

BUS SERVICE OPERATORS GRANT



INFORMATION PACK and CONDITIONS OF ELIGIBILITY (PSV 360-S)

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AN EXPLANATION OF THE BUS SERVICE OPERATORS GRANT SCHEME

NOTES FOR GUIDANCE ON HOW TO COMPLETE FORMS PSV 310-S and PSV 311-S

BSOG RATES

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AN EXPLANATION OF THE BUS SERVICE OPERATORS GRANT SCHEME

The Bus Service Operators Grant (BSOG) is a discretionary grant paid under section 38 of the Transport (Scotland) Act 2001 by Transport Scotland on behalf of Scottish Ministers. The aim of BSOG is principally to benefit passengers by helping operators keep their fares down. In addition, providing support to bus services based on the distance they travel means that longer services receive a greater benefit than shorter services which is of particular assistance for rural areas. BSOG also contributes to the operation of community transport organisations allowing people who cannot make use of conventional bus services to access local services. This grant is payable only on a local bus service as defined in section 2 of the Transport Act 1985 or a community transport service possessing a section 19 permit. The service(s) must then meet the further requirements detailed in the Bus Service Operators Grant (Scotland) Regulations 2002 as amended. These conditions are also outlined in this document.

There is a separate information sheet for Community Bus Operators.

The process is that an eligible bus operator submits an estimate claim on form **PSV 310-S** which details the kilometres which are estimated to be operated during the forward claim year. When this form is received and the claims are checked and approved for payment, Transport Scotland will write to the bus operator notifying them of the amount(s) which they are due to receive and the dates on which it is intended to credit these amount(s) to the company's bank account.

Transport Scotland will then make four quarterly payments at three-monthly intervals based on the estimate. These payments are conditional upon a further claim form **PSV 311-S** being submitted by the company within three months of the end of the previous claim period. The form **PSV 311-S** should show the actual (as opposed to the estimated) kilometres operated during the period and must be certified by a qualified independent accountant/auditor.

On receipt of the certified claim form **PSV 311-S** Transport Scotland will calculate the actual amount of the grant that should have been paid during the period. This amount is compared with amounts already paid based on the estimate: any underpayment will result in an additional payment being made; any overpayment will usually be recovered from future quarterly payments.

All payments of BSOG are made through the **Bankers Automated Clearing Service (BACS)** and any new operators are asked to supply Transport Scotland with their banking details. A form for these is available on request.

For their part, companies are required, under the conditions imposed under section 38 of the Transport (Scotland) Act 2001, to keep adequate records of the kilometres run in operation of local bus services so as to satisfy both the independent accountant who must certify the actual claim form **PSV 311-S** and Transport Scotland that the figures on the claim are correctly stated.

It should be noted that whilst Transport Scotland's intentions are to avoid placing unnecessary administrative burdens on bus operators which are not commensurate with either the size of the operator, or its type of operations, the verification/inspection branch of the BSOG team will periodically visit bus operators for the purpose of checking that claims comply with the appropriate legislation governing the BSOG Scheme and to ensure that adequate records are being kept in support of claims.

Summary of Key Differences in BSOG

Below are the key principles for the BSOG scheme for Commercial Bus Operators which will be applied from 1 April 2012 for payments relating to financial year 2012-13 onwards.

- Fuel use will no longer be a factor in calculating BSOG payments. Payments will be solely based on distance travelled and will be calculated using the equation:
$$\text{Payment} = \text{eligible kms} \times \text{payment rate}$$
- BSOG will only be payable on mileage run on an eligible service. Dead mileage will no longer be eligible for BSOG.
- The 1% eligible mileage bonus applied at the certified claim stage will be removed.
- Low Carbon Vehicles (LCVs) will be eligible for an LCV incentive. A separate form is available from Transport Scotland on request. The payment rate for LCVs is twice the conventional payment rate with the bonus applied at the certified claim stage. An LCV is defined as:
“A vehicle that produces at least 30% fewer greenhouse gas emissions than a current Euro III equivalent diesel bus of the same total passenger capacity. The greenhouse gas emissions will be expressed in grams of carbon dioxide equivalent measured over a standard test, and will cover ‘Well-to-Wheel’ performance, thereby taking into account both the production of the fuel and its consumption on board. A vehicle must be certified by the manufacturer that it meets these conditions.”
- Transport Scotland will only accept backdated certified claim forms for one financial year prior to the current financial year in question. For example, in April 2012 an operator could only submit a certified claim for the period 1 April 2011 to 31 March 2012 but no further back.

Below are **the conditions of eligibility for Bus Service Operators Grant**. This leaflet is for guidance only; full conditions of eligibility for Bus Service Operators Grant (BSOG) are contained within the Bus Service Operators Grant (Scotland) Regulations 2002 as amended and are printed in full on the reverse of the estimate claim form (**PSV 310-S**) and certified claim form (**PSV 311-S**).

CONDITIONS OF ELIGIBILITY FOR COMMERCIAL BUS OPERATORS

A separate information sheet is available for Community Bus Operators.

- (1) A bus service is an eligible bus service for the purposes of section 38 of the Transport (Scotland) Act 2001 (Grants to bus service operators) if it is of one of the following classes:
 - (a) a local service provided or secured:
 - (i) by a local education authority pursuant to arrangements made under section 51 of the Education (Scotland) Act 1980; or
 - (ii) for persons who have attained the age of sixty years or disabled persons, and in respect of which the conditions set out in paragraph (2) are satisfied;
 - (b) a local service, other than a service described in paragraph (1)(a), and in respect of which the conditions set out in paragraph (3) are satisfied; and
- (2) The conditions referred to in paragraph (1)(a) are that:
 - (a) seats on the vehicle by means of which the service is provided are normally available to members of the public and the service is regularly used by such members;
 - (b) the stopping arrangements are such that-
 - (i) all the fixed stopping places (whether marked or otherwise generally recognised) other than at the service termini are located where they are likely to be used with reasonable frequency by members of the public, and
 - (ii) in any section of the area of operation of the service where there are no fixed stopping places, the arrangements for determining when and where passengers may be taken up and set down are such that members of the public may take advantage of them with reasonable frequency;
 - (c) members of the public are able to make a single journey between two stopping places (to the extent that such journeys are provided for in the registered particulars having regard to boarding and alighting restrictions) upon payment of a fare that is not a deliberate deterrent to their use of the service;
 - (ca) in the case of a flexible service, the advance booking arrangements are such that they do not act as a deterrent to members of the public wishing to make a single journey which is otherwise provided for in the registered particulars;
 - (d) members of the public are able to pay the fare at a place and in a manner which are not a deliberate deterrent to their use of the service; and
 - (e) arrangements are made which afford members of the public a reasonable opportunity to inform themselves of the existence of the service, the times of its operation, and the places which it serves.
- (3) The conditions referred to in paragraph (1)(b) are that:
 - (a) at least half of the accommodation on the vehicle by means of which the service is provided is normally available to members of the public and the service is regularly used by such members;
 - (b) the stopping arrangements are such that –
 - (i) all the fixed stopping places (whether marked or otherwise generally recognised) are located where they are likely to be used with reasonable frequency by members of the public, and
 - (ii) in any section of the area of operation of the service where there are no fixed stopping places, the arrangements for determining when and where passengers may be taken up and set down are such that members of the public may take advantage of them with reasonable frequency;

- (c) members of the public are able to make a single journey between two stopping places (to the extent that such journeys are provided for in the registered particulars having regard to boarding and alighting restrictions) upon payment of a fare that is not a deliberate deterrent to their use of the service;
- (ca) in the case of a flexible service, the advance booking arrangements are such that they do not act as a deterrent to members of the public wishing to make a single journey which is otherwise provided for in the registered particulars;
- (d) members of the general public are able to pay the fare at a place and in a manner which are not a deliberate deterrent to their use of the service;
- (e) there is not displayed on the vehicle, by means of which the service is provided, any sign or description intended or likely to convey the impression that the service is only available to a particular category of person; and
- (f) arrangements are made which afford members of the public a reasonable opportunity to inform themselves of the existence of the service, times of its operation and the places which it serves.

FURTHER INFORMATION

If you require further information or if you think you are entitled to claim Bus Service Operators Grant (BSOG) for some or all of the local bus service(s) you are operating or intend to operate, please contact:

BSOG Team
Concessionary Travel & Integrated Ticketing Unit
Transport Scotland
6th Floor
Buchanan House
58 Port Dundas Road
Glasgow G4 0HF
Tel: 0141 272 7319
E-mail: bsog@transportscotland.gsi.gov.uk

Notes for guidance on how to complete forms PSV 310-S and PSV 311-S

Form PSV 310-S (yellow form) for kilometres to be run

You should enter your best estimate of the kilometres you intend to run between the dates shown on the front of the form. Please note that it is not in your interest to overestimate, as any amount overpaid will be recovered from the next estimate claim.

Section 1: You should enter the intended number of service kilometres to be run based on your timetables.

In order that the grant payments may reflect any seasonal variations in stage kilometres run, the estimate of service kilometres for the period should be divided in quarters (i.e. every three calendar months).

Section 2:

Column 1: You should enter your route/service number.

Column 2: The registration number given to you by the Traffic Area Office.

Column 3: You should enter the date on which the service began and the issue number of the **Notice and Proceedings** in which it first appeared.

Column 4: You should enter the longest one-way journey on the route eligible for BSOG.

Column 5: The total estimated number of journeys to be run on the route in one week during the period covered by the claim (average weekly number of journeys).

Column 6: The total estimated number of journeys to be run on the route in the period covered by the claim (usually one year).

Column 7: The total estimated service Kms on which BSOG is claimed.

Please supply timetables if the following apply:

- You have not sent timetables in respect of the service(s) to Transport Scotland previously;
- The service has been introduced within the last year;
- The service frequency and/or route has changed within the last year;

Form PSV 311-S (green form) for kilometres actually run

You will see that the information required is very like that on **PSV 310-S** except that you will have to enter the actual number of service kilometres run based on your service records; you must not enter estimated figures on the **PSV 311-S**.

It is not necessary to divide the actual kilometres run by quarterly periods as on the estimated claim; you should only complete those of section 1 where the start and end dates of the claim period appear. Transport Scotland will send you a **PSV 311-S** when your claim year is coming to an end. We may split the 'from' and 'to' column at section 1 if the payment rate changes mid-year. If this does happen we will hand-write on the **PSV 311-S** with the relevant dates.

You should note that the payments which you receive based on an estimated claim are not yours by right but are subject to the condition that you submit a **PSV 311-S** certified by an independent accountant/auditor within three months of the end of the claim period. If you do not submit a properly certified **PSV 311-S**, or submit a **PSV 311-S** that is not supported by full accurate records, Transport Scotland may withhold payments on a current estimated claim, recover payments already made or even exclude you from further participation in the scheme.

Please enclose a copy of your record of scheduled kilometres lost/not travelled with each certified claim.

From 1 April 2011 we also require a letter from your auditors which sets out which tests have been done and which routes (and figures) have been sample checked as part of the certification process.

The following explanation should be read in conjunction with the 'Notes for Guidance' which are printed on the back of each claim form. This is not an official document but a guide that operators may find helpful when completing the form.

Start with Section 2

ROUTE ANALYSIS

Column 1: Service number – how the service is identified by passengers, usually by numbers or destination.

Column 2: The registration number of the service(s); more than one service may have been authorised under the same registration.

Column 3: Self-explanatory – as much detail as possible will enable Transport Scotland to identify and check the registration details. (It will be helpful to record dates of authorised variations when kilometres run were affected).

Column 4: The longest single route length (not including dead kilometres) for each service. Alternatively, if a timetable is complicated with a number of journeys at varying lengths, you may quote the total daily number of kilometres operated. You should enclose a copy of the timetable showing the kilometres for each section of the journey.

Column 5: The actual average number of journeys run on the route in one week during the period covered by the claim (average weekly number of journeys).

Column 6: The actual number of journeys run on the route in the period covered by the claim (usually one year).

Column 7: The total service Kms on which BSOG is claimed.

Column 8: The actual number of Kms, per the timetable, not run on the route in the period covered by the claim.

Section 1

The figures in this section should be the total of those in Section 2. The quoted figures should accurately portray what kilometres were operated in the periods shown, therefore, a separate 'days and kilometres' calculation may be necessary for each service before transferring the totals from Section 2.

Conversion Factor

Transport Scotland uses the following conversion factor:

miles to kilometres multiply by 1.61

BSOG Rates from 1 April 2012	14.4 pence per kilometre
	20.0 pence per kilometre for services using 100% biofuel from sustainable sources

Further copies of this document are available, on request, in audio and large print formats and in community languages (Urdu; Bengali; Gaelic; Hindi; Punjabi; Cantonese; Arabic; Polish).

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