

**NORTH EAST JOINT TRANSPORT COMMITTEE**  
**RECORD OF DELEGATED DECISION BY OFFICER**

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**1. Subject of Decision**

Qualifying Agreement on the Coast Road Bus Corridor

**2. Delegation Reference (Refer to Meeting Minute Number or Delegation Scheme in the Constitution or Decision Notice)**

**JTC Procedure Rule 33 - Urgent Decisions:**

Where a decision needs to be taken urgently and it is not practical to convene a quorate meeting of the appropriate body (i.e. the Joint Transport Committee, or any other committee, sub-committee of the Joint Transport Committee), the Head of Paid Service, in consultation with the Proper Officer for Transport, the Chair (or in their absence the Vice Chair) of the relevant committee, the Chief Finance Officer and the Monitoring Officer has the authority to take an urgent decision. In such circumstances, the Head of Paid Service must report that decision to the next meeting of the appropriate decision making body which would have otherwise made that decision.

This decision needs to be taken urgently because it is needed to allow bus operators to register new timetables with local authorities and the Traffic Commissioner to meet the 26<sup>th</sup> March 2023 service change date. The timetables can only be registered once the qualifying agreement has been certified by the Joint Transport Committee.

This decision has been delegated to one or more officer(s) under:

(a) A specific express authorisation was given to the *Head of Paid Service / Monitoring Officer / Chief Finance Officer* by the *Joint Transport Committee* on *xx.xx.xxxx* to make and enter into appropriate contracts in relation to each project after specified consultation.

(b) a general authorisation to take such decisions **and**, the effect of the decision is to:

(i) grant a permission or licence;

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- (ii) affect the rights of an individual; or
- (iii) award a contract or incur expenditure which, in either case, materially affects the Authority's financial position.

#### 3. Name and Title of Decision Maker

Patrick Melia, Head of Paid Service, NECA

#### 4. Details of any Conflict of Interest and any Dispensation granted in respect of such Interest

None

#### 5. Executive Summary

The Bus Service Improvement Plan (BSIP) which was published in October 2021 included plans to use "Qualifying Agreements" (QAs) to co-ordinate network consolidation to the benefit of bus passengers by allocating existing resources more efficiently.

QAs are defined in the Transport Act 2000 and allow for consolidation of bus services in circumstances where bus operators compete directly with one another, resulting in greater capacity being on offer than demand would normally require. The Local Transport Authority (in this case the Joint Transport Committee, that co-ordinates policy on behalf of the two Combined Authorities) can certify the QA if it considers that certain requirements are met, being that the QA:

- a) is in the interests of people using local (bus) services within the combined area of the authorities, and
- b) does not impose on the undertakings concerned restrictions that are not indispensable to the attainment of the bus improvement objectives (re TA2000, Schedule 2, Part 2, Para 18(4)).

If the QA is certified it is exempted from the application of competition law which would otherwise make it a prohibited agreement, and therefore makes it an agreement that the relevant operators can safely enter into.

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This report seeks the Joint Transport Committee's agreement to certify a proposed QA concerning bus services provided by two competing bus operators that use the A1058 Coast Road to link Central Newcastle with parts of North Tyneside and Northumberland.

The proposed QA will benefit bus passengers in a number of ways, including by:

- standardising bus timetables between operators, ensuring even spacing between services;
- introducing reciprocal ticket arrangements, increasing the number of buses passengers will be able to catch regardless of which operator they purchased their ticket from.

The overall number of bus services using the Coast Road corridor will be reduced as a result of the QA, delivering efficiency savings to bus companies to help with the financial sustainability of the overall bus network. However the effect for the majority of bus passengers will be that their tickets will be capable of being used on a greater number of bus services and timetables along the Coast Road will provide a more regular frequency than currently.

#### **6. Decision(s)**

##### **6(a)**

The Head of Paid Service, NECA, hereby:

- i. Confirms they have considered all the terms and effects (or likely effects) of the Coast Road Qualifying Agreement and certify (re TA2000, Schedule 2, Part 2, Para 18(3)(b)) that they consider the following requirements of the Coast Road Qualifying Agreement are satisfied:
  - a. is in the interests of people using local (bus) services within the combined area of the authorities, and
  - b. does not impose on the undertakings concerned restrictions that are not indispensable to the attainment of the bus improvement objectives (re TA2000, Schedule 2, Part 2, Para 18(4)).

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- ii. Authorise the Managing Director, Transport North East, acting on behalf of the Joint Transport Committee, to certify the Coast Road Qualifying Agreement so that it can be implemented by bus operators.

**6(b) If Exempt or Confidential, please provide a reason:**

n/a

#### 7. Alternative options considered

Option 1 is for the JTC to consider the terms and effects of the proposed QA, and to certify that it considers that the legal requirements of the QA are satisfied.

Option 2 would entail not certifying the QA at this stage. There is a likelihood that bus operators will make service reductions in an un-coordinated manner, and the public benefits stated in this report would not be realised.

#### 8. Reasons for the Decision(s)

The Local Transport Authority (in this case the Joint Transport Committee, that coordinates policy on behalf of the two Combined Authorities) can certify the QA if it considers that certain requirements are met, being that the QA:

(a) is in the interests of people using local (bus) services within the combined area of the authorities, and

(b) does not impose on the undertakings concerned restrictions that are not indispensable to the attainment of the bus improvement objectives

(re TA2000, Schedule 2, Part 2, Para 18(4)).

The QA must be certified in order for it to be implemented.

#### 9. Contact Officer

Philip Meikle, Transport Strategy Director

E-mail: [philip.meikle@transportnortheast.gov.uk](mailto:philip.meikle@transportnortheast.gov.uk)

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Heather Jones, Head of Enhanced Partnerships  
E-mail: [heather.jones@transportnortheast.gov.uk](mailto:heather.jones@transportnortheast.gov.uk)

**10. Date of Publication**

23.02.2023

**11. Date of Call-In Deadline**

03.03.2023

**12. Implementation Date**

06.03.2023

**Signature of the Decision-Maker**



Patrick Melia

Please return the following to Emma Reynard in Democratic Services ([emmareynard@gateshead.gov.uk](mailto:emmareynard@gateshead.gov.uk)) **within 2 working days of the decision having been taken.**

- A Word version of the completed Delegated Decision report
- A Word version of the completed Delegated Decision Record
- A scanned PDF version of the completed and signed Delegated Decision Record

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The Delegated Decision will be published by Democratic Services within three working days of it being taken, and it will then be open to call-in for a further five working days.

**Decisions must not be implemented until the call-in process is completed.** Democratic Services officers will advise report authors and decision makers of the relevant deadlines for call-in.