

23 AUGUST 2012

IMPORTANT CHANGES TO THE BUS SERVICE OPERATORS GRANT

The Department wrote to you on the 23 May 2012 to tell you about proposed changes to the BSOG system which are due to come in next year. The purpose of this letter is to bring you up to date with the latest developments and other changes that we will be implementing shortly.

Data Sharing

You will be aware from previous correspondence that your PSV311E certified claim has now been amended to separate kilometres run on supported (tendered) and commercial services from each other.

Under the proposals to reform BSOG the Government intends to devolve to individual local authorities the BSOG which was previously paid to bus operators for running tendered services. The Department, together with representatives of the bus industry and local councils, is still looking at exactly how to calculate how much should be devolved to each authority; however, any data we capture from your PSV311E certified claim is likely to be used to do this. It is therefore important that both operators and local authorities are in agreement with the figures supplied.

Consequently over the coming months we will be copying information supplied on certified claims to Local Transport Authorities. They will cross check the information supplied against their records, so that any discrepancies can be resolved in advance of us finalising the amounts to be devolved.

Estimate Changes

Following on from changes to the PSV311E certified form outlined above we now need to separate supported (tendered) and commercial services on estimate claims. This is because once devolution takes place you will only be entitled to claim BSOG for commercial services.

Therefore for claims beginning 01 November 2012 onwards you will receive two PSV310 estimate claim forms. One should be used to record supported (tendered) services, and the other should be used to record commercial services. More detailed guidance will be enclosed with the forms.

Smartcard and AVL Questionnaires

We will shortly be streamlining the process by which smartcard and automatic vehicle location (AVL) questionnaires are completed. In the past, operators have submitted their certified claims, which have then been processed by the BSOG team. Operators claiming smartcard or AVL incentives have then been sent questionnaires which need to be completed and returned to the Department.

Processing questionnaires in this way means there is often a considerable delay between completion of the certified claim and the associated questionnaire. This has resulted in confusion for operators and conflicting figures being captured on the two forms.

From now on we will therefore send out certified claims and questionnaires together. Once completed they will both need returning to the BSOG team at the same time. Certified claims won't be processed until the questionnaire has been returned.

Smartcard Extensions

Finally, since 1 April 2010, bus operators in England have been able to claim an additional 8% uplift on the amounts of BSOG we pay them, where their vehicles are fitted with Smartcard apparatus.

In October 2010 the Department was made aware that the ITSO Security Management Service (ISAMS) was unable to meet demand and fit this apparatus to buses quickly enough. This meant that some bus operators were unable to claim the incentive as part of their normal BSOG claim period of 12 months but would have had to wait until the next 12 month claim period. Given this, the Department agreed to extend BSOG claim periods for individual operators by (i) 3 months and then, if further delays were experienced, (ii) by an additional 3 months.

ISAMS have now managed to resolve their supply problems and can fit the apparatus without long delays. Given this the Department will no longer accept applications for extensions to claim years from 1 October 2012. This means that if you wish to be considered for an extension you will need to submit your application to us in writing by this date.

If you have any questions, please contact the BSOG team at:

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Yours sincerely

Bus Service Operators Grant Section