



Transport Act 1985

1985 CHAPTER 67

PART V

FINANCIAL PROVISIONS

Expenditure on public passenger transport services

89 Obligation to invite tenders for subsidised services.

^{F1}(1) Subject to sections 90 and 91 of this Act, an authority responsible for expenditure on public passenger transport services may not enter into an agreement providing for service subsidies under which a local service is to be provided except by accepting a tender invited in pursuance of this section.

(2) Where any such authority propose to secure the provision of any local service by entering into any such agreement, the authority shall invite tenders for the provision of that service for such period and on such basis as may be specified in the invitation to tender.

^{F2}(3)

(4) Subject to subsection (5) below, any such invitation—

- (a) must be issued generally, in such manner as the authority issuing the invitation consider appropriate for bringing it to the attention of persons who may be interested; and
- (b) must also be issued individually to all persons who have given to that authority a written notice indicating that they wish to receive invitations to tender for the provision of local services for that authority's area or (as the case may be) for the provision of such services of any description to which the invitation relates.

(5) Any such notice shall specify the address to which any such invitation is to be directed, and it shall be sufficient for the purposes of subsection (4)(b) above if the authority send the invitation to the person giving any such notice at the address so specified.

Changes to legislation: Transport Act 1985, Section 89 is up to date with all changes known to be in force on or before 12 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (6) An authority issuing an invitation to tender under this section shall not accept any tender submitted by a person who is not the holder of either—
- (a) a PSV operator’s licence, not being—
 - ^{F3}(i)
 - (ii) a licence to which any condition is attached under section 26 of this Act prohibiting the holder from using vehicles under the licence to provide local services of all descriptions or (as the case may be) of any description to which the invitation relates; or
 - (b) a permit under section 22 of this Act.
- ^{F4}(7) An authority issuing an invitation to tender under this section shall, in determining whether to accept a tender submitted in response to the invitation or which (if any) of several such tenders to accept, have regard in particular to—
- (a) a combination of economy, efficiency and effectiveness;
 - ^{F5}(b)
 - (c) the reduction or limitation of traffic congestion, noise or air pollution.
- ^{F6}(8)]]

Textual Amendments

- F1** S. 89 repealed (S.) (1.4.2003) by Local Government in [Scotland Act 2003 \(asp 1\)](#), **ss. 60(3)(c)**, 62(2); [S.S.I. 2003/134](#), **art. 2(1)**, [Sch.](#)
- F2** S. 89(3) repealed (E.W.) (1.2.2001 for E. and 14.8.2002 for W.) by [2000 c. 38](#), s. 274, **Sch. 31 Pt. II**; [S.I. 2001/57](#), **art. 3(2)**, **Sch. 3 Pt. I** (with saving in [Sch. 3 Pt. II](#) (as amended by [S.I. 2001/115](#), **art. 3**)); [S.I. 2002/2024](#), {art. 2(b)}
- F3** S. 89(6)(a)(i) repealed (8.11.1995) by [1995 c. 44](#), s. 1(1), **Sch. 1 Pt. V** Group 2
- F4** S. 89(7)(8) substituted (E.W.) (1.2.2001 for E. and 1.8.2001 for W.) by [2000 c. 38](#), s. 152(2); [S.I. 2001/57](#), **art. 3(2)**, **Sch. 3 Pt. I** (with saving in [Sch. 3 Pt. II](#) (as amended by [S.I. 2001/115](#), **art. 3**)); [S.I. 2001/2788](#), **art. 2**, **Sch. 1 para. 7**
- F5** S. 89(7)(b) repealed (9.2.2009 for E., 1.4.2009 for W.) by [Local Transport Act 2008 \(c. 26\)](#), ss. 10(11), 134(4), **Sch. 7 Pt. 1**; [S.I. 2009/107](#), **art. 2(2)**, [Sch. 2 Pt. 1](#) (with [Sch. 2 para. 2](#)); [S.I. 2009/579](#), **art. 2(b)** (with [Sch. para. 1](#))
- F6** S. 89(8) repealed (9.2.2009 for E., 1.4.2009 for W.) by [Local Transport Act 2008 \(c. 26\)](#), ss. 10(11), 134(4), **Sch. 7 Pt. 1**; [S.I. 2009/107](#), **art. 2(2)**, [Sch. 2 Pt. 1](#) (with [Sch. 2 para. 2](#)); [S.I. 2009/579](#), **art. 2(b)** (with [Sch. para. 1](#))

Modifications etc. (not altering text)

- C1** [Pt. 5](#): functions made exercisable (E.) (28.2.2024) by [The East Midlands Combined County Authority Regulations 2024 \(S.I. 2024/232\)](#), **regs. 1(2)**, **14(1)**
- C2** S. 89 applied (with modifications) (E.W.) (1.2.2005) by [The Local Authorities' Plans and Strategies \(Disapplication\) \(England\) Order 2005 \(S.I. 2005/157\)](#), **art. 7(2)(b)**, **Sch. 2 Pt. 2 para.3** (with [art. 7\(4\)](#))
- C3** [Ss. 88-92](#): functions made exercisable concurrently (E.) (28.2.2024) by [The East Midlands Combined County Authority Regulations 2024 \(S.I. 2024/232\)](#), **regs. 1(2)**, **14(4)**
- C4** S. 89(1) excluded (28.7.1998) by [1998 c. iii](#), s. 1, **Sch. s. 51(2)** of Order
S. 89(1) excluded (24.7.2002) by [S.I. 2001/3627](#), **art. 50**
- C5** S. 89(1) restricted (W.) (1.4.2002) by [S.I. 1985/1921](#), **reg. 3** (as substituted by [The Service Subsidy Agreements \(Tendering\) \(Amendment\) \(Wales\) Regulations 2002 \(S.I. 2002/520\)](#), **reg. 2**)
- C6** S. 89(1) excluded (E.) (2.9.2002) by [The Service Subsidy Agreements \(Tendering\) \(England\) Regulations 2002 \(S.I. 2002/2090\)](#), **reg. 3**
- C7** S. 89(1) restricted (13.12.2006) by [The Luton Dunstable Translink Order 2006; S.I. 2006/3118](#), **art. 35**

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C8 S. 89(1) excluded (E.) (11.1.2010) by [The Quality Contracts Schemes \(Tendering Requirements\) \(England\) Regulations 2009 \(S.I. 2009/3244\)](#), regs. 1(1), **3(1)** (with reg. 9)

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Changes and effects yet to be applied to :

- s. 89(3) by [2000 c. 38 s. 274 Sch. 31 Pt. 2](#)
- s. 89(7) by [2001 asp 2 s. 36\(2\)\(a\)](#)
- s. 89(7)(8) by [2000 c. 38 s. 152\(2\)](#)
- s. 89(9)(10) by [2001 asp 2 s. 36\(2\)\(b\)](#)

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 6(2ZA) inserted by [2019 asp 17 s. 37\(2\)\(a\)](#)
- s. 6(7ZA) inserted by [2019 asp 17 s. 37\(2\)\(b\)](#)