

Supplementary written evidence submitted by Go-Ahead Group (BUS0065)

I am writing in response to your request on the conclusion of the evidence session for the National Bus Strategy; one year on – held in Parliament on 8 June.

The cost of moving to a zero-emission bus operation and factors holding back the numbers of zero-emission buses

To move Go-Ahead's bus fleet to a zero-emission operation, it would cost approximately £460,000 per vehicle.

Incentivisation to move towards a ZEB fleet and charging infrastructure are two of the challenges we face in increasing the volume of ZEBs.

The Bus Service Operators Grant (BSOG) is a discretionary grant paid to operators of bus services to help recover some fuel costs and therefore keep fares lower for customers than if the grant did not exist. The amount we receive as an operator is based on the amount of fuel we use.

We are currently paid 35 pence per litre for diesel. There is a ZEB incentive at 22 pence per kilometre and an eligibility criterion exists too with operators needing to hold verification before applying for the incentive. By comparison, Scotland had set their ZEB incentive at 30 pence per kilometre before moving to the Network Support Grant.

The incentive for ZEBs is a step in the right direction, but to build a strong business case for the future – the incentive needs to be increased. In addition, long-term clarity and agreement on incentives are vital if we are to deliver a sustainable bus network.

Charging infrastructure to support growth of ZEBs is also complex. For an operator to put in place charging infrastructure for 100 ZEBs, you pay for a quote from a supplier, then have 90 days to decide to secure the supply or not. Building a tailored location business case and gaining approval in 90 days to support such large investment is not usually feasible. If operators request charging for 100 ZEBs this needs to be used from day one otherwise there are penalties to pay. There is also no agreed process to prioritise who gets access to the connection for supply, therefore challenging for operators to plan implementation with any certainty.

An option to support with the delivery of more ZEBs could include reserving capacity for charging covering the next 5 years, this way we are laying the foundations ahead of time. We also need to implement bus priority infrastructure to increase capacity and efficiency of the network so that it will become more attractive to customers and encourage mode switching.

Collectively, operators and the Government need to explore all opportunities if we are committed to moving towards decarbonisation of the bus network and net-zero by 2050.

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