

Permits for Minibus Operation: Comparison

To operate a minibus legally, you are almost certain to need a Permit. This is equivalent to the operator's licence that commercial bus companies need. A 'minibus' has a legal definition – a vehicle that can transport between 9 and 16 passengers and the driver. If you are thinking of running a smaller vehicle, please see: *Fact Sheet 11: Permits for smaller vehicles*.

You will need a Permit for a minibus if your passengers contribute to the costs of their journeys in any way, shape or form. The law is very tightly written so that in practice you will need a permit in 99% of cases.

There are two types of Permit;

- Section 19 Permit, which is sometimes called Section 19 Standard Permit or 'Minibus Permit'.
- Section 22 Community Bus Permit

The choice of permit will depend on how you want to use the minibus. To help you make that decision we list the key features of the two types of permit in the two tables – below and overleaf.

Differences

	Section 19	Section 22
Allows you to:	Provide transport services for one or more of the following categories: <ul style="list-style-type: none"> • Members of your organisation (eg Scouts or a Youth Club) • People that the organisation is set up to help (such as Age UK providing transport for older people) • People within a defined local community or communities whose public transport needs are not met in other ways. 	Operate timetabled bus services for the general public. In addition, it also allows you to: <ul style="list-style-type: none"> • Run excursions, to places of interest, the seaside etc • Hire your minibus to other local groups These additional activities are permitted to help generate extra income for your scheme
Timetabled services?	Yes, but <u>not</u> for the general public.	Yes – can provide local bus services for the general public.
Timetabled services – setting up and changing your services	No formalities – can be set up and changed as required.	Service details have to be registered with the Traffic Commissioner (a government agency) – and can only be changed by giving 28 days' notice.

Ability to offer free travel on timetabled services, claiming back money from Hampshire's concessionary travel scheme?	Generally, no. There may be exceptions, perhaps where you are offering a service that directly replaces a withdrawn bus service. You will need to check with the County Council.	Yes, local bus services are automatically included in the concessionary travel scheme for older and disabled people. In general, you can claim back about 85% of the fare that the passenger would have paid.
Running excursions, to the seaside, places of interest etc?	Yes, but not for the general public. You must not make a profit on these excursions.	Yes – you can advertise these to the general public – and you can make a profit (to offset losses on your bus services).
Hiring out the minibus to other local groups etc?	Yes, but they may need their own permit.	Yes, but no need for another permit.

Similarities

	Section 19 and Section 22 Permits
Can be issued to	<ul style="list-style-type: none"> • Not-for-profit organisations.
Drivers	<ul style="list-style-type: none"> • Can be volunteers or paid • Driver licensing requirements are the same
Minibus	<ul style="list-style-type: none"> • You could own one or hire in from another organisation. The permits are issued to your organisation, and do not bear vehicle registration numbers. • If you use two minibuses at the same time, you will need two permits – display one permit disc in each windscreen.
Claiming back tax on fuel – Bus Service Operator's Grant	<ul style="list-style-type: none"> • Yes, in both cases some of the mileage operated will qualify for Bus Service Operator's Grants (BSOG). This means that you can reclaim some of the tax paid on fuel, from a government agency.

Not-for-profit – meaning?

You will need to cover your costs so that your operation is financially sustainable – but you must not make a profit. In calculating your costs you can include depreciation, maintenance, insurance, driver's wages and/or expenses, as well as the cost of fuel. As the cost of depreciation (setting aside money to replace your minibus) is high, it is difficult to make a profit!

Where to get further advice?

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