



Crown
Commercial
Service

Bid Pack

Attachment 3 – Statement of Requirements

Contract Reference: **PS/22/12 – Debt Resolution Services**

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1. PURPOSE

- 1.1 In accordance with the terms and conditions of Debt Resolution Services (DRS) – RM6226 the Driver and Vehicle Licensing Agency (DVLA) invites proposals for Managed Collections only.

2. BACKGROUND TO THE CONTRACTING AUTHORITY

- 2.1 The DVLA is an Executive Agency of the Department for Transport (DfT), based in Swansea. The DVLA's primary aims are to facilitate road safety and general law enforcement by maintaining accurate registers of drivers and vehicle keepers and to collect Vehicle Excise Duty (VED).

3. BACKGROUND TO REQUIREMENT/OVERVIEW OF REQUIREMENT

- 3.1 Failure to pay VED results in enforcement action being taken against the registered keepers of vehicles. Enforcement action may result in fines and penalties being imposed. Unpaid penalties are passed to debt collectors for recovery.

- The penalties in scope for this type of recovery are:

XXXXXXX Redacted under FOIA section 43

The requirement is for a managed service of Debt Collecting Agencies who will recover the debts outlined above on behalf of the DVLA.

- 3.2 DVLA is responsible for collecting VED on behalf of the Treasury and the taxpayer. Recovery of these debts provides an income for Treasury and presents a deterrent to potential VED payment evaders, benefiting the wider public.
- 3.3 Social Value requirements are set out in Section 16 of Framework Schedule 1 of the DRS Framework, excepting where lot 1 is not specified within section 16.

4. DEFINITIONS

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Expression or Acronym	Definition
VED	Vehicle Excise Duty or commonly known as Road Tax
Continuous Registration (CR)	Means that under legislation the registered keeper of a vehicle is liable for paying VED until they inform DVLA that they have disposed of the vehicle or SORN'd it.
LLP	Late Licence Penalty
SORN	Statutory Off-Road Notification – when the keeper declares that the vehicle is kept off the public road and no road tax needs to be paid.

5. SCOPE OF REQUIREMENT

5.1 This requirement is defined in the Managed Collection of Debts, Lot 1 of the DRS Framework RM6226. (see [Debt Resolution Services - CCS \(crowncommercial.gov.uk\)](https://www.crowncommercial.gov.uk))

5.2 Clarification of and any exceptions and additions to the Framework requirements are specified in this document.

Volumes - The average number of cases per month is XXXXXXXX Redacted under FOIA section 43 across all the areas outlined in para 2 above, but varies and cannot be guaranteed - the percentage split of cases is approximately XXXXXXXX Redacted under FOIA section 43

5.3 The supplier will be contracted to utilise data and analytics to inform their approach to collections and to treat customers fairly.

5.4 They will deliver tangible social value that contributes to the Government's social value objectives through the commercial agreement.

5.5 They will deliver to the Key Performance Indicators and Service Level Agreements.

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- 5.6 No other services / lots provided by the DRS Framework (such as enforcement) are required.
- 5.7 Mandatory requirements in addition to Framework:
- Adherence to the Welsh Language Act with the addition of ensuring all letters sent to a Welsh address are bi-lingual in full, not just the heading.
 - Breathing Space – the ability to re-open cases after a breathing space of 70 days.
 - Retrace Addresses – Instructions of addresses not to contact should be passed to subsequent DCA after re-placement.
- 5.8 Other requirements
- As Data Controller the Authority may require access to enriched data used by the supplier to assess whether it can be used by the Authority.

6. THE REQUIREMENT

All items of the framework Lot 1 apply [Debt Resolution Services - CCS \(crowncommercial.gov.uk\)](https://www.crowncommercial.gov.uk)

[\(See Appendix 1\)](#)

- 6.1 The requirement is as specified in the DRS Framework RM6226, with the additional requirements set out in para 5. above.
- 6.2 Training on all functions relating to DVLA personnel accessing and using supplier systems will be required for DVLA staff.
- 6.3 Functionality, compatibility, and acceptance testing requirements are included and defined in Call-off Schedule 13.

[\(See Appendix 2\)](#)

7. KEY MILESTONES AND DELIVERABLES

- 7.1 The following Contract milestones/deliverables shall apply:

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(See Call-off Schedule 13 ([Appendix 2](#)) for implementation plan requirements, and Call-off Schedule 8B ([Appendix 7](#)) for Business Continuity)

Milestone/Deliverable	Description	Timeframe or Delivery Date
1	Implementation Plan produced	Within 2 weeks of Contract Award or no later than 3 months before the contract start date
2	The Supplier shall, within three (3) Months after the Start Date, deliver to the Buyer an Exit Plan which complies with the requirements set out in Paragraph 4.3 of Schedule 10 – Exit Management and is otherwise reasonably satisfactory to the Buyer.	Within 3 months of the Contract start date

7.2 Implementation

- 7.2.1 The Supplier shall outline their proposed project implementation plan to clearly state how they plan to manage the transition of services and provide assurance that the DVLA go live date is met.
- 7.2.2 The Supplier shall carry out due diligence to ensure that implementation plans and costs take account of all potential dependencies and risks inclusive of those associated to system/process integration, installation, connectivity or other I.T. activity as required per departmental site. The Supplier shall be liable for all costs for set up of any supplier system or process that is integral to the delivery of the service provision.
- 7.2.3 Implementation plans shall clearly identify but not be limited to all of the following subject areas:
- 7.2.3.1 The Supplier's project Manager(s) during implementation;
 - 7.2.3.2 All associated risks and include mitigations, including any site-specific dependencies;
 - 7.2.3.3 IT Requirements planning and implementation;

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- 7.2.3.4 Agreeing preparation, documentation and hand-over Requirements;
- 7.2.3.5 Developing communications plans;
- 7.2.3.6 Undertaking user training;
- 7.2.3.7 Developing User Guides; and
- 7.2.3.8 Carrying out test process dry runs;
- 7.2.3.9 All known dependencies as well as clearly indicating the dependencies placed on the Authorities to ensure implementation is achieved; and
- 7.2.3.10 The implementation escalation process.
- 7.2.4 The DVLA reserves the right to request further detail or subject headings as applicable with final implementation plans sign off prior to initiation.
- 7.3 The Supplier shall have robust Business Continuity and Disaster Recovery
 - 7.3.1 Business continuity and disaster recovery plans which align to a code of practice. The Supplier shall supply the contents of these plans to the DVLA.
 - 7.3.2 The Supplier shall test their business continuity arrangements no less than once per annum. Outcomes of these tests or exercises must be made available to the DVLA in writing within 14 days of a request being made.
 - 7.3.3 BCDR Plans shall consider subjects including but not limited to the following for themselves and DCAs:
 - 7.3.3.1 Inclement weather conditions and pandemic situations;
 - 7.3.3.2 Site failure;
 - 7.3.3.3 Electrical faults;
 - 7.3.3.4 Server failure;
 - 7.3.3.5 Data corruption;
 - 7.3.3.6 Flooding, and other disaster;
 - 7.3.3.7 Industrial action

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- 7.3.4 Suppliers will notify DVLA in writing within twenty-four (24) hours of any activation of the business continuity plan, in relation to the services provided to DVLA.

8. MANAGEMENT INFORMATION/REPORTING

8.1 Management Information Required

- a. The Supplier and DCA Subcontractors shall provide the Buyer with access to platforms and MI to enable the Buyer to view real-time status of Placements and trend analysis.
- b. The Supplier and DCA Subcontractors shall provide Buyers with access to all Customer Data and information within their Case Management System including Buyer access to the system, provision of MI and reporting requirements.
- c. The Supplier should provide a Monthly report detailing the system availability during the month, and the number and nature of incidents raised with the Help desk as part of Call-Off Schedule 1 (Transparency Reports).
- d. The Buyer Portal must enable the Buyer to self-serve a range of on-line MI and reports, including, but not limited to:
 - i. DCA Subcontractor performance.
 - ii. DCA Subcontractor rates of Debt Collection.
 - iii. Query management, MI and status, and
 - iv. Placement case status.
- e. The Supplier shall - as specified by the Buyer within their Call-Off Contract - collect and provide, on request, detailed case activity management information, which may include regular batch updates.
- f. The Supplier shall record and track all disputes, appeals, objections, queries and complaints and report on these in accordance with the Buyer's requirements.

8.2 Monthly MI Report, to include:

- Monthly (past 12 Month) and whole-contract collections
- Total
- By offence
- Liquidation Rates by Tranche by Offence Type
- Enrichment Rates
- Repeat Offender Rates
- Payment plan breakdown
- Account resolution breakdown by Tranche by Offence Type

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- DCA Performance
- DCA Allocations
- Continuous Improvement Plans
- Currently Planned Changes
- Performance against KPI/SLA
- Call Audit Results & Plans
- Process Integrity by DCA
- Complaints Breakdown
- Audit & Compliance
- Certificates etc
- IT Incidents

8.3 Weekly MI Report, to include:

- Placement volumes and activity percentage (Rolling 12 weeks of data)
- Collection amounts for each offence type (Rolling 12 Months)
- Portal query volumes and completion rates
- Complaint Report

9. VOLUMES

The average number of cases per month is XXXXXXXX Redacted under FOIA section 43 across all the areas outlined in para 2 above, but varies and cannot be guaranteed. The split of cases is approximately XXXXXXXX Redacted under FOIA section 43

10. CONTINUOUS IMPROVEMENT

- 10.1 Continuous improvement is covered in Call-off Schedule 3 ([See Appendix 4](#))
- 10.2 The Supplier will be expected to continually improve the way in which the required Services are to be delivered throughout the Contract duration.
- 10.3 The Supplier should present new ways of working to the Authority during monthly Contract review meetings.
- 10.4 Changes to the way in which the Services are to be delivered must be brought to the Authority's attention and agreed prior to any changes being implemented.

11. SUSTAINABILITY

- 11.1 This is covered in Joint Schedule 5 para 2. ([See Appendix 8](#))

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12. QUALITY

- 12.1 Quality requirements are set out in the Framework Schedule 1 – General Requirements and Framework Schedule 1 Annex A – Managed Debt Collection Services.

[\(See Appendix 1\)](#)

The Supplier will have the following Accreditation and Standards:

- FCA License
- ISO 27001
- GDPR Compliance
- Cyber Essentials (see Section 8 below)
- ISAE 3402 - International Standard on Assurance Engagements (ISAE) Assurance Report
- HMRC Financial Accreditation
- Prompt Payment code
- Open book contract management

Proof of these standards will need to be provided where appropriate and will be checked and validated during the time of the contract.

- 12.2 They will also need to undertake customer telephone call audits to ensure call quality and the application of the relevant standards.

13. PRICE

- 13.1 The suppliers should utilize the DVLA pricing at framework level that has already been submitted by the Supplier and are included within Framework Schedule 3 (Annex 1) – Price Appendix – Lot 1.

14. STAFF AND CUSTOMER SERVICE

- 14.1 Framework requirements are set out in the Framework Schedule 1 – General Requirements and Framework Schedule 1 Annex A – Managed Debt Collection Services. [\(See Appendix 1\)](#)
- 14.2 The Supplier shall provide a sufficient level of resource throughout the duration of the Contract to consistently deliver a quality service.
- 14.3 The Supplier's staff assigned to the Contract shall have the relevant qualifications and experience to deliver the Contract to the required standard.

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- 14.4 The Supplier shall ensure that staff understand the Authority's vision and objectives and will provide excellent customer service to the Authority throughout the duration of the Contract.

15. SERVICE LEVELS AND PERFORMANCE

- 15.1 The Authority will measure the quality of the Supplier's delivery by:

The following are the top three Key Performance Indicators relevant to this contract.

The complete set is provided at Appendix 3. [\(See Appendix 3\)](#)

KPI/SLA	Service Area	KPI/SLA description	Target
1	Security / Data Breach	The Supplier shall report a breach of security or data to the Authority Representatives and other agreed persons immediately, but no later than 12 hours (24/7) after discovery.	100% cases reported to the Authority within 12 hours.
2	Money Transfers	Accurate money transfers sent to the Authority in accordance with the Authority's payment schedule and payment instructions as set out in the Operations Manual with any inaccuracies corrected within 24 hours of notification from the Authority. "Accurate", for the purpose of this KPI, means the money transfer is for the right amount, sent to the Authority, at the right time.	Any inaccuracies corrected within 24 hours of Authority notification
3	Complaints	Debtor upheld complaints relating to Selected Services should not exceed 0.1% of the total volume of Accounts under management by the Supplier for the Authority. "Upheld complaints", for the purposes of this KPI, means any complaint by a Debtor which following application of the Complaints Process is upheld as a valid complaint provided that it shall not include: (i) any complaints related to credit bureau searches performed by the Supplier; or (ii) any complaints where the root cause is found to be the responsibility of the Authority.	Number of complaints not to exceed 0.1% of total managed accounts

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The Authority has the right to terminate their Call-Off Contract at any time without reason by giving the Supplier not less than 30 days' written notice in accordance with RMS 6226 Core Terms para 10.2.2

16. SECURITY AND CONFIDENTIALITY REQUIREMENTS

16.1 Security and confidentiality requirements are covered in:

- Call-off Schedule 9 – Security Arrangements
- Joint Schedule 11 – Processing Data
- Framework Schedule 9 – Cyber Essentials
- Call-off Schedule 6 – ICT Services
- Call-off Schedule 8 – Business Continuity

[\(See Appendix 5\)](#) and [\(Appendix 1\)](#)

17. PAYMENT AND INVOICING

17.1 Requirements are given in the Framework Schedule 1 – General Requirements and Framework Schedule 1 Annex A – Managed Debt Collection Services. [\(See Appendix 1\)](#) and [Appendix 6 \(MI Template\)](#).

17.2 Payment can only be made following satisfactory delivery of pre-agreed certified products and deliverables.

17.3 Before payment can be considered, each invoice must include a detailed elemental breakdown of work completed and the associated costs.

17.4 Invoices should be submitted to:

XXXXXXX Redacted under FOIA section 40

17.5 All invoices must include a valid Purchase Order Number as provided by the Authority.

18. CONTRACT MANAGEMENT

18.1 Contract Management Requirements are cover by Framework Schedule 1 – General Requirements and Framework Schedule 1 Annex A – Managed Debt Collection Services. [\(See Appendix 1\)](#)

18.2 Attendance at Contract Review meetings shall be at the Supplier's own expense.

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19. **LOCATION**

- 19.1 The locations of the Services will be carried out at will be those of the managed service provider and the DCAs carrying out the debt collection.

APPENDICES

Appendix 1 – Framework Schedule 1 – General Requirements

Appendix 2 – Implementation Plan and Testing

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Appendix 3 – Service Level Agreements

Appendix 4 – Continuous Improvement

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Appendix 5 – Security and Confidentiality

Appendix 6 – MI Template

Appendix 7 – Business Continuity

Appendix 8 – Corporate Social Responsibility and Sustainability

Sustainability

The DVLA is committed to reducing any negative impacts produced by our activities, products and services. This aligns to the Government's Greening Commitment which states we must: "Continue to buy more sustainable and efficient products and services with the aim of achieving the best long-term, overall value for money for society."

DVLA is certified to ISO 14001:2015 and more information is available in our Environmental Policy at:

<https://www.gov.uk/government/publications/dvlas-environmental-policy>

Supplier should consider the below as part of delivery of the subsequent Call Off contract.

The DVLA require the Supplier to confirm their understanding and acceptance of each point **S1 – S5** and supply information if it has been requested.

S.1 - The DVLA is committed to sustainability and as such the Supplier should consider this as part of their submission.

The DVLA requires the Supplier to:

- Comply with the DVLA's Environmental Policy:
<https://www.gov.uk/government/publications/dvlas-environmental-policy>
- Where appropriate, assist the DVLA in achieving its Greening Government Commitments as detailed on <https://www.gov.uk/government/publications/greening-government-commitments-2021-to-2025> i.e. Reduce CO₂ emissions through energy consumption and travel, reduce water consumption and waste produced;
- Be able to evidence continual environmental improvements in their own organisation (ideally through an accredited EMS, i.e. ISO 14001, Green Dragon etc);
- Ensure its own supply chain does not have negative environmental or social impact and;
- Where required, be able to provide data on carbon emissions related to the products / services being supplied to aid with scope 3 emission calculations.
- Provide the specified goods / services without the use of single use plastic in line with Government commitments.

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S.2 - The Supplier shall provide their sustainability or environmental policy.

S.3 -The Supplier shall be able to meet and evidence conforming to the relevant [Government Buying Standards](#).

S.4 - The Supplier shall promote resource efficiency and waste avoidance, to reduce waste arising and consumption of natural resources.

S.5 – Ensure that any ICT activities conform to overarching principles in the [Greening Government ICT and digital services strategy 2020-2025](#). Namely the Government’s vision to be a global leader in sustainable ICT. The Supplier must confirm their understanding and acceptance of the strategy.”

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