

Transport Act 2000

The North East Franchising Scheme for Buses [20**]

Made

[20**]

Arrangement of the Scheme

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|--|---|
| THE NORTH EAST FRANCHISING SCHEME FOR BUSES [20**]..... | 1 |
| 1 Citation and commencement | 1 |
| 2 Interpretation | 1 |
| 3 The Franchising Scheme Area | 3 |
| 4 Entry into Local Service Contracts..... | 3 |
| 5 Services under Local Service Contracts..... | 4 |
| 6 Exceptions from the Scheme | 4 |
| 7 Scheme facilities | 4 |
| 8 Plan for consulting on operation of the Scheme | 4 |
| 9 Variation and Revocation of the Enhanced Partnership | 5 |
| ANNEXES | |
| ANNEX 1 - EXCEPTED SERVICES (ARTICLE 6.1(A)) | 6 |
| ANNEX 2 - NORTH EAST BUS FRANCHISING SCHEME AREA..... | 7 |

The North East Franchising Scheme for Buses [20**]

- A The Transport Act 2000 (as amended) (**2000 Act**) makes provision for a franchising authority to make a franchising scheme covering the whole or any part of its area. The North East MSA is a franchising authority as defined in the *2000 Act*.
- B The North East MSA gave notice of its intention to prepare an assessment of a proposed scheme in accordance with sections 123B and section 123C(4) of the *2000 Act* on 8 August 2024. Having complied with the process as set out in the *2000 Act*, the North East MSA may determine to make the scheme in accordance with sections 123G and 123H of the *2000 Act*.

Now, therefore, the Mayor on behalf of the North East MSA, in exercise of the powers conferred by sections 123G and 123H of the *2000 Act*, and of all other enabling powers, hereby **makes the following franchising scheme (Scheme)**:

1 Citation and commencement

- 1.1 This Scheme may be cited as the North East Franchising Scheme for Buses [] and is made on [].
- 1.2 This Scheme shall come into operation on [30 September 2029] and shall remain in operation thereafter unless varied or revoked in accordance with the *2000 Act*.

2 Interpretation

In this Scheme:

1985 Act means the *Transport Act 1985*.

2000 Act has the meaning given to it in recital A.

EP Plan means The North East Joint Transport Committee Enhanced Partnership Plan for Buses made on 21 March 2023 pursuant to section 138A of the *2000 Act* by:

- (a) The Durham, Gateshead, South Tyneside and Sunderland Combined Authority, then known as the North East Combined Authority and whose constituent councils then comprised Durham, Gateshead, South Tyneside and Sunderland;
- (b) The Newcastle Upon Tyne, North Tyneside and Northumberland Combined Authority, then known as the North of Tyne Combined Authority and whose constituent councils then comprised Newcastle, North Tyneside and Northumberland;
- (c) Durham;
- (d) Gateshead;
- (e) Newcastle;
- (f) Nexus;
- (g) North Tyneside;
- (h) Northumberland;

- (i) South Tyneside; and
- (j) Sunderland.

EP Scheme means the North East Joint Transport Committee Enhanced Partnership Scheme for Buses made on 21 March 2023 pursuant to section 138A of the 2000 Act by:

- (a) The Durham, Gateshead, South Tyneside and Sunderland Combined Authority, then known as the North East Combined Authority and whose constituent councils then comprised Durham, Gateshead, South Tyneside and Sunderland;
- (b) The Newcastle Upon Tyne, North Tyneside and Northumberland Combined Authority, then known as the North of Tyne Combined Authority and whose constituent councils then comprised Newcastle, North Tyneside and Northumberland;
- (c) Durham;
- (d) Gateshead;
- (e) Newcastle;
- (f) Nexus;
- (g) North Tyneside;
- (h) Northumberland;
- (i) South Tyneside; and
- (j) Sunderland.

Durham means The County Council of Durham of County Hall, Aykley Heads, Durham, DH1 5UZ.

Franchising Scheme Area means the North East MSA Area.

Gateshead means The Borough Council of Gateshead of Civic Centre, Regent Street, Gateshead, NE8 1HH.

Local Service Contract has the same meaning as in section 123A(5) of the 2000 Act.

Local Services has the same meaning as in section 2 of the 1985 Act.

Newcastle means The Council of the City of Newcastle upon Tyne of Newcastle Civic Centre, Barras Bridge, Haymarket, Newcastle upon Tyne, NE1 8QH.

Nexus means Tyne & Wear Passenger Transport Executive of Nexus Head Office, The Spark, Newcastle Helix, St James Boulevard, Newcastle upon Tyne, NE4 5DE.

North East MSA means the North East Mayoral Combined Authority established on 7 May 2024 pursuant to *The North East Mayoral Combined Authority (Establishment and Functions) Order 2024*, whose constituent councils are the councils for the local government areas of Durham, Gateshead, Newcastle Upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland.

North East MSA Area means the area consisting of the areas of the councils for the local government areas of Durham, Gateshead, Newcastle Upon Tyne, North Tyneside,

Northumberland, South Tyneside and Sunderland (as shown for illustrative purposes only in the plan at Annex 2).

North Tyneside means The Council of the Borough of North Tyneside, The Quadrant, The Silverlink North, Cobalt Business Park, North Tyneside, NE27 0BY.

Northumberland means Northumberland County Council of County Hall, Morpeth, NE61 2EF.

Scholars' Service means a Local Service providing transport for pupils to and/or from schools within the Franchising Scheme Area which does not provide transport to the general public.

Service Permit means a "service permit" as defined in section 123P(2) of the 2000 Act which is granted by a franchising authority to an operator of a Local Service in accordance with the 2000 Act and *The Franchising Schemes (Service Permits) (England) Regulations 2018*.

South Tyneside means The Council of the Borough of South Tyneside of Town Hall & Civic Offices, Westoe Rd, South Shields, NE33, 2RL.

Sunderland means The Council of the City of Sunderland of City Hall, Plater Way, Sunderland, SR1 3AA.

Transport Focus means the executive non-departmental public body sponsored by the Department for Transport which is the independent watchdog for transport users or any successor body.

3 The Franchising Scheme Area

- 3.1 The North East MSA Area is hereby designated as the area to which the Scheme relates as shown on the map which is set out at Annex 2 for illustration purposes¹.

4 Entry into Local Service Contracts

- 4.1 The date on which a Local Service Contract to provide a Local Service may first be entered into shall be [30 March 2029].²
- 4.2 The minimum period that is to expire between the date on which a Local Service Contract is entered into and the provision of a Local Service under that Local Service Contract shall be a period of six (6) months³.

¹ Section 123H(2)(a).

² Section 123H(2)(c).

³ Section 123H(2)(d)

- 4.3 The date on which a Local Service may first be provided under a Local Service Contract shall be [30 September 2029].

5 Services under Local Service Contracts⁴

- 5.1 The Local Services that are intended to be provided under Local Service Contracts are all Local Services that are operated in the North East MSA Area other than:
- (a) any Local Service which is excepted from regulation arising because of the Scheme as set out in article 6⁵; or
 - (b) any Local Service which:
 - (i) operates 50% or more of its total timetabled route outside the North East MSA Area; or
 - (ii) is procured by a neighbouring local transport authority.

6 Exceptions from the Scheme

- 6.1 The following Local Services shall be excepted from regulation arising because of the Scheme:
- (a) any Local Service specified in Annex 1, which shall be excepted from regulation arising because of the Scheme throughout the operation of the Scheme.

7 Scheme facilities

- 7.1 The additional facilities that the North East MSA consider appropriate to provide in the North East MSA Area are:
- (a) such depots as may facilitate the letting of the Local Service Contracts; and
 - (b) such bus systems as may facilitate the letting of the Local Service Contracts.

8 Plan for consulting on operation of the Scheme

- 8.1 The North East MSA will consult:
- (a) Transport Focus; and

and the North East MSA may consult other organisations and persons, as the North East MSA thinks fit.

⁴ As set out in the franchising scheme assessment prepared by the North East MSA, certain categories of Local Services will not be franchised services or exempt from the Scheme, but operators of such Local Services may apply to the North East MSA for the grant of a Service Permit in accordance with the North East MSA's Service Permit policy to enable such services to operate in the North East MSA Area. Section 5.4.43 of the commercial case lists the categories of Local Services which the North East MSA intends to allow operation of in accordance with its Service Permit policy. Any Local Service which is intended to be provided under a Local Service Contract in accordance with article 5.1 may also apply for a Service Permit to enable operation of such service in the North East MSA Area up until the effective time of the first Local Service Contract in which such Local Service is specified. Article 5.1(b) deals with cross-boundary services which will not be exempt, but which may apply for a Service Permit to enable operation of such services in the North East MSA Area.

⁵ Section 123H(2)(b).

- 8.2 The purpose of any consultation undertaken in accordance with this article 8 is to seek the views of the users of Local Services on how well the Scheme is working⁶. The North East MSA will consult in accordance with this article 8 within a period of 36 months from the date set out in article 4.3 and at least at a frequency of every 36 months thereafter.
- 8.3 Any consultations carried out in accordance with this article 8 shall last for such period of time as the North East MSA thinks fit so as to ensure that those organisations and persons described in article 8.1 have sufficient time to respond.
- 8.4 The North East MSA will make available to the public its response to any consultation carried out in accordance with this article 8.

9 Variation and Revocation of the Enhanced Partnership

- 9.1 Immediately after the dates on which subsections (2) and (3) of section 123J of the *2000 Act* apply to the Franchising Scheme Area, the EP Plan and the EP Scheme shall be revoked in respect of the Franchising Scheme Area.⁷

THE MAYOR OF THE NORTH EAST

[Note: Date to be inserted]

⁶ Section 123A(9).

⁷ Section 123H(6)(a).

Annex 1 - Excepted Services⁸ (article 6.1(a))

- 1 The following Local Services shall be excepted from regulation arising because of the Scheme throughout the operation of the Scheme (as further set out below, as applicable):
 - 1.1 a Scholars' Service;
 - 1.2 a Local Service providing transport for pupils with special educational needs and disabilities that live within the Franchising Scheme Area to and/or from schools or other placements within or outside the Franchising Scheme Area which does not provide transport to the general public;
 - 1.3 a Local Service provided where a ferry service has been temporarily interrupted;
 - 1.4 a Local Service which is required due to a temporary road closure within the Franchising Scheme Area.

⁸ Section 22 community transport services have not been expressly exempted from this Scheme as these are automatically exempted (see s123J(5)(b) of the Transport Act 2000 and The Public Service Vehicles (Registration of Local Services) (Franchising Schemes Transitional Provisions and Amendments) (England) Regulations 2018 which defines these as exempt services). Section 19 services do not need to be exempted from this Scheme as these are not Local Services (see section 2(4)(b) of the Transport Act 1985).

Annex 2 - North East Bus Franchising Scheme Area

