



Department for
Transport

From the Parliamentary
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Dear David,

At our meeting on 13 January, we discussed the implementation of the Local Transport Act. We are moving quickly to bring into force the provisions of the Act, and are grateful for the contributions the LGA and many others are making to this work. I promised to write with thoughts on a suitable message for local authorities while we are completing the implementation of the new and enhanced powers for local authorities relating to local bus services.

As you will no doubt be aware, since our meeting I have been able to sign the first commencement order relating to the Act, setting out the dates on which various provisions will come into force. As far as voluntary partnership agreements (VPAs) are concerned, the new provisions are now in force, and the final version of DfT's accompanying guidance has now been published. Separate, more detailed, guidance on the application of competition law to the bus market, produced jointly by the Office of Fair Trading and this Department, is to be published very shortly on the Office of Fair Trading website.

For quality partnership schemes (QPSs), the new arrangements come into force with effect from 6th April. We have been carefully considering the responses to our consultation on the draft regulations and guidance, and decisions resulting from that consultation will be announced within the next few weeks. I expect the necessary regulations to be made, and guidance published, in good time for the package of reforms to come fully into effect on 6th April.

This will provide all that local authorities need to develop detailed proposals for QPSs; in the short intervening period, the existing draft regulations and guidance should provide sufficient basis for authorities to make real progress in identifying options and working up outline scheme proposals.

While we were able to make substantial progress last summer and autumn in preparing draft regulations and guidance for QPSs, prolonged uncertainty about the content of the Act meant that we were unable to make such rapid progress as regards quality contracts schemes (QCSs). Since Royal Assent, we have prioritised work on implementing the provisions about VPAs, QPSs and community transport, based on feedback from local authorities and others that swift implementation of these provisions was likely to deliver the greatest benefit in the short term.

As a result, there remains a significant amount of further work to be done to develop the package of secondary legislation and guidance on QCSs. I am keen to ensure that the implementation team progress this as a high priority in the spring, and I know they will wish to engage with the LGA and others as detailed proposals emerge. Allowing time for proper consultation with all interested parties, I expect to be in a position to finalise the full QCS package towards the end of this year.

We have always recognised that developing proposals for a QCS will involve long lead times for local authorities. For the time being, the level of detail contained in the Act should provide a sound footing for interested local authorities to explore the role that QCSs might play in their areas, and to begin working up proposals. Of course the regulations and guidance will be important, but they cannot change the fundamental nature of QCSs and the benefits, costs and practicalities that are likely to be involved.

I apologise for dwelling at some length on these issues, but it is important to ensure we have a shared understanding of our plans for implementing these important provisions in the Act. It is also important that local authorities understand that the proposed implementation timescales provide no reason to delay looking very seriously at the opportunities the Act offers them.

I know that strong local leadership will be required to make best use of the Act to secure real improvements for bus passengers, and I believe that local authorities will rise to the challenge. I look forward to continuing to work with the LGA on this vitally important agenda.


PAUL CLARK