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 STATUTORY INSTRUMENTS
 

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**1985 No. 1921**

**TRANSPORT**

**The Service Subsidy Agreements (Tendering) Regulations 1985**

*Made* - - - - - *6th December 1985*

*Laid before Parliament* *13th December 1985*

*Coming into Operation* *6th January 1986*

The Secretary of State for Transport (as respects England), the Secretary of State for Scotland (as respects Scotland) and the Secretary of State for Wales (as respects Wales), in exercise of the powers conferred by sections 90(2) and (3) and 91(1) and (7) of the Transport Act 1985(a) and of all other powers enabling them in that behalf, hereby make the following Regulations:—

*Citation, commencement and interpretation*

1. These Regulations shall be cited as the Service Subsidy Agreements (Tendering) Regulations 1985 and shall come into operation on 6th January 1986.

2. In these Regulations —

“the Act” means the Transport Act 1985;

“authority” means an authority responsible for expenditure on public passenger transport services;

“service subsidy agreement” means an agreement providing for service subsidies;

“community bus service” and “road service licence” have the same meanings as in the Public Passenger Vehicles Act 1981(b).

*Exceptions*

3.—(1) There are excluded from section 89(1) of the Act service subsidy agreements of the following descriptions —

(a) any such agreement in respect of which the following conditions are satisfied —

(i) the person proposing to operate the service is —

(A) the Post Office; or

(B) the holder of a road service licence in respect of, or a consent to the operation of, a community bus service granted under section 45 of the Public Passenger Vehicles Act 1981(c); or

(C) the holder of a permit granted under section 22 of the Act;

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(a) 1985 c.67.

(b) 1981 c.14.

(c) Section 45 is modified in its application in trial areas by the Bus Services in Trial Areas Regulations 1981 (S.I. 1981/269).

- (ii) each service to which the agreement relates was being provided on 5th January 1986 by the same person as the person proposing to operate it under the agreement; and
  - (iii) the agreement will expire no later than 4th January 1991;
- (b) subject to paragraphs (2) and (3) of this regulation, any such agreement under which —
- (i) in the case of an agreement which will remain in force for 12 months or more, the aggregate amount of the service subsidies payable in any period of 12 months; or
  - (ii) in the case of an agreement which will remain in force for less than 12 months, the aggregate amount of the service subsidies payable under the agreement,
- is less than £4,000, but (without prejudice to sub-paragraph (a) of this paragraph) excluding any agreement whose effect is
- (iii) to provide for the person operating the service to receive in any period of 12 months from any one authority under service subsidy agreements, not being either agreements within sub-paragraph (a) of this paragraph or agreements entered into by accepting tenders invited pursuant to section 89 of the Act, an aggregate amount of service subsidies of more than £20,000; or
  - (iv) to modify an agreement which is within the scope of the preceding provisions of this sub-paragraph so that the aggregate amount of the service subsidies payable —
    - (A) in the case of an agreement so modified which will remain in force for 12 months or more after the date on which the modification takes effect, in any period of 12 months; or
    - (B) in the case of an agreement so modified which will remain in force for less than 12 months after the date on which the modification takes effect, in the period during which the modified agreement remains in force,becomes £4,000 or more.

(2) For the purposes of paragraph (1)(b) of this regulation, the aggregate amount of service subsidies payable in any period under a service subsidy agreement shall —

- (a) include any specific amount whose payment is dependent on a contingency; and
- (b) exclude any amount payable in any period of 12 months after the first such period during which the agreement is in force and becoming payable —
  - (i) as a direct consequence of an increase in an index published by the Government of movements in prices or costs; or

- (ii) pursuant to any provision of the agreement whereby an increase in the amount of service subsidies payable is not to exceed a figure calculated by reference to such an index.

(3) This regulation shall not exclude from section 89(1) of the Act any service subsidy agreement providing for any increase in the amount of service subsidies payable to be agreed between the parties or to be calculated by any method other than those mentioned in paragraph (2)(b)(i) and (ii) of this regulation.

*Information to be published*

4.—(1) In any case where an authority enter into a service subsidy agreement by accepting a tender invited in accordance with section 89 of the Act, that authority shall publish in the manner prescribed by these Regulations the information specified in Part I of the Schedule hereto.

(2) In any case where an authority accept none of the tenders invited in accordance with that section, that authority shall publish in the manner prescribed by these Regulations the information specified in Part II of the Schedule hereto.

*Manner of publication of information and reasons*

5.—(1) In this regulation, the information which is required to be published by section 90(2) of the Act and these Regulations and the reasons or statements which are required to be published by section 90(3) or section 91(7) of the Act are referred to in this regulation as “material”.

- (2) An authority which is required to publish any material shall do so by —
- (a) making the material available to the general public at times and in places and in a form all of which are convenient to that public; and
  - (b) inserting or causing to be inserted a notice of the availability of the material at those times and places in a local newspaper or newspapers circulating in each locality in which the service or services in question will be provided.

*Nicholas Ridley,*  
Secretary of State for Transport.

6th December 1985.

*George Younger,*  
Secretary of State for Scotland.

5th December 1985.

*Nicholas Edwards,*  
Secretary of State for Wales.

5th December 1985.

## THE SCHEDULE

## Regulation 4

**PART I: INFORMATION TO BE PUBLISHED BY AN AUTHORITY ACCEPTING A TENDER.**

## 1. The name of the successful tenderer.

Under this head, there shall be published the name appearing on —

- (a) any PSV Operator's licence held by that tenderer;
  - (b) any road service licence in respect of, or a consent to the operation of, a community bus service granted to him under section 45 of the Public Passenger Vehicles Act 1981;
  - (c) any permit granted to him under section 22 of the Act,
- and also (if different) the name under which he trades.

## 2. The amount of the successful tender.

Under this head, there shall be published the aggregate amount (ascertained in accordance with regulation 3(1)(b) and (2)) of the service subsidies payable by the authority during the period of 12 months commencing with the date on which the relevant service subsidy agreement comes into force.

## 3. The number of tenders received.

## 4. The amounts of the highest and lowest tenders received.

Under this head, there shall be published the aggregate amount (ascertained in accordance with regulation 3(1)(b) and (2)) of the service subsidies which would have been payable during the period of 12 months commencing with the date on which the relevant service subsidy agreement would have come into force had these tenders been accepted.

Where tenders were invited on more than one basis, under this head there shall be published —

- (a) a summary of each basis on which tenders were invited; and
- (b) where more than one tender was received on any such basis, the amounts (expressed in the manner described in the preceding paragraph) of the highest and lowest tenders; or
- (c) where only one tender was received on any such basis, the amount (expressed in the manner described above) of that tender.

An authority is not required to publish under this head any information required to be published under head 2 of this Part of the Schedule.

**PART II: INFORMATION TO BE PUBLISHED BY AN AUTHORITY ACCEPTING NONE OF THE TENDERS SUBMITTED.**

## 1. The number of tenders received.

## 2. The amount of the tender (if only one) or amounts (if more than one) of the highest and lowest tenders received.

Under this head, there shall be published the aggregate amount (ascertained in accordance with regulation 3(1)(b) and (2)) of the service subsidies which would have been payable by the authority during the period of 12 months commencing with the date on which the relevant service subsidy agreement would have come into force had the tender or the highest and lowest tenders been accepted.

Where tenders were invited on more than one basis, under this head there shall be published —

- (a) a summary of each basis on which tenders were invited; and
- (b) where more than one tender was received on any such basis, the amounts (expressed in the manner described in the preceding paragraph) of the highest and lowest tenders; or
- (c) where only one tender was received on any such basis, the amount (expressed in the manner described above) of that tender.

**EXPLANATORY NOTE**

*(This Note is not part of the Regulations.)*

These Regulations specify the descriptions of agreements providing for service subsidies which are excepted from the tendering requirements of section 89 of the Transport Act 1985; prescribe the information which is to be published with respect to tenders submitted in response to invitations to tender issued under that section; and also prescribe the manner in which that information and certain other matters relating to tenders is to be published.

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