

**Pro-forma for use when responding**

<b>Name of respondent</b>	Tim Lerner
<b>Organisation (if applicable)</b>	<i>pteg</i>
<b>Interest (eg trade; local authority; passenger interest)</b>	Local authority representative body
Q1. Do you have any comments on the draft VPA guidance? Does it set out and explain the issues in a helpful manner?	We find the draft guidance to be generally very clear and helpful. We particularly appreciate that the guidance leaves it open the discretion of LTAs to apply VPAs in a very non-prescriptive manner, making clear that an agreement with a single operator does not engage competition law.
Q2. Are there any other issues that you think ought to be covered in the VPA volume of Guidance?	<p>The guidance could perhaps give greater emphasis to the potential role a VPA may play in supporting a QPS. Despite the extension of QPSs to cover fares, frequencies and timings it may be that such standards can be delivered more expediently and effectively using a VPA, particularly where those standards are more not accepted by or bespoke to an individual operator. We certainly see a major role for VPAs in supporting SQPs, by allowing standards and other obligations to be agreed in addition to those included in the SQP. This will give flexibility in allowing those standards to be varied in light of experience. An SQP will give operators a degree of protection, knowing that should they invest in meeting the VPA standards, the SQP gives a level of protection against lower quality competition. It would be helpful if this could be made clearer.</p> <p>We have separately responded to the OfT on the guidance on competition issues, and welcome the extension of the Competition Test to cover VPAs. The usefulness of VPAs will largely depend on how comfortable operators are about negotiating both with LTAs and with each other. This guidance together with the competition guidance are important in giving operators that comfort. We would stress the importance of both sets of guidance to be as non-prescriptive as possible about the process for negotiating agreements and the coverage of those agreements. In particular, reference to 'routes' may actively discourage LTAs from considering network-wide agreements, where such arrangements may be more appropriate.</p> <p>On a more minor point, as well as referencing well-being powers in paragraph 19 of the draft guidance, we would also suggest that sections 9A and 10 of the Transport Act 1968 are mentioned as these also give PTEs relevant powers.</p>

ANNEX J

<p>Q3. Do you have any comments on the draft QPS guidance? Does it set out and explain the issues in a helpful manner?</p>	<p>In general, we find the guidance helpful, though we are concerned about detailed issues raised by the admissible objections process. We are particularly concerned that the process for making and determining the admissibility of objections during the life of a scheme in danger of the destroying the ethos of partnership on which the scheme must depend. The guidance establishes a one-way objection process in which the local authority partners are required to deliver on their commitments, but operator partners are able to scale back from theirs. We would want to see far more emphasis being given to dealing with issues arising during the Scheme within the partnership framework, with further operator-led formal reviews being seen as a last resort, and restricted to cover only those factors that could not reasonably have been foreseen at the time the scheme started and that had a significant impact on commercial viability.</p> <p>We are also keen to ensure that the guidance is absolutely clear that standards of service, for example frequencies, timings and maximum fares can be route specific and furthermore, that all services that run along routes that make use of facilities provided under a QPS can be specified in this manner. In large conurbations, where several operators provide a multiplicity of services along a number of routes, we are keen that the guidance clearly provides support for LTAs wishing to deliver holistic planned solutions, including service stability arrangements, throughout local networks.</p> <p>We would also welcome greater clarity on how qualifying agreements are to be negotiated in the context of QPS, and to ensure that the guidance provides operators with the necessary confidence that they will need to play a full part in such arrangements. Specifically, given that some of these qualifying agreements are likely to be complex and possibly involve several operators, the role of the LTA in brokering and negotiating, as well as just certifying, such agreements would benefit from further clarification.</p>
<p>Q4. Are there any other issues that you think ought to be covered in the QPS volume of Guidance?</p>	<p>No, the guidance is extremely comprehensive. However, we are concerned that having a separate volume on competition guidance, as well as volumes covering VP/VPA and QPS, does not aid clarity in this complex area. Given the benefits of employing partnership approaches generally, it may aid take up of these methods if DfT and OFT were to issue two joint sets of advice on voluntary arrangements and on QPS both of which fully incorporate matters relating to competition law. If such an approach is adopted, we feel that opportunities could be taken to remove repetitive material and reduce the overall quantity of written material.</p>
<p>Q5. Do you agree with the definitions of “relevant operator” and “admissible objection” in the draft Quality Partnership Schemes (England) Regulations?</p>	<p>No. In our view, an operator should only be considered ‘relevant’ if his services (or planned services) use one or more the facilities covered by the Scheme.</p>
<p>Q6. In the draft Quality Partnership Schemes (England) Regulations, do you consider that the time limits on objecting, providing information etc and reaching decisions are appropriate and realistic? If not, what alternatives would you</p>	<p>We support the principle of swift resolution of objections. The timescales being suggested are demanding, but rightly so. We do, however, feel it is important that all parties adhere to the time limits, including the role played by Traffic Commissioners in the process. Whilst it is a matter that is, quite rightly, not covered within the guidance, we would also want to register our concerns about the capacity of the Traffic Commissioner system to undertake this new role, which requires them to act as economic regulators in determining the admissibility of objections.</p>

ANNEX J

suggest?	
Q7. Do you have any other comments on the draft Quality Partnership Schemes (England) Regulations?	<p>We fully recognise that a process for the review and indexing of maximum fares will be an important element of many schemes. However, where the parties have reached agreement about that review procedure as part of the scheme, whether though or without the use of the objections process, we consider that it is unreasonable that such a procedure should be reviewable during the life of the scheme.</p> <p>Similarly, we would want the process of objections to services frequencies and timings to be more highly circumscribed to avoid the possibility of frequent objections being registered. We have found that there is a willingness amongst operators as part of voluntary partnerships to commit to service levels and service stability in the medium term, and we feel it is reasonable that such commitments should be capable of being captured within a scheme.</p>
Q8. In the draft Public Service Vehicles (Registration Restrictions) (England and Wales) Regulations, do you consider that the time limits are appropriate and realistic? If not, what alternatives would you suggest?	Yes, we consider them appropriate and realistic.
Q9. Do you have any other comments on the draft Public Service Vehicles (Registration Restrictions) (England and Wales) Regulations?	No.
Q10. Do you have any comments on the consultation-stage impact assessments for the two sets of draft Regulations?	No.
Q11. Do you consider that there are any other matters which should be included in the Regulations?	No.
Q12. Are there any further comments which you wish to make about any aspect of this consultation?	No.

A Microsoft Word version of this pro-forma is available for download at [www.dft.gov.uk/localtransportbill](http://www.dft.gov.uk/localtransportbill), or on request from [LocalTransportBill@dft.gsi.gov.uk](mailto:LocalTransportBill@dft.gsi.gov.uk).