



Vehicle
Certification
Agency

2022-2023

The Vehicle Certification Agency Business Plan

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NON-EXECUTIVE CHAIR'S INTRODUCTION

As Non-Executive Chair for the Vehicle Certification Agency (VCA), I'm pleased to introduce its Business Plan for the 2022-23 financial year. It sets our plans and targets for the year ahead and describes how we will measure our performance against them.

Central to the plan is an ambitious business transformation programme that will provide new and improved digital services for customers and staff. This transformation will improve the efficiency and effectiveness of our services and significantly enhance the ways in which our customers will be able to interact with us. I very much support this transformation and the enhancements it will bring, and it has been excellent to support the Executive Team and their staff with their diligent work in designing and planning this complex programme. The organisation has not only taken great steps to improve its underlying IT infrastructure, but it has also significantly improved the way it approaches change generally. Both of these elements will play an important part in the success of the programme I am sure.

Given the specialist nature of the work carried out by the VCA, it continues to grow its capability and capacity in response to evolving technologies, both in terms of connected and autonomous vehicles and alternative fuels. The Agency has now built the base of an expert team in these evolving fields and is playing a valuable role in the UK and the International agenda in helping to evaluate and then phase in these technologies in a safe, responsible way. It has been great to see the progress made to date and this plan outlines how this will continue at pace over the coming year. The VCA has a strong and respected voice in this area and will use this to help inform our approach to change over coming years.

I look forward to supporting the team to realise the ambitions and deliverables outlined in this plan. I will do so with the help of my non-executive colleagues, and I'm also pleased to welcome a new non-executive director to the team, Gary Dixon. Gary joined us in November 2021 and brings a wealth of experience to the role.

Clive Scrivener
Non-Executive Chair

CHIEF EXECUTIVE'S FOREWORD

Welcome to the Vehicle Certification Agency (VCA) Business Plan for 2022-23.

During the last year we have continued to respond to the challenges presented by COVID-19. Demand for the services we provide has stabilised after some fluctuation, and we have worked hard to support this. I continue to be impressed by the way staff throughout the organisation have responded, embracing new technologies and ways of working to ensure that we deliver our services in the best way possible.

The 2022-23 financial year looks set to be exciting and challenging in equal measure, as we aim to deliver on some important objectives.

A key objective over the coming year is to take the next step in our digital journey. In recent years we have significantly enhanced our IT platform, which has made us more resilient as well as giving us a great platform to develop our digital services. As a result, we have now embarked on an ambitious transformation programme aimed at significantly improving user experiences for our customers and staff. We aim to complete the second tranche of the programme by the end of the financial year, and this will deliver a number of improvements and efficiencies.

During the financial year we will support the Department with the introduction of the full Great Britain (GB) vehicle type approval scheme, including helping to ensure that industry is ready for this change. This will be one of the first areas to benefit from some of our digital transformation work, which will deliver real improvements.

Technology in the automotive field continues to evolve at pace, and in turn, we continue to build our capability and capacity to ensure that we have the right skills in place at the right time to provide the guidance and certification that industry needs. Our dedicated connected and autonomous vehicle unit continues to grow, acting as a knowledge hub in this area, not just across the Department and Agencies but across wider government. In tandem with this, we will ensure that we provide an environment where new and existing staff can thrive and develop to their full potential.

This plan outlines our ambitions in more detail and sets the tone for what I believe will be an exciting period in the development of the organisation; I really look forward to leading it through this.

PIA WILKES CBE
Chief Executive and Accounting Officer

WHO WE ARE AND WHAT WE DO



Vehicle Certification Agency

- 1.1** The Vehicle Certification Agency (VCA) is an Executive Agency of the Department for Transport (DfT) and part of the Motoring and Freight Directorate, through which it receives its corporate sponsorship.

VCA performs a number of core activities:

Vehicle Type Approval

- 1.2** As the UK Type Approval Authority for new on and off-road vehicles, systems and components, VCA is responsible for approving that these have been designed and constructed to meet national and international standards for safety, security and environmental protection.

VCA takes its policy lead from the DfT, through the International Vehicle Standards Division (IVS), part of the Future Transport Systems and Environment Directorate. Some environmental policy lead comes from the Office for Zero Emissions Vehicles (OZEV).

Conformity of Production (CoP)

- 1.3** This is an integral and essential part of the certification process and approval cannot be granted without adequate CoP arrangements being in place. CoP provides confidence to industry, government and consumers that vehicles or components covered by the regulations are manufactured in accordance with the approved specification and that measures are in place to ensure ongoing compliance.

The CoP process involves an initial evaluation of manufacturing quality processes to ensure that each product is built in accordance with the approved specification. Ongoing conformity is assessed throughout the manufacturing life of a product. This will involve manufacturing site visits and reviewing relevant records. Where evidence of non-compliance is discovered, this will be rigorously investigated, and the appropriate steps taken to ensure conformity is restored.

We recognise the importance of a robust regime which ensures that all new vehicles are safe, reliable and deliver the expected environmental performance. Where concerns of non-conformity are raised through non-CoP related activities such as “whistle blowing” we will take all reasonable actions to investigate the non-conformance and where necessary take action to bring the vehicle, system or component back into conformity; and where appropriate work with other agencies to ensure a product remains in conformity. We are clear that only fully compliant vehicles or components should be offered for sale. Where non-conformance occurs, the manufacturer should rectify any

issues at the earliest opportunity, in accordance with the relevant provisions of the type approval legislation. Where a manufacturer cannot or will not take the necessary steps to bring products back into conformity, VCA may suspend the Conformity of Production status. This suspension would prevent vehicles being registered. Ultimately steps may be taken to withdraw an approval, in accordance with the relevant type approval legislation.

Market Surveillance

- 1.4** The Government is committed to enforcing vehicle safety and environmental standards. A Market Surveillance Unit exists within the Driver and Vehicle Standards Agency (DVSA) to check that vehicles and components available on the UK market comply with the legislative requirements to which they were approved.

VCA plays a significant role in providing expert engineering resource to support this work. This will continue in 2022-23, ensuring that the right skills are available to support constantly evolving standards and technology.

Certification of Dangerous Goods Packaging

- 1.5** The VCA also administers the operation of a scheme for the certification of packaging used for the carriage of dangerous goods in the UK. Each mode of transport has its own set of International Regulations, but all use packaging as defined in the United Nations (UN) recommendations for the transport of dangerous goods. The requirements for approved packaging are put into effect by separate Statutory Instruments. The team is also responsible for the appointment of suitable test and inspection bodies to conduct initial and periodic inspections of tanks and pressure receptacles in accordance with the regulation on the carriage of dangerous goods on the road ("ADR"), carriage of transportable pressure equipment TPED and the UK carriage regulations. It also operates a telephone and email enquiry service on behalf of the Department and undertakes several other functions in connection the UN based dangerous goods transport regulations.

Civil Traffic Enforcement

- 1.6** Based on other core expertise, VCA provides a certification service to local authorities who wish to operate bus lane and parking enforcement camera systems. This involves the evaluation of Technical Construction Files (TCFs) to assess compliance with the relevant requirements, with the ultimate aim of ensuring the integrity of evidence gathered using such systems. This service also covers authorities in Wales and the Highways England Thames Link Crossing at Dartford.

Data Provision

- 1.7** The VCA collects and publishes fuel consumption, CO₂, noise and regulated pollutant data for new cars, underpinning the Vehicle Excise Duty and Company Car Tax schemes. Accessed through GOV.UK, the data tools continue to be popular with consumers, with approaching 1 million users over the last year alone. This supports Government's strategic drive to reduce exhaust emissions by providing consumers with the information they need to make informed choices.

Average Emissions Monitoring

- 1.8** We have been nominated by the Secretary of State for Transport to manage the collection and processing of average CO₂ emissions data for both Light Duty Vehicles (LDVs) and Heavy Duty Vehicles (HDVs). This supports the drive to improve the efficiency of new vehicles, and the Government's ambitions in transport decarbonisation.

PLANS FOR 2022-23



The table at 2.4 highlights the main performance measures that VCA has agreed with the Department for 2022-23. The following sections explain in more detail the specific actions we will take to deliver against those objectives.

Changing our Agency

2.1 Continue to take forward the Government Digital Strategy

We continue to drive forward our plans to deliver new digital tools and systems to ensure that services are delivered as efficiently as possible and provide a great user experience. During 2021-22, we completed the scoping work for an ambitious transformation programme and have now moved into the delivery phase. The programme is broken down into 3 tranches, and the first two of which will be completed by the end of March 2023. Allied to this, our processes will evolve to keep pace with new ways of working. The programme will result in significant improvements for customers and staff alike, establishing a great platform for the future.

Our services

We have a critical role to play in ensuring that vehicles and their systems and components meet internationally agreed standards, providing confidence to consumers and regulators alike.

2.2 Product Certification

Demand for our core certification activity has returned to typical levels following the impact of the COVID-19 pandemic. During this financial year we will continue to work with policy colleagues to implement the full GB type approval scheme, engaging with industry and other stakeholders to support readiness. In addition, we will continue to grow our skills to adapt to an ever-changing technology landscape. Our product certification area is expected to significantly benefit from improvements derived from systems and tools enhanced as part of the wider organisation transformation agenda.

2.2.1 Connected and Automated Vehicles

By 2035, it is estimated that 40% of new car sales will have self-driving capability. To realise this ambition the trialling of this technology and introduction of the first mass production automated systems in the marketplace has to be completed safely and securely. This will be crucial for consumer confidence and acceptance. Certification and approvals will play a key role in ensuring this.

We are ideally positioned to lead in the delivery of Connected and Automated vehicle approval services at national and international level. To do this we need to set the foundations for a dedicated, highly skilled Automated Vehicle Technology engineering group to engage in policymaking, provide technical scrutiny at the approval authority level, and be primed to deliver CAVPASS certification services for connected and automated vehicle trials in the UK. In 2019, we set up a dedicated Automated Vehicle Technology Group (AVT) to support these ambitions. Based on those foundations, during 2022 we will continue to expand the AVT team while starting to grow the wider Agency to establish our capacity in the following areas:

- Safety Acceptance, including Functional Safety and Safety of Intended Functionality – to lead and develop VCA knowledge of risk analysis in multifunctional automated systems.
- Cyber Security – to support the development of legislation and ensuring manufacturers provide safe and secure software.
- Physical Testing – to obtain objective evidence of vehicle performance in complex scenarios.
- Verification and validation – to ensure systems perform and react as intended in all conditions and according to simulation.
- Regulatory – to support the development of National and International legislation.

We will also take the first steps to understand how to achieve assurance for automated systems that apply Artificial Intelligence and Machine Learning.

This will be supported by an engineering team that will make the VCA a world class approval authority in the connected and automated vehicle arena now and in the future.

2.2.2 Quality

We recognise the importance of accredited management systems, as evidence of transparent operations. This is important to give our stakeholders trust and confidence in what we do.

We have previously gained accreditation to ISO 17025 for our laboratory operations, and ISO 17020 for our inspection activities. These valued accreditations will be maintained during 2022-23.

In addition, 2022-23 will see the implementation and accreditation to ISO 17021. This is a requirement for undertaking Conformity of Production activities for the new full Great Britain (GB) type approval scheme.

Our last business plan saw a commitment to work towards ISO 17065 accreditation. During 2022 – 23 we will seek to gain accreditation to this standard in particular to support the certification of Automated Vehicle Technologies. This implementation will run in parallel to the ISO 17021 project.

To support our quality management system the agency's internal quality and audit teams have been expanded to support the delivery of the 2022-23 audit plan.



Finance and Efficiency


2.3 Finance

Demand for our services has increased following some fluctuation as a result of the impact of the COVID-19 pandemic. However, now that demand is returning to typical levels our aim is to cover costs and breakeven in this financial year.

The agency's governance arrangements reflect best practice and give confidence we use our resources efficiently, embracing functional standards to support continuous improvement within the agency and to meet our strategic priorities.

2.4 2022-23 Key Performance Measures

Category	VCA measure	In 2022/23
1. Changing our agency 	1.1 Actively progress the Government ICT and Digital strategies by using ICT to commence delivery of a wide-ranging programme of change, including: <ul style="list-style-type: none"> Delivering the second tranche of the Agency business transformation programme, drawing on the proof-of-concept work completed as part of the first tranche. Tranche 2 to be completed by the end of March 2023 Conclude VCA's operating model for digital initiative, including implementation of a new organisational structure within the team by February 2023 	31/03/2023 28/02/2023
	1.2 Continuing to build on our existing successful engineering graduate scheme we will: <ul style="list-style-type: none"> Achieve formal Institute of Engineering and Technology (IET) accreditation for an updated and improved scheme 	31/03/2023
	2. Our services 	2.1 VCA Type Approval Certificates to be issued no later than 10 working days from technical clearance unless a longer period has been agreed to meet manufacturer's expectations. Certificate issue is predicated on appropriate Conformity of Production (CoP) arrangements being in place.
	2.2 Externally audited test reports deemed to have no critical defects.	99%
	2.3 Conformity of Production (CoP) –	

	<ul style="list-style-type: none"> • New type approval certification applicants that do not hold suitably accredited quality certification (ISO 9001/TS 16949), or a suitable compliance statement is subject to a CoP audit before type approval certification is issued • Existing type approval certificate holders that do not hold suitably accredited quality certification (ISO 9001/TS16949) or a suitable compliance statement are contacted and offered surveillance audit dates before clearance expiry (in line with the VCA risk-based approach) • Existing type approval certificate holders that do hold suitably accredited quality certification (ISO 9001/TS 16949) or a suitable compliance statement are contacted before clearance expiry to review their ongoing Conformity of Production (in line with the VCA risk-based approach) • For VCA type approvals, where evidence of a product being produced is out of conformity, VCA will initiate an investigation as soon as possible and no later than 8 days, to understand the root cause of the failure and work with the manufacturer to introduce preventive and corrective action with agreed timescales in accordance with the relevant regulation or directive and in any case as soon as possible. Where the manufacturer refuses or cannot bring the vehicle back into conformity the VCA will take action to withdraw the approval 	100%
	2.4 VCA customer satisfaction survey score to be 90% or higher.	90%
	2.5 VCA will achieve ISO accreditation to ISO17021 and ISO17065. This work will support the agency's ambition to continuously improve and ensure robustness of its work.	31/03/2023
3. Financial responsibilities 	3.1 Agency Finance - Deliver the financial performance outlined in the Business Plan for the 2022-23 financial year.	Breakeven 31/03/2023
	3.2 Sick Absence - Ensure average number of working days lost to sickness absence does not exceed 6 days per FTE.	6 Days

DELIVERING THE PLAN



3.1 Human Resources

We will continue to build on our current people processes in alignment with the wider Government HR strategy and in support of the Civil Service core values and the Brilliant Civil Service vision.

As part of this we will maintain strong relationships with the Department and its agencies, sharing best practice and working collaboratively to provide a great place to work. This collaboration has been key to the way we have successfully navigated through the COVID-19 pandemic and will also be key to shaping the future HR landscape in terms of flexibility of working.

A number of training and development streams have been used to empower our leaders and develop our teams, always improving and equipping our staff to provide the high-quality service expected of us. We will continue to draw on these initiatives but also unite them to provide a focused staff development agenda tailored to the agency's ever-changing needs.

We understand the great development opportunities that apprenticeships can offer our staff and the variety of ways that they could be used within the agency. Building on our progress from last year, we will continue to promote apprenticeships across the VCA by creating a dedicated apprenticeship intranet page. This will engage managers and staff around the benefits of apprenticeships and provide simple steps on where to start.

The progression of the Information Technology (IT) and Digital Strategies will help HR to improve the functionality and efficiency of its service platforms. Over the last year we have worked to develop our HR digital platforms to provide additional advice, guidance and content during the pandemic and this has been invaluable. This work is ongoing so that we continually improve our user experience and functionality.

The recent COVID-19 pandemic has required us to work in different ways, it has challenged us to better use technology to enable us to continue to deliver our services and provide support to our staff. Recent events have seen a significant increase in remote working, and this has worked very well. We will be looking at how this experience can be built into our overall approach to flexible working going forward.

Throughout the next financial year, we will continue to focus on the Future of Shared Services (FOSS) project, ready for implementation in the summer of 2023. The HR team will carry out a series of change impact assessments and gap analysis exercises, to support the creation of a detailed training plan for our line managers and employees.

During 2020 our intranet hub was updated, and this gives us a great platform to provide our staff with much improved access to our HR news and guidance updates. Over the next year we will continue to build on the HR element of the site, providing enhanced guidance on recruitment, learning and development and wellbeing. The intranet provides a live communication stream for people news, initiatives, and success stories, allowing all VCA staff to be involved, no matter where they are.

One of our biggest focuses over the past year has been to ensure the health and wellbeing of our people during the pandemic. The pandemic has affected people in many different ways, and this has been well documented. To support our staff, we put in place various wellbeing initiatives including online mental health fitness sessions, the provision of mental health guidebooks to all employees, and online sessions highlighting what support was available from our employee assistance provider. We also improved our wellbeing intranet pages highlighting information relating to our mental health first aiders, tips on maintaining wellbeing and where to go if staff were struggling.

In order to maintain, and where necessary grow our workforce, we have worked to improve our recruitment processes. An example of this has been the successful adoption of online only recruitment processes due to the pandemic. This has been a great learning curve for hiring managers and candidates alike.

A job evaluation and grading panel has been established to provide a rational basis for the maintenance of our grading structure. More training has been provided to staff on interview techniques so that they are equipped to present well during interviews. The recently updated external website platform now allows us to further develop our ability to attract great people, building on our reputation as a great place to work and championing our employee value proposition. Looking at the year ahead, we will work to improve our recruitment intranet page so that hiring managers can access guidance quickly and staff can access training material more effectively. We will also create tailored candidate packs, specific to the role and department, which will be embedded in every advert.

3.2 Diversity

Creating an inclusive culture is the most sustainable way of helping people to feel safe, happy and more productive in work, making the organisation a great place to be for all. We want to ensure that every line manager has the skills, knowledge and behaviours they need to build inclusive teams that allow everyone to thrive. We will continue to build on the good work achieved through our Local Inclusion Plan, working in partnership with the DfT family to achieve our goal in becoming the leader on diversity and inclusion.

We will further develop partnerships with charities and stakeholders to understand how we can open up career opportunities within the neurodiverse community. This year we will be taking part in the multi-award-winning Autism Exchange Internship Programme. This programme will see us offering an internship that provides workplace exposure and upskilling opportunities to young people with autism.

A new Equality, Diversity and Inclusion (EDI) Strategy has been drafted for the 2022-23 financial year. Three main objectives have been outlined, in line with the Department for Transport, focusing on:

- Being Confidently Diverse
- Being Inclusive for Everyone
- Maximising Potential for All

An EDI Committee will be established within the VCA, amalgamating with the current Wellbeing Committee, who will now be responsible for delivering key actions within the EDI Strategy. Meetings will be held with existing committee members to discuss the change in structure, different champion roles available, such as LGBT Champion, as well as those members who would like to continue as part of the committee or step down. Job descriptions have been created for all champion roles and will be shared with committee members, outlining the roles and activities required. Additional training will be sought for each role, by the HR department, to ensure that champions can carry out their role to its full potential. A sponsor has been allocated, who will support the HR team in implementing the actions across the organisation and ensure that the intended outcomes are delivered.

3.3 Estates

The Estates team covers several key areas of the Agency. These include the management of Health & Safety, Facilities Management (FM), Sustainability, Vehicle Fleet and Physical Security. We aim to ensure that the running of our estate provides a safe working environment and supports operational delivery in both a sustainable and efficient way. We also aim to provide the best facilities possible for anyone using our sites to ensure that their occupational health, wellbeing and mental health needs are catered for. We do this by providing specific information through staff engagement, trained support and the provision of specialist equipment where required.

In support of the Estates function we attend numerous DfT forums where key issues are discussed, and best practice is shared. We also work in partnership with the other DfT agencies and the Environment Agency (EA) to manage a DfT estate-wide Total Facilities Management Contract and the procurement of next generation versions of the contract. The aim being to continuously develop and support efficiency savings over any previous arrangements in place and provide a safe, cost effective and timely management service of our FM requirements.

During recent years we have carried out refurbishment work to our buildings and facilities to ensure that these continue to be maintained to a consistent standard, meet staff needs and provide a safe and comfortable place to work.

Sustainability and reducing our environmental impacts continue to be a key focus for the Agency. Great progress continues to be made in this area and in fact, we surpassed our commitments to the 2021 Greening Government Commitment (GGC). We continue to make further progress beyond these targets with new GGC goals having been set for 2025 and 2032 respectively. This progress has been aided by selective building refurbishments, the better use of building management systems and the procurement of more efficient technology across the agency.

It is worth noting that there has been a continued reduction in our Carbon emissions year on year, despite increases in the number of staff employed on our sites.

The process of eliminating non-essential Single Use Plastics from our sites has now been completed with many items removed from both use and our supply chain.

In addition to achieving and exceeding the Government Fleet Commitment to electrify 25% of our vehicle fleet by 2022 we have included adding sustainable infrastructure as part of our refurbishment program to stay on track to meet the revised 100% electric fleet target before 2027.

Over the next proposed period of the GGC (2021-2025), we will monitor our performance against the following parameters:

- Carbon reduction and Net Zero by 2050
- Minimising waste and promoting resource efficiency
- Provision of clean and plentiful water
- Sustainable procurement
- Nature recovery plans, biodiversity and green capital
- Adapting to Climate Change
- ICT and Digital

Finally, some of the working practices deployed during the COVID-19 pandemic mean that sustainability figures that are recorded for the 20/21 and 21/22 reporting years will be unusually low. This is due primarily to the impact of remote working and reduced travel. We aim to learn from some of these working practices to benefit sustainability and continue to focus our attention on reducing our environmental impacts through sustainable practices.

3.4 Digital, Data and Technology

To support VCA's strategic objectives, this year we will:

- Continue to improve our user experience by:
 - Building new digital services to support our core certification activities
 - Replacing legacy devices, including laptops and mobile telephones
 - Delivering new collaboration and conference technology
 - Developing our service management capability
- Increase the value of our data by:
 - Embedding a data architecture methodology
 - Implementing new technology, utilising cloud services for storage and reporting
- Protect our staff and digital technology from cyber threats by:
 - Building user awareness
 - Continuing to understand and act on threats
 - Demonstrating our commitment to good practice

- Develop our Digital, Data and Technology (DDaT) skills across the VCA by:
 - Delivering targeted training via differing delivery methods
 - Embedding a skills framework for staff in Digital Services & Technology

3.5 Other Cross-department/agency commitments include:

Category	DfT / VCA target	2022/23
Cross-department / agency commitments	Prompt payment - Payment of invoices within 5 working days.	80%
	Freedom of Information – Provide a response within 20 working days.	90%
	Parliamentary Questions – Provide a response by the due date.	100%
	Ministerial Correspondence – Provide a response within agreed DfT timescales.	95%
	Official Correspondence – Provide a response within 20 working days.	80%

ANNEX



Note: Bracketed figures in the table below denote a debit (cost).

Financial forecast	Forecast Outturn 2021-22 £ '000	Business Plan 2022-23 £ '000
Statutory fee income	18,322	20,762
Other income	2,597	2,638
Total income	20,919	23,400
Staff costs	(12,450)	(13,042)
Travel & Subsistence	(676)	(1,524)
Agents fees	(4,069)	(4,825)
ICT charges	(1,680)	(1,563)
Accommodation	(438)	(685)
Consultancy and Professional Services	(194)	(194)
Postage and printing	(80)	(75)
Depreciation	(1,218)	(1,147)
Other costs	(500)	(345)
Total expenditure	(21,305)	(23,400)
Net Operating (cost)	(386)	0

