

DECISION MADE UNDER THE URGENT SCHEME OF DELEGATION

7th May 2020

Report of the Director of Economy and Place

Commercial Covid Bus Service Support Grant

Summary including Reason for this Decision

The report summarises the position around commercial Covid Bus Service Support Grant (CBSSG), a grant administered by the Department for Transport (DfT), but which requires local transport authority consent to service levels before it can be paid out to operators.

Background

Commercial CBSSG is a Department for Transport administered grant, released to bus operators to cover some of the losses they are experiencing during the covid lockdown period when passenger numbers and revenues are very depressed, but there is a need to retain services to enable key workers to reach their employment.

Operators are expected to operate 40-50% of their pre-covid mileage to qualify for the grant automatically. If they operate less than 40% of pre-covid mileage, local transport authorities need to provide a letter to say that they are content that the level of service being operated meets local travel needs and facilitates social distancing.

The table below shows the bus operators in York and the calculated levels of mileage they are currently operating in the York area. It should be noted that this would understate the proportion of mileage operating in total for an operator who mainly operates outside the York area – something which is the case for a number of the city's bus operators:

Operated miles	Pre-covid	Covid	Covid as a %age of pre-covid
First York	275,866	108,784	39%
Reliance	13,139	2,778	21%
Arriva	18,996	6,538	34%
Transdev	57,496	18,539	32%
EYB	15,422	8,822	57%
HCT	17,814	6,234	35%
Pullman	5,192	3,408	66%

It can be seen that EYB (East Yorkshire) and Pullman are operating more than 40% of their pre-covid mileage in York and therefore qualify automatically for the grant.

First York is very close to 40% and, given their exposure to the collapse of visitor traffic and student traffic (both to the University and York College), it appears reasonable to provide a letter stating that the level of service they are providing meets local travel needs and facilitates social distancing.

The other operators (Reliance, Arriva, Transdev and HCT/ Connexions) are below the 40% threshold. From a public transport perspective, it is proposed that CYC are content with current service levels on the following basis:

- Sometimes operators run a small network so removing just one service will make a big difference to operated mileage, yet the operator may still meet travel needs/ social distancing requirements if other services operate on its routes
- Patronage on the network in York has fallen a great deal more than in other places (90-95% v 60-80%)– and the reduced operated mileage reflects this – and the fact that social distancing can be achieved on services in York at lower provision levels than are necessary in other places.
- Some services in York are provided for the tourist market (e.g. city sightseeing) and others are dependent on activities which have ceased during lockdown (e.g. Askham Bar park and ride is heavily reliant on commuting, visitors to the city and travel to/ from York College). The cessation of teaching at the University has hugely reduced demand to travel on another very frequent service in York (66) – which has been pared back as a result. This has reduced the proportion of miles operated for some operators
- CYC have received no complaints about service withdrawal – in fact we have received a number of complaints about there being “too many buses” running in York during lockdown. CYC should therefore conclude that the services operating are meeting local needs to travel
- Operators have been responsive – some services have been stepped back up where needed to meet newly identified needs to travel (e.g. additional peak time journeys on services between Easingwold and York to allow key workers to travel).
- There are no services where patronage is currently sufficiently high that ensuring social distancing on bus services is a problem

Operators have been extremely constructive and helpful - in very difficult circumstances – stepping back the network and incurring additional costs on things like enhanced cleaning regimes.

It is also the case that the Cabinet Office guidelines – and our guidelines on paying suppliers – stress that CYC should have an “open book” relationship with suppliers, which would include the ability to claw back abnormal profits whilst operators were receiving large amounts of state support. As such, payments would be subject to a reconciliation later. The operators have received this guidance and are aware of it.

Consequently it is proposed that a letter (as attached at Annex A) is sent to operators signifying that CYC is content with the levels of service they have provided during the covid outbreak.

Implications

Financial

There is no direct financial implication for City of York Council from paying this grant. The grant is administered and paid directly to suppliers by the Department for Transport.

Human Resources (HR)

No implications.

Equalities

No implications

Legal

No implications

Crime and Disorder, Information Technology and Property

No implications

Recommendations

That letters (as per the example attached at Annex A) are sent to the five of York's seven bus operators who have been operating below 40% of their "normal" service mileage during the covid outbreak, stating that CYC are content with the levels of service they are providing during the covid period, so that they can draw down commercial CBSSG.

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Chief Officer responsible for the report:

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**Report
Approved**

Date /2020

Specialist Implications Officer(s):

Wards Affected: *List wards or tick box to indicate all*

All

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For further information please contact the author of the report

Background Papers: Sample letter