



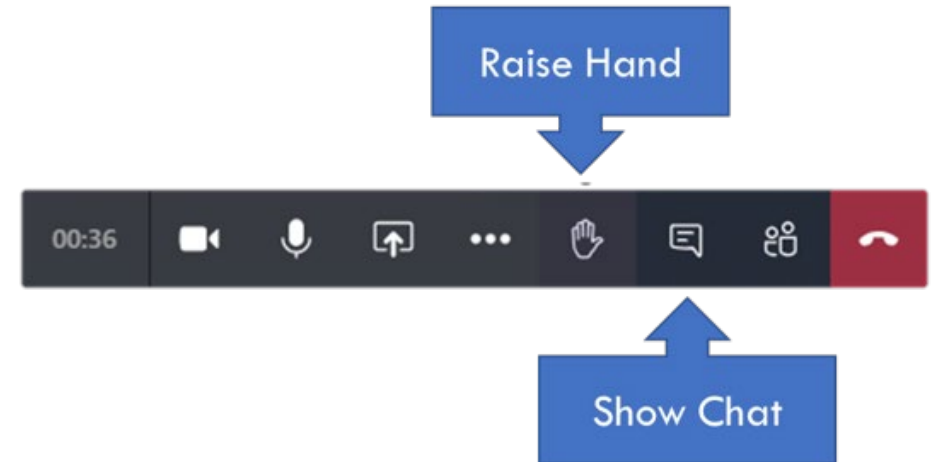
**Zemo
Partnership**
Accelerating Transport to Zero Emissions

Bus & Coach Working Group Meeting

29th April 2025

Meeting Etiquette

- ⌚ Other than presenters, we request that webcams be switched off to save bandwidth for those with less stable broadband connections.
- ⌚ Mics will be muted while the main presenter talks, but there will be regular dedicated breaks to allow for comments and questions.
- ⌚ If you do have a question, type it using the chat feature and the presenter/moderator will be able to read your comment and respond accordingly.
- ⌚ Alternatively, please use the raise hand feature to make it known to the moderator, who will then invite you to unmute your mic.
- ⌚ **Meeting will be recorded** to assist the secretariat with minute taking only. Recording will not be shared.



Competition Law Statement



Commercial decisions must be taken independently by individual companies.

All participants must be aware that exchange of commercially sensitive information or intimation of intended commercial decisions, directly or indirectly, can result in competition law infringement.

Member conduct at meetings and teleconferences:

There must be no communication of the following information:

- ⚡ Individual company or industry prices, including differentials, discounts, rebates, allowances, price levels or changes, mark-ups, terms of sale and credit terms.
- ⚡ Company plans as regards development, design, production, distribution or marketing of products/services, divestments, closures or expansion.
- ⚡ Rates for production or transportation of products.
- ⚡ Bids for contracts or procedures for responding to bid invitations.
- ⚡ Matters relating to individual suppliers and customers/potential customers, progress on negotiations or content of negotiations.

If at any point during a meeting discussion appears to be breaching policy guidelines, the Chair or a participant should immediately raise their concern and close the discussion.

Agenda



10:00 – Arrival

Welcome

- 🕒 Minutes and Matters Arising

Government Policy Update

- 🕒 Department for Transport

Zemo Work Programme 2025/26

- 🕒 ZEB Reliability Study Proposals
- 🕒 Future of ZEB Certification

11:00 – Coffee Break (5 mins)

Map of Missing Policies

- 🕒 Deep dive into Public Mobility

Future Role of Working Group

- 🕒 How the Working Group should evolve

Member's Roundtable

12:30 – End

Minutes and Matters Arising

September 2024 Actions	Response	Status
Incorporation of the Big Ideas into the Delivery Roadmap.	Published in December 2024. (Full Report)	Complete
Development of Zemo Work Programme for 2025/26	High level work programme. (2025 Work Programme) Detailed work programme to be developed from Map of Missing Policies.	On-going
Clarification on ZEB Certification	Zemo agreed to continue for time being despite DfT withdrawing support.	On-going

Zemo Partnership – Acting Managing Director



Zemo (LowCVP) has been working to decarbonise transport since 2003.

We're changing to meet new challenges.

- 🔄 Mission remains unchanged
- 🔄 Evidence based, technology neutral
- 🔄 Supporting Government in policy formation
- 🔄 Working with members
- 🔄 Evolving situation – pivot to delivery
- 🔄 Engaging senior decision makers
- 🔄 Policy support – Across UK and its regions
- 🔄 Major project funding – Making a difference
- 🔄 Accreditation schemes – supporting the market



Government Policy Update



Department
for Transport

DfT ZEB update

DfT Zero Emission Buses team

April 2025

OFFICIAL/FINAL

The Bill measure

To help accelerate the roll out of ZEBs, we are taking forward a measure in the Bus Services Bill that will accelerate the roll out of ZEBs by ending the use of new, non-ZEBs on almost all local bus routes in England.

What does the measure do?

- The legislation will place a restriction on the use of new, non-ZEBs (registered after a stated date) from being used on registered English bus services, franchised services and local services in London.
- The measure was originally only going to apply to registered services – it was amended in the House of Lords
- This measure will not affect existing diesel buses, or those registered prior to the commencement date.
- This change to the law would come into effect on a date specified by the Secretary of State in secondary legislation.

When will the measure come into effect?

- We will set this out in secondary legislation at a later date, after engagement with industry and partners.
- The restriction on the use of new non-zero emission buses will not take effect any earlier than 2030.

Why was the measure widened in scope from only registered services?

- This will enable the carbon-saving and air quality benefits afforded by the transition to a zero-emission fleet to be maximised by including all areas nationwide.

ZEBRA Programme Update

On 8 April, Ministers announced funding of £37.8m to increase the scope of existing ZEBRA 2 projects, which will deliver an additional 319 electric buses and supporting infrastructure.

Process

The same process was followed as for the ZEBRA 1 scope increases in 2023:

- Following request from some project teams to increase scope, a reminder was sent to all ZEBRA 2 LTAs to ensure consistency and fairness. A deadline was set for receipt of requests and supporting evidence.
- A light-touch moderation was conducted, to ensure Ministers could have confidence in deliverability and value for money of projects.

Key learning

- The Total Cost of Ownership of new battery electric buses continues to improve, relative to a diesel equivalent.
- The capital cost of electric buses appears to be reducing, on average.

ZEB Manufacturing Expert Panel

On 13 March, Local Transport Minister Simon Lightwood chaired the first meeting of the ZEB Manufacturing Expert Panel, bringing together industry experts and local leaders to ensure the UK remains a leader in bus building and support local transport authorities to deliver their zero emission ambitions.

Role of the Panel

To promote understanding of key drivers affecting the UK bus industry, discuss governmental policies of mutual interest and establish a forward look of potential fleet requirement/bus orders for the next 5-10 years.

The Panel will focus on three central objectives:

- Support UK bus manufacturing growth
- Establish a bus order pipeline
- Enhance passenger-centric bus design

BSOG update

- The Government has made a policy decision that, in future, the V5C form will be accepted as evidence that a bus is zero emission for the purposes of BSOG.
- This will be forward-looking, i.e. we do not expect a V5C would need to be submitted for vehicles that have already been verified as zero-emission using a ZEB certificate. A V5C would be needed, instead of a ZEB certificate, for a vehicle that an operator is claiming BSOG against for the first time.
- The timing of the transition from ZEB certificate to V5C is to be confirmed.

Any questions?

Zemo Work Programme 2025/26

Zemo Work Programme – Priority Issues

The Delivery Roadmap highlighted a number of priority areas for Zemo's work programme.

- ④ **A Map of Missing Policies** – closing the gaps in UK net zero transport policy
- ④ **Strengthening the economic case for net zero transport** – highlighting the sector as a driver of jobs and prosperity
- ④ **Taking people with us** – building consumer and public support for net zero transport
- ④ **Toolkit for Transition** – providing guidance for local authorities
- ④ **Big Ideas:**
 - Decarbonising the coach market
 - Maximising utilisation of infrastructure
 - Zero Emission Bus Accreditation
 - Disseminating industry best practice

Future of ZEB Certification

Discussion



Jonathan Murray

Zemo Partnership

A scheme designed to meet policy objectives

HMT & DFT concluded that BSOG needed reform and was giving rise to unintended environmental consequences

- ④ 2008: HMT & DfT approached Zemo (then LowCVP) to assist with:
 - Develop proposals to align BSOG with environmental objectives
 - To support BSOG reform
- ④ 2009: This led to the establishment of the Low Emission Bus scheme
 - Based on a real world test cycle
 - Allowing all energy & technologies to be compared on a WTW basis
 - Utilising independent data and certification
- ④ BSOG was reformed
 - LEB supplement & capital grant funding

And the rest is history....

Decarbonising Buses since 2009

Bus Certification has been critical in decarbonizing the UK bus market. Providing product and environmental confidence.

2009–2017. Low Emission Buses

BSOG revised to encourage LEBs support by LowCVP BWG
LEB Certification Scheme introduced
BSOG supplement introduced
Green Bus Fund launched

2018+. Ultra Low Emission Buses

ULEB Certification Scheme introduced
BSOG supplement revised
ULEB Scheme introduced for Local Authorities to assist with up to 75% of incremental cost

2020+. Zero Emission Buses

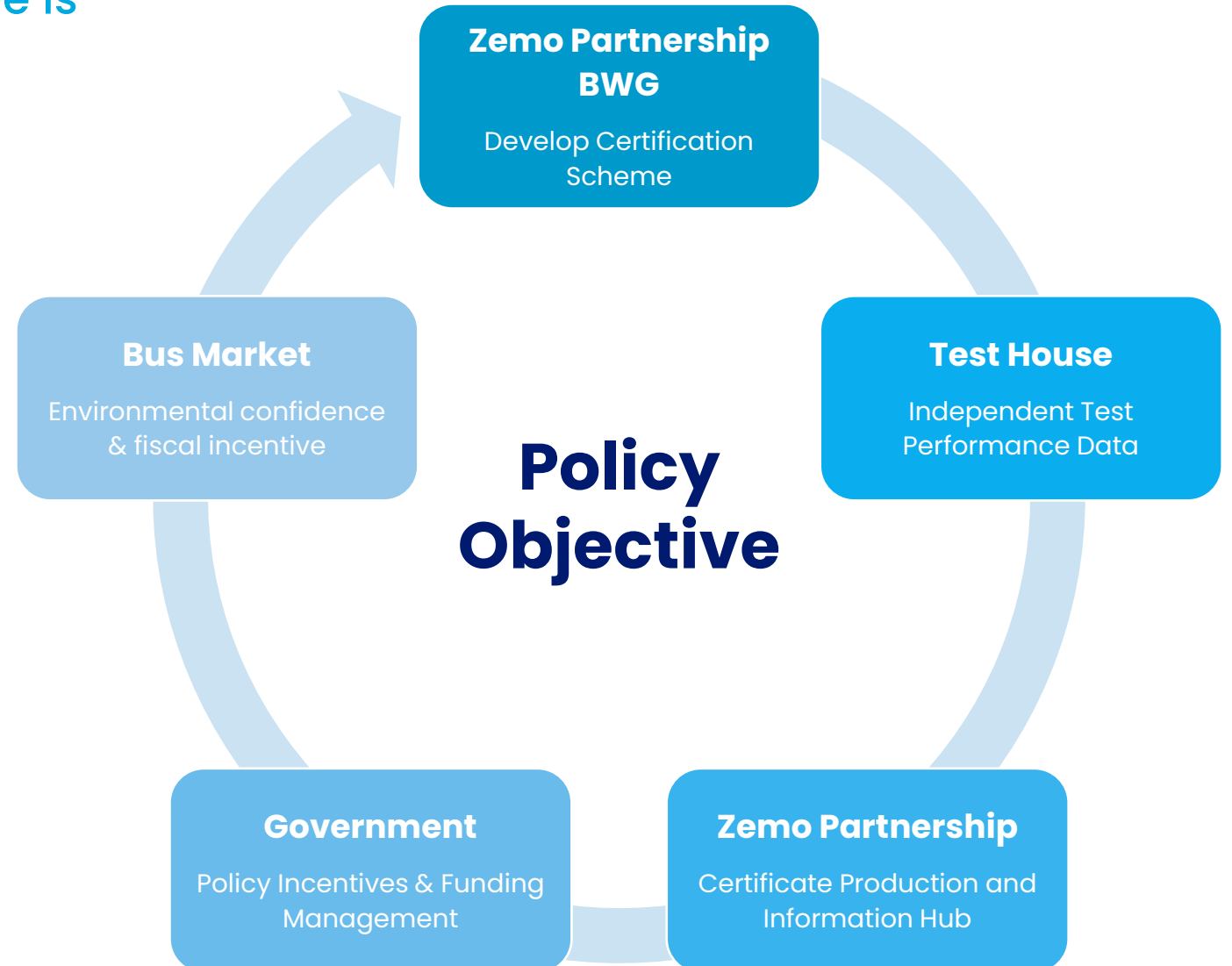
ZEB Certification Scheme.
ZEB funding support was introduced in phases from 2021 through ZEBRA.
BSOG ZEB supplement was introduced in 2022.

The Scheme design has remained unchanged

ZEB Certification Scheme Design

The fundamental basis for the scheme is under question and in need of review

- ⌚ **Policy Objective** – focus on decarbonisation – Does it need to adapt to changed circumstances?
- ⌚ **Environmental Confidence** – for bus operators and local transport authorities – Does a ZEB need testing?
- ⌚ **Fiscal Incentive** – create market conditions for adoption
- ⌚ **ZEB Certification Scheme Funding** – DfT have removed funding support for Zemo – How should the scheme be funded?
- ⌚ **Scheme criteria & design** – if changed objective then what should scheme look like?



Future of ZEB Certification

There are a number of fundamental questions which need to be asked.

⌚ **Is the ZEB Certification Scheme fit for purpose?**

⌚ **What is the policy objective?** – Decarbonisation / Wider Sustainability

⌚ **Environmental Confidence** – Tailpipe / WTW / Technology Neutrality

⌚ **Market drivers** – fiscal incentives / route tendering / procurement criteria

⌚ **ZEB Certification Scheme Funding** – How should the scheme be funded?

⌚ **Scheme criteria & design** – if changed objective then what should scheme look like?

ZEB Reliability Study

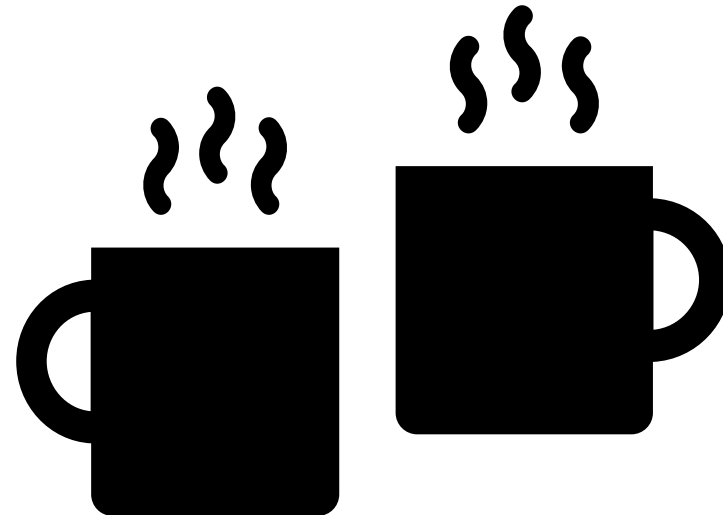
Proposal



Mike Weston

Zemo Partnership Associate

Coffee Break



Map of Missing Policies

Deep dive into Public Mobility

Introduction



The 'Map of Missing Policies' consultation paper was launched at the Council for Net Zero Transport Quarterly Briefing on 6 March 2025. This consultation provides the basis of a stakeholder outreach programme in the spring.

A policy paper will be published at the Council for Net Zero Transport Quarterly Briefing on 5 June 2025.

Today's meeting gives members a further opportunity to input on the consultation paper as it relates to buses. We will ask:

- What are our policy solutions?
- What are our priorities?

Public Mobility: Buses

Market Barrier	Current Policy	Questions
Market uncertainty.	No date for ending the sale of non-zero emission buses.	What should be the final date for ending the sale of new non-zero emission buses in the UK? Is a ZEV mandate needed for buses?
High capital cost.	Zero Emission Bus Regional Areas (ZEBRA) grant competition £525m 2020/21 – 24/25. Now closed.	How should the Government deliver a stable funding trajectory for ZEBs? How should BSOG be reformed?
Cost of charging and refueling infrastructure (depots).	ZEBRA programme (see above).	How should the Government support transport authorities and operators in addressing the challenges involved in installing charging and refueling infrastructure?
Grid connections – cost, complexity, timespan.	DESNZ / Ofgem Connections Action Plan.	How can the Government/Ofgem ensure that DNOs give greater priority to the electrification of bus depots?
Cost of higher blend biofuels.	Bus Service Operators Grant (BSOG) Renewable Transport Fuels Obligation (RTFO)	How should the Government promote the use of low carbon fuels in the bus sector?

Public Mobility: Increasing Bus Usage

Objective	Current Policy	Questions
Reduce public transport fares.	Bus fare cap raised from £2 to £3 for 2025.	What policies should be introduced to promote greater bus usage?
Increase public transport journeys, frequency.	<p>LTAs must have either a franchising scheme, or an Enhanced Partnership (EP) with local bus operators, setting out standards.</p> <p>Bus Services (No.2) Bill makes it easier for LTAs to franchise services, repeals the ban on establishing new local authority bus companies (LABCOs).</p>	<p>How should longer-term funding settlements for local authorities be delivered?</p> <p>What additional policies are needed to support operators serving rural communities?</p>
	<p>Local transport authorities and bus operators are mandated to jointly submit an annual local Bus Service Improvement Plan (BSIP).</p> <p>BSIPs have £1.930bn in funding 2002-26.</p>	

Further comments

If you have any further specific suggestions, please contact:
Neil.Stockley@Zemo.org.uk

Future Role of Working Group

How the Bus & Coach working Group
should evolve?

Future Role of Working Group

Zemo sees the working group as the primary point of member engagement.

We're looking for feedback from members on how the Zemo working groups evolve.

- ⌚ Bus / Coach / Mini Bus / Taxi?
- ⌚ Supply / Demand side
- ⌚ Energy Infrastructure
- ⌚ Manufacture / Distribution
- ⌚ In operation
- ⌚ End of Life
- ⌚ New / Used / Retrofit
- ⌚ Climate Change / Air Quality / Wider Sustainability
- ⌚ Economic case
- ⌚ Technical issues
- ⌚ Policy – Regulatory / Fiscal
- ⌚ UK / UK Nations / City Regions
- ⌚ Market monitoring
- ⌚ Topical presentations
- ⌚ Professional development
- ⌚ Best practice
- ⌚ Networking
- ⌚ Online / face to face

Surveying members views, alternatively engage with Rebecca Kite, BWG Chair

Member's Roundtable

Events, Public Announcements, News
Items

Upcoming Working Groups & Events

Join us!

- ⌚ Energy Infrastructure Working Group – 8th May
- ⌚ Commercial Vehicle Working Group – 15th May
- ⌚ Fuels Working Group – 22nd May
- ⌚ Passenger Car working Group – 29th May
- ⌚ Quarterly Briefing (Chair: Lord Deben) – 5th June
- ⌚ Parliamentary Roundtable – 11th June
- ⌚ Site Visit: Go-Ahead & Zenobe at Oxford 27th June
- ⌚ Offers to present / host site visits welcome



Zemo Partnership

Accelerating Transport to Zero Emissions

Thank you

Any questions? Please get in touch

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