



Department
for Transport

Ms Sophie Stewart
DLA Piper UK LLP
1 St. Peter's Square
Manchester
M2 3DE

Via Email

**Transport Infrastructure
Planning Casework Unit**
PO Box 1393
Newcastle Upon Tyne
NE99 5FQ

Email:
nationalcasework@dft.gov.uk

Web Site: www.dft.gov.uk

— Your Ref:

Our Ref: NATTRAN/NW/HAO/320

Date: 29 September 2026

Dear Ms Stewart,

**TRANSPORT ACT 1968
ACQUISITION OF LAND ACT 1981**

**THE MERSEYSIDE PASSENGER TRANSPORT EXECUTIVE (BUS FRANCHISING,
BUS DEPOTS) COMPULSORY PURCHASE ORDER 2025**

1. I am directed by the Secretary of State for Transport (“the Secretary of State”) to say that consideration has been given to the report of the Inspector Katie McDonald MSc MRTPI (“the Inspector”) dated 22 July 2026. The Inspector held a public local inquiry on 7 July 2026 into the application made by Merseyside Passenger Transport Executive (“the Executive”), acting on behalf of Liverpool City Region Combined Authority (“CA”), for confirmation of the Merseyside Passenger Transport Executive (Bus Franchising, Bus Depots) Compulsory Purchase Order 2025 (“the CPO”), made on 11 September 2025 under section 10(3) of the Transport Act 1968 and the Acquisition of Land Act 1981.
2. Enclosed with this letter is a copy of the Inspector’s Report. All “IR” references in this letter are to the specified paragraph in the Inspector’s Report.
3. The confirmed CPO would allow the acquiring authority, the Executive trading as Merseytravel (“MT”), acting on behalf of the CA, to compulsorily acquire land needed to support the letting of bus franchise contracts across the Liverpool City Region (“the Scheme”). The Order land comprises 22 plots across 7 sites, representing 7 existing bus depots, together with land identified for future expansion at Birkenhead and Speke Bus Depot (IR 1.3-1.4). The purpose of acquiring the depots is to ensure the CA has sufficient control over key infrastructure to deliver a fair, competitive and resilient franchised bus network, including by supporting depot upgrades required for fleet decarbonisation and long-term network resilience (IR 4.6-4.14).

Summary of Inspector's recommendation

4. The Inspector recommended that the Order should be confirmed (IR 8.1).

Summary of Secretary of State's Decision

5. For the reasons given in this letter, the Secretary of State agrees with the Inspector's recommendation and has decided to confirm the Merseyside Passenger Transport Executive (Bus Franchising, Bus Depots) Compulsory Purchase Order 2025 with the modifications set out in Annex A to this letter.

Procedural Matters

6. In making the application the Executive is required to comply with the publicity requirements set out at section 11 of the Acquisition of Land Act 1981. The Secretary of State is satisfied that these requirements have been complied with.

7. At the close of the statutory objection period, six statutory objections had been received. It was therefore decided that a Public Local Inquiry should be held to hear those objections. Five objections were withdrawn before the Inquiry opened, and the remaining objection, from Ms M R Howarth, was withdrawn before the Inquiry closed (IR 2.2). There were no objections outstanding at the close of the Inquiry (IR 2.3).

Secretary of State's Consideration

8. The Secretary of State notes that the Inspector had regard to the Ministry of Housing, Communities and Local Government's *Guidance on the Compulsory Purchase Process* (January 2025). The Secretary of State notes that the guidance was updated in June 2026 but does not consider that the update materially affects the matters considered by the Inspector or the conclusions reached.

9. Like the Inspector, the Secretary of State has considered the following relevant tests for justifying the use of compulsory purchase powers, as set out in the Ministry of Housing, Communities and Local Government's 'Guidance on the Compulsory Purchase Process':

- i. whether there is a compelling case in the public interest to justify conferring on the acquiring authority powers to compulsorily acquire and use land for the purposes of the scheme, including whether reasonable efforts have been made by the acquiring authority to negotiate the purchase of land by agreement;
- ii. whether the purposes for which the compulsory purchase powers are sought are sufficient to justify interfering with the human rights of those with an interest in the land affected (having regard to the Human Rights Act 1998);
- iii. the acquiring authority should have a clear idea of how it intends to use the land that it wishes to acquire;
- iv. sufficient resources should be available to complete the compulsory acquisition within the statutory period following confirmation of the Order, and to implement the scheme; and

- v. there should be a reasonable prospect of the scheme going ahead and it should be unlikely to be blocked by any impediment to implementation.

CONCLUSIONS

10. The Secretary of State has carefully considered the representations about the CPO.

11. Where not otherwise stated in this letter, the Secretary of State can be taken to agree with the findings, conclusions and recommendations set out in the Inspector's Report and the reasons given for the Secretary of State's decision are those given by the Inspector in support of the conclusions and recommendation.

12. The Secretary of State is satisfied with the Inspector's conclusions at IR 5.4 that securing the freehold of the bus depots and surrounding land is necessary and fundamental to the success of the bus franchising scheme. In particular, the Secretary of State notes the Inspector's conclusion that public ownership of the depot estate would help secure a fair and competitive market for franchised bus services, maintain key operational infrastructure, and enable investment in upgrades such as electric vehicle charging and other decarbonisation infrastructure.

13. The Secretary of State notes that two alternatives to the Scheme were considered: "do not franchise" and "build new bus depots" (IR 4.15-4.17). However, she agrees with the Inspector's conclusions at IR 5.5 that the alternatives would not deliver the significant public benefits that the Scheme would provide. The Inspector noted that there is sufficient funding in place for the acquisition of the sites and any associated compensation, and was satisfied that there are no impediments to the implementation of the Scheme (IR 5.5). The Secretary of State has no reason to disagree and notes that no physical development works are required to deliver bus franchising, no material change of use of the existing bus depots is expected, and no planning permission is required.

14. The Secretary of State agrees with the Inspector's conclusions at IR 5.6 that the comprehensive benefits of the Scheme could not be achieved without acquisition of the land. Consequently, there is a compelling case in the public interest to acquire the land to enable a successful, competitive, secure and fair bus franchising scheme for the Liverpool City Region.

15. The Secretary of State agrees with the Inspector's conclusions at IR 5.7 that the acquiring authority has undertaken meaningful attempts to acquire the Order land by private treaty, in accordance with the CPO Guidance. She notes that all objections have been withdrawn.

16. The Secretary of State agrees with the Inspector's conclusion at IR 6.2 that, given the significant public benefits that would be provided, there is a compelling case to justify interfering with Article 1 of the First Protocol to the Convention, as incorporated by the Human Rights Act 1998. She also agrees with the Inspector's conclusions at IR 7.2 and IR 7.4 that, following an Equality Impact Assessment by the CA/MT of the Scheme's impact on protected groups, in line with the Equality Act 2010, any potential adverse impacts are capable of being mitigated and the CPO would have a neutral effect (IR 7.4). In reaching this conclusion, the Secretary of State has had regard to the potential impacts

identified for older persons and people on lower incomes as summarised at IR 7.3, particularly in relation to digital and contactless ticketing, and to the mitigation measures identified, including contact centres, in-person assistance, information at stops, ticket machines, and audio-visual announcements.

17. The Secretary of State has relied on the information provided by the Merseyside Passenger Transport Executive and others, including the CPO and related plans, diagrams, statements and correspondence, as being factually correct. Confirmation is given on that basis.

COMPENSATION

18. Details of compensation arising as a consequence of confirmation of a CPO are a matter for negotiation with the acquiring authority and not the Secretary of State. Accordingly, qualifying persons in relation to the land included in the CPO will need to be approached by the acquiring authority about the amount of compensation payable to them in respect of their interests in the land. If the amount cannot be agreed the matter may be referred for determination by the Upper Tribunal (Lands Chamber) under the Lands Tribunal Act 1949 and the Land Compensation Acts 1961 and 1973, as amended by the Planning and Compulsory Purchase Act 2004.

AVAILABILITY OF DOCUMENTS

19. A copy of this letter, together with a copy of the Inspector's Report, has been sent to those parties who appeared at the Inquiry, other interested parties, and relevant Members of Parliament. Copies will also be made available for inspection at <https://www.gov.uk/government/collections/highways-act-inspectors-reports-and-decision-letters#2026-applications-and-decisions>.

20. Please arrange for a copy of the Inspector's report and of this letter to be made available for inspection on the Liverpool City Region Combined Authority's website and at all other places used to deposit the CPO for public inspection at making stage. Any person entitled to a copy of the Inspector's Report may apply to the Secretary of State for Transport, at the address shown on this letter within 6 weeks of the receipt of this letter, to inspect any document, photograph or plan submitted by the Inspector with the Inspector's Report.

CHALLENGE TO DECISION

21. The circumstances in which the Secretary of State's decision may be challenged are set out in Annex B to this letter.

Yours sincerely,

Transport Infrastructure Planning Casework Unit

ANNEX A

**THE MERSEYSIDE PASSENGER TRANSPORT EXECUTIVE (BUS FRANCHISING,
BUS DEPOTS) COMPULSORY PURCHASE ORDER 2025**

Location of Entry	Nature of modification
The Schedule	Table 1, Column 2, Plots 1-22, the word "approximately" to be deleted.

ANNEX B

RIGHT OF CHALLENGE

Notice is to be published of confirmation of the Order. Any person who wishes to question the validity of the confirmed Order, or any particular provision contained in it, on the grounds that the Secretary of State has exceeded her powers or has not complied with the relevant statutory requirements in confirming it may, under section 23 of the Acquisition of Land Act 1981, do so by application to the High Court. Such an application must be made within six weeks of publication of the notice that the Order has been confirmed.

In confirming the Order, the Secretary of State has relied on the information that the acquiring authority and others have provided, as contained in the Order and any related plans, diagrams, statements or correspondence, as being factually correct. Confirmation is given on this basis.