

Guidance Document

TRANSPORT MANAGERS

Introduced on:	
Contents:	Page
GUIDANCE Legislation Case law INSTRUCTIONS Determining factors Acquired Rights Appeals against a refusal of Acquired Rights Annex 1 - Starting points for submissions Annex 2 - EU regulations	
Issued:	

GUIDANCE

1. The Department for Infrastructure (DfI) issues the following practice guidance as to the way in which it believes the law should be interpreted in relation to the requirements for transport managers to be professionally competent.

Guidance

2. This guidance is issued to provide information as to the way in which staff in Passenger Transport Licensing Division should interpret the law in relation to transport managers. A transport manager must be of good repute¹. A Transport Manager must also be professionally competent, hold a Certificate of Professional Competence which is appropriate to the passenger transport operator licence being applied for. Regulation 3 of The Road Passenger Transport (Qualifications of Operators) Regulations (Northern Ireland) 2014 states that a bus operator licence granted under the 1967 Act constitutes an authorisation to pursue the occupation of road transport operator for the purposes of EC Regulation 1071/2009.
3. To be a transport manager a person must have “continuous and effective responsibility for the management of the transport operations”. The transport manager retains legal responsibility for the management of the passenger transport operation regardless of whether their activities are delegated.
4. When the suitability of a transport manager is being considered each case will be considered on its individual merits, and if the suitability of a proposed transport manager is called into question, then that person and the relevant operator will be given an opportunity to make appropriate representations to the Department. Transport Managers and operators will be given the opportunity to state their case at interview. The Department may deal with issues around professional competence by issuing a notice, considering rehabilitation messages for the transport manager and giving the operator time to rectify any professional competence failings.
5. Much of the required information is already requested from applicants by the Department. Further information, however, may be requested to ensure that all requirements are met in all cases. Applicants for new operator licences and existing operators are advised to respond quickly and accurately to any requests for information the Department.

Passenger Carrying Vehicles Legislation: The Transport Act (Northern Ireland) 1967 (the Act); Regulation (EC) No. 1071/2009 (the 2009 Regulations)

6. Bus Operator Licence holders and applicants for bus operator licences are required to meet the requirements of professional competence. Section 6A(1)(d) requires that an applicant for a licence is professionally competent (in accordance with s.46D of the Act).

¹ See Practice Guidance and Instructions on Good Repute

7. Where the operator does not meet the requirements for professional competence they may designate a transport manager. Section 6A(2) requires that a designated transport manager must meet the requirements of Article 4 of Regulation (EC) 1071/2009 i.e.;
 - be of good repute (as determined in accordance with section 46B of the Act);
 - be professionally competent (in accordance with section 46D); and,
 - in the case of a transport manager designated under Article 4.2 of the 2009 Regulations, is not prohibited from acting as a transport manager in the EU , and is not designated to act in that capacity for more than 4 operators (this includes both bus and goods vehicle operations) or be responsible for more than 50 vehicles (both bus and goods vehicles) or such smaller number as the Department considers appropriate.
8. It is a condition of a Bus Operator Licence that an operator must inform the Department of any change to their operation which affects or could affect their entitlement to retain a Bus Operator Licence. This includes the requirements under section 6A(2) in regards to transport managers. The Department then has discretion to consider a period of *grace up to* 6 months to find a replacement (and a further 3 months in the case of death or incapacity of the transport manager) as per Article 13(1)(a) of Regulation (EC) 1071/2009.
9. The statutory definition of “transport manager” in Regulation (EC) 1071/2009 means ‘a natural person employed by an undertaking or, if that undertaking is a natural person, that person or, where provided for, another natural person designated by that undertaking by means of a contract, who effectively and continuously manages the transport activities of that undertaking’. Article 4.1(b) of Regulation (EC) 1071/2009 refers to that person having a genuine link to the undertaking, such as being an employee, director, owner or shareholder or administrator.
10. Under Regulation 7(1) of the Road Passenger Transport (Qualifications of Operators) Regulations (Northern Ireland) 2014 the Department cannot make an adverse finding against an existing transport manager’s repute or professional competence unless a notice has been properly served² on that transport manager:
 - stating whether repute and/or professional competence is at issue;
 - setting out the nature of the allegations;
 - giving the transport manager 28 days from the date of service to appeal to the county court; and
 - inform the Department of the appeal to the county court.

² deemed served on the date on which it would have been delivered in the ordinary course of post to the transport manager’s last known address, notwithstanding that it was returned as undelivered or was for any other reason not received by the transport manager.

11. Regulation 7(4) gives the Department the discretion to direct that a disqualification will not take effect until 28 days after the Order has been served or until after any appeal has been disposed of. If the Department does not issue such a direction the disqualified person has 28 days to appeal this decision to the County Court. The Department should be notified of this appeal.
12. Under Regulation 8 of the Road Passenger Transport (Qualifications of Operators) Regulations (Northern Ireland) 2014 where the Department finds that a transport manager has been convicted of a serious criminal offence or incurred a penalty for one or more serious infringements that would lead to a loss of good repute, it must consider whether a finding that the person was no longer of good repute and/or professionally competent would constitute a disproportionate response, and that consequently good repute is unaffected. Any such finding must be duly reasoned and justified and the reasons shall be recorded in the national register. If the Department does not find that the loss of good repute would be disproportionate the conviction or penalty shall lead to a loss of good repute.
13. Regulation 7(1) of the Road Passenger Transport (Qualifications of Operators) Regulations (Northern Ireland) 2014 provides that where a transport manager loses good repute in accordance with Article 6 that the Department shall declare that transport manager unfit to manage the transport activities of an undertaking. Article 14.2 provides that unless and until a rehabilitation measure is taken in accordance with the relevant provisions of national law the CPC shall no longer be valid in any Member State.
14. Under Regulation 7(2) of the Road Passenger Transport (Qualifications of Operators) Regulations (Northern Ireland) 2014 where the Department determines that a transport manager has lost their good repute, it must order the person to be disqualified from acting as a transport manager. Whilst the disqualification is in force the person may not act as a transport manager for any road transport undertaking and their CPC is not valid. The disqualification order can either be indefinite or for such period as the Department thinks fit.
15. However under Regulation 8(1) of the Road Passenger Transport (Qualifications of Operators) Regulations (Northern Ireland) 2014 where a transport manager is disqualified the Department may, at any time, cancel the order or, with the consent of the disqualified person, vary the order, either upon application by the disqualified person or of the Department's own volition and only after serving notice stating:
 - the intention to vary the measures specified,
 - that the person is entitled to make representations within 28 days from the date of notice, and
 - that the person is entitled to request a hearing

The Department may specify measures with which the disqualified person must comply before the order can be cancelled or varied.

Case law

16. This Guidance may be subject to decisions of the courts and to subsequent legislation. The Department, however, will refer to the following principles extracted from existing GB case law. The same principles are considered by GB traffic commissioners in their decision making.
17. Transport managers should be able to supply a suitable certificate of qualification³. This can be by way of examination or entitlement (formerly “Grandfather Rights” now “Acquired Rights”). It is incumbent upon the operator to ensure that any appointed transport manager has the continuing ability and determination to give full and practical application to the statutory duties⁴.
18. Continuous and effective responsibility means just that. When nominating an individual as a transport manager it will be necessary to show that the person concerned will be able to exercise that level of responsibility. The Department must be in a position to assess how much time that individual will devote to the business in question, what other demands that person will have on their time and what contractual relationship exists between the individual and the applicant/operator⁵. A transport manager should be able to show that, however infrequently vehicles return to the operating centre, he or she is able to and does exercise continuous and effective management of the vehicles on a day to day basis. The requirements of the legislation are unlikely to be satisfied by a transport manager who lives abroad⁶.
19. A transport manager must always be more than just a transport manager in name⁷. The transport manager can exercise that responsibility alone or with the assistance of others⁸. The ultimate responsibility for supervising maintenance compliance rests on the operator and failures by employees or outside contractors is a matter for mitigation only⁹. However Regulation (EC) 1071/2009 now enables the Department to take action against the individual transport manager alone.
20. A transport manager risks their reputation¹⁰ if they are merely a transport manager in name only. If a transport manager finds him or herself overridden by the operator or their agent to the point at which the transport manager no longer has the requisite continuous and effective responsibility, then the transport manager must first notify the operator in writing, and if the matter is not resolved, is expected to take appropriate action. In certain cases this may even include resignation, rather than remain nominated and attempt to carry on their duties when being expressly prevented from doing so by their employer. A transport manager should also think carefully where there is an attempt to reduce the hours worked from those declared on the application. The transport manager should ensure that he or she does enough work so as to be able to comply with his/her duties¹¹. Both the transport manager and the operator have

³ 2004/021 Carway Haulage

⁴ 2000/018 Euroline Transport and 2008/315 L C Mistry

⁵ 2011/036 LWB Ltd

⁶ 2006/405 Transclara, 2006/392 G Brandon

⁷ 2010/367 Aspey Trucks Ltd, 2009/307 Anne Jones Edwards and Edward Anthony Jones

⁸ 2003/343 Anglorom Trans (UK) & Others

⁹ 1999/L56 Alison Jones t/a Jones Motors, Shamrock Coaches and Thomas Motor Services

¹⁰ See Practice Guidance and Instructions on Good Repute and Fitness

¹¹ 2003/258 J Cowan, 2006/56 Paul Oven Transport

a duty to notify the Department of a reduction in the hours worked as a transport manager and where the transport manager resigns they should notify the Department of that resignation.

21. These requirements apply equally to all operators regardless of the size of the organisation and are an important part in maintaining the relationship of trust upon which the licensing system is based¹². An operator must supervise and monitor the actions of a transport manager¹³ through for instance by checking the maintenance inspections, the annual test pass rate, the number of prohibitions issued, , the arrangements for securing compliance with the drivers' hours' rules and tachograph regulations and the like.
22. In the past, where there was no power to revoke or withdraw a CPC on finding against the transport manager¹⁴, there is scope for the Department to allow a period of grace of *up to* 6 months where the transport manager no longer satisfies the requirement as to good repute or professional competence and any approach has to ensure fairness to *all* operators¹⁵. These provisions allow for the rehabilitation of a transport manager and Article 13(2) allows the Department to require an operator whose licence has been suspended or revoked to ensure that its transport manager has passed the CPC *prior* to any rehabilitation measure.

Employment – Genuine link (employment of Internal and External transport managers)

23. The key in determining whether or not a person is an employee, i.e. an internal transport manager, is by considering the terms of employment; or a service provider, i.e. an external transport manager, is the contract for supply of services.
24. Terms or a contract of employment have not been comprehensively defined in legislation or case law. The courts have adopted various tests in order to determine whether or not a relationship amounts to a relationship of employment but the general approach is to consider all the factors relevant to the issue of employment and to weigh up those factors that point towards the existence of a contract of employment and those that point away from such a contract¹⁶. It will be helpful to ask the following three questions:
 - has the transport manager undertaken to provide their work and skill in return for remuneration?
 - is there such a degree of control to enable the transport manager to fairly be called a 'servant'?
 - are there any other factors inconsistent with the existence of a contract of service?
25. The presence or absence of any one factor is not conclusive, as the decision depends on the combined effect of all the relevant information. The factors

¹² 2005/205 Eddie Stobart

¹³ 1999/L56 Alison Jones t/a Jones Motors

¹⁴ 2003/45 JJC Bulk Tipppers, H & A Holdings, 2008/5 M Skellern, and Mistry (as at 2).

¹⁵ 2011/022 Andrew John Chatter t/a AJC Vehicle Delivery & Collection

¹⁶ Carmichael v National Power plc [2000] IRLR 43 approved 3 questions posed by the judge in Readymix Concrete (South East) Ltd v Minister of Pensions and National Insurance [1968] 2 QB 497

given should not be treated as a checklist to identify those factors that appear to point one way and those which point the other, from which a result can be calculated. It is the overall effect of the relationship between the parties involved that will lead to a conclusion on whether or not a person is employed.

26. As with the test for who is an operator¹⁷ the issue is usually one of control: for instance who is entitled to give the orders as to how the work should be done¹⁸? The greater the amount of control exercised over the details of the work to be done, the more likely the relationship is to be one of internal employment¹⁹. In general a self-employed person, i.e. an external transport manager is told what to do, but not how to do it. An employee is normally part of the employer's organisation and does their work as an integral part of the business whereas an independent contractor is not usually integrated into the organisation but is accessory to it²⁰. The courts have also identified the following factors which are useful in determining whether a person is an employee:

- the intention of the parties²¹;
- whether the person performing the services provide their own equipment²²;
- whether they hire their own helpers²³;
- what degree of financial risk they take;
- payment of income tax and National Insurance contributions
- the degree of control²⁴;
- what degree of responsibility for investment and management they have²⁵;
- whether they have an opportunity of profiting from the management of the task.

¹⁷ 2004/426 E A Scaffolding & Systems Ltd

¹⁸ Mersey Docks and Harbour Board v Coggins and Griffith (Liverpool) Ltd [1947] AC 1

¹⁹ Simmons v Heath Laundry [1910] 1 K.B. 543

²⁰ Ready-Mixed Concrete (South East) Ltd v Minister of Pensions and National Insurance [1968] 2 QB 497

²¹ Ferguson v John Dawson Ltd [1976] IRLR 346

²² Market Investigations Ltd v Minister of Social Security [1969] 2 QB 173, Ferguson v John Dawson Ltd [1976] IRLR 346

²³ Stevenson Jordan and Harrison v MacDonald and Evans [1952] 1 TLR 101

²⁴ Lane v Shire Roofing Company Oxford Ltd [1995] IRLR 493

²⁵ Binding v Great Yarmouth Port and Haven Commissioners (1923) 16 BWCC 28, Humberstone v Northern Timber Mill (1949) 79 CLR 389

INSTRUCTIONS

27. The following Instructions are issued on behalf of the Department for Infrastructure. The aforementioned Guidance relates to matters which may affect continuous and effective responsibility for the management of the transport operations of the business in so far as they relate to the carriage of goods. These Instructions are issued in respect of the approach to be taken by staff acting on behalf of the Department and dictate the operation of delegated functions.

Basis of Instructions

28. These Instructions are issued to provide practical advice on the administrative arrangements to those staff who support Department in fulfilling its statutory functions.
29. In the interests of adopting a consistent approach to decision making the Instructions set out below are designed to assist support staff, who must decide whether to refer a proposed transport manager's case to senior departmental officials for consideration and the circumstances in which the Department may wish to consider the suitability of a proposed transport manager.
30. These Instructions are designed to assist staff when they are required to decide whether or not to refer a case to senior officials following the receipt of an application for a bus operator licence indicating that a transport manager's suitability is in question and/or continuous and effective responsibility is in doubt.
31. External transport managers are limited to a maximum of 50 vehicles for up to 4 operators. While there are no statutory limitations on the number of licences for which a suitably qualified "internal" transport manager can be nominated, it is important to outline what the Department consider to be determining factors when considering the suitability of a proposed transport manager, within the legislative framework.
32. The holder of a Standard International licence must engage a holder of an international Certificate of Professional Competence to act as transport manager.

Determining factors

33. Each case must be considered on its individual merits. If the proposed suitability of a transport manager is called into question and any concerns cannot be satisfied through correspondence, then that person and the relevant operator will be given an opportunity to state their case at a public inquiry. There are a number of determining factors that might be taken into consideration by the Department or delegated person when considering the suitability of a transport manager. These Instructions are in the main concerned with whether a CPC holder can effectively and continuously manage the transport activities in question. However there are other requirements:

Repute

34. These Instructions must be read in conjunction with the Guidance and Instructions in respect of repute, as they apply to the transport manager. In particular the Department will need to consider whether convictions or penalties for a serious infringement of:

- commercial law;
- insolvency law;
- pay and employment conditions in the profession;
- road traffic;
- professional liability;
- trafficking in human beings or drugs;

provide compelling grounds to bring into question the repute of the operator and/or transport manager.

35. In addition, to satisfy the repute requirement, the operator and/or the transport manager cannot have been convicted of a serious criminal offence or incurred a penalty for a serious infringement of Community rules relating in particular to:

- the driving time and rest periods of drivers, working time and the installation and use of recording equipment;
- the maximum weights and dimensions of commercial vehicles used in international traffic;
- the initial qualification and continuous training of drivers;
- the roadworthiness of commercial vehicles, including the compulsory technical inspection of motor vehicles;
- access to the market in international road haulage;
- safety in the carriage of dangerous goods by road;
- the installation and use of speed-limiting devices in certain categories of vehicle;
- driving licences;
- admission to the occupation;
- animal transport.

Genuine link (Internal and External transport managers)

36. A transport manager must also have a genuine link to the undertaking. The application and other forms require a declaration to be made that an internal transport manager has that genuine link. For an internal transport manager that might be demonstrated if the transport manager is:

- the licence holder; or
- one of the partners whose name is on the licence; or
- is a director of the company in whose name the licence is held; or
- a full or part-time employee.

Employment might be demonstrated in a number of ways, starting with tax and employee contributions. The Department is entitled to check this at any time during the application process or during the life of the licence and as against

previous declarations by requesting proof of employment, such as a contract (see below and Annex 2 for general responsibilities).

37. An external transport manager may be hired in to fulfil the role of transport manager under a contract which specifies the tasks he or she will perform as the transport manager. An external transport manager can only work for a maximum of 4 operators (not licences) with a combined total fleet of 50 authorised vehicles. The Department may determine for reasons such as other determining factors set out in the attached Guidance and these Instructions that for an individual that number should be less. It is possible to be an internal transport manager for one operator and an external transport manager for another. However, in that case, the starting point will be to limit the number of operators and vehicles applicable to those set for external transport managers for all the licences.
38. As the above suggests, ultimately the determination of the internal and/or external status of a transport manager, is a matter for the. Department.

General responsibilities

39. Due to the varying nature of different transport businesses it is not possible to list all of the duties that a transport manager might be expected to undertake. For the sake of completeness Annex 2 sets out the matters upon which CPC holders are deemed to have knowledge by virtue of passing the examination. It is acknowledged that various functions might be carried out by different teams or divisions within a business. The transport manager retains ultimate responsibility for discharging his or her duties.
40. Where an existing licence holder seeks to replace or nominate an additional transport manager and neither the incoming CPC holder nor the relevant licence(s) has any recent (2 years) adverse history and there is no issue as to the exercise of continuous and effective responsibility (as judged against the determining factors) then the decision may be delegated to branch level. If, however, a member of staff is in any doubt about the suitability of a transport manager, then the case should be referred to senior departmental officials.

Professional competence

41. Article 8(8) of Regulation (EC) 1071/2009 requires that at application stage Professional Competence will be demonstrated by production of a certificate which meets the security features and the model certificate annexed to the EU regulations and bears the seal of the duly authorised authority or body which issued it. Those with existing third-party qualifications will continue to be exempt from the CPC examination requirement and DfT aims to integrate them in future to the CPC regime. DfT has asked the bodies who currently issue exemptions to re-issue certificates in the new CPC format and no new exemptions will be issued. There will be no new National CPCs but existing certificates will remain valid for 'national' operations. Staff must also ensure that original signed transport manager agreement and transport manager questionnaire forms are received from the applicant. Copies are not acceptable. In line with Article 8(1) the holder of that certificate shall be deemed to possess knowledge corresponding to the level set out in Part I of the Annex to the Regulations (see

Annex 2 to these Instructions), unless found otherwise by the Department or a competent authority in another Member State.

Acquired Rights (formerly known as 'Grandfather Rights')

42. In line with Article 9, the previous 'Grandfather Rights' have been replaced by new 'Acquired Rights' certificates. The responsibility for issuing these certificates lies with the Department. They are issued on the basis of a declaration that the individuals in question can provide proof upon request that they have 'continuously managed' a road passenger transport operation in one or more Member States for the period of 10 years ending on 4 December 2009. Acquired Rights certificates are being automatically issued to all transport managers exercising 'grandfather rights' on an operator's licence at the date of implementation. Those holding 'Grandfather Rights' but not listed as a transport manager on an operator's licence at that date are also able to apply for an "Acquired Rights" certificate.
43. Only transport managers with existing Grandfather Rights are eligible to apply for Acquired Rights. Those who are not listed as a transport manager on a current operator's licence are required to apply to the Department for an Acquired Rights certificate by 4 December 2013.
44. The Department's decision is based on details contained in an application form. The details required include: the serial number of the current GFR certificate, date and place of birth (as required by the new UK National Register of Hire or Reward Operators), details of the work undertaken as a transport manager from 4 December 1999 to date including names and addresses (and O-licence numbers where possible) for all operators worked for. That information is therefore available from the Department's records.
45. A false declaration in order to obtain an Acquired Rights certificate will be treated as having a serious impact on the repute of that transport manager and must be referred to the Department.

Appeals against decisions not to issue an Acquired Rights Certificate

46. The legislation refers to a redetermination, i.e. a revisiting of the process of deciding whether the exemption should apply. This will therefore be by way of a completely new consideration of the application. It may be by hearing, if requested, or on the papers. It will be for the senior official to decide on the structure of any hearing and the information required. As it is a redetermination there will be no requirement for the Department or its nominee to be a party to that redetermination but the Department may apply to make representations and/or appear²⁶. The law does not prevent new evidence being placed before the senior officials but the official considering the appeal may issue a time limit regarding the production of new evidence and may prevent any further evidence being admitted after that date.

²⁶ See Practice Guidance and Instructions on Case Management

ANNEX 1: STARTING POINT FOR SUBMISSIONS

LEVEL OF AUTHORITY

The suggested amounts of time offer a broad guideline as to what the Department might expect in terms of hours worked.

Starting point The guidelines below indicate the starting point in terms of weekly hours of work to be specified by a transport manager. The level of hours required for any other employment or activities in which the proposed transport manager is engaged may restrict his/her ability to devote sufficient time to the duties of a transport manager on any operator's licence.

Delegated Authority Applications Where the starting point is met and there is no other relevant adverse information (see 'Determining Factors' below) the decision may be determined under delegated authority in accordance with existing delegations. Proposals which do not meet these guidelines must be referred to the Department.

Motor Vehicles	Proposed Hours (per week)
2 or less	8
3 to 5	15
6 to 10	20
11 to 14	25
15 to 29	Full time
30 and above	(Full Time) Additional assistance required

Additional hours may be required for trailers.

Other factors the matters set out in the following table might assist the Department in making a decision on whether to go up or down from the starting points described above.

Factors that might assist the Department in deciding on an application include:	
A Certificate of Professional Competence (CPC) from any European Union member state ²⁷ (after accession) should be taken as evidence of a transport manager's capability to perform that role, subject to matters that might affect the transport managers' good repute. These should be in the format required by annex 1a of 96/26 EC, as amended, by the accession of new Member States. The distinguishing signs of the relevant member state should be on the certificate as listed opposite.	(B) Belgium, (BG) Bulgaria, (CZ) Czech Republic, (DK) Denmark, (D) Germany, (EST) Estonia, (GR) Greece, (E) Spain, (F) France, (IRL) Ireland, (I) Italy, (CY) Cyprus, (LV) Latvia, (LT) Lithuania, (L) Luxembourg, (H) Hungary, (M) Malta, (NL) Netherlands, (A) Austria, (PL) Poland, (P) Portugal, (RO) Romania, (SLO) Slovenia, (SK) Slovakia, (FIN) Finland, (S) Sweden, (UK) United Kingdom.
The number of operator licences and/or vehicles for which that transport manager will be responsible;	If a transport manager is already listed on at least 3 other licences; and/or if a transport manager is already responsible for 30 vehicles or more ²⁸ .
The number of operating centres for which the transport manager is responsible both on that licence and any other operator's licences;	The geographical location of the transport manager in relation to the operator's business and all operating centres on all licences;
The terms upon which the proposed transport manager is to be employed.	The Department may wish to see a copy of the contract of employment.
Does the proposed transport manager have other employment including as a driver?	The Department will wish to consider carefully any impact this may have on continuous and effective responsibility for the transport operations
Are systems in place so that the transport manager "either alone or jointly with one or more other persons, has continuous and effective responsibility for the management of the transport operations of the business"?	Who else is assisting the transport manager, what qualifications do they hold, how will they be supervised and how the transport manager will meet the obligation to exercise continuous and effective responsibility.

²⁷ Administratively implements Directive 2004/66 (updating Directive 96/26/EC) on admission to the occupation of road haulage operator and road passenger transport operator and mutual recognition of diplomas, certificates and other evidence of formal qualifications intended to facilitate for these operators the right to freedom of establishment in national and international transport operations.

²⁸ These are starting points. EU Regulation (EC) No 1071/2009, from 4 December 2011, limits external transport managers to act for no more than 4 licence holders and a maximum of 50 vehicles (or fewer if Member States so choose), with a discretion allowed to the competent authority

Previous compliance history of licences with which the nominated transport manager has been involved ²⁹ .	Details may be required together with details of any subsequent action taken by the transport manager.
Previous compliance of the applicant/operator.	
Is the transport manager up to date with the requirements of an operator licence?	How recently has the transport manager received training on his or her CPC duties? Details of the course, provider and certificate of attendance may be required.
The ability of the transport manager to complete and maintain the required records.	Details of any issues regarding literacy and/or numeracy.

²⁹ This should not require a submission to contain every compliance episode but checks should be completed to ensure that there has been no significant change.

ANNEX 2: EU LEGISLATION

Regulation 3 of the Road Passenger Transport (Qualifications of Operators) Regulations (Northern Ireland) 2014 states that a bus operator licence granted to a person under the 1967 Act constitutes an authorisation to pursue the occupation of road transport operator for the purposes of:

Regulation (EC) 1071/2009 establishing common rules concerning conditions to be complied with to pursue the occupation of road transport operator repealed Council Directive 96/26 EC and applicable from 4th December 2011

Article 3 - Requirements for engagement in the occupation of road transport operator

1. Undertakings engaged in the occupation of road transport operator shall:

(d) have the requisite professional competence; and

2. Member States may decide to impose additional requirements, which shall be proportionate and non-discriminatory, to be satisfied by undertakings in order to engage in the occupation of road transport operator.

Article 4 -Transport manager

1. An undertaking which engages in the occupation of road transport operator shall designate at least one natural person, the transport manager, who satisfies the requirements set out in Article 3(1)(b) and (d) and who:

(a) effectively and continuously manages the transport activities of the undertaking;

(b) has a genuine link to the undertaking, such as being an employee, director, owner or shareholder or administering it, or, if the undertaking is a natural person, is that person; and

(c) is resident in the Community.

2. If an undertaking does not satisfy the requirement of professional competence laid down in Article 3(1)(d), the competent authority may authorise it to engage in the occupation of road transport operator without a transport manager designated in accordance with paragraph 1 of this Article, provided that:

(a) the undertaking designates a natural person residing in the Community who satisfies the requirements laid down in Article 3(1)(b) and (d), and who is entitled under contract to carry out duties as transport manager on behalf of the undertaking;

(b) the contract linking the undertaking with the person referred to in point (a) specifies the tasks to be performed on an effective and continuous basis by that person, and indicates his or her responsibilities as transport manager. The tasks to be specified shall comprise, in particular, those relating to vehicle maintenance management, verification of transport contracts and documents, basic accounting, the assignment of loads or services to drivers and vehicles, and the verification of safety procedures;

(c) in his or her capacity as transport manager, the person referred to in point (a) may manage the transport activities of up to four different undertakings carried out with a combined maximum total fleet of 50 vehicles. Member States may decide to lower the number of undertakings and/or the size of the total fleet of vehicles which that person may manage; and

(d) the person referred to in point (a) performs the specified tasks solely in the interests of the undertaking and his or her responsibilities are exercised independently of any undertakings for which the undertaking carries out transport operations.

3. Member States may decide that a transport manager designated in accordance with paragraph 1 may not in addition be designated in accordance with paragraph 2, or may only be so designated in respect of a limited number of undertakings or a fleet of vehicles that is smaller than that referred to in paragraph 2(c).

4. The undertaking shall notify the competent authority of the transport manager or managers designated.

Article 6 - Conditions relating to the requirement of good repute

1. Subject to paragraph 2 of this Article, Member States shall determine the conditions to be met by undertakings and transport managers in order to satisfy the requirement of good repute laid down in Article 3(1)(b).

In determining whether an undertaking has satisfied that requirement, Member States shall consider the conduct of the undertaking, its transport managers and any other relevant person as may be determined by the Member State. Any reference in this Article to convictions, penalties or infringements shall include convictions, penalties or infringements of the undertaking itself, its transport managers and any other relevant person as may be determined by the Member State.

The conditions referred to in the first subparagraph shall include at least the following:

(a) that there be no compelling grounds for doubting the good repute of the transport manager or the transport undertaking, such as convictions or penalties for any serious infringement of national rules in force in the fields of:

- (i) commercial law;
- (ii) insolvency law;
- (iii) pay and employment conditions in the profession;
- (iv) road traffic;
- (v) professional liability;
- (vi) trafficking in human beings or drugs; and

(b) that the transport manager or the transport undertaking have not in one or more Member States been convicted of a serious criminal offence or incurred a penalty for a serious infringement of Community rules relating in particular to:

- (i) the driving time and rest periods of drivers, working time and the installation and use of recording equipment;
- (ii) the maximum weights and dimensions of commercial vehicles used in international traffic;
- (iii) the initial qualification and continuous training of drivers;
- (iv) the roadworthiness of commercial vehicles, including the compulsory technical inspection of motor vehicles;
- (v) access to the market in international road haulage or, as appropriate, access to the market in road passenger transport;
- (vi) safety in the carriage of dangerous goods by road;
- (vii) the installation and use of speed-limiting devices in certain categories of vehicle;
- (viii) driving licences;
- (ix) admission to the occupation;
- (x) animal transport.

2. For the purposes of point (b) of the third subparagraph of paragraph 1:

(a) where the transport manager or the transport undertaking has in one or more Member States been convicted of a serious criminal offence or incurred a penalty for one of the most serious infringements of Community rules as set out in Annex IV, the competent authority of the Member State of establishment shall carry out in an appropriate and timely manner a duly completed administrative procedure, which shall include, if appropriate, a check at the premises of the undertaking concerned.

The procedure shall determine whether, due to specific circumstances, the loss of good repute would constitute a disproportionate response in the individual case. Any such finding shall be duly reasoned and justified.

If the competent authority finds that the loss of good repute would constitute a disproportionate response, it may decide that good repute is unaffected. In such case, the reasons shall be recorded in the national register. The number of such decisions shall be indicated in the report referred to in Article 26(1).

If the competent authority does not find that the loss of good repute would constitute a disproportionate response, the conviction or penalty shall lead to the loss of good repute;

(b) the Commission shall draw up a list of categories, types and degrees of seriousness of serious infringements of Community rules which, in addition to those set out in Annex IV, may lead to the loss of good repute. Member States shall take into account information on those infringements, including information received from other Member States, when setting the priorities for checks pursuant to Article 12(1).

Those measures, designed to amend non-essential elements of this Regulation by supplementing it and which relate to this list, shall be adopted in accordance with the regulatory procedure with scrutiny referred to in Article 25(3).

To this end, the Commission shall:

- (i) lay down the categories and types of infringement which are most frequently encountered;
- (ii) define the degree of seriousness of infringements according to their potential to create a risk of fatalities or serious injuries; and
- (iii) provide the frequency of occurrence beyond which repeated infringements shall be regarded as more serious, by taking into account the number of drivers used for the transport activities managed by the transport manager.

3. The requirement laid down in Article 3(1)(b) shall not be satisfied until a rehabilitation measure or any other measure having an equivalent effect has been taken pursuant to the relevant provisions of national law.

Article 8 - Conditions relating to the requirement of professional competence

1. In order to satisfy the requirement laid down in Article 3(1)(d), the person or persons concerned shall possess knowledge corresponding to the level provided for in Part I of Annex I in the subjects listed therein. That knowledge shall be demonstrated by means of a compulsory written examination which, if a Member State so decides, may be supplemented by an oral examination. Those examinations shall be organised in accordance with Part II of Annex I. To this end, Member States may decide to impose training prior to the examination.

2. The persons concerned shall sit the examination in the Member State in which they have their normal residence or the Member State in which they work.

'Normal residence' shall mean the place where a person usually lives, that is for at least 185 days in each calendar year, because of personal ties which show close links between that person and the place where he is living.

However, the normal residence of a person whose occupational ties are in a different place from his personal ties and who, consequently, lives in turn in different places situated in two or more Member States, shall be regarded as being in the place of his personal ties, provided that such person returns there regularly. This last condition shall not be required where the person is living in a Member State in order to carry out a task of a definite duration. Attendance at a university or school shall not imply transfer of normal residence.

3. Only the authorities or bodies duly authorised for this purpose by a Member State, in accordance with criteria defined by it, may organise and certify the written and oral examinations referred to in paragraph 1. Member States shall regularly verify that the conditions under which those authorities or bodies organise the examinations are in accordance with Annex I.

4. Member States may duly authorise, in accordance with criteria defined by them, bodies to provide applicants with high-quality training to prepare them for the examinations and transport managers with continuous training to update their knowledge if they wish to do so. Such Member States shall regularly verify that these bodies at all times fulfil the criteria on the basis of which they were authorised.

5. Member States may promote periodic training on the subjects listed in Annex I at 10-year intervals to ensure that transport managers are aware of developments in the sector.

6. Member States may require persons who possess a certificate of professional competence, but who have not managed a road haulage undertaking or a road passenger transport undertaking in the last 5 years, to undertake retraining in order to update their knowledge regarding the current developments of the legislation referred to in Part I of Annex I.

7. A Member State may exempt the holders of certain higher education qualifications or technical education qualifications issued in that Member State, specifically designated to this end and entailing knowledge of all the subjects listed in Annex I from the examination in the subjects covered by those qualifications. The exemption shall only apply to those sections of Part I of Annex I for which the qualification covers all subjects listed under the heading of each section.

A Member State may exempt from specified parts of the examinations holders of certificates of professional competence valid for national transport operations in that Member State.

8. A certificate issued by the authority or body referred to in paragraph 3 shall be produced as proof of professional competence. That certificate shall not be transferable to any other person. It shall be drawn up in accordance with the security features and the model certificate set out in Annexes II and III and shall bear the seal of the duly authorised authority or body which issued it.

9. The Commission shall adapt Annexes I, II and III to technical progress. Those measures, designed to amend non-essential elements of this Regulation, shall be adopted in accordance with the regulatory procedure with scrutiny referred to in Article 25(3).

10. The Commission shall encourage and facilitate the exchange of experience and information between Member States, or through any body it may designate, concerning training, examinations and authorisations.

Article 9 - Exemption from examination

Member States may decide to exempt from the examinations referred to in Article 8(1) persons who provide proof that they have continuously managed a road

haulage undertaking or a road passenger transport undertaking in one or more Member States for the period of 10 years before 4 December 2009.

Article 13 - Procedure for the suspension and withdrawal of authorisations

1. Where a competent authority establishes that an undertaking runs the risk of no longer fulfilling the requirements laid down in Article 3, it shall notify the undertaking thereof. Where a competent authority establishes that one or more of those requirements is no longer satisfied, it may set one of the following time limits for the undertaking to rectify the situation:

(a) a time limit not exceeding 6 months, which may be extended by 3 months in the event of the death or physical incapacity of the transport manager, for the recruitment of a replacement transport manager where the transport manager no longer satisfies the requirement as to good repute or professional competence;

2. The competent authority may require an undertaking whose authorisation has been suspended or withdrawn to ensure that its transport managers have passed the examinations referred to in Article 8(1) prior to any rehabilitation measure being taken.

3. If the competent authority establishes that the undertaking no longer satisfies one or more of the requirements laid down in Article 3, it shall suspend or withdraw the authorisation to engage in the occupation of road transport operator within the time limits referred to in paragraph 1 of this Article.

Article 14 - Declaration of unfitness of the transport manager

1. Where a transport manager loses good repute in accordance with Article 6, the competent authority shall declare that transport manager unfit to manage the transport activities of an undertaking.

2. Unless and until a rehabilitation measure is taken in accordance with the relevant provisions of national law, the certificate of professional competence, referred to in Article 8(8), of the transport manager declared to be unfit, shall no longer be valid in any Member State.

Article 21 - Certificates of professional competence

1. Member States shall recognise as sufficient proof of professional competence a certificate which complies with the model certificate set out in Annex III and which is issued by the authority or body duly authorised for that purpose.

2. A certificate issued before 4 December 2011 as proof of professional competence pursuant to the provisions in force until that date shall be deemed to be equivalent to a certificate which complies with the model certificate set out in Annex III and shall be recognised as proof of professional competence in all Member States. Member States may require that holders of certificates of professional competence valid only for national transport pass the examinations, or parts of the examinations, referred to in Article 8(1).

EU ANNEX 1 - 1. LIST OF SUBJECTS REFERRED TO IN ARTICLE 8

The knowledge to be taken into consideration for the official recognition of professional competence by Member States must cover at least the subjects listed below for road haulage and road passenger transport respectively. In relation to these subjects, applicant road haulage and road passenger transport operators must have the levels of knowledge and practical aptitude necessary for the management of a transport undertaking.

The minimum level of knowledge, as indicated below, may not be below level 3 of the training-level structure laid down in the Annex to Council Decision 85/368/EEC³⁰

(1), namely the level of knowledge acquired during the course of compulsory education, which is supplemented either by vocational training and supplementary technical training or by secondary school or other technical training.

A. Civil law

The applicant must, in particular, in relation to road haulage and passenger transport:

1. be familiar with the main types of contract used in road transport and with the rights and obligations arising there from;
2. be capable of negotiating a legally valid transport contract, notably with regard to conditions of carriage;

in relation to road haulage:

3. be able to consider a claim by his principal regarding compensation for loss of or damage to goods during transportation or for their late delivery, and to understand how such a claim affects his contractual liability;
4. be familiar with the rules and obligations arising from the CMR Convention on the Contract for the International Carriage of Goods by Road;

in relation to road passenger transport:

5. be able to consider a claim by his principal regarding compensation for injury to passengers or damage to their baggage caused by an accident during transportation, or regarding compensation for delays, and to understand how such a claim affects his contractual liability.

³⁰ Council Decision 85/368/EEC of 16 July 1985 on the comparability of vocational training qualifications between the Member States of the European Community (OJ L 199, 31.7.1985, p. 56).

B. Commercial law

The applicant must, in particular, in relation to road haulage and passenger transport:

1. be familiar with the conditions and formalities laid down for plying the trade, the general obligations incumbent upon transport operators (registration, record keeping, etc.) and the consequences of bankruptcy;
2. have appropriate knowledge of the various forms of commercial companies and the rules governing their constitution and operation.

C. Social law

The applicant must, in particular, in relation to road haulage and passenger transport, be familiar with the following:

1. the role and function of the various social institutions which are concerned with road transport (trade unions, works councils, shop stewards, labour inspectors, etc.);
2. the employers' social security obligations;
3. the rules governing work contracts for the various categories of worker employed by road transport undertakings (form of the contracts, obligations of the parties, working conditions and working hours, paid leave, remuneration, breach of contract, etc.);
4. the rules applicable to driving time, rest periods and working time, and in particular the provisions of Regulation (EEC) No 3821/85, Regulation (EC) No 561/2006, Directive 2002/15/EC of the European Parliament and of the Council⁽¹⁾ and Directive 2006/22/EC, and the practical measures for applying those provisions; and
5. the rules applicable to the initial qualification and continuous training of drivers, and in particular those deriving from Directive 2003/59/EC of the European Parliament and of the Council³¹.

³¹ Directive 2003/59/EC of the European Parliament and of the Council of 15 July 2003 on the initial qualification and periodic training of drivers of certain road vehicles for the carriage of goods or passengers (OJ L 226, 10.9.2003, p. 4).

D. Fiscal law

The applicant must, in particular, in relation to road haulage and passenger transport, be familiar with the rules governing:

1. value added tax (VAT) on transport services;
2. motor-vehicle tax;
3. the taxes on certain road haulage vehicles and tolls and infrastructure user charges;
4. income tax.

E. Business and financial management of the undertaking

The applicant must, in particular, in relation to road haulage and passenger transport:

1. be familiar with the laws and practices regarding the use of cheques, bills of exchange, promissory notes, credit cards and other means or methods of payment;
2. be familiar with the various forms of credit (bank credit, documentary credit, guarantee deposits, mortgages, leasing, renting, factoring, etc.) and the charges and obligations arising there from;
3. know what a balance sheet is, how it is set out and how to interpret it;
4. be able to read and interpret a profit and loss account;
5. be able to assess the undertaking's profitability and financial position, in particular on the basis of financial ratios;
6. be able to prepare a budget;
7. be familiar with the cost elements of the undertaking (fixed costs, variable costs, working capital, depreciation, etc.), and be able to calculate costs per vehicle, per kilometre, per journey or per tonne;
8. be able to draw up an organisation chart relating to the undertaking's personnel as a whole and to organise work plans, etc.;
9. be familiar with the principles of marketing, publicity and public relations, including transport services, sales promotion and the preparation of customer files, etc.;
10. be familiar with the different types of insurance relating to road transport (liability, accidental injury/life insurance, non-life and luggage insurance) and the guarantees and obligations arising there from;
11. be familiar with the applications of electronic data transmission in road transport;

in relation to road haulage:

12. be able to apply the rules governing the invoicing of road haulage services and know the meaning and implications of Inco terms;
13. be familiar with the different categories of transport auxiliaries, their role, their functions and, where appropriate, their status;

in relation to road passenger transport:

14. be able to apply the rules governing fares and pricing in public and private passenger transport;
15. be able to apply the rules governing the invoicing of road passenger transport services.

F. Access to the market

The applicant must, in particular, in relation to road haulage and passenger transport, be familiar with the following:

1. the occupational regulations governing road transport for hire or reward, industrial vehicle rental and subcontracting, and in particular the rules governing the official organisation of the occupation, admission to the occupation, authorisations for intra-Community and extra-Community road transport operations, inspections and penalties;
2. the rules for setting up a road transport undertaking;
3. the various documents required for operating road transport services and the introduction of checking procedures to ensure that the approved documents relating to each transport operation, and in particular those relating to the vehicle, the driver, the goods and luggage are kept both in the vehicle and on the premises of the undertaking;

in relation to road haulage:

4. the rules on the organisation of the market in road haulage services, as well as the rules on freight handling and logistics;
5. border formalities, the role and scope of T documents and TIR carnets, and the obligations and responsibilities arising from their use;

in relation to road passenger transport:

6. the rules on the organisation of the market in road passenger transport;
7. the rules for introducing road passenger transport services and the drawing up of transport plans.

G. Technical standards and technical aspects of operation

The applicant must, in particular, in relation to road haulage and passenger transport:

1. be familiar with the rules concerning the weights and dimensions of vehicles in the Member States and the procedures to be followed in the case of abnormal loads which constitute an exception to these rules;
2. be able to choose vehicles and their components (chassis, engine, transmission system, braking system, etc.) in accordance with the needs of the undertaking;
3. be familiar with the formalities relating to the type approval, registration and technical inspection of these vehicles;
4. understand what measures must be taken to reduce noise and to combat air pollution by motor vehicle exhaust emissions;
5. be able to draw up periodic maintenance plans for the vehicles and their equipment;

in relation to road haulage:

6. be familiar with the different types of cargo-handling and loading devices (tailboards, containers, pallets, etc.) and be able to introduce procedures and issue instructions for loading and unloading goods (load distribution, stacking, stowing, blocking and chocking, etc.);
7. be familiar with the various techniques of 'piggy-back' and roll-on roll-off combined transport;
8. be able to implement procedures to comply with the rules on the carriage of dangerous goods and waste, notably those arising from Directive 2008/68/EC³²(1) and Regulation (EC) No 1013/2006³³;
9. be able to implement procedures to comply with the rules on the carriage of perishable foodstuffs, notably those arising from the Agreement on the International Carriage of Perishable Foodstuffs and on the Special Equipment to be used for such Carriage (ATP);
10. be able to implement procedures to comply with the rules on the transport of live animals.

³² Directive 2008/68/EC of the European Parliament and of the Council of 24 September 2008 on the inland transport of dangerous goods(OJ L 260, 30.9.2008, p. 13). (1) and Regulation (EC) No 1013/2006(2)

³³ Regulation (EC) No 1013/2006 of the European Parliament and of the Council of 14 June 2006 on shipments of waste (OJ L 190,12.7.2006, p. 1). (2);

H. Road safety

The applicant must, in particular, in relation to road haulage and passenger transport:

1. know what qualifications are required for drivers (driving licence, medical certificates, certificates of fitness, etc.);
2. be able to take the necessary steps to ensure that drivers comply with the traffic rules, prohibitions and restrictions in force in different Member States (speed limits, priorities, waiting and parking restrictions, use of lights, road signs, etc.);
3. be able to draw up instructions for drivers to check their compliance with the safety requirements concerning the condition of the vehicles, their equipment and cargo, and concerning preventive measures to be taken;
4. be able to lay down procedures to be followed in the event of an accident and to implement appropriate procedures to prevent the recurrence of accidents or serious traffic offences;
5. be able to implement procedures to properly secure goods and be familiar with the corresponding techniques;

in relation to road passenger transport:

6. have elementary knowledge of the layout of the road network in the Member States.