



Department
for Transport

Bus Service Operators Grant
Department for Transport
D06, Ashdown House
Sedlescombe Road North
St Leonards on Sea
East Sussex

Web Site: www.dft.gov.uk

30 September 2013

Dear X,

REFORM OF BUS SERVICE OPERATORS GRANT (BSOG)

I am writing to remind you of changes to the BSOG regime that will start on 1 October 2013 & 1 January 2014. This follows the announcement which the Department for Transport (DfT) made on 5 July. You can find details of the announcement at: <https://www.gov.uk/government/organisations/department-for-transport/series/bus-subsidy-reform>

A. On 1st October the following will happen:

- **operators of bus services under tender to Transport for London (TfL) will no longer be able to claim BSOG for these services.** Instead DfT will pay a broadly equivalent amount of grant annually to TfL/the GLA;
- **community transport (section 19) services which local councils operate in-house will no longer be eligible for BSOG.** Instead DfT will pay a fixed amount of grant annually to each of these councils;
- **the eligibility rules will change, and certain types of service will no longer be eligible for BSOG.** For more details see paragraph 1.31 at this link
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/233060/consultation-analysis.pdf.

During October we will also announce which local authority Better Bus Area bids have been successful. If you operate services within a proposed Better Bus Area your local authority should already have been in touch to discuss their plans. If their bid is successful you will be written to over the next few weeks to confirm the process.

B. Then, on 1 January 2014, the following will happen:

- **operators of bus services under tender to local councils outside London will no longer be able to claim BSOG for these services.** Instead DfT will pay a broadly equivalent amount of grant to the local council which tendered these services;

We are writing separately to each of the local councils affected by these changes to let them know how much we will be devolving to them, and when.

If you have any questions about any of these changes, please email me at the address given at the top of this letter.

Yours sincerely,

Bus Service Operators Grant Section