

Local Transport Act Implementation Bulletin

Introduction from Nick Bisson, Director, Regional and Local Transport Policy, Department for Transport:

“The Local Transport Act 2008 gained Royal Assent on November 26 2008. The Act provides the right framework and tools for local authorities and bus operators to work together to boost bus use, reduce congestion and help tackle climate change.

“The Act has benefitted greatly from the input we received from local government, bus operators, community transport providers and many other stakeholders – for which we have been very grateful. We have sought to deliver the powers and reforms you told us were needed to make a difference to people’s daily transport experience. We therefore urge local authorities and operators to take advantage of the new powers the Act provides, delivering a tailored transport system that reflects local needs.

“We very much hope to continue the excellent engagement we have had from stakeholders around the Act, as we take forward preparation of the detailed regulations and guidance for implementation. To that end, we propose to offer periodic bulletins to keep those interested up to date with all the latest news around implementation of this legislation. We will aim to keep the bulletin itself relatively short, with ‘signposts’ to further information and examples of how the measures in the Act can be used to improve local public transport.

“I hope you find this bulletin useful; we would very much welcome your feedback.”

In this bulletin, you will find;

1. Brief Overview of the Act
2. Timescale of Implementation of the Local Transport Act 2008
3. Local Transport Act 2008 Consultations
4. Kickstart 2009

Brief Overview of the Act

The Local Transport Act 2008 is about providing choices for local areas - giving local authorities the ability to take decisions that are right for their local circumstance and needs, in partnership with bus operators.

The Act broadens the scope of bus quality partnership schemes, so that these agreements can also cover service frequencies and timings and maximum fares. It reforms the application of competition law to voluntary partnership agreements and certain other agreements between bus operators, giving local authorities a greater role in deciding what is in the public interest, and removing the risk of financial penalties where such agreements are entered into in good faith. The Act also makes quality contracts

schemes, essentially the London style model of bus franchising, a realistic option where they are in the public interest.

In addition, the Act paves the way for the extension of Passenger Focus' remit – the rail watchdog – to cover bus and coach issues. It has already been announced that Passenger Focus will become the representative body for bus and coach passengers, and a final decision on whether it will represent tram and light rail passengers will be taken later this year, following consultation. These measures will ensure there is a statutory body with a strong public role to promote the interests of public transport passengers across the country.

The Act should also help the vital work of the community transport sector develop further as it removes some regulatory barriers for the sector.

The Act gives greater flexibility for metropolitan areas and others to design governance arrangements for planning, taking decisions on and delivering transport services which work for their area, rather than having to follow a standard national model. It does this by allowing for the setting up and reconstitution of Integrated Transport Authorities – ITAs - to run transport across cities in a more integrated way, for instance through better co-ordination of the road network and public transport services in their area.

Finally, it empowers local authorities to take their own decisions on whether road user charging is right for their communities, without needing the Secretary of State's approval.

Some useful weblinks and background.....

- The measures in the Act were first proposed in the document Putting Passengers First in December 2006, following an extensive bus policy review.
<http://www.dft.gov.uk/pgr/regional/buses/secputtingpassengersfirst/>
- A copy of the final version of the Act can be found on the Office of Public Sector Information website. <http://www.opsi.gov.uk/>
- Department for Transport press release when Royal Assent was given.
<http://nds.coi.gov.uk/environment/fullDetail.asp?ReleaseID=385703&NewsAreaID=2&NavigatedFromDepartment=False>

Timescale of Implementation of the Local Transport Act 2008

We have compiled a brief timescale of some of the key dates when provisions in the Local Transport Act 2008 come into force in England.

Highlights include:

9 February 2009: A number of provisions came into force on this date regarding governance (including local transport planning), bus voluntary partnership agreements, traffic commissioner enforcement powers and local road charging.

Governance: The Act provides a framework to allow authorities in different parts of the country to come together to carry out reviews of existing governance arrangements in

their area and – where they believe change is needed - to come up with tailored proposals which best serve those who live in or rely upon transport within that area.

- On 9 February, the six English Passenger Transport Authorities became “Integrated Transport Authorities” (ITAs), with full responsibility for local transport plans to reflect their key role in planning and delivering successful transport services, which means that in planning transport they will have to look at the needs of their areas as a whole, including the road network, not just public transport.
- Powers to review and reform transport governance arrangements in ITA and other areas also came into force - although reforms will depend on local reviews being completed and secondary legislation being made.
- New “well-being” powers were granted to ITAs. In the past PTAs have only been able to do those specific things which existing legislation explicitly says they can do. The well-being powers mean that in future ITAs can do anything in relation to transport which they think might improve the “social, economic or environmental well-being” of their area unless there is a specific law which says that they cannot do that thing. This gives them more freedom to introduce new measures to improve transport in their area.

Voluntary Partnership Agreements: The aim is to improve the opportunities for authorities and operators to work together to deliver bus services that better meet the needs of local people – helping to promote accessibility, reduce road congestion and support environmental objectives.

There are currently hundreds of voluntary partnership agreements (VPAs) in existence. In brief, these involve local authorities and bus companies each taking steps that will contribute to improving bus services or delivering other benefits to passengers, with the shared goal of producing local bus networks that best serve the needs of the community.

- On 9 February, new provisions about voluntary partnership agreements and other qualifying agreements were introduced. Guidance is available on the DfT website (www.dft.gov.uk/localtransportact)
- Reforms to competition law, which came into force on 9 February, help to remove the key risks previously perceived to arise where local authorities and multiple bus operators enter into VPAs. The concern has been that bus operators have been deterred from sensible co-operation that would benefit passengers (eg coordinating timetables) because of the fear that they would be found to be in breach of competition law – for which the OFT has powers to levy substantial fines.

Competition law as it applies to VPAs has therefore been made clearer, and the risk of financial penalties removed, where such agreements are entered into in good faith. Guidance about VPAs (and “qualifying agreements” between bus operators) is available on the DfT website, and the OFT and DfT have produced new joint guidance which covers the application of competition law in more detail.

Traffic Commissioners: Traffic commissioners have received enhanced powers in relation to bus punctuality performance. This means that, for the first time, local

authorities as well as bus operators can be held to account for their contribution to punctuality performance.

Local Road charging: The legal framework for local road charging schemes has been reformed so that the Secretary of State's approval role and powers to require consultation or an inquiry have been removed.

4 March 2009

Senior Traffic Commissioner : The Local Transport Act will strengthen the role of the Senior Traffic Commissioner, by making it a statutory appointment with powers to issue directions and guidance to the other commissioners. The post will promote consistency across the traffic commissioners' network.

6 April 2009

Quality partnership schemes: Reforms relating to bus quality partnership schemes to enable them to include requirements about service frequencies and timings, and maximum fares.

Community transport: Deregulatory measures to support the community transport sector will come into force, which will relax existing restrictions on the sizes of vehicles that may be used under community transport permits and allow drivers of community bus services to be paid.

The DfT response to the consultation on draft regulations to support community transport provision is available at www.dft.gov.uk/localtransportact

Spring 09

Passenger Focus: The remit of Passenger Focus is to be extended to act as a Champion for bus passengers, in addition to rail. Passenger Focus will begin representing bus and coach passengers in shadow form from Spring 09. Full powers should be conferred by April 2010.

Late 09: Legislative reforms about quality contracts schemes are likely to come into force following consultation on the necessary secondary legislation.

From 1 April 2011

Local transport authorities will no longer have to replace Local Transport Plans every five years. All authorities will at the latest need to have a new Plan in place when the current Plans expire in April 2011. These new Plans must then be kept under review and replaced as the authority see fit.

Further reading

The Local Transport Act 2008 (Commencement No. 1 and Transitional Provisions) Order 2009 is available to read on the Office of Public Sector Information website (www.opsi.gov.uk) and includes a helpful Explanatory Note.

Local Transport Act Consultations

Many provisions in the Act will require secondary legislation and guidance, and the Department is planning a programme of consultations (some of which have already taken place.)

Current on-going consultations are:

Private Hire Vehicle – Buses (PHV-buses)

The new Act includes a provision to enable private hire vehicle owners to apply for a special PSV (ie bus) operator's licence issued by the Traffic Commissioner, which in turn enables them to register and operate local bus services. Like existing "taxi-bus" services which have emerged in a few local areas, "PHV-bus" services could help to meet particular local transport needs where there is insufficient demand for conventional bus services.

A consultation was launched on 17 December about draft regulations on "PHV-buses " closing 13 March 2009.

[\(http://www.dft.gov.uk/consultations/open/localtransportact2008/\)](http://www.dft.gov.uk/consultations/open/localtransportact2008/)

Impounding Vehicles

Vosa launched a consultation on regulations to permit the impounding of illegally operated public service vehicles (and some changes to the existing impounding regime for HGVs) on 10 December. The consultation will close on 31 March 2009.

<http://www.dft.gov.uk/consultations/open/impoundinghgv/>

Consultation on Draft Local Transport Plan Guidance

The Local Transport Plan (LTP) is a vital tool to help each local authority work with its stakeholders to strengthen its place-shaping role and its delivery of services to the community. The Department will be consulting on draft LTP Guidance until 9 April 2009.

The new flexibilities and fresh role for the DfT described in the Guidance should enable every authority to prepare a plan which best meets its own individual needs. The Guidance also sets out the national goals that local authorities should have regard to when preparing their plans.

The guidance takes into account the changes that have been brought in by the Local Transport Act 2008 (LTA). The LTA removes the requirement for local authorities to produce a separate bus strategy. Buses will continue to be a key element of Local Transport Plans and this legislative change allows bus measures to be integrated more effectively into the core local transport plan strategy and implementation plan. Local authorities, as well as bus operators, can be held to account by the Traffic commissioners for their contribution to the performance of local bus services.

<http://www.dft.gov.uk/ltp>

Kickstart 2009

Schemes that make use of the new bus powers in the Local Transport Act could be in line for a funding boost, under the Kickstart 2009 funding competition.

Local transport authorities are currently being invited to submit applications for a share of the £25 million pot of Kickstart money.

The initiative aims to support new or enhanced bus schemes that match a range of criteria, some of the key ones of which are:

- Schemes that improve patronage and encourage modal shift, impacting on congestion and helping secure a long term future for marginal services.
- Schemes that improve accessibility.
- Schemes that are sustainable after the period of Kickstart funding.
- Schemes that make use of the new bus powers in the Local Transport Act.

The competition is now open and bids will be accepted until 3 July 2009.

Click on the link below to read more details about the funding round:

<http://nds.coi.gov.uk/environment/fullDetail.asp?ReleaseID=391117&NewsAreaID=2&NavigatedFromDepartment=False>
