

## Local Transport Bill Report Stage

The Local Transport Bill aims to improve local transport by making changes in three key areas: bus services; transport governance and road pricing. The Bill started in the House of Lords and has completed its first and second readings and Committee Stage. Report Stage begins on 16 January.

Campaign for Better Transport welcomes the Local Transport Bill, but argues that there are some important changes to be made if it is to lead to real improvements in the provision of sustainable local transport. To get people back on to buses, we need to prioritise the passenger. This means we need an effective bus passenger watchdog, Traffic Commissioners that focus on passenger priorities and sensible competition law. It also means local authorities must have a range of tools that they can realistically use to plan bus networks in the long term, including both quality contract and quality partnership options. Sustainability has to be at the heart of transport governance – we argue that Integrated Transport Authorities must have a duty to reduce carbon emissions, and that road pricing revenue must be ringfenced for public transport improvements.

### **1) Bus passenger watchdog with regional offices, powers and funding, supported by the Traffic Commissioners**

**We were delighted to see that the Government has made provision for a new passenger watchdog for bus users in the Bill. (The Government refers to this body as a ‘bus passenger champion’.) We want to make sure this watchdog is independent, statutory and government-funded and that it has the regional offices it needs to be effective.**

Campaign for Better Transport proposed several amendments on the bus passenger watchdog, all of which have been debated. We argued that the watchdog must have regional representation, that its contact details should be available on every bus and that the new organisation must be publicly funded. The Government’s response was that it is currently consulting on the watchdog, and that further secondary legislation will be needed, which can incorporate a higher level of detail. We also suggested that the Traffic Commissioners should be given a duty to set and police new national minimum standards, following recommendations from the new bus passenger watchdog. *Lord Bassam said that he will consider whether the primary legislation includes powers that are sufficiently wide to ensure that the secondary legislation could include national minimum standards, and that an amendment might be introduced at Report stage to ensure this would be possible.*

The Department for Transport is consulting the public about the new bus user watchdog; in *Options for Strengthening Bus Passenger Representation* ([www.dft.gov.uk/consultations/open/buspassenger](http://www.dft.gov.uk/consultations/open/buspassenger)) which closes on 17 March. Campaign for Better Transport has decided to help the department in its consultation, by gathering the views of people with expertise on buses and consumer representation on what a new bus passenger watchdog's aims and functions should be. A seminar will be held on 29 January, at which these views will be discussed. *We hope that this seminar and the consultation will provide the opportunity to clarify the issues mentioned above, and help to ensure that the new passenger watchdog can be as effective as possible.*

## 2) Bus punctuality performance regime

Campaign for Better Transport argued for an amendment to ensure that the new bus punctuality performance regime works effectively. We suggested that the Secretary of State should be given a duty to produce guidance on appropriate bus speeds and journey times for different areas, and that the Traffic Commissioners should use this information to regulate timetables. When this was raised, Baroness Crawley responded that she understood the concerns, but argued that the amendment tended towards micromanagement, and that the traffic commissioners should be able to sort out this issue themselves.

We would argue that this issue has not been satisfactorily dealt with. We are concerned that the new punctuality performance regime will produce unhelpful results if punctuality is considered in isolation from other aspects of the bus travel that passengers value, for example, journey time. We are not convinced that the traffic commissioners have the resources to address this problem, and we fear that padded timetables may result from the new regime unless action is taken before it is introduced. *The Government's response was that they recognised the seriousness of the issue, but questioned the mechanism we proposed to deal with it. We therefore suggest that they should propose an alternative mechanism.*

## 3) Competition law reform

**We believe that a broader approach is required to competition within the bus industry, which will promote and allow agreements between operators that are in the public interest while continuing to prevent action that would be against the public interest.**

Campaign for Better Transport's position is that the Bill should introduce a wider remit for the revised public interest/competition test (Schedule 10 test and associated guidance from the OFT), so that it applies to all agreements, including those between operators.

When our proposed amendment on this was debated, Lord Bassam paid tribute to us for our work on competition law. The Government intends to allow agreements between bus operators to fall under the new competition test where they are certified by the local authority as being in the public interest, but the Competition Act 1998 will apply as usual when there is no local authority involvement. The idea is that this will encourage a partnership approach, giving bus operators an incentive to work with local authorities. *The Government does not think that any agreement between two operators should automatically fall within the scope of the new competition test, but will give the issue some further thought and see what more can be done.*

Campaign for Better Transport is currently collecting information from lawyers and bus operators about the implications of the newly drafted guidance on competition law. *We expect to organise a meeting which will bring together bus operators, lawyers, the DfT and the OFT to talk about whether the guidance needs to be changed further to encourage bus operators to cooperate in the interests of passengers.*

## **4) More tools for local authorities to plan bus networks**

**We believe the Bill needs to offer more tools to local authorities who want to plan bus networks better, but without introducing Quality Contracts.**

The Government has clarified that bus operators can make 'admissible objections' to statutory quality partnership schemes, on the grounds that that it would not be reasonably practicable for operators to meet standards of service at time specified because, for example, more vehicles or staff would need to be procured, or that likely demand for the services wouldn't be sufficient for operators to provide services at specified standard on a commercial basis.

Campaign for Better Transport believes that this new addition to the Bill effectively introduces the potential for a veto by operators on such schemes, and so reduces the usefulness of statutory quality partnerships as a tool for local authorities. Lord Bassam has said that it would be 'highly unlikely' for a local authority to propose a statutory quality partnership with unreasonable requirements. It would not be in the interests of a local authority to do this because operators would refuse to sign up to such an agreement. Campaign for Better Transport therefore argues that there is no need for the new 'admissible objections' veto to be included in the Bill. We believe that this opt out clause is likely to discourage partnership between operators and local authorities, and we support any amendment which removes it.

Campaign for Better Transport continues to argue that the Integrated Transport Strategy should include a framework for introducing area wide quality partnerships over a 10-15 year period: 'Bus Partnership Schemes'. This possibility has been raised in debate, and the Government argued against the idea, saying that provision was made elsewhere in the Bill for this, that it would create a precedent for a new duty on planning authorities to have regard to other issues, and that schemes would be restricted to being created during the preparation of Local Transport Plans. We maintain that Bus Partnership Schemes would be a helpful new tool for local authorities, because they would provide an explicit framework for linking bus policies with wider long term policies through cooperation with a range of stakeholders including bus operators, planning authorities and the new bus passenger watchdog. This idea offers a way to combine partnership with long term planning, and we don't believe the Bill in its current form provides this. We think that planning authorities should have a duty to have regard to issues such as bus policy. Also, schemes would be created during the preparation of a Local Transport Plan or Integrated Transport Strategy, but regular quality partnership schemes could continue to be created at any time – there would be a net increase in the possibilities open to local authorities. Finally, we would point out that this consensus based approach could go hand in hand with an expectation of regular, cooperative reviews to ensure that all partners have the opportunity to actively contribute to the scheme over time.

*We believe the Bill should allow the option of 'Bus Partnership Schemes' and will continue to push for our proposed amendment to be adopted in the Bill.*

Campaign for Better Transport believes that the arguments put forward against the ATCO proposal of Tendered Network Zones are misguided, and we will be discussing the issues raised with ATCO to clarify the situation. *We believe that TNZs could represent an important tool for local authorities, and we will be working to correct misconceptions on this front.*

## **5) Quality contracts need to be a realistic option**

**We believe that quality contracts should be a realistic option for local authorities as part of wider sustainable transport policies that support public transport and reduce reliance on the car, and we think the Bill needs to be changed to ensure this is the case. If this doesn't happen, the legislation risks becoming like the Transport Act 2000, another white elephant containing powers for local**

**authorities that can't realistically be used. We support the points made by others, including PTEG and local authorities, on this.**

The current process envisaged for approvals and appeals is too time-consuming for local authorities. The Approvals Board should play a ratification role only, ensuring that local authorities have followed the required process for introducing quality contracts, including consultation with local people. This is important from a democratic point of view as well – local authorities must have the power to make decisions about quality contracts, as well as about road-pricing schemes.

We do not see the need for a Transport Tribunal, the creation of which would result in a two tier system for appeals against quality contracts.

The Bill needs to provide more protection for local authorities during the implementation of a quality contracts scheme. Stronger provisions are needed for Transfer of Undertakings (Protection of Employment) Regulations (TUPE); there needs to be an obligation on the new operator to transfer staff to ensure continuity of employment. Pensions should also be protected.

In the transitional period after a quality contracts scheme has been agreed, the traffic commissioners should be given additional powers to extend the notice period for withdrawals of existing services, to ensure services changes are consistent with the planned quality contracts scheme, and to allow the local transport authority to replace any withdrawn services.

*We support the amendments being put forward on these points, although we are not leading on these issues, as others are in a better position to take them forward.*

## **6) Integrated Transport Authorities must democratically represent their regions**

**We believe that Integrated Transport Authorities (ITAs) must democratically represent their regions and as such maintain the current PTA arrangements. Voting members of ITAs should be made up of councillors who have an opportunity to take advantage of outside expert knowledge as advisors or contributors.**

An amendment has been debated which suggested that any members nominated by bodies other than local councils must be appointed by the ITA, to ensure democratic accountability. Government responded that flexibility was important, not so that Government could impose members on an ITA but so that effective arrangements could be created in each area. *However, Lord Bassam said that there would be consultation on the issue, that he would reflect on what had been said, and that there would be opportunity for further debate. We will expect to hear more on this.*

## **7) Road pricing**

**We believe that the Bill should ensure that revenue from road pricing schemes can only be spent on sustainable transport projects and measures that encourage modal shift to walking, cycling and public transport and decrease the need to travel.**

The Government itself recognises that road building is only a temporary solution to congestion because of induced traffic; building a new road creates new demand. We believe that using road pricing revenues to fund local road construction would only lead to an increase in motorised traffic.

Directing the proceeds towards positive alternatives to car dependence would increase public acceptability of road pricing, as well as providing local authorities with additional revenue funding for public transport and

'smarter choice' measures such as personalised travel planning and cycle training. Evidence suggests these are far more cost-effective ways to tackle congestion – and they support (rather than undermine) wider health, social and environmental objectives too. *As yet, there has been no discussion of the need to ringfence road pricing revenue to spend on public transport, so we hope this issue will be addressed in future debate.*

## **8) Climate change duty**

**We believe that the new Integrated Transport Authorities should be charged with a duty to reduce carbon emissions in the transport sector in line with government targets for overall reductions currently being established through the Climate Change Bill.**

We welcome the inclusion in the Bill of a duty to have regard to environmental matters, and that this duty encompasses climate change. However, it is important that a Climate Change Duty is singled out as a matter of special concern. *With the Climate Change Bill recently introduced to Parliament, we feel that the potential proposed national targets and 5-yearly budgets should provide a guide to the expected savings to be made from local transport, and we hope that this issue will be taken up in debate.*

## **9) Definition of effective and efficient transport to include sustainability and integration**

Campaign for Better Transport, together with CTC and Living Streets, put forward a probing amendment to clarify exactly what the Government meant by 'effectiveness and efficiency of transport'. Debate on this amendment confirmed the Government's position, which is that effective and efficient transport is also transport that is integrated and sustainable. *We expect to see guidance that will make this clear.*

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**15 January 2007**  
**Campaign for Better Transport**

Campaign for Better Transport is the national transport campaigning organisation. We work to secure transport policies and programmes that improve people's quality of life whilst reducing environmental impact.

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