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13 December 2022

Dear Deputy First Minister,

In advance of your budget statement on 15 December, we are writing to you to ensure this Budget shows support for Scotland's bus and coach sector.

Bus travel remains the most commonly used form of public transport in Scotland, responsible for three quarters of all public transport trips. It connects people of all ages with family, education, employment, leisure, retail, healthcare and other public services. The sector delivers the concessionary scheme for the elderly and disabled, providing accessible trips and enabling greater social inclusion. This past year has seen the introduction of free bus travel for under-22s, securing free travel for another key sector of Scottish society.

We hope your budget announcement will recognise the important contribution of bus and coach services to both the people of Scotland and to realising Scotland's economic and net-zero ambitions.

Scottish Government support provided to the sector since the start of the pandemic in the form of the Covid Restart Grant (CRG) and latterly the Network Support Grant Plus (NSG+) recognised the importance of these services, and has helped to shield and sustain the network, the operators who serve it, and the passengers who use it through a period of restriction, change and uncertainty.

This uncertainty will not end in March 2023 however, when this pandemic related funding ceases, with longer term shifts to travel patterns still to emerge. Passenger numbers are currently only around 85% of that pre-pandemic, with over 60s around 60-65%. New challenges have also emerged for bus and coach in the form of rising inflation, increased energy and supply chain costs, and skills and driver shortages. The Scottish Government's Bus Taskforce is currently considering these important issues with subgroups focusing on driver shortages, community engagement and patronage recovery.

Despite these setbacks and challenges the sector, in partnership with government, passengers, businesses and others is committed to playing its important part in Scotland reaching net-zero by 2045. This includes measures to decarbonise the bus fleet and supporting modal shift from private vehicle use to public transport and active travel. Busier buses and fewer cars on the road means less congestion, which



can also positively impact economic growth and public health. Prioritising buses could make services faster and more reliable, reduce operating costs, keep fares down and encourage service use. This is particularly the case in Scotland's cities which are well placed to reduce car dependence.

We recognise the need to move away from current pandemic-related support in favour of longer-term solutions. Ahead of your budget we hope you will consider the importance of investing in measures to:

- Support the industry in decarbonising their vehicles
- Encourage both a return, and switch to, bus and coach use over private vehicles
- Create and sustain Infrastructure that prioritises public transport and active travel
- Increase support for bus services in the form of the Network Support Grant (NSG) in line with inflation. NSG has remained static at £44.5m for a decade, thereby markedly decreasing in value in real terms.

Yours sincerely,

Paul White
Director, CPT Scotland