

Report on the Legislative Consent Memorandum for the Bus Services (No. 2) Bill

1. The Bus Services (No. 2) Bill ("the Bill") was introduced in the House of Lords on 17 December 2024. The Bill is sponsored by the Department for Transport.
2. The Welsh Government laid a Legislative Consent Memorandum (LCM) on the Bill before the Senedd on 11 March 2025. The Business Committee referred the LCM to the Climate Change, Environment, and Infrastructure Committee with a reporting deadline of 9 May.

Policy objectives

3. The Explanatory Notes to the Bill explain the purpose of the Bill is as follows:

"The Bus Services (No. 2) Bill brings forward primary legislative measures intended to support the government's commitment to deliver better buses. The intention is to empower local leaders in England to choose the bus operating model that works for their local area and provide powers to effectively underpin these models. This should help improve bus services and grow usage, as passengers benefit from a more reliable network that provides the connections people need across the country.

The Bill contains measures to simplify the process for local transport authorities (LTAs) who wish to pursue bus franchising; strengthen legislation governing Enhanced Partnership (EP) agreements between LTAs and bus operators; and enable LTAs to establish new local authority bus companies (LABCos).



It includes provisions that: devolve grant making powers to LTAs; provide greater protection against service cancellation by placing a duty on LTAs to consider the provision of socially necessary local services, reduce the use of new non-zero emission buses, and deliver a more accessible and inclusive bus network, including measures aimed at protection from anti-social behaviour and violence against women and girls.

The Bill also contains measures aimed at improving the transparency and availability of data relating to bus services."

Provisions in the Bill for which consent is required

4. The LCM explains that, in the view of the Cabinet Secretary, the Senedd's legislative consent is required in relation to clause 23 of the Bill only. The LCM explains that the UK Government believes that clause 23 relates to reserved matters and therefore does not engage the legislative consent process in the Senedd.
5. The Explanatory Notes for the Bill conclude that clause 23 does not relate to reserved matters. However, it explains that, whilst the provision extends and applies to England, Scotland, and Wales, it applies only in respect of persons authorised to act as inspectors by authorities in England and therefore, in the view of the UK Government, does not require legislative consent.

Clause 23

6. Clause 23 amends section 24 of the Public Passenger Vehicles Act 1981 to enable the Secretary of State to make regulations about the conduct of inspectors authorised by a local transport authority ("LTA") in England, in relation to a local service which has a stopping place in England, whether the vehicle used to provide that service is in England or not.
7. The role of "inspector" is defined by section 24(4) of the 1981 Act as a person authorised to act as an inspector by the holder of the public service vehicle ("PSV") operator's licence under which the vehicle is being used. The Bill will amend this definition so that LTAs in England and Transport for London ("TfL"), as well as PSV operators, can authorise persons as "inspectors". The UK Government's Delegated Powers Memorandum explains that "this will allow LTAs in England and TfL to authorise locally accredited enforcement officers to exercise the fare evasion-related powers" in the Public Service Vehicles (Conduct of Drivers, Inspectors, Conductors and Passengers) Regulations 1990.
8. The power provided by clause 23 is intended to ensure regulations clarify how the powers of LTA or TfL-authorised inspectors will apply when bus services cross the boundaries of those

authorities or TfL. It provides that the existing regulation making power in section 24(1)(b) of the 1981 Act extends to making provision about whether LTA and TfL-licensed inspectors can exercise their powers outside the authorising LTA or TfL's area, or in relation to a local bus service which does not stop in the authorising LTA or TfL's area. This includes when the PSV used to provide the service is in Wales or Scotland. It does not extend the regulation making power in relation to the conduct of inspectors authorised by PSV operator licence holders.

9. In practice and to the extent that the provision affects Wales, this means that the Secretary of State may, by regulations, enable an inspector authorised by an English local authority to carry out an inspection of a cross-border service, whilst the vehicle is in Wales.

10. The LCM explains that it will continue to be the case that local authorities in Wales cannot appoint "inspectors" for the purposes of section 24 of the 1981 Act unless they do so in their capacity as a PSV operator in relation to particular services. This is because the definition of "inspector" is only amended in relation to LTAs in England and TfL. As such, the Cabinet Secretary states in the LCM:

"I am not concerned about the impact of this provision on bus services in Wales because they will not change operators' ability to appoint inspectors in Wales."

11. The Cabinet Secretary goes on to state:

"The interconnected nature of the transport system in Wales and England means there will inevitably be a cross over in interests. However, in the case of clause 23 it does not seek to make provision for Wales, but it will impact a devolved matter, i.e. local bus services."

12. As explained in the LCM, the provision will not affect an operator's ability to appoint inspectors on their local bus services that have one or more stopping places in Wales. However, the conduct of inspectors of cross-border services may in some circumstances be regulated by the Secretary of State under section 24 of the 1981 Act, as amended by clause 23 of the Bill (provided that the inspector was authorised to act as such by an English LTA). In other words, where an inspector is authorised by an English LTA and the relevant bus service operates partially in Wales, inspectors carrying out inspections whilst the PSV is in Wales would be subject to regulations made by the Secretary of State.

13. The Cabinet Secretary has recommended that the Senedd supports the proposal and gives its consent.

Bus Services (Wales) Bill

14. On 31 March 2025, the Welsh Government introduced the Bus Services (Wales) Bill before the Senedd. The Bill will establish a new legislative framework to support the delivery of local bus services in Wales, as part of the Welsh Government's "one network, one timetable, one ticket" reform of public transport. It does not modify the legal framework for bus services in Wales falling outside the definition of a "local bus service".

15. The UK Government's Bus Bill, which is the subject of this LCM, will apply mainly in relation to England only. However, the LCM does not comment on the extent to which it may impact on the Welsh Government's proposed reforms of local bus services in Wales.

Our view

We note that the Cabinet Secretary's comments concerning the interconnected nature of public transport, particularly in areas near the border. We also note that the Cabinet Secretary is satisfied that clause 23 will not impact operators' ability to appoint inspectors in Wales. In due course, we believe the Welsh Government should develop clear guidance for bus operators in Wales regarding the interaction between Welsh and English inspection regimes on cross-border services.

We would appreciate reassurance from the Cabinet Secretary that there are no provisions in the UK Government's Bill that conflict with the aims of the Welsh Government's Bus Bill. We would be grateful for assurances from the Cabinet Secretary that he has held discussions with the Department for Transport on the interaction of the two Bills and, in particular, that the Welsh Government has undertaken a detailed analysis of the extent to which the provisions in the UK Bill will impact the Welsh Government's proposals.