



House of Commons
Transport Committee

Implementation of the National Bus Strategy

Fourth Report of Session 2022–23

*Report, together with formal minutes relating
to the report*

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Transport Committee

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Committee staff

The current staff of the Committee are Jonathan Arkless (Committee Specialist), Millie Bacon (Inquiry Manager), Judith Boyce (Clerk), Daniel Gillett (Committee Specialist), Alexandra Hunter-Wainwright (Committee Operations Manager), Abi Samuels (Second Clerk), Owen Sheppard (Senior Media Officer), and Mandy Sullivan (Committee Operations Officer).

Contacts

All correspondence should be addressed to the Clerk of the Transport Committee, House of Commons, London SW1A 0AA. The telephone number for general enquiries is 020 7219 2226; the Committee's email address is transcom@parliament.uk.

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Summary

For too many years the story of buses in England outside London has been one of managed decline. The publication of the Government's National Bus Strategy in March 2021 represented an opportunity to change that. It was ambitious, full of good ideas and supported by extra much-needed funding. So far, though, despite lots of positive rhetoric and some welcome action, the promised transformation has not been achieved. We believe it is still possible, but that will require the Government to maintain its focus on buses. The Government should set out clearly how it plans to evaluate the success of the Strategy and set out a timescale for the publication of future iterations.

Bus Service Improvement Plans

At the heart of the Strategy are Bus Service Improvement Plans (BSIPs), which set out how each local transport authority (LTA), alongside its local bus operators, hoped to put the Strategy into practice. This process brought out the best in those involved and we were impressed by their innovation and commitment. The Government made just over £1 billion available to partially fund some of these schemes and we are confident that this will do much good.

Yet this is simply not enough money to produce real improvements in bus services across the whole country. Local areas were asked to be ambitious, but the Department has not matched this level of ambition in the funding it has made available, pitting local areas against each other for a share of an inadequate pot. Allowing roughly half the country to miss out risks entrenching, and in some cases creating, a two-tier system in which bus services improve in one area while, across an invisible county border, they worsen or even disappear.

We also continue to be concerned about the capacity of smaller LTAs to compete on an even playing field with larger authorities in competitive bidding processes: the Government must find a way to ensure all areas are given a fair chance. The Government must also take steps to improve its own bidding process which has appeared slightly chaotic at times, with periods of delay, confusion about the terms of trade and concerns about Departmental capacity.

The Government should commission and publish an independent analysis of the first tranche of BSIP funding. There should be a firm commitment to make available significant further funding to support the implementation of the Strategy.

Models of delivery

BSIPs must be implemented via either an Enhanced Partnership (EP) or franchising. Most LTAs have chosen to form EPs, which are formal, statutory partnerships between LTAs and bus operators. We believe that bringing more coherence and collaboration to local bus services is a good idea, but that EPs are a largely untested way to do this. The Government must carefully monitor how well they are working and ensure appropriate contingencies are in place.

The Government also made other commitments in the Strategy that we welcomed, as did many in the bus sector. It said it would provide new guidance on socially and economically necessary services and consider introducing a statutory requirement on local authorities to provide them, look again at the ban on new municipal bus companies and issue updated guidance to support areas considering franchising. Nearly two years on, none of these things have happened. We urge the Government to put its promises into action.

Zero-emission buses

We welcome the Government's plans to phase out non-zero-emission buses. It will be expensive and, in the short-term at least, difficult on longer and more rural routes, but it is necessary. However, we note that decarbonising buses will only take the Government so far towards its objective: increasing bus usage and achieving modal shift from the private car are also necessary. This ultimately depends on provision of reliable, frequent services.

We support the Government's ambition to have 4,000 new zero-emission buses on the road in the UK by the end of this Parliament and welcome the funding allocated to meet this aim. However, it seems increasingly unlikely it will meet its target, given how few of these vehicles are now on the road. Obtaining funding and placing orders are slow and piecemeal processes, and it is too difficult for UK manufacturers to invest with confidence in new types of vehicle and manufacturing hubs. The up-front cost of zero-emission buses will remain higher, especially when the cost of upgrading and replacing infrastructure is included. That will be enough to put off many potential buyers. If the Government is to meet its target it will need to intervene in the process more actively.

The Government should set out a clear, staged plan for the full transition to zero-emission buses, in tandem with the delayed response to its consultation on ending the sale of non-zero-emission buses. This should include a clear long-term funding plan focussed in particular on difficult-to-decarbonise rural routes and supporting the installation of costly new infrastructure. It should keep an open mind about whether this transition could also involve synthetic fuels alongside battery electric and hydrogen vehicles.

Another crucial part of decarbonising the bus sector is reforming the Bus Services Operators Grant, a subsidy, based on fuel consumption, paid by the Department for Transport to bus operators, community transport operators and local authorities. Successive Governments have promised to act, but little progress has been made. Further delay risks slowing the transition to zero-emission buses. The Government must consult on Bus Services Operators Grant reform now and introduce a new funding formula which incentivises operators to transition to zero-emission buses.

Wider issues

Post-pandemic, many people's lives have changed, and this has altered, perhaps permanently, when and where they wish to travel. Reduced patronage has left many bus services hanging by a thread, dependent on further extensions of the Government's

ostensibly short-term recovery funding. Yet in some areas and for some types of passenger demand has surged. The sector has also faced issues such as rocketing fuel prices and pressures on staff recruitment, availability and wages.

So far, the Government has responded to this challenge with limited, albeit welcome, schemes such as the £2 fare cap. But it needs to do more. It would be absurd for the Government to spend billions of pounds to support the ailing bus sector through the pandemic and then allow it to wither away. The Government must continue to support the sector as it builds a new network fit for the post-pandemic world. This should be informed by a detailed analysis of the impact of schemes like the £2 fare cap and BSIPs.

1 Introduction

1. Bus use has been declining in England outside London for decades.¹ Between 2010/11 and 2018/19 the number of bus journeys made per person per year fell by 15 per cent overall and in 70 out of 88 local authorities.² Over the same period, vehicle miles by local bus services fell by roughly 14 per cent, largely due to a steep fall in non-commercial services supported by local authorities.³ The decline has been attributed to fare rises (17 per cent in real terms between 2010 and 2019), service cuts, greater car ownership, urban congestion, homeworking and online shopping, and actions taken, or not taken, by successive Governments.⁴ More recently, the covid-19 pandemic has profoundly affected bus ridership. In this introduction we survey the steps the Government has taken to support the bus sector, from the initial development of a national strategy to recent funding initiatives.

Towards a national strategy

2. In July 2018 our predecessor Committee launched an inquiry into bus services in England outside London.⁵ In May 2019 the Committee found that “for many people buses are essential to their quality of life”, but that if action was not taken to halt the decline in bus usage and the withdrawal of bus routes many people would be left with “the unpalatable choice of using cars and taxis or giving up work or educational opportunities entirely”, potentially increasing congestion, worsening air quality and reducing economic growth.⁶

3. To fix these problems, the Committee recommended that the Government should develop and adopt a bus strategy to “halt the decline in bus use and give passengers a fairer deal”.⁷ It said this strategy should:

- set out clearly the Government’s ambitions for increasing bus ridership;
- show how the full suite of operating models can be made available to all local authorities;
- describe a more stable and multi-year funding framework;
- assess the evidence for the effectiveness of bus priority measures, and provide information on good practice in their use and examples of where they have worked; and

1 DfT, [Local bus passenger journeys](#), accessed 6 November 2022

2 DfT, [Local bus passenger journeys](#), accessed 6 November 2022; NAO, Improving local bus services in England outside London, [HC 577](#), 2 October 2020, para 1.12. Between 2010/11 and 2018/19 a few local authorities increased the number of journeys made per person per year by bus. These included counties such as Cornwall, where patronage increased from a low base, through to large towns and cities such as Brighton, Reading and Bristol where bus use increased despite already being fairly high.

3 DfT, [Local bus vehicle distance travelled](#), accessed 6 November 2022. Between 2011/12 and 2018/19 vehicle miles by local authority supported services roughly halved.

4 HoC Library, The National Bus Strategy: Bus policy in England outside London, [CBP 9464](#), 17 May 2022, p18–20; DfT, [Costs, fares and revenue](#), accessed 6 November. For a thorough history of previous government policy, see: HoC Library, Bus Services Act 2017, [CBP 7545](#), 16 August 2018, chapter 2: How did we get here?

5 Transport Committee, [Bus market inquiry launched](#), 18 July 2018

6 Transport Committee, Ninth Report of Session 2017–19, Bus services in England outside London, [HC 1425](#), 15 May 2019, summary & para 9

7 Transport Committee, Ninth Report of Session 2017–19, Bus services in England outside London, [HC 1425](#), 15 May 2019, summary

- provide a framework for setting and tracking targets for modal shift, while also providing examples of the kinds of things local authorities could do to meet such targets.

4. In September 2019 the Government committed to publishing a national bus strategy.⁸ In February 2020 it announced “£5 billion of new funding to overhaul bus and cycle links” and set out its aspirations for what the new bus strategy should achieve, including:

- Higher frequency services, including evenings and weekends, to make it easier and less restrictive for people to get around at any time of day;
- More ‘turn up and go’ routes where, thanks to higher frequency, people wouldn’t have to rely on timetables to plan journeys;
- New priority schemes to make routes more efficient, so that buses avoid congested routes and could speed passengers through traffic;
- More affordable, simpler fares; and
- At least 4,000 new zero-emission buses “to make greener travel the convenient option, driving forward the UK’s progress on its net zero ambitions”.⁹

Publication of the Strategy

5. In March 2021 the Government published its National Bus Strategy for England (“the Strategy”).¹⁰ A key aim was to get more people travelling by bus.¹¹ In his foreword to the Strategy, Rt Hon Boris Johnson MP, the then Prime Minister, said “better buses will be one of our major acts of levelling-up”.¹² The Strategy said there could “simply be no return” to planning bus services on a “purely commercial basis with little or no engagement with, or support from, LTAs [Local Transport Authorities]”.¹³ Instead, as the Government told us in its written evidence, it would create a system with “greater cooperation between operators and councils which own the roads” in which “all funding streams, both new and existing are better directed than in the previous fragmented, uncoordinated landscape”.¹⁴

6. Within the Strategy, the Government acknowledged that “substantial modal shift away from the car” will be needed to achieve its climate change and air quality targets, especially in congested places.¹⁵ To achieve this, it said, buses must become a “practical and attractive alternative” to car use.¹⁶

7. In June 2022 Baroness Vere of Norbiton, the Parliamentary Under-Secretary of State for Transport and the then Buses Minister, told us: “a year on [from publication of the Strategy], I think we are doing well” although, she said, “you would not start from where we started, but we had to deal with the situation that we were in”.¹⁷ Alongside “all sorts

8 DfT, [A better deal for bus users](#), 30 September 2019

9 HC Deb, 11 February 2020, [col 712](#); DfT, [Major boost for bus services as PM outlines new vision for local transport](#), 10 February 2020

10 DfT, [Bus Back Better: National Bus Strategy for England](#), 15 March 2021

11 [National Bus Strategy](#), p8

12 [National Bus Strategy](#), p4

13 [National Bus Strategy](#), p22

14 DfT ([BUS0061](#)) paras 7 & 29

15 [National Bus Strategy](#), p18

16 [National Bus Strategy](#), p8

17 Q314

of smaller things we have committed to that we will be doing” she told us her focus was delivering on Bus Service Improvement Plan (BSIP) funding and zero-emission buses.¹⁸

Effect of the pandemic

8. Early in the covid-19 pandemic, bus patronage fell sharply.¹⁹ As a result, the Government told us that “the bus industry’s old commercial model effectively collapsed”.²⁰ Patronage remains depressed. In March 2022 the Confederation of Passenger Transport, which represents bus operators, told us that patronage levels had returned to roughly 80 per cent of pre-pandemic levels.²¹ The Local Government Association told us the same in May 2022.²² Councillor David Renard, Chair of the LGA’s Environment, Economy, Housing and Transport Board, emphasised that “the picture is very local” with some areas “bouncing back a lot more strongly than others”.²³ We heard, for example, that recovery has often been weaker in rural areas.²⁴ In January 2023 Councillor Ray Bryan, Portfolio Holder for Highways, Travel and Environment at Dorset Council, told us that in his area passengers journeys had only recovered to 4.8 million in the year 2021/22, less than 60 per cent of pre-pandemic ridership.²⁵

9. In June 2022 Martin Dean, Managing Director for UK Regional Bus for Go-Ahead, a large bus operator, said demand was gradually increasing and had “not plateaued yet”, but that different types of passengers were returning at different rates.²⁶ We heard that commuters and concessionary passengers were now using buses less frequently, while, according to Arriva, another large bus operator, patronage by students and young people had returned to, and in some cases exceeded, pre-pandemic levels.²⁷ Weekend patronage has also recovered strongly.²⁸

10. The Government’s latest quarterly usage figures, covering April to June 2022, show bus passenger journeys were still over 20 per cent lower in England outside London than before the pandemic.²⁹ In June 2022 Baroness Vere told us:

we have seen scarring in patronage [...] We can sit here and say that services need to go back to exactly how they were pre-pandemic, but why would you do that? Patronage is not as it was pre-pandemic. Different people need to go to different places at different times of the day.³⁰

In a February 2023 letter to us, Rt Hon Mark Harper MP, the Secretary of State for Transport told us that “patronage on buses has stabilised but remains around 85–90 per cent of pre-pandemic levels”.³¹

18 Qq315–316

19 DfT, [Annual bus statistics: year ending March 2022](#), 31 January 2023; DfT ([BUS0061](#)) para 68

20 DfT ([BUS0061](#)) para 24

21 CPT ([BUS0007](#)) section a

22 Q156

23 As above

24 Integrated Transport Planning ([BUS0039](#)) section a

25 [HC 1077](#), Q8

26 Q235

27 Q236; Arriva ([BUS0052](#)) para 3.6: Go-Ahead ([BUS0055](#)) para 1.7.2; York Bus Forum ([BUS0009](#))

28 WECA ([BUS0030](#)) section a

29 DfT, [Quarterly bus statistics: April to June 2022 \(revised\)](#), 6 December 2022

30 Q451

31 [Correspondence from the Secretary of State for Transport](#), 17 February 2023

11. Transport Focus, an arm's length body which promotes passenger interests, argued that a further reason for reduced patronage was that “a substantial number continue to not feel completely safe on buses”.³² We heard this concern was strongest among older people.³³ Several submissions argued that ridership had been depressed by the Government's messaging during the early stages of the pandemic that overstated the risk of using public transport.³⁴

12. Some witnesses called for a government-funded national marketing campaign to promote a return to bus travel.³⁵ In the Strategy, the Government had promised to “support an industry led Back to Bus campaign” in 2021.³⁶ Baroness Vere told us that such a campaign “has not come to fruition yet. We are still working with industry, but it is in process”.³⁷

Wider pressures

13. Several witnesses set out wider operational challenges for the bus sector.³⁸ Bus Users UK, a body which represents bus passengers, summarised these as “rocketing fuel prices and pressures on staff recruitment, availability and wages”.³⁹ ALBUM, which represents small and medium-sized operators, said that due to delays securing vocational driving tests from DVSA and licence documents from DVLA many of its members “have lost about twelve months' worth of trainee driver intake”.⁴⁰ Martin Dean from Go-Ahead said that “in most instances we are still able to recruit, but not at the same level as people are leaving”.⁴¹ In November 2022 the Confederation of Passenger Transport said roughly eight per cent of bus driver positions in England were vacant.⁴² By January 2023, however, Richard Stevens MBE, Managing Director of regional bus operator Go South West, told us that the market for bus drivers had “stabilised” in his area.⁴³

14. In its written evidence the Government set out various measures it had taken to address delays in licensing and testing and to increase the supply of bus drivers.⁴⁴ Baroness Vere said that while

the Government are not going to intervene in pay and conditions in the bus sector [...] what we can do is work with [the Department for Work and Pensions] and ensure that potential trainees, and indeed bus operators, are pointed towards [...] the public transport driver apprenticeship.⁴⁵

32 Transport Focus ([BUS0029](#))
 33 Q78 [Councillor Page]
 34 CILT ([BUS0026](#)) section 1; WECA ([BUS0030](#)) section a; Integrated Transport Planning ([BUS0039](#)) section e; CBT ([BUS0051](#)) section 1
 35 CPT ([BUS0007](#)) section a; ALBUM ([BUS0012](#)) section 8; Urban Transport Group ([BUS0024](#)) para 2.14; County Council Network ([BUS0032](#)) para 25
 36 [National Bus Strategy](#), p63
 37 Q439
 38 See, for example: Q242 [Alistair Hands] & County Council Network ([BUS0032](#)) para 9
 39 Bus Users UK ([BUS0014](#)) section a
 40 ALBUM ([BUS0012](#)) section 5
 41 Q240. Martin Dean said “Driver costs in a bus company are typically between 40 per cent and 45 per cent of overall costs. Total staff costs are up to 70 per cent of overall costs”. Q253
 42 BBC News, [Bus driver shortage: Almost 1 in 10 positions vacant](#), 4 November 2022
 43 [HC 1077](#), Q100
 44 DfT ([BUS0061](#)) para 81. For more on changes to testing and licensing see: Transport Committee, First Report of Session 2022–23, Road Freight Supply Chain, [HC 162](#), 1 June 2022, Chapter 2
 45 Q475

Government funding support

15. Since April 2022, the Government has spent roughly £2 billion on pandemic-related emergency support and recovery funding for bus services in England outside London.⁴⁶ Overall, the bus sector stakeholders we heard from were appreciative of this funding, although some, such as Buckinghamshire Council, felt the application process had been unnecessarily time-consuming.⁴⁷ Another complaint was that late announcements of funding extensions had created unnecessary uncertainty for LTAs and bus operators.⁴⁸

16. In August 2022 further support funding was announced for October 2022 to March 2023 “to prevent significant cuts to bus services for the millions of people who use them every day”.⁴⁹ The Government had previously said that support funding allocated for April to September 2022 would be the “final tranche”.⁵⁰ In November 2022, the Secretary of State for Transport told us in correspondence:

As a condition of receiving recovery funding, bus operators are required to maintain a minimum service floor of 80 per cent compared to pre covid service levels to prevent significant service reductions. In exceptional circumstances, local authorities and bus operators can agree to alter bus services that would take the floor to lower than 80 per cent temporarily. However overall bus service levels in England outside London are currently slightly above the 80 per cent floor.⁵¹

17. In November 2022 the House of Lords Built Environment Committee, in a report on urban public transport, concluded that “the end of the emergency pandemic funding for bus services could lead to reductions in bus services of around 20 per cent from March 2023”.⁵² Also in November 2022, a number of organisations wrote to Rt Hon Jeremy Hunt MP, the Chancellor of the Exchequer, in advance of the Autumn Statement.⁵³ They stated that “local authority budgets are also under severe strain, and many cannot afford to support services. This has resulted in hundreds of bus routes being cut or reduced over the last few months”. In the letter the organisations called on the Chancellor to protect short-term funding for bus services, simplify capital and revenue funding streams and provide greater certainty about long-term funding arrangements.

18. In December 2022 the Transport Secretary told us, “I want to make sure we continue supporting bus services [...] we will need to say more about buses in the near future”.⁵⁴ In February 2023, the Traffic Commissioners for Great Britain, a tribunal of the Department

46 DfT, [Almost £400 million to keep England’s buses running](#), 3 April 2020; DfT ([BUS0061](#)) para 5; DfT, [Over £150 million provided to safeguard local transport services as the country emerges from the pandemic](#), 1 March 2022; DfT, [£130 million to protect bus services across the country](#), 19 August 2022

47 Buckinghamshire Council ([BUS0045](#)) section a

48 ALBUM ([BUS0012](#)) section 5

49 DfT, [£130 million to protect bus services across the country](#), 19 August 2022; HL Deb, 5 September 2022, cols [S274WA](#)

50 DfT, [Over £150 million provided to safeguard local transport services as the country emerges from the pandemic](#), 1 March 2022

51 [Correspondence from the Secretary of State for Transport](#), 17 November 2022

52 HoL Built Environment Committee, Public transport in towns and cities, First Report of Session 2022–23, [HL Paper 89](#), 9 November 2022, para 165

53 [Letter from several organisations to the Chancellor of the Exchequer concerning bus funding](#), 4 November 2022. Senders included the CBT, the CPT, Urban Transport Group, Bus Users UK, CPRE, Living Streets and Green Alliance.

54 [HC 163](#), Q532

for Transport responsible for the registration of local bus services, said that in most cases it would take the uncertainty over post-March 2023 funding as a justifiable reason for the acceptance of short-notice registrations for the withdrawal of services by operators.⁵⁵ This cut the usual notice period from 42 to 28 days.

19. Later in February 2023, Government announced it was extending support funding for a further three months until the end of June 2023.⁵⁶ This was funded by an additional £80 million. In a letter to us, the Secretary of State for Transport said that if funding had not been extended there could have been “significant further reductions to bus services throughout England”.⁵⁷

20. In September 2022 the Government announced that it would cap most single bus fares at £2 in England outside London for the first three months of 2023.⁵⁸ The Government said this would cost £60 million and was intended to help passengers facing pressures from the rising cost of living.⁵⁹ Richard Holden MP, the Parliamentary Under Secretary of State for Transport, told the House of Commons that “over 130 operators covering more than 4,600 routes throughout England are participating in the scheme”.⁶⁰ In January 2023 Richard Stevens from Go South West told us that it would help passengers affected by the rise in the cost of living but that “three months is not long enough, in my opinion, to achieve modal shift”.⁶¹

21. In February 2023 the Government announced that it was extending the scheme until the end of June 2023.⁶² An additional £75 million of funding was made available. In a February 2023 letter to us, the Secretary of State for Transport said that as “participation in the scheme from operators is voluntary” the Government would now “work with the operators to reconfirm their participation for this extended period”.⁶³

Network reviews

22. In March 2022, the Government announced a programme of “network reviews” across the country.⁶⁴ Under these reviews, local areas and operators were required to co-design “a financially sustainable and passenger-focussed public transport network, which works for changing travel patterns post-pandemic”.⁶⁵ Further support funding from the Government was dependent on these reviews being carried out. In June 2022, Baroness Vere told us these network reviews may result in reduced service levels “because the amount of patronage has declined” although there was “huge variability” across the country.⁶⁶ She said that “it will be up to the local authority to support services that it feels

55 Traffic Commissioners for Great Britain, [Statement on Local Bus Service Registration in England and Wales - February 2023](#), 9 February 2023

56 DfT, [£2 bus fare cap to be extended and bus services protected with new funding](#), 17 February 2023

57 [Correspondence from the Secretary of State for Transport](#), 17 February 2023

58 DfT, [£2 bus fare cap across England to save passengers money](#), 3 September 2022

59 DfT, [£2 bus fare cap across England to save passengers money](#), 3 September 2022

60 HC Deb, 11 January 2023, col [117982W](#); HC Deb 19 January 2023, col [125388W](#). A list of participating bus operators can be found here: DfT, [£2 bus fare cap](#), accessed 23 January 2023

61 [HC 1077](#), Q88

62 DfT, [£2 bus fare cap to be extended and bus services protected with new funding](#), 17 February 2023

63 [Correspondence from the Secretary of State for Transport](#), 17 February 2023

64 DfT, [Over £150 million provided to safeguard local transport services as the country emerges from the pandemic](#), 1 March 2022

65 As above

66 Qq398–399

are essential”.⁶⁷

23. In December 2022 the Secretary of State for Transport told us that the network review process had “helped LTAs to reshape local networks to commercially sustainable levels”.⁶⁸ In January 2023 Graham Vidler, Chief Executive of the Confederation of Passenger Transport, which represents bus operators, told us that operators had not been able to maintain “every single service going that previously went; far from it” but that the process of what he termed “sustainability reviews” had ensured other considerations beyond “commercial viability” had been taken into account.⁶⁹

Our inquiry

24. We launched our inquiry in March 2022.⁷⁰ Our aim was to follow up the recommendations of our predecessor’s May 2019 Report, Bus services in England outside London, and scrutinise the early years of the National Bus Strategy’s implementation.⁷¹ We received 60 written submissions and held three oral evidence sessions, hearing from witnesses including local and regional authorities, bus operators and manufacturers, and Baroness Vere, the then Buses Minister. We are grateful to all those who contributed to our inquiry. Buses policy and support also featured in subsequent evidence sessions with consecutive Secretaries of State for Transport and in a January 2023 evidence session focussed on the challenges of maintaining connectivity in rural areas.

67 Q400

68 [Correspondence from the Secretary of State for Transport](#), 20 December 2022

69 [HC 1077](#), Q86

70 Transport Committee, [New inquiry: National bus strategy: one year on](#), 4 March 2022

71 Transport Committee, Ninth Report of Session 2017–19, Bus services in England outside London, [HC 1425](#), 15 May 2019, para 31; [National Bus Strategy](#)

2 Bus Service Improvement Plans

25. At the heart of the National Bus Strategy are Bus Service Improvement Plans (BSIPs).⁷² These documents set out how each area hopes to achieve the objectives set out in the Strategy, such as growing bus use, and include a detailed plan for delivery alongside indicative funding requirements. They are intended to be re-written annually and local transport authorities (LTAs) must report at least every six months against their targets.⁷³ Every LTA was required to work with its local bus operators to develop one. The BSIPs must then be implemented via either a statutory Enhanced Partnership (EP) or franchising arrangements.⁷⁴ Funding for the implementation of BSIPs was subject to a competitive bidding process run by the Department for Transport.

26. The deadline for BSIPs set in the Strategy was the end of October 2021.⁷⁵ 76 BSIPs were produced as a few LTAs collaborated on joint documents.⁷⁶ All were submitted to the Department on time.⁷⁷ In June 2022, Baroness Vere told us that “one big thing” for her was that the whole process of producing BSIPs “did not fall over at an extremely challenging time for local authorities [...] A risk was that local authorities could have chosen not to engage. They did engage, and actually I think we are in a much better place than where we were”.⁷⁸

Content of BSIPs

27. In May 2022, representatives from three LTAs told us about their BSIPs and the improvements they hoped to achieve to the bus services in their area:

- Pete Bond, Director for Integrated Networks at Transport for the West Midlands said his area wanted to standardise service levels across the combined authority area and simplify its fare structure from “somewhere around 4,000 different ticket types [...] to six ticket types that are accepted across all our operators.”⁷⁹
- Councillor Steven Broadbent, Cabinet Member for Transport at Buckinghamshire Council, said his area’s plan aimed to make buses “a viable option for both urban and rural bus users” by increasing frequency and adding routes (especially to larger villages and during the evening) and extending access to an existing e-ticketing scheme to more areas.⁸⁰

72 Q315

73 Q323

74 [National Bus Strategy](#), p39. EPs are formal, statutory partnerships between LTAs and local bus operators. For more details on the two models see Chapter 3.

75 As above

76 DfT ([BUS0061](#)) para 34. The LTAs which submitted joint BSIPs were Lancashire and Blackburn with Darwen, and North Somerset and West of England Combined Authority. The North East Joint Transport Board (which is the LTA) submitted a single BSIP covering the areas of the North of Tyne and North East Combined Authorities.

77 DfT ([BUS0061](#)) para 32

78 Q315

79 Qq6 & 12

80 Qq8–9

- Councillor Tony Page, Deputy Leader at Reading Borough Council, said his area wanted “more bus priority measures—not only bus lanes, but improved synchronisation with traffic lights and priority at traffic lights”, more park and ride and bus rapid transit routes as well as a “fairly radical reduction in fares”.⁸¹

28. Other frequent themes in the evidence we received about the content of BSIPs included:

- Various demand-responsive transport (DRT) schemes, which provide shared transport to users who specify their desired location and time of pick-up and drop-off.⁸² Fifteen LTAs were allocated funding for DRT schemes totalling over £37m as part of the BSIP process.⁸³ A further seventeen pilot schemes have also been funded by £20m from the Rural Mobility Fund.⁸⁴ We heard mixed views on the effectiveness of DRT. Proponents argued that it can improve mobility in low-density areas and at low-demand times of day.⁸⁵ CPRE, the countryside charity, criticised it as an “abdication of the government’s responsibility to genuinely meet the needs of rural towns and villages”.⁸⁶ Paul Turner from Transdev Blazefield said: “ironically, the more demand there is for it, the less responsive it becomes”.⁸⁷ Baroness Vere said that once the Rural Mobility Fund pilot schemes had ended—they range from two to five years in length—the Government would “look at what outcomes they achieved. Did they work? How much subsidy did they need, if any? What sort of people did they pick up and where did they take them?”⁸⁸ In February 2023, Richard Holden MP, the Parliamentary Under-Secretary of State for Transport, told the House that the Government planned to publish interim findings “in the first half of 2023”.⁸⁹
- Wider use of smart ticketing and contactless payment.⁹⁰ The Government told us that it was “working with partners in local government and the bus industry to develop a technical solution to enable multi-operator ticketing”.⁹¹ Some bus operators gave us further details of progress they had made, although First Bus said it had “struggled to get timely guidance from Government on how and when this funding and platform will be delivered”.⁹² Baroness Vere described multi-operator ticketing as “the challenge of our times, quite frankly” and said that the Department for Transport was “looking for procurement” which was expected to begin by the end of 2022.⁹³ This process was delayed and as of February 2023 the Government now expects procurement to begin “later this year”.⁹⁴

81 Qq10 & 83

82 DfT, [Demand-responsive transport: local authority toolkit](#), 13 April 2022; DfT ([BUS0061](#)) paras 98–102

83 HC Deb, 6 February 2023, [col 137829W](#). The Department stated that “this figure only includes schemes from LTAs who have had their funding confirmed. In cases where the LTA has not provided granular detail, some elements of this funding will include funding for other services alongside DRT”.

84 For pilot areas see: DfT, [Rural mobility fund: successful bids](#), 15 March 2021

85 CoMoUK ([BUS0031](#))

86 CPRE ([BUS0035](#)) section 3

87 Q231

88 Q426

89 HC Deb, 8 February 2023, [col 137830W](#)

90 Integrated Transport Planning ([BUS0039](#)) section c

91 DfT ([BUS0061](#)) para 118

92 Stagecoach ([BUS0043](#)) para 4; First Bus ([BUS0047](#)) paras 33–35

93 Q423

94 HC Deb, 6 January 2023, [col 137820W](#)

- Fare promotions. Transdev Blazefield, a bus operator in the North of England, told us how its introduction of £1 evening single fares and free Sunday promotions had significantly increased ridership.⁹⁵ The Confederation of Passenger Transport detailed several further promotions in Oxford and the West Midlands.⁹⁶ Baroness Vere spoke about flat fare promotions in the North West and how she hoped the BSIP process would simplify the “insanely complicated” fare structures of some operators.⁹⁷
- Growing availability of data about bus occupancy, passenger demand and service disruptions.⁹⁸ In its written evidence, the Government set out details of its Bus Open Data Service, which provides real-time information of bus arrival times.⁹⁹ Martin Dean from Go-Ahead said “one of the things we can grab hold of and use more is data. We have started to do that”.¹⁰⁰

29. Alistair Hands from Arriva hoped that that the BSIP process would make it easier for innovative ideas “to be taken from one area [and] ported across and implemented in other areas”.¹⁰¹ Peter Hardy, Technical Director of Integrated Transport Planning, a consultancy which worked with a range of local authorities on their BSIPs, said:

the Government wanted local authorities to be ambitious [...] My view of the local authorities we work with is that all of them tried to be ambitious in their own context. The issue is whether that was ambitious from a national Government viewpoint.¹⁰²

30. Stagecoach, the UK’s largest bus operator, said the quality of BSIPs produced had “exceeded our expectations overall, with most local authorities working collaboratively with bus operators and the wider community to identify robust and evidence-based plans”.¹⁰³ However, Bus Users UK, a body which represents bus passengers, criticised what it called:

a costly and time-intensive exercise, made worse by the lack of transport policy expertise at local authority level [...] clearly evidenced in the wildly differing BSIP proposals and supporting research, and their sometimes poor design and consultation.¹⁰⁴

31. Summarising the BSIP process so far, Baroness Vere said that “one of the overarching things that I took away from it is that there were different proposals in different areas”.¹⁰⁵ She told us:

One of the things that we were looking for when we looked at the BSIPs was, do they put the consumer first, and, in doing so, have they prioritised bus priority, cheaper and simpler fares and better services? In that context,

95 Transdev Blazefield ([BUS0050](#)); Q220

96 CPT ([BUS0007](#)) section c

97 Qq363–364

98 Integrated Transport Planning ([BUS0039](#)) section c; Q221

99 DfT ([BUS0061](#)) paras 112–116

100 Q221

101 Q219

102 Q103

103 Stagecoach ([BUS0043](#)) para 16

104 Bus Users UK ([BUS0014](#)) section b

105 Q363

there were all sorts of differences as to the sorts of things that people felt were right [...] the bit I am particularly pleased about is the level of ambition that local authorities have shown in drawing up their BSIPs.¹⁰⁶

32. The Bus Service Improvement Plan process has brought out the best in many local transport authorities and bus operators. We have been impressed by the ideas and innovation produced and the enthusiasm and commitment shown. We note the prevalence of bus priority plans as part of urban bids and demand-responsive transport schemes as part of rural ones, a sign of the very different challenges bus services face in different parts of the country.

Funding to implement BSIPs

33. The Department for Transport allocated just over £1 billion to fund the implementation of successful BSIP bids.¹⁰⁷ Some evidence we received asserted that the available funding for BSIPs was less than the £3 billion that had originally been promised by the Government for this purpose in February 2020.¹⁰⁸ This appears to have been the result of confusion about how much of the promised £3 billion investment in buses over the Parliament was intended to support BSIP implementation. The Department set out in its evidence how it understood “the full £3 billion has been allocated to the categories set out” in the Strategy.¹⁰⁹ Nevertheless, analysis by the Confederation of Passenger Transport found that over £10 billion would have been required to fully fund all the submitted BSIPs.¹¹⁰

34. Indicative funding was announced in April 2022.¹¹¹ There were 31 successful applications involving a total of 34 LTAs, but no bids were fully funded.¹¹² In a June 2022 briefing paper, the Campaign for Better Transport, a charity, said:

The £1.08 billion BSIP funding was allocated to [...] just 40 per cent of all LTAs applying [...] Even winning authorities only received a fraction of what they needed [...] Our calculations show that the proportion of the ask that was funded ranged from two to 75 per cent; just under a quarter (24 per cent) of the total original ask (for authorities where this was known) was funded.¹¹³

35. Following the indicative allocation, LTAs were required to prioritise the aspects of their BSIPs they wished to take forward following discussions with operators and the Department for Transport and to produce a “summary table with delivery commitments and timescale”.¹¹⁴ They were told, Baroness Vere said: “do not try to do a little bit everywhere. The point about this is to get transformation”.¹¹⁵ In February 2023 Richard

106 Qq 315 & 363

107 DfT ([BUS0061](#)) paras 11 & 35. The DfT’s written evidence gives two different figures: £1.153 billion for “for service improvements, bus priority and fares cuts in 34 local transport authorities across England” and “indicative funding allocations to 34 LTAs totalling £1.084bn”.

108 Q107; Better Buses for West Yorkshire ([BUS0061](#)); Unite ([BUS0038](#)); Shropshire Council ([BUS0046](#)); First Bus ([BUS0047](#)) para 44; DfT ([BUS0061](#)) para 86

109 DfT ([BUS0061](#)) para 87

110 CPT ([BUS0007](#)) section b

111 DfT ([BUS0061](#)) para 35

112 DfT ([BUS0061](#)) paras 11 & 35

113 CBT, [Funding local bus services in England](#), 29 June 2022, p 6

114 Qq367, 404 & 407

115 Q367

Holden MP, the Parliamentary Under-Secretary of State for Transport, told the House:

Funding for 29 Bus Service Improvement Plans has been confirmed, representing 31 Local Transport Authorities. As of February 2023, payments have been made to 23 Local Transport Authorities to deliver the first year of their plans. To date, £143.5 million has been paid.¹¹⁶

36. We welcome the funding for Bus Service Improvement Plans made available as part of the Government’s National Bus Strategy. It will do much good. Yet just over £1 billion is simply not enough money to produce real improvements in bus services across the country. Local areas were asked to be ambitious, but the Department has not matched this level of ambition in the funding it has made available. Instead local areas were pitted against each other for an often miserly share of an inadequate pot.

Allocation of BSIP funding

37. We heard some concerns about the competitive nature of the funding process that had taken place. Peter Hardy from the Integrated Transport Planning consultancy said that it had “developed and evolved over time,” with initial expectations having been of at least some funding being made available for all areas before “it became apparent that it was going to be more of a competitive bidding process and that not all authorities would be funded”.¹¹⁷

38. In the written evidence we received before any funding had been allocated, various suggestions were made as to how the limited funding should be prioritised. The Confederation of Passenger Transport argued that the right approach would prioritise “transformational improvements in a small number of places” while also investing in nationwide smart ticketing.¹¹⁸ Stagecoach, a large bus operator, said funding should not be “overly weighted to bus priority schemes” to ensure the needs of communities in rural and smaller towns were also met.¹¹⁹ In contrast, Martin Dean, Managing Director for UK Regional Bus at Go-Ahead, said that highway engineering interventions like bus priority measures were exactly what they wanted to see, because “when you start mixing concrete and putting white lines on the road, those things are more lasting”.¹²⁰

39. In its written evidence the Government told us that “giving small sums to everyone, regardless of their level of ambition would have been unfair on those demonstrating high ambition and risked not bringing about real change anywhere”.¹²¹ Baroness Vere told us she thought the process had ensured that a “really good mix” of areas had received funding.¹²² She described criteria against which initial decisions were checked:

we obviously looked at the assessment of the BSIP. We looked at the level of ambition. We looked at the population that it would be serving [...] then crosschecked that against car ownership, deprivation, regional spread and obviously urban versus rural [...] part of this process is to figure out what

116 HC Deb, 6 February 2023, [col 137817W](#)

117 Q108

118 CPT ([BUS0007](#)) section b

119 Stagecoach ([BUS0043](#)) para 22

120 Q163

121 DfT ([BUS0061](#)) para 37

122 Q366

works. We want [the funding] to be going to different sorts of places.¹²³

40. Explaining the criteria for the funding decisions, Stephen Fidler, Co-Director for Local Transport at the Department for Transport, said when judging bids the Department had been looking for significant increases in bus priority, lower, simpler fares and better ticketing, better information and better co-ordinated information across different operators, better connection across travel modes and decarbonisation.¹²⁴ He also emphasised the need for “80 per cent support from operators, or an explanation as to why not”.¹²⁵ Baroness Vere explained that mayoral combined authorities were restricted to resource funding in their BSIP bids as capital funding was expected to come from City Region Sustainable Transport Settlements.¹²⁶

41. Commenting on the funding decisions, Councillor Broadbent, whose Buckinghamshire Council did not receive funding, expressed disappointment and questioned “whether this can really be called the implementation of a national strategy”.¹²⁷ He said that “it leaves us at risk of, effectively, a two-tier system” with “stark” differences in provision between areas that did and did not receive BSIP funding.¹²⁸ Councillor David Renard, representing the Local Government Association, argued that disparities in funding between areas could limit the success of the Strategy which was “reliant on local authorities working with their near neighbours [as] when people go about their business, they are not considering whether they are crossing municipal borders or not”.¹²⁹ We note that the Department’s BSIP guidance states that LTAs are expected to collaborate on cross-boundary issues.¹³⁰

42. We also heard concerns about whether a competitive process was fair given the very different types of local authorities bidding. Liverpool City Region argued that “competitions that test MCAs, unitaries and counties against one another [are] singularly unhelpful”.¹³¹ Shropshire Council suggested that “judging criteria [are] skewed towards urban density”.¹³² Several witnesses agreed with this.¹³³ The Campaign for Better Transport analysed the results of several DfT competitive bidding processes and found that “rural unitaries or larger counties with more dispersed populations” tended to lose out.¹³⁴

43. Go-Ahead argued that “competition-based grant funding [...] does not provide the stable environment or long-term planning that local authorities, operators or manufacturers need”.¹³⁵ In the case of the Strategy it said this had led to “a mismatch between expectation and reality in many places”.¹³⁶ Councillor Renard said “it is a huge cost to local authorities to put the bids in, and then find that they are unsuccessful. It is a huge waste of time, effort and money.”¹³⁷

123 Q373

124 Q346

125 As above

126 Q371

127 Q4

128 Q8

129 Q116

130 HC Deb, 30 January 2023, [col 131379W](#)

131 Liverpool City Region ([BUS0058](#))

132 Shropshire Council ([BUS0046](#)) para 3.4.3

133 Qq18–19 & 113

134 CBT, [Funding local bus services in England](#), 29 June 2022, p10

135 Go-Ahead ([BUS0055](#)) para 5.4.2

136 Go-Ahead ([BUS0055](#)) summary

137 Q140

44. **The publication of the National Bus Strategy was greeted with enthusiasm across the country, but this has dissipated in the many areas which received no funding to put their ambitious plans into action. Allowing roughly half the country to miss out risks entrenching, and in some cases creating, a two-tier system in which bus services improve in one area while, across an invisible county border, they worsen or even disappear. Without further rounds of funding this ‘national’ Strategy will barely scratch the surface.**

Capacity of local transport authorities

45. The three bus operators we heard from in June 2022 said that greater collaboration and better working relations with LTAs had been a positive result of the BSIP process.¹³⁸ However, several submissions were concerned about a lack of capacity amongst local authorities, especially in their transport planning teams.¹³⁹ This is a concern previously raised by the National Audit Office and one acknowledged in the Strategy itself.¹⁴⁰ Commenting on the BSIP process, Paul Turner, Commercial Director for Transdev Blazefield which worked with six local authorities on BSIPs, told us that combined authorities generally benefited from “a broader resource base” while shire and unitary authorities “found it a challenge”.¹⁴¹ In November 2022, the House of Lords Built Environment Committee, in a report on urban public transport, concluded that: “The system of competitive bidding for transport funding can be a drain on limited resources and there is evidence that it favours larger authorities with more skills and expertise”.¹⁴²

46. The Campaign for Better Transport argued that “local authorities’ capacity and capability to deliver this vary hugely” with smaller or more rural councils often lacking the resources or expertise to produce compelling funding bids.¹⁴³ It told us that just before the Strategy was published, it had been commissioned by the Department to examine what the capacity and capability gaps are in different types of authorities and how best to help address these. The CBT’s report was completed in July 2021 but has not yet been published. In February 2023, the Department said it would be published “in due course”.¹⁴⁴

47. The three LTAs we heard from in May 2022, Buckinghamshire County Council, Reading Borough Council and Transport for the West Midlands, told us they had all used external consultants alongside their own staff when preparing their BSIPs.¹⁴⁵ None had central units dedicated to bidding for funding from central government, but instead relied on their sector-specific teams, although Pete Bond, Director for Integrated Networks for Transport for the West Midlands, said his LTA had “restructured [...] to develop skills within those teams so that we can have bidding pipelines in our teams”.¹⁴⁶ Alistair Hands, Commercial and Marketing Director for UK Bus at Arriva, said in the areas it operated there were “some highly sophisticated authorities that have their own transport specialists,

138 Qq163–165

139 CBT ([BUS0051](#)) section 6; York Bus Forum ([BUS0009](#)) para 8d

140 NAO, Improving local bus services in England outside London, [HC 577](#), 2 October 2020, para 4.3; [National Bus Strategy](#), p13

141 Q171

142 HoL Built Environment Committee, Public transport in towns and cities, First Report of Session 2022–23, [HL Paper 89](#), 9 November 2022, para 183

143 CBT ([BUS0051](#)) section 6

144 HC Deb, 8 February 2023, [col 137827W](#)

145 Qq54–55

146 Q59

there are those that operate more on a procurement basis and there are those in the middle that employ consultants”.¹⁴⁷

48. Baroness Vere said she had “concerns around capacity and capability in local authorities, but some of that is down to the prioritisation of transport within local authorities”.¹⁴⁸ In 2021/22, the Government allocated £25 million to enable LTAs to bring in staff, or procure consultants, to support the development of EPs and BSIPs.¹⁴⁹ Following the initial BSIP funding announcement in April 2022, the Government said each unsuccessful authority would receive a further grant in 2022/23 to employ a dedicated bus Enhanced Partnership Officer for three years.¹⁵⁰ The Government stated this would help LTAs agree an Enhanced Partnership with local operators including a passenger charter, which protects existing bus priority measures and delivers “those elements of their BSIPs that do not require additional funding”.¹⁵¹ If operators fail to meet their obligations under the charter, LTAs can refer them to the Office of the Traffic Commissioner.¹⁵²

49. The Government said that training for Enhanced Partnership Officers will be provided “under the auspices of the new Bus Excellence Programme”.¹⁵³ Baroness Vere explained that the Bus Centre of Excellence:

is not going to be a building in Milton Keynes where people go and have lessons. It is all about thinking about how you bring together different people such that we have, as I would like there to be, skilled resources in-house, rather than necessarily relying on consultancies.¹⁵⁴

As of January 2023, the Bus Centre of Excellence was not yet in operation.¹⁵⁵

50. We continue to be concerned about the capacity of smaller local transport authorities to compete on an even playing field with larger authorities in competitive bidding processes. We welcome the Government’s attempts to support less successful authorities, but this funding does not seem to have fixed the problem. If the Government is going to allocate funding via competitive bidding it must find a way to ensure all areas are given a fair chance.

Management of the process by the Department for Transport

51. Government bidding guidance was published in May 2021.¹⁵⁶ Baroness Vere said she felt this gave LTAs and bus operators an “appropriate amount of time” before the 31 October 2021 deadline and that it struck “the right balance in terms of the level of prescription that we have put into the guidance versus the amount of local decision making that still had to go on”.¹⁵⁷ However, several submissions criticised the process of bidding for BSIP funding. Stagecoach argued that the bidding criteria had been poorly

147 Q172

148 Q321

149 DfT ([BUS0061](#)) para 91

150 DfT ([BUS0061](#)) para 41

151 As above

152 HC Deb, 7 February 2023, [col 135486W](#)

153 DfT ([BUS0061](#)) para 41

154 Q321

155 HC Deb, 12 January 2023, [col 117514W](#)

156 DfT, [National Bus Strategy: Bus Service Improvement Plans](#), 17 May 2021

157 Q319

communicated which had caused problems for LTAs.¹⁵⁸ The three LTAs we heard from in May 2022 described it as an “iterative” process in which greater clarity was only eventually provided by the Department.¹⁵⁹

52. Some witnesses criticised delays which they attributed to the Department for Transport. Councillor Broadbent from Buckinghamshire Council said that the Department did not seem resourced to meet its own deadlines.¹⁶⁰ West Sussex County Council argued that “directing 77 LTAs to all follow the same sequence of steps at the same time led directly to need for resource exceeding DfT capacity i.e. a ‘bottleneck’ resulted, and now continuing unspecified delay”.¹⁶¹ Councillor Page of Reading Borough Council said that timetables had repeatedly slipped during the process and argued that there was a lack of transparency in how bids were judged.¹⁶²

53. We also heard criticism of the amount of time it took the Department to give feedback to LTAs that had not been granted funding. In January 2023 Councillor Ray Bryan, Portfolio Holder for Highways, Travel and Environment at Dorset Council, told us:

We then tried desperately to find out why we had failed. The information coming back to us as to why we had failed was very sparse. I met Baroness Vere to discuss it and we were promised some feedback. It took some time to come back.¹⁶³

54. When challenged about departmental capacity, Stephen Fidler, Co-Director for Local Transport at the Department for Transport, said he did not “recognise a fundamental issue around capacity”.¹⁶⁴ He said that the BSIP process:

took a while. Ideally, I would have liked it to have happened faster, but we have significantly enhanced our team on buses. [...] I do not think there was anything that we felt was really important to do at this stage, to keep the process moving, that has been delayed due to lack of capacity alone.¹⁶⁵

55. We asked both the Minister and Mr Fidler about how long it had taken for the Department to provide feedback to BSIP bidders, especially those that had been unsuccessful. Baroness Vere told us in June 2022 that “every area has had feedback” although Mr Fidler added that areas that “were looking to get their [Enhanced Partnerships] and funding away” had been prioritised.¹⁶⁶ He explained:

we aimed to get the initial feedback out to everybody who got funding by 13 May, and then by the end of May—some slipped to 1 June—to everybody else in a second round in the next two weeks. I apologise if it meant that some people felt there was a bit of radio silence, but I personally felt that was the right priority order to do it in. [...] we have tried [...] to give authorities the high-level view of where we thought there was need for improvement. It is the beginning of a conversation. It is not the end of it.¹⁶⁷

158 Stagecoach ([BUS0043](#)) para 22

159 Qq 5, 26, 30–35

160 Q42

161 West Sussex County Council ([BUS0049](#))

162 Qq 5 & 32–33

163 [HC 1077](#), Q52

164 Q327

165 Qq327–328

166 Qq319 & 356

167 Q349 & 356

56. In a November 2022 letter, the Secretary of State for Transport said:

From late September, my officials have been offering one-off surgeries on Enhanced Partnerships (EPs) and BSIPs to any LTA who has not received a funding allocation for its BSIP where they request one. These surgeries offer feedback on BSIPs along with a strategic overview of the BSIP and EP process going forward. LTAs have been allocated a named Relationship Manager who will be able to support them with the development and implementation of their EP.¹⁶⁸

57. The bidding process for BSIP funding has appeared slightly chaotic at times, with periods of delay, confusion about the terms of trade and concerns about Departmental capacity. While we understand the short-term impulse to prioritise communication with winning bidders, it makes little sense in the long term if the aim is to improve bus services across the country. It is crucial that the Department gives every assistance to those who have been unsuccessful so next time they can be winners.

Next steps

58. Martin Dean from Go-Ahead said his operator would “like to see the possibility of future funding to keep authorities that did not have funding still interested” in the BSIP process.¹⁶⁹ In June 2022 Baroness Vere was asked whether there would be further BSIP funding rounds. She said that “it is not a firm no forever [but] there is a difference between what I am planning and what I am allowed to do”.¹⁷⁰ She also asserted that “there are plenty of things in [BSIPs] that do not need any funding but come back to local levels of ambition”.¹⁷¹ In December 2022 the Transport Secretary told us he was aware of “a lot of unfulfilled demand” among LTAs and would bear this in mind as the Department worked through the consequences of the Autumn Statement for its spending plans.¹⁷²

59. *The Government should commission and publish an independent analysis of the first tranche of Bus Service Improvement Plan funding. It should then consult on the structure and aims of a further disbursement of ‘transformation’ funding. Underpinning this should be a firm commitment to make available significant further funding to support the implementation of the National Bus Strategy.*

168 [Correspondence from the Secretary of State for Transport](#), 17 November 2022

169 Q207

170 Qq389–392

171 Q410

172 HC 163, [Q530](#)

3 Models of delivery

60. In May 2019 our predecessor Committee recommended:

the Department for Transport should not be the gatekeeper for which operating models local authorities decide are most appropriate for providing bus services in their areas. This should be left to local authorities to decide for themselves.¹⁷³

The Committee at the time stressed that these models could include forming an “Enhanced Partnership” with bus operators in a given local area, pursuing franchising arrangements or forming a new municipal bus company to provide services directly. We discuss each of these models in turn below. In its response to that Report the Government partially accepted this recommendation but rejected its main thrust, maintaining that there was a need for central control over the decisions taken by local authorities.¹⁷⁴

61. In the National Bus Strategy the Government told local authorities that it expected:

all LTAs, except [Mayoral Combined Authorities] which have started the statutory process of franchising bus services, to commit to establishing Enhanced Partnerships [...] LTAs which also wish to pursue franchising may do so—but they should commit to implementing Enhanced Partnerships in the meantime until the franchising process, which can be lengthy, is complete.¹⁷⁵

In its written evidence to this inquiry, the Department said that this was required as the “bold change” the Strategy sought to achieve would only be made possible by close cooperation between LTAs and local bus operators via one of these models of delivery.¹⁷⁶

Enhanced partnerships

62. Most local transport authorities (LTAs) have chosen to form Enhanced Partnerships (EP) to deliver their BSIPs.¹⁷⁷ EPs are formal, statutory partnerships between LTAs and local bus operators. As part of an EP, local authorities and operators agree a vision for local bus services—an EP Plan, and a set of interventions to deliver this vision, an EP Scheme.¹⁷⁸ An EP Scheme entails an exchange: LTAs, for example, may agree to fund bus lanes, parking restrictions or other facilities which make bus services more attractive and profitable. Operators, in return, agree to a set of standards, such as on the time and frequency of services and vehicle standards.¹⁷⁹ Under an EP, operators still compete directly

173 Transport Committee, Ninth Report of Session 2017–19, Bus services in England outside London, [HC 1425](#), 15 May 2019, para 26

174 Transport Committee, First Special Report of Session 2019, Bus services in England outside London: Government response to the Committee’s Ninth Report of Session 2017–19, [HC 110](#), 17 October 2019

175 [National Bus Strategy](#), p11

176 DfT ([BUS0061](#)) para 30

177 DfT ([BUS0061](#)) para 33

178 DfT, [The National Bus Strategy Delivering Bus Service Improvement Plans using an Enhanced Partnership: Guidance](#), 1 July 2021, para 1.6; HoC Library, [The National Bus Strategy: Bus policy in England outside London, CBP 9464](#), 17 May 2022, p14

179 DfT, [The National Bus Strategy Delivering Bus Service Improvement Plans using an Enhanced Partnership: Guidance](#), 1 July 2021, paras 3.9–3.12; HoC Library, [The National Bus Strategy: Bus policy in England outside London, CBP 9464](#), 17 May 2022, p12

for passengers, but they do so in a more planned local market.¹⁸⁰ LTAs are responsible for setting up an EP and need to reach agreement with a defined population of local operators to proceed.¹⁸¹ Once these partnerships are formally established, these commitments are legally binding.¹⁸²

63. The Strategy set out an expectation that EPs be in place by April 2022.¹⁸³ The Government subsequently recognised that “the pandemic’s effect on public transport usage and finances meant that authorities were not in a reasonable position to prioritise their interventions and commitments” by that point.¹⁸⁴ LTAs were required to take various further steps by the end of June 2022.¹⁸⁵ Martin Dean from Go-Ahead emphasised that “the DfT has made it clear that to get [Bus Service Operators Grant] funding and any other funding that might emerge, the expectation is that the Enhanced Partnerships will be in place”.¹⁸⁶ In February 2023 Richard Holden MP, the Parliamentary Under-Secretary of State for Transport told the House:

76 Local Transport Authorities (LTAs) in England outside London are pursuing an Enhanced Partnership [...] The majority of LTAs that have been awarded BSIP funding have now made their EPs.

For LTAs not in receipt of BSIP funding, 10 are finalising the content of their EP, in consultation with local bus operators and the rest have either now made their EP or are in the final stage awaiting the approval of local decision makers before making their EP. We expect the vast majority of EPs to be made and in operation by 31 March 2023.¹⁸⁷

64. Transport Focus is a statutory consultee on EPs.¹⁸⁸ It said that many of the EPs it had seen so far “would be improved by making a clearer connection between proposed measures/facilities and targets” although most were “benchmarked against reliable measures of current performance”.¹⁸⁹ Summarising the content of the EPs it had seen so far, it said provisions included buses running more often, buses going to more places, more buses on time/faster journey times, better value for money, greater effort to tackle anti-social behaviour, better quality of information at bus stops, accessible buses and cleaner buses.¹⁹⁰

180 HoC Library, The National Bus Strategy: Bus policy in England outside London, [CBP 9464](#), 17 May 2022, p14

181 DfT, [The National Bus Strategy Delivering Bus Service Improvement Plans using an Enhanced Partnership: Guidance](#), 1 July 2021, para 1.7

182 HoC Library, The National Bus Strategy: Bus policy in England outside London, [CBP 9464](#), 17 May 2022, p14

183 [National Bus Strategy](#), p11

184 DfT ([BUS0061](#)) para 53

185 As above. LTAs had to provide “an updated summary table (incorporating our feedback), a draft EP (or variation to an existing EP) which shows how relevant aspects of the BSIP will be implemented, a separate document which sets out how any commitments which would not be implemented through or included in detail in an EP; and confirmation from the authority’s Section 151 officer that they consider that the funding represents value for money”.

186 Q216

187 HC Deb, 6 February 2023, [col 137816W](#)

188 Transport Focus ([BUS0029](#))

189 As above

190 As above

65. First Bus expressed concern that changes in the timetable for draft Enhanced Partnerships had introduced uncertainty into this process and risked dissipating some of the momentum that had built up.¹⁹¹ In June 2022 Alistair Hands from Arriva said that across the 50 areas where it operates:

There is definitely progress [...] In some areas the partnerships have been made. In other areas they have been paused [...] At the moment, given that funding is yet to be finally confirmed and the schemes put in place, those partnerships themselves do not contain very much.¹⁹²

He added that in areas that did not receive BSIP funding EPs will be “relatively benign instruments”.¹⁹³ The Integrated Transport Planning consultancy argued that “it is impossible for meaningful changes to be introduced in the first EP schemes. The schemes have been designed at this stage to only reflect the status quo, which has meant a lot of work for no noticeable benefit”.¹⁹⁴

66. Paul Turner from Transdev Blazefield explained that EPs in areas that do not have a BSIP are likely to have a different focus than those in areas with funding.¹⁹⁵ He gave North Yorkshire as an example of an area which did not get BSIP funding in which the EP is focussing on a grant for zero-emission buses rather than changes to service patterns or levels.¹⁹⁶ Councillor Broadbent from Buckinghamshire Council, which did not receive BSIP funding, said his area was trying to continue to work on an Enhanced Partnership with operators, but that “without additional funding, we will be playing around the edges to try to make things more attractive, rather than creating the step change to achieve the shift that we wanted to make through the plan.”¹⁹⁷

67. Other witnesses had concerns about possible structural or legal problems with EPs. Pete Bond from Transport for the West Midlands said:

We are in a place at the moment where less than one per cent of bus services are managed under EP. By this time next year, nearly 100 per cent will be expected to be managed in one or other of those ways. I think that represents some big risks [...] The governance and structures required to support them are not yet, in my view, fully understood right up and down this country.¹⁹⁸

68. Councillor Page from Reading Borough Council told us that the Competition and Markets Authority had raised concerns with “some of the ticketing and fares initiatives” put forward in its EP.¹⁹⁹ The Local Government Association commented that its understanding was that “the issue is not necessarily with Enhanced Partnerships per se” but with wider proposed ticketing changes.²⁰⁰ Stephen Fidler, Co-Director for Local Transport at the Department for Transport told us that the Competition and Markets

191 First Bus ([BUS0047](#)) para 22

192 Q215

193 Q216

194 Integrated Transport Planning ([BUS0039](#)) section b. The National Bus Strategy required LTAs to include a passengers’ charter as part of their BSIPs to give bus users the right to receive certain standards of service, including punctuality, proportion of services operated, information and redress. DfT ([BUS0061](#)) para 63

195 Q220

196 As above

197 Q4

198 Q73

199 Q70

200 LGA ([BUS0063](#))

Authority is a statutory consultee on EPs and described its role:

the CMA cannot absolutely object, but it can give advice and guidance and raise concerns. It is the local authority that, under the legislation, has to satisfy itself that any reduction in competition is outweighed by the benefits [...] I think that is the conversation that needs to happen, and then the local authority needs to take its judgment based on that.²⁰¹

69. *Bringing more coherence and collaboration between local transport authorities and bus operators to local bus services is undoubtedly a good idea. But Enhanced Partnerships are a largely untested way to do this. The Government has made a big bet on them being the right model. It must carefully monitor how well they are working and ensure appropriate contingencies are in place.*

Franchising

70. Under a franchising model, local transport authorities specify the services they want—such as the routes, services, fares and vehicle standards—through contracts with bus operators.²⁰² Operators compete through a tendering process for the right to operate services.²⁰³ Most local transport authorities wishing to introduce franchising need the Secretary of State’s consent and secondary legislation to do so.²⁰⁴ Only metro mayors and Cornwall, through its Devolution Deal, have automatic access to franchising powers.²⁰⁵ Four areas are at the time of writing pursuing, or considering pursuing, franchising: Greater Manchester, Liverpool City Region, Cambridgeshire & Peterborough and the West Midlands.²⁰⁶ Plans are furthest advanced in Greater Manchester where the first franchised services are expected to begin running in September 2023.²⁰⁷

71. In May 2019 our predecessor Committee recommended that all local authorities should be able to introduce franchising, if they chose, with or without the consent of the Secretary of State.²⁰⁸ In its response to that recommendation the Government did not rule this out but said that “now is not the time” as there was “no strong appetite for these powers from local authorities”.²⁰⁹ In the Strategy, the Government said it supported the use of franchising “where it is in the best interests of passengers” and promised to “strengthen” statutory guidance on franchising.²¹⁰ The Local Government Association argued in its evidence to this inquiry for all local authorities to have the right to decide whether they would like to pursue the franchising model.²¹¹ Urban Transport Group called for “further simplifying and streamlining” of the franchising process.²¹²

201 Qq411–412

202 HoC Library, The National Bus Strategy: Bus policy in England outside London, [CBP 9464](#), 17 May 2022, p13

203 As above

204 As above

205 As above

206 Q415; DfT ([BUS0061](#)) para 33; Birmingham Live, [Transport for London style scheme considered for West Midlands bus networks](#), 9 February 2023

207 GMCA, [New bus network operators appointed to run first franchised services outside of London](#), 12 December 2022

208 Transport Committee, Ninth Report of Session 2017–19, Bus services in England outside London, [HC 1425](#), 15 May 2019, para 26

209 Transport Committee, First Special Report of Session 2019, Bus services in England outside London: Government response to the Committee’s Ninth Report of Session 2017–19, [HC 110](#), 17 October 2019

210 [National Bus Strategy](#), p43

211 LGA ([BUS0059](#))

212 Urban Transport Group ([BUS0024](#)) para 2.16

72. Baroness Vere told us that franchising:

is quite a lengthy process. It is very resource intensive. In our view, for most areas, doing an Enhanced Partnership is quicker, cheaper and has very similar outcomes to franchising. However, we have always taken the position as a Department that if a local authority comes to us that is not a [Mayoral Combined Authority], and therefore not automatically entitled to franchise, and says, “Look, in our area we really need to franchise because of X, Y and Z,” of course we would say yes.²¹³

In November 2022, the Government said that it planned to publish updated guidance on franchising “in due course”.²¹⁴

Municipal bus companies

73. Municipal bus companies are owned by local authorities.²¹⁵ Five currently operate in England outside of London, including in Reading from whose Borough Council we took evidence.²¹⁶ The Bus Services Act 2017 prevents new municipal bus companies being created, although it does not stop local authorities buying existing operators.²¹⁷ In May 2019 our predecessors recommended this ban be lifted.²¹⁸ The Government did not directly address this recommendation in its October 2019 response to the Report.²¹⁹ However, in the Strategy it stated that legislation was “ripe for review”.²²⁰

74. So far, the Government has taken no action. Several witnesses criticised this delay and called for an end to the ban.²²¹ Baroness Vere told us that a call for evidence was planned for later in 2022, but, as of February 2023, this has been delayed to “later this year”.²²² She stressed that while some municipal operators such as Reading were successful, “there have been many municipal bus companies that have failed in the past”.²²³ She said that “sometimes local authorities set up things from scratch and they go horribly wrong and are very costly. That is what I want to prevent happening.”²²⁴

Socially necessary services

75. Local authorities have powers to provide services, under tender, to meet public transport requirements within their area that would not be met in any other way.²²⁵ Some services in any given area are likely to be subsidised as councils have deemed them important routes for social and economic reasons. In recent years the number of such

213 Q415

214 HC Deb, 15 November 2022, [col 83689W](#); HC Deb, 21 November 2022, [col 87905W](#)

215 HoC Library, The National Bus Strategy: Bus policy in England outside London, [CBP 9464](#), 17 May 2022, pp14 & 50

216 Blackpool, Ipswich, Nottingham City, Reading and Warrington. Qq1–98

217 Bus Services Act 2017, [Section 22](#); DfT, [Bus Back Better: National Bus Strategy for England](#), 15 March 2021, p50; Q88

218 Transport Committee, Ninth Report of Session 2017–19, Bus services in England outside London, [HC 1425](#), 15 May 2019, para 26

219 Transport Committee, First Special Report of Session 2019, Bus services in England outside London: Government response to the Committee’s Ninth Report of Session 2017–19, [HC 110](#), 17 October 2019

220 DfT, [Bus Back Better: National Bus Strategy for England](#), 15 March 2021, p50

221 Q152; RMT ([BUS0062](#)); Unite ([BUS0038](#)) section A

222 Q417; HC Deb, 8 February 2023, [col 137832W](#)

223 Q417

224 As above

225 Transport Act 1985, [Section 63](#)

services has fallen significantly. The Campaign for Better Transport, a charity, told us that in the ten years up to 2020/21 local bus vehicle miles outside London supported by local authorities have fallen by over half.²²⁶ Councillor David Renard, Chair of the Environment, Economy, Housing and Transport Board at the Local Government Association, told the Committee that “local authority funding for subsidising services has decreased quite significantly over the last 10 or so years”.²²⁷

76. In May 2019 our predecessors recommended that the Government should define “socially necessary” services and provide further guidance to local authorities about how funding for such services should be allocated.²²⁸ In the Strategy, the Government committed to providing new guidance and suggested it would consider introducing a statutory requirement on local authorities to provide services deemed socially or economically necessary.²²⁹ The Government has yet to publish this guidance, although Baroness Vere told us in June 2022 that the Department was “working on it”.²³⁰ CPRE, the countryside charity, argued that the longer updated guidance is delayed the more service levels may decline.²³¹ In January 2023 Chris Hinchliff, CPRE’s Campaigns Manager, told us “socially necessary can cover a huge range of things”, arguing it should ensure access to medical services, education and social opportunities.²³²

77. The Government made various commitments in the National Bus Strategy that we welcomed, as did many in the bus sector. It said it would provide new guidance on socially and economically necessary services and on bus franchising. It also suggested it would consider introducing a statutory requirement on local authorities to provide services deemed socially or economically necessary and look again at the ban on new municipal bus companies. Two years on, none of these things have happened and the long-term security of many bus routes that are vital for communities remains uncertain. The Minister told us to expect announcements in late 2022, but we were disappointed. While we accept the last two years has been a busy time for the Department, we urge the Government to put its promises into action.

226 CBT ([BUS0051](#)) section 3

227 Q129

228 Transport Committee, Ninth Report of Session 2017–19, Bus services in England outside London, [HC 1425](#), 15 May 2019, para 57

229 DfT, [Bus Back Better: National Bus Strategy for England](#), 15 March 2021, pp47–48. In November 2022 the Government said “services such as those supporting the night time economy” would form part of this expanded category. HD Deb, 7 November 2022, [col 77418W](#)

230 Q478

231 CPRE ([BUS0035](#)) section 1

232 [HC 1077](#), Q60

4 Zero-emission buses

78. Zero-emission vehicles are those which have no carbon emissions from the tailpipe.²³³ There are two main types of zero-emission buses (ZEBs): battery electric and hydrogen fuel-cell buses. Most sales of ZEBs have been for battery-electric buses; hydrogen buses still represent less than one per cent of the bus fleet in Britain.²³⁴ By the end of 2021/22, three per cent of the British bus fleet was battery-electric (one per cent in England outside of London; eight per cent in London).²³⁵ Most buses in Britain (80 per cent) still run on diesel; this is more pronounced in England outside London (91 per cent).²³⁶

79. There are also low and ultra-low emission vehicles including hybrid buses and buses that use alternative fuels, such as biofuels. The Government’s view is that “low or ultra-low emission vehicles should only be purchased where a zero-emission vehicle is not a viable operational alternative,” although other alternative fuels could be used to help reduce emissions while zero-emission alternatives develop.²³⁷

Phasing out non-zero-emission buses

Government consultation

80. The Government has committed to end the sale of new, non-ZEBs by 2032 at the latest.²³⁸ In Spring 2022 a consultation was held about the challenges to moving to a zero-emission fleet, what an appropriate end-of-sales date might be, and the extent to which government intervention is necessary to accelerate the transition.²³⁹ The Government has not yet responded. In June 2022 Baroness Vere told us it was looking at the responses.²⁴⁰

81. Peter Freedman, the bus manufacturer Switch Mobility’s Chief Marketing and Sustainability Officer, called for an earlier phase-out date.²⁴¹ He argued that running parallel technologies increases production costs which slows “the pace at which you bring down the cost of electric vehicles”.²⁴² In contrast, the Association of Local Bus Managers, which represents smaller bus operators, called for the decision to be delayed until zero-emission bus technology improved.²⁴³ Paul Turner from the bus operator Transdev Blazefield told us that it operates some quite long services for which a suitable zero-emission vehicle does not exist on the market that is capable of replacing the current internal combustion engine (ICE) vehicle.²⁴⁴

233 HoC Library, *The National Bus Strategy: Bus policy in England outside London*, [CBP 9464](#), 17 May 2022, p43

234 DfT, *Annual Bus Statistics: England 2021/22*, 31 January 2023

235 DfT, *Annual Bus Statistics: England 2021/22*, 31 January 2023. In Britain there are 36,500 buses, of which 31,400 are in England (9,000 in London, 8,000 in English metropolitan areas and 14,300 in English non-metropolitan areas).

236 DfT, *Annual Bus Statistics: England 2021/22*, 31 January 2023

237 DfT, *Bus Back Better: National Bus Strategy for England*, 15 March 2021, p73

238 *National Bus Strategy*, p13; DfT, *Ending the sale of new, non-zero-emission buses, coaches and minibuses*, 26 March 2022

239 DfT, *Ending the sale of new, non-zero-emission buses, coaches and minibuses*, 26 March 2022

240 Q436

241 Q288

242 As above

243 ALBUM, *Consultation response*, 31 May 2022

244 Q254

Cost of transition

82. We asked two large bus operators how much it would cost to switch their fleet to ZEBs. Go-Ahead said “to move [...] to a zero-emission operation, it would cost approximately £460,000 per vehicle”.²⁴⁵ Arriva said:

Electric vehicles are approximately twice the price of a new diesel bus at purchase [...] Transitioning our remaining non-TFL contracted fleet of over 3,000 vehicles from diesel to electric vehicles could cost up to £2bn. This includes the vehicle replacement cost and an allowance for the infrastructure and connection to the grid for each vehicle. This would be approximately £1.4bn more than replacing the same fleet with traditionally-fuelled vehicles.²⁴⁶

83. We heard differing views about the overall cost of running ZEBs compared to an ICE equivalent. Stagecoach, another large bus operator, said that running zero-emission buses will remain more expensive than their diesel equivalents “for the foreseeable future”.²⁴⁷ It said while the lifetime fuel and servicing costs of a ZEB may prove to be less, its experience to date had been that the additional capital costs of vehicle purchase and mid-life battery replacement outweighed these operational cost savings. However, this was disputed by Peter Freedman of Switch Mobility who argued that “over its lifetime an electric bus should be cheaper, especially with diesel costs now”.²⁴⁸

84. Baroness Vere told us:

What we do not yet have data on, and where there has been a certain reluctance from some quarters to properly share data, is what the total cost of ownership of a zero-emission bus looks like. I can have one-on-one conversations sometimes with some operators who tell me that total cost of ownership would be [similar to that of] a Euro 6 [diesel bus] in 2024–25.²⁴⁹

Effectiveness in reducing emissions

85. While not opposing the transition to ZEBs, several submissions to our inquiry emphasised the greater overall decarbonisation benefits of modal shift from private vehicles to buses.²⁵⁰ Reading Borough Council said:

If bus services are not dense and frequent then replacing an infrequent diesel bus with a zero-emission one is both completely unaffordable and ineffective in the context of the amount of other polluting traffic on the road [...] Run the frequent bus service first as modal shift saves the most carbon, then decarbonise the bus service.²⁵¹

245 Go-Ahead ([BUS0065](#))

246 Arriva ([BUS0066](#)) para 2.2–2.4

247 Stagecoach ([BUS0043](#)) para 24

248 Q291

249 Q434

250 ALBUM ([BUS0012](#)) section 9; Reading Borough Council ([BUS0016](#)) section e

251 As above

Martin Dean from Go-Ahead said “if we could get significant modal shift, we could create our own business case to fund [new ZEBs] ourselves”.²⁵²

86. The Chartered Institute of Logistics and Transport said that “cleaner buses do not alleviate traffic congestion and parking pressures unless services are good enough to attract habitual car users”.²⁵³ Analysis in 2020 by KPMG suggested that ZEBs would offer “little benefit” if they became stuck in traffic and while they “will support decarbonisation, they will do little to increase patronage”.²⁵⁴ Baroness Vere told us:

At the end of the day, zero-emission buses do not operate in isolation. It is not going to be the magic bullet that will solve our decarbonisation of transport in the UK. What is important is that local authorities have bought into this. One of the things that local authorities will have to do as part of their local transport plans is to set out their plans for decarbonisation.²⁵⁵

87. We welcome the Government’s plans to phase out non-zero-emission buses. It will be expensive and, in the short-term at least, difficult on longer and more rural routes, but it is necessary. However, we note that decarbonising buses will only take the Government so far towards its objective. Wider transport decarbonisation will require it to achieve the aims of the Strategy by increasing bus usage and therefore achieve modal shift from the private car. This ultimately depends on provision of reliable, frequent services. A debate should be had about whether this would be supported by a Department for Transport target to reduce car usage in England by the end of the decade, such as those seen in Scotland and Wales.

Getting new zero-emission buses on the road

Target

88. In February 2020 the Government committed to having at least 4,000 new zero-emission buses (ZEBs) on the road by the end of the Parliament.²⁵⁶ However, Peter Freedman from Switch Mobility told us in June 2022 that it would be difficult to meet this target, given half of the buses needed had not yet been funded or ordered and most of the those that had had not yet been delivered to operators.²⁵⁷ Alexander Dennis, another manufacturer, warned that “without swift deployment, those 4,000 buses will end up built not in Yorkshire or Falkirk but in Germany or China”.²⁵⁸

89. Baroness Vere told us that “events happen, but there is an expectation that we will have 4,000 zero-emission buses. I am absolutely committed to that”.²⁵⁹ In December 2022 correspondence, the Transport Secretary told us 1,779 ZEBs have been funded in England outside London, with 447 orders placed and 87 buses on the road.²⁶⁰ In Scotland 558 ZEBs have been funded, and ordered, through the Scottish Ultra Low Emission Bus

252 Q259

253 CILT ([BUS0026](#)) section 5

254 KPMG, [Maximising the benefits of local bus services](#), 28 July 2020, p1

255 Q432

256 HMG, [Major boost for bus services as PM outlines new vision for local transport](#), 20 February 2020; Q435. The target is for the whole of the UK, not just England outside London.

257 Q275

258 Alexander Dennis ([BUS0018](#)) para 5.3

259 Q449

260 [Correspondence from the Secretary of State for Transport](#), 20 December 2022

Scheme (SULEBS) and the current ScotZEB funding stream, while the Northern Ireland Executive has funded 238. These are funded using the budgets available to the devolved administrations. Wales has used a mix of Welsh Government and UK Government funding for its 84 buses. We note that the UK Government meeting its national target relies, to some extent, on actions taken by the devolved administrations.

Funding

90. The Government pledged to spend £525 million to support the transition to ZEBs.²⁶¹ In its written evidence, it explained “our long-term aim is for the total cost of ownership for ZEBs to be lower than for diesel buses. Therefore, we are providing capital funding through a number of schemes [...] to offset the high capital costs”.²⁶² Arriva, a large bus operator, told us that the biggest barrier to transitioning to ZEBs was the “up-front capital costs”.²⁶³ It said that “with infrastructure and vehicle premiums [the cost of buying a ZEB] is the equivalent outlay to buying more than five years’ diesel up front”.

91. Schemes to disburse this £525 million funding include the Zero Emission Bus Regional Areas scheme (ZEBRA), the Ultra-Low Emission Bus Scheme and plans to make Coventry the first All Electric Bus City.²⁶⁴ In its written evidence submitted in April 2022, the Department for Transport told us that “the recipients of £320m of this sum have been announced so far” and that the remaining £205m will be distributed by 2024.²⁶⁵ Baroness Vere told us one of her biggest focusses was “figuring out what we do with this next tranche” of funding.²⁶⁶ In February 2023 Richard Holden MP, the Parliamentary Under-Secretary of State for Transport, told the House that the details of future ZEBs funding would be provided “in due course”.²⁶⁷

92. We heard mixed views about the efficacy of the Government’s ZEBRA funding programme, which helps LTAs outside London to introduce zero-emission buses and the infrastructure needed to support them.²⁶⁸ Under the scheme, local authorities could bid for:

- 75 per cent of the cost difference between a diesel bus and an equivalent zero-emission bus, either battery electric or hydrogen fuel cell buses.
- 75 per cent of the total costs of infrastructure, either electric vehicle charging infrastructure or hydrogen refuelling infrastructure.²⁶⁹

93. In October 2021 funding worth £70.8 million was granted to five LTAs as part of the fast-track section of the scheme.²⁷⁰ In March 2022 12 LTAs were granted funding worth £198.3 million and in March 2023 four LTAs shared a further £25.3 million.²⁷¹ Switch

261 DfT ([BUS0061](#)) para 126

262 DfT ([BUS0061](#)) para 124

263 Arriva ([BUS0066](#)) para 2.2

264 DfT ([BUS0061](#)) paras 121–128. The Department explained that some areas may also use other funding schemes such the Transforming Cities Fund and the City Region Sustainable Transport Settlements (CRSTS) to fund ZEBs.

265 DfT ([BUS0061](#)) para 11

266 Q430

267 HC Deb, 8 February 2023, [col 137822W](#)

268 DfT, “[Zero-Emission Bus Regional Areas \(ZEBRA\) scheme](#)”, accessed 22 November 2022

269 HC Deb, 12 January 2023, [col 118846W](#)

270 HC Deb, 26 April 2022, [col 157433W](#)

271 As above; DfT, [£25 million to boost rollout of British-made green buses around the country](#), 2 March 2023

Mobility was supportive of the scheme in principle but argued that its existence had “meant that operators had no incentive to buy ZEBs outside of the scheme, meaning that non-ZEBRA orders and diesel orders have reduced dramatically”²⁷².

94. The Confederation of Passenger Transport, which represents bus operators, said that the scheme needed to be quicker. It said:

The whole process from applying for ZEBRA funding through to the new buses being in service on our roads is expected to take between two to three years. Winners of the fast-track scheme were announced seven months after the scheme was first announced, and winners of the standard track were announced in March, a full year from the announcement.²⁷³

It said the process “has been complex and time consuming and can also be off-putting, particularly for small LTAs and smaller bus operators”.²⁷⁴ Peter Freedman of Switch Mobility called for a “timeline for using the ZEBRA funding [as] at the moment it is not particularly time-bound” which meant that even after being granted funding local authorities often delayed placing orders.²⁷⁵

95. Concerning speeding up ZEB orders, Baroness Vere said:

It is not something the Department triggers. The local authority will order the bus when they are ready, but obviously it will require the operator to be ready [...] There is no point ordering buses if you are literally going to have them sitting in a garage for two years because you are still waiting for the electricity supplier to put in a new service.

[...] something that I will definitely be coming back to in my ministerial capacity in the coming weeks is to figure out how we are doing in getting the orders placed [...] we have to figure out why they have not put the orders in yet. When are the orders coming and what does the timeline look like?²⁷⁶

96. We also heard concerns that about the challenges of building new infrastructure for ZEBs and the amount of Government funding made available to support its installation. ChargePoint, an electric vehicle infrastructure company, told us:

Even if local authorities and operators are supported with some funds to acquire the vehicles, they also have to make very significant investments in the charging infrastructure and upgrading the depots. [This] can be prohibitively expensive.²⁷⁷

272 Switch Mobility ([BUS0017](#))

273 CPT ([BUS0007](#)) section b

274 CPT ([BUS0007](#)) section e

275 Q278

276 Qq430–431

277 ChargePoint ([BUS0053](#)) para 2.5

97. Paul Turner from the bus operator Transdev said that “getting your depot plugged into the grid can be quite challenging in some areas”.²⁷⁸ Go-Ahead, another operator, expressed disappointment that the Government’s March 2022 electric vehicle infrastructure strategy is “primarily focussed on private vehicles”.²⁷⁹

98. As of January 2023 around 19 per cent of ZEBRA funding has gone towards infrastructure costs.²⁸⁰ However, Stagecoach, a large bus operator, criticised restrictions on how this money can be spent, arguing that it should be allowed to fund “anticipatory investment in charging infrastructure at depots beyond that required for the number of ZEBs covered by a ZEBRA bid”.²⁸¹ This view was shared by the Confederation of Passenger Transport.²⁸² Baroness Vere said that a separate bus infrastructure fund was not being considered “at this point in time”.²⁸³ She cited the business rate exemption on plant and machinery that is related to renewable energy generation storage as a source of support with costs and the 130 per cent capital allowance for investment.²⁸⁴

99. Other witnesses called for more clarity about the future of the ZEBRA scheme. Arriva recommended that when the current ZEBRA rounds end, government funding should instead focus on “long-term, stable support rather than competitions or tranche-based funding” as while “effective” they “tend to drive a ‘boom and bust’ cycle for investment”.²⁸⁵ Switch Mobility said:

There is no clarity on the long-term status of ZEB procurement funding. This, combined with the delays in the ZEBRA scheme, has created a great deal of uncertainty for manufacturers, which prevent us from further investing in UK staff and facilities.²⁸⁶

Baroness Vere rejected this view. She said that “what we are trying to do is stimulate the market by providing that certainty and providing a subsidy for a period of time” until the total cost of ownership is the same from ZEBs as ICE buses.²⁸⁷ Once that point is reached, further government support would be “throwing taxpayers’ money at something that does not need it”.²⁸⁸

100. Concerning the ZEBRA scheme in general, Richard Holden MP, the Parliamentary Under-Secretary of State for Transport, told the House in January 2023 that the Department for Transport had designed a monitoring and evaluation project for the scheme to evaluate “the extent to which it delivers its aims and objectives” and widen the “evidence base on the performance of ZEBs”.²⁸⁹ In February 2023, the Government said that an initial report “covering process evaluation of the pre-implementation phase of the project” would be

278 Q258

279 Go-Ahead (BUS0055) para 5.3; DfT, [Taking charge: the electric vehicle infrastructure strategy](#), 25 March 2022, p16. The strategy states: “the focus of this document is on cars and vans up to 3.5 tonnes (including some zero-emissions vans up to 4.25t), both private and fleet vehicles. However, many of the principles in this document also apply to electric buses and trucks, particularly when charging at a depot or equivalent”.

280 HC Deb, 12 January 2023, [col 118846W](#)

281 Stagecoach (BUS0043) recommendation 9

282 CPT (BUS0007) section e

283 Q437

284 As above

285 Arriva (BUS0052) para 5.3; Arriva (BUS0066) para 3.3

286 Switch Mobility (BUS0017)

287 Q434. Baroness Vere suggested this could be 2024/25.

288 As above

289 HC Deb, 19 January 2023, [col 122440W](#)

published “in due course”.²⁹⁰

101. We support the Government’s ambition to have 4,000 new zero-emission buses on the road in the UK by the end of this Parliament and welcome the funding it has allocated to meet this aim. However, it seems increasingly unlikely it will meet its target, given how few of these vehicles are now on the road. Currently the funding process is slow and piecemeal. It is too easy for local authorities to put off placing orders despite being given the money to do so and too difficult for UK manufacturers to invest with confidence in new types of vehicle and new manufacturing hubs. In some cases, orders using tens of millions of pounds of public money are being made to overseas manufacturers, with a commensurate impact on domestic vehicle production and threat to the UK bus industry. UK bus manufacturers have called on UK ZEB funding schemes to incentivise UK ZEB orders over overseas orders thereby supporting UK manufacturing. We support those calls and call on the Government to work with the sector to facilitate such incentives.

102. If the Government is to meet its target it will need to intervene in the process more actively. We note that Scotland’s scheme in which operators bid for funding centrally, thereby cutting out the middleman, has allowed Scotland to power ahead with its bus decarbonisation plans. According to the Secretary of State’s own December 2022 figures, Scotland has ordered 10.11 ZEBs per 100,000 people compared to 0.94 ZEBs per 100,000 people in England outside London.

103. We are not convinced by the Government’s argument that incentivising the purchase of a zero-emission buses will no longer be necessary once their lifetime cost decreases to that of comparable diesel buses. The up-front cost of ZEBs will remain higher, especially when the cost of upgrading and replacing infrastructure is included. That will be enough to put off many potential buyers. If zero-emission buses are the right choice to meet this country’s Net Zero goals, as the Government has said, then it should not leave the job half-done.

104. *The Government should set out a clear, staged plan for the full transition to zero-emission buses, in tandem with the delayed response to its consultation on ending the sale of non-zero-emission buses. This should include a clear long-term funding plan focussed in particular on difficult to decarbonise rural routes and supporting the installation of costly new infrastructure. It should keep an open mind about whether this transition could also involve synthetic fuels alongside battery electric and hydrogen vehicles.*

Reforming the Bus Services Operators Grant

105. The Bus Services Operators Grant (BSOG) is a subsidy, based on fuel consumption, paid by the Department for Transport to bus operators, community transport operators and local authorities.²⁹¹ It helps to lower fares and support otherwise unprofitable services, particularly those of value to local communities.²⁹² £259 million is spent on the subsidy each year, of which £42 million goes to LTAs.²⁹³ However, its funding formula has long

290 HC Deb, 8 February 2023, [col 137831W](#)

291 HoC Library, The National Bus Strategy: Bus policy in England outside London, [CBP 9464](#), 17 May 2022, p33

292 DfT ([BUS0061](#)) para 94

293 As above

attracted criticism. In October 2020, the National Audit Office found that it “could act as a disincentive for operators to switch to electric buses”.²⁹⁴

106. Successive Governments have promised to reform the grant, as our predecessor Committee noted in 2019.²⁹⁵ This commitment was reiterated by the Government in the Strategy, which acknowledged the “outcomes incentivised by a fuel-based subsidy are not right for the twenty-first century and the environmental challenges we face” and that the incentive payments are “outdated”.²⁹⁶ Transport Scotland has replaced the Bus Service Operators Grant in Scotland with a Network Support Grant calculated per kilometre, with a supplemental subsidy paid per kilometre dependent on the vehicle’s emissions.²⁹⁷ The Strategy included plans to consult on BSOG reform in 2021 as well as various changes to the grant the Government was considering.

107. However, this planned consultation has not yet taken place. The Government told us it had been delayed to allow “officials to focus on extending the Bus Recovery Grant scheme”, although it stressed that discussions with stakeholders were being held.²⁹⁸ Baroness Vere told us in June 2022 we could “expect to see a consultation” later that year and that she had “all sorts of ideas” although she was unwilling at that stage to give any further detail about her thinking.²⁹⁹ She did, however, stress that she expected the new formula, when introduced, to be very different to the current version.³⁰⁰ This could require a significant period of transition to allow both ‘winners’ and ‘losers’ to adjust.³⁰¹ A consultation has not yet been launched. In February 2023, the Department said it intends to publish the consultation on reform of the Bus Service Operators Grant “later this year”.³⁰²

108. The Government has made some changes to the way the grant is calculated. In April 2022 it introduced an uplift in payments for ZEBs to 22p/km.³⁰³ Baroness Vere explained that the BSOG uplift was “something that we could do fairly quickly” and while not a “perfect solution” she felt it showed the Government was moving at an “acceptable pace”.³⁰⁴ This change was broadly supported by our witnesses, although Go-Ahead told us that its “internal analysis suggests that the rate needs to be nearer 30p/km”.³⁰⁵ The Confederation of Passenger Transport, which represents bus operators, said that continuing the uplift “should be a long-term commitment from Government”.³⁰⁶

109. Reforming the Bus Services Operators Grant will be complicated and may prove controversial, but it is necessary. Successive Governments have accepted that, and promised to act, but little progress has been made. Further delay risks slowing the transition to zero-emission buses. A new formula could and should accelerate it. Enough time has passed for all options to be considered; what is needed is action.

294 NAO, Improving local bus services in England outside London, [HC 577](#), 2 October 2020, para 2.7

295 Transport Committee, Ninth Report of Session 2017–19, Bus services in England outside London, [HC 1425](#), 15 May 2019, para 38

296 [National Bus Strategy](#), p48

297 Transport Scotland, “[Network Support Grant](#)”, accessed 14 March 2023

298 DfT ([BUS0061](#)) para 95

299 Qq357–358

300 Q360

301 Qq359–361

302 HC Deb, 7 February 2023, [col 137828W](#)

303 DfT ([BUS0061](#)) para 129

304 Q361

305 Go-Ahead ([BUS0055](#)) para 4.4.3. In supplementary written evidence it told us that it is “currently paid 35 pence per litre for diesel”. Go-Ahead ([BUS0065](#))

306 CPT ([BUS0007](#)) section e

110. The Government must consult on Bus Services Operators Grant reform now and proceed as quickly as is feasible to introduce a new funding formula which incentivises operators to transition to zero-emission buses.

5 Conclusion

111. A year on from its publication, most witnesses to our inquiry remained broadly supportive of the National Bus Strategy. Transdev Blazefield, a bus operator in the North of England, summarised this view: “Broadly bus operators had been seeking more bus priority; transport authorities more influence and control and the [Strategy] set out how to do this. It is hard to argue against either aspect”.³⁰⁷

112. However, many remained concerned that the aims of the Strategy would not be fulfilled. Transport for the West Midlands told us that in recent years it had often spoken with the same Government officials about creating “an ambitious network for the region on one hand and being realistic about allowing services to reduce on the other hand”.³⁰⁸ The Urban Transport Group, which represents the transport bodies of large city regions, warned that if the Strategy is not supported by long-term funding:

there is a danger that [it] risks being seen as a product of temporary ‘irrational exuberance’ and that there is a slide back to the Governmental comfort zone, and historical norm, of decline management.³⁰⁹

113. Linda McCord, Senior Stakeholder Manager for Transport Focus, an arm’s length body which promotes passenger interests, told us that “the main thing is that we see improvements to our bus services and that there is a means for measuring that those benefits and improvements are being realised by passengers”.³¹⁰ Arriva, a large bus operator, recommended that the Government report annually on progress against the Strategy.³¹¹ It said that this should include analysis of modal shift from private car use to active travel and public transport and, if modal shift was found to be lagging, set out “further measures to deliver it”.³¹²

114. We remain optimistic about the future of buses, but there is much work to do just to get back to where the sector was when the Strategy was first promised in 2019. Travelling by bus is increasingly a minority pursuit: in 2021/22 in England nearly two thirds of people didn’t travel by bus at all, down from around half in 2019/20.³¹³ Yet they are still the most used form of public transport and provide a service that is crucial to the lives of many people, particularly people on lower incomes, young adults, and those without private cars.³¹⁴ Increasing bus travel would also help the Government achieve its wider economic, social and environmental policy objectives.

115. For too many years the story of buses in England outside London has been one of managed decline. The publication of the National Bus Strategy represented an opportunity to change that. It was ambitious, full of good ideas and supported by extra much-needed funding. So far, though, despite lots of positive rhetoric and some welcome action, the promised transformation has not been achieved. We believe it

307 Transdev Blazefield ([BUS0050](#))

308 TfWM ([BUS0040](#)) section b

309 Urban Transport Group ([BUS0024](#)) para 2.4

310 Q102

311 Arriva ([BUS0052](#)) paras 2.3

312 Arriva ([BUS0052](#)) para 6.6

313 DfT, [Annual bus statistics: England 2019/20](#), October 2020, p17; DfT, [Annual Bus Statistics: England 2021/22](#), 31 January 2023. The DfT classifies using a local bus less than once a year as “rarely” using one.

314 DfT, [Transport Statistics Great Britain: 2022 Summary](#), 15 December 2022; DfT, [Annual Bus Statistics: England 2021/22](#), 31 January 2023

is still possible, but that will require the Government to maintain its focus on buses rather than letting its attention drift away.

116. The Government should set out clearly how it plans to evaluate the success of the National Bus Strategy across its various strands. It should also set out an indicative timescale for the scoping, consultation, and publication of future iterations of the Strategy.

117. Away from the National Bus Strategy, the sector is in a tough spot. Post-pandemic, many people's lives have changed, and this has altered, perhaps permanently, when and where they wish to travel. Reduced patronage has left many services hanging by a thread, dependent on further extensions of the Government's ostensibly short-term recovery funding. Yet, in some areas and for some types of passenger demand has surged. So far, the Government has responded to this challenge with limited, albeit welcome, schemes such as the £2 fare cap. But it needs to do more. It would be the height of absurdity for the Government to spend billions of pounds to support the ailing bus sector through the pandemic and then allow it to wither away. The Government must continue to support the sector as it builds a new network fit for the post-pandemic world. This should be informed by a detailed analysis of the impact of schemes like the £2 fare cap and BSIPs.

Conclusions and recommendations

Bus Service Improvement Plans

1. The Bus Service Improvement Plan process has brought out the best in many local transport authorities and bus operators. We have been impressed by the ideas and innovation produced and the enthusiasm and commitment shown. We note the prevalence of bus priority plans as part of urban bids and demand-responsive transport schemes as part of rural ones, a sign of the very different challenges bus services face in different parts of the country. (Paragraph 32)
2. We welcome the funding for Bus Service Improvement Plans made available as part of the Government's National Bus Strategy. It will do much good. Yet just over £1 billion is simply not enough money to produce real improvements in bus services across the country. Local areas were asked to be ambitious, but the Department has not matched this level of ambition in the funding it has made available. Instead local areas were pitted against each other for an often miserly share of an inadequate pot. (Paragraph 36)
3. The publication of the National Bus Strategy was greeted with enthusiasm across the country, but this has dissipated in the many areas which received no funding to put their ambitious plans into action. Allowing roughly half the country to miss out risks entrenching, and in some cases creating, a two-tier system in which bus services improve in one area while, across an invisible county border, they worsen or even disappear. Without further rounds of funding this 'national' Strategy will barely scratch the surface. (Paragraph 44)
4. We continue to be concerned about the capacity of smaller local transport authorities to compete on an even playing field with larger authorities in competitive bidding processes. We welcome the Government's attempts to support less successful authorities, but this funding does not seem to have fixed the problem. If the Government is going to allocate funding via competitive bidding it must find a way to ensure all areas are given a fair chance. (Paragraph 50)
5. The bidding process for BSIP funding has appeared slightly chaotic at times, with periods of delay, confusion about the terms of trade and concerns about Departmental capacity. While we understand the short-term impulse to prioritise communication with winning bidders, it makes little sense in the long term if the aim is to improve bus services across the country. It is crucial that the Department gives every assistance to those who have been unsuccessful so next time they can be winners. (Paragraph 57)
6. *The Government should commission and publish an independent analysis of the first tranche of Bus Service Improvement Plan funding. It should then consult on the structure and aims of a further disbursement of 'transformation' funding. Underpinning this should be a firm commitment to make available significant further funding to support the implementation of the National Bus Strategy.* (Paragraph 59)

Models of delivery

7. *Bringing more coherence and collaboration between local transport authorities and bus operators to local bus services is undoubtedly a good idea. But Enhanced Partnerships are a largely untested way to do this. The Government has made a big bet on them being the right model. It must carefully monitor how well they are working and ensure appropriate contingencies are in place. (Paragraph 69)*
8. *The Government made various commitments in the National Bus Strategy that we welcomed, as did many in the bus sector. It said it would provide new guidance on socially and economically necessary services and on bus franchising. It also suggested it would consider introducing a statutory requirement on local authorities to provide services deemed socially or economically necessary and look again at the ban on new municipal bus companies. Two years on, none of these things have happened and the long-term security of many bus routes that are vital for communities remains uncertain. The Minister told us to expect announcements in late 2022, but we were disappointed. While we accept the last two years has been a busy time for the Department, we urge the Government to put its promises into action. (Paragraph 77)*

Zero-emission buses

9. We welcome the Government's plans to phase out non-zero-emission buses. It will be expensive and, in the short-term at least, difficult on longer and more rural routes, but it is necessary. However, we note that decarbonising buses will only take the Government so far towards its objective. Wider transport decarbonisation will require it to achieve the aims of the Strategy by increasing bus usage and therefore achieve modal shift from the private car. This ultimately depends on provision of reliable, frequent services. A debate should be had about whether this would be supported by a Department for Transport target to reduce car usage in England by the end of the decade, such as those seen in Scotland and Wales. (Paragraph 87)
10. We support the Government's ambition to have 4,000 new zero-emission buses on the road in the UK by the end of this Parliament and welcome the funding it has allocated to meet this aim. However, it seems increasingly unlikely it will meet its target, given how few of these vehicles are now on the road. Currently the funding process is slow and piecemeal. It is too easy for local authorities to put off placing orders despite being given the money to do so and too difficult for UK manufacturers to invest with confidence in new types of vehicle and new manufacturing hubs. In some cases, orders using tens of millions of pounds of public money are being made to overseas manufacturers, with a commensurate impact on domestic vehicle production and threat to the UK bus industry. UK bus manufacturers have called on UK ZEB funding schemes to incentivise UK ZEB orders over overseas orders thereby supporting UK manufacturing. We support those calls and call on the Government to work with the sector to facilitate such incentives. (Paragraph 101)
11. If the Government is to meet its target it will need to intervene in the process more actively. We note that Scotland's scheme in which operators bid for funding centrally, thereby cutting out the middleman, has allowed Scotland to power ahead with its

bus decarbonisation plans. According to the Secretary of State's own December 2022 figures, Scotland has ordered 10.11 ZEBs per 100,000 people compared to 0.94 ZEBs per 100,000 people in England outside London. (Paragraph 102)

12. We are not convinced by the Government's argument that incentivising the purchase of a zero-emission buses will no longer be necessary once their lifetime cost decreases to that of comparable diesel buses. The up-front cost of ZEBs will remain higher, especially when the cost of upgrading and replacing infrastructure is included. That will be enough to put off many potential buyers. If zero-emission buses are the right choice to meet this country's Net Zero goals, as the Government has said, then it should not leave the job half-done. (Paragraph 103)
13. *The Government should set out a clear, staged plan for the full transition to zero-emission buses, in tandem with the delayed response to its consultation on ending the sale of non-zero-emission buses. This should include a clear long-term funding plan focussed in particular on difficult to decarbonise rural routes and supporting the installation of costly new infrastructure. It should keep an open mind about whether this transition could also involve synthetic fuels alongside battery electric and hydrogen vehicles.* (Paragraph 104)
14. Reforming the Bus Services Operators Grant will be complicated and may prove controversial, but it is necessary. Successive Governments have accepted that, and promised to act, but little progress has been made. Further delay risks slowing the transition to zero-emission buses. A new formula could and should accelerate it. Enough time has passed for all options to be considered; what is needed is action. (Paragraph 109)
15. *The Government must consult on Bus Services Operators Grant reform now and proceed as quickly as is feasible to introduce a new funding formula which incentivises operators to transition to zero-emission buses.* (Paragraph 110)

Conclusion

16. For too many years the story of buses in England outside London has been one of managed decline. The publication of the National Bus Strategy represented an opportunity to change that. It was ambitious, full of good ideas and supported by extra much-needed funding. So far, though, despite lots of positive rhetoric and some welcome action, the promised transformation has not been achieved. We believe it is still possible, but that will require the Government to maintain its focus on buses rather than letting its attention drift away. (Paragraph 115)
17. *The Government should set out clearly how it plans to evaluate the success of the National Bus Strategy across its various strands. It should also set out an indicative timescale for the scoping, consultation, and publication of future iterations of the Strategy.* (Paragraph 116)
18. Away from the National Bus Strategy, the sector is in a tough spot. Post-pandemic, many people's lives have changed, and this has altered, perhaps permanently, when and where they wish to travel. Reduced patronage has left many services hanging by a thread, dependent on further extensions of the Government's ostensibly short-

term recovery funding. Yet, in some areas and for some types of passenger demand has surged. So far, the Government has responded to this challenge with limited, albeit welcome, schemes such as the £2 fare cap. But it needs to do more. It would be the height of absurdity for the Government to spend billions of pounds to support the ailing bus sector through the pandemic and then allow it to wither away. The Government must continue to support the sector as it builds a new network fit for the post-pandemic world. This should be informed by a detailed analysis of the impact of schemes like the £2 fare cap and BSIPs. (Paragraph 117)

Formal minutes

Wednesday 15 March

Members present:

Iain Stewart, in the Chair

Mike Amesbury

Ruth Cadbury

Grahame Morris

Gavin Newlands

Draft Report (*Implementation of the National Bus Strategy*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 117 read and agreed to.

Summary agreed to.

Resolved, That the Report be the Fourth Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned till Tuesday 21 March at 3.00 pm

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

Wednesday 18 May 2022

Councillor Tony Page, Deputy Leader, Reading Borough Council; **Councillor Steven Broadbent**, Cabinet Member for Transport, Buckinghamshire Council; **Peter Bond**, Director of Integrated Network Services, Transport for the West Midlands

[Q1–98](#)

Peter Hardy, Technical Director, Integrated Transport Planning; **Councillor David Renard**, Chair of the Environment, Economy, Housing and Transport Board, Local Government Association; **Linda McCord**, Senior Stakeholder Manager, Transport Focus

[Q99–158](#)

Wednesday 8 June 2022

Paul Turner, Commercial Director, Transdev Blazefield Ltd; **Martin Dean**, Managing Director for UK Regional Bus, Go-Ahead Group; **Alistair Hands**, Commercial and Marketing Director UK Bus, Arriva

[Q159–268](#)

Mr Peter Freedman, Chief Marketing and Sustainability Officer, Switch Mobility; **Tanya Sinclair**, Senior Policy Director for Europe, Chargepoint

[Q269–312](#)

Wednesday 29 June 2022

The Baroness Vere of Norbiton, Parliamentary Under-Secretary of State for Roads, Buses and Places, Department for Transport; **Stephen Fidler**, Co-Director for Local Transport, Department for Transport

[Q313–478](#)

Published written evidence

The following written evidence was received and can be viewed on the [inquiry publications page](#) of the Committee's website.

BUS numbers are generated by the evidence processing system and so may not be complete.

- 1 ADEPT – Association of Directors of Environment, Economy, Planning & Transport ([BUS0015](#))
- 2 Abellio London ([BUS0057](#))
- 3 Action for Yorkshire Transport ([BUS0005](#))
- 4 Alexander Dennis Limited ([BUS0018](#))
- 5 Alston, Philip (Faculty Director and Former UN Special Rapporteur, Center for Human Rights and Global Justice, New York University School of Law); Bassam Khawaja (Co-director, Human Rights and Privatization Project, Center for Human Rights and Global Justice, New York University School of Law); and Rebecca Riddell (Co-director, Human Rights and Privatization Project, Center for Human Rights and Global Justice, New York University School of Law) ([BUS0004](#))
- 6 Arriva ([BUS0066](#))
- 7 Arriva ([BUS0052](#))
- 8 Association of Local Bus Managers (ALBUM) ([BUS0012](#))
- 9 Aston, Mr. Brendan ([BUS0022](#))
- 10 Barnardo's ([BUS0056](#))
- 11 Better Buses for South and West Yorkshire ([BUS0060](#))
- 12 Buckinghamshire Council ([BUS0045](#))
- 13 Bus Users UK ([BUS0014](#))
- 14 CPRE, the countryside charity ([BUS0035](#))
- 15 Campaign for Better Transport ([BUS0051](#))
- 16 Centre for Cities ([BUS0054](#))
- 17 Chargepoint ([BUS0053](#))
- 18 CoMoUK ([BUS0031](#))
- 19 Confederation of Passenger Transport ([BUS0007](#))
- 20 County Councils Network ([BUS0032](#))
- 21 Department for Transport ([BUS0061](#))
- 22 First bus ([BUS0047](#))
- 23 Geddes, Mr John ([BUS0023](#))
- 24 Go-Ahead Group ([BUS0065](#))
- 25 Go-Ahead Group ([BUS0055](#))
- 26 Green Alliance ([BUS0028](#))
- 27 Head, Mrs Jackie (Steering Group Member (Voluntary role), Chew Valley Area Forum Climate and Nature Emergency Working Group (CVAF C&NEWG) Sustainable Transport Sub-group); and Mr Ian Dagger (Group member, Chew Valley Area Forum Climate and Nature Emergency Working Group (CVAF C&NEWG) Sustainable Transport Sub-group) ([BUS0042](#))

- 28 Integrated Transport Planning ([BUS0039](#))
- 29 Liverpool City Region ([BUS0058](#))
- 30 Living Streets ([BUS0048](#))
- 31 Local Government Association ([BUS0063](#))
- 32 Local Government Association ([BUS0059](#))
- 33 National Express West Midlands ([BUS0003](#))
- 34 National Pensioners' Convention ([BUS0020](#))
- 35 North East Joint Transport Committee ([BUS0037](#))
- 36 Patten, Mrs Roma ([BUS0019](#))
- 37 RMT ([BUS0062](#))
- 38 Reading Borough Council ([BUS0016](#))
- 39 Sherborne Transport Action Group ([BUS0002](#))
- 40 Shropshire Council ([BUS0046](#))
- 41 Somerset Bus Partnership ([BUS0013](#))
- 42 Stagecoach ([BUS0043](#))
- 43 Switch Mobility ([BUS0064](#))
- 44 Switch Mobility ([BUS0017](#))
- 45 The Bath & North East Somerset Rural Transport Group ([BUS0025](#))
- 46 The Chartered Institute of Logistics and Transport ([BUS0026](#))
- 47 The Destination Net Zero Consortium ([BUS0021](#))
- 48 Transdev Blazefield Ltd ([BUS0050](#))
- 49 Transport Focus ([BUS0029](#))
- 50 Transport for Greater Manchester ([BUS0041](#))
- 51 Transport for London ([BUS0010](#))
- 52 Transport for West Midlands (TfWM) ([BUS0040](#))
- 53 TravelWatch NorthWest ([BUS0011](#))
- 54 Travis, Peter (Chair, Somerset Bus User and Stakeholder Group) ([BUS0034](#))
- 55 Unite the Union ([BUS0038](#))
- 56 Urban Transport Group ([BUS0024](#))
- 57 Varns, Mr Jeremy ([BUS0001](#))
- 58 West Sussex County Council ([BUS0049](#))
- 59 West of England Combined Authority ([BUS0030](#))
- 60 York Bus Forum ([BUS0009](#))

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the [publications page](#) of the Committee's website.

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| 2nd | The Integrated Rail Plan for the North and Midlands | HC 292 |
| 3rd | Fuelling the future: motive power and connectivity | HC 159 |
| 5th | Maritime 2050 | HC 160 |
| 1st Special | UK aviation: reform for take-off: Government response to the Committee's Fifth Report of Session 2021–22 | HC 542 |
| 2nd Special | Road freight supply chain: Government response to the Committee's First Report | HC 701 |
| 3rd Special | Road Pricing: Government Response to the Committee's Fourth Report of Session 2021–22 | HC 1178 |

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| 1st Special | The impact of the coronavirus pandemic on the aviation sector: Interim report: Government Response to the Committee's Fifth Report of Session 2019–21 | HC 28 |
| 2nd Special | Road safety: young and novice drivers: Government Response to Committee's Fourth Report of Session 2019–21 | HC 29 |
| 3rd Special | Trains Fit for the Future? Government Response to the Committee's Sixth Report of Session 2019–21 | HC 249 |
| 4th Special | Safe return of international travel? Government Response to the Committee's Seventh Report of Session 2019–21 | HC 489 |
| 5th Special | Zero emission vehicles: Government Response to the Committee's First Report | HC 759 |
| 6th Special | Rollout and safety of smart motorways: Government Response to the Committee's Third Report | HC 1020 |

| Number | Title | Reference |
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| 7th Special | Major transport infrastructure projects: Government Response to the Committee's Second Report | HC 938 |

Session 2019–21

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| 1st | Appointment of the Chair of the Civil Aviation Authority | HC 354 |
| 2nd | The impact of the coronavirus pandemic on the aviation sector | HC 268 |
| 3rd | E-scooters: pavement nuisance or transport innovation? | HC 255 |
| 4th | Road safety: young and novice drivers | HC 169 |
| 5th | The impact of the coronavirus pandemic on the aviation sector: Interim report | HC 1257 |
| 6th | Trains fit for the future? | HC 876 |
| 7th | Safe return of international travel? | HC 1341 |