

Agenda Item	12
Report No	CP/28/25

Committee: Communities and Place

Date: 6 November 2025

Report Title: Fleet Traffic Commissioner Follow-up

Report By: Assistant Chief Executive – Place

1 Purpose/Executive Summary

- 1.1 This report outlines the outcomes of a recent compliance audit requested by the Office of the Traffic Commissioner for Scotland (OTC), following concerns in relation to compliance with the Heavy Goods Vehicle (HGV) Operating License.
- 1.2 This report also provides Members with an update on the final audit and action plan submitted to the OTC.
- 1.2 The action plan addresses various aspects of the Council's fleet operations, with most actions linked to the Council's Operating License, while some will impact all Council fleet users.
- 1.3 The action plan commits to conducting follow-up audits to assess progress. The follow up audit is due on 31 December 2025, with the outcomes and any subsequent action plans submitted to the OTC after this audit.
- 1.4 The most recent audit has provided an overall 37 recommendations and the first audit completed in February 2025 advised of 40 recommendations.

2 Recommendations

- 2.1 Members are asked to:-
 - i. **Note** the audit as supplied to the Office of the Traffic Commissioner for Scotland; and
 - ii. **Note** the action plan included and steps being taken to improve compliance.

3 Implications

- 3.1 **Resource** – The action plan outlines the need for an additional staff in the operational teams with Transport Manager qualifications to strengthen our compliance with OTC requirements. Updates to fleet management software, driving licence checking systems and tachograph/driver hours software.

- 3.2 **Legal** - The HGV fleet operation is regulated by the OTC who has considerable powers. The licensing provisions the Council must comply with can be found in the Goods Vehicles (Licensing of Operators) Act 1995, the Goods Vehicles (Licensing of Operators) Regulations 1995, the Road Transport Operator Regulations 2011.
- 3.3 **Risk** - Safe and effective management and operation of the HGV fleet is essential to complying with the Operator Licence. Non-compliance can ultimately result in the HGV fleet being taken off the road and/or a public inquiry. The action plan detailed in this report details the improvements required to our operations to manage this risk.
- 3.4 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** – Any changes to existing procedures will contribute positively to maintaining the safety of fleet operations.
- 3.5 **Gaelic** - There are no Gaelic implications arising from this report.

4 Impacts

- 4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.
- 4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.
- 4.3 This is an update report and therefore an impact assessment is not required.

5 Background

- 5.1 An Operator's Licence (O licence) is the legal authority needed to operate goods vehicles in Great Britain. A licence is issued by the OTC for Scotland who are the independent regulator of the commercial road transport industry.
- 5.2 An organisation needs an O licence to operate vehicles above 3.5 tonnes gross vehicle weight (GVW) that are used to carry goods (i.e., anything not permanently attached to the vehicle) on public roads for trade or business purposes.
- 5.3 The OTC have powers to take regulatory action against a licence holder where they fail to meet the expected standards of operation. They can:-
- revoke or suspend a licence;
 - reduce the number of vehicles authorised on a licence;
 - attach conditions to a licence restricting the weights of vehicles allowed to be used on a licence and/or their hours of operation; and
 - act against the transport manager(s) and senior management, particularly where serious infringements have been reported. Action can include declaring them unfit and invalidating their Transport Manager Certificate of Professional Competence (CPC).

- 5.4 In the event of an incident or breach of the licence requirements, the OTC will ask the most senior member of the organisation (known as the responsible person) and the Transport Manager(s) to attend a public inquiry before any action is taken against the licence.
- 5.5 In some cases, a Traffic Commissioner may act immediately (e.g., in the interests of public safety) and the inquiry will be held later.
- 5.6 The Council currently has a Service Lead for Transport and Logistics and two Compliance Officers. Each hold a CPC as a Transport Manager.
- 5.7 Although many members of the Council's Senior Management Team hold corporate responsibility for specific functions, Fleet staff members can be held accountable for the actions of Council staff and risk losing their CPC as Transport Managers, making them ineligible to continue in that role. They must also maintain their status as 'persons of good repute'.

6 The Purpose of an Operator License

- 6.1 The main purpose of goods vehicle operator licensing is to ensure the safe and proper use of goods vehicles to protect the public and to protect the environment around operating centres. The licensing provisions can be found in the Goods Vehicles (Licensing of Operators) Act 1995, the Goods Vehicles (Licensing of Operators) Regulations 1995, the Road Transport Operator Regulations 2011.
- 6.2 Licence OM0021134 has been issued to Highland Council on the understanding that it meets its legal obligations in relation to driver, vehicle, and operating centre compliance.
- 6.3 Performance against the O licence criteria is measured by the Operational Compliance Risk Score (OCRS). OCRS is used to calculate the risk of an operator not following the rules on roadworthiness (the condition of its vehicles) and traffic (e.g., drivers' hours, weighing checks).
- 6.4 Vehicles are more likely to be inspected if an organisation's OCRS is high. The score is a combination of two elements of performance:-
- Roadworthiness – This is about the condition of the vehicle, for example, Vehicle tests (first tests, subsequent annual tests); 'vehicle encounters' (fleet check inspections at operator premises, roadside inspections); and
 - Traffic Roadside inspections and prosecutions – This is about driver compliance, (for example, drivers' hours and tachograph offences, weighing checks)
- 6.5 The OCRS system is based on data collected by the Driver and Vehicles Standard Agency over a 3-year rolling period. Further information is available at: <https://www.gov.uk/operator-compliance-risk-score/how-the-system-works> Currently Highland Council remain in the green area of the score matrix; which is considered low risk.

7 Organisational Responsibilities and Key Risk Areas

- 7.1 The Chief Executive was previously named on the O licence as a responsible person. However, following recent discussions it was agreed that to bring the responsible person closer to the operational aspects of the fleet it was decided to name the Assistant Chief Executive – Place as the responsible person, they must appoint suitably qualified Transport Manager(s) to operate this license. The License is issued to the Service Lead, Transport and Logistics. Licence stipulations include:-
- the Transport Manager(s) must meet the good reputation requirement and be fit to hold a licence and ensure the transport operations are properly managed at all times;
 - appropriate financial standing (i.e. an organisation must have enough money to run its fleet operation);
 - facilities (or arrangements) for maintaining the vehicles; and
 - capability of ensuring that all staff obey all the rules of the O Licence.
- 7.2 The licence is renewed every five years. The Council's licence is due to be renewed in January 2026.
- 7.3 Currently the Traffic Commissioner has stipulated that Highland Council must have a minimum of three employees holding a Transport Managers CPC listed on the licence. This stipulation is currently fulfilled by the posts of Service Lead; Transport and Logistics and two Fleet Compliance Officers however a need for an operational Transport Manager is outstanding.
- 7.4 The day-to-day operations of the vehicles on the O license and drivers are managed by eight area operational managers, five in Roads and Transport, two in Amenities and two in Waste Services. At this present time none of these managers hold a Transport Managers CPC.
- 7.5 The Traffic Commissioner requires operators to have adequate systems in place to make sure staff can obey all the rules, particularly covering:-
- speed limits;
 - driver obligations;
 - driver licensing/driver CPC;
 - drivers' hours rules and the Working Time Directive;
 - taxation and insurance of vehicles; and
 - authorised weights
- 7.6 There is a requirement to have management structures, along with monitoring and reporting systems, in place to demonstrate to the Traffic Commissioner both current and ongoing compliance.

7.7 The Compliance Officers in the Fleet service cover three key areas – Workshop Compliance, License, and Driver Compliance, Light Fleet and Transition to Net Zero. Key aspects covered are listed below:-

- Workshop management;
- Vehicle records;
- Vehicle checks;
- Driver checks;
- Operating centres;
- Licence management;
- Driver training and assessment;
- Accident notification and investigation;
- Drivers' hours;
- Fleet Procurement; and
- Transitioning the Fleet to meet Net Zero targets

7.8 The legal requirement is the same, irrespective of the size of operation, namely that the nominated Transport Manager(s) must be able to exercise continuous and effective control of the fleet and drivers.

7.9 The Traffic Commissioner has identified the following non-exhaustive list of the types of activity which might be expected of a Transport Manager. These are:-

- Drivers – Administration;
- Drivers – Management;
- Drivers – Operations; and
- Vehicle – Management

7.10 The Transport and Logistics Manager attends monthly operational managers meetings with Waste and Roads function as well as Fleet User Group meetings to update them on changes to legislation or policies in relation to fleet operations. These operational managers are required to implement and monitor these changes.

8 Preliminary Hearing with the Office of the Traffic Commissioner for Scotland

8.1 In October 2023 the Council received a prohibition notice on a vehicle that was presented for an MOT due to it having loose wheel nuts. The fleet team immediately began an investigation into the reasons for the prohibition notice (PG9). The fault was rectified immediately, and the prohibition notice was lifted on the same day. Given the seriousness of the fault and a previous wheel loss incident in Lochaber in 2021, the DVSA, as they are entitled to do, determined that a more thorough investigation was required. This investigation covered all seven of the Councils' workshops and the outcome of the investigation was supplied by the DVSA to the OTC.

8.2 Following receipt of the DVSA investigations the OTC contacted Highland Council in April 2024 to ask that an independent audit be carried out into the Fleet operations of the Council. This audit was carried out in May 2024.

8.3 In May 2024 one of the Councils' vehicles on the O license received a PG9 notice due to issues with suspension components. This vehicle was leased which included the maintenance of the vehicle. The Council immediately investigated the reasons for the notice and passed these to the DVSA.

- 8.4 In June 2024 the OTC issued a call up letter to the Council requesting attendance at a Preliminary Hearing to discuss the O License with the Deputy Traffic Commissioner for Scotland. As part of the Preliminary Hearing process an extensive array of documentation was provided to the OTC to support our case. The Council also engaged the services of a specialist lawyer to assist us in the preparation of the documents for submission.
- 8.5 The hearing was held via Microsoft Teams on 28 October 2024, attended by the Assistant Chief Executive – Place, the external lawyer, the Service Lead for Transport and Logistics, and the two Compliance Officers named on the O License. Following the hearing, the Council received a decision letter requiring a further in-depth audit of the entire fleet operation to be carried out by an independent third party by 28 February 2025. The Council was then required to submit an action plan based on the audit findings to the OTC within 14 days of receiving the audit.
- 8.6 A further audit was conducted by Logistics UK during the week commencing 28 July 2025, and the audit report was received on 28 August 2025, with a summary is provided in **Appendix 1**.
- 8.7 The actions required from the audit were categorised into various levels of urgency and importance. The table below shows the number in each level and to which of the fleet users/operations these affect.

Timescale	Responsible	Category of Action & Number of Actions required		
		Essential 1	Urgent 2	Desirable 3
A (Action within 1 month)	Workshops/Fleet	8	4	0
	Vocational Drivers	4	0	0
	All drivers	1	0	0
B (Action within 1-2 months)	Workshops/Fleet	3	3	0
	Vocational Drivers	0	1	0
	All drivers	1	0	0
C (Ongoing - Review every 3 months)	Workshops/Fleet	3	3	0
	Vocational Drivers	3	2	0
	All drivers	0	2	0
TOTALS		23	14	0

9 Highland Council Action Plan in response to the Audit

- 9.1 In response to the audit, a follow up action plan was prepared, as requested by the OTC and detailed in **Appendix 2**. This action plan was submitted to the OTC on 29 September 2025, in accordance with the decision letter.

10 Office of Traffic Commissioner response to Highland Council Action Plan

- 10.1 Following on from the submission of the latest audit and action plan, we currently await feedback from the OTC Scotland.

11 Progress on Implementing Action Plan

- 11.1 Progress on the action plan is shown in **Appendix 3**.
- 11.2 As per the OTC undertakings further audits of the fleet operation have been scheduled. The first of these audits is take place in late November/December 2025.

Designation: Assistant Chief Executive - Place

Date: 6 October 2025

Author: Paul Reid, Chief Officer: Facilities and Fleet.

Background Papers: None

Appendices: Appendix 1 – Summary of Actions Raised in Logistics UK Audit
Appendix 2 – HC Action Plan in Response to Audit
Appendix 3 – HC Action Plan

Appendix 1 - Summary of Actions Raised in Logistics UK Audit

- Either reduce the number of trailers specified to within the allowed limits or apply for an increase in the allowance. An operating margin should be included in the trailer allowance to enable extra or temporary trailers to be operated.
- Continue to review the current management structure for control and compliance of drivers. Transport Managers must be able to demonstrate full, continuous and effective control over all aspects of the Operator Licence. If delegated authority is used, proof must be available to show that the directions of the Transport Managers are being effectively and accurately executed.
- Review the process for ensuring that all key staff fully understand the policies and procedures for managing the Operator Licence. Add documented knowledge checks on all policies and procedures delivered to staff, this includes toolbox talks. This helps to ensure full candidate understanding of the content.
- Review the process for issuing pertinent information to driving staff, ensure that all toolbox talks include knowledge checks to ensure full candidate understanding, local managers should assist in ensuring that training is effectively completed. This can be achieved by means of a toolbox talk with knowledge check.
- Review the driver recruitment process, Transport Managers must have sufficient influence within the process.
- Continue to review the process and controls for checking of driver licences. The transport team must have full oversight of status and endorsements for all drivers. Reduce the frequency of checks from 6-months to 3-months for low risk and monthly for high-risk drivers. Drivers found not to have informed management about an endorsement should be formally investigated and appropriate action taken. Ensure that all endorsements gained whilst using a council vehicle are notified in line with the process, more serious endorsements gained whilst using a private vehicle should also be notified.
- Review the resource allocated to the transport function, ensure that sufficient resource is available to allow full, continuous and effective responsibility for all aspects of compliance. This must also meet the requirements set in the Traffic Commissioners statutory documents (No3, Annex 1)
- Review the process for monitoring weight on all vehicles including refuse collection vehicles. Effective and robust monitoring requires the system to flag when the vehicle payload is exceeded. Incidences of overload should be formally investigated and appropriate action taken to mitigate further occurrences. The transport team should monitor weight compliance.
- Improve control of data being managed by the Vision tachograph analysis system, the driver calendar should be fully populated with statutory absence.
- Ensure that all occasional drivers record working time accurately, preferably by means of a manual entry.

- Improve control of driver tachograph printouts, ensure that printouts are made where needed. A copy should be retained by the driver for 28-days and returned to the transport team within 42-days.
- Ensure that all vehicle tachographs are downloaded within the 90-day limit, consider reducing the frequency to improve data flow and overall compliance. Consider automatic downloads for some vehicles.
- Ensure that driver tachograph cards are downloaded within 28-days, consider reducing the frequency to ensure that compliance is maintained and improve data flow.
- Improve control of infringements, drivers should be retrained where appropriate but formal action may be required if improvements are not seen.
- Improve control of missing mileage, ensure that all instances are investigated and dealt with appropriately.
- PMI sheets should be reviewed for accuracy and completeness before being placed on file, incidences of driver reportable defects should be investigated, and appropriate action taken. Issues in completion should be challenged to the relevant maintenance provider.
- Defects marked during the LOLER checks must be planned for repair in a timely manner.
- Brake test sheets should be reviewed for accuracy before being placed onto vehicle files for issues or errors, points noted should be reviewed with the relevant maintenance provider. All brake repairs should be supported by a validation roller brake test with report. All vehicles should complete a minimum of four roller brake tests per year (Including MOT). Decelerometer tests must include brake temperature readings taken both before and after the test.
- PMI events completed later than planned should have appropriate evidence placed onto the vehicle file. Instances of vehicles not being released by operational teams must be escalated immediately for resolution.
- Review the walk round check process, the Transport Managers must have overall control over the process and compliance to the process.
- Run Lead In reports regularly, identify non-compliance and take appropriate action to prevent further issues.
- Run regular overspeed reports, take appropriate corrective action where necessary

Response to Logistics UK fleet audit including action plan

Contents

- 1. Background
- 2. Response to Audit including action plan
- 3. Supporting information and conclusions

	Name	Signed	Date
Prepared by:	Andrew Hunter		30/09/2025
Checked by:	Paul Reid		30/09/2025
Approved by:	Malcolm MacLeod		30/09/2025



1. Background

On 28 October 2024, following an investigation by the Driver and Vehicle Standards Agency (DVSA), Highland Council attended a preliminary hearing via Microsoft Teams with Deputy Traffic Commissioner Mr Hugh Olson.

Subsequently, on 30 October 2024, the Council received a decision letter requiring an independent audit to be completed by February 2025. The audit report, along with the Council's action plan, was to be submitted to the Office of the Traffic Commissioner on 17 March 2025.

Following review, the following undertaking was added to the Council's operator licence:

"The operator undertakes to identify an independent body to carry out an audit of transport safety and compliance systems. The audit will assess the operator against the standards published under the DVSA Earned Recognition Scheme:

www.gov.uk/government/publications/dvsa-earned-recognition-vehicle-operator-standards. A copy of the report, together with the operator's detailed proposals for implementing the report's recommendations, is to be emailed to the Office of the Traffic Commissioner at sophie.johnson@otc.gov.uk by 5pm on 29 September 2025. The audit will assess the systems for complying with maintenance and/or drivers' hours requirements, and the effectiveness with which those systems are implemented. The audit should cover at least the applicable elements detailed in the guidance on Operator Compliance Audits available at:

www.gov.uk/government/publications/operator-compliance-audits."

In response, Highland Council engaged Logistics UK to carry out the required audit, ensuring all elements outlined in the undertaking were addressed.

Logistics UK conducted the audit between Monday 28 July and Friday 1 August 2025, covering the Council's headquarters and seven remote depot locations



2. Response to Logistics UK audit

As per the requirements of the Operating license undertakings as issued by the OTC we are required to produce an action plan in response to the audit. The following is our response to the audit will include the actions required as part of our action plan.

Item 5.1.1

Priority Rating 1A

Action Point:

Either reduce the number of trailers specified to within the allowed limits or apply for an increase in the allowance. An operating margin should be included in the trailer allowance to enable extra or temporary trailers to be operated.

Highland Council Response:

An application was submitted to the OTC on 16th September 2025 to increase trailer allowance from 2 to 8 as per recommendations.

Item 5.1.2

Priority Rating 1A

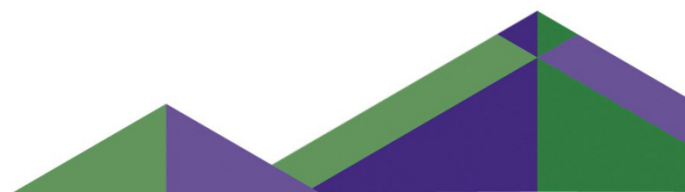
Action Point:

Continue to review the current management structure for control and compliance of drivers. Transport Managers must be able to demonstrate full, continuous and effective control over all aspects of the Operator Licence. If delegated authority is used, proof must be available to show that the directions of the Transport Managers are being effectively and accurately executed.

Highland Council Response:

A revised fleet structure was put in place within Highland Council from 1st September 2025. The revised fleet structure was supported by HR colleagues and discussed in partnership. The new structure gives a North and South split. There is an additional two qualified Transport Managers in Fleet to which the relevant process is being undertaken to have the operator licence update to reflect this. Work is ongoing to secure an additional Transport Manager for operational services

Item 5.1.3 and 5.1.4



Priority Rating 1C and 1B

Action Point:

Review the process for ensuring that all key staff fully understand the policies and procedures for managing the Operator Licence. Add documented knowledge checks on all policies and procedures delivered to staff, this includes toolbox talks. This helps to ensure full candidate understanding of the content.

Review the process for issuing pertinent information to driving staff, ensure that all toolbox talks include knowledge checks to ensure full candidate understanding, local managers should assist in ensuring that training is effectively completed. This can be achieved by means of a toolbox talk with knowledge check.

Highland Council Response:

On 17th September 2025 Highland Council secured 38 Operator Licence Awareness E Learning courses via Road Haulage Association. This complements November 2024 OLAT Courses delivered to a further 36 staff members. The courses have been rolled out to key staff in the fleet and operational departments. Certification of completed courses is being managed centrally.

Toolbox have been reviewed and updated. There has been a monthly schedule of toolbox talks put in place that are all compliance related. There is an agreed governance process on managing attendance records and the nominated transport managers have sight of these.

Item 5.1.5 and 5.1.6

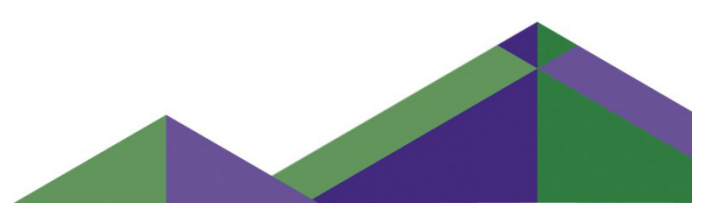
Priority Rating 2C

Action Point:

Ensure that contracts of employment for Vocational drivers include information on the responsibilities of the role, this could be achieved by means of a reference within the contract to a comprehensive job role document.

Ensure that all drivers are issued annual declarations of other work and health status. These should be reviewed by the transport team and held on file.

Highland Council Response:



Drivers' contracts are being reviewed and will be reported back through the relevant governance routes for approval on any changes.

There are currently health checks in place for nighttime works. This will be adopted and introduced across all vocational drivers through an agreed process with HR Colleagues and Trade Union colleagues.

Item 5.1.7

Priority Rating 2C

Action Point:

Implement a formal drugs and alcohol policy that includes random testing.

Highland Council Response:

Highland Council can confirm that Workplace Drug & Alcohol Support Policy was introduced which includes with cause testing on 12th September 2025 after a period of consultation and partnership working across the organisation. Work is continuing on further enhancing the Drug & Alcohol support policy to include Random testing for all vocational drivers and high risk occupations.

Item 5.1.8 and 5.1.9

Priority Rating 1B and 2C

Action Point:

Review the driver recruitment process, Transport Managers must have sufficient influence within the process.

Review the driver induction process, Transport Managers must have sufficient input to deliver content specific to the transport function. An extensive knowledge test similar to a driving licence theory test should be delivered to ensure candidate knowledge.

Highland Council Response:

Highland Council can confirm that Transport Managers have had input into the interview style questions used during the recruitment process of a vocational drivers across the organisation.

Highland Council are currently investing in a training officer with the view of developing robust induction process, ongoing training and knowledge testing. In the



meantime, Transport Managers are working closely with services to ensure there is a robust process being adhered to.

Item 5.1.10 and 5.1.11

Priority Rating 2B and 1A

Action Point:

Review the controls and tracking of driver CPC training. The transport team must have clear visibility of the status of training including modules delivered and modules required before expiry.

Continue to review the process and controls for checking of driver licences. The transport team must have full oversight of status and endorsements for all drivers. Reduce the frequency of checks from 6- months to 3-months for low risk and monthly for high-risk drivers. Drivers found not to have informed management about an endorsement should be formally investigated and appropriate action taken. Ensure that all endorsements gained whilst using a council vehicle are notified in line with the process, more serious endorsements gained whilst using a private vehicle should also be notified.

Highland Council Response:

Highland Council can confirm that CPC driver card checking is done by Continuum, and an email is sent to the service each month. Each service arranges the yearly CPC training for their staff making sure they have up to date CPC cards however work is being done to centralise training.

Highland Council can confirm that licence is checked using Continuum. The system is set up that Transport Managers have access and receive alerts. Licence System check-up is non LGV-HGV-PSV are 2 times a year and all LGV-HGV-PSV are 4 times a year.

Item 5.1.12

Priority Rating 2C

Action Point:

Ensure that all drivers have formal familiarisation training on new or previously unused vehicle types. This should be delivered by a competent person and recorded onto training files.



Highland Council Response:

Highland Council are in the process of reviewing training within the fleet department and note the required action. A review of our procurement specification will take place to include formal certified training on all new vehicle types.

Highland Council Action Plan:

Action Ref.	Action proposed	Proposed completion date
5.1.1	Application submitted on 16 th September 2025 to increase trailer allowance from 2 to 8	14-10-25
5.1.2	Structure changed on 1 st September 2025 to enhance compliance. Two further Transport Managers applications made to operators' licence on 29 th September 2025 and process being undertaken to add a further operational transport manager	31-10-25
5.1.3/4	OLAT Training arranged on 17 th September 2025 for 38 key staff to add to the 36 OLAT course delivered in November 2024. Monthly compliance toolbox talks in place and a process to manage the attendance	10-10-25
5.1.5/6	Contract reviews to be taken place with Colleagues in HR	28-11-25
5.1.7	formal drugs and alcohol policy that includes random testing	Complete for with cause. Ongoing for random testing
5.1.8/9	Training Officer Business Case to be presented for approval	28-11-205
5.1.10/11	Procurement of new Driving Licence/CPC checking system underway	19-12-25
5.1.12	All vehicle specifications to include formal training that is certified	10-10-25



Item 5.2.1

Priority Rating 2C

Action Point:

The contract of employment for a Transport Manager should include specific information including the undertakings of a Transport Manager. This could be included within the referenced job role document.

Highland Council Response:

Following on from Highland Council structure review and implementation on 1st September 2025 a review of all contracts will take place to align roles and responsibilities. This will include specific information in relation to the role of Transport Manager.

Item 5.2.2

Priority Rating 1B

Action Point:

Review the resource allocated to the transport function, ensure that sufficient resource is available to allow full, continuous and effective responsibility for all aspects of compliance. This must also meet the requirements set in the Traffic Commissioners statutory documents (No3, Annex 1)

Highland Council Response:

Following on from Highland Council structure review and implementation on 1st September 2025 Along with the application to add a further two Transport Managers to the Operator Licence there is work being undertaken to add an operational Transport Manager to the structure to support compliance.

Item 5.2.3

Priority Rating 1B

Action Point:

Review the process for monitoring weight on all vehicles including refuse collection vehicles. Effective and robust monitoring requires the system to flag when the vehicle



payload is exceeded. Incidences of overload should be formally investigated and appropriate action taken to mitigate further occurrences. The transport team should monitor weight compliance.

Highland Council Response:

All specification of new fleet includes onboard weighing systems and there is a live procurement process to secure replacement weigh pads to replace the current defective set. Highland Council on receiving the new weigh pads will set up a programme of spot checks supported by our nominated Transport Managers. On finding any breaches a formal investigation process will commence in line with current process

Highland Council Action Plan:

Action Ref.	Action proposed	Proposed completion date
5.2.1	Transport Managers contracts to be review and revised to include undertakings of Transport Manager roles	31-12-25
5.2.2	Additional Transport Managers role to be created within the operational teams across the Highlands	21-12-25
5.2.3	Weigh pads to be replaced and process to be put in place to carry out checks. On finding any breaches a formal investigation process will commence in line with current process	31-10-25

Item 5.3.1, 5.3.2 and 5.3.3

Priority Rating 1C

Action Point:

Improve control of data being managed by the Vision tachograph analysis system, the driver calendar should be fully populated with statutory absence.

Ensure that all occasional drivers record working time accurately, preferably by means of a manual entry.

Improve control of driver tachograph printouts, ensure that printouts are made where needed. A copy should be retained by the driver for 28-days and returned to the transport team within 42-days.



Highland Council Response:

Highland Council currently use Vision system for Tachograph analysing. There has been additional training across all operational teams recently on population and general management of system. November 2025 compliance toolbox talk is in person training in relation to Tachograph use and manual entry. This will include controls of driver Tachograph print outs and retention of prints outs. Highland Council are currently exploring the market for Tachograph software to include automatic downloading and improved compliance.

Item 5.3.4 and 5.3.5**Priority Rating 1A****Action Point:**

Ensure that all vehicle tachographs are downloaded within the 90-day limit, consider reducing the frequency to improve data flow and overall compliance. Consider automatic downloads for some vehicles.

Ensure that driver tachograph cards are downloaded within 28-days, consider reducing the frequency to ensure that compliance is maintained and improve data flow.

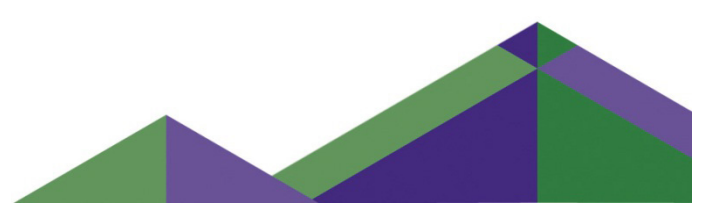
Highland Council Response:

Highland Council Transport Managers currently manage the system which includes downloading within the relevant limits. Face to Face training is secured for all drivers and managers in November 25. Highland Council are currently exploring the market with our procurement service on improved Tachograph software to include automatic downloading.

Item 5.3.6 and 5.3.7**Priority Rating 1C****Action Point:**

Improve control of infringements, drivers should be retrained where appropriate but formal action may be required if improvements are not seen.

Improve control of missing mileage, ensure that all instances are investigated and dealt with appropriately.

Highland Council Response:

Highland Council will introduce a new compliance process from Monday 6th October 2025 that will involve a formal process for any instances of non-compliance which includes driver infringements and missing miles investigations. It was acknowledged by the auditor that the information was being shared, and it was the lack of investigations being carried out that was the concern. All infringements and missing miles will be investigated and returned to the relevant Transport Manager.

Highland Council Action Plan:

Action Ref.	Action proposed	Proposed completion date
5.3.1/2/3	In person training on Tachographs and manual entries will take place in November 25	28-11-25
5.3.4/5	Training secured for November 25 and current process being undertook to replace current Tachograph system to include automatic downloading	31-12-25
5.3.6/7	New compliance process introduced into Highland Council from 6th October to support improved compliance which includes driver infringements and missing miles investigations.	06-10-25

Item 5.4.1

Priority Rating 2B

Action Point:

Ensure that comprehensive maintenance agreements (SLA) are in place and valid, these should include detail on fleet covered and maintenance requirements including brake testing. A schedule detailing equipment to be maintained should be agreed and attached.

Highland Council Response:

Highland Council currently reviewing maintenance agreements to ensure all are valid. SLA with maintenance providers will be updated and include brake testing.

Item 5.4.2

Priority Rating 2C



Action Point:

Continue the improvements required at all sites, assess older sites against fitness for purpose.

Highland Council Response:

Highland Council currently reviewing all sites as part of the assets review with plans to improve sites.

Item 5.4.3**Priority Rating 2C****Action Point:**

Improve the level of training offered to technical staff to ensure that the correct skillset is available for effective diagnostics and repair.

Highland Council Response:

Highland Council have provided IRTEC training to a high number of workshop staff and are working with manufacturers to improve product training as part of our replacement plan. Skill matrix is being developed

Item 5.4.4**Priority Rating 1A****Action Point:**

PMI sheets should be reviewed for accuracy and completeness before being placed on file, incidences of driver reportable defects should be investigated, and appropriate action taken. Issues in completion should be challenged to the relevant maintenance provider.

Highland Council Response:

Highland Council have reviewed current PMI sheets and have placed an order with Logistics UK to purchase PMI sheets as part of the audit recommendation. Highland Councils new Fleet Structure will allow the relevant Workshop Compliance Manager to review and challenge PMI sheets where required.

Item 5.4.5**Priority Rating 1A**

Action Point:

Defects marked during the LOLER checks must be planned for repair in a timely manner.

Highland Council Response:

Highland Council agree with this action point and workshop management will improve on this process.

Item 5.4.6**Priority Rating 1A****Action Point:**

Brake test sheets should be reviewed for accuracy before being placed onto vehicle files for issues or errors, points noted should be reviewed with the relevant maintenance provider. All brake repairs should be supported by a validation roller brake test with report. All vehicles should complete a minimum of four roller brake tests per year (Including MOT). Decelerometer tests must include brake temperature readings taken both before and after the test.

Highland Council Response:

Highland Council have reviewed the audit action and workshop management will sign off the PMI documents including brake test to ensure all relevant information/action is present. All vehicles will receive the minimum roller brake test and internal audits have been established as a means of checking.

Item 5.4.7, 5.4.8 and 5.4.9**Priority Rating 2A****Action Point:**

Sufficient repair information should be annotated onto PMI sheets to allow the scope of work to be understood under audit conditions.

Tyre pressures should be measured, corrected where necessary and recorded onto PMI documents.

Brake linings should be measured and recorded as part of the PMI process to accurately track brake wear and assess the ability to complete a further cycle and highlight emerging issues with uneven brake wear.



Highland Council Response:

Highland Council have reviewed the audit actions and improved the PMI sheets. Internal and External audits to be carried out regularly on PMI information as part of the ongoing improvements required. All noted actions have been addressed and will be a regular topic discussion at workshop toolbox talks which are monthly. Brake linings will be measure where applicable whilst noting it is not always possible depending on type of vehicle.

Item 5.4.10**Priority Rating 2B****Action Point:**

Tyres mounted as a twinned fitment on a drive axle should not have more than 4mm in difference on treadwear. Poor twinning should be noted by technicians and appropriate action taken.

Highland Council Response:

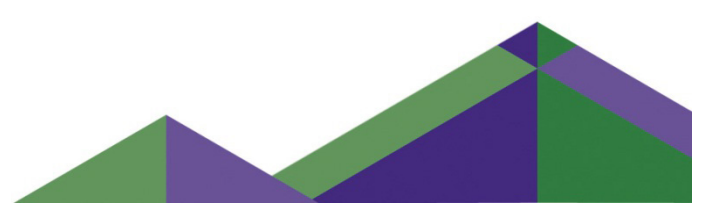
Highland Council have reviewed the audit action and this recommendation will be addressed through our internal audit process. This action will be a key feature of the workshop toolbox talks.

Item 5.4.11**Priority Rating 1A****Action Point:**

PMI events completed later than planned should have appropriate evidence placed onto the vehicle file. Instances of vehicles not being released by operational teams must be escalated immediately for resolution.

Highland Council Response:

Highland Council have implemented a missing inspection pro forma that workshop staff must complete and insert into file where applicable. New compliance process introduced on 6th October 2025 will address vehicles not being released by operational teams as the vehicle will be removed from service should this be case in moving forward.



Item 5.4.12

Priority Rating 1A

Action Point:

Review the walk round check process, the Transport Managers must have overall control over the process and compliance to the process.

Highland Council Response:

Highland Council have reviewed current walk around check process and October 25 Toolbox talk is on drivers walk around checks. This will be further supported by sport checks and audits carried out by workshop & fleet staff.

Item 5.4.13 and 5.4.14

Priority Rating 1A

Action Point:

Run Lead In reports regularly, identify noncompliance and take appropriate action to prevent further issues.

Run regular overspeed reports, take appropriate corrective action where necessary.

Highland Council Response:

Highland Council Transport Managers currently run both lead in reports and overspeed's reports through vision. These reports are sent out to the relevant operational teams to review and action. In moving forward as part of the new compliance process operational management will be required to return these completed with investigation and information to the Transport Managers. OLAT training has been provided to operational management to support this.

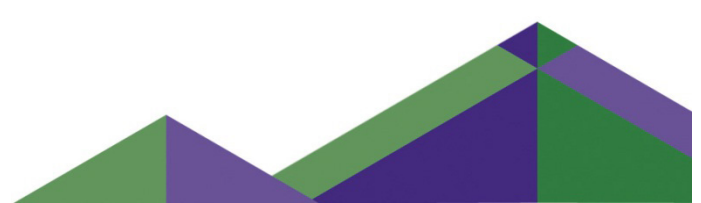
Item 5.4.15

Priority Rating 2A

Action Point:

Continue to closely manage the MOT process to improve the first-time pass rate. Take appropriate action to prevent further incidences.

Highland Council Response:



Highland Council note this recommendation and as part of the new fleet structure where roles and responsibilities have been split across geographical area KPI's have been introduced to support this process.

Highland Council Action Plan:

Action Ref.	Action proposed	Proposed completion date
5.4.1	Review of maintenance SLA and update to include Brake testing and equipment	31-10-25
5.4.2	Fleet and workshops are part of the ongoing Highland Council assets review	30-04-26
5.4.3	Workshop skills matrix to be established to identify gaps and programme of training to be established	28-11-25
5.4.4	PMI sheets to be replaced with an improved version from Logistics UK. Audit to be carried out by Compliance workshop lead to identify concerns which should be investigated	31-10-25
5.4.5	Defects marked during LOLER to be rectified in a timely manner and to be reviewed by workshop team leader	31-10-25
5.4.6	Workshop team lead to review and sign off on all relevant documents. Internal and external audits to be programmed across the year to identify progression	31-10-25
5.4.7/8/9/10	Internal and External audits to be established and workshop toolbox talks (monthly) to be set up to address all points with staff	13-10-25
5.4.11	New compliance process in place from 6 October 2025 will remove any vehicles not presented on PMI date and Missed inspection documentation will now be placed in relevant vehicle files where required.	06-10-25
5.4.12	Toolbox talks on Walkaround checks planned for October and then on an ongoing basis over the year. Workshop led audits/random checks to be established to monitor.	31-10-25
5.4.13/14	OLAT courses rolled out across the operational teams to enhance knowledge, new compliance process of 6 October 2025 will support the returning of investigations and information.	28-11-25



	Operational Transport Manager to support this process is being developed	
5.4.15	New Fleet Structure implemented 1 st September 2025 along with audits and KPI's will support improvements	31-10-25



Supporting information

As outlined in Section 2 of this document and supported by the audit report, it is evident that meaningful progress has been made across Fleet operations. However, we acknowledge that further improvements are still required throughout the service. We remain committed to building on the substantial advancements already achieved and are determined to implement further effective changes to address outstanding issues swiftly and thoroughly.

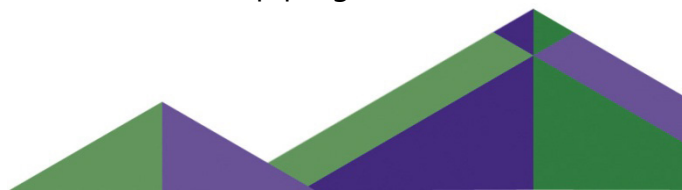
Broadly speaking, we agree with the key findings of the audit. Nonetheless, we have expressed concerns regarding certain areas where the report does not fully reflect the significant improvements made to date. Additionally, we have reiterated our concern that the audit process excluded relevant records from nearby offices—such as stores and operational sites—which could have provided valuable context and evidence of progress. We believe this limitation may have influenced the audit outcome and does not accurately represent the current state of the service.

Despite this, we welcome the audit as a constructive checkpoint in our ongoing journey of improvement. Since the DVSA audit conducted in 2023/24, we have made considerable strides and continue to do so. All our mechanics are fully qualified, and we are actively investing in their continued professional development. Our approach to fleet management is under constant review, with a clear focus on transitioning to a fully digital operation in collaboration with partners across the Council.

Our ambitions are significant. We aim to establish Highland Council's Fleet Service as a national leader. To achieve this, we are restructuring the service to strengthen resources across all areas, investing through the Highland Delivery Plan in upgraded depots and workshops, and implementing end-to-end digital processes—from driver checks to inspection forms. We are also integrating workshop operations into the Council's ISO 9008 BSI-accredited quality management system and progressing toward a fully decarbonised fleet.

We are proactively advocating for changes to HR policies, as demonstrated by the recent adoption of the Drugs and Alcohol Support Policy, which includes "With Cause" testing. We continue to push for the introduction of random testing for vocational drivers and high-risk roles. Communication with operational services remains a priority, and we are enhancing these channels to ensure timely and effective information sharing. Furthermore, we plan to include Transport Managers from relevant services on the Operating Licence to strengthen governance and oversight.

As part of the Fleet team restructure, we will bring all driver-related training in-house. This will give us greater control over training direction and allow us to develop programmes that



exceed minimum standards. The restructure will also enable us to allocate resources more effectively, particularly in areas where enhanced control is needed. Given the vast geography of the Highland Council area, increased on-the-ground presence will significantly improve operational oversight.

Our depot and workshop strategy are ambitious and designed to deliver tangible benefits. Early discussions have begun around rationalising the network to create a more efficient service. While these are at an initial stage, the Fleet team is committed to progressing this work and developing a clear roadmap.

With the measures outlined above and the action plan in place, we are confident in our ability to continue strengthening the effectiveness and continuity of fleet operations within Highland Council. To support this, we have committed to a follow-up internal audit by 31 December 2025, in line with our Operating Licence undertakings. Additionally, we will commission an external audit in April 2026 to further validate our progress. Copies of both audits and their associated action plans will be submitted to the Office of the Traffic Commissioner to demonstrate our ongoing commitment to full, continuous, and effective control.

Should the Office of the Traffic Commissioner require any further information or evidence of progress, we would be pleased to provide it.



Appendix 3 - Action Plan

<u>Highland Council Action Plan:</u>			
Action Ref.	Action proposed	Proposed completion date	Comments/Update
5.1.1	Application submitted on 16 th September 2025 to increase trailer allowance from 2 to 8	14/10/2025	Awaiting DVSA
5.1.2	Structure changed on 1 st September 2025 to enhance compliance. Two further Transport Managers applications made to operators' licence on 29 th September 2025 and process being undertook to add a further operational transport manager	31/10/2025	Process being undertook
5.1.3/4	OLAT Training arranged on 17 th September 2025 for 38 key staff to add to the 36 OLAT course delivered in November 2024. Monthly compliance toolbox talks in place and a process to manage the attendance	10/10/2025	Additional 5 secured on 01/10/2025
5.1.5/6	Contract reviews to be taken place with Colleagues in HR	28/11/2025	
5.1.7	formal drugs and alcohol policy that includes random testing	Complete for with cause	

5.1.8/9	Training Officer Business Case to be presented for approval	28-11-2025	
5.1.10/11	Procurement of new Driving Licence/CPC checking system underway	19/12/2025	
5.1.12	All vehicle specifications to include formal training that is certified	10/10/2025	
5.2.1	Transport Managers contracts to be review and revised to include undertakings of Transport Manager roles	31/12/2025	
5.2.2	Additional Transport Managers role to be created within the operational teams across the Highlands	21/12/2025	
5.2.3	Weigh pads to be replaced and process to be put in place to carry out checks. On finding any breaches a formal investigation process will commence in line with current process	31/10/2025	
5.3.1/2/3	In person training on Tachographs and manual entries will take place in November 25	28/11/2025	
5.3.4/5	Training secured for November 25 and current process being undertook to replace current Tachograph system to include automatic downloading	31/12/2025	

5.3.6/7	New compliance process introduced into Highland Council from 6th October to support improved compliance which includes driver infringements and missing miles investigations	06/10/2025	
5.4.1	Review of maintenance SLA and update to include Brake testing and equipment	31/10/2025	
5.4.2	Fleet and workshops are part of the ongoing Highland Council assets review	30/04/2026	
5.4.3	Workshop skills matrix to be established to identify gaps and programme of training to be established	28/11/2025	
5.4.4	PMI sheets to be replaced with an improved version from Logistics UK. Audit to be carried out by Compliance workshop lead to identify concerns which should be investigated	31/10/2025	
5.4.5	Defects marked during LOLER to be rectified in a timely manner and to be reviewed by workshop team leader	31/10/2025	
5.4.6	Workshop team lead to review and sign off on all relevant documents. Internal and external audits to be programmed across the year to identify progression - External to be included	31/10/2025	

5.4.7/8/9/10	Internal and External audits to be established and workshop toolbox talks (monthly) to be set up to address all points with staff	13/10/2025	
5.4.11	New compliance process in place from 6 October 2025 will remove any vehicles not presented on PMI date and Missed inspection documentation will now be placed in relevant vehicle files where required	06/10/2025	
5.4.12	Toolbox talks on Walkaround checks planned for October and then on an ongoing basis over the year. Workshop led audits/random checks to be established to monitor	31/10/2025	
5.4.13/14	OLAT courses rolled out across the operational teams to enhance knowledge, new compliance process of 6 October 2025 will support the returning of investigations and information. Operational Transport Manager to support this process is being developed	28/11/2025	
5.4.15	New Fleet Structure implemented 1 st September 2025 along with audits and KPI's will support improvements	31/10/2025	