Frequently Asked Questions

Bus franchising: the basics

What is bus franchising?

Under bus franchising, CPCA would plan and specify the local bus network, including routes, service frequencies, fares, vehicle standards and customer service requirements. Bus operators would compete for contracts and run services on CPCA's behalf.

Why is CPCA franchising?

The 2024 Bus Franchising Assessment concluded that franchising offered CPCA the greatest opportunity to exercise strategic control over the network. It would allow CPCA to specify services, fares, vehicles and performance standards, while operators compete to deliver services under contract. This consultation concerns how the existing Scheme would be implemented; it is not a new comparison of governance models.

Has CPCA changed its decision to introduce bus franchising?

The decision to make the Franchising Scheme in February 2025 is not being reopened or varied through this consultation. This consultation concerns proposed revisions to the way the existing Scheme would be implemented. No final decision has been taken on those revised implementation arrangements.

Will franchising still cover the whole CPCA area?

Yes. The Franchising Scheme applies across the whole Cambridgeshire and Peterborough Combined Authority area. The proposed North West, Central and East lotting areas are procurement areas, not separate statutory franchising areas. The services covered remain subject to the exceptions in the Scheme.

Which bus services are covered by the Franchising Scheme?

Annex 1 of the Scheme identifies the local services intended to be provided under Local Service Contracts, subject to the exceptions in Annex 2 and the temporary exceptions in Annex 3. The specific routes may be subject to future change and if that is the case that will be the subject of a future consultation but the scope of the scheme is not expected to change.

Examples of excepted services include certain community bus, dedicated school or works, tourist and rail replacement services, as well as some cross-boundary services. The Scheme remains the source of the legal scope; the proposed lotting does not change it.

Will bus operators still run services?

Yes. Operators would continue to run bus services, but under contracts awarded through the franchising arrangements. CPCA would plan and specify the services and performance standards. Operators would be responsible for delivering them. The detailed allocation of responsibilities would be set out in the contracts.

About this supplementary consultation

Why is CPCA consulting on the implementation approach again?

The Independent Review, completed in January 2026, and the subsequent Strategic Delivery Plan have developed a different implementation approach from the two-stage programme described in the 2024 assessment. CPCA is therefore consulting on those proposed implementation changes. The February 2025 Franchising Scheme is not being varied or reopened in this consultation.

What is this consultation seeking views on?

CPCA seeks views on the proposed phased timetable, transitional arrangements including possible direct awards, contract lotting, depot and fleet strategies, affordability, and potential impacts on passengers, operators, employees, rural communities and other stakeholders. It also seeks evidence of unintended consequences and possible safeguards or alternative approaches.

Is CPCA reconsidering whether franchising should proceed?

The February 2025 decision to make the Franchising Scheme is not being reopened by this consultation. However, no final decision has been taken on the revised implementation arrangements. CPCA will consider responses before deciding whether to adopt the proposed approach, with or without modification.

What was the purpose of the Independent Review?

The Mayor's Independent Review, completed in January 2026, provided a fresh assessment of the affordability and practical delivery of bus franchising in the context of current Mayoral and national policies, with bus operators engaged in the process.

What did the Independent Review recommend?

It recommended a hybrid pathway: transitional arrangements, including possible direct awards to existing operators, followed by phased introduction of competitively procured franchise contracts. It also considered affordability, depots, fleet and the overall programme. The detailed proposals in this consultation are CPCA's current preferred approach, not final decisions.

Is this a statutory consultation on changing the Franchising Scheme?

No. It is a non-statutory supplementary consultation on the proposed implementation approach because the proposals concern delivery of the existing Scheme, not a variation. If future work identifies a need to change a matter specified in the Scheme, CPCA would consider that separately under the applicable statutory process.

How can I respond to the consultation?

The consultation will open on Monday 14 September and run for six weeks, closing on Monday 26 October. Responses should be submitted via the online survey at www.cpca-yourvoice.co.uk. Submissions can also be made by email to consultations@cambridgeshirepeterborough-ca.gov.uk or by post. Alternative formats or printed copies can be requested by calling 01480 277180.

What should I include in my response?

You may answer all the consultation questions or only those relevant to you. Evidence and practical examples are particularly helpful. Please comment on potential benefits, risks, opportunities, unintended consequences, local impacts, affordability, rural provision, equality, safeguards or alternative approaches.

Who can respond?

Anyone with an interest in local bus services can respond. CPCA welcomes views from passengers, local communities, bus operators of all sizes, businesses, local authorities, community groups, bus employees and trade unions, disabled people and representative organisations, and people who rely particularly on bus services.

How will CPCA use the information received?

CPCA will review the responses and use them to understand stakeholder views, assess potential impacts and refine the proposed implementation arrangements. Responses will be considered before any final decision is taken.

Will CPCA respond to every individual comment?

CPCA cannot provide an individual response to every comment. It will, however, consider all relevant points when reviewing the consultation findings and deciding whether to adopt, modify or not adopt the proposed implementation approach.

What will happen after the consultation closes?

After the consultation closes, CPCA will review the responses, develop the proposals further where appropriate, publish a consultation report, and take a decision on the revised implementation approach. A decision is expected by the end of January 2027.

How will CPCA explain how feedback has been considered?

CPCA will publish a consultation report summarising the principal issues raised, explaining how the responses have been taken into account and setting out the final decision. The report will be published on the Combined Authority's website and will include responses given submitted on behalf of organisations and anonymised responses submitted on behalf of individuals.

How will CPCA make the consultation accessible?

CPCA will engage with disabled people and other under-represented groups through representative organisations. Accessible versions of the consultation materials and alternative formats will be available on request to help ensure everyone can participate.

Has the revised programme changed the equality impacts?

The Strategic Delivery Plan work has been reviewed against the Equality Impact Assessment prepared for the original Bus Franchising Assessment. CPCA's current view is that the revised implementation programme does not materially alter the equality impacts identified in that assessment.

The proposed changes mainly concern timing, procurement sequencing, depots, fleet and transitional arrangements. The potential benefits identified in the assessment, including accessibility, network integration, service reliability, customer information, fares integration and social inclusion, remain relevant, but would be delivered progressively. The Equality Impact Assessment will continue to be reviewed as the proposals develop, and CPCA welcomes evidence of particular impacts or safeguards.

Affordability and network planning

Why is affordability part of the revised approach?

The Independent Review modelled the Mayoral Precept as fixed at £36 throughout the ten-year forecast, rather than rising to £60 by 2032 in the original business case. It also considered the cost of Tiger services, changing passenger demand and rising operating costs, and identified a future funding gap under franchising. CPCA therefore proposes to review the contracted and supported network, available funding and delivery costs to develop an affordable and sustainable network.

Does the revised approach mean that CPCA is proposing bus service cuts?

No immediate service reductions or withdrawals are proposed by this consultation, and no decision has been taken about particular routes. The proposed transition is intended to maintain network stability. There is, however, a forecasted longer-term affordability challenge. If changes were ultimately needed, CPCA would consider additional funding, fares, expenditure and subsidy arrangements, and operational efficiencies such as frequency, operating hours or vehicle requirements before considering withdrawal.

Are the mileage reduction figures in the Independent Review proposed service cuts?

No. The Independent Review modelled that, if a funding gap were addressed only through network mileage reductions, network mileage could have to reduce by about 10% by 2029 and about 19% by 2035, relative to its base year. These were high-level modelling outputs, not recommendations for particular routes or decisions by CPCA.

How will rural and socially necessary services be considered?

The consultation seeks views on rural transport, people who depend on bus services and safeguards for communities. CPCA recognises that some socially necessary services may not be commercially sustainable and may continue to require public support. No final decisions have been taken about particular services.

How does the Network Reimagining work relate to the proposed lotting?

The Strategic Delivery Plan takes account of an ongoing review of 35 CPCA-funded contracted services. Its outcome may affect route design and lotting, so current route allocations remain indicative. Any service proposals are subject to the relevant engagement and approval processes.

Is the list of services included in Franchising changing?

Since the publication of the franchising scheme, which includes a list of services included, there have been some changes to bus routes. Some have been introduced (such as the Tiger routes), and others have been withdrawn or changed by operators responding to the market. There are also proposals to change some services directly contracted by the CPCA (the Network Reimagining work) which the CPCA Board will consider on 23rd September. The scope of the franchise area has not changed but the final list will likely change and we will need to undertake a statutory consultation on those changes, likely later in 2026.

Implementation approach and timetable

What does 5 September 2027 mean?

The Scheme comes into operation on 5 September 2027. This is its legal commencement date; it is not the date when all services become competitively franchised. The Scheme permits a Local Service Contract to be entered into from 5 March 2027, but at least six months must pass before the service is provided under it. Annex 3 temporarily excepts services listed in Annex 1 until the first Local Service Contract for each service takes effect.

When would competitively procured franchised services begin?

The current proposal is for competitive franchise contracts to start progressively: Central Area contracts from June 2028; further Central and North West Area contracts from June 2029; and East Area contracts from June 2030. Transitional arrangements, including possible direct awards, may begin from September 2027 where appropriate.

Why has the implementation timetable changed?

The original assessment assumed two procurement rounds, with the first franchised services expected from September 2027 and a second phase in 2028. The Independent Review found that timetable was no longer practical in light of affordability, depot availability, data limitations, procurement requirements, fleet considerations and CPCA's capacity to manage delivery. The current proposal therefore uses three phases.

Which area would be introduced first?

The current indicative programme starts with the Central Area Tier A contract and some Central Area Tier B contracts in June 2028. Further Central Tier B contracts and the North West Area contracts are proposed for June 2029, followed by East Area Tier A and Tier B contracts in June 2030.

Are the proposed dates final?

No. They are indicative planning dates and may change following consultation and further work on procurement, depots, fleet, funding, data and operations. Any final arrangements will be subject to CPCA's governance, budget, legal and procurement requirements.

What would happen between September 2027 and the start of the new franchise contracts?

Routes may continue under existing commercial, partially supported or fully supported/tendered arrangements. Fully supported services may need to be retendered. CPCA may also use selective direct awards as a temporary bridge where the statutory requirements are met and the operator agrees to acceptable terms. The precise arrangements for each route are not final.

Will passengers' existing services stop during the transition?

The proposed interim approach is intended to maintain service continuity and avoid unmanaged withdrawals. It does not guarantee that every route, timetable, frequency or operating hour will remain unchanged. No particular service reductions are proposed by this consultation, but service details may change as affordability, Network Reimagining and implementation work develop.

How much time will operators have to mobilise before services start?

The proposed programme shows approximately nine months between tender award and service commencement for each phase. This is a planning assumption, not a final commitment. The actual mobilisation period and requirements will depend on the contract, procurement outcome, depot and fleet arrangements and other operational considerations.

What if a proposed phase cannot be delivered on time?

The timetable and interim arrangements would be reviewed. CPCA may need to continue or adjust existing arrangements, consider alternative depot or fleet solutions, or revise a proposed contract start date. Any such change would be subject to the applicable legal, procurement, funding and governance requirements.

Contract areas and packages

How would the network be divided for procurement?

The current proposal uses three lotting areas: North West, Central and East. Each route would be allocated to one of these areas for contracting purposes, and services within each area would be grouped into Tier A and Tier B contracts.

- North West: Peterborough, March and Wisbech
- Central: the Busway, St Ives, Ramsey, Chatteris, March, Huntingdon, St Neots and Cambourne
- East: Cambridge, Ely, Newmarket, Haverhill and Royston

These are procurement and implementation areas, not local-government or separate statutory franchising areas. They describe route groupings rather than local-government boundaries, so a place may appear in more than one area. They are not intended to determine how passengers understand or navigate the network. Passenger information and the wider customer proposition will be developed separately.

What are Tier A and Tier B contracts?

The Scheme defines a Large Franchise Contract as one requiring a peak vehicle requirement of at least 35 vehicles. In plain terms, this is the number of vehicles needed to run the service at its busiest point. Tier A is the proposed larger contract in each area, generally based around a strategically located depot. Tier B contracts are smaller packages intended to support competition and participation by small and medium-sized operators. The current indicative packages range from about 40 to 100 vehicles for Tier A and about 1 to 17 vehicles for Tier B. Exact sizes and contents may change.

Do the three lotting areas represent separate passenger networks?

No. They are procurement and implementation areas only. They do not change the single

CPCA franchising area or create separate statutory schemes. Passenger-facing network design and information will be developed separately.

Are the proposed route packages final?

No. They are indicative and may change after further assessment of operational efficiency, affordability and the Network Reimagining work (this would have to be the subject of a future consultation). The route identifiers are being used for planning and must be reconciled with Annex 1 before procurement is finalised. The proposed packages do not themselves amend Annex 1, any change to a matter specified in the Scheme would be considered separately under the applicable statutory process.

How would the new structure support smaller operators?

The proposed Tier B contracts are smaller and more self-contained, and contract-concentration restrictions are intended to leave opportunities for small and medium-sized operators. Transitional direct awards may also help some operators prepare for competition, where lawful and proportionate. It is considered that longer preparatory time and staggering of delivery of competed arrangements may assist smaller operators. The approach is intended to support competition but does not guarantee that any operator will win a contract.

How long would the main franchise contracts last?

Main franchise contracts could initially last for up to seven or eight years, with a possible extension of one or two years based on the contract terms and performance. Final durations would be set through procurement.

Who retains the fare revenue?

For competitively procured franchise contracts, the proposed commercial model is that CPCA would set fares and ticketing arrangements and retain the fare revenue, while operators are paid under their contracts. The Franchising Scheme does not prescribe the detailed revenue model, so the final allocation of revenue risk and payment terms would be set through procurement and contract documents.

What happens to fare revenue during the interim period before franchising is introduced?

For commercial services that continue under existing arrangements, the operator would continue to retain the fare revenue. Partially or fully supported services would continue under their existing or replacement supported-service contracts, with fares and CPCA support governed by those contract terms.

Direct awards must be net cost contracts. The operator would retain at least part of the fare revenue and real operating risk; CPCA would not take the full revenue risk. CPCA could still provide subsidy or other support for a partially or fully supported service where the contract requires it. The detailed terms will be developed in due course.

Transitional direct awards

What is a direct award?

A direct award is a time-limited franchise-style Local Service Contract awarded directly to an incumbent operator without a full competitive tender, where the statutory requirements are satisfied. It would be an interim implementation tool. It would not change the geographical scope of the Scheme or replace later competitive procurement.

Why might CPCA use direct awards?

CPCA may use them selectively to maintain service continuity, manage operational and procurement risk, support market stability, help CPCA and operators build capability, support small and medium-sized operators where appropriate, and avoid a gap before competitive contracts start.

Will direct awards replace competitive tendering?

No. They are proposed as temporary bridge arrangements, not a permanent alternative to competition. Services subject to a direct award are intended ultimately to move into competitively procured franchise contracts, subject to the final implementation approach and applicable requirements.

How long could a direct award contract last?

A direct award under the proposed arrangements could last for up to a maximum of five years. It would be time-limited, and the actual duration would depend on the service, legal requirements, contract terms and the timing of competitive procurement.

Have decisions been made on which services or operators might receive direct awards?

No.

No decision has been made to use a direct award for any particular service or to select any operator.

Any direct award would be subject to the applicable statutory and procurement framework, a documented and proportionate rationale, route-by-route due diligence, operator agreement and negotiated contractual terms. Direct awards would be used selectively, not as a substitute for competition across a large part of the network.

Are service permits proposed during the transition?

The Independent Review considered service permits as one possible transitional mechanism. The current proposal does not propose service permits for services as part of the preferred interim approach; it currently favours continuing existing arrangements and using selective direct awards where lawful. Some cross-boundary services outside the Scheme may involve service permits, subject to further work and consultation.

Depots

Why is CPCA proposing to provide depots in some areas?

The Scheme allows CPCA to provide depots where they would facilitate the letting of Large Franchise Contracts. It could encourage more companies to bid, as the depot would be provided for them. The current proposal is to fund and own a new Peterborough depot, secure suitable existing or temporary facilities in Cambridge for the first East Area Tier A contract, and rely on operator-provided depots for the first Central Area Tier A contract and Tier B contracts. The details remain subject to further due diligence, approvals and consultation.

How has CPCA funded the purchase of land for the new Peterborough depot?

CPCA has funded the land purchase using dedicated funding from MHCLG and using Bus Service Improvement Plan funding from DfT.

How would the new Peterborough depot be funded and delivered?

CPCA proposes to fund, develop and own the depot. Detailed costs, funding arrangements, design, grid connections, procurement and approvals remain subject to further due diligence and a Full Business Case. The indicative programme aims for commissioning by March 2029 to support a proposed June 2029 franchise start.

Is CPCA building a new depot in Cambridge immediately?

No. The proposal is for CPCA to provide suitable existing or temporary facilities for the first East Area Tier A franchise term. The longer-term ambition is to develop a purpose-designed CPCA-owned Cambridge depot . The preferred and contingency arrangements remain subject to development, engagement, due diligence, approvals and consultation.

What happens if a proposed depot is not ready?

The programme includes contingency planning. Depending on the area, options may include suitable existing or temporary facilities, operator-provided facilities or a revised start date. The appropriate option would depend on further technical, financial, legal and procurement work; no final contingency decision has been taken.

Buses and fleet

Who will provide the buses?

The current proposals differ by contract and may change:

- North West Area Tier A: CPCA proposes to provide a new fleet for use by the franchise operator.
- Central and East Area Tier A: operators would lead fleet provision, with possible transfer of suitable existing vehicles through a Residual Value Mechanism and operators responsible for any shortfall.
- Tier B contracts: operators would provide the vehicles.
- All vehicles would be required to meet specifications and service standards set by CPCA.

Why is CPCA proposing to provide the Peterborough fleet?

Providing a CPCA fleet in Peterborough (North West Tier A contract) is intended to reduce financing and entry barriers, support competition, allow procurement before contract award and reduce mobilisation risk. It also supports the current intention of zero-emission operation from Day One at the new depot. The proposal remains subject to due diligence, funding, infrastructure, procurement and governance approvals.

How would CPCA fund the purchase of the new buses for Peterborough depot?

The current proposals assume that CPCA would procure and own a new fleet of approximately 70 buses for the new Peterborough depot, for an estimated £27 million.

The funding route, final vehicle specification, procurement arrangements and approvals are not final and subject to due diligence, procurement and governance approvals.

Who will provide on-board equipment?

The provision and ownership of equipment such as electronic ticket machines is still under consideration. Detailed requirements will be set out in the procurement and contract documents. There will be clear considerations on ensuring ticket machines support integrated and mobile based ticketing, as well as potential requirements for Project CORAL.

What is the Residual Value Mechanism?

The proposed Residual Value Mechanism would provide a framework for suitable vehicles to be made available when a Tier A contract changes operator. Eligible vehicles would be assessed against the required specification and condition and transferred at an independently assessed value, subject to the arrangements agreed. It is intended to reduce barriers to entry, protect investment and support continuity; it would not guarantee that every vehicle transfers.

What happens if there are not enough suitable vehicles to transfer?

For Central and East Tier A contracts, the incoming operator would be responsible for sourcing and financing any additional vehicles. Vehicles could be new or used, provided they meet CPCA's specifications. This is particularly relevant to the Guided Busway, where the supply of compliant vehicles is constrained. If transfer arrangements cannot be agreed, the fleet approach and timetable may need to be revisited.

Will all buses be zero-emission from the start of franchised services?

No. The current proposals do not provide for the whole network to use zero-emission buses when the first franchise contracts start. The current intention is for the new Peterborough depot and CPCA-provided fleet to support zero-emission operation from Day One, subject to further due diligence, funding, grid connections, design, procurement and approvals.

CPCA's longer-term ambition remains to move the franchised network towards a 100% zero-emission fleet. This consultation does not set a network-wide deadline. The timing would depend on vehicle replacement, depot and charging infrastructure, available technology, funding and future decisions.

Affordability Assessment

Why should the affordability modelling in the Strategic Delivery Plan be viewed as a point-in-time assessment rather than a fixed forecast?

The affordability modelling contained within the SDP was undertaken at a specific point in time, using the best available information, evidence and representative assumptions available during its development. As with any major programme, the modelling reflects the costs, revenues, risks and delivery assumptions that were understood at that stage of planning.

Does a change in financial assumptions mean the SDP is no longer valid?

No. The SDP provides a strategic framework for the delivery of bus franchising and is intended to support decision-making at the programme level. It is normal for financial assumptions to be refined as a programme moves from strategy and planning into detailed design, procurement and delivery. The ongoing refinement of financial modelling reflects increased certainty regarding costs, revenues, risks and delivery arrangements, rather than a change in the strategic objectives of the programme.

Will the affordability of the implementation of franchising be updated before implementation?

Yes. Financial modelling will continue to be reviewed and updated throughout programme development. As procurement approaches, additional information will become available regarding market conditions, contract structures, fleet and depot requirements, inflationary pressures, funding arrangements and implementation phasing. This will enable CPCA to develop increasingly detailed and robust financial forecasts to support delivery of the franchising programme. The iterative nature of programme delivery as well as the revised approaches to enable competition are designed to mitigate affordability pressures. The specific figures will likely change.