



# Transport Act 1983

## 1983 CHAPTER 10

### PART I

#### TRANSPORT EXECUTIVES

##### *Preliminary*

### 1 Interpretation of Part I.

In this Part of this Act—

“the Act of 1968” means the <sup>M1</sup>Transport Act 1968;

<sup>F1</sup>

“Executive” means—

- (a) the Passenger Transport Executive for [<sup>F2</sup>any passenger transport area (within the meaning of Part II of the Act of 1968)]; . . . <sup>F3</sup>

- (b) . . . <sup>F3</sup>

[<sup>F4</sup>“Authority” means, in relation to any such Passenger Transport Executive, the metropolitan county passenger transport authority.]

“revenue grants” means grants under section 13 of the Act of 1968 . . .

<sup>F5</sup> in aid of the revenues of an Executive (including grants made under [<sup>F6</sup>that section] in respect of reductions in fares for children) and accordingly references to the revenues of an Executive include references to sums received by way of revenue grants;

“year” means a period of twelve months beginning with 1st April.

#### Textual Amendments

**F1** Definition repealed by [London Regional Transport Act 1984 \(c. 32, SIF 126\)](#), [s. 71\(3\)\(a\)](#), Sch. 6 para. 28(a)(i)

**F2** Words substituted by [Transport Act 1985 \(c. 67, SIF 126\)](#), [s. 57\(6\)](#), [Sch. 3 para. 30](#)

**F3** Paragraph (b) and the word “and” immediately preceding it repealed by [London Regional Transport Act 1984 \(c. 32, SIF 126\)](#), [s. 71\(3\)\(a\)](#), Sch. 6 para. 28(a)(ii)

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- F4** Definition substituted by [Local Government Act 1985 \(c. 51, SIF 81:1\)](#), s. 39, **Sch. 12 para. 5(2)(5)**
- F5** Words repealed by [London Regional Transport Act 1984 \(c. 32, SIF 126\)](#), s. **71(3)(a)**, Sch. 6 para. 28(a)(iii)(b)
- F6** Words substituted by [London Regional Transport Act 1984 \(c. 32, SIF 126\)](#), s. **71(3)(a)**, Sch. 6 para. 28(a)(iii)(b)

**Marginal Citations**

- M1** [1968 c. 73](#).

*Financial provisions*

**2 Financial duty of Executives**

- (1) An Executive shall so perform their functions as to ensure so far as practicable that the combined revenues of the Executive and any subsidiaries of theirs for any accounting period are not less than sufficient to meet their combined charges properly chargeable to revenue account in that period.
- (2) If in the case of any accounting period it is not practicable for an Executive to ensure that those revenues are sufficient to meet those charges, subsection (1) above shall have effect in relation to the next following accounting period as if the combined charges there referred to included an amount equal to the amount of the deficit.
- (3) For the purposes of this section there shall be disregarded any deficit or potential deficit in an accounting period to the extent to which it is or is to be covered by the appropriation of any reserves of the Executive available for the purpose if the appropriation of those reserves for that purpose has been proposed by the Executive in a plan prepared by them under section 3 below and approved by the Authority under section 4 below.
- (4) An Authority in exercising or performing any of their functions under this Part of this Act, [<sup>F7</sup>or under Part II of the Act of 1968] shall have regard to the duty imposed on an Executive by this section.
- (5) In this section “subsidiary” has the meaning given by section 92(1) of the <sup>M2</sup>Transport Act 1962, . . . <sup>F8</sup>

**Textual Amendments**

- F7** Words substituted by [London Regional Transport Act 1984 \(c. 32, SIF 126\)](#), s. **71(3)(a)**, Sch. 6 para. 29(a)
- F8** Words repealed by [London Regional Transport Act 1984 \(c. 32, SIF 126\)](#), s. **71(3)(a)(b)**, Sch. 6 para. 29(b), Sch. 7

**Marginal Citations**

- M2** [1962 c. 46](#).

**3 Preparation and submission of financial plans**

- (1) It shall be the duty of an Executive in each year to prepare in accordance with this section and submit to the Authority a plan containing their proposals for the next three years (“the relevant period”) with respect to—

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- (a) the general level of transport services and facilities to be provided by them or, by agreement with them, by other persons; . . . <sup>F9</sup>
  - (b) the general level and structure of the fares to be charged for those services, and the general level of charges to be made for those facilities, so far as they are to be charged, made or otherwise determined by the Executive [<sup>F10</sup>and
  - (c) the general level and structure of travel concessions (meaning reductions or waivers of fares) to be provided in the relevant period under any scheme established by the Authority under section 93 of the Transport Act 1985 (whether alone or jointly with any local authority within the meaning of that section).]
- (2) The proposals shall be such as to enable the Executive to discharge their duty under section 2 above in the relevant period; and the plan shall contain particulars of the Executive’s financial position and their financial prospects for that period together with an estimate of what would be their annual revenue and expenditure if the proposals were implemented.
- (3) To the extent to which the Executive consider it necessary for the discharge of their [<sup>F11</sup>duty under section 9A(3)] of the Act of 1968 [<sup>F12</sup>or for carrying out their functions with respect to the administration of any such scheme as is mentioned in subsection (1) (c) above] . . . <sup>F13</sup>, the plan may be formulated on the assumption that the Authority will in the relevant period make revenue grants of such amounts as the Executive may determine; but if the plan is formulated on that assumption it shall be accompanied by particulars showing the benefits expected to accrue from the grants.
- (4) The plan shall be accompanied by estimates of—
- (a) the cost to the Executive of providing, or arranging the provision of, the services and facilities described in the proposals;
  - (b) the level of demand for those services and facilities; . . . <sup>F14</sup>
  - (c) the benefits to potential users of those services and facilities [<sup>F15</sup>and
  - (d) the cost to the Executive of reimbursing persons providing travel concessions under any such scheme as is mentioned in subsection (1)(c) above.]
- (5) . . . . . <sup>F16</sup>

**Textual Amendments**

- F9** Word repealed by [Transport Act 1985 \(c. 67, SIF 126\)](#), ss. 102(1), 139(3), [Sch. 8](#)
- F10** “and” and s. 3(1)(c) added by [Transport Act 1985 \(c. 67, SIF 126\)](#), [s. 102\(1\)\(a\)](#)
- F11** Words substituted by [Transport Act 1985 \(c. 67, SIF 126\)](#), s. 57(6), [Sch. 3 para. 31](#)
- F12** Words inserted by [Transport Act 1985 \(c. 67, SIF 126\)](#), [s. 102\(1\)](#)
- F13** Words repealed by [London Regional Transport Act 1984 \(c. 32, SIF 126\)](#), [s. 71\(3\)\(b\)](#), Sch. 7
- F14** Word repealed by [Transport Act 1985 \(c.67, SIF 126\)](#), ss. 102(1), 139(3), [Sch. 8](#)
- F15** “and” and s. 3(4)(d) added by [Transport Act 1985 \(c. 67, SIF 126\)](#), [s. 102\(1\)\(c\)](#)
- F16** [S. 3\(5\)](#) repealed by [Local Government Act 1985 \(c. 51, SIF 81:1\)](#), ss. 39, 102, [Sch. 12 para. 5\(3\)\(5\)](#), [Sch. 17](#)

**4 Approval of financial plans and determination of revenue grants.**

- (1) An Authority shall in each year approve with or without modification the plan submitted to them in that year under section 3 above and, in the light of the provisions

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of the plan as so approved, determine the amount of the revenue grants, if any, to be made by them to the Executive in the first year of the relevant period.

- (2) For the purposes of this section the Authority may require the Executive to supply them with—
  - (a) alternative proposals based on different levels of services, facilities, fares or other charges, or on the assumption that the Authority will in the relevant period make revenue grants of such amounts as the Authority may specify;
  - (b) estimates of the extent to which particular benefits, specified by the Authority, would accrue to the public at large, or to any section of the public so specified, as a result of the making of any such grants as are mentioned in section 3(3) or (as the case may be) paragraph (a) above; and
  - (c) such other information as the Authority may specify, including information as to the cost of providing, or arranging the provision by other persons of, services and facilities additional to those proposed in the plan [<sup>F17</sup>or (as the case may be) as to the cost of requiring under any such scheme as is mentioned in section 3(1)(c) above the provision of travel concessions at a level higher than, or differently structured from, the level and structure of such concessions for which that scheme currently provides.]
- (3) In determining whether to approve a plan in a form which would involve the making by the Authority of revenue grants in the relevant period the Authority shall have particular regard to—
  - (a) the matters referred to in paragraphs (a) to [<sup>F18</sup>(d)] of subsection (4) of section 3 above;
  - (b) ..... <sup>F19</sup>
  - (c) the need to achieve a proper balance between the interests of the ratepayers in their area and the interests of transport users.
- (4) ..... <sup>F19</sup>

**Textual Amendments**

**F17** Words added by [Transport Act 1985 \(c. 67, SIF 126\)](#), **s. 102(2)(a)**

**F18** “(d)” substituted by [Transport Act 1985 \(c. 67, SIF 126\)](#), **s. 102(2)(b)**

**F19** [S. 4\(3\)\(b\)\(4\)\(5\)\(6\)](#) repealed by [Local Government Act 1985 \(c. 51, SIF 81:1\)](#), **ss. 39, 102(2), Sch. 12 para. 5(3)(5), Sch. 17**

**5 Payment of revenue grants.**

- (1) An Authority shall not in any year make any revenue grant to an Executive except in accordance with a determination made by the Authority under section 4(1) above.
- (2) ..... <sup>F20</sup>

**Textual Amendments**

**F20** [S. 5\(2\)](#) repealed by [Local Government Act 1985 \(c. 51, SIF 81:1\)](#), **ss. 39, 102(2), Sch. 12 para. 5(3)(5), Sch. 17**

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## 6 Supplementary provisions.

- (1) An Executive [<sup>F21</sup>shall before preparing any plan under section 3 above consult the Authority].
- (2) An Executive shall, when submitting any plan or supplying any information to an Authority under that section or section 4 above, send a copy of the plan or information to the Secretary of State.
- (3) . . . . . <sup>F22</sup>
- (5) Where an Executive's plan is approved by an Authority under section 4 above the Authority shall inform the Executive [<sup>F23</sup>and the Secretary of State] in writing—
  - (a) of their approval and of any modifications made by them in the plan as approved; and
  - (b) of any determination made by them under subsection (1) of that section.
- (6) The general level and structure of fares and the general level of charges specific in a plan approved by an Authority under section 4 above shall be treated—
  - (a) for the purposes of section 15(2)(a) of the Act of 1968; . . . <sup>F24</sup>
  - (b) . . . . . <sup>F24</sup>  
as having been approved by the Authority under that provision.
- (7) Before giving or withholding any approval required by section 15(2)(a) of the Act of 1968 . . . <sup>F25</sup> the Authority shall have regard in particular to the extent to which their decision will affect the amount of revenue grants that will be needed to enable the Executive to comply with their duty under section 2 above and to the need to achieve a proper balance between the interests of the ratepayers in their area and the interests of transport users.

### Textual Amendments

- F21** Words substituted by [Local Government Act 1985 \(c. 51, SIF 81:1\)](#), s. 39, [Sch. 12 para. 5\(3\)\(5\)](#)
- F22** [S. 6\(3\)\(4\)](#) repealed by [Local Government Act 1985 \(c. 51, SIF 81:1\)](#), ss. 39, 102(2), [Sch. 12 para. 5\(3\)\(5\)](#), [Sch. 17](#)
- F23** Words inserted by [Local Government Act 1985 \(c. 51, SIF 81:1\)](#), s. 39, [Sch. 12 para. 5\(3\)\(5\)](#)
- F24** [S. 6\(6\)\(b\)](#) and word “and” immediately preceding it repealed by [London Regional Transport Act 1984 \(c. 32, SIF 126\)](#), [s. 71\(3\)\(b\)](#), [Sch. 7](#)
- F25** Words repealed by [London Regional Transport Act 1984 \(c. 32, SIF 126\)](#), [s. 71\(3\)\(b\)](#), [Sch. 7](#)

## Management

### 7 Review of managerial organisation.

- (1) An Authority shall, whenever the Secretary of State so requires, cause a review to be made of the organisation of the Executive for the purpose of determining whether, in the interests of managing the activities of the Executive in the most efficient manner, any particular activities of the Executive should be managed as separate units with separate accounts.
- (2) The Authority shall inform the Executive in writing of the results of any such review and of the Authority's conclusions arising from it; and the report under section 16 of the Act of 1968 . . . <sup>F26</sup> for the accounting period of the Executive in which they are

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so informed shall contain a statement showing the steps they have taken or propose to take in the light of the Authority’s conclusions.

- (3) Nothing in this section affects the power of an authority to cause reviews to be made of the organisation of an Executive under section 15A(3) of the Act of 1968 . . . <sup>F26</sup>.

**Textual Amendments**  
**F26** Words repealed by [London Regional Transport Act 1984 \(c. 32, SIF 126\)](#), s. **71(3)(b)**, Sch. 7

**8 Tenders for carrying on activities of Executives.**

- (1) An Executive shall, in the case of such activities carried on by the Executive as they may determine to be appropriate, invite other persons to submit tenders to carry on those activities for such period and on such basis as the Executive may specify in the invitation to tender.
- (2) If the Authority so direct, the Executive shall invite tenders to carry on, for such period and on such basis as may be specified in the direction, such activities or descriptions of activities carried on by the Executive as may be so specified.
- (3) An Executive shall accept a tender invited pursuant to this section if it appears to them that to do so would result in the relevant activities being carried on in a satisfactory manner and at less cost to them than if they were to continue to carry on those activities themselves.
- (4) Any direction under subsection (2) above shall be in writing and it shall be the duty of the Executive to give effect to it.
- (5) Every report under section 16 of the Act of 1968 . . . <sup>F27</sup> for an accounting period of an Executive shall contain a statement showing the steps which the Executive have taken in that period to comply with the requirements of subsections (1) and (2) above.
- (6) . . . . . <sup>F28</sup>

**Textual Amendments**  
**F27** Words repealed by [London Regional Transport Act 1984 \(c. 32, SIF 126\)](#), s. **71(3)(b)**, Sch. 7  
**F28** [S. 8\(6\)](#) repealed by [London Regional Transport Act 1984 \(c. 32, SIF 126\)](#), s. **71(3)(b)**, Sch. 7

**Modifications etc. (not altering text)**  
**C1** [S. 8](#) excluded by [Transport Act 1985 \(c. 67, SIF 126\)](#), s. **82(5)**

*Supplementary*

**9 Repeals and minor amendments.**

- (1) The enactments mentioned in the Schedule to this Act are hereby repealed to the extent specified in the third column of that Schedule.
- (2) . . . . . <sup>F29</sup>

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(3) In section 15(5) of the Act of 1968 (expenditure by an Authority in performing their functions) the reference to Part II of that Act shall include a reference to this Part of this Act.

(4) ..... F30

**Textual Amendments**

**F29** S. 9(2) repealed by Transport Act 1985 (c. 67, SIF 126), ss. 57(6), 139(3), Sch. 3 para. 32, Sch. 8

**F30** S. 9(4)(5) repealed by London Regional Transport Act 1984 (c. 32, SIF 126), s. 71(3)(b), Sch. 7

**10 Commencement of Part I and transitional provisions.**

(1) In this Part of this Act—

(a) The following provisions shall have effect in relation to any accounting period of an Executive ending after 31st March 1983, namely—

sections 2 and 6(7);

..... F31;

section 9(2) except so far as it relates to sections 13(3) and 15(3) of the Act of 1968;

section 9(3) . . . F31;

(b) the following provisions shall come into force on 1st April 1983, namely—

sections 3 and 4;

section 6(1) to (6); . . . F31; and

(c) the following provisions shall have effect in relation to any year beginning on or after 1st April 1984, namely—

section 5;

section 9(2) so far as it relates to sections 13(3) and 15(3) of the Act of 1968;

but subject to paragraphs (a) to (c) above this Part shall come into force on the passing of this Act.

(2) An Authority shall not make any revenue grant in the year beginning on 1st April 1983 except in accordance with a determination made by them after the passing of this Act as to the amount of the revenue grants to be made by them in that year; and no such determination shall be made by an Authority unless they have been given guidance by the Secretary of State in relation to the determination and that guidance is taken into account by them in making the determination.

(3) Sections 4(6) and 5(2) above shall apply in relation to any such guidance and determination as are referred to in subsection (2) above as they apply in relation to any such guidance and determination as are referred to in those provisions.

(4) For the purposes of section 2 above in its application to an accounting period of an Executive ending before 1st April 1984 there shall be disregarded any deficit or potential deficit to the extent to which it is or is to be covered by the appropriation of any reserves of the Executive available for the purpose if, at any time before or

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after the passing of this Act but before the Secretary of State gives his guidance to the Authority under subsection (2) above, the Executive have notified the Secretary of State of their intention to appropriate those reserves for that purpose.

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**Textual Amendments**

**F31** Words repealed by [London Regional Transport Act 1984 \(c. 32, SIF 126\)](#), [s. 71\(3\)\(b\)](#), Sch. 7



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