

Norfolk County Council

Record of Individual Cabinet Member Decision

Responsible Cabinet Member: Cllr Martin Wilby (Cabinet Member for Highways, Infrastructure & Transport)

Background and Purpose:

As part of the Government's support to the bus industry during the Covid pandemic, Ministers agreed for a temporary grant to be introduced, the COVID-19 Bus Services Support Grant (CBSSG). There are two parts to this funding, one for bus operators for their commercial services and one for local transport authorities for their subsidised services.

CBSSG ended on 31 August 2021 and has been replaced by BRG (Bus Recovery Grant). This is a much smaller financial grant that takes into consideration the fact that passenger numbers are steadily rising and with the expectation that they will have recovered back to pre-Covid levels by the end of March 2022 (when the BRG is due to finish).

This paper sets out how we are proposing to allocate our LTA BRG funding to the local bus operators who run subsidised local bus services in Norfolk, and what methodology we will use to allocate any future financial support for public transport services and bus operators.

Decision:

To use the proposed methodology (of a per km basis) for distributing BRG, or any other similar types of financial support for public transport provided by Government, to the local bus operators to support their subsidised services and revenue losses, as detailed in the report.

Is it a key decision? No

Is it subject to call-in? Yes

If Yes – the deadline for call-in is: 4pm, Wednesday 29 December 2021

Impact of the Decision:

As set out in the attached report

Evidence and reason for the decision:

As set out in the attached report

Alternative options considered and rejected:

As set out in the attached report

Financial, Resource or other implications considered:

As set out in the attached report

Record of any conflict of interest:

None

Background documents:

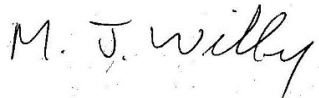
- Record of Cabinet Member Decision
- [Letter from the DfT outlining the support package](#)
- [BRG allocation for 1 Sept 2021 - 5 April 2022](#)
- [MOU for the current BRG](#)

Date of Decision: 16/12/2021

Publication Date of Decision: 17/12/2021

Signed by Cabinet Member:

I confirm that I have made the decision set out above, for the reasons also set out.

A handwritten signature in black ink that reads "M. J. Wilby". The signature is written in a cursive style with a large 'M' and 'W'.

Print name: Cllr Martin Wilby

Date: 16/12/2021

Accompanying documents:

- Individual Cabinet Member Decision Report

Once you have completed your internal department clearance process and obtained agreement of the Cabinet Member, send your completed decision notice together with the report and green form to committees@norfolk.gov.uk

Individual Cabinet Member Decision Report

Item No:

Report Title: Bus Recovery Grant (BRG)

Responsible Cabinet Member: Cllr Martin Wilby (Cabinet Member for Highways, Infrastructure & Transport)

Responsible Director: Tom McCabe (Executive Director, Community and Environmental Services)

Is this a Key Decision? No

Executive Summary

As part of the Government's support to the bus industry during the Covid pandemic, Ministers agreed for a temporary grant to be introduced, the COVID-19 Bus Services Support Grant (CBSSG). There are two parts to this funding, one for bus operators for their commercial services and one for local transport authorities for their subsidised services.

CBSSG ended on 31 August 2021 and has been replaced by BRG (Bus Recovery Grant). This is a much smaller financial grant that takes into consideration the fact that passenger numbers are steadily rising and with the expectation that they will have recovered back to pre-Covid levels by the end of March 2022 (when the BRG is due to finish).

This paper sets out how we are proposing to allocate our LTA BRG funding to the local bus operators who run subsidised local bus services in Norfolk, and what methodology we will use to allocate any future financial support for public transport services and bus operators.

Recommendation

- 1. To approve the proposed methodology (of a per km basis) for distributing BRG, or any other similar types of financial support for public transport provided by Government, to the local bus operators, to support their subsidised services and revenue losses, as detailed in the report.**

1. Background and Purpose

- 1.1. Norfolk County Council has received £6.7m in CBSSG funding to support local bus operators to continue to deliver their subsidised local bus services, for the period 17 March 2020 to 31 August 2021. This has helped significantly in enabling bus services to continue running throughout the pandemic despite the significant reduction in passengers and revenue.

- 1.2. CBSSG came to an end on 31 August 2021 and has been replaced by BRG (Bus Recovery Grant) for the period 1 September 2021 to 5 April 2022. This is a much smaller financial grant that takes into consideration the fact that passenger numbers are steadily rising and with the expectation that they will have recovered back to pre-Covid levels by the end of March 2022 (although this is an assumption and expectation which will be affected by recent Covid related events).
- 1.3. We have been allocated £790,615 of BRG for this period. How we allocate the funding is for the County Council to determine, as long as it is used to support local bus services and operators. At the end of the funding period, the Executive Director of CES and the Chief Internal Auditor will be required to sign a declaration of proper use of the funding and we will need to provide the Department for Transport (DfT) with information on how the funding was allocated and how many bus services and kilometres were supported.

2. Proposals

- 2.1. We have been allocating CBSSG to the bus operators based on the weekly km that their subsidised services run. This methodology was agreed through a Cabinet Member delegated decision in May 2020 following receipt of the first tranche of CBSSG funding. We have continued with this methodology for all subsequent allocations, giving £1.25 per km.
- 2.2. The current BRG allocation for the period 1 September 2021 to 5 April 2022 (27 weeks) is £790,615 (an amount similar to what we were getting previously for every 8 weeks) so we can no longer use the £1.25 per km metric previously agreed, but we can continue to use a similar methodology so that operators are allocated funding based on the number of km that their subsidised services cover every week.
- 2.3. This way of allocating the funding is fair as it means that operators with the largest service area get the highest allocation, reflecting the higher costs they are incurring and the biggest loss of passenger revenue.
- 2.4. To allocate the £790,615 in this way means that we can give the operators £0.38 per km for this period of BRG, and it is proposed that we do this.
- 2.5. If further allocations of BRG or any other type of financial support is given post April 2022 then it is also proposed that we continue to use the per km methodology but change the amount per km to reflect the funding allocation given.

3. Impact of the Proposal

- 3.1. Allocating this funding to our operators will help to ensure that they can continue to operate and to be there for the long term and will help to avoid large scale service withdrawals. It also means they can continue to operate for essential workers, school and college students, and to enable people to get to essential services.

4. Evidence and Reasons for Decision

- 4.1. Without this funding there is a real risk that the bus operators would not be able to continue to operate, putting service provision at risk and leading to significant extra funding having to be provided in the future to plug gaps where commercial services have been withdrawn.
- 4.2. This funding is given to us by the DfT and so we need to pass it on to the operators or give it back. The DfT have left it to local authorities to decide how best to use this funding, as they know the local market and situation the best.

5. Alternative Options

- 5.1. We could allocate the funding based on lost revenue only, but this does not reflect the full impact of the losses for operators. This option was discounted as the bus operators need the maximum financial support in order to remain viable businesses for the future and it was not possible to accurately work out their revenue loss on each particular service as season tickets could cover any service.
- 5.2. Another option is to not allocate the funding to operators at all, but it would then just have to be given back to the DfT.

6. Financial Implications

- 6.1. There are no financial implications for the County Council, as this is money received from central government and we will not allocate more than we have received.

7. Resource Implications

- 7.1. **Staff:** None
- 7.2. **Property:** None
- 7.3. **IT:** None

8. Other Implications

8.1. Legal Implications

None

8.2. Human Rights implications

None

8.3. Equality Impact Assessment (EqIA) (this must be included)

Supporting local bus services is key to supporting all communities, including those with protected characteristics. This includes access to suppliers and services for vulnerable people and key workers to get to work. Bus services have remained operational, despite a lack of passengers and therefore revenue,

in order to ensure that all who need to can travel, and this funding will help this to continue.

8.4. Data Protection Impact Assessments (DPIA):

None

8.5. Health and Safety implications

None

8.6. Sustainability implications

None

8.7. Any other implications

None

9. Risk Implications/Assessment

9.1. There are no risks to consider

10. Select Committee comments

10.1. N/A

11. Recommendation

11.1. 1. To approve the proposed methodology (of a per km basis) for distributing BRG, or any other similar types of financial support for public transport provided by Government, to the local bus operators, to support their subsidised services and revenue losses, as detailed in the report.

12. Background Papers

12.1. [Letter from the DfT outlining the support package](#)

[BRG allocation for 1 Sept 2021 - 5 April 2022](#)

[MOU for the current BRG](#)

Officer Contact

If you have any questions about matters contained in this paper, please get in touch with:

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Email: niki.park@norfolk.gov.uk



If you need this report in large print, audio, braille, alternative format or in a different language please contact 0344 800 8020 or 0344 800 8011 (textphone) and we will do our best to help.