STATUTORY INSTRUMENTS

2018 No. 423

PUBLIC PASSENGER TRANSPORT, ENGLAND

The Franchising Schemes (Service Permits) (England) Regulations 2018

Made - - - -	*26th March 2018*
Laid before Parliament	*3rd April 2018*
Coming into force - -	*24th April 2018*

The Secretary of State makes these Regulations in exercise of the powers conferred by sections 123Q(3), 123R(3), 123S(3), 123U(3) and 160(1)(b) of the Transport Act 2000(**1**).

Citation and commencement

1.—(1) These Regulations may be cited as the Franchising Schemes (Service Permits) (England) Regulations 2018.

(2) These Regulations come into force on 24th April 2018.

Interpretation

2. In these Regulations—

"the 2000 Act" means the Transport Act 2000;

"application procedure" means the procedure determined by a franchising authority or authorities(**2**) that an applicant for a service permit must follow;

"effective time" means the beginning of the day on which a local service(**3**) may first be provided under a service permit;

"proposed franchising scheme" means the franchising scheme which is the subject of the consultation document published by the franchising authority or authorities under section 123E(2) of the 2000 Act(**4**);

"relevant persons" means—

(**1**) 2000 c. 38. Sections 123Q, 123R, 123S and 123U were inserted by section 4 of the Bus Services Act 2017 (c. 21).
(**2**) The term "franchising authority or authorities" is used in section 123A of the Transport Act 2000. A franchising scheme may be made by a single authority or by two or more authorities acting jointly.
(**3**) By virtue of section 162(3) of the Transport Act 2000, the term "local service" has the meaning given in section 2 of the Transport Act 1985 (c. 67).
(**4**) Section 123E was inserted by section 4 of the Bus Services Act 2017.

(a) all persons operating local services in the area to which the proposed franchising scheme relates;

(b) any relevant local authority(**5**) any part of whose area would, in the opinion of the franchising authority or authorities, be affected by the grant of a service permit; and

(c) such other persons as the franchising authority or authorities think fit;

"required information" means the information specified by a franchising authority or authorities that an applicant for a service permit must submit with the application;

"service permit policy statement" means a statement which satisfies the requirements set out in regulation 5.

Procedure to be followed by an authority prior to the making of applications for a service permit

3.—(1) A franchising authority or authorities(**6**) must not accept an application for a service permit(**7**) made under section 123Q of the 2000 Act if they have not complied with the conditions set out in paragraph (2).

(2) The conditions are that the franchising authority or authorities must—

(a) publish a consultation document which satisfies the requirements set out in regulation 4;

(b) consult relevant persons;

(c) publish a report setting out the authority's or authorities' response to the consultation; and

(d) after complying with sub-paragraphs (a) to (c) and no earlier than the date the franchising scheme(**8**) is published under section 123H(1) of the 2000 Act(**9**), publish a service permit policy statement which satisfies the requirements set out in regulation 5.

Consultation document requirements

4.—(1) The requirements referred to in regulation 3(2)(a) are that the consultation document must include—

(a) a description of the proposed application procedure;

(b) a description of the proposed required information;

(c) the proposed amount of any fee that must accompany the application;

(d) the proposed periods of validity of service permits;

(e) the proposed period of time within which the franchising authority or authorities will take a decision on an application for a service permit;

(f) the proposed period of time between the date on which a service permit is granted and the effective time; and

(g) in a case where a person who has been granted a service permit wishes to vary or withdraw a local service, the proposed period of time between the date on which the person notifies

(**5**) "Relevant local authority" has the meaning given by section 123E(5) of the Transport Act 2000.

(**6**) By virtue of section 162(1) of the Transport Act 2000, as amended by paragraph 23 of Schedule 2 to the Bus Services Act 2017, "franchising authority" has the meaning given in section 123A(4) of the Transport Act 2000, inserted by section 4 of the Bus Services Act 2017.

(**7**) By virtue of section 162(1) of the Transport Act 2000, as amended by paragraph 23 of Schedule 2 to the Bus Services Act 2017, "service permit" has the meaning given in section 123P of the Transport Act 2000, inserted by section 4 of the Bus Services Act 2017.

(**8**) By virtue of section 162(1) of the Transport Act 2000, as amended by paragraph 23 of Schedule 2 to the Bus Services Act 2017, "franchising scheme" has the meaning given in section 123A(3) of the Transport Act 2000, inserted by section 4 of the Bus Services Act 2017.

(**9**) Section 123H was inserted by section 4 of the Bus Services Act 2017.

the franchising authority or authorities of its intention and the date on which the variation or withdrawal is to take effect, such period not to exceed 56 days.

(2) The franchising authority or authorities may, in relation to paragraph (1)(e) and (f), specify different proposed periods of time in relation to different applications for a service permit.

(3) The franchising authority or authorities may, in relation to paragraph (1)(g), specify different proposed periods of time in relation to different grants of a service permit.

Service permit policy statement requirements

5.—(1) The requirements referred to in regulation 3(2)(d) are that the service permit policy statement must include—

(a) a description of the application procedure;

(b) a description of the required information;

(c) the amount of any fee that must accompany the application;

(d) the periods of validity of service permits;

(e) the period of time within which the franchising authority or authorities will take a decision on an application for a service permit;

(f) the period of time between the date on which a service permit is granted and the effective time; and

(g) in a case where a person who has been granted a service permit wishes to vary or withdraw a local service, the period of time between the date on which the person notifies the franchising authority or authorities of its intention and the date on which the variation or withdrawal is to take effect, such period not to exceed 56 days.

(2) The franchising authority or authorities may, in relation to paragraph (1)(e) and (f), specify different periods of time in relation to different applications for a service permit.

(3) The franchising authority or authorities may, in relation to paragraph (1)(g), specify different periods of time in relation to different grants of a service permit.

Fees

6. Any fee required for processing an application for a service permit must be no more than the reasonable cost of processing that application.

Conditions

7. The conditions or description of conditions that may be specified by the franchising authority or authorities in a notice published under section 123R(1) are conditions—

(a) about enabling tickets to be purchased or fares to be paid in particular ways;

(b) that persons operating local services under a service permit must accept or issue tickets of a specified description;

(c) that persons operating local services under a service permit comply with requirements as to the price to be charged for tickets that they are obliged to issue under sub-paragraph (b);

(d) that persons operating local services under a service permit offer discounted travel for specified groups of persons and accept evidence of entitlement to such discounted travel issued by other persons operating local services or other relevant local authorities;

(e) that persons operating local services under a service permit publish specified information about the local services provided by them in the area to which the franchising scheme relates and about other local services in that area;