

Local Transport Bill:

Extracts from the Transport Act 1968

(as proposed to be amended)

February 2008

INTRODUCTION

This document shows amendments to the Transport Act 1968 that would be made by the Local Transport Bill [HL], as amended in the House of Lords, if the Bill were to be enacted without further amendment. Where sections of, or Schedules to, the Act are shown as having been omitted, this is because they would not be substantively amended by the Bill.

The document has been prepared by the Department for Transport to assist the reader of the Bill; it has not been endorsed by Parliament, and it carries no legal force. While the Department has sought to ensure its accuracy, no liability can be accepted for any errors that remain.

**EXTRACTS FROM THE TRANSPORT ACT 1968
SHOWING HOW IT WOULD BE AMENDED
(IN RELATION TO ENGLAND AND WALES)
BY THE LOCAL TRANSPORT BILL [HL]**

<PART I HAS ALREADY BEEN REPEALED>

Part II

Integrated Transport Areas and Passenger Transport Areas ~~Passenger Transport Areas~~

*Designation of **Integrated Transport Areas or Passenger Transport Areas** and establishment and functions of Authorities and Executives*

9 Areas, Authorities and Executives ~~Passenger Transport Areas, Authorities and Executives~~
<amended by clause 91, Schedule 4>

(1) ~~Subject to any order under section 42(1)(c) of the Local Government Act 1985 (alteration or abolition of passenger transport areas, etc).~~ For the purposes of this Part of this Act--

(a) each of the following areas **shall be designated as follows**, that is to say--

(i) in England and Wales, **each of the metropolitan counties shall be an integrated transport area** ~~the metropolitan counties~~; and

(ii) in Scotland, such area to be known as the Strathclyde Passenger Transport Area as the Minister may designate for the purposes of section 40 of the Local Government etc (Scotland) Act 1994 **shall be a passenger transport area**;

~~shall be a passenger transport area;~~

(b) **any reference to "the Authority" is a reference to--** ~~the Passenger Transport Authority for a passenger transport area (referred to below in this Part of this Act, in relation to that area, as "the Authority") shall be--~~

(i) **in relation to an integrated transport area in England and Wales, the Integrated Transport Authority established for the metropolitan county which is coterminous with or includes that integrated transport area; and in relation to a passenger transport area in England and Wales, the metropolitan county passenger transport authority for the county which is coterminous with or includes that passenger transport area; and**

(ii) in relation to the Strathclyde Passenger Transport Area, the Strathclyde Passenger Transport Authority; and

(c) **any reference to "the Executive" is a reference to--** ~~the Passenger Transport Executive for a passenger transport area (referred to below in this Part of this Act, in relation to that area, as "the Executive") shall be~~

(i) in England and Wales the body which immediately before the date mentioned in paragraph (a) above was the Passenger Transport Executive for the designated area for the purposes of this Part of this Act corresponding to that passenger transport area and

(ii) in Scotland, the Strathclyde Passenger Transport Executive.

- (2) The Executive for **an integrated transport area or** a passenger transport area consists of--
- (a) a Director General appointed in accordance with Part II of Schedule 5 to this Act by the Authority; and
 - (b) not less than two nor more than eight other members so appointed by the Authority after consultation with the Director General.
- (3) Subject to subsection (2) of this section and Part II of Schedule 5 to this Act, the Secretary of State may by order make with respect to the Executive for any **integrated transport area or** passenger transport area--
- (a) such provision with respect to any of the matters referred to in Part III of that Schedule; and
 - (b) such supplementary, incidental and consequential provision;

as appears to the Secretary of State to be necessary or expedient.

(4) Before making any order under subsection (3) of this section, the Secretary of State shall consult with **the Authority** ~~the Passenger Transport Authority~~ for the area and, where the area is in England and Wales, with the councils of the districts comprised in the county which is coterminous with or includes that area.

(5) Each of the councils of the districts comprised in a county which is coterminous with or includes **an integrated transport area** ~~a passenger transport area~~ and each of the following bodies namely, the Authority, the Executive and any subsidiary of the Executive, shall have power to enter into and carry out agreements with one another for the giving of assistance by that council to that body or, as the case may be, by that body to that council by way of making available to the assisted party any services or facilities provided by, or any property of, the assisting party.

(6) In relation to any area in Scotland or Wales, any reference to the Minister in any provision of this Part of this Act or Schedule 5 thereto other than section 20(6) and (7) shall be construed as a reference to the Secretary of State.

9A General functions of Authorities and Executives ~~General functions of Passenger Transport Authorities and Executives~~ *<amended by clause 10, 62, Schedule 4>*

<SUBSECTIONS (1) AND (2) ALREADY REPEALED>

(3) It shall be the duty of the Executive for each **integrated transport area or** passenger transport area in England to secure the provision of such public passenger transport services as the Authority for the area consider it appropriate for the Executive to secure for meeting any public transport requirements within the area which in the Authority's view would not be met apart from any action taken by the Executive for that purpose.

(3A) The Authority shall seek and have regard to the advice of the Executive for their area in determining which services it would be appropriate for the Executive to secure under subsection (3) of this section.

(4) The Executive shall have power to enter into an agreement providing for service subsidies for the purpose of securing the provision of any service under subsection (3) of this section; but their power to do so--

- (a) shall be exercisable only where the service in question would not be provided, **or would not be provided to a particular standard**, without subsidy; and
- (b) is subject to sections 89 to 92 of the Transport Act 1985 (tendering for local services, etc.).

(4A) The reference in subsection (4)(a) of this section to the standard to which a service is provided includes--

- (a) the frequency or timing of the service;**
- (b) the days, or times of day, when the service is provided;**
- (c) the vehicles used to provide the service.**

(5) Where it appears to the Authority for any **integrated transport area or** passenger transport area that it would be appropriate for the Executive for that area to take any measures for the purpose of or in connection with promoting, so far as relates to that area--

- (a) the availability of public passenger transport services other than subsidised services and the operation of such services, in conjunction with each other and with any available subsidised services, so as to meet any public transport requirements the Authority consider it appropriate to meet; or
- (b) the convenience of the public (including persons who are elderly or disabled) in using all available public passenger transport services (whether subsidised or not);

the Authority may from time to time formulate general policies with respect to the description of such measures to be taken by the Executive for that area, and the Executive shall take such measures for the purpose or in the connection mentioned above as appear to them to be appropriate for carrying out those policies.

(6) It shall be the duty--

- (a) of the Authority for any **integrated transport area or** passenger transport area, in formulating any such policies; and
- (b) of the Executive for any **integrated transport area or** passenger transport area, in carrying out any such policies;

to have regard to a combination of economy, efficiency and effectiveness.

(7) It shall be the duty both of the Authority and of the Executive for any **integrated transport area or** passenger transport area, in exercising or performing any of their functions under the preceding provisions of this section, to have regard to the transport needs of members of the public who are elderly or disabled ~~and to the bus strategy made jointly by the Authority and the councils for the metropolitan districts comprised in the area.~~

(8) No persons who is for the time being--

- (a) the operator of any public passenger transport services;
- (b) a director of any company or (as the case may be) an employee of any company or other person who is such an operator;
- (c) a director or employee of any company which is a member of a group of interconnected bodies corporate any one or more of which is such an operator;
- (d) in Scotland, a partner or (as the case may be) an employee of a partner of such an operator;

shall be appointed as a member, officer or servant of the Executive for any **integrated transport area** or passenger transport area; and any person so appointed who subsequently becomes such an operator, director, partner or employee shall immediately vacate his membership of the Executive, or (as the case may be) his office or employment with the Executive.

(9) References in subsection (5) above to subsidised services are references to services provided under an agreement providing for service subsidies entered into--

- (a) by the Executive for the area in question or for any other area under subsection (4) of this section; or
- (b) by any non-metropolitan county or district council in England and Wales or by any council in Scotland under section 63 of the Transport Act 1985.

(10) For the purposes of subsection (8) above, any two bodies corporate are to be treated as interconnected if one of them is a body corporate of which the other is a subsidiary or if both of them are subsidiaries of the same body corporate; and in that subsection "group of interconnected bodies corporate" means a group consisting of two or more bodies corporate all of which are interconnected with each other in the case given above.

(11) In this section and section 9B of this Act "public passenger transport services" has the same meaning as in the Transport Act 1985; and--

- (a) references in this section to agreements providing for service subsidies; and
- (b) references in this section and that section to the operator of, or to persons operating, any public passenger transport services;

shall be read as if contained in that Act.

<Section 9B omitted - it has already been repealed >

10 General powers of Executive <amended by clause 61, Schedule 4 and further repeals in Part 3 of Schedule 7>

(1) Subject to the provisions of this Act, the Executive for **an integrated transport area or** a passenger transport area shall have power--

- ~~(i) to carry passengers by road within, to and from that area;~~
- (ii) to carry passengers by any other form of land transport or by any form of water transport (including in either case hovercraft) between places in that area or between such places and any place outside that area but within the permitted distance, that is to say, the distance of twenty-five miles from the nearest point on the boundary of that area--
 - (a) in the case of such an other form of land transport, such distance not exceeding twenty-five miles as may be specified in the order with respect to that area under section 9(1) of this Act or, if no distance is so specified, the distance of twenty-five miles;
 - (b) in the case of any form of water transport, such distance as may be specified as aforesaid;

(iii) so far as the Executive consider requisite--

(a) in connection with the exercise of their powers under paragraph ~~(i)~~ (ii) of this subsection, or

(b) in order to avoid an interruption of existing services which would otherwise result from an exercise by them of any of their functions under this Part of this Act,

to carry passengers as mentioned in the said paragraph ~~(i)~~ (ii) between places outside that area;

(iv) in any vehicle or vessel used for the carriage of passengers in pursuance of paragraph ~~(i)~~, (ii) or (iii) of this subsection, or in a trailer drawn by any vehicle so used, to carry also luggage and other goods;

(v) to store within that area goods which have been or are to be carried by the Executive, and, so far as any premises provided for the purposes of that or any other part of their business are not required for those purposes, to use them to provide facilities for the storage of other goods;

<paragraph (vi) already repealed>

(via) with the approval of the Authority, to enter into and carry out agreements with any person who is the operator of, or who has an estate or interest in, or right over, a network, station or light maintenance depot or some part of a network, station or light maintenance depot, in connection with the building, replacement, redevelopment, refurbishment, repair, maintenance, operation or staffing of the network, station or light maintenance depot or any part thereof;

(vii) with the approval of the Authority, to make arrangements with any person providing passenger transport services by air for the provision of such services between places in that area or between such places and places outside that area, and to include in such arrangements provision for the making of payments to that person by the Executive;

(viii) to let passenger vehicles on hire (with or without trailers for the carriage of goods) --

(a) as part of, or in connection with, an agreement providing for service subsidies, to an operator of public passenger transport services within the meaning of section 9A;

(b) to a body holding a permit granted under section 19 of the Transport Act 1985 (permits in relation to the use of vehicles by educational and other bodies);

~~(viii) to let passenger vehicles on hire with or without trailers for the carriage of goods;~~

(viiiia) to let locomotives and other rolling stock on hire to any person who is (within the meaning of Part I of the Railways Act 1993) the franchisee or the franchise operator under a franchise agreement to which the Executive is a party;

(viiiib) to let locomotives and other rolling stock on hire to a person not falling within paragraph (viiiia) above--

(a) for or in connection with the provision of railway passenger services within that area or within the permitted distance; or

(b) with the written consent of the Secretary of State, for or in connection with the provision of railway passenger services outside that area and beyond the permitted distance;

(viiiic) with the approval of the Authority, to enter into and carry out agreements with the owner of any locomotive or other rolling stock concerning the persons to whom, or the terms on which, the locomotive or other rolling stock may be let on hire;

(ix) where an undertaking has been--

(a) transferred to the Executive under subsection (1) of section 17 of this Act; or

- (b) wholly or partly resumed by the Executive under subsection (2)(b) of the said section 17;
or
- (c) acquired by the Executive otherwise than under the said section 17,

to carry on (but, in a case falling within sub-paragraph (c) of this paragraph, only with the approval of the Authority) any activities which the Executive would not otherwise have power to carry on but which were carried on by that undertaking immediately before the date of that transfer, the date of the disposal which gave rise to that resumption, or the date of that acquisition, as the case may be;

(x) in places where persons using the services and facilities provided by the Executive may require them, to provide both for those and other persons facilities for the purchase and consumption of food and drink, places of refreshment and such other amenities or facilities as it may appear to the Executive requisite or expedient to provide;

(xi) at any place where the Executive, in the exercise of their powers under paragraph (x) of this subsection, provide a car park, to repair motor vehicles for any persons, and to sell to any persons petrol, oil and spare parts and accessories for motor vehicles, whether or not those persons are using the car park;

(xii) to provide interchange facilities for the purpose of enabling passengers travelling by one means of transport to continue their journey by another;

(xiii) subject to section 15(2) of this Act and section 104(1) of the Transport Act 1985 (travel concessions on services provided by Passenger Transport Executives), to demand, take and recover or waive such charges for the services and facilities provided by them, and to make the use of those services and facilities subject to such terms and conditions, as they think fit, so, however, that, without prejudice to any other limitation on the power conferred by this paragraph subsisting by virtue of subsection (7) of this section, this paragraph shall not be construed as entitling the Executive to carry passengers by any form of land or water transport on terms or conditions which--

(a) purport, whether directly or indirectly, to exclude or limit their liability in respect of the death of, or bodily injury to, any passenger; or

(b) purport, whether directly or indirectly, to prescribe the time within which or the manner in which any such liability may be enforced;

(xiv) to construct, manufacture, produce, purchase, maintain and repair anything required for the purposes of their business;

(xv) to enter into and carry out agreements with any person for the carrying on by that person, whether as agent for the Executive or otherwise, of any activities which the Executive have power to carry on, and in particular for the provision of combined services for the through carriage of passengers or goods, for the quoting of through rates, and for the pooling of receipts or expenses, to include in any such agreement provision for the making of payments to that person by the Executive, and to enter into any such agreement notwithstanding that it involves the delegation of functions of the Executive under any enactment relating to part of their undertaking;

(xvi) with the approval of the Authority to make with any person with whom they have entered into an agreement under paragraph (xv) of this subsection for the carrying on by that person of any activities arrangements for the transfer from the Executive to that person in such manner and on such terms as may be provided for by the arrangements of any part of the undertaking or property of the Executive relevant to the carrying on of those activities;

(xvii) to acquire by agreement any undertaking or part of an undertaking if the assets comprised in that undertaking or part are wholly or mainly assets which the Executive require for the purposes of their business;

(xviii) for the purposes of the business of the Executive, to lend money to, or give a guarantee for the benefit of, any person for the purposes of an undertaking carried on by that person, or, where that person is a body corporate, by any undertaking carried on by a subsidiary of that body corporate;

(xix) for the purposes of the business of the Executive, to form, promote and assist, or join with any other person in forming, promoting and assisting, a company for carrying on any activities which the Executive have power to carry on, and, where that company is a subsidiary of the Executive, to transfer to that company any part of the undertaking or property of the Executive, and to subscribe for or acquire by agreement any securities of any body corporate;

(xx) to acquire land by agreement--

(a) for the purposes of their business; or

(b) with the approval of the Authority, for the purpose of adding it to and disposing of it with other contiguous land of theirs of which they propose to dispose;

(xxi) to develop their land for the purposes of their business in such manner as they may think fit;

(xxii) with the approval of the Authority--

(a) to develop for use by other persons any part of their land which is not required for the purposes of their business; or

(b) where the use of their land for the purposes of their business can be combined with its use for other purposes, to develop the land by constructing or adapting buildings thereon for use wholly or partly by other persons; and

(c) where they propose to develop any of their land as mentioned in sub-paragraph (a) or (b) of this paragraph, to acquire by agreement adjoining land for the purpose of developing it together with the other land,

with a view to selling or otherwise disposing of any right or interest in the land or, as the case may be, the buildings or any part of the buildings, after the development is carried out;

(xxiii) subject, in the case of a disposal of land, to the approval of the Authority, to dispose (whether absolutely or for a term of years) of any property which in their opinion is not required to be retained by them for the purposes of their business; and, in particular, to dispose of an interest in, or right over, any property which, subject to the interest in or right, is retained by them;

(xxiv) to do anything for the purposes of advancing the skill of persons employed by them or the efficiency of their equipment or of the manner in which that equipment is operated, including the provision by the Executive, and the assistance of the provision by others, of facilities for training, education and research;

(xxv) to provide houses, hostels and other like accommodation for persons employed by them;

(xxvi) to make loans to persons employed by them for the purpose of assisting those persons to acquire housing accommodation, and to guarantee loans made by building societies and other bodies to such persons for that purpose;

(xxvii) to invest any sums which are not immediately required by them for the purposes of their business;

(xxviii) to turn their resources to account so far as not required for the purposes of their business;

(xxix) with the approval of the Authority, to promote or oppose any Bill in Parliament;

(xxx) to establish and administer pension schemes and pension funds in the interest of persons who are or have been employed by the Executive and to pay pensions to or in respect of such persons, or to enter into and carry into effect agreements or arrangements with any other person for securing or preserving pension rights for such persons;

(xxxii) to provide for any person technical advice or assistance, including research services, as respects any matter in which the Executive have skill or experience;

(xxxiii) to do all other things which in their opinion are necessary to facilitate the proper carrying on of their business.

(2) For the purposes of paragraphs (v), (x), (xiv) and (xxiv) to (xxvi) of subsection (1) of this section, goods carried by, services and facilities provided by, things required for the purposes of the business of, and persons employed by, a subsidiary of the Executive or, for the purposes of the said paragraphs (v), (x) and (xiv), by a person providing bus services in the area under an agreement with the Executive shall be deemed to be goods carried by, services and facilities provided by, things required for the purposes of the business of, or persons employed by, that Executive.

(2A) The reference in subsection (1)(viii) above to an agreement providing for service subsidies includes—

(a) an agreement for such subsidies under section 9A(4) above;

(b) provision included in a quality contract under section 124 of the Transport Act 2000 for the making of payments by the PTE (see subsection (5)(a) of that section).

(3) If the Authority for **an integrated transport area or** a passenger transport area so request in writing, the Minister may authorise the Executive for that area to purchase compulsorily any land which the Executive or any wholly-owned subsidiary of theirs require for the purposes of their business, and the Acquisition of Land Act 1981 shall apply to the compulsory purchase.

(4) The power of purchasing land compulsorily in subsection (3) of this section shall include power to acquire an easement or other right in, over or under land by the creation of a new right; but this subsection shall not apply to an easement or other right in, over or under any land which would for the purposes of the Acquisition of Land Act 1981 form part of a common, open space or fuel or field garden allotment.

(5) The Ferries (Acquisition by Local Authorities) Act 1919 shall apply to the Executive for **an integrated transport area or** a passenger transport area as if the Executive were within the meaning of that Act a local authority for that area.

(6) Part I of the Harbours, Piers and Ferries (Scotland) Act 1937 shall apply to the Executive for a passenger transport area as if the Executive were within the meaning of that Act a local authority for that area.

(7) Each of the powers conferred by the foregoing provisions of this section shall be deemed to be in addition to, and not in derogation of, any other of them; but it is hereby declared that those provisions relate only to the capacity of the Executive for a designated area as a statutory corporation and nothing in those provisions shall be construed as authorising the disregard by the Executive of any enactment or rule of law, or any requirement of this Part of this Act as to the approval of the Authority or the consent of the Minister for a particular exercise of any of those powers.

(8) It shall be the duty of an Executive who have a subsidiary to exercise their control over the subsidiary so as to ensure that the subsidiary does not engage in activities in which the Executive have no power to engage (including activities in which the Executive have no power to engage because any requisite consent or approval has not been obtained).

(9) In the application of subsections (3) and (4) of this section to Scotland there shall be substituted-

(a) for the references to the Acquisition of Land Act 1981 references to the Acquisition of Land (Authorisation Procedure) (Scotland) Act 1947; and

(b) for the references to an easement references to a servitude;

and the reference in the said subsection (4) to a fuel or field garden allotment shall be omitted.

<Sections 11 to 23 omitted as they are unaffected by the Local Transport Bill, other than as a consequence of the name change for Passenger Transport Authorities and passenger transport areas in England and Wales>

Part III

Bus and Ferry Services

National Bus Company and Scottish Transport Group

24 Establishment and general duties of Bus Company and Scottish Group *<repealed by clause 61>*

~~(1) There shall be constituted in accordance with Schedule 1 to this Act—~~

~~<paragraph (a) already repealed>~~

~~(b) a public authority to be called the Scottish Transport Group (hereafter in this Act referred to as "the Scottish Group").~~

~~(2) In the case of any area which is a passenger transport area for the purposes of Part II of this Act, it shall be the duty—~~

~~(a) of the Executive for that area; and~~

~~(b) of the Scottish Group, either acting directly, or acting indirectly through subsidiaries of that Group,~~

~~to co-operate with one another in the re-organisation of bus services within, to and from that area, and for that purpose to enter into agreements as to the services to be provided by the Group or their subsidiaries in or in connection with that area, and as to the terms on which those services are to be provided; and any such agreement may include arrangements for the transfer between the parties thereto in such manner and on such terms (including payments by one of the parties to the other) as may be provided for by the agreement of specified property, rights or liabilities.~~

~~<Subsection (3) already repealed>~~

~~(4) Subsection (2) of this section shall not be construed as imposing, either directly or indirectly, on any of the authorities mentioned therein any form of duty or liability enforceable by proceedings before any court to which that authority would not otherwise be subject.~~

<Remainder of Part 3, and Part 4 onwards, omitted as they are unaffected by the Local Transport Bill, other than as a consequence of the name change for Passenger Transport Authorities and passenger transport areas in England and Wales>

<Schedules omitted for the same reason>