



Department  
for Transport

**Jo Shanmugalingam**  
Great Minster House  
33 Horseferry Road  
London SW1P 4DR

E-Mail: [permanent.secretaries@dft.gov.uk](mailto:permanent.secretaries@dft.gov.uk)

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

31 July 2025

**From the Permanent Secretary**

**Sir Geoffrey Clifton-Brown MP**  
Chair, Public Accounts Committee  
House of Commons  
London  
SW1A 0AA

[Sent via email]

31 July 2025

Dear Sir Geoffrey,

**Public Accounts Committee oral evidence session – 17 July 2025**

I write following my appearance in front of the Public Accounts Committee on 17 July during an oral evidence session as part of the Committee's inquiry into 'Local bus services in England'. During the session, one of the committee asked about details of Somerset Council's LA Bus Grant funding allocation in 2025/26, compared to 2024/25, and I committed to write to you on this matter.

As explained in the session, the Department for Transport took the first step to deliver the government's ambitions to reform bus funding in 2025/26 by creating the Local Authority (LA) Bus Grant, which merged two separate funding streams – Bus Service Improvement Plan (BSIP) funding with LA Bus Service Operators Grant (BSOG) funding. We also introduced a new, interim formula to determine LA Bus Grant allocations for 2025/26. The funding was allocated via formula based on local need, taking into account factors such as levels of deprivation, population size, and bus mileage.

In 2025/26, Somerset Council was allocated £6.8 million in LA Bus Grant funding. This is an increase of 9.8% compared to 2024/25, when Somerset received £6.2 million in separate LA BSOG and BSIP funding.

I hope this letter is sufficient to answer the Committee's queries, and my officials and I will be happy to provide further details, should you need them.

Yours sincerely,

**Jo Shanmugalingam**  
**Permanent Secretary**