

LOCAL TRANSPORT ACT 2008

EXPLANATORY NOTES

SUMMARY AND BACKGROUND

Local bus services

Legal background

6. The current legal framework within which local bus services are operated in England and Wales (outside Greater London) is set out in the Transport Act 1985 (“the TA 1985”). In brief, the effect of the provisions contained in that Act was to deregulate the bus market outside London.

**Local bus services* are services provided on public service vehicles, on which passengers may travel for distances of less than 15 miles.

Quality partnership and quality contracts schemes

7. Part 2 of the Transport Act 2000 (“the TA 2000”) includes provisions relating to “quality partnership schemes” and “quality contracts schemes”. A quality partnership scheme is a scheme under which:

- a local authority provides specified facilities in their area: such facilities might include bus lanes or other bus priority measures, or enhanced facilities for passengers at bus stops and bus stations; and
- operators of local services who wish to use such facilities must undertake to provide those services to a particular standard when using those facilities.

8. A quality contracts scheme is a scheme under which:

- a local authority determines what local services should be provided in the area to which the scheme relates and any additional facilities or services which should be provided in that area; and
- local services may be provided in that area only in accordance with quality contracts entered into by a local authority with a bus operator following a competitive tendering process, unless they are explicitly excluded from the scheme.

A scheme may comprise one or more contracts relating to services that form part of the overall scheme.

9. A quality contracts scheme therefore has the effect of closing down the deregulated market established under the TA 1985 in the area to which it applies, for the duration of the scheme.

Voluntary partnership agreements

10. A number of local authorities have entered into agreements with bus operators independently of the statutory provisions contained in the TA 2000. Such voluntary agreements are used as a means of improving the quality of bus services in a particular

*These notes refer to the Local Transport Act 2008 (c.26)
which received Royal Assent on 26 November 2008*

area, but without the restrictions which are imposed by the statutory schemes. The majority are bilateral agreements between one authority and one operator. Many have been in place since before the TA 2000 provisions on quality partnership schemes were brought into force, while others have been made subsequently in preference to using the statutory route described above.

The Act

11. The Act includes measures to:

- create a statutory post of “senior traffic commissioner” and increase flexibility in the deployment of traffic commissioners in England and Wales;
- amend provisions in the TA 2000 relating to quality partnership and quality contracts schemes;
- provide a tailored competition test relating to voluntary partnership agreements and certain other agreements entered into by bus operators;
- strengthen the enforcement powers of the traffic commissioners;
- amend existing legislative provisions relating to the community transport sector;
- enable the establishment of a statutory body to represent the interests of bus passengers or the conferral of appropriate bus-related functions on the Rail Passengers’ Council; and
- amend a number of other legislative provisions that relate to local public passenger transport services.

*The *traffic commissioners* are appointed by the Secretary of State under section 4 of the Public Passenger Vehicles Act 1981 (“the PPVA 1981”). There is currently a traffic commissioner for each traffic area in Great Britain. Each traffic commissioner has responsibilities relating to the goods vehicle and public service vehicle sectors and the registration of local bus services.