

Briefing for the Citizen Participation and Public Petitions Committee on PE2116: Accelerate the implementation of bus franchising powers, submitted by Ellie Harrison on behalf of Better Buses for Strathclyde

Background

Section 38 of the Transport (Scotland) Act 2019, which came into effect in December 2023, provides the legislative basis for Scottish local transport authorities to introduce local bus service franchising. This is a system allowing an authority to specify bus routes, timetables, and services standards within a designated area. A similar system has operated in Greater London since the mid-1980's and has recently been introduced in Greater Manchester.

The full suite of secondary legislation and guidance necessary for the introduction of local service franchising in Scotland is not yet in place.

Local service franchising can only come into effect once a local transport authority has developed an overarching franchising framework and then entered into franchise agreements with bus operators.

A franchising framework must specify:

- The area that it covers.
- The bus services to be provided.
- The period it will be in operation.
- Service standards to be provided under franchise agreements.

The franchising framework is implemented through franchise agreements, which are agreements between the local transport authority and local bus service operators under which:

- the local transport authority grants an operator the exclusive right to provide the services to which the agreement relates, which can include payment by the authority to the operator.
- that operator undertakes to provide those services on such terms as may be specified in the agreement.

The process to be followed by a local transport authority wishing to make a franchising framework can be summarised as follows:

- prepare a proposed framework.
- prepare an assessment of the proposed framework.
- obtain a report from an independent auditor on the financial implications of the proposed framework.
- consult on the proposed framework.
- if necessary, modify the proposed framework and, where the modifications materially affect an aspect of the assessment, go through the process of assessment and audit again; and
- obtain approval to make the proposed framework from a panel convened by the traffic commissioner [a UK Government appointed official responsible for bus operator licensing] for that purpose.

Scottish Government Action

The Cabinet Secretary for Transport was asked about the introduction of local service franchising at the [Net Zero, Energy and Transport Committee meeting on 4 June 2024](#), to which she replied “The regulations that prescribe the process for transitioning from a deregulated system to a franchise are expected to be laid in early autumn 2024 and to come into force before the end of the year.”

The Scottish Government provides financial support to local transport authorities wishing to use the bus related powers introduced by the Transport (Scotland) Act 2019, including local service franchising, through the [Community Bus Fund](#). The Scottish Government allocated £5 million capital funding and £1 million of resource funding for such work in [financial year 2024-25](#).

Scottish Parliament Action

The Net Zero, Energy and Transport Committee continues to scrutinise progress in implementing local bus service franchising in Scotland. Most recently [questioning the Cabinet Secretary for transport in this issue at its Committee meeting on 4 June 2024](#).

Alan Rehfish
Senior Researcher
24 September 2024

SPICe research specialists are not able to discuss the content of petition briefings with petitioners or other members of the public. However, if you

have any comments on any petition briefing you can email us at spice@parliament.scot

Every effort is made to ensure that the information contained in petition briefings is correct at the time of publication. Readers should be aware however that these briefings are not necessarily updated or otherwise amended to reflect subsequent changes.

Published by the Scottish Parliament Information Centre (SPICe), an office of the Scottish Parliamentary Corporate Body, The Scottish Parliament, Edinburgh, EH99 1SP