Chief Executive's message

This Business Plan sets out our commitment to replicate and build on our strong performance in 2010-11. It is an ambitious plan which includes more electronic services, more channel shift, significant reductions in running costs and, at the same time, delivery of our core driver, vehicle and enforcement business.

In the last year the Agency handled millions of transactions and enquiries – all within set targets – and collected almost £6billion for the Government in Vehicle Excise Duty.

Over recent years we have been pressing ahead with a reform programme to take us from a predominantly paper-based business to attractive and secure on-line services which are digital by default. The last 12 months have seen higher than ever take-up of the transactions currently available electronically: 50% of vehicle licensing transactions and 30% of driver licensing applications were completed on-line. This represents 90% of electronic payments made to central Government. During 2011-12 we will continue, and indeed accelerate, this channel shift programme in step with priorities and pressures faced by our sponsors in the Department for Transport and wider Government.

Where transactions have to remain off-line, we are resolute in our plans to increase efficiency.

The Agency is already doing more with less and maintaining the same service quality levels. Although, there has been some recovery in the last financial year, income levels have not fully recovered to where they were before a significant drop in 2007. We do not anticipate full recovery in the coming year but the action we took in 2007 introduced a flexibility that has stood us in good stead.

In this Business Plan, the Agency commits to taking the first stride in a four-year plan to reduce operating costs by £100m a year by the end of 2014-15 (compared to our 2010-11 baseline). It is an ambitious plan – especially given that we have already delivered £87m in efficiencies over the last three years – but one I know we will deliver.

Safe in the knowledge that DVLA's committed and skilled staff will rise to the challenges it will present, I look forward with considerable confidence to the year ahead.

Simon Tse

Accounting Officer and Acting Chief Executive
DVLA
March 2011