
STATUTORY INSTRUMENTS

2017 No. 873

PUBLIC PASSENGER TRANSPORT

**The Operation of Public Service Vehicles
(Partnership) (Amendment) Regulations 2017**

<i>Made</i>	- - - -	<i>6th September 2017</i>
<i>Laid before Parliament</i>		<i>8th September 2017</i>
<i>Coming into force</i>	- -	<i>5th October 2017</i>

The Secretary of State for Transport, in exercise of the powers conferred by section 58(1) and (2) of the Public Passenger Vehicles Act 1981(1) and section 194(1) and (2) of the Greater London Authority Act 1999(2), makes the following Regulations.

The Secretary of State has consulted with such representative organisations as thought fit in accordance with section 61(2) of the 1981 Act.

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Operation of Public Service Vehicles (Partnership) (Amendment) Regulations 2017 and come into force on 5th October 2017.

(2) In these Regulations “the principal Regulations” means the Operation of Public Service Vehicles (Partnership) Regulations 1986(3).

Amendments to the principal Regulations

2. The principal Regulations are amended as specified in regulations 3 to 6.

3. In regulation 3 (interpretation)—

(a) after the definition of “the 1985 Act” omit the word “and” and insert —

““the 1999 Act” means the Greater London Authority Act 1999;

“the 2009 Regulation” means Regulation (EC) No. 1071/2009 of the European Parliament and of the Council of 21st October 2009 establishing common rules

(1) 1981 c.14; section 14 was substituted and sections 14ZA to 14ZC were inserted by S.I. 2011/2632, regulation 7(1) and Schedule 1, paragraphs 1 and 3; section 58 was amended by the Transport Act 1985 (c.67), sections 1 and 139(3) and Schedule 1, paragraph 9 and Schedule 8; section 61 was amended by the Transport Act 1985, sections 135(1) and 139(3) and Schedule 8. There are other amendments not relevant to these Regulations.

(2) 1999 c.29; section 194(2) was amended in relation to England and Wales by S.I. 2013/1644, article 4 and Schedule 3.

(3) S.I. 1986/1628, amended by S.I. 1990/1850, 2007/1898, 2013/1644.

concerning the conditions to be complied with to pursue the occupation of road transport operator and repealing Council [Directive 96/26/EC\(4\)](#)”; and

- (b) at the end of the definition of “firm” and “firm-name” insert —

“; and

“London service permit” has the meaning given by section 185(1) of the 1999 Act”.

4. For regulation 4 (licences granted to unincorporated bodies), substitute the following—

“4. The permitted cases in which, pursuant to section 58(2) of the 1981 Act and that section as applied by section 194(1) and (2) of the 1999 Act, a PSV operator’s licence or London service permit may be granted to an unincorporated body as such or to more than one person jointly are where —

- (a) a standard PSV operator’s licence is granted to an undertaking for the purposes of the 2009 Regulation; and
- (b) a restricted PSV operator’s licence or a London service permit is granted to persons in partnership.”.

5. In regulation 5(2) (modifications of statutory provisions)—

- (a) for “the 1981 Act or the 1985 Act” substitute “the 1981 Act, the 1985 Act or the 1999 Act”; and
- (b) for “or London local service licence” substitute “or London service permit”.

- 6.—(1) In the Schedule, Part I (“the 1981 Act”) is amended as follows.

(2) For the entry relating to section 14(1) substitute an entry relating to section 14ZA(2) (requirements for standard licences) comprising “Section 14ZA(2)” (requirements for standard licences) in the first column and the following in the second column—

“The first requirement as to which a traffic commissioner is to be satisfied where an application for a standard licence is made by persons in partnership is that—

- (a) the firm has an effective and stable establishment in Great Britain (as determined in accordance with Article 5 of the 2009 Regulation),
- (b) every one of such persons is of good repute (as determined in accordance with paragraph 1 of Schedule 3),
- (c) the firm has appropriate financial standing (as determined in accordance with Article 7 of the 2009 Regulation), and
- (d) the firm is professionally competent (as determined in accordance with paragraphs 3, 4 and 6 of Schedule 3).”.

(3) After the entry for section 14ZA(2) substituted by paragraph (2) insert an entry for section 14ZB comprising “Section 14ZB” (requirements for restricted licences) in the first column and the following in the second column—

“The requirement as to which a traffic commissioner is to be satisfied where an application is made for a restricted licence by persons in partnership is that —

- (a) every one of such persons is of good repute (as determined in accordance with paragraph 1 of Schedule 3), and
- (b) the firm has appropriate financial standing (as determined in accordance with paragraph 2 of Schedule 3).”.

(4) In the entry relating to section 17(1) (revocation), for the entry in the second column substitute—

“The provision that a traffic commissioner must revoke a standard licence if it appears to the commissioner at any time that the holder no longer satisfies the requirements of section 14ZA(2) shall apply, in a case where the holder is persons in partnership, if—

- (a) the firm ceases to have an effective and stable establishment in Great Britain as specified in section 14(ZA)(2)(a),
- (b) any partner of the firm ceases to be of good repute as specified in section 14(ZA)(2)(b),
- (c) the firm ceases to have appropriate financial standing as specified in section 14(ZA)(2)(c), or
- (d) neither the requirement of sub-paragraph (i) nor that of sub-paragraph (ii) of the modified section 14ZA(2)(d) (professional competence) is fulfilled.”

(5) In the entry relating to section 57(2) (death, bankruptcy etc. of licence holder), in the second column for “a London local service licence” substitute “a London service permit” and for “such a licence” substitute “such a permit or licence”.

(6) Omit the entries relating to paragraphs 5 and 8 of Schedule 3.

Review

7.—(1) The Secretary of State must from time to time —

- (a) carry out a review of the regulatory provision contained in these Regulations, and
- (b) publish a report setting out the conclusions of the review.

(2) The first report must be published before 5th October 2022.

(3) Subsequent reports must be published at intervals not exceeding 5 years.

(4) Section 30(4) of the Small Business, Enterprise and Employment Act 2015(5) requires that a report published under this regulation must, in particular—

- (a) set out the objectives intended to be achieved by the regulatory provision referred to in paragraph (1)(a),
- (b) assess the extent to which those objectives are achieved,
- (c) assess whether those objectives remain appropriate, and
- (d) if those objectives remain appropriate, assess the extent to which they could be achieved in another way which involves less onerous regulatory provision.

(5) In this regulation, “regulatory provision” has the same meaning as in sections 28 to 32 of the Small Business, Enterprise and Employment Act 2015 (see section 32 of that Act).

Signed by authority of the Secretary of State

6th September 2017

Jesse Norman
Parliamentary Under Secretary of State
Department for Transport

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EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Operation of Public Service Vehicles (Partnership) Regulations 1986 (S.I. 1986/1628) to take account of amendments to related legislation, in particular those made to the Public Passenger Vehicles Act 1981 by the Road Transport Operator Regulations 2011 (S.I. 2011/2632) in consequence of the coming into force of Regulation (EC) No. 1071/2009 which established common rules concerning the conditions to be complied with to pursue the occupation of road transport operator (“Regulation 1071/2009”).

Regulation 4 substitutes a new regulation 4 of the 1986 Regulations which specifies the cases in which PSV operator licences or London service permits under the Greater London Authority Act 1999 may be granted to unincorporated bodies. Under the new regulation the specified cases are those where a standard licence is granted to an undertaking for the purposes of Regulation 1071/2009 (which can include unincorporated bodies) and where a restricted licence or a London service permit is granted to persons in partnership.

Regulation 5 amends regulation 5 of the 1986 Regulations to insert a reference to the 1999 Act and to substitute for references to London local service licences references to London service permits.

Regulation 6 amends Part I of the Schedule to the 1986 Regulations which specifies modifications to provisions of the 1981 Act to apply in relation to its application to partnerships. In particular-

- a) regulations 6(2) and 6(3) substitute for the modification of section 14(1) of the Act (grant of licences) new provisions which modify respectively the new section 14ZA(2) (requirements for standard licences) and the new section 14ZB (requirements for restricted licences);
- b) regulation 6(4) substitutes a new provision modifying section 17(1) (revocation of standard operator’s licences) which reflects the amendments made to the 1981 Act;
- c) regulation 6(5) substitutes a reference to a London service permit for that to a London local service licence; and
- d) regulation 6(6) omits the entries relating to paragraphs 5 and 8 of Schedule 3 to the 1981 Act which have been repealed.

Regulation 7 requires the Secretary of State to review the operation and effect of these Regulations and to publish a report within five years after they come into force and within every five years after that. Following a review, it will fall to the Secretary of State to consider whether the Regulations should stay as they are, or be revoked or amended. A further instrument would be needed to revoke or to amend them.

A full impact assessment has not been produced specifically for this instrument as no impact on the costs of business or the voluntary sector is foreseen. However, the effect that Regulation 1071/2009 (along with two related EU Road Transport Regulations, Regulations (EC) 1072/2009 and 1073/2009) will have on those costs is available from the Operator Licensing and Roadworthiness Division at the Department for Transport, Great Minster House, 33 Horseferry Road, London SW1P 4DR and from the following website: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/2450/impactassessment.pdf.

It is also published with the Explanatory Memorandum alongside this instrument on www.legislation.gov.uk.

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