

Rt Hon George Osborne MP  
Chancellor of the Exchequer  
11 Downing Street  
London  
SW1A 2AA

18 November 2015

Dear Chancellor,

### **Government funding for buses must be protected in the Spending Review 2015**

We are writing to express our concern about the threats to government bus funding in the Spending Review. Below, we spell out why buses matter not just for transport, but for the economy, employment, education and communities. We also suggest how funding for this essential part of the transport mix can be maintained.

Buses offer great value for public money. Nearly 5 billion bus trips are made each year and bus commuters help generate over £64 billion of economic output. Every £1 of public investment in buses provides between £3 and £5 of wider benefits to local economies and social and environmental wellbeing – a return that is higher than for many transport infrastructure schemes.

Buses are essential for the quarter of UK households without a car. Over half of households on the lowest incomes fall into this category and bus use rises as income falls. Young people need reliable and affordable bus services in order to access education and employment, particularly apprenticeships which are vital given the Government's 3 million apprentices target. For older people buses are a lifeline away from isolation and loneliness and provide access to social activities, health services and shops. Accessible public transport is often crucial in keeping disabled people connected to their communities. For people in rural areas, buses are essential to many not just for work and education, but for independence. Buses are also important for leisure use, helping people gain access to and travel around the countryside more sustainably; they often also contribute to the overall visitor experience.

Cutting bus funding in the Spending Review would conflict with government commitments to support hardworking people. Evidence shows that many people who want to work are unable to take jobs, or are forced on to benefits, because of insufficient or expensive bus provision. A third of jobseekers say poor transport options are the biggest barrier to them finding work. Indeed, local businesses depend on staff and customers getting to the shops and services on the bus. Reducing bus funding will hit these businesses and high streets up and down the country.

Bus services are essential to the objectives of a number of government departments. Spending on buses benefits the Department for Work and Pensions through reducing welfare spending, the Department of Health benefits from buses, through enabling independence, access to healthcare and the shift away from

car use promoting physical activity. Buses help the Department for Education through providing access to schools and colleges.

Because of this, we are calling on the Government to recognise the cross-departmental benefits of bus spending and maintain support for the Bus Service Operators Grant (BSOG) and local authority grants. We recommend that to support buses long term, a 'Connectivity Fund' could be created, pooling funds from across relevant departments to keep the wheels of the economy moving.

In 2012 the coalition government made a 20 per cent cut to BSOG, the only funding that goes direct to all bus services. Any further cut to BSOG will only add to the pressure faced by commercial bus operators across the country. Funding for local authority supported services has been reduced by over £80 million since 2010 meaning more than 2,400 of the most essential bus routes and services have been cut back as a result.

We are asking you to protect these services in the spending review and avoid funding cuts and the associated economic and social problems that will follow.

Yours sincerely



Stephen Joseph OBE - Chief Executive  
**Campaign for Better Transport**



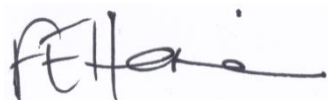
Martin Doel – Chief Executive  
**Association of Colleges**



Richard Quallington – Interim Chief Executive  
**Action with Communities in Rural England**



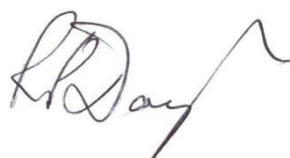
Tom Platt – Head of Policy  
**Living Streets**



Fiona Howie – Chief Executive  
**Campaign for National Parks**



Shelly Asquith – Vice President  
**National Union of Students**



Ron Douglas – President  
**National Pensioners Convention**



Benedict Southworth – Chief Executive  
**Ramblers**



Faryal Velmi – Director  
**Transport for All**



Doug Parr – Chief Scientist  
**Greenpeace**



Liz Emerson – Co Founder  
**Intergenerational Foundation**



Janet Morrison – Chief Executive  
**Independent Age**



Manuel Cortes – General Secretary  
**TSSA Union**



Bobby Morton – National Officer  
**Unite the Union**



Mick Cash – General Secretary  
**RMT**