



27 June 2024

Title	Zero Emission Bus Regional Area – Funding Award
Purpose of the report	To make a decision
Report status	Public report
Report author	Chris Maddocks, Strategic Transport Manager
Lead Councillor	Cllr John Ennis, Lead Councillor for Climate Strategy and Transport
Corporate priority	Healthy Environment
Recommendations	<p>The Committee is asked to:</p> <ol style="list-style-type: none"> 1. Note the successful funding award of £4,700,000 secured by the Council for the provision of 24 electric buses and associated charging infrastructure in Reading. 2. Provide scheme and spend approval for this project.

1. Executive Summary

- 1.1. The purpose of this report is to provide an overview of the funding the Council has successfully secured from the Department for Transport (DfT) through the ZEBRA (Zero Emission Bus Regional Area) fund for the provision of 24 electric buses in Reading, and to seek scheme and spend approval from the Committee for this project.

2. Policy Context

- 2.1. The DfT published the Transport Decarbonisation Plan ‘Decarbonising Transport: A Better, Greener Britain’ in July 2021 to set the pathway and key principles underpinning the approach to delivering net zero transport in the UK by 2050. One aspect of the delivery of this plan is the funding provided by Government for the provision of electric buses through the ZEBRA fund.
- 2.2. The transition to electric buses will help to achieve a range of Council strategies and objectives including those within the Local Transport Plan (LTP), Climate Emergency Strategy and Air Quality Action Plan. It will contribute towards achieving the vision within the LTP to promote a sustainable transport system in Reading that creates an attractive, green and vibrant town with neighbourhoods that promote healthy choices and wellbeing.

3. The Proposal

- 3.1. The DfT launched the Zero Emission Bus Regional Area (ZEBRA) 2 fund last summer, providing £129 million nationally to support the introduction of zero emission buses in the financial years 2023/24 and 2024/25. The assessment criteria for the funding was prioritised with the top priority being rural areas and then for urban areas which did not receive funding from the first ZEBRA scheme (which included Reading).
- 3.2. The Council worked in partnership with Reading Buses to prepare a bid in line with the Government guidance. This included seeking quotes from electric bus suppliers, charging infrastructure providers and the electricity Distribution Network Operator (DNO) for the required power upgrade. A comprehensive set of documentation was required as part of the bidding process, including a full business case and evidence for the funding

requested. In addition, the Council responded to queries from the DfT as part of the assessment process.

3.3. In summary, the bid contained the following elements:

- Route 17 – the provision of 17 double deck electric buses (15 and 2 spares) for Purple Route 17 which runs between Earley and Tilehurst.
- Route 21 – the provision of 7 double deck electric buses (6 and 1 spare) for Claret Route 21 which runs between Reading town centre, the University of Reading and Lower Earley.
- The provision of the required upgraded electricity supply upgrade and charging infrastructure at the Great Knollys Street depot.

3.4. The total bid was for £4,700,000 grant funding from Government. The requirements of the grant funding are that it will contribute up to 75% of the cost difference between an electric bus and a standard conventional diesel bus equivalent of the same total passenger capacity. For infrastructure, the funding will contribute up to 75% of the total capital expenditure incurred as a result of its purchase and installation. Reading Buses has committed to fund the difference between the grant funding and the costs to purchase the electric buses and charging infrastructure, therefore there is no funding commitment from the Council other than staff time.

3.5. The grant funding will be provided from the DfT to the Council, therefore a legal agreement is currently being prepared to enable the Council to provide the funding to Reading Buses, on receipt of evidence of spend in line with the grant conditions.

3.6. The timescales for delivery of the project are for all new electric buses to be operational within the 2025/26 financial year, which is a condition of the grant funding. We are currently working with the bus manufacturers, charge point suppliers and the DNO to agree more precise timings.

3.7. If this project is successfully delivered and the buses perform as expected, the intention is for the Council and Reading Buses to work together to seek further funding opportunities to increase the number of electric buses operating in Reading.

3.8. Reading Buses also worked in partnership with West Berkshire Council to submit a second bid for the provision of electric buses in Newbury, however unfortunately this bid was not successful.

3.9. The Committee is asked to provide scheme and spend approval for this project. The alternative options are not to proceed with the introduction of electric buses in Reading, or for the Council and/or Reading Buses to fully fund the provision of electric buses and associated charging infrastructure from their own funding sources.

4. Contribution to Strategic Aims

4.1. The Council's new Corporate Plan has established three themes for the years 2022/25. These themes are:

- Healthy Environment
- Thriving Communities
- Inclusive Economy

4.2. These themes are underpinned by "Our Foundations" explaining the ways we work at the Council:

- People first
- Digital transformation
- Building self-reliance
- Getting the best value
- Collaborating with others

- 4.3. Full details of the Council's Corporate Plan and the projects which will deliver these priorities are published on the [Council's website](#). These priorities and the Corporate Plan demonstrate how the Council meets its legal obligation to be efficient, effective and economical.
- 4.4. The delivery of electric buses will help to deliver the three service priorities in the Council's Corporate Plan, particularly the creation of a healthy environment. This will be achieved by replacing existing buses with electric vehicles which have a significantly reduced impact on carbon emissions.

5. Environmental and Climate Implications

- 5.1. A Climate Impact Assessment has been completed which suggests a 'net high positive' impact arising from the introduction of electric buses in Reading. This will have both a positive impact on the Council's targets to reduce carbon emissions derived from transport as well as having a positive impact on air quality in the borough.
- 5.2. The provision of electric buses throughout Reading and the further decarbonisation of the bus fleet will also be important in addressing the challenges and actions set out in the Reading Climate Emergency Strategy. The vehicles currently in use will be cascaded to use elsewhere within Reading and are biogas double deck vehicles and are built to a high specification for a high-quality passenger experience. When operating on biogas, the carbon dioxide emissions of these buses are reduced by up to 84% compared to regular diesel equivalent. They are significantly quieter too, making them an ideal choice for urban operations. This will extend the air quality and carbon benefits throughout Reading and not just to the routes where the electric buses will operate.
- 5.3. The main air quality issue identified in Reading are vehicle emissions and whilst NO₂ is the only pollutant exceeding a national objective, PM₁₀ and PM_{2.5} are also pollutants of concern due to their effects on health even at low concentrations. Reading's bus network is closely aligned with the Air Quality Management Area (AQMA) which covers all the key travel corridors into Reading. As well as providing direct air quality benefits from the introduction of electric buses there is also the prospect for further mode shift from private car use.

6. Community Engagement

- 6.1. No community engagement has specifically been undertaken in relation to this project, however the provision of electric buses is included within the Council's new Local Transport Plan and Climate Emergency Strategy, both of which have been developed through public consultation.

7. Equality Implications

- 7.1. Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to:
 - Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act.
 - Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
 - Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 7.2. It is a condition of the grant funding that the electric buses will meet the enhanced accessibility standards as set out in the scheme guidance from Government.

8. Other Relevant Considerations

- 8.1. There are none.

9. Legal Implications

- 9.1. As set out within the report, the grant funding will be provided from the DfT to the Council, therefore a legal agreement is currently being prepared to enable the Council to provide the funding to Reading Buses, on receipt of evidence of spend in line with the grant conditions.

10. Financial Implications

- 10.1. As set out within the report, The total bid was for £4,700,000 grant funding from Government. The requirements of the grant funding are that it will contribute up to 75% of the cost difference between an electric bus and a standard conventional diesel bus equivalent of the same total passenger capacity. For infrastructure, the funding will contribute up to 75% of the total capital expenditure incurred as a result of its purchase and installation. Reading Buses has committed to fund the difference between the grant funding and the costs to purchase the electric buses and charging infrastructure, therefore there is no funding commitment from the Council other than staff time.

11. Timetable for Implementation

- 11.1. As set out within the report, the timescales for delivery of the project are for all new electric buses to be operational within the 2025/26 financial year, which is a condition of the grant funding.
- 11.2. Reading Buses are leading on the implementation of the scheme and are responsible for the procurement of both the electric buses and necessary charging infrastructure. Orders have been placed for the buses and with the Distribution Network Operator (for the required power upgrades to the depot), and orders for the remaining charging infrastructure are due to be placed shortly.

12. Background Papers

- 12.1. There are none.