



Department  
for Transport

Councillor Emily Smith  
Leader of the Council  
Vale of White Horse District Council  
135 Eastern Avenue, Milton Park  
Abingdon, Oxfordshire  
OX14 4SB

**Baroness Vere of Norbiton**  
Minister for Roads, Buses and Places

Great Minster House  
33 Horseferry Road  
London  
SW1P 4DR

Tel: 0300 330 3000  
E-Mail: [baroness.vere@dft.gov.uk](mailto:baroness.vere@dft.gov.uk)

Web site: [www.gov.uk/dft](http://www.gov.uk/dft)

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Dear Councillor Smith,

Thank you for your letter of 9 February to HM Treasury regarding the Bus Recovery Grant. Your email has been transferred to this Department and I am responding as the Minister responsible for this issue.

The Government understands the importance of local transport networks to local areas and has provided around £2bn of support to date, through emergency and recovery grants, to mitigate the impacts of the pandemic. With the Bus Recovery Grant, the department has sought to strike a balance between maintaining funding for the sector and returning greater commercial risk to operators by moving away from the emergency funding model. This funding was due to end on the 5 April 2022.

However, following discussions with transport operators and Local Authorities responsible for bus and light rail systems, we are aware of the difficulties no further funding would have presented, including the de-registration of services. Following negotiations with the Office of the Traffic Commissioner, we have created a more flexible process for operators, and have encouraged them to not pre-emptively de-register services prior to April 2022.

I am proud to announce that at least £150m is being made available to local transport providers to continue supporting the sector as we build back better following the Covid-19 pandemic. The funding will support bus operators and Local Authorities responsible for bus and light rail services from April until October. This is alongside the £29m uplift to the Bus Recovery Grant announced earlier this year.

The pandemic has meant that travel demand across local transport networks has changed. Whilst this funding will help avoid an immediate drop in services, there will be a period of transition as Local Authorities and operators create new, sustainable networks for the future. Transport users will be at the heart of these designs as the sector reaches a position where it no longer requires ongoing Covid-19 funding support.

Thank you once again for taking the time to raise your concerns.

Yours,  
Charlotte

**BARONESS VERE OF NORBITON**