Currently running a transport service under section 19 or section 22 permits?

To help you understand how your organisation might be affected if the Department for Transport's proposed guidance is implemented as it currently stands, **you will need to complete this flowchart separately for each service you run**. If even one of your services falls into the PSV 'O' licence option, you will need to set up a separate trading arm to operate this service, or all of your services will need to be operated under the PSV 'O' licence.

START HERE

Is your organisation's main purpose or occupation not transport? e.g. you are a youth club, school, day centre etc.

Yes → Are the people who drive your vehicle paid? i.e. do they receive a salary?

- **Yes** → **You may need to make changes…**
  It's likely that your drivers will need to obtain a D1 by test, and complete 35 hours of Driver CPC. This will initially cost you £1710 per driver, and an additional £460 per driver every 5 years.

  If they already hold a D1 (101) on their licence, they will only need to complete Driver CPC.

  You should be able to continue running your service using your permits.

  Seems unfair, unclear or unworkable? **Let the Department for Transport know.**
- **No** → **You may need to make changes…**
  You'll need to check, but if the proposed guidance is implemented it is very likely you will **not** be able to continue your service under a section 19 or 22 permit.

  Instead, you will need to operate your services under a commercial Public Service Vehicle Operator's licence. When transferring your services over to a PSV 'O' licence you will need:

  - A PSV 'O' licence (£209) and demonstrable financial standing (£7950 for your 1st vehicle, £4400 for each additional)
  - A PCV D1 (by test) and Driver CPC (DCPC) for all your drivers without a D1 (101) (£1710 plus an additional £460 every five years per driver)
  - Driver CPC for all your drivers who already have a PCV D1 (£86 plus an additional £460 every five years per driver)
  - Class VI MOTs (£157 per vehicle) and to consider your nearest testing facility (they are normally less common than Class V MOT testing facilities)
  - Tachographs fitting in each vehicle, reading equipment and training for your drivers (£400 for reading equipment plus £1500 per vehicle)
  - Transport Manager/s (£1500 to train an existing employee, £30,000 to employ a new staff member)
  - Increased insurance costs (around £300 per vehicle)
  - To set up a trading arm if you still want to be a charitable organisation.
  - To take some time at senior level to understand what these changes mean for your organisation.
  - To consider driver salaries as the average 'commercial' rate is normally £10/hour (up from £8.50 average in the not-for-profit sector)
  - To allow for potential suspensions while the PSV 'O' licence arrives (3 months processing) and you train your drivers to the new standards.
  - To consider costs of retaking the PCV D1 and DCPC tests as the first time pass rate is not high, consider reduced services whilst you are training your drivers and recruitment and training costs of new drivers should your existing drivers not want to take the tests.

  Seems unfair, unclear or unworkable? **Let the Department for Transport know.**

No → Is the service free of charge to everyone, i.e. any passengers and/or any third party? (NB: a service 100% funded by a grant conditional upon the provision of transport would not be defined as 'free of charge')

Yes → Are the people who drive your vehicle paid? i.e. do they receive a salary?

- **Yes** → **You may need to make changes…** (see above)
- **No** → **You may need to make changes…** (see above)

No → Is the service only occasional **AND** the trip is organised by your organisation (i.e. not private hire to an external group)?

Yes → Are the people who drive your vehicle paid? i.e. do they receive a salary?

- **No** → **You may need to make changes…** (see above)
- **Yes** → Are the people who drive your vehicle paid? i.e. do they receive a salary?
  - **Yes** → **You may need to make changes…** (see above)
  - **No** → **You should be able to continue…**
    It's likely you can still use your permits, make sure your drivers are trained on MiDAS. Be aware that if you start offering a salary to your drivers they will need a professional qualification and if you deliver other services you may need to make costly changes.

    Seems unfair, unclear or unworkable? **Let the Department for Transport know.**

No → Is the charge for the service (to passengers and/or any third party) less than 90% of the cost of running that particular service? (NB: this would *not* allow for a full cost recovery model *nor* any service where the remaining 10% is funded by a grant conditional upon the provision of transport)

Yes → Are the people who drive your vehicle paid? i.e. do they receive a salary?

- **Yes** → **You may need to make changes…** (see above)
- **No** → **You should be able to continue…** (see above)

No → Is there or could there be any competition from commercial organisations wanting to deliver or delivering an equivalent or similar service to yours? (Either through a competitive contract tendering process or at any time)

Yes → **You may need to make changes…** (see above)

No → Do you think you could get confirmation of this? Either evidence from these commercial operators or a letter from your local authority?

No → **You may need to make changes…** (see above)

Yes → Are the people who drive your vehicle paid? i.e. do they receive a salary?

- **No** → **You should be able to continue…**
  You should be able to continue using your permit as long as you don't make any changes to your services that might fall into the above categories. If you start offering a salary to your drivers, they will need a professional qualification.

  Be aware there is likely to be more demand for your services as other operators struggle to accommodate the changes.

  You'll also need to be aware of any commercial operators who might change their mind about wanting to deliver your service or a similar service.

  Seems unfair, unclear or unworkable? **Let the Department for Transport know.**
- **Yes** → **You may need to make changes…**
  It's likely that your drivers will need to obtain a D1 by test, and complete 35 hours of Driver CPC. This will initially cost you £1710 per driver, and an additional £460 per driver every 5 years.

  If they already hold a D1 (101) on their licence, they will only need to complete Driver CPC.

  You should be able to continue running your service using your permits.

  Seems unfair, unclear or unworkable? **Let the Department for Transport know.**

This document is for illustrative and informative purposes only and not intended to be directional or serve as any form of advice. Organisations should always seek their own legal, financial or any other form of advice over their own operational matters.