SUPPLEMENTARY LEGISLATIVE CONSENT MEMORANDUM (MEMORANDUM NO 2)

Bus Services (No. 2) Bill

- This legislative consent memorandum is laid under Standing Order ("SO") 29.2. SO29 prescribes that a legislative consent memorandum must be laid, and a legislative consent motion may be tabled, before Senedd Cymru if a UK Parliamentary Bill makes provision in relation to Wales which has regard to devolved matters.
- 2. Bus Services (No. 2) Bill ("the Bill") was introduced in the UK Parliament, the House of Lords, on 17 December 2024. I laid an LCM on 11 March 2025.
- 3. The Bill as amended at the House of Lords at Report Stage can be found at: <u>Bus Services (No. 2) Bill [HL]</u>

Policy Objectives

- 4. The UK Government's stated policy objective is to deliver better bus provision by empowering local leaders in England to choose the bus operating model that works for their local area and provide powers to effectively underpin those models. The aim is to help improve bus services and grow usage, as passengers benefit from a more reliable network that provides the connections people need across the country.
- 5. The intention is to provide local leaders in England with more control and flexibility over bus funding and give them the freedom to take decisions to deliver their local transport priorities through:
 - a. Empowering local transport authorities (LTAs) and reforming funding.
 - b. Allowing every community to take back control of their buses.
 - c. Accelerating the bus franchising process.
 - d. Ensuring that the provision of socially necessary local services is considered appropriately.
 - e. Supporting public ownership.

Summary of the Bill

- 6. The UK Bill is sponsored by the Department for Transport (DfT).
- 7. The UK Bill makes provision for:
 - Franchising the UK Bill enables all LTAs to franchise their bus services without requiring the consent of the Secretary of State.

- Socially necessary local service this measure aims to promote the wider thinking around local network management, including how bus services are maintained.
- Enhanced Partnerships the UK Bill will strengthen the partnership approach between LTAs and bus operators.
- Local authority owned bus companies the UK Bill will repeal the ban on establishing new local authority bus companies.
- Grants the UK Bill will provide LTAs with a power to make grants to operators of bus services in their areas.
- Information about local services (bus registration) provisions on bus registration will place a statutory requirement on LTAs in Enhanced Partnership areas with a delegated registration function, and franchising authorities, to provide information about bus services to a common location and to a data standard defined in secondary legislation.
- Enforcement the UK Bill includes measures to improve safety on buses by giving greater powers for LTAs to bring forward byelaws to tackle anti-social behaviour and help to improve safety on buses. The Bill also amends section 24 of the Public Passenger Vehicles Act 1981 to give LTAs additional powers to enforce fare requirements.
- Safety and accessibility of stopping places the UK Bill includes the measure to develop statutory guidance on the inclusivity of bus stops and stations and facilities.
- Safeguarding for school services the UK Bill includes a measure to require operators of public service vehicles to check an enhanced criminal record certificate, including information as to whether the driver is on the children's barred list, for drivers who carry out "closed" school transport services frequently or more than 3 times in any 30-day period.
- Training of staff the UK Bill includes powers to mandate training of bus drivers and others on tackling crime (which the UK Government intends will include offences against women and girls) and anti-social behaviour, and in relation to disability awareness and disability assistance.
- Zero-emission Buses (ZEBs) this measure will accelerate the rollout of ZEBs by introducing a restriction on the use of new non-zeroemission buses on registered local bus services. The restriction will not be able to take effect before 1 January 2030.

- 8. My officials had several meetings and email exchanges with DfT colleagues during November and December 2024 to discuss the proposals for the UK Bill. DfT officials also held two workshops for England's bus industry stakeholders, which were attended by my officials. No formal consultation was held in relation to the provisions in this Bill.
- 9. The UK Bill makes a number of changes to existing statute, including to the Transport Act 1985 and the Public Passenger Vehicles Act 1981. These have already been amended many times by the UK Government and the devolved governments. This adds to their complexity and the time it has taken to unpick the details and how they apply to Wales.
- 10. In addition to this, the UK Bill was introduced on 17 December 2024, immediately prior to recess.

Update on position since the publication of the first Legislative Consent Memorandum

- 11. This supplementary LCM relates to provisions in the Bill as introduced. The provisions listed in this LCM should be read alongside the first LCM laid on 11 March 2025.
- 12. My officials continue to have discussions with DfT colleagues about whether amendments should be made in relation to these provisions, their application in Wales and their potential impact on the future delivery of the Bus Services (Wales) Bill, which is currently being considered by the Senedd.
- 13. In the meantime, I am laying this supplementary LCM in relation to those provisions in order to comply with SO29.

Provisions to the Bill for consideration at introduction for which consent is required

- 14. In my view, a supplementary LCM is required in relation to clauses 22(6)(b), 33, 34, 35 and 36.
 - Clause 22(6)(b) Local government bus companies clause 22(6)(b) provides that bus companies established under section 67 of the 1985 Act, have the ability to engage in activities in which their controlling authority has no power to engage. In Wales this will apply to Cardiff and Newport Bus companies.
 - Clause 33 Safeguarding duty: drivers of school services clause 33 requires operators to check the enhanced criminal record certificate of drivers of school services, which includes information on whether the individual is barred from undertaking regulated activity relating to children, or up-date information in relation to that enhanced criminal record certificate, every three years before permitting such drivers to

drive a public service vehicle on a closed school service (i.e. services that are not open to the public).

Clause 34 – Training about crime and anti-social behaviour (ASB) – clause 34 requires holders of PSV operator licences to ensure their drivers and other persons dealing directly with passengers or passenger issues on behalf of the operator, complete training at least every five years that would help them to identify, respond appropriately to, and where possible, prevent criminal offences that would cause a victim/potential victim to fear for their personal safety and ASB.

This clause provides the Secretary of State with powers to make regulations to require PSV operators to keep records, publish information and provide Secretary of State with information about their compliance with this training requirement. The Secretary of State may also issue guidance about compliance with this training requirement.

Clause 34(3) amends the Transport Act 2000 to provide enforcement powers for traffic commissioners against operators who breach this training requirement.

 Clauses 35 and 36 – Training about disability-assistance and disabilityawareness - Clause 35 amends Regulation (EU) 181/2011 so that on local services, all categories of staff referenced in Article 16 of the Regulation will undertake both disability-assistance and disabilityawareness training (currently, personnel, including drivers, of local services are only required to do disability-awareness training under that EU regulation). The relevant personnel will be required to undertake the training at least every 5 years.

Clause 36 provides the Secretary of State with a power to make regulations requiring carriers and terminal managing bodies to record and publish training statistics, to ensure that compliance is monitored. The Secretary of State may also issue guidance about compliance with those regulations and the disability training requirements under Regulation 181/2011. (Article 3 of Regulation 181/2011 defines "carrier" as a natural or legal person offering transport by regular or occasional services to the general public. I consider this broad definition includes PSV operators).

Clause 36(9) also inserts a new regulation 10A into the Rights of Passengers in Bus and Coach Transport (Exemptions and Enforcement) Regulations 2013 which provides enforcement powers for the traffic commissioners against those who breach the training requirements.

15. I consider that these clauses trigger the legislative consent process set out in Standing Order 29 on the basis that they contain provision in relation to Wales that has regard to devolved matters (namely, the delivery of local bus services).

UK Government view on the need for consent

- 16. The UK Government is of the view that these provisions relate to reserved matters and therefore do not engage the Legislative Consent process.
- 17. However, as detailed in paragraphs 12 and 13 above, I believe the stronger argument is that the clauses make provision in relation to devolved matters and thus require an LCM.

Welsh Government position on the Bill

- 18. Clause 22(6)(b) The purpose of this change is to clarify that the Transport Act 1985 does not geographically restrict where existing municipal bus companies, formed under Part IV of the Transport Act 1985, can operate services. Some of these companies had interpreted section 73(3)(a) as limiting their geographical scope of operations, when read with other provisions in the 1985 Act.
- Clause 33 I am of the view Officials that existing legislation and the <u>Learner Travel Statutory Provision and Operational Guidance</u> read together achieve a similar outcome to the provisions in clause 33.
- 20. Clauses 34-36 The recently introduced Bus Services (Wales) Bill makes provision for local bus services contracts and permits. These will enable the Welsh Ministers to set training and safety requirements on operators of local bus services.
- 21. In light of the above, I want to have further discussions with UK government on these provisions, before sharing assessment as to whether these provisions are in Wales' best interest.

Financial implications

22. It is not expected that there will be any additional financial implications to Welsh Government, though there are likely to be some financial implications for operators in Wales due to the requirements to provide and administer training to drivers and other staff. The full implications of this would have to be considered in light of the delivery of the Bus Services (Wales) Bill.

Conclusion

23. Whilst I welcome the engagement of the UK Government to date in respect of application of the provisions in this Bill, further engagement will be required before I am able to confirm to the Senedd the suitability of provision for Wales. I will continue to monitor the Bill's developments and update the Senedd as appropriate.

Ken Skates MS Cabinet Secretary for Transport and North Wales 23 May 2025