

BWG-P-09-06

Bus Subsidy Advisory Group Briefing

<i>This paper is provided for information only.</i>

The LowCVP has been invited by DfT to participate in the Bus Subsidy Advisory Group (BSAG) to advise them on issues relating to the revision of BSOG. The group was formed in February and has met twice, and will continue to meet fortnightly in the run up to the Budget.

To assist the Secretariat in inputting to BSAG, a sub-group has been established. To date the sub-group has met once via a teleconference.

BSAG membership comprises of the following stakeholder representatives:

- DfT
- SMMT
- CPT
- LowCVP
- PTEG
- LGA
- CTA
- ATCO

Terms of Reference of BSAG

The terms of reference for the group are, to advise on the implementation of the changes to Bus Service Operators Grant announced in the Government's statement of 16 December, taking account in particular of:

- the Government's wider objectives for the environment and the improvement of bus services;
- administrative efficiency and economy for both DfT and BSOG claimants whilst safeguarding the need for the basis for the disbursement of BSOG to be verifiable and auditable;
- the practical issues surrounding the supply of vehicles and systems;
- relevant EU rules;
- implementation of changes within the next two years; and
- DfT's goal "to promote greater equality of opportunity for all citizens, with the desired outcome of achieving a fairer society" as outlined in the DaSTS report.

Also to advise, as a second stage of the group's work, on the options for longer term replacements to BSOG.

First Stage

During the first stage of the BSAG work plan, which is expected to be completed during 2009, the group will advise on changes to BSOG relating to:

- Linking BSOG up rating in April 2010 to operator's performance in improving fuel efficiency;
- Incentives for low carbon buses
 - definition of a low carbon bus,
 - form of incentive, and
 - rules on verification requirements and other procedures.
- Incentives for buses with smartcard readers and GPS;
 - defining eligible equipment
 - form of incentive, and
 - rules on verification requirements and other procedures

Progress to date

The BSAG has met twice to agree terms of reference, timescales and initial discussions on linking BSOG to improved fuel efficiency of operators and introducing incentives for low carbon buses.