



Department
for Transport

BUS SERVICE OPERATORS GRANT



Information Pack and
Conditions of Eligibility

COMMUNITY BUS OPERATORS

BUS SERVICE OPERATORS GRANT

Any enquiries regarding this guidance should be sent to us at:

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TN37 7NL

AN EXPLANATION OF THE BUS SERVICE OPERATORS GRANT SCHEME

This note explains the conditions under which community transport services may qualify for grant under the above scheme.

Please consider this note to help you determine if services your organisation provides are eligible for the grant. If your services do comply with the rules of eligibility, then you should complete the tick box questionnaire. You should also send us a copy of your section 19 permit(s) together with any supporting documentation that may assist us in considering your application. Please send a copy of the Permit itself and not the Permit Disk. To help us assess eligibility it would be very useful, and help to speed up the decision, if you can provide the Department with any publicity material etc that you may use to promote your service (this will be particularly relevant if the information on the permit is not sufficiently detailed to easily establish eligibility).

The Department will then consider your application and may seek external advice should this be necessary. Once we are satisfied that you operate some services which qualify for the grant we shall write to you as soon as possible (normally within three months) enclosing the forms to be used to claim the grant, together with an aide memoire on how to complete them. We will also notify you if we are not able to confirm your organisation's eligibility on the basis of the information you have supplied.

Also attached is a note on the record keeping requirements for organisations who wish to make a claim for grant under the scheme. Please note that we will only be able to pay BSOG if adequate records have been kept over the period of your claim. Claims will be paid in arrears twice yearly following the end of the September and March claim periods.

BUS SERVICE OPERATORS GRANT ON COMMUNITY TRANSPORT SERVICES

This note contains a brief description of the conditions of eligibility for Bus Service Operators Grant on community transport services. It is for guidance only; full conditions of eligibility for Bus Service Operators Grant are contained within the Bus Service Operators Grant (England) Regulations 2002 and are also be printed in full on the reverse of the claim form PSV452.

CONDITIONS OF ELIGIBILITY

An organisation wishing to receive Bus Service Operators Grant (BSOG) under the new eligibility rules first has to apply for acceptance on to the BSOG scheme. To enable the body's eligibility to be checked it should submit to the DfT a copy of its Section 19 permit or permits and such other documentation as is necessary to show that it provides transport services in the eligible categories.

Please send a copy of the Permit itself and not the Permit Disk. Documentation could, for example, include the body's constitution and/or its annual report and/or literature - an existing leaflet for example - describing the particular transport service for which BSOG will be claimed. Applications for eligibility should be made on the enclosed form.

To qualify for the grant community transport services must be eligible services operated by non-profit making bodies on the basis of a permit issued under section 19 of the Transport Act 1985. Eligible services are those used wholly or mainly by-

- (a) persons who have attained the age of 60 years;
- (b) disabled persons*;
- (c) persons in receipt of income support under section 124 of the Social Security Contributions and Benefits Act 1992;
- (d) person in receipt of jobseeker's allowance under the Jobseekers Act 1995;
- (e) persons suffering a degree of social exclusion by virtue of unemployment, poverty or other economic factors, homelessness, geographical remoteness, ill health, or religious or cultural mores;
- (f) persons who believe that it would be unsafe for them to use any public passenger transport services; or
- (g) Carers or persons under 16 years of age accompanying any of the foregoing.

*For this purpose, a person is disabled if he or she has a physical or mental impairment which has a substantial and long-term adverse effect on their ability to carry out normal day-to-day activities.

When completing form PSV452(England), organisations should give a broad estimate of the proportion or percentage of persons carried, in terms of their overall business, for each category they are claiming for. If any of the categories an organisation is claiming for are not detailed in the literature they provide with their application, then they must confirm those details separately, i.e. rough numbers carried, to where and how often.

The Department for Transport will consider submitted applications and may seek external advice should this be necessary. Once satisfied that an organisation operates some services which qualify for the grant, the Department for Transport will confirm acceptance on to the scheme in writing. The Department for Transport will also notify organisations if their application is unsuccessful based on the information they have provided.

NOTES FOR GUIDANCE ON HOW TO COMPLETE FORM PSV452 (England)

Once eligibility for the grant has been confirmed, the Department will issue form PSV452(England) which should be completed and returned to the Department for Transport.

Claimants for BSOG are required to maintain and keep accurate records to fully support the figures entered on form PSV452(England). Eligibility can be backdated only to a claim year which ended no more than three months before the certified claim is submitted. The following gives guidance on the types of records that should be kept..

SECTION 1 ELIGIBLE MILEAGE

Section 1 of form PSV452(England) is designed to record all mileage operated on eligible services. In order to be able to do this all vehicles used on those services must have functioning mileage/kilometre measuring devices.

This will enable the claimant to record the opening and closing mileage/kilometre reading on each eligible journey or route made each day. In case of a journey involving a mix of passengers where some are in the eligible categories and some are not, those journeys should not be included in the eligible figure unless the wholly or mainly requirement is met (see section on eligibility). Resulting from this, accurate mileage/kilometre figures for each eligible journey or route can be calculated.

A record must exist in order to prove that services operated. This is usually achieved by using driver or vehicle daily log sheets. Please note that the original records signed by the driver must be retained and available for at least 12 months after the claim form was submitted to the Department.

At the end of the claim periods the actual mileage/kilometres for each eligible journey or route must be calculated and entered into Section 1 of the claim form. [Only if the payment rate has changed during the period covered by this claim, separate figures of eligible kilometres are required in Section 1 for the periods in respect of which the different payment rates applied.]

When the claim is processed, the Department will add a 1% allowance to the Section 1 figure to cover miscellaneous mileage incurred in connection with, for example, vehicle testing and maintenance and driver training. Where a vehicle has been used to make some journeys which are not eligible under the terms of the regulations, care must be taken not to include the mileage run within the total claimed. However, the claim may include 'dead' mileage which is that mileage integral to providing eligible services but which is not in itself an eligible journey. This is mileage run in moving between two eligible journeys but not that in moving from an eligible journey to an ineligible one.

For example, dead mileage may include mileage at the start of the day from base to first pick up, mileage at the end of the day from the last drop off to base and mileage either side of a driver or handover. Dead mileage does not include mileage to and from any maintenance facility. This sort of mileage is covered by the 1% allowance.

Care must also be taken not to double claim mileage when a vehicle is lent or hired out to another organisation. The principle that will apply is that when the vehicle is hired out to another Community Transport group, it is for the group using the vehicle at the time to claim on the basis of their Section 19 Permit. Where the Community Transport group provides transport for the clients of a number of affiliated organisations under its own 'umbrella' Section 19 permit, then the claim should come from the Community Transport group. It should be noted that, in such cases, some journeys may not be eligible, and these should be excluded from your claim for BSOG.

Please also enter the expiry date of your Section 19 permit. Also be aware that the old style permits will cease to be valid from April 2014.

You must also include the type of fuel used, so that the Department pays the correct fuel rate.

SECTION 2

Section 2 of the claim form is used in order to obtain an accurate fuel consumption factor for those vehicle(s) that undertake any eligible journey. The resulting consumption rate is used to determine the grant due. Records must therefore be kept of both total kilometres run and total fuel issued.

The total vehicle kilometre figure must incorporate every turn of the wheel undertaken by your vehicle(s) regardless of the type of duty being performed. Assuming that there are no problems with the measuring equipment, it will be a simple matter of taking the mileage readings at the beginning of the claim period from that recorded at the end of the claim period for each of your vehicles. Generally, the total vehicle mileage/ kilometres figure can be extracted from the driver or vehicle log sheets, but where this is not possible we recommend that regular mileage/kilometre readings are recorded throughout the claim periods. This should also ensure the integrity of the mileage/kilometre measuring equipment. Should you have more than one vehicle, simply add the vehicle totals together in order to obtain the claim figure.

The fuel figure should include the total amount of fuel actually issued to the vehicle(s) over exactly the same periods from which the total vehicle mileage has been derived. Details of fuel purchases will normally be available through the receipts issued from the point of sale. Calculation must not be based on a perceived consumption factor. Records must be maintained to show actual fuel issued.

The fuel and mileage for any vehicles that may come and go during the course of the claim period must also be included when compiling the Section 2 figure.

SECTION 3

You may carry passengers who fall into more than one of the categories listed. Give a broad estimate of the number of passengers in each category.

SECTION 4

Please complete this part whether you are equipped with SC or AVL equipment or not. We still require the amount of vehicles you have used in your claim period (known as the Peak Vehicle Requirement (PVR)).

GENERAL

Organisations are paid BSOG in respect of eligible services operated in the preceding six months. Claims will be made for the period April to September and October to March although operators can apply to claim yearly. Dependent on when the Section 19 permits were registered the first claim may not be for a full six months.

All records must be retained and available for at least 12 months after the claim form was submitted to the Department. All such records must be made available to the VOSA inspectors on request. Failure to maintain proper records or produce them when requested to do so may result in claimants being excluded from the scheme.

Conversion factors

Department for Transport uses the following conversion factors:

- a) miles to kilometres: Multiply by 1.61
- b) gallons to litres: Multiply by 4.55

Payment rate

If the rate requires adjustment during the year the Department for Transport will make the necessary adjustments.

Audit requirements

Where the total eligible kilometre figure in Section 1 of the claim form is less than 20,000 kilometres per claim, these claims can be 'self certified' by a responsible officer of the body making the claim. Where the total eligible kilometres in Section 1 of the claim form is greater than 20,000 kilometres then these will need to be certified by an accountant/auditor who is not an employee or official of the body concerned. Regardless of which applies, both the declaration and self certification/auditor certification must be signed.

Certification of a Low Carbon Emission Bus Incentive for England

From April 2009, operators of Low Carbon Emission Buses (LCEB) have been eligible for an additional payment of 6p per kilometre. An LCEB is able to achieve a 30% reduction in its Greenhouse Gas Emissions compared to an average Euro 3 diesel bus of the same total passenger capacity.

A vehicle will **not** qualify as a LCEB simply by using a fuel type which allows it to achieve a 30% reduction in its Greenhouse Gas Emissions, unless the fuel it uses is a biogas. In order to identify that a particular vehicle is eligible for the LCEB incentive, the vehicle's manufacture will need to issue the bus operator with a certificate, certifying the vehicle as an LCEB based upon an independently witnessed emission test of a vehicle of the same type. An original certificate must be provided for every LCEB purchased by a bus operator. However, there is no requirement for each individual bus to be tested. The process is based on a type approval.

Full details on the method of accreditation and testing procedures for low carbon emission buses are available from the Low Carbon Vehicle Partnership on request to LCEB@lowcvp.org.uk or can be downloaded from the Low Carbon Vehicle Partnership website www.lowcvp.org.uk/LCEB.

This incentive payment is in addition to the normal BSOG payment. The operator is therefore required to complete a separate LCEB form as well as the normal BSOG claim form.

Incentives for the use of Smartcards and AVL for England

From 1st April 2010 operators now receive an 8% increase in their BSOG rate if they have operational ITSO Smartcard systems. They will receive a 2% increase in their BSOG rate if they have fitted their buses with Automatic Vehicle Location (AVL) equipment. These incentives can not be claimed for routes secured by Transport for London as part of the London Bus Network the details of these incentives can be found at: www.dft.gov.uk/pgr/regional/buses/busgrants/bsog/avl-incentives.pdf.