



The Rt. Hon Grant Shapps MP  
Secretary of State for Transport  
House of Commons  
LONDON  
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Cc: Stephen Fidler, Director of Local Transport  
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## **RE: SUPPORT FOR THE BUS AND COACH INDUSTRY**

This letter has been produced in partnership with the Association of Transport Co-ordinators (ATCO), Association of Directors of Environment, Economy, Planning & Transport (ADEPT) and the Chartered Institute of Logistics and Transport (CILT), with a view to outlining some issues that require your early consideration.

### **COVID-19 Bus Services Support Grant (CBSSG)**

The government's support for the bus industry through both commercial and local authority administered CBSSG is welcomed and will certainly assist the industry in a period where "on bus revenue" is largely non-existent. Whilst we are sure you have considered this, our concern is that after June, when the current grant funding expires, what further financial support is going to be available for the bus industry?

It is unlikely that passenger numbers will return to the levels enjoyed, pre-Coronavirus for a significant period of time, and the industry will need to flex in order to understand what a "new normal" might look like in the short, medium and long term. Our main concern is in the short term, whilst the industry tries to establish its position as a key provider of public transport once again, and considers what impact social distancing, customer confidence and workers travel habits might have on the viability of its operations.

We are therefore asking that the government continues to provide direct financial support, in the same way it has already done so, for a further 16-week period from the 9th June until the 28th September. During that period the nation will begin to emerge and establish travel patterns, which will hopefully include school and college students. This guaranteed grant will assist the industry greatly and allow it to adapt to the demands on the service in a controlled manner and to a new way of operating. Without this financial support it is likely that a much increased level of bus service deregistration will be experienced, adversely affecting key worker travel, reducing the ability of the economy to recover and placing a significant financial burden on local authority budgets that are now stretched further than they have ever been, as they are forced to consider supporting these services.

Local authorities will continue to work with national and local bus suppliers to promote the safe use of public transport through the various phases of recovery and will provide appropriate guidance in conjunction with the department. ATCO is already working with the DfE to determine a robust set of

social distancing guidance for use on school transport, many elements of which will be transferable to public transport. We are more than happy to work with the department to take this work forward.

### **Public Service Vehicle Accessible Regulations 2000 – (PSVAR)**

As you will be aware, PSVAR requires buses and coaches designed to carry more than twenty-two passengers on local and scheduled routes, to incorporate features to enable disabled people to travel on them comfortably and safely, including a wheelchair space and a ramp or lift.

Early last year it became apparent that the interpretation of that legislation by the vast majority of educational establishments, local authorities and providers of home to school transport across the UK, differed to the DfT's understanding of its intention.

After discussions with ATCO, and other key stakeholders, you wrote to both local authorities and schools who directly commission their own transport with the following exemptions:

**Local Authority Commissioned Transport** - Exemptions available where no more than 20% of the seats on the vehicle are sold, which was implemented from the 1<sup>st</sup> January 2020 to be in place until 31<sup>st</sup> December 2021, with a potential further extension until 31<sup>st</sup> December 2023, for half of the original contracts registered.

**Educational Establishment Commissioned Transport** – A complete exemption to the regulation until 31<sup>st</sup> July 2020.

Whilst the exemptions are welcomed, we consider that the impacts of coronavirus upon the bus and coach industry means that PSVAR must now be reconsidered.

The exemptions were introduced in order to give the bus & coach industry sufficient time to invest in more, or different, vehicle types, or, retrofit their existing fleet to be compliant with the regulation. However, at the present time, like most business across the UK, the bus and coach industry is struggling to exist and is currently in no position to make any real form of investment. Indeed, mandating bus and coach operators to be PSVAR compliant by 1<sup>st</sup> September 2020 will almost certainly increase the number of bus and coach companies ceasing to trade through this difficult time. Added to this, the ability of converters to retrofit vehicles with lifts is also seriously compromised with many unable to meet the current demand for this.

Therefore, we call upon the government to review its position on PSVAR and the exemptions listed previously, and would recommend the following:

**Vehicles with no more than 20% of seats occupied by paying students** – The current exemptions should be extended until 31<sup>st</sup> December 2022, with a potential further extension of that exemption until 31<sup>st</sup> December 2024. Effectively, this is extending the existing exemption for a further year.

**Vehicles with more than 20% of seats occupied by paying students** – A complete exemption to the regulation until at least 31<sup>st</sup> July 2022.

These revised timescales will allow the market to understand what the passenger transport landscape might look like in the short to medium term and where investment opportunities might be possible as well as retaining as many of those transport operators as possible. We would add, however, that these timescales may need to be revised again dependent upon how well the economy recovers.

As part of this, local authorities and educational establishments will continue, as they always have done, to provide transport for a disabled entitled person to travel to school or college in an alternative PSVAR compliant transport vehicle.

ATCO is currently working with colleagues in the DfE to help shape national guidance for local authorities, school, including a maintained school, academy, faith school, independent school, private school or Sixth Form college and operators of home to school transport on the best way to implement social distancing requirements. However, you should be aware that if this guidance significantly reduces the number of pupils that can be accommodated on each type of vehicle, it could severely affect the cost and availability of transport for students who are not entitled to free home to school transport.

## **Financial Assistance for Coach Operators**

The Government has assisted the continued operation of bus services, whether subsidised or commercial, to ensure that key workers dependent on public transport are able to reach their jobs. Coaches are an often overlooked but essential mode of public transport. They operate many pupil transport services under contract to both local authorities and schools themselves, they may operate services for the general public when not operating school services particularly in areas where there is no other public transport. Coaches also provide commuter services and sightseeing services, they operate tours and carry private parties and offer many inter-urban services reaching many towns served by the railways no longer, and perhaps never. As franchisees, they may operate express services, often branded as National Express.

Although the coaching units of the major transport groups may have been able to reduce costs with Government assistance by furloughing staff and deregistering vehicles, the archetypal local coach operator perhaps with continuing school contracts or services for NHS employees, has lost the whole of their tours and hire business. Many of them are family businesses. We have no doubt that the Confederation of Passenger Transport has raised such problems with you. Just as you responded generously to commercial bus operators through CBSSG and maintaining BSOG payments, we would urge you to assist small and medium sized coach operators who will have a significant part to play as the economy recovers from the effects of COVID-19. Many of them may have no option but to enter administration, losing capacity and experience that could prove invaluable as the UK recovers whilst maintaining strict social distancing rules at least in the early stages of recovery. We recommend that this can be avoided by enabling smaller coach companies to benefit from the sort of assistance that has been given to commercial bus operators, maybe based on the latest full year accounts. We should be happy to work with your officials to devise suitable criteria for application and payment.

We do hope you can give this letter the due consideration it deserves. These recommendations will support the industry financially and reduce the significant financial burden that is already being placed upon local government.

If you wish to meet to discuss further please do not hesitate to contact Jason Salter, Chair of ATCO at [Jason.salter@wiltshire.gov.uk](mailto:Jason.salter@wiltshire.gov.uk).

Yours sincerely



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