



Transport Act 2000

2000 CHAPTER 38

PART II

LOCAL TRANSPORT

Financial and competition provisions

152 Agreements providing for service subsidies

- (1) Part V of the Transport Act 1985 (expenditure on public passenger transport services) is amended as follows.
- (2) In section 89 (obligation to invite tenders for subsidised services), for subsections (7) and (8) substitute—
 - “(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;
 - (b) the implementation of the policies set out in the appropriate bus strategy; and
 - (c) the reduction or limitation of traffic congestion, noise or air pollution.
 - (8) In subsection (7)(b) above “the appropriate bus strategy” means—
 - (a) in the case of a local transport authority (within the meaning of section 108(4) of the Transport Act 2000), their bus strategy;
 - (b) in the case of a district council which is not such an authority, the bus strategy of the council for the county in which the district is situated; and
 - (c) in the case of a Passenger Transport Executive for a passenger transport area, the bus strategy made jointly by the Passenger Transport Authority for the area and the councils for the metropolitan districts comprised in the area.”

Status: This is the original version (as it was originally enacted).

- (3) In section 90(3) (duty of authority to publish reasons for considering that payment of subsidies to secure service in accordance with accepted tender is conducive to achieving most effective and economic application of funds), for the words from “is conducive” to the end substitute “accords with section 89(7) of this Act.”
- (4) In section 92(1) (authorities subsidising public passenger transport services not to inhibit competition between persons providing or seeking to provide such services in their area), for the words from “so conduct” to the end substitute “have regard to the interests of the public and of persons providing public passenger transport services in their area.”

153 Competition test for exercise of bus functions

Schedule 10 contains provision applying a competition test in relation to the exercise of functions relating to quality partnership schemes, ticketing schemes and subsidised local services.

154 Grants to bus service operators

- (1) The Secretary of State with the approval of the Treasury (as respects England) or the National Assembly for Wales (as respects Wales) may make grants to operators of eligible bus services towards their costs in operating those services.
- (2) The Secretary of State with the approval of the Treasury (as respects England) or the National Assembly for Wales (as respects Wales) may make provision by regulations as to the method of calculation of grants.
- (3) Subject to the provisions of any such regulations, grants under this section shall be of such amount and subject to such conditions (including conditions requiring their repayment in specified circumstances) as may be determined by—
 - (a) the Secretary of State with the approval of the Treasury (as respects England),
 - or
 - (b) the National Assembly for Wales (as respects Wales).
- (4) A determination under subsection (3) may be made either generally or in relation to particular cases or classes of case.
- (5) In this section “eligible bus services” means bus services of a class (or using vehicles of a class) prescribed by regulations made by the Secretary of State (as respects England) or the National Assembly for Wales (as respects Wales).
- (6) Section 92 of the Finance Act 1965 (grants towards duty charged on bus fuel) and section 111 of the Transport Act 1985 (unregistered and unreliable local services: reduction of fuel duty grant) cease to have effect.

155 Penalties

- (1) Where the traffic commissioner for any traffic area is satisfied that the operator of a local service has, without reasonable excuse—
 - (a) failed to operate a local service registered under section 6 of the Transport Act 1985,
 - (b) operated a local service in contravention of that section or section 118(4) or 129(1)(b) of this Act, or

- (c) failed to comply with section 138 or 140(3) of this Act,
he may impose a penalty on the operator.
- (2) The amount of the penalty shall be such amount as the traffic commissioner thinks fit in all the circumstances of the case, not exceeding the amount determined in accordance with subsection (3).
- (3) That amount is—
 - (a) £550, or
 - (b) such other amount as the Secretary of State (as respects England) or the National Assembly for Wales (as respects Wales) may by order specify,
multiplied by the total number of vehicles which the operator is licensed to use under all the PSV operator’s licences held by him.
- (4) The penalty is payable to the Secretary of State (as respects England) or the National Assembly for Wales (as respects Wales).
- (5) After imposing the penalty, the traffic commissioner must at once give notice in writing to—
 - (a) the Secretary of State (as respects England) or the National Assembly for Wales (as respects Wales), and
 - (b) the operator.
- (6) The operator may appeal to the Transport Tribunal against the imposition of the penalty.
- (7) An amount due under this section is recoverable as a civil debt.

156 Non-metropolitan transport grants

- (1) The Secretary of State with the approval of the Treasury (as respects England) or the National Assembly for Wales (as respects Wales) may make grants to non-metropolitan transport authorities for the purpose of—
 - (a) securing the establishment, continuance or improvement of any public passenger transport service which in his or its opinion is or will be for the benefit of persons residing in their area, or
 - (b) securing the provision of new facilities for, or new services ancillary to, any such service which in his or its opinion are or will be for the benefit of such persons.
- (2) Grants under this section shall be of such amount and subject to such conditions (including conditions requiring their repayment in specified circumstances) as may be determined by—
 - (a) the Secretary of State with the approval of the Treasury (as respects England),
or
 - (b) the National Assembly for Wales (as respects Wales).
- (3) A determination under subsection (2) may be made either generally or in relation to particular cases or classes of case.
- (4) In this section “non-metropolitan transport authority” means—
 - (a) a county council in England,

Status: This is the original version (as it was originally enacted).

- (b) a council of a non-metropolitan district in England comprised in an area for which there is no county council, or
- (c) a county council or county borough council in Wales.

157 Grants to Passenger Transport Authorities

- (1) The Secretary of State may, with the approval of the Treasury, make grants to the Passenger Transport Authority for a passenger transport area in England for the purpose of enabling the Authority, or the Passenger Transport Executive for the area, to carry out any of their functions.
- (2) Grants under this section shall be of such amount and subject to such conditions (including conditions requiring their repayment in specified circumstances) as the Secretary of State may, with the approval of the Treasury, determine.
- (3) A determination under subsection (2) may be made either generally or in relation to particular cases or classes of case.

158 Repayment of grants towards bus fuel duty

- (1) Section 111 of the Transport Act 1985 (unregistered and unreliable local services: requirement to repay twenty per cent. of bus fuel duty grants) is amended as follows (until it ceases to have effect as a result of section 154(6)).
- (2) For subsections (2) to (4) substitute—
 - “(2) If any amount has been paid to the operator by way of grant under section 92 of the Finance Act 1965 (grants towards duty charged on bus fuel) in respect of any services operated during the period of three months ending with the day on which the determination under subsection (1) above is made, there is due from the operator—
 - (a) to the Secretary of State (as respects England); or
 - (b) to the National Assembly for Wales (as respects Wales),
 such percentage of that amount as the traffic commissioner thinks fit in all the circumstances of the case.
 - (3) The percentage determined shall be at least one per cent. but not more than twenty per cent.
 - (4) A traffic commissioner who makes a determination under this section shall at once give notice in writing to—
 - (a) the Secretary of State (as respects England) or the National Assembly for Wales (as respects Wales); and
 - (b) the operator;
 and the operator may appeal to the Transport Tribunal against the determination.”
- (3) In subsection (5), omit—
 - (a) “to the Secretary of State”, and
 - (b) the words from “and any amount” to the end.

159 Abolition of financial plans of Passenger Transport Executives

Sections 3 to 5 of the Transport Act 1983 (duty of Passenger Transport Executives to prepare three-year financial plans and determination of revenue grants) shall cease to have effect.