

Greater Manchester Bus Operators

By email

27 March 2020

Dear all

Covid 19 – Update to Bus Operators

TfGM appreciates the significant impact that the current situation is having on bus patronage across Greater Manchester and public transport throughout the UK. As we have previously advised, we are continuing to engage actively with the DfT, through UTG, in regard to how we can honour what government has set out as a framework for supplier payments in their recently issued Procurement Policy Note. This reflects our mutual desire to keep bus services running in Greater Manchester, not just through the duration of the current pandemic but into the future.

Despite the concerns expressed in various emails by operators and OneBus, I can assure you that the dialogue with DfT has been occurring in a genuine way with a strong desire for us to be able to give you assurances to enable you to better plan going forwards. Dialogue with the DfT will continue. Daily dialogue with our UTG colleagues suggests to us that no firm and final agreement has been reached by them in relation to these issues, albeit principle discussions are ongoing.

The DfT have today written to Local Authorities outlining the approach that should be considered by Local Transport Authorities in responding to the current challenges faced by the sector. Taking account of the above and Guidance issued by the Cabinet Office in PPN 02/20, we are now able to confirm our position on payments for tendered services and concessionary re-imburement for the forthcoming month of April. This includes the timing of payments during that period.

During April we will continue to review appropriate arrangements for subsequent months.

I would remind all operators that payments were made on 15th March covering the operation of services for the full month of March, in accordance with TfGM's policy of paying operators for half the month in arrears and half in advance. The payments

made in March included the operation of tendered services, concessionary reimbursement and BSOG. This payment took no account of the impact of COVID 19.

These are as follows:-

- ENCTS: to be paid based on the average level of payments for the last three months, calculated as the average patronage level over this period applied to the appropriate reimbursement rate per passenger for each operator;
- Our Pass: to be paid based on the actual level of patronage;
- Other Local Concessions: to be paid at 10% (being an estimate of current patronage, noting that this is likely to decline over coming days and weeks) of the level of reimbursement in March 2020;
- Subsidised bus payments: to be made at the level paid in March 2020, subject to the conditions set out below.

The above reflect an approach whereby payments are maintained for ENCTS based on patronage at pre Covid19 levels and for the local scheme more closely reflect recent actual levels of patronage.

It is proposed that payment be made on 1 April, rather than the normal payment date of 15 April, with the exception of Our Pass, payments for which will be made fortnightly in arrears based on actual patronage.

The proposed payments would be made in accordance with a number of conditions to which we expect you to indicate your agreement:-

1. No changes to your network should be made unless expressly agreed with TFGM and these agreed levels will be maintained. Should the network be forced to close due to further government restrictions we reserve the right to review payments.
2. Agree to work flexibly and proactively with TfGM to redeploy resource as required and to react to specific times of day or areas of demand as they become apparent, subject to such proposals being agreed as safe to operate with appropriate vehicles.
3. Continued acceptance of ENTCS customers before 9.30am weekdays at no additional cost or enhanced charges as would otherwise be considered in the ENTCS national scheme and to continue to work with TFGM to consider and support the implementation of further temporary concessions as the need arises.

4. Agree to share with TfGM your workforce plan including specifically any plans for the use of use of furloughing should it be considered necessary.
5. Maintain adequate financial records and agree to comprehensive Open book access including but not limited to access to any data required to demonstrate the payments made have been used in the manner intended and were needed to ensure that the level of service being provided could be undertaken.
6. Agree to repay any monies that could not be demonstrated to have been needed and agree that TFGM can set off any such required repayment against future payments over a reasonable period.
7. Agree to remain flexible in terms of potential operations within the Easter holiday period as demand becomes apparent. Any additional payments in this regard to be agreed with individual operators.
8. Social distancing policies on transport to be implemented and communicated in line with national guidance. This may preclude the use of smaller vehicles and revised capacities or vehicle types should be discussed with TfGM.
9. Commit to enhanced cleaning standards of touch-points in vehicles to ensure virus spread is controlled.
10. Updated timetable information is provided at the earliest possible point to TfGM in previously agreed format to ensure provision to customers in as timely a manner as possible.
11. Day-to-day service disruption must be communicated to Traveline and/or in the agreed format to TfGM

In respect of other matters which are determined locally, and to support local bus operators in Greater Manchester, TfGM is able to confirm that it will provide relief for operators in the coming months by:

- Suspending the increase to bus station departure charges previously notified to apply from April 2020, for the foreseeable future.
- Giving bus operators who occupy accommodation at TfGM facilities a three-month rental holiday for the coming quarter.

We are also continuing to explore other aspects of current operations where operator relief may be appropriate.

TfGM officers will continue to work closely with operators over the coming weeks and months ahead, to ensure that the impacts of the current situation are managed in a way that allows passengers to make essential journeys.

Yours sincerely

A handwritten signature in black ink, consisting of a stylized 'E' followed by a long horizontal stroke.

Eamonn Boylan
Chief Executive