

## Report to Partnership Meeting 23 August 2013

### CONSULTATION

#### Bus Regulation (Scotland) Bill

##### Purpose of Report

This report advises Members on the background to the consultation by Iain Gray MSP on his proposal for a Bus Regulation Bill.

##### Background

Iain Gray MSP has launched a consultation in connection with a draft proposal which he has lodged as the first stage in the process of introducing a Private Members' Bill in the Scottish Parliament. The Bus Regulation (Scotland) Bill would aim to provide transport authorities with greater powers to set service levels for local bus services, including a power to group profitable routes with non-profitable routes before they are put out to tender with operators, and greater ability to use local authority fleets to provide transport services.

The consultation seeks views on 8 specific questions regarding support for the general aims of the proposed Bill; views on the practical advantages or disadvantages of the proposed legislation; how regulation could be used to improve bus services; how community transport might be better utilised; whether the Traffic Commissioner should be able to impose greater penalties on operators who default on their responsibilities; assessment of the likely financial implications of the proposed Bill; views on any substantial implications on equality; and seeks any other comments or suggestions for inclusion in the proposed Bill.

The general ethos and principles underpinning the proposed Bill, which is aimed at giving transport authorities' greater ability to influence the provision and stability of bus services and ensure that these meet the needs of communities, are likely to be widely supported. However, the proposals to grant transport authorities powers to bundle profitable and non-profitable routes without the need to prove "market failure" raise a number of potential questions and issues, including :-

- compliance with competition and procurement legislation, including EU legislation;
- public sector funding implications of franchising;
- cross-boundary impacts on tendering and competition in franchised and non franchised areas;
- replacement of the current "market failure" test.

##### Next Steps

This Bus Regulation Bill proposal follows a similar effort to consider increasing powers for local transport authorities in the previous parliamentary administration. This earlier proposal by Charlie Gordon MSP found little traction. This motion has gained greater momentum and while it may not ultimately result in new legislation it comes at a time where the Scottish Government has established a Bus Stakeholder Group that is looking at passenger focused quality looking at passenger focused improvements that could be achieved in partnership

with a wide range of interested parties. The Bus Regulation Bill proposal does offer a good opportunity for views to be expressed on how bus services can be improved for passengers and will help inform the future debate. HITRANS officers therefore propose that a draft response be prepared in advance of the Partnership meeting to facilitate and focus discussion at the meeting.

## Recommendations

Members are asked to:-

1. Note the report.
2. Consider the priorities that HITRANS should focus on in our response to the Consultation.

| <b>Risk</b>  | <b>Impact</b> | <b>Comment</b>   |
|--------------|---------------|--|
| RTS delivery | √             | This work supports RTS objectives.                           |
| Policy       | √             | This work is designed to support delivery of our bus policy. |
| Financial    | √             | There are no cost implications of this item.                 |
| Equality     | -             | No impact on Equalities issues.                              |

**Report by:** Ranald Robertson  
**Designation:** Partnership Director  
**Date:** 9<sup>th</sup> August 2013