



Transport Act 1968

1968 CHAPTER 73

PART III

BUS AND FERRY SERVICES

National Bus Company and Scottish Transport Group

24 Establishment and general duties of Bus Company and Scottish Group

- (1) There shall be constituted in accordance with Schedule 1 to this Act—
- (a) a public authority to be called the National Bus Company (hereafter in this Act referred to as "the Bus Company"); and
 - (b) a public authority to be called the Scottish Transport Group (hereafter in this Act referred to as "the Scottish Group").

- (2) Where any area has been designated under section 9(1) of this Act, it shall be the duty—

- (a) of the Executive for that area; and
- (b) of the Bus Company, or of the Scottish Group, or of both that Company and that Group (as may be appropriate having regard to where that area is situated), either acting directly, or acting indirectly through subsidiaries of that Company or Group,

to co-operate with one another in the reorganisation of bus services within, to and from that area, and for that purpose to enter into agreements as to the services to be provided by the Company or Group or their subsidiaries in or in connection with that area, and as to the terms on which those services are to be provided; and any such agreement may include arrangements for the transfer between the parties thereto in such manner and on such terms (including payments by one of the parties to the other) as may be provided for by the agreement of specified property, rights or liabilities.

- (3) It shall be the duty respectively—

- (a) of the Bus Company and the London Board;
- (b) of the Bus Company and the Railways Board;

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- (c) of the Scottish Group and the Railways Board;
- (d) of the Bus Company and the Scottish Group,

either directly, or indirectly through subsidiaries of theirs, to co-operate with one another in the exercise and performance of their respective functions for the purpose of co-ordinating the passenger transport services provided by, or by subsidiaries of, those authorities respectively and to afford to one another such information as to proposed changes in their services as may be reasonably required for that purpose.

- (4) Subsections (2) and (3) of this section shall not be construed as imposing, either directly or indirectly, on any of the authorities mentioned therein any form of duty or liability enforceable by proceedings before any court to which that authority would not otherwise be subject.

25 General powers of Bus Company

Subject and without prejudice to the provisions of, or of any enactment applied by, sections 47 to 52 of this Act, the Bus Company shall have power—

- (a) to carry passengers by road, whether in or outside England and Wales;
- (b) to carry passengers by vessel or hovercraft where that carriage forms part of a passenger transport service which includes the carriage of passengers by road by the Company or a subsidiary of theirs or by some other person, whether or not as agent for the Company, in pursuance of an agreement with the Company;
- (c) where any vehicle or vessel is used for the carriage of passengers in pursuance of paragraph (a) or (b) of this section, to carry also luggage or other goods in that vehicle or a trailer drawn thereby or in that vessel;
- (d) to store goods which have been or are to be carried by the Company in pursuance of paragraph (c) of this section or by a subsidiary of the Company, and, so far as any premises provided for the purposes of that or any other part of their business are not required for those purposes, to use them to provide facilities for the storage of other goods;
- (e) to let passenger vehicles for hire with or without trailers for the carriage of goods ;
- (f) to carry on business as travel agents;
- (g) to enter into and carry out agreements with any person engaged in the provision of transport services, by whatever form of transport, for co-ordinating the activities of that person with those of the Bus Company, and in particular for the provision of combined services for the through carriage of passengers or goods, whether by the same or partly by one and partly by another form of transport, for the quoting of through rates and for the pooling of receipts or expenses ;
- (h) to join with any person engaged as mentioned in paragraph (g) of this section in forming, promoting and assisting a company for carrying on any activities in connection with such combined services as are so mentioned which the Bus Company or that person have power to carry on ;
- (j) with the consent of the Minister, to carry on any activities which the Company would not apart from this paragraph have power to carry on but which a subsidiary of the Company was carrying on immediately before it became such a subsidiary.

26 General powers of Scottish Group

- (1) Subject and without prejudice to the provisions of, or of any enactment applied by, sections 47 to 52 of this Act, the Scottish Group shall have power—
- (a) to carry passengers by road, subway or water or by hovercraft, whether in or outside Scotland;
 - (b) to carry goods by road or water or by hovercraft within, or to or from any place situated within, the counties of Argyll, Caithness, Inverness, Orkney, Ross and Cromarty, Sutherland, Zetland and Bute;
 - (c) where any vehicle or vessel is used for the carriage of passengers in pursuance of paragraph (a) of this subsection, to carry also luggage and other goods in that vehicle or a trailer drawn thereby or in that vessel;
 - (d) to consign goods on behalf of other persons ;
 - (e) to store goods which have been or are to be carried by the Group or by a subsidiary of theirs and—
 - (i) so far as any premises provided by the Group for the purposes of that or any other part of their business are not required for those purposes, to use them to provide facilities for the storage of other goods;
 - (ii) with the consent of the Secretary of State to provide such facilities at any other premises;
 - (f) to carry on business as travel agents ;
 - (g) to enter into and carry out agreements with any person engaged in the provision of transport services, by whatever form of transport, for co-ordinating the activities of that person with those of the Group, and in particular for the provision of combined services for the through carriage of passengers or goods, whether by the same or partly by one and partly by another form of transport, for the quoting of through rates, and for the pooling of receipts or expenses ;
 - (h) to join with any person engaged as mentioned in paragraph (g) of this subsection in forming, promoting and assisting a company for carrying on any activities in connection with such combined services as are so mentioned which the Group or that person have power to carry on;
 - (j) either alone or together with any other person, to provide maintain and operate depots for the sorting of goods, with facilities for the reception, storage, weighing and handling of goods and for compliance with the requirements of the enactments relating to customs and excise ;
 - (k) to let for hire any vehicle, vessel or other means of transport;
 - (l) to operate harbours ;
 - (m) with the consent of the Secretary of State, to carry on any activities which the Group would not apart from this paragraph have power to carry on but which a subsidiary of the Group was carrying on immediately before it became such a subsidiary.
- (2) The Scottish Group shall not be regarded as common carriers in respect of any of their activities concerned with the carriage of goods.

27 Financial provisions with respect to Bus Company and Scottish Group

- (1) Subject and without prejudice to the provisions of section 41 of this Act, the following provisions of the Act of 1962, namely—
- (a) section 18 (financial duty of Boards);

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- (b) section 19 (borrowing powers of Boards);
- (c) section 20 (loans out of National Loans Fund);
- (d) section 21 (Treasury guarantees);
- (e) section 24 (accounts),

shall apply to the Bus Company and to the Scottish Group as they apply to the Boards, except that any reference in those sections to the Minister shall, in relation to the Scottish Group, be construed as a reference to the Secretary of State.

- (2) The Bus Company and the Scottish Group shall each assume a commencing capital debt in accordance with the provisions of Schedule 2 to this Act.
- (3) The aggregate amount outstanding in respect of—
 - (a) the principal of any money borrowed by the Bus Company or, as the case may be, the Scottish Group, under section 19 of the Act of 1962, and
 - (b) the commencing capital debt of that Company or, as the case may be, Group, shall not exceed—
 - (i) for the Bus Company, £130 million ;
 - (ii) for the Scottish Group, £50 million.

28 Transfer to Bus Company or Scottish Group of certain securities, rights and liabilities

- (1) On the appointed day for the purposes of this subsection—
 - (a) the securities of the bodies listed in Schedule 7 to this Act, so far as beneficially owned on that day by the Holding Company or by any wholly-owned subsidiary of that Company, and
 - (b) any rights or liabilities on that day of that Company or subsidiary regarding the securities of any of those bodies, and
 - (c) the right to any money owed on that day to that Company or subsidiary by any of those bodies, and
 - (d) the liability represented by any money owed on that day by that Company or subsidiary to any of those bodies, and
 - (e) any rights and liabilities on that day of that Company in connection with Tilling Association Limited, and
 - (f) any rights and liabilities of the Holding Company under any agreement such as is mentioned in paragraph 6 of Schedule 5 to the Act of 1962 so far as subsisting in England or Wales,

shall, subject to subsection (3) of this section, be transferred to, and by virtue of this Act vest in, the Bus Company.

- (2) On the appointed day for the purposes of this subsection—
 - (a) the securities of the following bodies, namely—
 - (i) David MacBrayne Limited ; and
 - (ii) Scottish Bus Group Limited,

so far as beneficially owned on that day by the Holding Company or by any wholly-owned subsidiary of that Company, and
 - (b) the securities of the following body, namely, the Caledonian Steam Packet Company Limited, so far as beneficially owned on that day by the Railways Board, and

- (c) any rights or liabilities on that day of the Holding Company or that subsidiary thereof or, as the case may be, of that Board regarding the securities of any of those bodies, and
 - (d) the right to any money owed on that day to the Holding Company or subsidiary or, as the case may be, to that Board by any of those bodies, and
 - (e) the liability represented by any money owed on that day by the Holding Company or subsidiary or, as the case may be, by that Board to any of those bodies, and
 - (f) any rights and liabilities of the Holding Company under any agreement such as is mentioned in paragraph 6 of Schedule 5 to the Act of 1962 so far as subsisting in Scotland,
- shall, subject to subsection (3) of this section, be transferred to, and by virtue of this Act vest in, the Scottish Group.
- (3) Where any of the securities referred to in subsection (1) or (2) of this section are beneficially owned as mentioned in that subsection but held by a nominee, that subsection shall operate only to transfer the beneficial interest in the securities; and paragraphs (c) and (d) of the said subsection (1) and paragraphs (d) and (e) of the said subsection (2) shall not apply to money owed in the ordinary course of trading.
 - (4) The Minister may by order made not later than the appointed day for the purposes of subsection (1) of this section, and the Minister and the Secretary of State acting jointly may by order made not later than the appointed day for the purposes of subsection (2) of this section, add to the said Schedule 7 or, as the case may be, to paragraph (a) or (b) of the said subsection (2), any body not for the time being listed therein if he is, or, as the case may be, they are, satisfied—
 - (a) that the activities of the body are similar to those of the bodies for the time being so listed, and
 - (b) that the Holding Company or a wholly-owned subsidiary thereof or, as the case may be, the Railways Board are for the time being the beneficial owners of any securities of that body.
 - (5) The rights and liabilities of the Holding Company under such agreements for the rendering of personal services by persons who immediately before the appointed day for the purposes of subsection (1) or, as the case may be, subsection (2) of this section, are employed by the Holding Company as may be determined in accordance with arrangements agreed between the Holding Company and the Bus Company or, as the case may be, between the Holding Company and the Scottish Group, or, in default of such agreement, in accordance with such arrangements as the Minister or, as the case may be, the Minister and the Secretary of State acting jointly may direct, shall on that day be transferred to, and by virtue of this Act vest in, the Bus Company or, as the case may be, the Scottish Group.
 - (6) Paragraph 2(3) and (4) of Schedule 4 to this Act shall apply to any transfer under subsection (5) of this section, and paragraphs 7 to 13 of that Schedule shall apply to any transfer under that subsection or under subsection (1) or (2) of this section; and in the application of any provision of that Schedule by virtue of this subsection to a transfer under the said subsection (2) any reference in that provision to the Minister shall be construed as a reference to the Minister and the Secretary of State acting jointly.

29 Transfer of certain property, rights and liabilities between Railways Board and Bus Company or Scottish Group

- (1) Before the appointed day for the purposes of the relevant transfer referred to in subsection (2) of this section, the Railways Board shall take steps to the satisfaction of the Minister to separate from the remainder of their undertaking the parts thereof concerned respectively—
 - (a) with the provision of road passenger transport services within or to and from the city of Sheffield, the county borough of Halifax, the county borough of Huddersfield or the borough of Todmorden ; and
 - (b) with the provision of shipping services in Scotland by the Caledonian Steam Packet Company Limited, and with the provision by the Board of the ferry service to and from Kyle of Lochalsh and Kyleakin ;

and the Board shall from time to time furnish the Minister with such information as he may require with respect to the property and interests which the Board propose to treat as included in each respectively of those parts of their undertaking, and the Minister may give directions to the Board as to the property, rights and liabilities to be so treated.
- (2) Subject to subsection (3) of this section, on the relevant appointed day for the purposes of this subsection there shall be transferred to, and by virtue of this Act vest in, the Bus Company and the Scottish Group respectively, all the property, rights and liabilities comprised in the part of the Railways Board's undertaking referred to in paragraph (a) or, as the case may be, paragraph (b) of subsection (1) of this section.
- (3) Schedule 4 to this Act shall apply to any transfer under subsection (2) of this section, and that subsection shall have effect subject to the provisions of that Schedule; and in the application of any provision of that Schedule to a transfer affecting the Scottish Group, any reference in that provision to the Minister shall be construed as a reference to the Minister and the Secretary of State acting jointly.
- (4) Notwithstanding anything in section 4 of the Act of 1962, as from the appointed day for the purposes of the transfer under subsection (2) of this section to the Bus Company the Railways Board shall not have power to carry passengers by road except as permitted by subsection (1)(a)(iii) of the said section 4.
- (5) Subject to subsection (6) of this section—
 - (a) the Scottish Group and the Railways Board acting jointly may as occasion seems to them to require it make schemes for the transfer from one to another of the following bodies, namely, that Group, that Board and any wholly-owned subsidiary of that Group or Board, of any specified property, rights or liabilities, or of all property, rights or liabilities comprised in a specified part of their undertaking, being property, rights and liabilities held or subsisting for the purposes of or in connection with, or, as the case may be, a part of their undertaking concerned with, a transport service by water (including such a service by means of a hovercraft) which carries passengers and operates regularly between two or more points at least one of which is in Scotland;
 - (b) the Minister and the Secretary of State acting jointly may by order make any such provisions as aforesaid with respect to any of the bodies aforesaid.
- (6) Subsections (3) to (7) of section 7 of this Act shall apply to any scheme, and subsections (3) to (6) of section 8 of this Act shall apply to any order, under subsection (5) of this section as they apply to a scheme under subsection (2) of the said section 7 or, as the case may be, to an order under subsection (2) of the said section 8,

but as if for the reference in subsection (6)(a)(i) of the said section 8 to the Freight Corporation there were substituted a reference to the Railways Board.

Relaxation of control over certain bus services

30 Permit for certain bus services in lieu of road service licence

(1) Subject to the provisions of this section, the traffic commissioners for any traffic area may, on an application in that behalf, grant a permit—

- (a) for the use by the applicant on a route in that area of any vehicle as a stage carriage for providing a road service which is to be provided by him by means of vehicles none of which is adapted to carry more than twelve passengers; or
- (b) for the use by the applicant on a route in that area of any vehicle as a stage carriage or express carriage at any time when that vehicle (not being a vehicle belonging to a local education authority or, in Scotland, an education authority) is being used for providing transport in pursuance of arrangements made under section 55(1) of the Education Act 1944 or section 51(1) of the Education (Scotland) Act 1962 ;

and a road service licence shall not be required for any use of a vehicle authorised by such a permit; and accordingly in subsection (1) of section 134 of the Act of 1960 (which prohibits the use of a vehicle as a stage carriage or express carriage except under a road service licence) at the end there shall be added the words " or under a permit granted under section 30 of the Transport Act 1968 ".

(2) The traffic commissioners shall not grant a permit under the foregoing subsection unless they are satisfied that there are no other transport facilities available to meet the reasonable needs of the proposed route and, in the case of a permit under paragraph (b) of that subsection, that the local education authority or education authority with whom the arrangements were made have consented to the use of the vehicle in question as mentioned in that paragraph.

(3) It shall be a condition of any permit granted under paragraph (b) of subsection (1) of this section that persons other than pupils to whom the arrangements relate or who are permitted to be carried in the vehicle pursuant to section 12 of the Education (Miscellaneous Provisions) Act 1953 shall be carried only to the extent to which the passenger accommodation in the vehicle is not, and is not likely to be, required for those pupils, and the traffic commissioners may attach to any permit under that subsection such other conditions as they may think fit for securing that—

- (a) the fares shall not be unreasonable;
- (b) copies of the time-table and fare-table shall be carried and shall be available for inspection in vehicles used on the service;
- (c) passengers shall not be taken up or shall not be set down except at specified points or shall not be taken up or shall not be set down between specified points,

and generally for securing the safety and convenience of the public.

(4) The traffic commissioners may from time to time vary in such manner as they think fit the conditions attached to a permit granted by them under this section.

(5) Any permit granted under this section by any traffic commissioners may be revoked, or have its operation suspended, by them on the ground that any condition attached to the permit has not been complied with, but the commissioners shall not exercise

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their powers under this subsection unless, owing to the frequency of the breach of conditions on the part of the person to whom the permit was granted, or to the breach having been committed wilfully, onto the danger to the public involved in the breach, the commissioners are satisfied that they should exercise those powers.

- (6) Subject to subsection (5) of this section, a permit under this section shall have effect for the period of three years beginning with the date on which it is expressed to take effect, or

for such shorter period beginning with that date as maybe specified in the permit, but if at the expiration of that period proceedings are pending before the traffic commissioners on an application by the holder—

- (a) for a further permit in substitution for his existing permit ; or
- (b) for a road service licence authorising him to continue the activities carried on by him by virtue of his existing permit,

the existing permit shall continue to have effect until the application, and, in the case of an application for a road service licence, any appeal to the Minister arising out of the application, is disposed of.

- (7) So much of subsection (3) of section 153 of the Act of 1960 as requires not less than two commissioners to be present at the hearing of an application shall not apply to any application under this section, but, save as aforesaid, the provisions of that subsection and of subsections (1), (4) and (5) of that section (discretion of commissioners as to public sittings, power to delegate functions to single commissioner and provision for rehearing in case of disagreement) shall have effect in relation to the functions of the commissioners, and to applications, under this section.

- (8) The following provisions of the Act of 1960, that is to say—

sections 135(7) and 136(2) (traffic commissioners to notify police and local authorities of grant, revocation and suspension of road service licences);
 section 156 (records);
 section 159 (fees);
 section 233 (forgery); and
 section 235 (fraudulent applications),

shall apply, subject to any necessary modifications, to permits under this section as they apply to road service licences, and section 263 of that Act (protection of public interests) shall have effect as if a permit granted under this section were a licence granted under Part III of that Act and as if this section were contained in that Part.

- (9) In paragraph 2(1)(e) of Schedule 3 to the Prices and Incomes Act 1966 (which deals with the application of that Act in relation to fares fixed by means of a condition attached to a road service licence) references to such a licence shall include references to a permit under this section.
- (10) Any expression used in this section which is also used in the Act of 1960 has the same meaning in this section as in that Act.

31 Abolition of special control over bus services provided by local authorities outside their areas

- (1) So much of subsection (1) of section 101 of the Road Traffic Act 1930 as requires a local authority to obtain the consent of the appropriate traffic commissioners before

running public service vehicles outside the district of the authority shall cease to have effect, and accordingly—

- (a) in that subsection for the words from " on any road within their district " to the end shall be substituted the words " on any road inside or outside their district "; and
 - (b) section 102 of that Act (which contains procedural provisions with respect to consents under subsection (1) of the said section 101) shall cease to have effect.
- (2) Any provision in a local Act or in any order under Part VI of the Local Government Act 1933, Part VI of the Local Government (Scotland) Act 1947, or Part II of the Local Government Act 1958—
- (a) imposing any requirement corresponding to that which ceases to have effect by virtue of the foregoing subsection ; or
 - (b) in relation to any such requirement, applying or making provision corresponding to the said section 102,
- together with section 38(6) of the said Act of 1958 (which, in certain cases, requires orders under the said Part II to contain such provisions as aforesaid) shall cease to have effect.

Assistance for bus and ferry services

32 New bus grants

- (1) Subject to the provisions of this section, the Minister may, with the approval of the Treasury, make in such cases as he thinks fit a grant to any person operating public service vehicles in Great Britain towards approved capital expenditure incurred by that person in providing a new vehicle of a type approved for the purposes of this section by the Minister, being a vehicle which is provided for use by that person wholly or mainly as a stage carriage in Great Britain and which first becomes available to that person for such use on or after such date, not being earlier than 1st September 1968, as the Minister may by order specify.
- (2) In the foregoing subsection—
- (a) the expression "approved capital expenditure" means expenditure appearing to the Minister to be of a capital nature and approved by him for the purposes of grant under this section;
 - (b) the expression " expenditure " in relation to the provision by a person of a vehicle includes—
 - (i) expenditure consisting of instalments under a hire-purchase agreement within the meaning of the Hire-Purchase Act 1965 or, as the case may be, the Hire-Purchase (Scotland) Act 1965, or otherwise consisting of instalments of or payments towards the purchase price of, or cost of providing, the vehicle; and
 - (ii) where the vehicle is provided by being manufactured or wholly or partly constructed by that person, such sum as appears to the Minister to be properly attributable to its provision by him in that manner;
 - (c) the expression " new " means unused and not second hand.
- (3) In making any grant under this section in respect of any vehicle the Minister shall impose such conditions for securing that the vehicle will be used as mentioned in

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subsection (1) of this section, and may impose such other conditions, as he thinks fit; and those conditions may include conditions for repayment in specified circumstances.

- (4) Subject to subsection (5) of this section, the amount of any grant under this section shall be twenty-five per cent. of the approved capital expenditure in respect of which it is granted, and no amount by way of such a grant shall be paid in respect of a vehicle which first becomes available for such use as is mentioned in subsection (1) of this section after the date of the expiration of the period of seven years beginning with the date specified under the said subsection (1).
- (5) The Minister may by order made with the consent of the Treasury—
 - (a) vary, as respects any vehicle first becoming available for such use as is mentioned in subsection (1) of this section on or after such date as may be specified in the order, the percentage specified in subsection (4) of this section ; or
 - (b) amend the said subsection (4) by substituting for the date of the expiration of the period there mentioned such later date as may be specified in the order ;
 but no order shall be made under this subsection unless a draft thereof has been approved by resolution of each House of Parliament.
- (6) The provisions of Schedule 8 to this Act shall have effect for the purpose of avoiding fraudulent applications for grant under this section and of securing the observance of any conditions attached to any such grant.

33 Grants towards duty charged on bus fuel

- (1) In relation to fuel used in operating any bus service on or after 1st January 1969, subsection (2) of section 92 of the Finance Act 1965 shall have effect with the substitution for the words from " but " onwards (which specify the maximum amount of any grant under subsection (1) of that section by the Minister to the operator of a bus service towards defraying customs or excise duties charged on bus fuel) of the words "but the amount of a grant shall not exceed such a sum for every gallon of fuel used or estimated to have been used in operating the bus service during the period to which the grant relates as the Treasury may from time to time approve, being a sum not less than two shillings lower than the rate per gallon of the duty of customs chargeable on hydrocarbon oils imported into the United Kingdom at the date of the use of the fuel, including any addition to that duty by virtue of an order under section 9 of the Finance Act 1961 ".
- (2) For subsection (8) of the said section 92 there shall be substituted the following subsection:—
 - “(8) In this section " bus service" means a service of stage carriages as defined by section 117 of the Road Traffic Act 1960, and " operator ", in relation to a bus service—
 - (a) means the holder of the road service licence under which the service is provided ; or
 - (b) where the service is provided by the London Transport Board, means that Board ; or
 - (c) where the service is provided by the Executive for a designated area within the meaning of section 9(1) of the Transport Act 1968, or by a subsidiary within the meaning of that Act of such an Executive, means that Executive or subsidiary ; or

- (d) where the service is provided by a person otherwise than under a road service licence in pursuance of an agreement with such an Executive or with the consent of such an Executive granted under Schedule 6 to the said Act of 1968, means that person;

and in this subsection any reference to a road service licence shall include a reference to a permit under section 30 of the said Act of 1968.”

- (3) So much of subsection (9) of the said section 92 as enables the Parliament of Northern Ireland to make laws for purposes similar to the purposes of the provisions of that section shall apply to those provisions as amended by subsection (1) of this section.

34 Assistance for rural bus or ferry services

- (1) Any of the following councils, namely the council of any county, county borough or county district in England or Wales, any county, town or district council in Scotland, and the Council of the Isles of Stilly, or any two or more of those councils acting jointly, may, on such conditions, if any, as they think fit, afford assistance to any other person, by way of grant, loan or both, for the purpose of securing the provision, improvement or continuance of any bus service or ferry service if in the opinion of the council or councils in question that service is or will be for the benefit of persons residing in rural areas.

- (2) The Minister may, with the approval of the Treasury, make grants in such cases and subject to such conditions as he thinks fit to any of the councils aforesaid in respect of expenditure incurred by that council—

- (a) in making grants under subsection (1) of this section ; or
 - (b) in providing a ferry service which in the opinion of the council is or will be for the benefit of persons residing in rural areas;

and any grant under this subsection in respect of expenditure in connection with a bus service shall be of an amount equal to half the expenditure in respect of which the grant is made.

- (3) In the application of this section to Scotland or Wales, references therein to the Minister shall be construed as references to the Secretary of State.

Further provision relating to public service vehicles

35 Provisions with respect to operation of public service vehicles

- (1) When any traffic commissioners are considering whether or not to exercise their power under section 127(7) of the Act of 1960 to refuse a person a public service vehicle licence, or to suspend or revoke one or more of any such licences already granted to a person, on the ground of that person's unfitness to be the holder thereof, the commissioners—

- (a) shall have regard to any information they may have with respect to the matters specified in subsection (2) of this section ; and
 - (b) shall consider any representations with respect to any of those matters made by any of the following persons, namely—

- (i) any such trade union within the meaning of the Trade Union Act 1913 or other association as the Minister may by regulations prescribe, being a union or other association whose members consist of or

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include persons holding public service vehicle licences or employees of any such persons;

- (ii) a chief officer of police ;
- (iii) in England or Wales, the council of a county, county borough, county district or London borough, the Greater London Council, or the Common Council of the City of London;
- (iv) in Scotland, a county or town council;

and in the said section 127(7) for the words " such a licence " there shall be substituted the words " the licence in question ".

- (2) The matters referred to in subsection (1)(a) of this section are—
 - (a) the previous conduct of the person in question in relation to any trade or business in the course of which vehicles of any description are operated, being a trade or business—
 - (i) carried on by him or by a company of which he is or has been a director ; or
 - (ii) for the purposes of which he is or has been employed;
 - (b) the arrangements for securing that Part VI of this Act or, so long as it remains in force, section 73 of the Act of 1960 is complied with in the case of the vehicle or vehicles in question;
 - (c) the facilities and arrangements for maintaining the vehicle or vehicles in question in a fit and serviceable condition;
 - (d) the manner in which the vehicle in question is proposed to be used or, as the case may be, in which the vehicle or vehicles in question have been used;
 - (e) the financial resources of the person in question.
- (3) In section 152 of the Act of 1960 (which imposes on the holder of a road service licence certain obligations as respects wages and conditions of employment of persons employed by him in connection with the operation of a public service vehicle)—
 - (a) for any reference to the holder of a road service licence there shall be substituted a reference to the holder of a public service vehicle licence;
 - (b) in subsection (2), the Secretary of State for Employment and Productivity shall be substituted for the traffic commissioners as the person to whom representations under that subsection are to be made; and
 - (c) for subsection (4) there shall be substituted the following:—
 - “(4) If it is decided by the Industrial Court that a person has been guilty of a breach of the provisions of this section, the traffic commissioners by whom any public service vehicle licence has been granted to that person may suspend or revoke that licence or refuse to grant a further such licence to that person ; and a licence suspended under this subsection shall during the time of suspension be of no effect.”

36 Power of local authority to run contract carriages

- (1) Every local authority who, under powers conferred by subsection (1) of section 101 of the Road Traffic Act 1930 or by any local Act or order, are running public service vehicles may run any of those vehicles as a contract carriage on any road within their district; and on the coming into force of this subsection the provisions of subsection (2) (a) of the said section 101 and of any local Act or order, so far as those provisions

relate to the running by any local authority of a public service vehicle as a contract carriage on roads within their district, shall cease to have effect.

(2) Any such local authority as aforesaid may resolve that this subsection shall apply to them; and, subject to subsection (3) of this section, on the passing of such a resolution—

- (a) the authority may run a public service vehicle as a contract carriage—
 - (i) between places within and places outside their district; and
 - (ii) so far as the authority consider requisite in connection with the exercise of their powers to run public service vehicles within, to or from their district, between places outside their district; and
- (b) the provisions of the said subsection (2)(a) and of any local Act or order, so far as those provisions relate to the running by that authority of a public service vehicle as a contract carriage on roads outside their district, shall cease to have effect.

(3) Paragraphs (a) and (b) of subsection (2) of this section shall not apply to a local authority who have passed a resolution under that subsection—

- (a) until the expiration of a period of three months after the authority have—
 - (i) given notice in writing to the Minister that they propose to pass or have passed that resolution; and
 - (ii) sent to the Minister with that notice a statement in writing of the extent to which they have made or propose to make agreements for the coordination of bus services within, to and from their district with any other person for the time being providing such services ; or
- (b) if before the expiration of that period the authority have received from the Minister a notice under subsection (4) of this section, until that notice has been withdrawn by the Minister.

(4) If, after considering the statement sent to him by a local authority in pursuance of paragraph (a)(ii) of subsection (3) of this section, the Minister is not satisfied with the degree of coordination of the bus services provided or proposed to be provided within, to and from that authority's district by that authority and all or any of the other persons for the time being providing such services, the Minister may before the expiration of the period referred to in paragraph (a) of that subsection give notice in writing to the authority that he is not so satisfied; but the Minister may at any time, whether in consequence of a further statement by the authority such as is mentioned in the said paragraph (a)(ii) or otherwise, inform the authority in writing that he withdraws that notice.

(5) Subject to subsection (6) of this section, every local authority to whom subsection (1) of this section applies shall make to the Minister as respects each accounting period of the authority a report of all activities carried on by the authority by virtue of subsection (1) or (2) of this section which shall include a statement of—

- (a) the amount as determined by the authority of the turn over of the authority's transport undertaking for that period in respect of those activities ;
- (b) the extent or approximate extent (expressed in either case in monetary terms) to which, as so determined, the carrying on of those activities contributed to or restricted the surplus or deficit of that undertaking for that period;
- (c) the method by which any determination for the purposes of paragraph (a) or (b) of this subsection was arrived at; and

Status: This is the original version (as it was originally enacted).

- (d) such further information, if any, relating to the carrying on by the authority of those activities as the Minister may from time to time direct;
- and if it appears at any time to the Minister that, having regard to all the circumstances appearing to the Minister to be relevant, the charges made for the contract carriage services by means of public service vehicles run by the authority are unduly low in comparison with the cost of providing them, the Minister shall, after consultation with the authority, either direct the authority to make such modifications in their method of carrying on those activities as may be specified in the direction or direct the authority to discontinue those activities.
- (6) Where, apart from this subsection, the first report of a local authority under subsection (5) of this section would be with respect to activities carried on for part only of an accounting period of the authority, that first report shall be made jointly as respects that part of that period and the next accounting period of the authority.
- (7) In any legal proceedings, a document purporting to be a certificate given by or on behalf of the Minister that such a notice and statement as are mentioned in paragraph (a) of subsection (3) of this section were received by the Minister from a specified local authority on a specified date and that the Minister did not before the expiration of the period referred to in that paragraph serve a notice on that authority under subsection (4) of this section shall be evidence, and in Scotland sufficient evidence, of the matters appearing from that document.
- (8) In the application of this section to a local authority in Scotland or Wales, references therein to the Minister shall be construed as references to the Secretary of State.
- (9) In this section, the expressions " local authority" and " district" have the same meanings respectively as in Part V of the Road Traffic Act 1930 and the expression " contract carriage " the same meaning as for the purposes of the Act of 1960; and any reference to the said Part V in any of the following provisions, namely—
- (a) sections 103,104,106 and 107 of the said Act of 1930 ;
 - (b) the definition of " sanctioning authority " in section 218 of the Local Government Act 1933 ;
 - (c) section 259(1)(b) of the Local Government (Scotland) Act 1947,
- shall include a reference to this section.

37 Power for local authorities to acquire or dispose of public service vehicle undertakings

- (1) Without prejudice to any powers apart from this section, any local authority within the meaning of Part V of the Road Traffic Act 1930 who, under powers conferred by section 101(1) of that Act or by any local Act or order, are running public service vehicles may, with the consent of the Minister or, in the case of a local authority in Scotland or Wales, of the Secretary of State—
- (a) acquire by agreement the whole or any part of a public service vehicle undertaking carried on by any other person; or
 - (b) dispose of the whole or any part of the authority's public service vehicle undertaking to any other person, whether by purchase or sale, by lease, or by exchange or, in Scotland, excambion.
- (2) The Minister or Secretary of State may give his consent for the purposes of subsection (1) of this section either for a case or description of cases specified in the consent, or in general terms, and may give any such consent subject to conditions.