

# Cabinet

## Dorset County Council



Date of Meeting	2 May 2018
<p><u>Cabinet Member(s)</u> Daryl Turner - Cabinet Member for the Natural and Built Environment</p> <p><u>Local Member(s)</u> All Councillors</p> <p><u>Lead Director(s)</u> Mike Harries - Corporate Director for Environment and Economy</p>	
<b>Subject of Report</b>	<b>Goods and Passenger Carrying Vehicles under an Operator's Licence Policy</b>
Executive Summary	<p>The Institute of Directors and the Health and Safety Executive in the publication <i>Leading Health and Safety at Work</i> set out an agenda for effective leadership in health and safety. Intended to apply to all sizes of organisations, it covers four core actions – Plan, Do, Check and Act.</p> <p>This strong leadership approach should equally be applied to the management of transport and the introduction of an Operator's Licence Policy identifies the key leadership actions for all organisations that operate goods and passenger carrying vehicles.</p> <p>The aim of the policy is to help ensure that Dorset County Council has appropriately documented its instructions, policies and procedures to meet its Operator Licence statutory undertakings.</p> <p>The ability to evidence its system through an up-to-date policy is paramount, as it shows the Council has properly considered the issues associated with operating a fleet and communicated its control systems, to those with responsibility to deliver it. The policy may also be needed to defend the Council if it needs to demonstrate its systems in a court hearing, public enquiry or in response to a Driver and Vehicle Licensing Authority enforcement audit.</p>
	<p>Equalities Impact Assessment: Document attached</p> <p>A full EqIA was conducted and has been approved and signed off by the Diversity Action Group.</p>

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	<p><b>Use of Evidence:</b> This policy is based on recommendations from the Freight Transport association, Traffic Commissioners Office and Driver and Vehicle Standards Agency (DVSA)</p> <p><b>Budget:</b> There are no budget risks identified as existing budgets already have the necessary funds to manage the County Councils Operator Licence statutory undertakings.</p> <p><b>Risk Assessment:</b>  Having considered the risks associated with this decision using the County Council's approved risk management methodology, the level of risk has been identified as:  Current Risk: LOW Residual Risk: LOW  The Transport Commissioner revoking, curtailing, suspending or restricting the County Councils Operators Licence is recorded on the Corporate Risk Register as services would be put at risk.</p> <p><b>Other Implications:</b> In the event that the County Council's Operating Licence was revoked, curtailed, suspended or restricted, this would have a major impact on the ability of some services to deliver key front-line services, which would damage the County Councils reputation.</p>
<p><b>Recommendation</b></p>	<p>That the Cabinet approves the attached Operator's Licence policy that will provide a clear leadership approach to transport operations as recommended by Freight Transport Association, the Traffic Commissioners Office and Driver and Vehicle Standards Agency (DVSA).</p>
<p><b>Reason for Recommendation</b></p>	<p>To support key corporate outcomes 'Safe', 'Prosperous', 'Independent' and 'Healthy'.</p>
<p><b>Appendices</b></p>	<p>Appendix 1 – Proposed Operator's Licence Policy</p>
<p><b>Background Papers</b></p>	<p>Leading Transport Safety EqIA Operator's Licence Policy</p>
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## Goods and Passenger Carrying Vehicles under an Operator's Licence Policy

### 1. **Background**

- 1.1 An Operator's Licence is the legal authority needed to operate vehicles in Great Britain for commercial activity. A licence is issued by the Traffic Commissioner, who is the independent regulator of the commercial road transport industry.
- 1.2 The Traffic Commissioner also has powers to take regulatory action against a licence holder where they fail to meet the expected standards of operation. This action includes curtailment (limiting or reducing the number of vehicles an operator is able to operate), suspension (temporarily stopping operations) or revocation (permanently removing an operator's licence to operate commercial vehicles).
- 1.3 Dorset County Council has two Standard Operators licences which allow the carriage of goods and passengers for hire or reward in Great Britain (and also permits own account movements in GB and abroad). Key front-line services such as Dorset Highways, Dorset Waste Partnership and Dorset Travel could not deliver any HGV or PSV activities without an Operator's Licence.
- 1.4 To demonstrate the levels of governance expected to maintain an Operator Licence, Traffic Commissioners expect all organisations to demonstrate effective leadership and control of their transport operations at all levels in the organisation. The introduction of a Policy will demonstrate and identify the responsibilities, process and intent of the organisation, and will show the County Council is resilient to any changes of personnel and / or circumstances.
- 1.5 The new Operator's Licence Policy attached in Appendix 1, sets the direction for effective management and the role of the leadership teams in understanding the key issues and individual responsibilities and through communicating, promoting operator's licence compliance.
- 1.6 Currently operator licence undertakings are the responsibility of Dorset Travel Fleet Services the County Council's in-house fleet management service. Although this works very well, the responsibilities for the day to day operation of the fleet is a shared one, with varying levels of responsibility across all those services that operate under operator licence regulations.
- 1.7 The introduction of a Policy will ensure there is a culture of shared responsibility and will provide systems and process to reduce and manage the risks associated with our operator licence undertakings.

### 2. **Operator Licence Responsibilities**

- 2.1 Applications for an Operator's Licence to operate commercial vehicles are made to the regulator (Traffic Commissioner) by the licensed operator, who is represented by the person or a group of people with the controlling influence over the organisation for example board of directors, governing body or chief executive officer(s).
- 2.2 The operation of the County Council's fleet and its drivers are managed within their operational service environments with the day to day responsibilities for vehicle, and driver compliance falling on their leadership teams. The Traffic Commissioner has confirmed that in the case of a Local Authority the licence holder is the Chief Executive Officer, the responsibilities can be delegated to others, but the duties cannot.
- 2.3 County Council employees (transport managers) are named on the operator's licence and are legally responsible for ensuring operator licence undertakings are

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met. However, the Chief Executive Officer as the licence holder is ultimately responsible for ensuring the County Council's systems and process continue to meet its operator licence undertakings.

- 2.4 For transparency and governance, the performance of this Policy must be monitored and reported, including preventative information as well as incident data. Leadership teams must receive both specific and routine reports on the performance of the Policy. This will provide the Chief Executive Officer (the licence holder) and the relevant leadership teams, with the assurance that operator licence undertakings are being met, and clear actions required where they are not.
- 2.5 Policy performance will be monitored through number of Key Performance Indicators (KPI's), and reported to leadership management teams monthly, Service Directors on a quarterly basis, and the licence holder (Chief Executive Officer) annually. In the event of a major performance failure it will be reported with immediate effect. The following KPI's will be used to monitor policy performance:
  - (i) The Operator Compliance Risk Score (OCRS);
  - (ii) First time pass rate at annual test for vehicles and trailers;
  - (iii) Number of safety related defects found during independent inspections per inspection;
  - (iv) Unplanned maintenance costs per vehicle;
  - (v) Number of Infringements by activity undertaken;
  - (vi) Number of 'notifiable incidents' required to be notified to the Traffic Commissioner;

### 3. **Service Outcomes/Corporate Objectives**

- 3.1 This Policy supports the Corporate objectives of 'Safe', 'Prosperous', 'Healthy' and 'Independent' by ensuring the County Councils fleet operations continue to operate safely and legally and do not put key front-line services or the public at risk.

**Andrew Martin**  
**Service Director Highways & Emergency Planning**  
April 2018