

Mike Davey Esq  
Inquiry Coordinator  
Competition Commission  
Victoria House  
Southampton Row  
LONDON WC1B 4AD

Our ref: T/19 Your ref: TPL/01

20 August 2004

Dear Mr Davey,

**Arriva and Sovereign Bus Ltd**

Thank you for your letter of 12 August on the above subject.

The LGA is not in a position to comment on the merits of specific acquisitions such as the one set out in your letter, as we do not have knowledge of the local operating and competitive circumstances. No doubt you have written to the relevant authorities in the area concerned on this occasion.

However your letter comes at a time when the Association has been giving consideration, in the context of Government policy statements about the future development of both voluntary and statutory bus Quality Partnerships and of Quality Contracts, of the evolving competitive situation within the bus industry. Members have expressed concerns about some of the possible effects of limited competition on local networks, in view of the number of areas in which there is a single operator which now appears to have market dominance.

Yours sincerely



**V G Christie**