

Net Zero, Energy and Transport Committee
Tuesday 27 May 2025
19th Meeting, 2025 (Session 6)

Note by the Clerk on the Public Service Vehicles (Registration of Local Services) (Local Services Franchises Transitional Provisions) (Scotland) Regulations 2025 (SSI 2025/137)

Overview

1. At this meeting, the Committee will consider the following Scottish Statutory Instrument (SSI), which is subject to the negative procedure. The Committee is invited to consider the instrument and decide what, if any, recommendations to make.
2. More information about the instrument is summarised below:

Title of instrument: [Public Service Vehicles \(Registration of Local Services\) \(Local Services Franchises Transitional Provisions\) \(Scotland\) Regulations 2025 \(SSI 2025/137\)](#)

Laid under: [Transport \(Scotland\) Act 2001](#)

Laid on: 1 May 2025

Procedure: Negative

Deadline for committee consideration: 2 June 2025 (Advisory deadline for any committee report to be published)

Deadline for Chamber consideration: 9 June 2025 (Statutory 40-day deadline for any decision whether to annul the instrument)

Commencement: 10 June 2025

Procedure

3. Under the negative procedure, an instrument is laid after it is made, and is subject to annulment by resolution of the Parliament for a period of 40 days beginning on the day it is laid.
4. Once laid, the instrument is referred to:
 - the Delegated Powers and Law Reform (DPLR) Committee, for scrutiny on various technical grounds, and
 - a lead committee, whose remit includes the subject-matter of the instrument, for scrutiny on policy grounds.

5. Any MSP may propose, by motion, that the lead committee recommend annulment of the instrument. If such a motion is lodged, it must be debated at a meeting of the Committee, and the Committee must then report to the Parliament (by the advisory deadline referred to above).
6. If there is no motion recommending annulment, the lead committee is not required to report on the instrument.

Delegated Powers and Law Reform Committee consideration

7. The DPLR Committee considered the instrument on 20 May 2025 and reported on it in its [35th Report, 2025](#). The DPLR Committee drew the instrument to the attention of the Parliament on the general reporting ground for a minor drafting error. In regulation 7(1), the reference to “paragraphs (2) to (4)” should be a reference to “paragraphs (2) and (3)”.

Purpose of the instrument

8. Every scheduled local bus service that operates in Scotland must be registered with the Scottish Traffic Commissioner. Registration includes details such as the route served, service number, and stops along the route. A bus operator must give the Commissioner at least 42 days’ notice of their intention to introduce, amend, or cancel a local bus service. A new registered service must be operated for a minimum of 90 days.
9. These regulations extend the 42-day notice period for the registration, amendment, or cancellation of a local bus service to 112 days for any area to be covered by a local service franchise. This extension applies in the period immediately before franchising is introduced. The aim is to limit the possibility of existing operators in the franchise area (who may have unsuccessfully bid to provide franchised services) withdrawing services in the run up to the start of the franchise – leaving residents with no bus service for that period.
10. The Policy Note explains that this will provide the local transport authority with more time to make alternative arrangements to ensure services are retained for passengers in the event of operators reducing or withdrawing their services before a franchise framework comes into operation.
11. The instrument also deals with the provision of services should a local service franchise scheme end. It makes provision for bus operators to register services with the traffic commissioner when a franchising scheme is in operation, though those services cannot operate until an area ceases to be part of a franchising framework.
12. Scottish Government officials have confirmed that these regulations are the last legislative step in implementing [the bus franchising model](#) in Scotland.

13. The Policy Note accompanying the instrument is included in Annexe A. It includes a summary of consultation undertaken on the instrument, impact assessments carried out, and the anticipated financial effects.

Committee consideration

14. So far, no motion recommending annulment has been lodged.
15. Members are invited to consider the instrument and decide whether there are any points they wish to raise. If there are, options include:
- seeking further information from the Scottish Government (and/or other stakeholders) through correspondence, and/or
 - inviting the Minister (and/or other stakeholders) to attend the next meeting to give evidence on the instrument.
16. It would then be for the Committee, at the next meeting, to consider the additional information gathered and decide whether to make recommendations in relation to the instrument.
17. If members have no points to raise, the Committee should note the instrument (that is, agree that it has no recommendations to make).
18. However, should a motion recommending annulment be lodged later in the 40-day period, it may be necessary for the Committee to consider the instrument again.

Clerks to the Committee
May 2025

Annexe A: Scottish Government Policy Note

POLICY NOTE

THE PUBLIC SERVICE VEHICLES (REGISTRATION OF LOCAL SERVICES) (LOCAL SERVICES FRANCHISES TRANSITIONAL PROVISIONS) (SCOTLAND) REGULATIONS 2025

SSI 2025/137

The above instrument was made in exercise of the powers conferred by section 13T (1) and (3) of the Transport (Scotland) Act 2001 (“the 2001 Act”). This instrument is subject to the negative procedure.

Purpose of Instrument:

These regulations make provision about the registration, variation or revocation of registrations of local bus services during the transitional period from the current bus market into, and out of, a franchising framework made by a local transport authority under the Transport (Scotland) Act 2001 (“the 2001 Act”). The purpose of this instrument is to minimise the potential disruption of services and ensure that passengers have a continuity of service should operators seek to vary or cancel local services before a franchising framework can come into operation.

Policy Objectives

The purpose of the Transport (Scotland) Act 2019 (“the 2019 Act”) is to provide local transport authorities with access to a range of flexible tools that they can use to revitalise their local bus networks according to their own needs. The 2019 Act amends the Transport (Scotland) Act 2001 (“the 2001 Act”), building on, and in some cases replacing, existing powers that were available to local transport authorities under that Act. In particular, the 2019 Act replaces the quality contracts model provided in the 2001 Act with the local services franchises model.

The local services franchises model involves a local transport authority putting in place an overarching franchising framework and then entering into franchise agreements with bus operators in respect of the local services within the area of the framework. The framework will set out the services to be provided, the standards to be met, and any additional facilities that are to be provided in the area.

When a franchising framework is made, the local bus market will need to transition from a deregulated system (where bus operators determine which services to operate and register services with a traffic commissioner), to a system which provides for bus operators running local services under contract to a franchising authority.

The instrument provides a definition for a transitional period between the making of a franchising framework and before section 6 to 9 (registration of local services) of the Transport Act 1985 ("the 1985 Act) cease to have effect as a result of the franchising framework coming into operation in respect of a service included in it. It prescribes the notice period during the transitional period as 112 days for variations and cancellations. This applies to bus services included in the franchising framework, and may have a different transitional period for different services within the framework, depending on when they come into operation. The current registration provisions will continue to apply to bus services excluded from a local transport authority's franchising framework.

This means, when a bus operator has applied to the traffic commissioner to vary or cancel a registered bus service which is included in the franchising framework and is not an exempt service the notification period following receipt by the traffic commissioner will be 112 days. This will provide the local transport authority with more time to make alternative arrangements to ensure services are retained for passengers in the event of operators reducing or withdrawing their services before a franchise framework comes into operation.

The instrument also specifies that a traffic commissioner must not accept an application to register, vary or cancel a service, other than an exempt service, received before sections 6 to 9 of the Transport Act 1985 cease to have effect in any franchising framework area as a result of it coming into operation. However, to assist with the transition out of a franchising framework, the instrument makes provision that allows for bus operators to register services with the traffic commissioner when a franchising scheme is in operation , though those services cannot operate until an area ceases to be part of a franchising framework.

UN Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024 Compatibility

The Scottish Ministers have made the following statement regarding children's rights:

In accordance with section 23(2) of the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024, the Scottish Ministers certify that, in their view, the Public Service Vehicles (Registration of Local Services) (Franchising Frameworks Transitional Provisions) (Scotland) Regulations 2025 are compatible with the UNCRC requirements as defined by section 1(2) of the Act.

EU Alignment Consideration

This instrument is not considered to be relevant to the Scottish Government's policy to maintain alignment with the EU.

Consultation

A public consultation on the implementation of the bus provisions contained in

Part 3 of the 2019 Act took place between 14 July to 6 October 2021, in which a wide range of stakeholders were consulted, including local transport authorities, regional transport partnerships, the Convention of Scottish Local Authorities (“CoSLA”), trade unions, representatives of bus operators, the third sector, and bus user representatives. There were 42 organisations who responded to the consultation and commented on the information questions within the document.

Feedback from respondents to the public consultation focused specifically on the development and assessment of the franchising framework. The consultation did not ask specific questions about the transition process. However, we have been engaging separately with stakeholders on this topic while preparing these regulations. The analysis report published in March 2022 is available on the [Transport Scotland website](#)¹ and contains a fuller analysis of the responses received about the franchising model.

We have had subsequent discussions with key stakeholders including the Association of Transport Coordinating Officers (ATCO), CoSLA, and the Confederation of Passenger Transport (CPT) to obtain views to inform the development of these regulations. Officials have also engaged with public sector organisations, including the Office of the Traffic Commissioner and the Competition and Markets Authority, on technical elements of these regulations.

Impact Assessments

The following impact assessments were conducted in relation to the implementation of the bus provisions contained in Part 3 of the 2019 Act:

- An Equalities Impact Assessment
- A partial Business and Regulatory Impact Assessment
- A Child Rights and Wellbeing Impact Assessment (“CRWIA”)
- An Islands Screening Assessment
- A Fairer Scotland Duty Impact Assessment

As required by the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024, a further [CRWIA was carried out prior to laying these regulations](#) and the associated statement of compatibility is published separately.

There are no significant equalities or rights impacts that require further consideration in relation to these regulations.

Financial Effects

As stated above, a partial Business and Regulatory Impact Assessment (“BRIA”) was completed for the implementation of Part 3 of the 2019 Act. This concluded that the financial impacts of implementing the transitional provisions

¹ [Implementing Part Three of the Transport \(Scotland\) Act 2019: Bus Services - Analysis of Consultation Responses | Transport Scotland](#)

for local services franchises is likely to be minimal.

A BRIA has not been completed for this instrument as it has no financial effects on the Scottish Government, local government, or business.

Scottish Government

Transport Scotland

May 2025