



Review of Designated Bodies for Section 19 Permits:

Consultation Document

July 2009

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How to Respond

The consultation closes on **Wednesday 14 October**. Please ensure that your response reaches us by that date. If you would like further copies of this consultation document it can be found at:

http://www.dft.gov.uk/consultations

or you can contact the Department at the address below if you would like alternate version of the consultation document (e.g. braille, audio CD etc).

Please send consultation responses to:

Phillip London Designated Bodies Review Consultation Department for Transport Zone 3/11, Great Minster House 76, Marsham Street London SW1P 4DR

Telephone: 0300 330 3000

Email: LocalTransportAct@dft.gsi.gov.uk

Please state whether you are responding as an individual or representing the views of an organisation; if responding on behalf of a larger organisation please make it clear who the organisation represents, and where applicable, how the views of members were assembled.

Information provided in response to this consultation, including personal information, may be subject to publication or disclosure in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004).

If you want information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence.

In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

The Department will process your personal data in accordance with the DPA and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties.

A summary of responses to this consultation will be published on our website: <u>http://www.dft.gov.uk/consultations</u> after the consultation period has closed. Paper copies will be available on request. The Government will then announce its conclusions following the consultation.

The consultation is being conducted in line with the Government's Code or Practice on Consultation. The criteria are listed at Annex V; a full version of the Code of Practice on Consultation is available on the Better Regulation Executive web-site at:

http://www.berr.gov.uk/files/file47158.pdf

If you consider that this consultation does not comply with the criteria or have comments about the **consultation process** please contact:

Lec Napal Consultation Co-ordinator Department for Transport Zone 1/33 Great Minster House London SW1P 4DR

Email address: consultation@dft.gsi.gov.uk

Introduction

1. This consultation document invites views on the Department's proposals to review the system of 'designated bodies', who play an important role in the community transport sector. The document begins by setting out some background to the designated bodies system and explains why the Department is looking to review it. It then describes the Government's proposals for taking forward the review and poses a number of questions for consultation.

Section 19 permits and the role of designated bodies

2. Any person or group wishing to carry passengers by road for hire or reward, other than as a licensed taxi or private hire operator, must normally hold a public service vehicle (PSV) operator's licence.

3. PSV operator licences are issued by the traffic commissioners and applicants must meet certain criteria. However, certain operators providing non-profit making services can apply for a permit, issued under section 19 or 22 of the Transport Act 1985, which allows them, subject to certain conditions, to operate PSVs without the need for a PSV operator's licence.

4. The permit system provides community transport operators with a means of operating a vehicle for the carriage of passengers for hire or reward, but at reduced cost and administrative burden in recognition of their 'not for profit' status, which is consistent with the Government's wider policy to support the development of the 'third sector'¹.

5. Section 19 and 22 permits are issued by VOSA on behalf of the traffic commissioners. Section 19 permits for vehicles adapted to carry no more than 16 passengers can also be issued by 'designated bodies'². These are listed in secondary legislation³ and include local authorities along with individual not-for-profit organisations such as the Scouts Association and Age Concern. The secondary legislation also identifies the classes of person to whom each designated body may issue permits and designated bodies must not issue permits to other persons.

6. The designated bodies system has been in existence for many years. A key benefit is that there will normally be some kind of existing relationship between the applicant and the permit issuer, which makes it possible for the issuer to assess the applicant's eligibility and suitability more quickly. Applicants also value the opportunity to obtain permits from a body with whom they already have a relationship.

http://www.thecompact.org.uk/

² Bodies designated in an order made by the Secretary of State, or Welsh Ministers, under section 19(7) of the Transport Act 1985

³ See the Section 19 Minibus (Designated Bodies) Order 1987, (S.I. 1987/1229, amended by S.I. 1990/1708, S.I. 1995/1540 and S.I. 1997/535).

7. Section 19 permits cannot be held by commercial organisations or used for the transportation of the general public. Designated bodies may only issue permits to bodies concerned with education, religion, social welfare, recreation or other activities for the benefit of the community.

8. It was estimated in 2007 that between three to five thousand section 19 permits are issued each year, with almost ninety-thousand in circulation.⁴ There are currently 72 designated bodies, excluding local authorities and councils.

Q1: Do you have any general views on the designated body system and its effectiveness?

Why Review Designated Bodies?

9. Community transport operators provide much valued essential services, often for the most vulnerable in our society. The Government recognises this along with the important role that designated bodies play, not just in the processing of certain permit applications, but also in providing important advice and guidance to their members.

10. The draft Local Transport Bill, published for consultation in May 2007, included various proposals intended to reduce the regulatory costs associated with the permit system. These included a suggestion that the issuing of all permits could be centralised with VOSA and the traffic commissioners. The community transport sector expressed significant concern about that proposal, making it clear that the sector values highly the role played by designated bodies.

11. In response to those concerns, the Government stated⁵ that it would retain the existing provisions allowing section 19 permits, enabling the use of vehicles capable of carrying not more than 16 passengers, to be issued by designated bodies. It also committed to review the existing list of designated bodies, noting that this list was last revised more than ten years ago. Reviewing this list also provides an opportunity to seek views on the operation of the designated bodies system more generally.

12. The purpose of this consultation is to invite views on our proposed approach to carrying out the designated bodies review. The consultation responses will inform the manner in which the review is subsequently taken forward.

 ⁴ Community Transport Association response to Government consultation on Strengthening Local Delivery – Modernising the traffic commissioner system, October 2007
 ⁵ Published 8th November 2007

http://www.dft.gov.uk/adobepdf/165237/299192/vol1 Government Response.pdf

Our Proposals

A. Reviewing the list of designated bodies

13. The list of designated bodies has not been updated for over 10 years. It is therefore likely that the list will include bodies which are no longer in existence or who are no longer actively issuing permits or monitoring the use of permits they have previously issued. It is also likely that other bodies might wish to be added to the list, to enable them to issue permits. We therefore propose, (in late 2009), to invite applications from bodies who wish to be considered for future inclusion in the list of designated bodies and from existing designated bodies who no longer wish to remain on the list.

14. A consequence of removing an existing designated body from the list would be that any permits issued by that designated body still in circulation would cease to be valid, and the holder would need to apply to another designated body, or to VOSA, for a new permit. The body would therefore need to take appropriate steps to inform any permit holders who might be affected.

Q2: Do you agree that it is now appropriate to review the list of designated bodies, with a view to both adding new bodies and removing those who are no longer actively issuing permits?

15. At this stage, it would be helpful for the Department to be able to gauge the likely level of interest in being added to, or removed from, the list of designated bodies. This will help us to plan and manage the review process.

Q3: [If appropriate to your circumstances:] Bearing in mind the proposals set out in this consultation, are you likely to be interested in being added to, or removed from, the list of designated bodies?

16. A list of current designated bodies is contained in Annex III

B. Criteria for assessing suitability of applicants to become designated bodies

17. If the Department is to invite applications from organisations wishing to become designated bodies, we would need to make clear the criteria against which these applications would be assessed. It is important to recognise that the right to issue section 19 permits brings with it significant responsibilities, both when permits are issued and subsequently. Designated bodies need to satisfy themselves that their permit-holders are, and remain, eligible and suitable to hold those permits. Designated bodies also have an important role to play in helping their permit-holders to understand their legal obligations and in raising awareness of how to operate their vehicles safely. Accordingly, these responsibilities do not end with the issuing of a permit.

18. To address this, we propose to publish a charter that describes what is expected of designated bodies and what they can expect from government in return. It is proposed that, when assessing applications to become a designated body, the key consideration should be whether the applicant demonstrates the ability to act in accordance with the principles set out in the charter.

19. There may also be other criteria that should be taken into consideration when assessing applications. For example, it has been suggested that bodies who issue only a small number of permits each year may find it more difficult to operate effectively as a designated body. There are some fixed costs involved in being a designated body (e.g. in putting in place processes to ensure permits are issued only to eligible and suitable applicants) and bodies issuing only a few permits may be less well placed to offer appropriate advice and support to their permit-holders. The Department would therefore welcome views on whether there ought to be a presumption that bodies issuing fewer than a minimum threshold (e.g. 25 permits a year) should not be designated.

Q4: Do you agree with the idea of a charter? If not, why?

Q5: Do you agree that an applicant's ability to adhere to the principles of the charter should be the main consideration when assessing suitability?

Q6: Are there other considerations that should be taken into account when assessing suitability? Should there be a minimum threshold (e.g. 25 permits a year)?

Q7: Do you think the list should be subject to periodic review (e.g. every 5-years)?

C. Designated Bodies Charter

20. A draft charter is contained in Annex I. The aim is to outline a set of principles that:

- offer an appropriate level of protection for passenger safety;
- protects the permit system from abuse that could provide unfair competition for commercial transport operators (for example by operators who are not genuine not-for-profit organisations); but
- achieves these objectives at proportionate cost, bearing in mind the capacity and resource constraints that designated bodies are likely to face, so that the designated bodies system continues to provide an accessible route for eligible not-for-profit organisations to obtain section 19 permits.

Q8: To what extent do you consider that the designated bodies system currently strikes the right balance between these three objectives (paragraph 20)?

Q9: What are your thoughts regarding the contents of the draft charter? Do you have any suggestions as to how it might be improved to better meet these objectives?

D. Status of the charter and its application to existing designated bodies

21. If putting in place a charter to assess the suitability of new applicants to become designated bodies, it would seem logical that existing designated bodies should also be expected to adhere to the same principles. The Department considers that it would be unduly heavy-handed to seek to enshrine the charter in legislation, but it could be applied to existing designated bodies in a number of different ways:

- i. existing designated bodies could be invited to consider whether they feel able to adhere to the principles set out in the charter. Those who choose not to could be removed from the list of designated bodies.
- ii. existing designated bodies could be asked to provide some form of positive commitment to adhere to the principles of the charter (e.g. a written statement of intent). Designated bodies choosing not to provide, or maintain, such a commitment would be removed from the list.
- all existing designated bodies could be asked to demonstrate their continued suitability to act as a designated body, following the same approach that is being proposed for new applicants.

22. In the Department's view, option (i) provides little incentive for any bodies who are no longer actively issuing permits, or unable to adhere to the principles set out in the charter, to apply to be removed from the list. By contrast, option (iii) could be viewed as excessively burdensome and disproportionate. It is therefore suggested that option (ii) might strike the most appropriate balance.

Q10: Do you agree that bodies wishing to remain on the list of designated bodies should be expected to provide some form of positive commitment to the principles of the Charter? What form of commitment might be most appropriate (e.g. a written statement of intent)?

Additional Questions

Impact Assessment

23. Annex IV contains an impact assessment of the proposals within this consultation.

Q11: Do you agree with the impact assessment's analysis and evidence regarding the costs and benefits of these proposals?

Q12: Would you like to propose evidence of further costs or benefits resulting from these proposals?

The replacement of permits issued before 6th April 2009

24. Section 19 permits issued on or after 6th April 2009 are valid until the expiry date specified on the permit, which may not be longer than 5 years from the date of issue. This is to provide more reliable information regarding the number and use of permits in circulation and make enforcement, where necessary, more effective and better targeted.

25. The effect of the Local Transport Act 2008 is also to provide that permits issued before 6th April 2009 will cease to be valid from a date no later than April 2014. We are currently considering the process for replacing permits issued before 6th April 2009 that are currently in circulation. We recognise this will affect designated bodies (who will need to make arrangements to replace existing permits where appropriate) as well as individual permit-holders and VOSA.

26. A significant awareness-raising campaign will be needed to ensure that existing permit-holders are aware of the need to renew their old-style permits. It will be important to manage the transition over a long period, probably a number of years. We will bring forward detailed proposals in due course, but at this stage we would particularly welcome views on the following points:

- what communication channels we should consider using in order to raise awareness across the diverse range of permit-holders (which includes holders of permits issued by both VOSA and the designated bodies); and
- how well placed existing designated bodies are to recall and replace permits issued prior to 6th April 2009 (e.g. do designated bodies have reliable records of such permits).

Q13: Do you have any comments regarding the replacement of pre-April 2009 permits, including the specific questions raised in paragraph 26?

Conclusion

27. We would like to thank you for taking the time to read this consultation and hope you will contribute to the process. All submissions are carefully considered and will help to inform our decisions on how to proceed with the designated bodies review.

28. A summary of consultation responses, along with our formal response, will be published on the DfT website in late 2009. This will also include our final proposals.

29. Any questions or queries about this process or the policy we are proposing may be addressed to:

Phillip London Designated Bodies Review Consultation Department for Transport Zone 3/11, Great Minster House 76, Marsham Street London SW1P 4DR

Telephone: 0300 330 3000

Email: LocalTransportAct@dft.gsi.gov.uk

30. We endeavour to answer routine enquiries within 5 working days and more technical policy questions within 10.

Annex I – Designated Body Charter

Introduction

- Being a designated body is a significant responsibility. Designated bodies have the power to issue section 19 permits which enable people to carry fare-paying passengers in vehicles adapted to carry more than eight but not more than 16 passengers and (at separate fares only) in smaller vehicles (cars) without the need to hold a public service vehicle operator's licence. So by issuing a permit to somebody, the designated body is exempting that person from many of the usual operator licensing requirements that normally apply to PSV operators.
- People travelling on 'permit' services have a legitimate expectation that the vehicles will be operated safely – e.g. suitably-trained drivers, wellmaintained vehicles. Businesses operating in the commercial bus and private hire markets have a legitimate expectation that the special arrangements for non-profit transport operators are not open to abuse (which could in turn create unfair competition).

Designated bodies

- Designated bodies therefore need to be responsible about whom they issue permits to. They need to have systems in place to ensure that:
 - permits are granted only to organisations who are genuinely providing non-profit making services which do not carry members of the general public;
 - permits are only granted to bodies which come within the class of persons to whom the designated body is permitted to grant permits;
 - where a designated body is issuing permits to parts of its own organisation, or to affiliated bodies or groups, there should be a clear internal separation between the part of the organisation responsible for issuing the permit and the part of the organisation to which it is issued;
 - permit holders have vehicles which meet the prescribed standards, and suitable arrangements to maintain their vehicles properly;
 - permit holders only use drivers who are suitably trained and meet the statutory licensing requirements; and
 - o individuals issuing permits are suitably trained.

- Designated bodies can also add value to the community transport operators to whom they issue permits – some issue leaflets and/or offer guidance services to their permit-holders. It's recognised that some designated bodies will have more capacity than others to do this – but, as a minimum, designated bodies should be making sure their permit-holders are aware of how to access the main sources of information and advice that are available to them (e.g. through the Vehicle and Operator Services Agency and the Community Transport Association).
- Designated body responsibilities should not end at the point the permit is issued: designated bodies also have the power to revoke permits and should be exercising that power if it becomes apparent that a permit-holder is no longer suitable or eligible, or no longer requires a permit.
- The importance of an ongoing relationship between designated bodies and permit-holders is also emphasised by the new arrangements for time-limited permits, which means suitability needs to be reviewed at least every five years.
- Consistent with the arrangements set out in the leaflet *The Section 19 Permit System is Changing*,⁶ each designated body should inform VOSA:
 - annually: how many permits it has issued in the past year; and when it last issued a permit.
 - monthly: permits that have been issued and to whom, with serial numbers; any permits that have been replaced / reissued, with serial numbers; any permits that have been revoked and for what reason, with serial numbers; and any complaints received regarding permit holders⁷.

Government

- Designated bodies also have legitimate expectations of government.
- The Vehicle and Operator Services Agency (VOSA) will support designated bodies in their role by:
 - providing relevant, up-to-date guidance to designated bodies about their role – and to the community transport sector generally about how the permit system works; (in particular, maintain and update PSV 385)

http://www.transportoffice.gov.uk/crt/repository/Permit%20Leaflet.pdf

⁶ Published by VOSA, 26th February 2009

⁷ VOSA can supply Excel spreadsheet templates for designated bodies wishing to submit returns electronically <u>permits@vosa.gov.uk</u>

- responding to specific queries from designated bodies, where these are not answered by the guidance, in a helpful and timely manner within 15 working days;
- publishing best-practice guidance for community transport operators (e.g. about vehicle maintenance, staff training, etc), and ensure that this and other sources of relevant information are readily available to designated bodies for onward dissemination to their permit-holders;
- supply blank permits and discs to designated bodies within 10 working days of request;
- take appropriate action where designated bodies (or anybody else) reports concerns about suspected abuses of the section 19 permit system;
- has a system in place to inform the relevant designated body should one of their permit holders receive a prohibition notice.

Annex II – Consultation Response Form

PART 1 - Information about you

Name			
Address			
Postcode			
email			
Company Name or			
Organisation			
(if applicable)			
Please tick one box fro organisation.	m the list below that best describes you /your company or		
	Designated Body		
	Community Transport Operator		
	Representative Organisation		
	Trade Union		
	Interest Group		
	Local Government		
	Central Government		
	Not-for-profit organisation		
	Member of the public		
	Other (please describe):		
If you are responding on behalf of an organisation or interest group how many members do you have and how did you obtain the views of your members:			
If you would like your r explain why:	esponse or personal details to be treated confidentiall y please		

PART 2 - Your comments

1. Do you have any general views on the designated body system and its effectiveness?	Yes 🗌	No 🗌
Please explain your reasons and add any additional to see further guidance :	topics on which y	ou would wish
2. Do you agree that it is now appropriate to review the list of designated bodies, with a view to both adding new bodies and removing those who are no longer actively issuing permits?	YES 🗌	NO 🗌
Please explain your reasons and add any additional	comments you wi	ish to make:
3. [If appropriate to your circumstances:] Bearing in mind the proposals set out in this consultation, are you likely to be interested in being added to, or removed from, the list of designated bodies?	YES 🗌	NO 🗌
Please explain your reasons and add any additional	comments you wi	ish to make:
4. Do you agree with the idea of a charter? If not, why?	YES 🗌	NO 🗌
Please explain your reasons and add any additional	comments you wi	sh to make:

5. Do you agree that an applicant's ability to adhere to the principles of the charter should be the main consideration when assessing suitability?	YES 🗌	NO 🗌
Please explain your reasons and add any additional	comments you wi	sh to make:
6. Are there other considerations that should be taken into account when assessing suitability? Should there be a minimum threshold (e.g. 25 permits a year)?	YES 🗌	NO 🗌
Please explain your reasons and add any additional	comments you wi	sh to make:
7. Do you think the list should be subject to periodic review (e.g. every 5-years)?	YES 🗌	NO 🗌
Please explain your reasons and add any additional	comments you wi	sh to make:
8. To what extent do you consider that the designated bodies system currently strikes the right balance between these three objectives (paragraph 20)?	YES	NO 🗌
Please explain your reasons and add any additional	comments you wi	sh to make:

9. What are your thoughts regarding the contents of the draft charter? Do you have any suggestions as to how it might be improved to better meet these objectives?	YES 🗌	NO 🗌
Please explain your reasons and add any additional	comments you wi	sh to make:
10. Do you agree that bodies wishing to remain on the list of designated bodies should be expected to provide some form of positive commitment to the principles of the Charter? What form of commitment might be most appropriate (e.g. a written statement of intent)?	YES 🗌	NO
Please explain your reasons and add any additional	comments you wi	sh to make:
11. Do you agree with the impact assessment's analysis and evidence regarding the costs and benefits of these proposals?	YES	NO 🗌
Please explain your reasons and add any additional	comments you wi	sh to make:

12. Would you like to propose evidence of further costs or benefits resulting from these proposals?	YES	NO 🗌
Please explain your reasons and add any additional	comments you wi	ish to make:
13. Do you have any comments regarding the replacement of pre-April 2009 permits, including the specific questions raised in paragraph 26?	YES	NO 🗌
Please explain your reasons and add any additional	comments you wi	sh to make:

Annex III – List of Designated Bodies

Item No	Designated body	Classes of bodies to whom the designated body may grant permits
1	The council of every non-metropolitan county established under section 1(2) of the Local Government Act 1972.	 (a) Bodies to whom the designated body may make grants under section 65 of the Health Services and Public Health Act 1968. (b) Schools or bodies which fulfil the duty of the designated body under the Education Act 1944 with respect to the provision of education, and bodies connected with such schools or bodies. (c) Bodies which assist and co-ordinate activities of community bodies within the area of the council.
1A	Every council constituted under section 21 of the Local Government Act 1972.	 (a) Bodies to whom the council may make grants under section 65 of the Health Services and Public Health Act 1968. (b) Schools or bodies which fulfil the duty of the council under the Education Act 1996 with respect to the provision of education, and bodies connected with such schools or bodies. (c) Bodies which assist and coordinate activities of community bodies within the area of the council.
2	Every Passenger Transport Executive established under section 9(1) of the Transport Act 1968.	Bodies which the designated body assists in pursuance of its duty under section 9A of the Transport Act 1968 with respect to the provision of public passenger transport services wholly or mainly to meet the transport needs of members of the public who are elderly or disabled.
3	The council of every metropolitan district established under section 1(3) of the Local Government Act 1972.	 (a) Bodies to whom the designated body may make grants under section 65 of the Health Services and Public Health Act 1968. (b) Schools or bodies which fulfil the duty of the designated body under the Education Act 1944 with respect to the provision of education, and bodies connected with such schools or bodies. (c) Bodies which assist and co-ordinate activities of community bodies within the area of the council.
4	The council of every district in a non- metropolitan county established under section 1(4) of the Local Government Act 1972.	 (a) Bodies which operate wholly or mainly within the area of the council and whose purpose is to promote social welfare. (b) Bodies which assist and co-ordinate activities of community bodies within the area of the council.

9	The council of every Lor or the Common Council London. Every council constitute 2 of the Local Governme (Scotland) Act 1994.	of the City of	may make Health Ser 1968. (b) Schools of the desig Education provision of connected (c) Bodies activities of area of the (a) Bodie fulfilment of council by 1968. (b) School establishm council und Act 1980 w education, such school establishm (c) Com of the cour (d) Bodie ordinate activities	es connected with the of any duty imposed on the the Social Work (Scotland) Act ools or other educational tents which fulfil the duty of the der the Education (Scotland) with respect to the provision of and bodies connected with ols or educational tents. munity councils within the area
Item No	Designated body			Classes of bodies to whom the designated body may
	(a)	(b)		grant permits
	Name	Address of mai	n or only	
12	Age Concern England	administrative of registered office Astral House, 1 London Road, I SW16 4ER	centre, or e 268	Bodies comprised in the designated body.
13	Age Concern Scotland	Rose Street, Ed	dinburgh	Bodies comprised in the
14	Age Concern Wales	EH2 3DT 4th Floor 1 Cat		designated body. Bodies comprised in the
15	The Air Training Corps	Road Cardiff C RAF Cranwell,	Sleaford,	designated body. Bodies comprised in the
16	The Army Cadet Force Association	Lincolnshire NC E Block, Duke Headquarters, Road, London	of York's King's	designated body. Bodies comprised in the designated body.
17	The Army Central Fund	Room 211 First House High Ho	t Avenue Iborn	Bodies with a purpose or purposes similar to those of
17A	Arthritis Care	London WC1V 18 Stephenson London NW1 2	Way,	the designated body. Any branch of the designated body which is constituted, and the affairs of which are carried on, in accordance with regulations approved by the Council of the designated body.

18	The Association of Combined Youth Clubs	579 Battersea Park Road London SW11 3BH	Bodies which are members of the designated body.
19	The Association for Spina Bifida and Hydrocephalus	22 Upper Woburn Place London WC1H 0EP	Bodies which are comprised in, members of, or affiliated to the designated body.
20	The Association of Strict Baptist Churches Ltd	139 Grosvenor Avenue London N5 2NH	Bodies comprised in the designated body or with a purpose or purposes similar to those of the designated body.
21	The Baden-Powell Scouts' Association	6 Stirling Court Briercliffe Burnley	Bodies which are members of the designated body.
22	The Boys' Brigade	Allington Road, St Neots, Cambridgeshire PE19 2RD	Bodies comprised in the designated body.
23	The British Handball Association	Handball House 32 Grove Place Bedford Beds MK40 3JJ	Clubs which are members of the designated body.
24	The British Judo Association	7A Rutland Road, Leicester LE1 1RB	Clubs which are members of the designated body.
25	The British Polio Fellowship	Ground Floor Unit A, Eagle Office Centre, The Runway, South Ruislip, Middlesex HA4 6SE	Bodies comprised in the designated body.
26	The British Red Cross Society	9 Grosvenor Crescent London SW1X 7EJ	Bodies comprised in the designated body.
27	The British Trust for Conservation Volunteers	36 St Mary's Street Wallingford Oxfordshire OX10 0EU	The National Conservation Corps or any unit thereof, and any body which is comprised in or affiliated to the designated body.
28	The Campaigners	Campaigner House St Mark's Close Colney Heath Herts AL4 0NQ	Bodies comprised in the designated body or with a purpose or purposes similar to those of the designated body.
29	The Camping and Caravanning Club	11 Lower Grosvenor Place London SW1W 0EY	Regional or district associations, groups or sections sanctioned by the designated body.
30	The Central Council of Physical Recreation	Francis House Francis Street London SW1P 1DE	Bodies which are comprised in, or members of the designated body.
31	The Church Army	Independents Road Blackheath London SE3 9LG	Bodies comprised in the designated body.
32A	The Church Lads' and Church Girls' Brigade	2 Barnsley Road, Wath- upon- Dearne, Rotherham, South Yorkshire S63 6PY	Any company, battalion or regiment established and conducted in accordance with the rules and regulations of the designated body.
34	The Church of Scotland	121 George Street Edinburgh EH2 4YN	Bodies comprised in the designated body.
35	The Combined Cadet Force Association	E Block, Duke of York's Headquarters, King's Road, London SW3 4RR	Bodies comprised in the designated body.
36	Community Transport	6 Cumbrian Street Manchester M11 3FY	Bodies which are members of the designated body.

37	Community Transport Association UK	Highbank, Halton Street, Hyde, Cheshire SK14 2NY]	Project committees recognised by the designated body.
38	The Council for Wales of Voluntary Youth Service	5 Washington Chambers Stanwell Road Penarth South Glamorgan CF6 2AF	Bodies which are members of the designated body.
39	Covenanters	11/13 Lower Hillgate, Stockport SK1 1JQ	Bodies comprised in the designated body.
40	The Crusaders' Union	2 Romeland Hill St Albans Herts AL3 4ET	Bodies affiliated to the designated body and any Welsh branch of an affiliated body.
41	CYFA Pathfinder Ventures Limited	CPAS, Athena Drive, Tachbrook Park, Warwick CV34 6NG	Bodies comprised in the designated body.
42	Barnardo's	Tanners Lane Barkingside Ilford Essex 1G6 1QG	Bodies comprised in the designated body.
43	The Elm Trust Corporation	PO Box 38 Cheltenham Glos GL50 3HN	Bodies comprised in the designated body.
43A	Enable (formerly Scottish Society for the Mentally Handicapped)	6th Floor, 7 Buchanan Street, Glasgow G1 3HL	Any organisation affiliated to the designated body or any branch of the designated body.
44	The English Olympic Wrestling Association	Great Clowes Street, Salford M7 1RQ	Organisations affiliated to the designated body.
44A	European Scout Federation (British Association)	38 Sandiway Bank, Thornhill, Dewsbury, West Yorkshire WF12 0SD	Any Group affiliated to the designated body.
44B	Halliwick Association of Swimming Therapy]	93 Royal Crescent, South Ruislip, Middlesex HA4 0LP	Any club affiliated to the designated body.
45	The Field Studies Council	Preston Montford, Shrewsbury SY4 1HW	Bodies comprised in the designated body.
46	The Fleet Amenities Fund	Room 308Å Archway Block South Old Admiralty Building Spring Gardens London SW1A 2BE	Bodies with a purpose or purposes similar to those of the designated body.
46A	Friends Trusts Limited	Friends House, Euston Road, London NW1 2BJ	Charitable bodies in relation to which the designated body body acts as custodian trustee.
47	The Girl Crusaders' Union	31 Catherine Place London SW1E 6EJ	Bodies comprised in the designated body.
47A	The Girls' Brigade	Girls' Brigade House, Foxhall Road, Didcot, Oxfordshire OX11 7BQ	Companies of girls which are units formed under the Constitution of the Girls' Brigade in England and Wales.
48	The Guide Association	17-19 Buckingham Palace Road London SW1W 0PT	Bodies comprised in the designated body.
48A	The Guide Dogs for the Blind Association	Hillfields, Burghfield, Reading, Berkshire RG7 3YG	、 ,
49	The Jewish Lads' and Girls' Brigade	3 Beechcroft Road South Woodford London E18 1LA	Bodies which are comprised in the designated body.
50	[The Methodist Council]	2 Chester House Pages Lane Muswell Hill London	Schools, colleges and youth clubs associated with the

52 53 55	The Multiple Sclerosis Society of Great Britain [NABCClubs for Young People] The National Confederation of Parent-Teacher Associations	N10 1PR 25 Effie Road Fulham London SW6 1EE [371 Kennington Lane, London SE11 5QY] 43 Stonebridge Road Northfleet Gravesend Kent DA11 9DS	designated body. Bodies comprised in the designated body. Bodies comprised in the designated body. Bodies with a purpose or purposes similar to those of the designated body.
56	Associations The National Council for Voluntary Organisations	[Regents Wharf, 8 All Saints Street, London N1 9RL]	 (a) Member bodies of (i) the designated body, or (ii) the National Federation of Community Organisations. (b) Bodies represented at (i) Action with Communities in Rural England, or (ii) the Council for Voluntary Service-National Associations.
57	The National Council of Young Men's Christian Associations of Great Britain	640 Forest Road London E17 3DZ	Bodies comprised in the designated body.
58	The National Federation of Eighteen Plus Groups of Great Britain	Nicholson House Newent Gloucestershire GL18 1AG	Bodies comprised in the designated body.
59	Phab Limited	Summit House, Wandle Road, Croydon CR0 1DF	Bodies comprised in the designated body.
60	The National Union of Students of Universities and Colleges of the United Kingdom	461 Holloway Road London N7 6LJ	Student unions, associations, guilds, representative councils, junior common rooms and other bodies affiliated to the designated body.
62	The Royal Air Force Central Fund	[HQ Personnel and Training Command, RAF Innsworth, Gloucester GL3 1EZ]	Bodies with a purpose or purposes similar to those of the designated body.
63	The Royal National Institute for the Blind	Bakewell Road, Orton Southgate, Peterborough PE2 0XU	Bodies which are comprised in, members of, or affiliated to the designated body.
64	The Royal National Institute for the Deaf	105 Gower Street London WC1E 6AH	Bodies which are comprised in, members of, or affiliated to the designated body.
65	The Royal Society for Mentally Handicapped Children and Adults (MENCAP)	123 Golden Lane London EC1Y 0RT	(a) Bodies comprised in the designated body, and
			(b) bodies comprised in the National Federation of Gateway Clubs.

65A	The Royal Society for the Protection of Birds	The Lodge, Sandy Bedfordshire SG19 2DL	Bodies consisting of members of the society established as branches of the society in accordance with the society's charter and statutes made thereunder.
66	St Andrew's	St Andrew's House Milton	Bodies comprised in the
67	Ambulance Association St John Ambulance	Street Glasgow G4 0HR 1 Grosvenor Crescent London SW1X 7EF PO Box 249	designated body. Bodies comprised in the designated body.
68	The Salvation Army	101 Queen Victoria Street London EC4P 4EP	Bodies comprised in the designated body.
69	The Save the Children Fund	Mary Datchelor House 17 Grove Land London SE5 8RD	Bodies which are comrpised in, members of, or affiliated to the designated body.
74	The Scottish Standing Conference of Voluntary Youth Organisations	Atholl House 2 Canning Street Edinburgh EH3 8EG	Bodies represented at the Scottish Standing Conference of Voluntary Organisations.
75	The Scout Association	Baden-Powell House Queen's Gate London SW7 5JS	 (a) All Scout Association organisations within the scope of the designated body; and (b) Joint Scout and Guide units.
76	The Scripture Union	[207-209 Queensway, Bletchley, Milton Keynes MK2 2EB]	Bodies which are comprised in, members of, or affiliated to the designated body.
76A	The Scripture Union- Scotland	9 Canal Street, Glasgow G4 0AB	Bodies which are affiliated to the designated body.
77	The Sea Cadet	202 Lambeth Road	Bodies comprised in the
78	Association The Spastics Society	London SE1 7JF 12 Park Crescent London	designated body. Bodies comprised in the
79	The Sports Council	W1N 4EQ 16 Upper Woburn Place London WC1H 0QP	designated body.
79A	ТосН	1 Forest Close, Wendover, Aylesbury, Buckinghamshire HP22 6BT	Bodies consisting of
			 (a) groups of members established as branches of the designated body, or (b) Affiliated Associations recognised by the designated body, in accordance with its charter.
79B	Youth Clubs UK	11 St Bride Street, London EC4A 4AS	Bodies comprised in the designated body.
80	Youth Hostels Association (England and Wales)	[National Accounts Office, PO Box 30, Tor Mill, Dimple Road, Matlock, Derbyshire DE4 3JX]	Bodies comprised in the designated body.

Summ	nary: Intervention & Op	otions
Department /Agency: Department for Transport	Title: Impact Assessment of Desig	nated Bodies Review
Stage: Consultation	Version: 1	Date: July 2009
Related Publications: Section 19 M	linibus (Designated Bodies) Order	1987
Available to view or download at: http://www.opsi.gov.uk/si/si1987/U Contact for enquiries: Phillip Londo		elephone: 0300 330 3000
Designated bodies issue permits to provide passenger carrying service full PSV operator's licence. The co years. Some details are now out of suitable, to be designated. Also, the	eration? Why is government interve o (not-for-profit) community transpo- es for hire or reward without the ad- urrent list of designated bodies has of date and some bodies may no-lo here may be other organisations who amend the existing Designated Bo	ort operators enabling them to ministration and cost of holding a not been updated for over 10- nger want, or are no-longer ho wish to be added.
criteria, while not allowing abuse o as it helps to promote safety, while	nated bodies system that is accessing f the lighter-touch regulatory regime allowing genuine community trans can provide and maintain much va	e. This is an important balance sport operators a cost effective
 Leave the list unchanged Update the list Update the list specifying the st Our proposal is option 3, because specifying standards expected of c 	considered? Please justify any andards expected of designated be (i) the list hasn't been updated for i designated bodies will give a clear b gnated, as well as helping to suppo	odies more than a decade; (ii) basis for considering
desired effects? As part of wider p	o establish the actual costs and be ost-legislative scrutiny of the Local Scrutiny - The Government's Appro	Transport Act 2008, in

<u>Ministerial Sign-off</u> For consultation stage Impact Assessments:

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible Minister: SADIQ KHAN MP

Summary: Analysis & Evidence							
Policy Option: Description:							
ANNUAI	L COSTS		Description and s			osts by 'mai	n
One-off (Trans	ition) Y	′rs	affected groups'	none monetis	ea		
£ none mone	tised						
Average Ann (excluding one-of							
^O £ none mone	tised			Tota	Cost (PV)	£ none mor	netised
Other key non-monetised costs by 'main affected groups' Organisations may find that meeting the standards expected of a designated body requires a small increase in one-off and annual costs. The decision to become designated is voluntary and permits can be obtained from other sources for those not designated (or un-designated), although maybe at a slightly increased cost.							
ANNUAL	BENEFITS		Description and s			enefits by 'n	nain
One-off	Y	′rs	affected groups'	none monetis	ed		
£ none mone	tised						
Average Ann (excluding one-of	Average Annual Benefit (excluding one-off) £ none monetised Total Benefit (PV) £ none monetised						
£ none mone	tised			Total B	enefit (PV)	£ none mor	netised
Other key non-monetised benefits by 'main affected groups' Groups that feel the proposed standards are cost-prohibitive can be removed from the list and will therefore no-longer have to meet the criteria, with associated cost. Organisations wishing to become designated will have the option to do so; this could lead to them obtaining permits at a slightly reduced cost.							
Key Assumptions/Sensitivities/Risks The extent of costs / benefits will depend upon organisations choosing to remain or be added / removed from the list. Those not on the list would not have the cost of being designated, which would be offset by the slightly higher cost of obtaining a permit elsewhere. The opposite is true for those on the list.							
Price Base Tim Year Yea	ne Period ars		Iet Benefit Range (NPV) NET BENEFIT (NPV Best estimate) N/A £ N/A			st estimate)	
What is the geogra	aphic covera	ige o	of the policy/option	?		Great Britia	in
					TBC	ТВС	
Which organisation(s) will enforce the policy? DBs / VOSA					A		
What is the total annual cost of enforcement for these organisations? £ none monetised					netised		
Does enforcement comply with Hampton principles? Yes							
Will implementation go beyond minimum EU requirements? N/A							
What is the value of the proposed offsetting measure per year? £ N/A What is the value of changes in grasphause gas emissions? £ N/A							
What is the value of changes in greenhouse gas emissions?£ N/AWill the proposal have a significant impact on competition?No							
					Large		
(excluding one-off)			mot2	No	No	N1/A	N1/A
Are any of these organisations exempt? No No N/A							
Impact on Admin Burdens Baseline (2005 Prices)(Increase - Decrease)Increase of £ N/ADecrease of £ N/ANet Impact £ N/A							

Key: Annual costs and benefits: Constant Prices

Evidence Base (for summary sheets)

[Use this space (with a recommended maximum of 30 pages) to set out the evidence, analysis and detailed narrative from which you have generated your policy options or proposal. Ensure that the information is organised in such a way as to explain clearly the summary information on the preceding pages of this form.]

Section 19 permits and the role of designated bodies

- 31. Section 19 permits, granted under section 19 of the Transport Act 1985, can be issued by 'designated bodies'⁸ for the use of vehicles adapted to carry no more than 16 passengers (traffic commissioners may also issue permits for the use of such vehicles, and also for larger vehicles). These are listed in secondary legislation⁹ and include local authorities along with individual not-for-profit organisations.
- 32. Designated bodies issue permits to (not-for-profit) community transport operators enabling them to provide passenger carrying services for hire or reward without the administration and cost of holding a full PSV operator's licence. The current list of designated bodies has not been updated for over 10-years. Some details are now out of date and some bodies may no-longer want, or are no-longer suitable, to be designated. Also, there may be other organisations who wish to be added.
- 33. Section 19 permits cannot be held by commercial organisations or used to provide services for the transportation of the general public. Designated bodies in general may only issue permits to bodies concerned with education, religion, social welfare, recreation or other activities for the benefit of the community, and each body, may only issue permits in accordance with restrictions specified in the designated bodies list.
- 34. It was estimated in 2007 that between three to five thousand section 19 permits are issued each year, with almost ninety-thousand in circulation.¹⁰ There are currently 72 designated bodies, excluding local authorities and councils.

Why Review Designated Bodies?

- 35. Community transport operators provide much valued essential services, often for the most vulnerable in our society. The Government recognises this along with the important role that designated bodies play, not just in the processing of certain permit applications, but also in providing important advice and guidance to their members.
- 36. The draft Local Transport Bill, published for consultation in May 2007, included various proposals intended to reduce the regulatory costs associated with the permit system. These included a suggestion that the issuing of all permits could be centralised with VOSA and the traffic commissioners. The community transport sector expressed significant concern about this proposal, making it clear that the sector values highly the role played by designated bodies.
- 37. In response to these concerns, the Government stated¹¹ that it would retain the existing provisions allowing section 19 permits to be issued by designated bodies. It also committed to review the existing list of designated bodies, noting that this list was last revised more than ten years ago.
- 38. The Local Transport Bill received Royal Assent in November 2008 becoming the Local Transport Act 2008.

- ¹⁰ Community Transport Association response to Government consultation on Strengthening Local Delivery Modernising the traffic commissioner system, October 2007
- ¹¹ Published 8th November 2007 <u>http://www.dft.gov.uk/adobepdf/165237/299192/vol1_Government_Response.pdf</u>

⁸ Bodies designated in an order made by the Secretary of State, or Welsh Ministers, under section 19(7) of the Transport Act 1985

⁹ See the Section 19 Minibus (Designated Bodies) Order 1987, (S.I. 1987/1229, amended by S.I. 1990/1708, S.I. 1995/1540 and S.I. 1997/535).

Our Proposals

A. Reviewing the list of designated bodies

- 39. The list of designated bodies has not been updated for over 10 years. It is therefore likely that the list will include bodies which are no longer in existence or who are no longer actively issuing permits or monitoring the use of permits they have previously issued. It is also likely that other bodies might wish to be added to the list, to enable them to issue permits. We therefore propose, [in late 2009], to invite applications from bodies who wish to be considered for future inclusion in the list of designated bodies and from existing designated bodies who no longer wish to remain on the list.
- 40. A consequence of removing an existing designated body from the list would be that any permits issued by that designated body still in circulation would cease to be valid, and the holder would need to apply to another designated body, or to the traffic commissioners, for a new permit.

B. Criteria for assessing suitability of applicants to become designated bodies

- 41. It is important to recognise that the right to issue section 19 permits brings with it significant responsibilities, both when permits are issued and subsequently. Designated bodies need to satisfy themselves that their permit-holders are (and remain) eligible and suitable to hold those permits. Designated bodies also have an important role to play in helping their permit-holders to understand their legal obligations and in raising awareness of how to operate their vehicles safely. Accordingly, these responsibilities do not end with the issuing of a permit.
- 42. To address this, we propose to publish a charter that describes what is expected of designated bodies, and what they can expect from government in return. It is proposed that, when assessing applications to become a designated body, the key consideration should be whether the applicant demonstrates the ability to act in accordance with the principles set out in the charter.
- 43. In addition, we feel it reasonable that existing designated bodies should also be expected to adhere to the same principles.
- 44. Our proposals are intended to continue a 'light-touch' approach to this sector. We feel that the charter is proportionate taking into account the capacity and resource constraints that designated bodies are likely to face; it will not be enshrined in legislation.

Costs

- 45. Existing designated bodies may face a small increase in costs (i) initially to ensure their internal arrangements meet the standards required; and / or (ii) annually in maintaining the standard.
- 46. As the decision to remain designated is voluntary some organisations may consider that signing up to the charter would be prohibitively expensive; these organisations would be allowed to leave the list. However, the permits they've issued would become invalid and require replacing; these permit-holders would need to apply for a new permit from either the traffic commissioners, which could be slightly more expensive (the current fee is £11), or join another designated body, with associated membership fees and administration.
- 47. For organisations volunteering to become designated there would be the cost of submitting an application and putting in place the internal arrangements to meet the standards required.

Benefits

- 48. Although existing designated bodies may see a small increase in costs to reach and maintain standards, it is expected that they will still be able to offer permits to their members cheaper than elsewhere (e.g. obtaining from the traffic commissioners).
- 49. Any designated body wishing to leave the list would benefit from not having to meet / maintain the standards required.
- 50. Prospective designated bodies will have the opportunity to offer an invaluable service to their members including permits at a cost that is likely to be cheaper than that offered by the traffic commissioners.
- 51. Commercial transport operators will welcome the more consistent application of standards applied to designated bodies as this should reduce the risk of permits being issued to 'unsuitable' organisations and help reduce the potential for unfair competition.
- 52. Transport users may benefit as designated bodies would be more able to give advice and support to permit holders and passengers could benefit from improved safety and other standards of service.

Specific Impact Tests: Checklist

Use the table below to demonstrate how broadly you have considered the potential impacts of your policy options.

Ensure that the results of any tests that impact on the cost-benefit analysis are contained within the main evidence base; other results may be annexed.

Type of testing undertaken	Results in Evidence Base?	Results annexed?
Competition Assessment	No	No
Small Firms Impact Test	No	Yes
Legal Aid	No	No
Sustainable Development	No	No
Carbon Assessment	No	No
Other Environment	No	No
Health Impact Assessment	No	No
Race Equality	No	Yes
Disability Equality	No	Yes
Gender Equality	No	Yes
Human Rights	No	No
Rural Proofing	No	No

Annexes

Equality Impact Assessment Screening Proforma

Name of the function, policy or strategy:	Review of Designated Bodies List
Current or Proposed: Current	_

Person completing the assessment: Phillip London

Date of assessment: July 2009

Purpose of the function, policy or strategy: 1. To amend (update) the Section 19 Minibus (Designated Bodies) Order 1987 2. To give organisations the option to remain, or to be added or removed from the list

						-	-
Questions - Indicate Yes or No for each group	Gender	Religion or Belief	Age	Disability	Ethnicity and Race	Sexual Orientation	Transgender
Is there any indication or evidence that different groups have different needs, experiences, issues or priorities in relation to the particular policy?	N	N	N	N	N	N	N
Is there potential for, or evidence that, this policy may adversely affect equality of opportunity for all and may harm good relations between different groups?	N	N	N	N	N	N	N
Is there any potential for, or evidence that, any part of the proposed policy could discriminate, directly or indirectly? (Consider those who implement it on a day to day basis)?	N	N	N	N	N	N	N
Is there any stakeholder (staff, public, unions) concern in the policy area about actual, perceived or potential discrimination against a particular group(s)?	N	N	N	N	N	N	N
Is there an opportunity to better promote equality of opportunity or better community relations by altering the policy or working with other government departments or the wider community?	N	N	N	N	N	N	N
Is there any evidence or indication of higher or lower uptake by different groups?	N	N	N	N	N	N	Ν
Do people have the same levels of access? Are there social or physical barriers to participation (e.g. language, format, physical access/proximity)?	N	N	N	N	N	N	N

If you have answered "no" to all the questions, an EqIA is not required. If you have answered 'yes' or "not known" to any of the above questions, please complete an Initial EqIA.

Small Firms Impact Test

Becoming a designated body is voluntary and therefore will not impose costs upon small firms.

Annex V – Code of Practice on Consultation

The Government has adopted a Code of Practice on consultations. The Code sets out the approach Government will take to running a formal, written public consultation exercise. While most UK Departments and Agencies have adopted the Code, it does not have legal force, and cannot prevail over statutory or other mandatory external requirements (e.g. under European Community Law).

The Code contains seven criteria. They should be reproduced in all consultation documents. Deviation from the code will at times be unavoidable, but the Government aims to explain the reasons for deviations and what measures will be used to make the exercise as effective as possible in the circumstances.

The Seven Consultation Criteria

- 1. When to consult: Formal consultation should take place at a stage when there is scope to influence the policy outcome.
- 2. **Duration of consultation exercises:** Consultations should normally last for at least 12 weeks with consideration given to longer timescales where feasible and sensible.
- 3. **Clarity of scope and impact:** Consultation documents should be clear about the consultation process, what is being proposed, the scope to influence and the expected costs and benefits of the proposals.
- 4. Accessibility of consultation exercises: Consultation exercises should be designed to be accessible to, and clearly targeted at, those people the exercise is intended to reach.
- 5. **The burden of consultation:** Keeping the burden of consultation to a minimum is essential if consultations are to be effective and if consultees' buy-in to the process is to be obtained.
- 6. **Responsiveness of consultation exercises:** Consultation responses should be analysed carefully and clear feedback should be provided to participants following the consultation.
- 7. **Capacity to consult:** Officials running consultations should seek guidance in how to run an effective consultation exercise and share what they have learned from the experience.

A full version of the code of practice is available on the Better Regulation Executive web-site at: <u>http://www.berr.gov.uk/files/file47158.pdf</u>

If you consider that this consultation does not comply with the criteria or have comments about the **consultation process** please contact:

Lec Napal

Consultation Co-ordinator, contact details page 4.