



Department
for Transport

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Our Ref: TO 290056

Your Ref:

16th June 2020

Jason Salter – Chair of ATCO

Mark Kemp – Chair of ADEPT
Transport & Connectivity Board

Kevin Richardson – Chief Executive
of the Chartered Institute of Transport
& Logistics UK

Dear Sirs,

Continued Support to the Bus and Coach Industry

Thank you for your joint letter of 6th May 2020 from ATCO, ADEPT and the Chartered Institute of Transport and Logistics UK to the Secretary of State for Transport about continued Government assistance to the bus and coach industry in the England during the current Covid-19 pandemic. I have been asked to reply on the Secretary of State's behalf and I am sorry for the delay in replying. I will address each of the points in your letter individually.

Covid-19 Bus Services Support Grant (CBSSG)

As you may be aware, on 23 May, the Government announced a further £283 million in funding – of this, £254 million was for buses – as part of the Government's efforts to help protect and increase bus services. This funding will enable local transport authorities and operators to facilitate increased ridership as the country moves forward following Step 2 of the Government's Recovery Strategy that commenced from the 1st June.

The funding will be kept under review to ensure that full services can be up and running as quickly as possible. The new bus funding will utilise many aspects of the existing CBSSG framework and operators will have to work with local transport authorities to agree service provision and how this is focused. From the 29th May, officials sent the Terms and Conditions for this package (which set out how operators are able to make these claims) to bus operators and local transport authorities (LTAs).

For the most part, this new funding (CBSSG Restart) contains similar terms and conditions to the existing CBSSG, but key changes include:

- One-off payments will be made available to operators to cover the cost implications of removing staff from the furlough system early. Operators will be required to submit evidence of the cost implications of removing staff from the furlough system early to receive their one-off payment in June 2020;
- Other costs that can be claimed through the new scheme include personal protective equipment costs such as screens around the driver's cab on buses and hand sanitiser, costs involved in bringing buses out of Statutory Off Road Notification (SORN), and the cost of parts required to make buses fit for service; and
- Operators who did not receive CBSSG funding, but are eligible for Bus Service Operators Grant (BSOG) payments, will be able to claim funding from the new scheme.

This further funding for bus services is in addition to the Department maintaining the Bus Service Operators Grant at pre-coronavirus level during the outbreak. We are happy to talk to any LAs that are having issues to help resolve them in the interim.

We expect LAs to continue to support tendered services as aligned with the T&Cs of CBSSG, with any adjustments required by the authority following discussions with operators. Support that aligns with the T&Cs of CBSSG will be covered by CBSSG Restart. We will be reviewing how the funding is best distributed to do this from the 8 June.

Public Service Vehicles Accessibility Regulations (PSVAR)

Transport commissioners and operators have had almost twenty years to comply with the Public Service Vehicles Accessibility Regulations (PSVAR), and the Government offered exemptions from the Regulations for some non-commercial services in order to enable children to continue travelling to and from school whilst compliant long-term transport arrangements were put in place. We are currently working with stakeholders to understand the impact of the COVID pandemic on the ability of coach operators to comply with PSVAR, and what further support might be required to ensure that, when schools reopen for respective year groups, children are able to access them.

Support for Coach Operators

As you may be aware, HM Treasury has made several measures available to UK businesses to financially support them through this time. The Chancellor has been clear that the £330 billion of government support through loans and guarantees needs to reach as many businesses as possible. Changes were made to some of the COVID-19 support schemes on 3 April to ensure that more businesses can benefit from them. The measures include:

- Coronavirus Business Interruption Loan Scheme (CBILS)
- Coronavirus Bounce Back Loan Scheme (BBLs)
- Time to pay (TTP)
- Coronavirus Job Retention Scheme (JRS), which has now been extended until the end of October 2020.
- VAT deferral

Details of all of the Government's support measures for businesses is available at: www.gov.uk/government/collections/financial-support-for-businesses-during-coronavirus-covid-19.

The Government has also launched a new 'support finder' tool to help businesses quickly and easily determine what financial support is available to them during the coronavirus pandemic. The tool can be found at: www.gov.uk/business-coronavirus-support-finder.

This guidance will be kept up to date as restrictions on travel change and is available at the following links: www.gov.uk/guidance/coronavirus-covid-19-safer-travel-guidance-for-passengers and www.gov.uk/government/publications/coronavirus-covid-19-safer-transport-guidance-for-operators/coronavirus-covid-19-safer-transport-guidance-for-operators.

In addition, Baroness Vere who holds the ministerial portfolio for buses and coaches has met with Graham Vidler, Chief Executive of the Confederation of Passenger Transport UK (CPT) to discuss the concerns of the coach industry in England. We continue to work closely with the coach sector to understand what the ongoing risks and issues are, and how these can be addressed.

Yours sincerely

Alexis Tregenza (Mr)

Policy Adviser – Local Transport