



Transport Act 1985

1985 CHAPTER 67

PART V

FINANCIAL PROVISIONS

Expenditure on public passenger transport services

88 Expenditure on public passenger transport services.

- (1) Any power conferred on any authority responsible for expenditure on public passenger transport services to enter into agreements providing for service subsidies (however framed, and whether arising under this Act or under any other enactment) shall be subject to sections 89 to 92 of this Act.
- (2) It shall be the duty—
 - (a) of all such authorities, in exercising and performing their functions with respect to securing the provision of public passenger transport services; and
 - (b) of all authorities who are—
 - (i) local education authorities in England and Wales or education authorities in Scotland; or
 - (ii) local authorities exercising, in England and Wales, social services functions or, in Scotland, social work functions;in relation to any expenditure on transport for the purposes of or in connection with the exercise and performance of their functions as local education authorities or education authorities or (as the case may be) of their social services or social work functions;to co-operate with one another so as to secure, in the interests of the ratepayers of their areas, the best value for money from their expenditure on public passenger transport, taken as a whole.
- (3) In subsection (2)(b)(ii) above “local authority” means—
 - (a) in relation to England and Wales, an authority who are a local authority for the purposes of the ^{M1}Local Authority Social Services Act 1970; and

Status: Point in time view as at 01/04/1996. This version of this provision has been superseded.

Changes to legislation: Transport Act 1985, Section 88 is up to date with all changes known to be in force on or before 08 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (b) in relation to Scotland, an authority who are a local authority for the purposes of the ^{M2}Social Work (Scotland) Act 1968.
- (4) It shall be the duty of all authorities mentioned in subsection (2) above to afford to one another such information as may be reasonably required for the purpose of the co-operation required of them under that subsection.
- (5) Where, as a result of any such co-operation, any such authority—
- (a) incur expenditure which they would not otherwise have incurred; or
 - (b) receive less revenue than they would otherwise have done;
- that authority may, by notice to the other authority or authorities concerned, require that other authority or (as the case may be) those other authorities to reimburse the amount of that expenditure or of that reduction in revenue.
- (6) If—
- (a) any amount in respect of which, in accordance with a notice under subsection (5) above, any such authority or authorities are required to reimburse another such authority; or
 - (b) where two or more such authorities are required by any such notice to reimburse another such authority, the share of that amount payable by each authority concerned;
- is not determined by agreement between both or all the authorities concerned within six months of the receipt of the notice or such longer period as may be agreed between them, that amount and (where paragraph (b) above applies) the share payable by each authority concerned shall be determined by an arbitrator or, in Scotland, by an arbiter.
- (7) Any such arbitrator or (as the case may be) arbiter shall be appointed either by agreement between the authorities concerned or, in default of such agreement, by the President of the Chartered Institute of Public Finance and Accountancy.
- (8) References in this Part of this Act to authorities responsible for expenditure on public passenger transport services are references to—
- (a) Passenger Transport Executives;
 - (b) non-metropolitan county and district councils in England and Wales; and
 - (c) ^{F1} . . . councils in Scotland;
- and in sections 89 to 92 of this Act include references to London Regional Transport in relation to any exercise of their power under section 3(2) of the ^{M3}London Regional Transport Act 1984 (contracting-out powers) which by virtue of section 65(3) of this Act is subject to those sections.

Textual Amendments

F1 Words in s. 88(8)(c) repealed (S.) (1.4.1996) by [S.I. 1996/974, art. 2\(2\)](#), [Sch. 2](#)

Modifications etc. (not altering text)

C1 S. 88(1) excluded (E.W.) (26.10.2001 for E. and otherwise prosp.) by [2000 c. 38, ss. 124\(6\), 275](#); [S.I. 2001/3342, art. 2](#), [Sch.](#)
 S. 88(1) excluded (S.) (1.7.2001) by [2001 asp 2, s. 13\(9\)](#) (with s. 66); [S.S.I. 2001/132, art. 2\(3\)](#), [Sch. Pt. I](#)

Marginal Citations

M1 [1970 c. 42.](#)

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M2 1968 c. 49.

M3 1984 c. 32.

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