

RHA
Coaches

Policy

July 2021



The coach industry

The coach industry is a dynamic, competitive sector providing essential passenger transport services for a wide range of organisations and companies across the UK.

There are circa 3,500 coach operators in the UK, directly employing approximately 42,000 people and contributing £14 billion to the UK economy. The contribution to the UK economy through coach tourism alone is over £6 billion. Hotels up and down the country rely on coach groups for their business and London theatre companies have enjoyed significant growth in the last decade, with coach-delivered passengers accounting for 15 per cent of all theatre seats sold.

In addition to this economic contribution, coach operators transport 600,000 pupils to schools every day across the UK. They also play a huge role in moving people around the country for large cultural events such as music festivals and sporting events and have played a vital role in the success of the 2012 Olympics.

Yet it is a sector that is often taken for granted and ignored by government when it comes to policy making and has been one of the sectors that has suffered the most as a consequence of the Covid-19 pandemic.

Key policy concerns

The following sections cover the key concerns of RHA coach members, these include:

- Covid recovery for the coach industry
- Environmental challenges – urban access and clean air
- Accessibility on vehicles
- Recruitment into the industry including apprenticeships and training
- Image of the industry
- Roads as our workplace

Covid-19 recovery for the coach industry

What is our policy position?

Covid-19 has had a disastrous and continued impact on the coach industry.

The industry relies heavily on international and domestic tourism, and home-to-school operations. Tourism and group tours have been non-existent while people have chosen to holiday in smaller groups and avoid mass transit when Covid restrictions have been eased. Schools have also been open intermittently across the country and often with very limited numbers returning.

Any revenue that coach operators have received has come at a cost. Any operations have been on a reduced scale and at a significantly reduced income. We welcome the support the Scottish and Northern Irish administrations have given to the sector.

UK government support through furlough and other measures has helped many businesses. However, this has not adequately met the needs of the coach sector. There is a serious financial hangover for most operators in this sector. Significant investment in replacement or the upgrading of vehicles is likely to be very difficult for the next few years – perhaps impossible for some businesses.

Any regulatory changes in the next few years will need to be paced to take account of the sector's financial position, the high asset value of existing fleets, and the long-life cycle of vehicles.

What are our campaign objectives?

The main ask for the coach sector in relation to Covid-19 was for coach operators to be classed as a leisure business for the purposes of the Retail Hospitality and Leisure Grant, the Discretionary Grant, and Restart Grant. Such a move would have opened up inclusion in any sector-specific funding which might be available to the leisure sector in the future enabling operators to upgrade fleets and stabilise finances after the pandemic.

Travel Restrictions and Losses Revenue

Inbound tourism will still be significantly below pre-Covid levels until tourists across the globe have been safely vaccinated. Estimates from the aviation industry suggest it will take years for passenger numbers to resume to pre-Covid-19 levels. This will undoubtedly cause further financial issues for the UK coach industry.

UK, Scottish, Welsh, and Northern Irish governments should therefore encourage consumers both in the UK and abroad to make use of coach tours across the UK as early as possible.

There should be a specific marketing campaign which supports national and regional tourism and should emphasise that it is safe to use coaches as the primary form of travel. Government messaging to avoid public transport early in the pandemic damaged public confidence in using coaches and this needs to be reversed through positive messaging.

Governments should also, given the vital importance of the UK coach industry, consider a bespoke financial support package which supports the long-term viability of the industry including a green fund to allow investment in more environmentally friendly vehicles, and better infrastructure provision as well as tax breaks on investments.



School Services

School services are a vital but low-margin business for coach operators. They are therefore reliant on the work that covers the rest of the day and premium work in peak season.

This is particularly the case for rural areas. **This sector needs further government funding to support the long-term viability of providing these vital school services.**

There is growing evidence that the lack of suitable coaches and the continuing lack of certainty around further exemptions from PSVAR beyond 2022 is driving a switch from use of coaches for home-to-school towards buses, solely to meet the requirement of PSVAR legislation.

Service buses are not required to be fitted with seatbelts and those without seatbelts are extremely difficult to retrofit. This “seat belts vs accessibility” dilemma is now at a serious level of concern. Coaches are subject to rigorous safety measures including seatbelts, high back seats, and structural integrity measures, putting their standards of safety considerably higher than those of buses.

International Coach Services

There is a lack of certainty over the long-term position for operators on both sides of the Irish border.

The rules on bus cabotage on the island of Ireland need urgent clarification.

Urban access restrictions and clean air

What is our policy position?

For the last five years the issue of air quality has become an ever-increasing issue for local authorities. As per the government’s guidance one of the main ways in which authorities have sought to address poor air quality is through restricting vehicles access to urban centres through the implementation of clean air zones (CAZ), ultra-low emission zones (ULEZ) and zero emission zones (ZEZ).

This issue has become the major issue for UK coach operators.

The implementation of policies which restrict access to urban centres fundamentally misunderstand the role and nature of the coach industry. Firstly, a study by the Department of Transport (DfT), in partnership with the National Atmospheric Emissions Inventory (NAEI) found that coach travel has the least harmful environmental impact of any mode of transport, excluding active travel. For example, a single journey from London to Edinburgh in a standard coach results in an average 9.2 kg of CO2 emissions per passenger.

In contrast, the very same journey would result in the following emissions per passenger:

- Plane – 96.4 kg
- Car – 71 kg
- Train – 11.9 kg

By implementing schemes which restrict vehicle access based on class, it also fails to understand the life cycle of coaches and that coach operators are not able to upgrade their fleets overnight.

Coach operators require almost daily access to urban centres for their main sources of revenue which are tourism, hospitality, and leisure. Access is also often required to transport hubs in urban centres to pick up and drop off passengers.

Whilst the government has given local authorities funding to support local businesses make their vehicles complaint, this almost universally does not help coach operators. Firstly, many of the funds are simply too small to support coach operators to buy new vehicles or retrofit their existing fleet. The cost of a new coach is from £200,000 upwards, whereas the funding provided to local business to retrofit existing or compliant vehicles is ordinarily in the thousands or tens of thousands of pounds.

Additionally, coach operators rarely base themselves within urban centres but still require almost daily access into them. This makes them ineligible for any funding to support retrofitting or new vehicles. In our experience, for businesses to even be eligible for the funds they must be located within a proposed CAZ.

The structure of funding devolved through local authorities does not benefit coaches. It tends to favour local projects such as local bus services, whereas “national” coach services serving multiple CAZs does not qualify for aid from any of the zones.

This has led to a position where vehicles have been devalued because they are not CAZ compliant. This has led to a ‘double hit’ to operators who are now faced with the prospect of having to upgrade their fleet with no prospect of recouping the value of their existing assets. Accessibility requirements and the subsequent collapse in demand for non-compliant but otherwise serviceable vehicles adds to the crisis of ‘stranded asset’ vehicles in the industry; this is where their value depreciates prematurely.

The government has clearly set out its policy objective for the majority of journeys to be made by either active travel or public transport and that the number of private cars on the road needs to be reduced. Whilst the coach sector does not obviously fit into the government’s hierarchy of transport options, the coach industry should be regarded alongside public transport. A single coach can take up to one mile’s worth of cars off the road and therefore can support the government’s transport usage objectives.

Another key issue for the coach industry is increasing costs and restrictions for coach access to major transport hubs, in particular airports. Evidence submitted by coach operators to a number of Transport Select Committee inquiries have outlined that improving coach access to airports should be given greater priority by central government and local authorities. Surface access requirements should be in scope in transport planning and investment decisions including before airport expansion is considered. The government should take a strategic view of airport capacity and look to improve surface access in a way that encourages passengers to use airports differently and encourages coach use.

Improving surface access between London and Luton, Stansted, and the regional airports outside of the capital would facilitate use of airports with existing spare capacity. Access protocols to airports remain an issue with varied access and charging procedures in the hands of airport operators.

What are our campaign objectives?

As part of its decarbonisation agenda, the government has already committed to ending the sale of new petrol and diesel cars by 2030. This year the Department of Transport will also publish its decarbonising transport strategy and will consult on ending the sale of diesel HGVs. The government will also publish a hydrogen strategy this year – hydrogen is expected to be the most viable form of alternative fuel for larger vehicles in the short to medium term.

The direction of travel is clear and while some bus and coach operators have already started to embrace electric vehicles and alternatively fuelled vehicles, the government’s policy decisions will be increasingly pushing operators towards cleaner vehicles.

The coach industry must be able to communicate with government the major obstacles to overcome in transitioning to alternatively fuelled vehicles – the predominant of which is around cost and vehicle life cycles. The coach industry is in a precarious place as a consequence of Covid-19 and is not in a position to be investing in electric or alternatively fuelled vehicles. The government needs to understand this issue before bringing in punitive policies, or do not support the industry with the requisite funding to transition their fleet.

We believe it is essential that an industry roadmap is developed to account for the lack of current alternative fuel options for coaches given their 12-18-year life cycle. This would aim to mitigate the stranded asset issue by encouraging operators to invest in new cleaner or lower-carbon vehicles whilst not having to pay CAZ or carbon charges during the period when operators still use vehicles that are less than 18 years old.

Digitalisation and technology innovation

As part of the decarbonising agenda, ministers are committed to developing the future of mobility. The government has developed its **Future of Mobility Grand Strategy**, has published its Future of Mobility Urban Strategy, and has issued a call for evidence for its **Future of Mobility Rural Strategy**. Neither the Urban Strategy policy paper, nor the Rural Strategy call for evidence has any reference to coach travel. The papers do however have an explicit interest digital technology innovation – an area in which the coach industry would like to see further investment and support.

Specifically, coach operators would like to see investment in digital applications to plan journeys to increase the appeal and investment into the development of smart ticketing applications which integrate coaches into other forms of transport to make coaches more accessible. It is important this should promote greater competition in the industry rather than benefit those larger companies with existing digital infrastructure.

Planning and general access to large sites

It is important to include the needs of group travellers in the planning requirements for major developments which might attract groups such as hotels, leisure facilities, cultural venues, and sports stadia.

Developers should be required to consider coach access as part of the planning process.

Climate Change – Net Zero 2050

We believe there is an endemic failure to recognise the contribution coaches play in reducing CO₂. Coaches have a significant role to play, even as an alternative to using diesel power trains.

Because in a CO₂ per passenger/km sense coaches are already more efficient than any other means. Continued use of diesel pending development of an alternative can be offset.



Disabled access

What is our policy position?

Operators have had to comply with the Public Service Vehicle Accessibility Regulations 2000 (PSVAR), and at significant cost to modernise their fleets. From 1 January 2020, all affected coaches in use on in-scope services have been required to hold certificates confirming conformity to the provisions of wheelchair access and other more general accessibility requirements. If an operator merely conducts private bookings, tours, day trips, etc, then they are not affected by the regulations. However, any company which operates a local or scheduled service, such as home-to-school operations, must be compliant.

The three basic requirements of such a service are:

- It operates to a timetable
- It operates by a specified route
- A separate fare is paid

Operators have therefore been obliged over the past few years to upgrade fleets to be compliant with the regulations that have come into force this year. The result is that even pre-Covid-19 the industry was in a particularly precarious financial position. The pandemic has compounded matters and left some businesses unable to pay finance on vehicles, while others are at significant risk of bankruptcy.

What are our campaign objectives?

If the aim of PSVAR was to promote equality, there should have been specific mention of home-to-school services in the legislation. Services without paying passengers (maybe as many as 90 per cent at the time) were not specifically included suggests that dedicated home-to-school services were not considered to be in scope.

We propose an approach based on need rather than a blanket provision to meet the aspiration of equality for all.

Whilst the government announced £40 million for local authorities to support school and college transport it was already too late for many coach operators, and much of this funding was earmarked for bus services rather than coaches. For many children across the country active travel is just not viable for school journeys; other forms of transport to and from school need to be properly funded.

This is particularly the case for rural areas, which in terms of transport infrastructure is historically underfunded and many students rely on coaches to get to and from school.

There is acceptance by the industry that all customers should be treated equally and that where customers with disabilities require special assistance, they should be treated in exactly the same way as any other as far as is practically possible. Only around 10 per cent of registered disabled people require wheelchair access whilst a higher proportion have other disabilities. To this end, it is felt the PSVAR regulations are not meeting this aspiration and the review of these regulations announced in the Buses Strategy is to be welcomed.

We acknowledge that the Disabled Persons Transport Advisory Committee (DTAC) has advocated extending disabled provision to a wider range of services. We believe the industry would support the provision of disabled access across all services which the public can use. In the case of scheduled services, where no prior booking was required and passengers could “turn up and go”, wheelchair and other disabled provisions would be mandatory for all vehicles operating the service like how PSVAR currently requires. For services which require consumers to book in advance – and for which there may be limited capacity – a coach tour; a day excursion; or indeed a dedicated home-to-school journey, the operator would be required to establish any specific needs at the booking stage and would be obliged to cater for them.

To achieve the access aims, it suggested that coach operators should be required to have access to sufficient coaches to meet the need for accessible vehicles, with an obligation to supply such a vehicle for any given service.

We would seek a further series of exemptions to allow those home-to-school services to continue until the review of PSVAR is completed.

We believe that all stakeholders should have a legal responsibility to provide the elements which allow a disabled person to be able to make their journey, and that the current approach where the whole focus is on the vehicle is flawed.



Recruitment and training in the industry

We estimate that the coach industry is short of between 5,000-7,000 coach drivers – possibly as much as 20 per cent of the total number. Estimates vary as the pandemic has rendered large numbers temporarily redundant, and it is not yet clear how many have found alternative employment. However, before the pandemic the industry was experiencing serious difficulty in sourcing and maintaining a stable base of drivers so it is beyond doubt that this is an issue which will only have worsened since the start of 2020.

The shortage of drivers is attributed to a combination of factors, including **(i)** a lack of investment in drivers and driver training; **(ii)** poor roadside facilities for coaches and their drivers; **(iii)** poor terms and conditions; **(iv)** the relative attractiveness of other similar jobs **(v)** the lack of a progressive career structure within the industry.

What is our policy position?

We feel that the industry needs to be more proactive about introducing attractive employee benefit packages to generate interest. We have been working with our members and the government to ensure that the issues associated with the skills shortage are addressed, considering both the short-term and long-term benefits.

What are our campaign objectives?

To act as an intermediary for smaller firms to ensure that the government delivers the required funding for the newly agreed Trailblazer Apprenticeship; the current accredited scheme must be more attractive to coach operators through provision of a Class D licence.

To ensure members paying Apprenticeship Levy are aware of the levy and can access the fund.

We need a clear pathway from education into a career in coaches. At the moment current age restrictions of 20 years limit the ability of companies to hire young people straight from school. We would like to see the introduction of lower age limits for drivers – accompanied by adequate safety and insurance support.

To ensure standards and overcome any concerns over safety and the responsibility of younger drivers, such a reduction could be conditional on having followed a recognised entry training scheme such as an apprenticeship, and candidates could be subject to a requirement for continued development and monitoring until they reach the age of 20.

Image of the industry

The image of the coach industry is closely associated with all major policy areas. Establishing a positive image of the industry, including the ways drivers are being recruited, and how coaches are operated to the highest safety standards, is vital to secure external support whilst negotiating on policy issues.

What is our policy position?

Our biggest concern is a lack of understanding and knowledge across decision makers and in general about the industry. The importance of the sector is often underestimated and taken for granted – or worse. As a result, poor policy measures can penalise the sector, and increase the operational cost of the business and bureaucracy as a result.

The sector requires an ongoing campaign to improve the knowledge and understanding of the positive contribution of the sector to society, the economy, and the environment.

What are our campaign objectives?

To raise its profile amongst key national, regional, and international decision makers by highlighting its importance to the UK economy.

To improve the image of the sector through public engagement, such as National Coach Week other national and regional events.

To highlight that coach operators, operate safely, efficiently and within regulatory boundaries, and are proactive in taking actions against poor/illegal/unsafe practices.

To work in partnership with government agencies and other stakeholders.

To highlight the extremely favourable environmental credentials that the industry boasts, and change perceptions of coaches as being old and dirty in environmental terms.

To overcome the flaws in the clean air zone framework which fail to recognise the considerable benefits that coaches offer.

To offer members access to the tools and contacts and encourage them to engage with local stakeholders.

Actions and next steps

We will continue producing high-quality information to support policy campaigns.

Heavy media (print, online and social) across a wide range of topics (e.g., air quality, CO2, driver welfare, training, stranded assets, and other subjects) will continue to be a focus; and:

We will continue promoting the importance of the coach industry to officials, ministers, business, and others through a range of channels including: direct contacts, social media, press releases and events

Drivers (training, licences, D-CPC)

We believe there must be a pathway to introduce younger drivers.

A recognised training/accreditation scheme could overcome any responsibility/ safety concerns over bringing younger drivers into the industry.



Roads

What is our policy position?

We are campaigning to ensure that sufficient good-quality parking facilities are available for drivers on our roads, at tourist destinations, attractions, on-road service areas, and major transport hubs.

Home Office-funded Road Policing Units play a vital role in monitoring driving standards and reducing collisions. We support the National Police Chiefs' Council's call to the Home Office for more officers on our roads to make them safer.

What are our campaign objectives?

To ensure easy access to safe and good-quality lay-over parking facilities/motorway service areas (MSA) with toilet facilities; and:

To provide advice to members on locating accessible and convenient set-down and pick-up facilities for passengers in key locations such as MSAs, access to toilet facilities and waiting areas.



Actions and next steps

We will compile a best practice guide which will offer local authorities, tourist attractions, developers, and planners a basic model for providing facilities for group visits, coaches, and their drivers. The aim is to improve arrival, waiting and departure area conditions, so that visitors and drivers have safe, sheltered, and convenient waiting areas with easy access to toilets and other amenities.

We are working with Highways England, local authorities, sub-national transport bodies (e.g., Transport for the North, Transport for West Midlands), the DfT, and service providers to ensure that secure parking and adequate rest facilities are in place for drivers to take their mandatory breaks. We are aware of almost 100 planning applications, which we are supporting for heavy vehicle sites, and will support any which fulfil the criteria for coaches.

We recently won the argument for a change to the 'Draft Revised National Planning Policy Framework' consultation by highlighting the need for mandatory lorry parking facilities for new warehouse developments. We are aiming to replicate a change to amend the National Planning Policy Framework to include essential facilities for all road users under 'New Road Scheme Planning'. As explained above, we will be pressing for inclusion of stronger requirements to consider passenger transport needs in new developments.

We will continue to press for roadworks to be better coordinated to reduce costly delays.

What is our policy position?

We are a strong and public supporter of road safety. It is in our members' interests to operate as safely as possible and to be seen to be doing so.

What are our campaign objectives?

To produce guidelines for our industry about the top six road safety issues namely, driving under the influence of alcohol and other substances, speeding, use of devices, driving whilst tired, careless driving, and vulnerable road users.

To ensure that new road safety measures are underpinned by robust evidence-base.

To have meaningful dialogue and working relationships with other road safety groups to ensure that safety measures are followed by all road users.

We will continue to press for the safest standards on smart motorways.