broadly in their present form;
- levels of licensing activity will remain stable;
- the new TAN 21 computer systems will have been fully rolled out across the network & be operating effectively;
- TAN will participate fully in implementing the DVO Blueprint (Strategy & Work Programme), in partnership with other DVO Organisations;
- TAN will remain in the same geographic locations;
- we will need a Head of Office in each location;
- TAN will be part of DfT(c) for the planning period but during this time Ministers will make a decision on our future status;
- levels of devolved powers will remain as now;
- customers will gradually take-up the option of dealing with TAN electronically while recognising that others will wish to do their business by traditional methods (post, telephone and over the counter).

ANNEX 2

Service Standards

TAN's Management Information System is currently being installed. TAN intends to use statistical information from their Business System as the basis for setting service standards from 1 October 2002.

ANNEX 3

The Basis for 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 4

Public Service Agreement

The following extracts from former DTLR's Public Service Agreement with the Treasury will impact on 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";
- 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 at least 98% of undisputed invoices within 30 days of receipt in 2002–03 (Annex 2)
- establish a capability for delivering 100% of customer services electronically before 2005
- have its sick absence levels monitored monthly against DfT's targets during 2002–03

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.

Notes

Only the first two standards require additional monitoring within TAN (see Annex 2).

During the coming year, 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

Summary of TAN Estate Information

Property	ALAm ²	Lease Expiry	Lease Breaks	Occupation Status	Other Comments
Hillcrest House Leeds	1848	24.12.2006	20.6.2002	Leasehold	Participating in DfT relocation scheme in Leeds.
Cumberland House, Birmingham	994 Occupied 400 Vacant 1394 Total	28.9.2004	None	Leasehold Minor Occupier	MOTO expires on lease break. Minor letting to a unit of former DTLR. Participating in DfT relocation scheme in Birmingham
Terrington House, Cambridge	1070	23.6.2002	24.6.2000	Leasehold	Moving in autumn 2002 to City House Cambridge.
North Wing, 1st floor, City House, Cambridge	976	2022	2012	Leasehold	TAN hopes to be in occupation at the end of autumn 2002.
The Gaunts House, Bristol	1,295 Occupied 1,291 Vacant 2,586 Total	28.6.2002	None	Leasehold Major Occupier	TAN vacates in May 2002 – moving to Temple Quay, Bristol
2 Rivergate, Temple Quay, Bristol	872	2022	N/K	Leasehold Minor Occupier	Relocating to this new “Town Plan scheme” building in May 2002.
Ivy House, Eastbourne	TAN 1127 NCSC 644 Total 1,956	28.3.2010	29.3.2007	Leasehold Major Occupier	NCSC moved in as a sub-tenant on 31 March 2002. Participating in discussions about the possibility of a South East relocation scheme.
Argyle House, Edinburgh	1160	2018	None	Leasehold Minor Occupier	MOTO expires on 31.3.2006

Property	ALAm ²	Lease Expiry	Lease Breaks	Occupation Status	Other Comments
Caradog House, Cardiff	MOTO 807 total 218 173 Vacant 416 (204) (Subject to re-measurement)	28.9.2020	28.9.2012	Leasehold Minor Occupier	Minor let to Meat Hygiene Service. Minor let to the Electoral Commission.
Total ALA April 2002	7,494 Occupied 2,107 Vacant 9,601 Total				
July 2002	6,977 Occupied 816 Vacant 7,793 Total				
Footnote: At the beginning of 2002/03 half of TAN's vacant space was at Gaunt's House, Bristol which will be vacated in early May 2002 under the Town Plan Scheme (see chapter 6).					

Abbreviations and Definitions

Abbreviation	Definition
ATCO	Association of Transport Co-ordination Officers
CPT	Confederation of Passenger Transport
DTLR	Department of Transport, Local Government and the Regions
DSA	Driving Standards Agency
DVO	Driver, Vehicle and Operator group
DVLA	Driver and Vehicle Licensing Agency
HGV	Heavy Goods Vehicle
IIP	Investors in People
ICT	Information Communication and Technology
LGV	Light Goods Vehicle
'O' Licence	Operator Licence
PSV	Public Service Vehicle
TAN	Traffic Area Network
TUS	Trade Union Side
VCA	Vehicle Certification Agency
VED	Vehicle Excise Duty
VI	Vehicle Inspectorate