

EXPLANATORY MEMORANDUM TO
THE TRANSPORT LEVYING BODIES (AMENDMENT) REGULATIONS 2012

2012 No. 213

1. This explanatory memorandum has been prepared by the Department for Transport and is laid before Parliament by Command of Her Majesty.

2. **Purpose of the instrument**

- 2.1 The purpose of this instrument is to clarify the law so that it is clear that the Greater Manchester Combined Authority has the power to issue a levy to councils within the area of the Combined Authority, in respect of its expenses relating to transport, equivalent to the power previously enjoyed by the Greater Manchester Integrated Transport Authority.

3. **Matters of special interest to the Joint Committee on Statutory Instruments *or* the Select Committee on Statutory Instruments**

- 3.1 None.

4. **Legislative Context**

- 4.1 The Greater Manchester Combined Authority was constituted by the Greater Manchester Combined Authority Order 2011 (S.I. 2011/908). The Authority supersedes the Greater Manchester Integrated Transport Authority (formerly the Greater Manchester Passenger Transport Authority) and, under the Order of 2011, combines the functions of that body with those of an Economic Prosperity Board under Part 6 of the Local Democracy, Economic Development and Construction Act 2009, together with other functions relating to transport and economic development.

- 4.2 Integrated Transport Authorities are levying bodies for the purposes of section 74 of the Local Government Finance Act 1988 as is a combined authority (of which the Greater Manchester Combined Authority is the only one so far constituted) by virtue of section 74(8) and (10) of that Act and regulations may be made by the Secretary of State under that section in relation to the expenses of the authority that are reasonably attributable to the exercise of its functions relating to transport.

- 4.3 The Transport Levying Bodies Regulations 1992 (S.I. 1992/2789) are expressed by regulation 3 to apply to “the metropolitan county traffic authorities established by section 28 of the Local Government Act 1985”. In accordance with section 77(3) and (4) of the Local Transport Act 2008 and article 7(3) of the Greater Manchester Combined Authority Order 2011, the reference to these now superseded authorities is to be read as a reference to the integrated transport authorities and to the Greater Manchester Combined

Authority. Nevertheless the Greater Manchester Combined Authority would like this to be made explicit by amendments to the 1992 Regulations and that is what this instrument does by amending references in those Regulations to the superseded authorities to references to the integrated transport authorities and the Greater Manchester Combined Authority.

5. Territorial Extent and Application

5.1 This instrument applies to England and Wales.

6. European Convention on Human Rights

6.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

7.1 The Greater Manchester Combined Authority was established on 1 April 2011, and on the same date the Greater Manchester Integrated Transport Authority ceased to exist, by virtue of the Greater Manchester Combined Authority Order 2011 (S.I 2011/908). This Order gave effect to the joint desire of all the metropolitan district councils in Greater Manchester to exercise the powers available under the Local Democracy, Economic Development and Construction Act 2009, in order to improve their joint working by establishing a Combined Authority with functions relating to economic development, regeneration and transport.

7.2 The scheme prepared by the Greater Manchester authorities under the 2009 Act proposed that the Combined Authority should be given an equivalent levying power to that enjoyed by Integrated Transport Authorities, meaning that the amounts raised by such levies would be apportioned to the constituent local authorities by population size, and that the costs of the Combined Authority relating to the exercise of its economic development and regeneration functions should also be met by the constituent authorities, apportioned by population size. The Government agreed with these proposals, and stated that the transport levy would be put in place by a suitable amendment to the Transport Levying Bodies Regulations 1992.

8. Consultation outcome

8.1 The Government published on 31 March 2010 a consultation document on the proposal to establish a Combined Authority for Greater Manchester, including the proposed funding arrangements summarised in paragraph 7.2 above, and the consultation concluded on 14 July 2010. The response to the consultation showed strong support for the proposals from a range of private sector and public sector bodies across Greater Manchester, and in November 2010 the Government confirmed its intention to support the establishment of the Combined Authority.

9. Guidance

9.1 The Department for Communities and Local Government has published draft statutory guidance on economic prosperity boards and combined authorities.

10. Impact

10.1 The impact on business, charities or voluntary bodies of the Combined Authority is expected to be negligible. This instrument is not expected to have any impact on such bodies because it merely clarifies what is already the law.

10.2 This instrument is not expected to have any impact on the public sector.

10.3 An Impact Assessment has not been prepared for this instrument.

11. Regulating small business

11.1 The legislation does not apply to small business.

12. Monitoring & review

12.1 The combined authority and its constituent local authorities will undertake a joint review of the combined arrangements pursuant to section 111 of the Local Democracy, Economic Development and Construction Act 2009.

13. Contact

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