

Bus company puts brakes on London routes in blow for Sadiq Khan

The Go-Ahead Group has withdrawn from parts of the capital after Labour's tax rises and speed restrictions make operations 'unsustainable'

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Sir Sadiq Khan onboard a low-emission bus

Britain's largest bus operator has blamed Labour's tax policy for a decision to withdraw from a number of routes in London, putting jobs and vital transport connections at risk.

The Go-Ahead Group said the services were no longer sustainable because of Rachel Reeves's increase in [employer national insurance contributions](#) and rising operating costs.

In a letter seen by The Times, Andrew Edwards, managing director of Go-Ahead London, said: "After a detailed review of our financial performance, it is clear that a number of routes are no longer sustainable under their current contract terms.

"These contracts have been significantly impacted by factors including increased national insurance contributions and the continued pressure of higher inflation on

our operating costs, which have not been offset by the contract price adjustments in our contracts. As a result, these routes are under-performing financially and cannot be maintained at a loss without putting pressure on the wider business.”

The decision is a blow to Transport for London (TfL) and [Sir Sadiq Khan](#), who is already under pressure over his proposed shortening and closure of several other London bus routes, as slower bus speeds contribute to a fall in passenger numbers. Official figures show average rush hour bus speeds fell below 8mph last year and are now little more than 6mph in central London. Walking pace is 3-4mph.

- **Labour and Lib Dem councils dodge own low-traffic zone limits**

TfL operates the capital’s bus network, contracting out the running of routes to private operators, but it has been criticised for prioritising cycling, in a policy bus operators say has contributed to slower speeds.

It will put the routes out to tender, but if they are considered uneconomical, the transport body may choose to shorten them or remove them completely.



Buses travel through the centre of London at 6mph on average

HOLLIE ADAMS/GETTY IMAGES

In December, Paul Lynch, the managing director of Stagecoach Bus in the capital, blamed roadworks, [low traffic neighbourhoods](#), 20mph limits, cycle lanes and road narrowing for declining bus speeds.

He told the [London Assembly](#): “It’s making [buses] less attractive and less reliable. It’s putting people off using them.

“We are used to difficult traffic conditions in London. However, conditions have worsened over the last few years, to a point where somebody who works for me, who has been around for 40 years, says it’s the worst he has ever seen.”

TomTom, the sat nav operator, revealed this week that London was the world’s slowest city, with journey times taking longer than in any of the other 387 cities it has data on.

[Neil Garratt](#), a Conservative member of the London Assembly, said: “Labour’s attacks on business have been relentless. Hiking business rates, raising inflation and a damaging jobs tax, paired with the mayor’s flagrant disregard for London’s roads is a recipe for economic disaster within London. It is no wonder businesses like Go Ahead have had to call it quits.

“Sadiq Khan is fully aware of the damage this Labour government is doing to London but he is incapable of standing up for London over his party.”

The mayor of London has planned to cut or curtail seven other routes in an effort to save costs.

One industry source, who did not want to be named, said: “This is unprecedented. You’re looking at a lot of people losing their jobs. The increase in national insurance is a massive deal for the bus industry. Unless TfL pays it back, these routes are just going to be taken away.”

Go Ahead said: “Unfortunately, external rising costs have made a handful of routes commercially unviable under the current terms. We fully intend to rebid for these routes on terms that allow us to continue our high standards of customer service and we will continue to operate these routes until the bid process has concluded.”

The company also disputed that jobs were at risk because drivers would be transferred to new operators or routes.

The services affected are the 80, 93, 151, 154, 155, 163, 164 and 470 from Sutton, Merton, Ellis Road and Stockwell garages.

A TfL spokesman said: “We’re working closely with boroughs and utility companies to reduce unnecessary disruption caused by roadworks and we continue to make significant improvements to the bus network, including greening the fleet, launching new Superloop services, boosting services on outer London and investing in more bus priority and even better real-time information for customers.

“We constantly monitor our network to ensure we keep London moving safely and effectively, and we work closely with bus operators to provide one of the best bus networks anywhere in the world.”