



# Greater London Authority Act 1999

## 1999 CHAPTER 29

### PART IV

#### TRANSPORT

### CHAPTER II

#### TRANSPORT FOR LONDON

##### *Establishment and control*

#### **154 Establishment**

- (1) There shall be a body corporate to be known as Transport for London.
- (2) Transport for London shall have the functions conferred or imposed on it by this Act, or made exercisable by it under this Act, and any reference in this Act to the functions of Transport for London includes a reference to any functions made exercisable by it under this Act.
- (3) Transport for London shall exercise its functions—
  - (a) in accordance with such guidance or directions as may be issued to it by the Mayor under section 155(1) below,
  - (b) for the purpose of facilitating the discharge by the Authority of the duties under section 141(1) and (2) above, and
  - (c) for the purpose of securing or facilitating the implementation of the transport strategy.
- (4) Schedule 10 shall have effect with respect to Transport for London.

#### **155 Directions etc by the Mayor**

- (1) The Mayor may issue to Transport for London—

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- (a) guidance as to the manner in which it is to exercise its functions,
  - (b) general directions as to the manner in which it is to exercise its functions, or
  - (c) specific directions as to the exercise of its functions.
- (2) Directions issued by the Mayor under subsection (1)(c) above may include a direction not to exercise a power specified in the direction.
- (3) The guidance or directions which may be issued by the Mayor under subsection (1) above may include in particular guidance or directions as to the manner in which Transport for London—
- (a) is to perform any of its duties, or
  - (b) is to conduct any legal proceedings.
- (4) Any guidance or directions issued under subsection (1) must be issued in writing and notified to such officer of Transport for London as it may from time to time nominate to the Mayor for the purpose.

*Functions: general provisions*

**156 General powers**

- (1) Transport for London may form, promote and assist, or join with any other person in forming, promoting and assisting, a company for the purpose of—
- (a) carrying on any activities which Transport for London has power to carry on, or
  - (b) carrying on such activities together with activities which Transport for London does not have power to carry on.
- (2) Transport for London may enter into and carry out agreements with any person for the carrying on by that person, whether as agent for Transport for London or otherwise, of any activities which Transport for London has power to carry on (and, in particular, with respect to the provision or financing of any public passenger transport services which Transport for London has power to provide).
- (3) Transport for London may also enter into and carry out an agreement with any person for the carrying on by that person (“the contractor”) of any activities which Transport for London does not have power to carry on if the agreement includes provision for one or more of the following, namely—
- (a) the carrying on by the contractor of such activities as are mentioned in subsection (2) above;
  - (b) the provision by the contractor to Transport for London of services ancillary to the provision of public passenger transport services; and
  - (c) the use by the contractor of land or other property owned by Transport for London, or transferred to the contractor by Transport for London, for the purposes of the agreement.
- (4) Where an agreement has been entered into under subsection (2) or (3) above, the powers conferred on Transport for London by that subsection include power to enter into and carry out other agreements with other persons for the purpose of—
- (a) fulfilling any condition which must be fulfilled before the agreement can have effect; or
  - (b) satisfying any requirement imposed by or under the agreement.

(5) Where—

- (a) a company has been formed in the exercise of the powers conferred by subsection (1) above (whether by Transport for London alone or by Transport for London jointly with some other person); or
- (b) Transport for London has entered into an agreement with any person in exercise of its powers under subsection (2) or (3) above;

Transport for London may enter into arrangements with that company or person for the transfer from Transport for London to that company or person, in such manner and on such terms (including payments by any of the parties to the arrangements to any of the other parties) as may be provided for by the arrangements, of any property, rights or liabilities of Transport for London relevant to the purpose for which the company was formed or (as the case may be) to the performance by that person of his obligations under the agreement.

(6) Without prejudice to section 173(1) or 176 below, Transport for London shall have power to enter into and carry out agreements with—

- (a) any of its subsidiaries; or
- (b) any person with whom it has entered into an agreement by virtue of subsection (2) or (3) above,

providing for Transport for London to give assistance to the other party to the agreement by making available to that party any services, amenities or facilities provided by, or any works or land or other property belonging to, Transport for London, on such terms (including the reciprocal provision by that other party of similar assistance for Transport for London) as may be agreed between them.

(7) The power of Transport for London under subsection (2) or (3) above to enter into an agreement as there mentioned is exercisable notwithstanding that the agreement involves the delegation of the functions of Transport for London under any enactment relating to any part of its undertaking.

(8) Schedule 11 to this Act shall have effect for conferring further powers on Transport for London for the purpose of the discharge by Transport for London of any of its functions and with respect to the other matters there mentioned.

## **157 Restriction on exercise of certain powers except through a company**

(1) The Secretary of State may by order made with the consent of the Treasury provide that Transport for London shall not carry on such activities as are specified in the order except through a company which is limited by shares and registered under the Companies Act 1985 and which is—

- (a) a subsidiary of Transport for London; or
- (b) a company which Transport for London formed, or joined with others in forming, by virtue of section 156(1) above and which does not fall within paragraph (a) above.

(2) The specification of an activity in an order under subsection (1) above shall not—

- (a) prevent Transport for London from entering into or carrying out under section 156(2) or (3) above an agreement with a person for the carrying on of that activity by that person; or
- (b) affect the validity of such an agreement.

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- (3) If it appears to the Secretary of State that Transport for London is carrying out, or proposes to carry out, otherwise than in compliance with an order under subsection (1) above any activities specified in such an order—
- (a) the Secretary of State may give a direction to Transport for London requiring it to comply with the order within such period as may be specified for the purpose in the order; and
  - (b) Transport for London shall be under a duty to comply with such a direction.
- (4) If Transport for London does not comply with a direction under subsection (3) above in the case of an activity to which the direction relates, Transport for London shall be treated in respect of the carrying out of that activity as not being a local authority for the purposes of—
- (a) section 519 of the Income and Corporation Taxes Act 1988 (exemption of local authorities from income tax and corporation tax); and
  - (b) section 271 of the Taxation of Chargeable Gains Act 1992 (exemption of local authorities from capital gains tax).

### **158 Power of Mayor to transfer functions**

- (1) For the purpose of enabling any person to carry on any activities for which provision is made by an agreement under section 156(2) or (3) above or by a transport subsidiary's agreement, the Mayor may by order provide for any functions of Transport for London under any statutory provision to be exercisable by that person (whether to the exclusion of or concurrently with Transport for London).
- (2) An order under this section may—
- (a) provide for the functions to cease to be so exercisable when the activities cease to be carried on by that person (whether by reason of the expiry or termination of the agreement or otherwise); and
  - (b) make such supplementary, incidental and consequential provision as the Mayor considers expedient.
- (3) The power of the Mayor to make an order under this section includes a power exercisable by order to revoke, amend or re-enact any such order.
- (4) An order made by the Mayor under this section shall not have effect unless and until it is confirmed by an order made by the Secretary of State.
- (5) This section does not apply to any function of Transport for London under this Act or any other statutory provision specifically amended by any provision of this Act.
- (6) Any reference in this section to Transport for London includes a reference to a subsidiary of Transport for London.

### *Financial provisions*

### **159 Financial assistance**

- (1) Transport for London may give financial assistance to any body or person in respect of expenditure incurred or to be incurred by that body or person in doing anything which in the opinion of Transport for London is conducive to the provision of safe,

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integrated, efficient and economic transport facilities or services to, from or within Greater London.

- (2) Financial assistance may be given under this section by way of grant, loan or other payment.
- (3) The financial assistance that may be given to any London authority under this section includes in particular assistance in respect of any expenditure incurred or to be incurred by the authority in discharging any function of a highway authority or traffic authority.
- (4) In deciding whether to give financial assistance to a London authority under this section, and if so the amount or nature of any such assistance, the matters to which Transport for London may have regard include—
  - (a) any financial assistance or financial authorisation previously given to the authority by any body or person, and
  - (b) the use made by the authority of such assistance or authorisation.
- (5) In subsection (4) above, “financial authorisation” means authorisation allowing the authority to incur financial obligations.
- (6) Financial assistance under this section may be given subject to such conditions as Transport for London considers appropriate, including (in the case of a grant) conditions for repayment in whole or in part in specified circumstances.
- (7) In this section—
  - “highway authority” has the same meaning as in the Highways Act 1980 (see in particular sections 1 to 9 of that Act);
  - “London authority” means any London borough council or the Common Council; and
  - “traffic authority” has the same meaning as in the Road Traffic Regulation Act 1984 (see sections 121A and 142(1) of that Act).
- (8) In section 88(2) of the Local Government Finance Act 1988 (list of “defined councils” to which transport grants are payable by the Secretary of State under section 87 of that Act)—
  - (a) at the end of paragraph (aa) there shall be inserted “and”; and
  - (b) paragraphs (c) and (d) (which include in the list of “defined councils” the London borough councils and the Common Council) shall cease to have effect.
- (9) This section is without prejudice to any other power of Transport for London.

## **160 Guarantees**

- (1) Transport for London may guarantee to discharge any financial obligation of—
  - (a) a subsidiary of Transport for London;
  - (b) any person (other than such a subsidiary) with whom Transport for London has entered into an agreement by virtue of section 156(2) or (3) above, where the guarantee is given for the purpose of enabling that person to carry out the agreement; or
  - (c) any person (other than such a subsidiary) with whom such a subsidiary has entered into a transport subsidiary’s agreement, where the guarantee is given for the purpose of enabling that person to carry out the agreement.

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- (2) Transport for London may, for the purposes of discharging any of its functions, guarantee to discharge any financial obligation incurred or to be incurred by any person for the purposes of—
  - (a) an undertaking carried on by him; or
  - (b) where the person is a body corporate, an undertaking carried on by a subsidiary of that body corporate.
- (3) A guarantee under this section may be subject to such conditions as Transport for London considers appropriate.
- (4) Transport for London may enter into arrangements with another person under which that person gives a guarantee which Transport for London has power to give under this section.
- (5) Where Transport for London enters into arrangements by virtue of subsection (4) above, the arrangements may provide for Transport for London to indemnify the person who gives the guarantee.
- (6) This section is without prejudice to any other power of Transport for London.

#### *Reports and information*

### **161 Annual report**

- (1) Transport for London shall, as soon as possible after the end of each financial year, make to the Authority a report on the exercise and performance by Transport for London of its functions during the year.
- (2) The report shall deal with—
  - (a) the contribution made by Transport for London towards the implementation of the transport strategy;
  - (b) the activities of any subsidiaries of Transport for London, so far as relevant to the performance of the functions of Transport for London during the year in question;
  - (c) any financial assistance given under section 159 above;
  - (d) any guarantees given under section 160(1) or (2) above;
  - (e) any arrangements entered into under section 160(4) above; and
  - (f) any indemnities given by virtue of section 160(5) above.
- (3) The report made under this section in respect of any financial year shall include such information as the Mayor may from time to time specify in writing with respect to any matter the report is required to deal with by virtue of subsection (1) or (2) above.
- (4) Transport for London shall publish any report made under this section.
- (5) A copy of any report made under this section shall be kept available for the appropriate period by the Mayor for inspection by any person on request free of charge at the principal offices of the Authority at reasonable hours.
- (6) A copy of any report made under this section, or any part of any such report, shall be supplied to any person on request during the appropriate period for such reasonable fee as the Mayor may determine.

- (7) In this section “the appropriate period” in the case of a report under this section is the period of six years beginning with the date of publication of the report pursuant to this section.

## **162 Provision of information**

- (1) Transport for London shall make available such information as it thinks fit which—
- (a) relates to public passenger transport services provided to, from and within Greater London, and
  - (b) is required by members of the general public to assist in deciding what use to make of such services.
- (2) The information shall be made available, in such manner as Transport for London thinks fit, to—
- (a) the general public, and
  - (b) such other persons as Transport for London thinks fit.
- (3) Transport for London may make such charges as it thinks fit for information which it makes available; but no such charge may be made if the information relates to public passenger transport services provided exclusively—
- (a) by Transport for London or any of its subsidiaries, or
  - (b) by other persons under any transport subsidiary’s agreement or under agreements entered into under section 156(2) or (3) above.

### *Property and subsidiaries*

## **163 Restrictions on disposal of land**

- (1) Neither Transport for London nor the Authority shall by virtue of any provision of this Act—
- (a) dispose of the freehold interest in any land which is or has been operational land, or
  - (b) grant a leasehold interest in such land for a term of more than fifty years, without the consent of the Secretary of State.
- (2) Where an estate or interest in, or right over, any land which is or has been operational land is vested in a company which is a subsidiary of Transport for London, Transport for London shall not, without the consent of the Secretary of State, enter into any transaction or series of transactions the result of which would be that the company would cease to be a subsidiary of Transport for London.
- (3) Consent is not required under this section by reason of any land having been operational land if a period of at least five years has elapsed since the land was last operational land.
- (4) The Secretary of State may by order amend subsection (3) above by substituting a different period for that for the time being there specified.
- (5) Any consent of the Secretary of State under this section—
- (a) may be given in relation to any particular transaction or description of transactions; and

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- (b) may be given subject to conditions.
- (6) Consent given under this section shall be given in an order made by the Secretary of State.
- (7) Any question whether land is operational land within the meaning of this section shall be determined by the Secretary of State.
- (8) In this section—
- “operational land” means—
- (a) land which is used for the purpose of carrying on any railway or tramway undertaking of Transport for London’s or of a subsidiary of Transport for London’s; and
- (b) land in which an interest is held for that purpose;
- but paragraphs (a) and (b) above do not include land which, in respect of its nature and situation, is comparable rather with land in general than with land which is used, or in which interests are held, for the purpose of the carrying on of a railway or tramway undertaking;
- “railway” and “tramway” shall be construed in accordance with section 67 of the Transport and Works Act 1992.
- (9) For the purposes of this section, land—
- (a) which has at any time been used, or
- (b) in which an interest has at any time been held,
- for the purpose of carrying on a railway or tramway undertaking of London Regional Transport’s, or of a subsidiary of London Regional Transport’s, shall be treated as if that undertaking had at that time been an undertaking of Transport for London’s or of a subsidiary of Transport for London’s (and any question whether the land was, or had ceased to be, operational land at any time shall be determined accordingly).

#### **164 Control of subsidiaries**

The powers of the Authority and the powers of Transport for London shall be exercised so as to ensure that a subsidiary of Transport for London—

- (a) does not do anything which Transport for London has no power to do (including anything which Transport for London has no power to do because the consent of the Secretary of State has not been obtained),
- (b) does not do anything which the Mayor has directed Transport for London not to do, and
- (c) does not, except with the consent of the Mayor, raise money by the issue of shares or stock to any person other than Transport for London or any other subsidiary of Transport for London.

#### **165 Distribution of property, rights and liabilities**

- (1) Transport for London may make schemes for the transfer of property, rights and liabilities—
- (a) between Transport for London and any subsidiary of Transport for London; or
- (b) between any subsidiary of Transport for London and any other such subsidiary.



- (2) A scheme under this section shall not take effect unless and until it has been approved by the Mayor.
- (3) Where a scheme under this section is submitted to the Mayor for his approval, he may, after consultation with Transport for London, modify the scheme before approving it.
- (4) Schedule 12 to this Act (which makes further provision in relation to schemes under this section) shall have effect.

#### *Functions relating to legislation*

### **166 Procedure for making byelaws**

- (1) Section 236 of the Local Government Act 1972 (procedure for byelaws) shall be amended as follows.
- (2) In subsection (1) after the words “the Greater London Authority” (which are inserted by section 76(2) above) there shall be inserted “,Transport for London”.
- (3) After subsection (10B) (which is inserted by section 76(3) above) there shall be inserted—
  - “(10C) Transport for London shall send a copy of every byelaw made by it, and confirmed, to—
    - (a) the Mayor of London;
    - (b) each London Borough Council; and
    - (c) the Common Council.”

### **167 Power of Transport for London to promote or oppose Bills in Parliament**

- (1) Transport for London—
  - (a) may promote a local Bill in Parliament; and
  - (b) may oppose any local Bill in Parliament.
- (2) Subsection (1)(a) above applies only if the Authority—
  - (a) gives its written consent to the Bill; and
  - (b) confirms that consent in writing as soon as practicable after the expiration of 14 days after the Bill has been deposited in Parliament.
- (3) If the Authority does not confirm the consent as required by subsection (2)(b) above, the Authority shall give notice of that fact to Transport for London, which shall take all necessary steps for the withdrawal of the Bill.
- (4) If the Authority, in giving notice under subsection (3) above, states that it confirms its consent to the Bill if provisions specified in the notice are omitted or are amended as so specified, Transport for London may, instead of withdrawing the Bill pursuant to subsection (3) above, take all necessary steps for the omission or, as the case may be, the amendment of the provisions in question in accordance with the notice.
- (5) Without prejudice to subsections (2) to (4) above, the functions conferred on Transport for London by subsection (1)(a) above are exercisable subject to, and in accordance with, the provisions of Schedule 13 to this Act.

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- (6) Subsection (1)(b) above applies only if the Authority gives its written consent to Transport for London to oppose the Bill.
- (7) If—
- (a) Transport for London deposits a petition against a Bill in Parliament, but
  - (b) the consent required by subsection (6) above has not been given before the end of the period of 30 days following the day on which the petition is deposited,
- Transport for London shall take all necessary steps for the withdrawal of the petition.
- (8) The functions conferred or imposed on the Authority by this section shall be functions of the Authority which are exercisable by the Mayor acting on behalf of the Authority.
- (9) Before exercising the functions conferred on the Authority by subsection (2)(a) or (b), (4) or (6) above, the Mayor shall consult the Assembly.

## **168 Orders under the Transport and Works Act 1992**

- (1) Section 20 of the Transport and Works Act 1992 (power to apply for, or object to, orders) shall be amended as follows.
- (2) In subsection (2) (powers to be subject to the like conditions as powers to promote or oppose Bills) after “except as provided by subsection (3)” there shall be inserted “or (4)”.
- (3) After subsection (3) there shall be inserted—
- “(4) In the case of Transport for London—
- (a) the powers conferred by subsection (1) above shall be exercisable with the written consent of the Mayor of London; and
  - (b) subsection (2) above shall not have effect.”

### *Interpretation*

## **169 Meaning of “transport subsidiary’s agreement”**

- (1) In this Act “transport subsidiary’s agreement” means an agreement with a person (“the contractor”)—
- (a) which is entered into by, or transferred to, a subsidiary of Transport for London, and
  - (b) which falls within subsection (2) or (3) below.
- (2) An agreement falls within this subsection if it includes provision for the carrying on by the contractor, whether as agent for the subsidiary or otherwise, of any activities which Transport for London has power to carry on; and such an agreement may include provision with respect to the provision or financing of any public passenger transport services.
- (3) An agreement falls within this subsection if it includes provision for the carrying on by the contractor of any activities which Transport for London does not have power to carry on and also provision for one or more of the following, namely—
- (a) the carrying on by the contractor of such activities as are mentioned in subsection (2) above;

- (b) the provision by the contractor to the subsidiary of services ancillary to the provision of public passenger transport services; and
- (c) the use by the contractor of land or other property owned by Transport for London or a subsidiary of Transport for London, or transferred to the contractor by Transport for London or a subsidiary of Transport for London, for the purposes of the agreement.