1956 No. 1499

The Control of Hiring (Vehicles) Order, 1956

Made - - - -	21*st September*, 1956
Laid before Parliament	27*th September*, 1956
Coming into Operation	1*st October*, 1956

The Board of Trade in pursuance of the powers conferred upon them by Regulation 55 of the Defence (General) Regulations, 1939, as having effect by virtue of the Supplies and Services (Transitional Powers) Act, 1945(**a**), as extended by the Supplies and Services (Extended Purposes) Act, 1947(**b**), and the Supplies and Services (Defence Purposes) Act, 1951(**c**), and continued in force by the Supplies and Services (Continuance) Order, 1955(**d**), hereby order as follows:—

1. A person shall not dispose of goods to which this Order applies in pursuance of an agreement to let those goods on hire entered into after the 30th day of September, 1956, unless the relevant requirements specified in the Schedule hereto are or have been satisfied in relation to that agreement and any related agreement.

2. A person shall not be in possession of any goods to which this Order applies by virtue of an agreement to let those goods on hire entered into after the said date—

(*a*) unless that agreement and any related agreement is in writing;

(*b*) unless a payment was made by him before the signing of that agreement complying with the provisions of paragraph 3 of Part I, or paragraph 3 of Part II, as the case may be, of the Schedule hereto (except where such a payment is not required by virtue of the proviso to paragraph 3 of the said Part II);

(*c*) where that agreement is for less than ninety days, if he has been in possession of those goods, by virtue of that and any such previous agreement, for more than ninety days in any period of twelve months;

(*d*) if he has entered into that agreement in pursuance of any agreement or arrangement to which the hirer under the last preceding agreement to let those goods on hire entered into after the said date for a definite period of more than thirty days and less than nine months, is a party;

(*e*) unless the terms of that agreement and of any related agreement are such as to comply with the provisions of paragraph 2 of Part I, or paragraphs 2 and 4 of Part II, as the case may be, of the Schedule hereto.

3. A person shall not cause or permit any goods to which this Order applies to be in possession of another person by virtue of an agreement to let those goods on hire if to his knowledge the possession of those goods by that other person contravenes the provisions of Article 2 hereof.

(**a**) 9 & 10 Geo. 6. c. 10, and S.R. & O. 1945/1618 (1945 II, p. 48).
(**b**) 10 & 11 Geo. 6. c. 55. (**c**) 14 & 15 Geo. 6. c. 25.
(**d**) S.I. 1955/1810 (1955 II, p. 2491).

4.—(1) A person shall not enter into any agreement (including any renewal or extension of an agreement) whereby any agreement entered into after the said date to let on hire goods to which this Order applies or any related agreement is varied in any one or more of the following respects, that is to say—

(*a*) any payment, made before the signing thereof in accordance with the provisions of this Order, is affected;

(*b*) any payment to be made thereunder is increased;

(*c*) the periods in respect of which payments are to be made thereunder are varied.

(2) A person shall not enter into any agreement whereby an agreement to let goods on hire entered into whether before, on or after the said date is varied in such manner that that agreement to let goods on hire comprises after such variation goods to which this Order applies not comprised therein before such variation.

5. A person who has disposed of goods to which this Order applies in pursuance of an agreement to let those goods on hire entered into after the said date—

(*a*) for a definite period of not less than ninety days but less than nine months, shall not within nine months after the expiry of that period permit the hirer to be in possession of those goods under any agreement for hire other than one for an indefinite period or for a definite period of not less than nine months;

(*b*) for a definite period of less than ninety days, shall not enter into an agreement to let those goods on hire for a definite period of less than nine months if as a result the hirer will be in possession of those goods for more than ninety days in any period of twelve months;

(*c*) for a definite period of more than thirty days and less than nine months, shall not dispose of those goods in pursuance of an agreement to let those goods on hire to any person for such a period unless he has made all reasonable inquiries and is satisfied that that person is not entering into that agreement in pursuance of any agreement or arrangement to which the hirer under the last preceding agreement to let those goods on hire for such a period, is a party.

6. Nothing in this Order—

(*a*) shall prohibit the doing of anything under the authority of a licence granted by the Board of Trade under this Article and in accordance with any condition attached thereto;

(*b*) shall apply to the possession by a person of goods by virtue of an agreement to let those goods on hire if the person letting those goods on hire has disposed of them to the hirer under the authority of a licence granted by the Board of Trade under this Article;

(*c*) shall apply to the disposal of goods to, and the possession of goods by, an overseas visitor under an agreement to let those goods on hire;

(*d*) shall apply to the disposal of goods in pursuance of an agreement to let those goods on hire for a period of not more than thirty days, if the total period during which the hirer will be in possession of those goods under that and any previous agreement to let those goods on hire entered into after the said date will not exceed thirty days in any period of twelve months;

(*e*) shall apply to the possession by a person of any goods under such an agreement, if that person has not been in possession of those goods, under that or any previous agreement to let those goods on hire entered into after the said date, for more than thirty days in any period of twelve months;

(*f*) except the provisions of Article 5 (*c*), shall apply to the disposal of goods in pursuance of an agreement in writing to let those goods on hire, if the total period during which the hirer will be in possession of those goods, under that and any such previous agreement entered into after the said date, will not exceed ninety days in any period of twelve months;

(*g*) except the provisions of Article 2 (*d*), shall apply to the possession by a person of any goods under an agreement in writing to let those goods on hire, if that person has not been in possession of those goods, under that and any such previous agreement entered into after the said date, for more than ninety days in any period of twelve months.

7.—(1) The goods to which this Order applies are mechanically propelled vehicles constructed or adapted for the carriage of passengers or goods and mechanically propelled bicycles and tricycles, whether new or secondhand goods, except—

(*a*) ambulances;

(*b*) invalid carriages;

(*c*) vehicles specially constructed or adapted for disabled persons;

(*d*) vehicles built to a specification designed to comply with the conditions of fitness laid down by the Commissioner of Police of the Metropolis for the purposes of the London Cab Order, 1934(**a**);

(*e*) vehicles constructed to carry not less than twelve passengers; and

(*f*) vehicles rated by the manufacturer to have a payload capacity of more than 30 cwt. of goods.

(2) In this Order—

"overseas visitor" means any person who is not ordinarily resident in the United Kingdom;

"related agreement" means, in relation to any agreement to let goods on hire, any such other agreement in respect of those goods as is referred to in paragraph 3 (*b*) of Part I, or paragraph 3 (*b*) of Part II, as the case may be, of the Schedule hereto.

8. For the purposes of this Order an agreement to let on hire does not include a hire-purchase agreement as defined in Article 7 of the Hire-Purchase and Credit Sale Agreements (Control) Order, 1956(**b**).

9. This Order may be cited as The Control of Hiring (Vehicles) Order, 1956, and shall come into operation on the 1st day of October, 1956.

Dated this 21st day of September, 1956.

Derek Walker-Smith,
Parliamentary Secretary to the Board of Trade.

(**a**) S.R. & O. 1934/1346 (Rev. XIV, p. 795: 1934 I, p. 1221).
(**b**) S.I. 1956/180 (p. 2284 below).

SCHEDULE

PART I

Agreements for a Definite Period of less than Nine Months

1. The agreement is in writing.

2. The terms of the agreement are such that the total amount of the rentals payable thereunder is ascertainable at the date of the signing of the agreement.

3. Before the signing of the agreement actual payment is made in respect of the goods comprised in the agreement of the aggregate of—

(*a*) all the rentals;

(*b*) all the charges payable for or in connection with any services to be performed in relation to those goods, being charges payable under that agreement or under any other agreement made or intended to be made between the parties in relation to those goods or under any other agreement made or to be made in relation to those goods as a condition for entering into the agreement for the hire of those goods.

PART II

Agreements for a Definite Period of not less than Nine Months or for an Indefinite Period

1. The agreement is in writing.

2. The terms of the agreement are such that—

(*a*) the rentals for the hire of the goods comprised in the agreement are payable in respect of either weekly, monthly or quarterly periods;

(*b*) the periods in respect of which the rentals are payable are either all weekly, all monthly or all quarterly;

(*c*) the first such period commences on the date of the signing of the agreement;

(*d*) no rental payable in respect of any period after the expiry of nine months from the date of the signing of the agreement is greater than the smallest rental payable in respect of any period during the said nine months;

(*e*) the total amount of the rentals payable under the agreement in respect of each period is ascertainable at the date of the signing of the agreement.

3. Before the signing of the agreement actual payment is made in respect of the goods comprised in the agreement of not less than the aggregate of—

(*a*) all the rentals payable for the hire of those goods in respect of the period of nine months from the date of the signing of the agreement; and

(*b*) all the charges payable for or in connection with any services to be performed in relation to those goods during the period of nine months from the date of the signing of the agreement, being charges payable under that agreement or under any other agreement made or intended to be made between the parties in relation to those goods or under any other agreement made or to be made in relation to those goods as a condition for entering into the agreement for the hire of those goods:

Provided that this paragraph shall not apply to any agreement which is a renewal or extension of an agreement which was entered into for a definite period of not less than nine months, and such renewal or extension takes effect immediately on the expiry of that period.

4. The terms of any agreement under which any charges referred to in head (*b*) of paragraph 3 of this Part are payable are such that—

(*a*) the charges are payable in respect of either weekly, monthly or quarterly periods;

(*b*) the periods in respect of which the charges are payable are either all weekly, all monthly or all quarterly;

(*c*) the first such period commences on the date of the signing of the agreement;

(*d*) no charge payable in respect of any period after the expiry of nine months from the date of the signing of the agreement is greater than the smallest charge in respect of any period during the said nine months.

In this Schedule—

(i) references to goods comprised in any agreement shall be construed as references to all the goods comprised in that agreement whether or not goods to which this Order applies; and

(ii) "rental" includes, in relation to any goods, any payment (howsoever payable) made wholly or partly for the possession or use, or possession and use, of the goods; but does not include any mileage rental to be determined in relation to any vehicle by the number of miles in excess of an average of one thousand five hundred a month travelled by that vehicle while in the possession of the hirer under an agreement to let that vehicle on hire which does not provide for payment by the hirer for a minimum mileage.

EXPLANATORY NOTE

(This Note is not part of the Order, but is intended to indicate its general purport.)

The Order imposes control on the disposal and possession of certain vehicles under hiring agreements entered into after the 30th September, 1956.

The principal requirements of the Order are that:—

1. Before the signing of the hiring agreement payment shall be made—

   (*a*) in the case of an agreement for a definite period of less than nine months, of the whole of the rentals and charges for services payable under that or any related agreement; and

   (*b*) in any other case, of the whole of the rentals and charges payable during the first nine months.

2. Where a vehicle has been hired to a person for a definite period of not less than 90 days but less than nine months, the Order prohibits any further hiring of that vehicle to that person during the next nine months for a definite period of less than nine months.

3. Where a vehicle has been hired to a person for a definite period of more than 30 days and less than nine months, that vehicle may not be let on hire to another hirer for such a period unless the person letting it on hire is, after inquiry, satisfied about the matters specified in Article 5 (*c*).

4. The Order does not apply to the disposal or possession of a vehicle where the hirer is an overseas visitor, or where the hirer is not to be in possession for more than 30 days, or, with certain exceptions, more than 90 days, in any period of twelve months.