



Transport for London Act 2016

2016 CHAPTER i

An Act to confer further powers upon Transport for London; and for related purposes. [4th May 2016]

WHEREAS—

- (1) It is expedient that the powers of Transport for London should be extended and amended as provided in this Act:
- (2) It is expedient that subsidiaries of Transport for London should have further powers as regards giving security for borrowing:
- (3) It is expedient that Transport for London should have further powers as regards the carrying out of activities specified pursuant to section 157 of the Greater London Authority Act 1999:
- (4) It is expedient that further provision be made as regards risk mitigation:
- (5) It is expedient that the other provisions contained in this Act should be enacted:
- (6) The purposes of this Act cannot be effected without the authority of Parliament:
- (7) In relation to the promotion of the Bill for this Act, Transport for London has complied with the requirements of section 167 of, and Schedule 13 to, the Greater London Authority Act 1999:

May it therefore please your Majesty that it may be enacted, and be it enacted, by the Queen's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1 Citation and commencement

- (1) This Act may be cited as the Transport for London Act 2016 and, except for section 4 (power to give security for monies borrowed etc.) shall come into force at the end of the period of two months beginning with the date on which it is passed.
- (2) Section 4 shall come into force on the appointed day.

Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.

2 Interpretation

In this Act—

- “the 1999 Act” means the Greater London Authority Act 1999;
- “company” has the same meaning as in the 1999 Act;
- “Mayor” means the Mayor of London;
- “subsidiary” has the meaning given by section 1159 of the Companies Act 2006; and
- “TfL” means Transport for London.

3 Appointed day

- (1) In section 1(2) (citation and commencement) “the appointed day” means such day as may be fixed by a decision of TfL, subject to and in accordance with the provisions of this section.
- (2) No day fixed under this section may be before the end of the period of two months beginning with the date on which this Act is passed.
- (3) TfL shall cause to be published in a newspaper circulating in London and in the London Gazette notice—
 - (a) of the taking of any such decision and of the day fixed thereby; and
 - (b) of the general effect of section 4,and the day so fixed shall not be earlier than the expiration of two months from the publication of the notice or, if it is published on two days, from the later of those days.
- (4) Either a photostatic or other reproduction certified by the officer appointed for that purpose by TfL to be a reproduction of a page or part of a page of any such newspaper or the London Gazette bearing the date of its publication and containing any such notice shall be evidence of the publication of the notice and of the date of publication.

4 Power to give security for monies borrowed etc.

- (1) Section 164(a) of the 1999 Act (control of subsidiaries) does not apply to the things specified in subsection (2) which are done with the consent of the Mayor by a TfL subsidiary, even though TfL itself has no power to do them because of section 13 of the Local Government Act 2003 (security for money borrowed).
- (2) Those things are the charging by a TfL subsidiary of all or any of its property as security for money which it borrows or which it otherwise owes or the payment of which it guarantees, or in respect of which it gives an indemnity, including the creation of priority as between charges.
- (3) Where the charge was created by a company before the time at which it becomes a TfL subsidiary, the charge shall continue to have effect according to its terms and subject to the consent of the Mayor, as security for money borrowed or otherwise owed by it or the payment of which it has guaranteed, or in respect of which it has given an indemnity, immediately before that time.
- (4) For the purposes of subsection (3) the charge may continue to have effect as regards the company’s property, whether the property charged is acquired before, or after, the company becomes a TfL subsidiary.

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- (5) Where property is charged at any time pursuant to subsection (1) the charge shall not take priority over any other charge over that property which is in existence before that time, unless the person entitled to the benefit of that other charge consents.
- (6) Except for the property identified in the Schedule to this Act, a TfL subsidiary may not charge any property for any of the purposes mentioned in subsection (2) without the consent of the Secretary of State.
- (7) In this section—
- “acquire”, in relation to revenue, includes generate;
 - “charge” includes mortgage and includes a charge by way of a fixed or floating charge over all or any part of the TfL subsidiary’s property;
 - “property” includes revenue and rights;
 - “revenue” includes future revenue;
 - “rights” includes rights to property; and
 - “TfL subsidiary” means a subsidiary of TfL.

5 Specified activities

- (1) In section 157(1) of the 1999 Act (power of the Secretary of State to specify activities which may not be carried out by TfL except through certain companies limited by shares) for the words from “a company which is limited” to the end substitute—
- “(a) a limited liability partnership of which a subsidiary of Transport for London (but not Transport for London) is a member; or
 - (b) a company which is registered under the Companies Act 2006 and limited by shares or limited by guarantee and which is—
 - (i) a subsidiary of Transport for London; or
 - (ii) 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 sub-paragraph (i) above.”
- (2) For article 3 of the [Transport for London \(Specified Activities\) Order 2000 \(S.I. 2000/1548\)](#) (prohibition against carrying on specified activities through companies) substitute—

“3 Prohibition against carrying on specified activities through a partnership or company

Transport for London shall not carry on any specified activity except through—

- (a) a limited liability partnership of which a subsidiary of Transport for London (but not Transport for London) is a member, or
- (b) a company which is registered under the Companies Act 2006 and limited by shares or limited by guarantee and which is—
 - (i) a subsidiary of Transport for London; or
 - (ii) a company which Transport for London formed, or joined with others in forming, by virtue of section 156(1) of the 1999 Act and which does not fall within sub-paragraph (i) of this paragraph.”