

The Local Transport Act and what it means for PTEs/ITAs

1. On governance and transport planning...

Before the Local Transport Act

PTE/As powers to act as full strategic transport authorities are constrained.

- No direct highway responsibilities
- No powers to properly plan and regulate the main form of public transport in their areas – the bus
- Co-signatories on local rail franchises however the Railways Act 2005 makes this only at the Secretary of State's discretion (with DfT policy being that PTEs will not be co-signatories of any new franchise)
- Governance arrangements are rigidly defined by national statute
- Powers to extend boundaries are limited
- No wellbeing powers
- Local Transport Plans are fixed term documents and PTEs can only lead on these documents through agreement with the Districts

After the Local Transport Act

PTE/ITAs gain wellbeing powers (ie unless prevented by other legislation PTE/ITAs can act in ways which contribute to the wellbeing of the residents of the areas they serve) and new overall duties – including on climate change and sustainability.

PTE/ITAs lead on Local Transport Plans which also become more flexible documents with no fixed periods for renewal

A PTE/ITA can also work with local authorities to put forward proposals to Government to:

- Extend their boundaries
- Extend their influence over the highway network
- Extend their powers over the local heavy rail network
- Change their names
- Change their governance structures (with safeguards to ensure local accountability)

In short the Local Transport Act will allow PTE/ITAs to become more fully empowered accountable transport authorities, more akin to their counterparts in London and in city regions in Europe. The way in which a PTE/ITA changes will be locally determined to meet local circumstances.

2. On buses ...

Before the Local Transport Act

The PTEs' tools and powers on the main form of public transport in their areas (the bus) are severely limited.

- They can invest in bus stations, stops and shelters
- They can take the lead, or form partnerships with operators, on information and ticketing schemes
- They produce overall bus strategies
- They can introduce Statutory Quality Partnerships (SQPs). These are binding schemes which are voluntarily entered into. Under an SQP a PTE might improve the infrastructure on a bus route (such as by providing better bus priority measures) and an operator would have to meet standards for vehicle quality and service performance in order to use those facilities. However, SQPs cannot cover frequencies, timings and maximum fares
- They can introduce Quality Contracts (the franchising of networks of bus services), however, they can only be introduced if they are the only 'practicable way' to achieve a bus strategy – a very difficult legal hurdle to clear

In addition:

- They cannot own and lease vehicles
- They can only fill gaps in commercial networks through tendering services
- The threat of investigation and prosecution by the competition authorities deters cooperation between operators
- There is no statutory watchdog for bus passengers outside London

After the Local Transport Act

- PTEs can own and lease buses
- PTEs can make representations to the Traffic Commissioners to seek to prevent counter-productive competition on key routes
- Traffic Commissioners can impound unsafe buses and have a wider range of powers to improve service quality
- Passenger Focus extends its powers to cover bus service (the PTA/Es' favoured solution).
- PTEs can certify voluntary agreements between operators to provide protection from investigation and prosecution by the competition authorities
- SQPs can include maximum fares, frequencies and timings – and any appeal against the detail of an SQP by operators goes to the PTE first
- The approval process for Quality Contracts is locally determined with a consultation board and Tribunal allowing for a degree of external scrutiny and a hearing for operator objections