



Department for
Infrastructure

An Roinn
Bonneagair

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Practice Guidance Document No. 3

TRANSPORT MANAGERS

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GUIDANCE

1. The Department issues the following Practice Guidance as to the way it believes that it should interpret the law in relation to the requirements for transport managers to be professionally competent.
2. Where findings from the Upper Tribunal relate to traffic commissioners in GB, those findings and subsequent recommendations will be applied within Northern Ireland by the Head of Transport Regulation Unit (“Head of TRU”) on behalf of the Department for Infrastructure (“the Department”).
3. A transport manager must be of good repute¹ and only those persons who can fulfil the statutory requirements for having “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” (as defined below) can act as a transport manager. The transport manager retains legal responsibility regardless of whether their activities are delegated.

Goods Vehicles Legislation: Goods Vehicles (Licensing of Operators) Act (Northern Ireland) 2010

4. Standard licence holders and applicants for standard licences are required to meet the requirement to have one or more designated transport managers. Section 12(A) of the Act requires the applicant to satisfy the Department that the requirements of section 12A(2) and (3) are met. Section 12A(3) contains a requirement that an applicant for a standard licence is an individual who is professionally competent or has designated a suitable number of individuals who satisfy the prescribed requirements. If the applicant is not an individual or is not professionally competent there must be a suitable number of individuals designated who satisfy the prescribed requirements.
5. A designated transport manager must meet the requirements of Regulation 13A of the Goods Vehicles (Qualifications of Operators) Regulations (Northern Ireland) 2012) i.e.
 - be resident in the United Kingdom
 - be of good repute (in accordance with regulations 5 to 9 of the Goods Vehicles (Qualifications of Operators) Regulations (Northern Ireland) 2012)
 - be professionally competent (in accordance with Regulations 11 and 12 of the Goods Vehicles (Qualifications of Operators) Regulations (Northern Ireland) 2012)²
 - be able to manage effectively and continuously the operator’s transport service

¹ See Practice Guidance Document No. 1 on Good Repute and Fitness and Practice Guidance Document No. 9 on the Principles of Decision Making

² The Secretary of State’s powers to exempt an individual under paragraph 12 of Schedule 6, from the requirements of professional competence, apply for the purpose of light goods vehicle licences only – see Schedule to the 2012 regulations inserted by the Goods Vehicles (Licensing of Operators) (Amendment) Regulations 2022

- an individual designated must be the operator, employee, director, owner, or shareholder of the operation or any other individual the Department is satisfied has a genuine link to the operator
 - in the case of an external transport manager, is not prohibited from acting as a transport manager by the Department, and is not designated to act in that capacity for more than four operators or be responsible for more than 50 vehicles or such smaller number as the Department considers appropriate
6. Section 20(1)(b) of the Act permits the Department to make it a condition of the licence for an operator to inform the Department of any event of a kind specified in the licence which affects the licence holder and is relevant to the exercise by the Department of any power in relation to the licence. This includes the requirements under section 12A(3) in regard to transport managers. The Department then has discretion to consider a period of grace up to six months to find a replacement (and a further three months in the case of death or incapacity of the transport manager).
7. The statutory definition of “transport manager” in section 12A(5) means an individual designated under subsection 3 (a) (ii) or (b) i.e. one or more who meet the requirements of paragraph 5 above.
8. Under Regulation 14(1) of the Goods Vehicles (Qualifications of Operators) Regulations (Northern Ireland) 2012 the Department cannot make an adverse finding against an existing transport manager’s repute or professional competence unless a notice has been properly served³ 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 make representations
 - stating that the transport manager is entitled to request an inquiry as provided in section 32 of the 2010 Act

The Department must consider any representations received under that section and hold a hearing if requested.

9. Under Regulation 15 of the Goods Vehicles (Qualifications of Operators) Regulations (Northern Ireland) 2012 the Department must consider whether a finding that a transport manager is no longer of good repute is a proportionate response before making such a finding.

³ 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.

10. Under Regulation 15(2) and (3) of the Goods Vehicles (Qualifications of Operators) Regulations (Northern Ireland) 2012 where the Department determines that a transport manager has lost good repute, the Department 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 Certificate of Professional Competence (CPC) is not valid. The disqualification order can either be indefinite or for such period as the Department thinks fit.
11. Under Regulation 16(1) of the Goods Vehicles (Qualifications of Operators) Regulations (Northern Ireland) 2012 where a transport manager is disqualified, the Department may cancel the order no earlier than one year beginning with the date when the order was made and only if the disqualified person has, after the order was made:
 - passed the written examination referred to in paragraph 13(1)(a); or
 - for no less than three months undertaken training the Department considers appropriate
12. A disqualification order can also be varied with the consent of the disqualified person 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
 - 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

13. This Guidance may be subject to decisions of the courts and to subsequent legislation. The Department, however, will refer to the following principles and examples extracted from existing case law by GB traffic commissioners.
14. The Upper Tribunal has emphasised the: “need for a proper, active transport manager is not a mere formality but a serious requirement”⁴. It follows that a transport manager should not be one in name only but should actively discharge their duty to exercise continuous and effective management. Transport managers should be able to supply a suitable certificate of qualification⁵. This can be by way of examination or entitlement (formerly “Grandfather Rights” now “Acquired Rights”). Transport managers need to also be of good repute and should be prepared to supply a certificate or equivalent

⁴ 2017/023 Robert Arrowsmith t/a Arrowhead Contractors

⁵ 2004/021 Carway Haulage. All new CPC qualifications will equip the holder to exercise effective management of international operations. If a standard licence operator is contemplating international work then the operator must ensure that the nominated CPC holder either holds a new style CPC or an old style international qualification.

document issued by a competent authority from the EU Member State in which they used to reside⁶. 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 duties⁷.

- 15.** Continuous and effective responsibility means just that. An applicant or operator can be taken to be aware of the various guidance documents issued by the Department⁸. 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/operator⁹. A transport manager should be able to show that, however infrequently vehicles return to the operating centre, they are able to, and do, 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 abroad¹⁰.
- 16.** A transport manager must always be more than just a transport manager in name¹¹. A transport manager risks their repute¹² if they find themselves in that position. If a transport manager finds themselves 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 then expected to take appropriate action¹³. 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. The transport manager can exercise that responsibility alone or with the assistance of others¹⁴. Persons who control an entity that operates heavy goods vehicles must have sufficient knowledge to exercise proper oversight¹⁵. The ultimate responsibility for supervising maintenance compliance rests on the operator and failures by employees or outside contractors is a matter for mitigation only¹⁶.
- 17.** 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 they have enough time to be able to comply with their duties¹⁶. Both the transport manager and the operator have 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

⁶ 2021/561 Pawel Damian Kaplur and KPD Haulage Ltd

⁷ 2000/018 Euroline Transport and 2008/315 L C Mistry

⁸ 2012/346 MGM Haulage & Recycling Ltd

⁹ 2011/036 LWB Ltd

¹⁰ 2006/405 Transclara, 2006/392 G Brandon

¹¹ 2010/367 Aspey Trucks Ltd, 2009/307 Anne Jones Edwards and Edward Anthony Jones, 2021/030 Raymond Sheaf – repute lost by transport manager acting as a transport manager in name only

¹² See Practice Guidance Document No. 1 on Good Repute and Fitness

¹³ 2003/258 J Cowan

¹⁴ 2003/343 Anglorom Trans (UK) & Others

¹⁵ 2012/025 First Class Freight Ltd

¹⁶ 2003/258 J Cowan, 2006/56 Paul Oven Transport

Department through the Northern Ireland Central Licensing Office (NICLO)¹⁷ of that resignation.

18. As Regulation 13A of the Goods Vehicles (Qualifications of Operators) Regulations (Northern Ireland) 2012) makes clear, a transport manager must possess more than good repute, a qualification, and sufficient hours to meet the statutory duty. They must be capable of managing the transport operation effectively. That may include an assessment not only of knowledge but other facts such as knowledge or confidence to manage¹⁸. *“Given the importance attached to operators complying with the regulatory regime and given that transport managers must: “effectively and continuously manage the transport activities of an undertaking holding an operator’s licence”, it seems to us that whether or not an individual has the character, personality, ability and leadership qualities to ensure compliant operation as an operator or to effectively and continuously manage the transport activities as a transport manager is a factor which can, properly, be taken into account when assessing good repute”*¹⁹.
19. 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 based²⁰. An operator must supervise and monitor the actions of a transport manager²¹ by, for example, 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 etc.²².
20. Where the Department finds that a transport manager has failed to live up to the standards expected the correct approach is to consider making a finding in respect of that transport manager’s repute.
21. It is not open to the Department to find loss of professional competence unless there is a finding that the transport manager has never been professionally competent or that there has been a previous declaration that the transport manager was unfit by reason of a loss of good repute and has already had their certificate of professional competence suspended. That is not to say that the Department does not have any authority to make findings concerning a transport manager’s professional competence²³. There will be instances when it will be open to the Department to make a finding that a purported transport manager does not in fact hold a valid certificate of professional competence. Examples might include where it was forged, the holder was not entitled to the certificate in some other way, or that it has been suspended because of a finding of loss of good repute elsewhere. The Upper Tribunal has indicated that,

¹⁷ 2014/085 Richard Hear

¹⁸ 2014/58 Angus Smales t/a Angus Smales Eventing

¹⁹ 2014/050 Andrew Harris t/a Harris of Leicester

²⁰ 2005/205 Eddie Stobart

²¹ 1999/L56 Alison Jones t/a Jones Motors

²² See general responsibilities below

²³ 2014/026 Simon Sivyver

in such instances, it would be difficult to envisage circumstances in which such a finding would amount to a “disproportionate response”²⁴.

22. In the past, where there was no power to revoke or withdraw a CPC on a finding against the transport manager²⁵, the tribunal commented that where a company’s licence was to be revoked, the Department could also give a direction under section 25(5)(a) of the Act 2010 in respect of the transport manager if the transport manager was an officer (including a director) of the company.
23. The Upper Tribunal has confirmed that process: *“Before such an order can be made, a s.27(2) notice must be sent, stating the grounds upon which the TC is considering an order of revocation and inviting the operator to make representations in respect of those grounds which must be received by the OTC within 21 days of the notice. Moreover, the right of an operator to request a public inquiry when a TC is considering an order of revocation (as enshrined in s.29 of the 1995 Act) is highlighted by s.27(4). ...Furthermore, the operator was notified of the TC’s power to grant a PofG and invited to consider making such a request. It is for the operator to determine within the period allowed whether to request a public inquiry or make representations (including the nomination of a new transport manager) and/or request a PofG. A request for a PofG is an admission on the part of the operator that they no longer satisfy one or more of the statutory requirements*²⁶.
24. To grant a period of grace the Department or staff acting under delegation must first establish that one or more of the requirements is no longer satisfied²⁷. The Department may then allow a period of grace to rectify the situation to be granted from the date of determination that the mandatory requirement is no longer met²⁸. To quote the Upper Tribunal:

*“In our view, when considering whether or not to grant a period of grace, Traffic Commissioners will need some tangible evidence, beyond mere hope and aspiration, that granting a period of grace will be worthwhile, and that there are reasonable prospects for a good outcome. Some sort of analysis along these lines will be necessary because, amongst other reasons, Traffic Commissioners have to decide how long to grant. Moreover, as with a stay, there is no point in granting a period of grace if the likely effect is just to put off the evil day when regulatory action will have to be taken”*²⁹.
25. The provisions also allow for the rehabilitation of a transport manager by allowing the Department to disqualify a transport manager for a period or require that transport manager to in effect obtain a new Certificate of Professional Competence before acting as a transport manager again. A failure to appoint a replacement transport manager after a period of grace or to

²⁴ 2015/049 Mathew Reynolds

²⁵ 2003/045 JJC Bulk Tippers, H & A Holdings, 2008/5 M Skellern, and Mistry (as at 2).

²⁶ 2021/018 Egertons Recovery Group Ltd

²⁷ 202/072 Cambridge Removals & Storage Ltd – whilst the period allowed for representations is 21 days this does not prevent a decision being made whether to grant a period of grace

²⁸ 2015/040 Tacsí Gwynedd Ltd

²⁹ 2014/008 Duncan McKee

communicate with the Department can amount to serious misconduct on the part of the operator³⁰. When a period of grace is granted to an operator, they are responsible for ensuring that they demonstrate the requirement is met prior to the expiry of any period of grace. An operator should therefore actively manage any dates and request an extension, when appropriate, whilst remembering that the grant and any extension is always at the discretion of the Department³¹. If a period of grace expires without the mandatory requirement being met, then the Department is obliged to revoke the operator's licence. A proposed transport manager will not meet the requirement on an operator until that appointment is authorised upon the Department being satisfied that the proposed transport manager meets all the requirements of Article 4 (and since 20 May 2022 Regulation 13A of the 2012 regulations as amended)³².

- 26.** The Upper Tribunal has considered the applicability of a rehabilitation measure at the end of a disqualification period³³. The provisional view was such that if the Department decides that a transport manager needs to re-take and obtain the necessary qualifications to secure a new Certificate of Professional Competence before acting as a transport manager again, then the Department has the power to impose an indefinite disqualification with a rehabilitation measure to that effect.
- 27.** The Upper Tribunal has clarified the position as follows: *"[in] the case of good repute it does not automatically follow that good repute is restored at the end of a disqualification. Instead it simply means that the person concerned has an opportunity to apply to act as a transport manager, (or in the case of disqualification from holding or obtaining an operator's licence, to apply for a licence). It is open to a Traffic Commissioner to call in such an application to resolve any lingering doubts as to whether good repute, in either capacity, has, in fact, been restored. By contrast at the end of a period of disqualification...the person concerned can again use their certificate of professional competence as conclusive proof that they are professionally competent"*³⁴.

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

- 28.** The key in determining whether or not a person is an employee (i.e. an internal transport manager) are the terms of employment or, if a service provider, (i.e. an external transport manager) the contract for supply of services. The Upper Tribunal has warned against tying in the provision of a transport manager with a consultancy service³⁵.
- 29.** Terms or a contract of employment have not been comprehensively defined in legislation or case law. The courts have adopted various tests to determine

³⁰ 2012/001 Zeeshan Malik t/a Langston's Group, 2014/024 LA & Z Leonida t/a ETS, 2014/053 & 54 Carmel Coaches Ltd and Anthony Grove Hazell

³¹ 2018/011 Skyrider Ltd

³² 2014/040-41 C G Cargo Ltd & Sukhwinder Singh Sandhu

³³ 2012/071 Silvertree Transport Ltd

³⁴ 2014/050 Andrew Harris t/a Harris of Leicester, This follows the Upper Tribunal's decision in 2014/025 & 026 H. Sivyer (Transport) Ltd & Simon Sivyer where it was held professional competence was not something which could be lost in the same way that good repute can be lost

³⁵ 2012/013 Russet Red Ltd

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 contract³⁶. 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?

30. 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 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 a person is employed. It is wholly unacceptable for the transport manager to sign a blank form, with the details to be added in later or to make a commitment to minimum contractual hours which one or both of the parties then or subsequently departs from³⁷.

31. As with the test for who is an operator³⁸, the issue is usually one of control: for instance, who is entitled to give the orders as to how the work should be done³⁹? 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 employment⁴⁰. 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 it⁴¹. The courts have also identified the following factors which are useful in determining whether a person is an employee:

- the intention of the parties⁴²
- whether the person performing the services provide their own equipment⁴³
- whether they hire their own helpers⁴⁴
- what degree of financial risk they take
- payment of income tax and National Insurance contributions

³⁶ 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

³⁷ 2006/252 Alec Hayden t/a Trans Consult

³⁸ 2004/426 E A Scaffolding & Systems Ltd

³⁹ Mersey Docks and Harbour Board v Coggins and Griffith (Liverpool) Ltd [1947] AC 1

⁴⁰ Simmons v Heath Laundry [1910] 1 K.B. 543

⁴¹ Ready-Mixed Concrete (South East) Ltd v Minister of Pensions and National Insurance [1968] 2 QB 497

⁴² Ferguson v John Dawson Ltd [1976] IRLR 346

⁴³ Market Investigations Ltd v Minister of Social Security [1969] 2 QB 173, Ferguson v John Dawson Ltd [1976] IRLR 346

⁴⁴ Stevenson Jordan and Harrison v MacDonald and Evans [1952] 1 TLR 101

- the degree of control⁴⁵
- what degree of responsibility for investment and management they have⁴⁶
- whether they have an opportunity of profiting from the management of the task

32. The Upper Tribunal has explored transport manager declarations in respect of the number of hours per week to be dedicated to fulfilling their statutory duty⁴⁷ and the remuneration for completing those duties⁴⁸. On signing the TM(NI)1 or online declaration, a transport manager commits to fulfilling the statutory responsibilities. If a transport manager is unable to discharge that duty on the declared hours, they should consider increasing their input or resigning their role. The Tribunal went on to highlight, in the case of Adrian John Dalton, that a transport manager can delegate tasks but that this does not shift their responsibility and they must ensure that the delegated tasks are carried out properly.

⁴⁵ Lane v Shire Roofing Company Oxford Ltd [1995] IRLR 493

⁴⁶ Binding v Great Yarmouth Port and Haven Commissioners (1923) 16 BWCC 28, Humberstone v Northern Timber Mill (1949) 79 CLR 389

⁴⁷ 2016/059 Adrian John Dalton

⁴⁸ 2016/068 Shaun Thomas Britton

INSTRUCTIONS

33. The Department issues the following Instructions. The above 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.
34. These Instructions are designed to assist staff when they are required to decide whether to refer a case to the decision maker within the Department (following the receipt of either an online new or variation application, a form GV(NI)80a or TM(NI)1, or the digital equivalent) indicating that a transport manager's suitability is in question and/or continuous and effective responsibility is in doubt. The Upper Tribunal has indicated that, whilst completion of the TM(NI)1 form is not strictly mandatory, if it is not completed then there will be a heavier burden on the applicant and the form is likely to prove more satisfactory⁴⁹. In practice, members of staff working on behalf of the Department are expected to ensure the completion and submission of a TM(NI)1 or the digital equivalent.
35. External transport managers are limited to a maximum of 50 vehicles for up to four operators. While there are no statutory limitations on the number of standard licences for which a suitably qualified "internal" transport manager can be nominated, it is important to outline what the Department considers to be determining factors when considering the suitability of a proposed transport manager, within the legislative framework.
36. 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

37. 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. The legal requirement is the same, irrespective of the size of operation, namely that the nominated transport manager must be able to exercise continuous and effective management of the transport operation in so far as it relates to the carriage of goods. There are several determining factors that might be taken into consideration by the Department or delegated person when considering the suitability of a transport manager.
38. Much of the information is already requested by the licensing team but further information may be requested by the Department so that it may be completely satisfied that the requirements are met in all cases. Applicants for licences and

⁴⁹ LWB Ltd (as above)

existing operators are advised to comply quickly and accurately to any requests for information from staff acting on behalf of the Department.

- 39.** Once the Department is satisfied that particular proposals allow sufficient capacity for the nominated CPC holder(s) to meet the statutory duty to exercise effective and continuous management, and checks have confirmed the qualification and repute of the individual CPC holder, there should be no real need to revisit that assessment if direct replacements make the same commitment, or it is proposed to appoint additional transport managers over and above those already specified on a licence. This might also include the transfer of the operations, for instance where the award of contracts results in a transfer of staff under the Transfer of Undertaking (Protection of Employment) Regulations 2006, as amended (TUPE). These do not need to be referred to the Department unless there is a current compliance issue. Any such variations might therefore proceed administratively under delegations and without further enquiries, subject to two important caveats:
- that there has been neither adverse compliance history on the ‘donor’ licence at the operating centres nor adverse history involving the individual CPC in the last two years
 - that the applicant agrees to an undertaking, or time limited interim on a new application, that it will provide the relevant evidence of qualification, the TM(NI)1 form or digital equivalent, and evidence of a genuine link within one month of the grant of the application
- 40.** These Instructions are in the main concerned with whether a CPC holder can meet that legal duty. The Guidance above provides examples of situations where transport managers have found to be lacking. Operators and applicants should therefore be alive to the types of questions which might be asked by or on behalf of the Department. The other requirements are outlined below.

Repute

- 41.** These Instructions must be read in conjunction with the Guidance in respect of repute (Practice Guidance Document No. 1), as they apply to the transport manager, and with the Guidance regarding the principles of decision making (Practice Guidance Document No. 9). In particular, the Department will need to consider whether convictions or penalties for a serious infringement for the following provide compelling grounds to bring into question the repute of an operator and/or transport manager:
- commercial law
 - insolvency law
 - pay and employment conditions in the profession
 - road traffic law
 - professional liability
 - trafficking in human beings or drugs

42. Repute will be called into question if the operator and/or the transport manager have been convicted of a serious criminal offence or incurred a penalty for a serious infringement relating 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 or, as appropriate, access to the market in road passenger transport
 - 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
43. Under Regulation 16 of The Goods Vehicles (Qualifications of Operators) Regulations (Northern Ireland) 2012 as amended where a transport manager is disqualified the Department may cancel the order no earlier than one year, beginning with the day on which the order was made. The Department may consider the following as a basis for cancelling an order under regulation 16(1A)(b):
- passed the written examination referred to in regulation 11(1)(a)
 - for no less than three months undertakes training the Department considers appropriate acted
44. The Department might also consider the applicability of a rehabilitation measure at the end of a disqualification period, for instance, a two-day CPC refresher course. However, where the Transport Manager has deliberately acted in a way which results in a risk to life and/or the operation of unsafe vehicles or drivers to falsify records, it may be difficult to set a specific rehabilitative measure beyond a long or indefinite period of disqualification.

Mutual recognition of certificates and other documents

45. Article 19 of Regulation (EC) No 1071/2009 allows, without prejudice to Article 11(4), for the Department to accept as sufficient proof of good repute for admission to the occupation, an extract from a judicial record, or failing that, an equivalent document issued by a competent judicial or administrative authority in the EU Member State where the transport manager or any other relevant person used to reside⁵⁰. Article 19(4) restricts the production of such a

⁵⁰ 2021/561 Pawel Damian Kaptur and KPD Haulage Ltd – the traffic commissioner can make enquiries and seek documentation to confirm the requirements of the Act are met before issuing an operator's licence

document or certificate, to no more than three months after the date of issue.

46. Article 11(4) requires (post January 2013) that the competent authority verify, by accessing data in Article 16(2)(f), whether the designated transport manager(s) has been declared unfit. Article 16(2) sets out the minimum data to be recorded, with 16(2)(f) referring specifically to those persons who have been declared unfit to manage the transport activities of an undertaking.

Genuine link (Internal and External transport managers)

47. 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

48. Employment might be demonstrated in several ways, starting with tax and employee contributions and remuneration⁵¹. The Department is entitled to check this 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.

49. An external transport manager may be hired in to fulfil the role of transport manager under a contract which specifies the tasks they will perform as the transport manager. An external transport manager can only work for a maximum of four operators (not licences) with sole responsibility for 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.

50. As the above suggests, ultimately the determination of the internal and/or external status of a transport manager, is a matter for the Department. A starting point may be to check whether the nominated CPC holder has even met with the applicant. It may be necessary to examine the terms of the contract of employment particularly where there is a group of companies involved. One of the purposes of the legislation is to avoid a situation where the transport manager acts in name only and does not have continuous and effective management of the transport operation. Where there is a history of short-term appointments, which might indicate a CPC holder acting as akin to a transport manager for convenience further enquiries may be required to satisfy

⁵¹ The National Living Wage should be considered - [gov.uk/national-minimum-wage-rates](https://www.gov.uk/national-minimum-wage-rates)

the Department that the nominated CPC holder will exercise the responsibilities of transport manager.

General responsibilities

51. 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. The Department understands that various transport manager functions are often delivered by several different individuals acting within the team. The key determinant is how the nominated transport manager manages the delivery of those functions as the transport manager retains ultimate responsibility for discharging their duties. The Department has therefore identified the following non-exhaustive list of the types of activity which might be expected of a transport manager:

- to manage, audit and review compliance systems to ensure that they are effective
- to review any shortcomings such as prohibitions and/or annual test failures
- to ensure that relevant changes are notified in accordance with operator licence requirements
- to keep up to date on relevant changes in standards and legislation

Drivers – administration

- to ensure that drivers hold the appropriate licence for the vehicle they are driving (including non-UK vocational drivers from EU member states who are required to register their driving licences with DVA within 12 months of being resident)
- to ensure that regular checks are carried out on the drivers' licences (usually every three months)
- to ensure that vocational drivers hold a valid driver CPC qualification (DQC)
- to ensure that all drivers hours records are kept for a period of no less than 12 months and are made available upon request
- to ensure that all working time records are kept for a period of no less than 24 months and are made available upon request
- to ensure that relevant declarations are posted for drivers in EU Member States;65

Drivers –management

- to ensure compliance with the driving hours rules (EU or Domestic Hours rules)
- to ensure that drivers are recording their duty, driving time and rest breaks on the appropriate equipment or in drivers' hours books and their records are being handed back for inspection as required
- where appropriate, to download and store data from the vehicle digital tachograph unit (at least every 90 days) and from the drivers' tachograph smart cards (at least every 28 days)
- to ensure that drivers' hours records are retained and are available to be produced during the relevant period

- to ensure that records are retained for the purposes of the Working Time Directive (WTD) and that they are available to be produced during the relevant period
- to ensure that drivers are adequately trained and competent to operate all relevant vehicles and equipment
- to contribute to relevant training and subsequent disciplinary processes as required

Drivers - operations

- to ensure that drivers are completing and returning their driver defect reporting sheets and that defects are recorded correctly
- to ensure that all drivers and mobile workers take adequate breaks and periods of daily and weekly rest (as per the relevant regulations which apply)

Vehicle – administration

- to ensure that vehicle maintenance records are retained for a period of no less than 15 months and are made available upon request
- to ensure that vehicles are specified as required and that operator licence discs are current and displayed correctly⁵²
- to ensure that vehicle payload notifications are correct, height indicators are fitted and correct, and tachograph calibrations are up to date and displayed
- to ensure that there are up to date certificates of insurance indemnifying company cars, commercial vehicles and plant
- to ensure a suitable maintenance planner is completed and displayed appropriately, setting preventative maintenance inspection dates at least six months in advance and to include the Annual Test and other testing or calibration dates

Vehicle - management

- to ensure that vehicles and trailers are kept in a fit and roadworthy condition
- to ensure that reported defects are either recorded in writing or in a format which is readily accessible and repaired promptly
- to ensure that vehicles and trailers that are not roadworthy are taken out of service
- to ensure that vehicles and towed equipment are made available for safety inspections, service, repair and statutory testing
- to ensure that safety inspections and other statutory testing are carried out within the notified O-licence maintenance intervals (ISO weeks)
- to liaise with maintenance contractors, manufacturers, hire companies and dealers, as might be appropriate and to make certain vehicles and trailers are serviced in accordance with manufacturer recommendations

52. To assist members of staff in assessing applications to appoint a particular CPC holder the Department has identified in Annex 1 those factors which might be relevant to the capacity of the individual to meet the statutory duty either alone or with the assistance of others. In assessing capacity, namely whether there is sufficient time to conduct transport manager functions properly, the

⁵² A failure to notify vehicle changes promptly can potentially impact on a transport manager's reputation where for example hired vehicles are left specified on the licence after being returned or there is some other loss

Department has identified some general indicators as to effective transport management:

- knowledge and skills – as indicated this requires more than just the formal qualification
- impact - where the individual CPC holder is recognised as a key person within the organisation so that s/he can influence decisions relevant to compliance and authority to deal with external contractors. Their position should reflect the professional and personal responsibility vested in the individual
- decision making – where the individual CPC holder is sufficiently close to drivers to be able to influence their behaviours and senior enough to influence the deployment of resources and to inform the decisions of the owner/directors/partners

53. The Upper Tribunal has previously recognised various qualities, such as ability to manage the transport activities effectively and continuously as a transport manager, as relevant factors that can be taken into account when assessing good repute. Whilst the UK has not implemented specific training requirements pursuant to Articles 8(5) and 8(6), one of the purposes of Regulation (EC) 1071/2009 is that “applicants for the post of transport manager should possess high-quality professional knowledge”⁵³. Continuing Professional Development (CPD) is the term used to describe the learning activities professionals engage in to develop and enhance their abilities. This practice promotes learning to be conscious and proactive, rather than passive and reactive. CPD can take many forms such as training workshops, conferences and events, e-learning programs, best practice techniques and ideas sharing. If there has been some time since CPD was undertaken, the starting point for evidence would be for the completion of a two-day transport manager CPC refresher course run by either:

- a trade association (Logistics UK/ RHA/ BAR)
- a professional body (IoTA/ CILT/ SOE/ IRTE)
- an exam centre approved by an accredited body to offer the transport manager CPC qualification in goods transport.

By way of comparison, drivers are required to complete 35 hours of periodic training every five years to keep their Driver Certificate of Professional Competence.

54. The Department has identified the following instances when a transport manager should expect to provide recent evidence (gained within the last five years) of their capacity to meet the statutory duty through continuing professional development:

- on initial application when a nominated transport manager’s qualification is more than 10 years old

⁵³ Recital 11 of Regulation (EC) 1071/2009

- on initial application when a nominated transport manager has not been specified as such in the past five years and the certificate is less than 10 years old at the date of receipt of application
- on application when a nominated transport manager is proposing to be on more than one licence or when the proposed hours are less than the starting point (see Annex 1)
- on renewal of an operator's licence
- at public inquiry when considering whether a transport manager has exercised continuous and effective management

Professional competence

- 55.** Regulation 11 of the 2012 regulations as amended requires that at application stage professional competence will be demonstrated by production of a certificate which has been issued to the holder by a body approved for the purpose by the Secretary or the Department. Article 8(8) of Regulation (EC) No 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. Under Article 8(2) (as amended by the 2022 Regulations) the examination must be sat in the United Kingdom if this is where they have their normal residence when working). The Department is unlikely to be able to accept a qualification obtained in another Member State where they do not normally reside or work.
- 56.** Under Article 21 of the retained EU regulations 1071/2009 a competent authority (which includes the Department) must recognise a certificate or professional competence obtained in an EU member state. This means that a certificate obtained in an EU state by an individual who normally resided there when the certificate was obtained must be accepted by the Department provided the other requirements for designation as a transport manager are met.
- 57.** In the case of digital applications electronic copies of original certificates must be uploaded with the application; however, the Department and staff acting on their behalf reserve the right to request the original copy. In the case of a nominated transport manager who is already accepted to act in that capacity on another licence, the repeat production of their certificate will not normally be required, provided that the Department already holds a record of the original certificate. Again, the Department reserves the right to request the original certificate wherever there is any doubt as to the qualification.
- 58.** 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.

59. Staff must also ensure that an original signed TM(NI)1 form is received from the applicant, or an electronic copy in the case of digital applications, unless a digital TM application has been submitted. 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 Directions), unless found otherwise by the Department, a GB traffic commissioner, or a competent authority in another Member State.
60. The statutory duty refers to effective management and the Department might legitimately be concerned as to the currency of the nominated CPC holder's professional knowledge. The Department does not consider it unreasonable for CPC holders to be aware of the conditions and undertakings attached to the operator's licence upon which they are named nor, given the potential impact on an operator's repute, to be aware of the most serious infringement provisions⁵⁴. In those circumstances it may be appropriate to consider an undertaking that refresher training provided by a trade association, professional body or an examination centre (approved by an awarding body) offering the management CPC qualification be completed within a specified time with evidence of attendance to be produced.

Acquired Rights (formerly known as 'Grandfather Rights')

61. In line with Article 9, the previous 'Grandfather Rights' have been replaced by new 'Acquired Rights' certificates. They were issued based on a declaration that the individuals in question provided proof upon request that they have 'continuously managed' a road haulage operation in one or more Member States for the period of 10 years ending on 4 December 2009.
62. Only transport managers with existing Grandfather Rights were eligible to apply for Acquired Rights. The option for the Department to grant an exemption from the requirements of professional competence to the holders of Grandfather Rights expired on the 4th December 2013. Those applications relying on Acquired Rights will be expected to have kept their training up to date and will be required to provide evidence of continuous professional development (CPD) such as a two-day TM CPC refresher, training workshops, conferences, events, and e-learning programs.
63. A similar process, to that described above, has been adopted for the extension of operator licensing which covers light goods vehicles which weigh more than 2.5 tonnes and up to 3.5 tonnes in maximum laden weight (either alone, or combined weight when used with a trailer) and which operate internationally, for hire or reward.
64. Paragraphs 1-4 of the Schedule to The Goods Vehicles (Qualifications of Operators (Northern Ireland) Regulations 2012 provide for exemptions to individuals, until the end of 20th May 2025, from the requirement under section 12(a) (3) (a)(i) of the 2010 Act and regulation 13(1) (c) of the 2012 regulations to be professionally competent if the Department is satisfied that the individual had, for ten years or more ending with 20th August 2020, continuously

⁵⁴ See Practice Guidance Document No. 1 on Good Repute and Fitness

managed national or international transport operations as, for or on behalf of an undertaking that used only light goods vehicles.

65. An individual may, on or before 20th May 2024, apply to the Department for an exemption. Paragraph 4 of the schedule states that these provisions will cease to have effect at the end of 20th May 2025. After this date operators will need to have a transport manager who holds a Certificate of Professional Competence approved on their licence or risk action being taken.
66. A false declaration 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.

Checking transport manager records

67. In October 2011 transport managers were requested to complete and return a questionnaire to populate the national register. Some operators used this opportunity to change the transport manager details without making an application as they were required to do. The questionnaire specifically required that the transport manager only list those licences for which they had been authorised. Staff should be alive to this risk when making checks against the records. If there has been a false declaration this will need to be referred to the Department to consider whether to take regulatory action in respect of the named CPC holder and/or the operator.
68. A similar approach should be taken where the self-service facility has been used and there is no subsequent application lodged. The Upper Tribunal has also been critical of incidents where the name of the previous transport manager has been left on the record awaiting an application⁵⁵.

Periods of grace

69. Article 13 (EC) 1071/2009 allows the Department discretion where it is found that there is no accepted transport manager in place. The Department can allow a period of up to six months, which might be extended by three months in the event of the death or physical incapacity of the transport manager, to find a replacement transport manager. Except for death or physical incapacity when the removal of the transport manager is recorded by the Department, automated correspondence is issued to the operator giving notice of next steps and appropriate timeframes. It is made clear that if no response is received within the stated deadline the licence is subject to revocation.
70. Where an operator has not notified removal of a transport manager and staff have grounds to suspect there is no transport manager in place, then the operator should be notified and given 14 days to make written representations, before the Department decides whether to allow time for rectification and for what period. To allow a period of grace the Department must establish that the requirement for a transport manager is no longer met. An application in effect

⁵⁵ 2011.036 LWB Ltd

invites the Department to make an adverse finding that the mandatory and continuing requirement for professional competence is no longer met.

71. To allow a period of grace the Department must also establish that there remains a requirement for a transport manager. In practice this will usually be confirmed by the operator seeking to benefit from a period of grace. The Upper Tribunal has indicated that there should be tangible evidence that a period of grace will be worthwhile, in other words there are reasonable prospects that the mandatory requirement will be met before expiry of the specified period. The Department can then be invited to decide how long to allow within the maximum periods permitted in the legislation, commencing from the day after notification is issued to the operator. For instance, where a candidate has already failed the exams, it may be more difficult to persuade the Department that resitting the exams provides that reasonable prospect for the future.
72. If the qualifying circumstances are met, the Department has discretion to specify how long a period of grace they might grant. The starting point is three months, which is intended to allow an extension to the maximum period should circumstances require it, taking account of the situation of the operator and fairness to other operators who are already complying.

Transport Regulation Unit
29 February 2024

ANNEX 1: STARTING POINT FOR ASSESSING THE ABILITY TO EXERCISE CONTINUOUS AND EFFECTIVE MANAGEMENT SUBMISSIONS

The matters set out in the following table will assist in deciding on an application. It is of course open to the Department to go up or down from any starting points described. The overriding factor is the ability of the nominated qualified person to exercise effective and continuous management of the transport undertaking

Delegated Authority

Where the starting point is met and there is satisfactory information to show that the General Responsibilities will be met (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 for a decision. Once granted, direct replacements equating to the same commitment need not be referred unless there is a current compliance issue.

Determining Factors

Residence

- Is the proposed transport manager normally resident in the United Kingdom?

Ability

- Are effective 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.
- What technology and management systems will be utilised? How does the compliance management of the organisation support the transport manager(s) in meeting the statutory duty?
- The number of times and length of period that the transport manager intends to visit each operating centre
- Does the transport manager have ready access to the relevant records including records of remedial action? See Practice Guidance Document No. 4 on Operating Centres, Stable Establishments and Addresses for Service.
- The authority of the transport manager e.g. purchase of parts for vehicles or maintenance equipment, ability to 'hire and fire', proper access to online operator licence records

- Previous compliance history of licences with which the nominated transport manager has been involved⁵⁶. Details may be required together with details of any subsequent action taken by the transport manager.

Availability

- The guidelines below refer to starting points only and give indicative weekly hours of work which might be specified by a transport manager, but the Department will consider all relevant factors in determining whether the starting points should be departed from.
- The level of hours required for any other employment, self-employment, or activities in which the proposed transport manager is engaged must also be considered as they may restrict their ability to devote sufficient time to the duties of a transport manager on any operator's licence.
- The suggested amounts of time are a starting point as to what the Department might expect in terms of hours worked. They are intended as a prompt to operators/applicants and the nominated CPC holder to discuss what time is required to carry out the duties suggested at the General Responsibilities paragraph above.
- The suggested amounts of time offer a broad guideline as to what the Department might expect in terms of hours worked.

Motor Vehicles	Proposed Hours (per week)
2 or less	2-4
3 to 5	4-8
6 to 10	8-12
11 to 14	12-20
15 to 29	20-30
30 to 50	30 – Full time
Above 50	(Full Time) Additional assistance required

Additional hours may be required for trailers.

- 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 three other licences; and/or if a transport manager is already solely responsible for 50 vehicles⁵⁷.
- The number of operating centres for which the transport manager is responsible both on that licence and any other operator's licences.

⁵⁶ 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

⁵⁷ These are starting points. Paragraph 13A(4) of The Goods Vehicles (Qualifications of Operators) Regulations (Northern Ireland) 2012 and Regulation (EC) No 1071/2009 limit external transport managers to act for no more than 4 licence holders with sole responsibility for a maximum of 50 vehicles (or fewer if EU Member States so choose), with a discretion allowed to the competent authority

- The geographical location of the transport manager in relation to the operator's business and all operating centres on all licences. The number of times and length of period that the transport manager intends to visit each operating centre.
- Access to the required records as, when, and where needed including records of remedial action. How does the compliance management of the organisation support the transport manager(s) in meeting the statutory duty?
- Does the transport manager have any other duties in the organisation e.g. as a driver, director or contracts manager? The Department will wish to carefully consider any impact this may have on continuous and effective responsibility for the transport operations.
- Does the proposed transport manager have other employment with another employer (including as a driver) or are they also self-employed in any capacity?
- In respect of total hours, the Department will be aware that the road transport working time legislation limits the average working week to 48 hours over a given reference period with no week within that reference period being over 60 hours. The horizontal working time legislation (non-EU regulated mobile workers) requires that 'adequate rest' be undertaken each week.

Genuine Link

- The terms upon which the proposed transport manager is to be employed. Is the contract directly with the transport manager or with a transport consultancy? The Department may wish to see a copy of the contract of employment.
- Does the transport manager have a history of appearing on operator licences for a short period possibly for the purpose of an application? The genuine link between the operator/applicant and transport manager should be investigated further before being referred.

Knowledge

- A Certificate of Professional Competence (CPC) from any European Union member state (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 III of Regulation (EC) No 1071/2009. (B) Belgium, (BG) Bulgaria, (HR) Croatia, (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. A check may need to be made that the proposed transport manager was normally resident in the EU member state when the certificate was obtained.

- Is the transport manager up to date with the current requirements of the operator licence? What continuing professional development has the transport manager undertaken? 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 ensure that the required records are completed and maintained. Details of any issues regarding literacy and/or numeracy.
- Are effective 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. What technology and management systems will be utilised?

ANNEX 2: EU REGULATION

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) if the undertaking is established in Northern Ireland satisfies the requirements set out in any regulations for the purposes of Section 12(3)(a) or (b) of the 2010 Act.)

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

(c) 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;

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:

- commercial law;
- insolvency law;
- pay and employment conditions in the profession;
- road traffic;
- professional liability;
- 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:

- 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 or, as appropriate, access to the market in road passenger transport;
- 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.

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) As required under Article 6 (2) (b) of Regulation (EC) 1071/2009 the Commission has drawn up a list of infringements by category, types and degrees of seriousness and frequency which are laid out in Commission Regulation (EU) 2016/403 which may, in addition to those set out in Annex IV or 1071/2009 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).

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 United Kingdom if this is where they have their normal residence when working.

'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 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 A competent authority must recognise as sufficient proof of professional competence a certificate which complies with the model certificate set out in Annex III of Regulation (EC) No 1071/2009 as amended from time to time and which is issued by the authority or body duly authorised in a Member State 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 of Regulation (EC) No 1071/2009 as it has effect in EU law as amended from time to time and shall be recognised as proof of professional competence in the UK.. Holders of certificates of professional competence valid only for national transport may be required to 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/EEC⁵⁸

(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:

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

⁵⁸ 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 Council⁵⁹

⁵⁹ 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

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

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/EC⁶⁰(1) and Regulation (EC) No 1013/2006⁶¹
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

H. Road safety

The applicant must, in particular, in relation to road haulage:

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

⁶⁰ 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)

⁶¹ 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);

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

DOCUMENT CONTROL HISTORY

Version 1.0 (published 01/10/2019)	Version 1.1 (published 01/05/2020)
Paragraph 46:	Updated to clarify requirement for evidence for CPD – ten years after qualification; or if qualified within ten years, after five years without being specified as a transport manager
Paragraph 48:	As per paragraph 46.
Version 1.1 (published 01/05/2020)	Version 1.2 (published 08/07/2022)
Paragraph 50:	Updated to clarify requirement for evidence for CPD when relying on Acquired Rights.
Version 2.0 (Published 29/02/2024)	
Adjustments to reflect the changes to legislation post Brexit and updates to case law.	