

## **Buses Bill Briefing**

The Department for Transport is in the process of drafting new legislation which will affect the provision of local bus services in England.

The Buses Bill is expected to be published in late 2015 to early 2016 and will contain two main provisions.

The first of these will be to enable local authorities who have been successful in securing devolved powers for public transport to suspend the deregulated market in their area and seek bidders for contracts to provide local bus services under exclusive rights. This would be as an alternative to the existing powers under the 2000 Transport Act to establish a Quality Contract for an area. The authority would not be required to exercise such powers if they assumed devolved powers for public transport, but it would enable them to “take control” in a potentially less administratively burdensome manner.

The bus industry does not see great benefits arising from such an approach. In the fifteen years since the powers were made available to local authorities to take control of local transport and suspend the deregulated market, only one such scheme has been developed to the stage where it is formally evaluated – that being for Tyne & Wear, currently awaiting the outcome of the inquiry into the proposals. Taking the specification of local bus services away from the market and commercial operators is unlikely to be able to deliver the equivalent (or better) level and standard of services that is offered today at a cost which is affordable to the local authority. Furthermore the disruption faced by passengers in any intervening transitional period before such a contracted regime took effect would be likely to be of concern.

The second element of the Bill is to facilitate the development of stronger and more innovative quality partnership agreements between local authorities and bus operators. Within the last year, efforts have been made to extend the scope of such agreements to encompass such aspects as unified network planning and common ranges of ticket products across operators. Pushing the boundaries in this way has required consultation with the Competition and Markets Authority, which has necessitated more time and expense than might always be affordable.

So in order to make such enhanced partnership agreements available more widely, the Department is considering a framework whereby having established a formal governance arrangement and safeguarded against potential anti-competitive actions by operators, such further reaching measures may be encompassed in local agreements, with the potential stability and legibility benefits for the public.

Other areas under consideration include replacement of the current service registration process with a digital system, and making service performance data more publicly available.

It is likely that, having gone through the parliamentary process, the Bill will become law early in 2017.