



# Title of report: Bus Service Improvement Plan capital funding

**Decision maker: Cabinet Member; transport and infrastructure**

**Report by: Head of Transport and Parking**

## **Classification**

Open

## **Decision type**

Key

This is a key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.

This is a key decision because it is likely to be significant having regard to: the strategic nature of the decision; and / or whether the outcome will have an impact, for better or worse, on the amenity of the community or quality of service provided by the authority to a significant number of people living or working in the locality (two or more wards) affected. Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

## **Wards affected**

(All Wards);

## **Purpose**

The purpose of this report is to set out how the £1.1 million Bus Service Improvement Plan (BSIP) capital funding is proposed to be spent and to seek the necessary approvals to do so.

## **Recommendation(s)**

### **That:**

- a) approval is given to draw down the £1.1 million Bus Service Improvement Plan (BSIP) capital funding allocated in BSIP+ funding for Herefordshire Council 2025/26 in accordance with the Council's BSIP and supported by the Enhanced Partnership; and
- b) delegated authority is given to the Chief Operating Officer to take all operational decisions (as set out in paras 3 to 5 below) over the lifetime of the project, to deliver the investment set out in recommendation (a).

## Alternative options

1. That these investments are not made. The council continues to maintain bus stops in accordance with sound asset management practices but wholly within the maintenance allocations made available internally. Furthermore, the council continues to support bus services to the best of its ability but without data and planning tools made available. This is not recommended as this does not seek improvements to passenger experience nor seek to improve patronage on the network. The grant would also need to be repaid, so would be a loss of funding to the council.

## Key considerations

2. The capital element of the BSIP funding is a new contribution for this coming year (2025/26). Previous BSIP+ funding has been revenue only. The capital element is a new addition to the grant, and had not been previewed by government before we received the grant letter. It is to be welcomed as this provides resource to consider improvements to bus infrastructure across the county. An area which has traditionally not been able to be prioritised within extremely restricted capital funding budgets.
3. The proposed spending of this one-year of funding is broken into specific categories, all of which will support the development of better buses for all in Herefordshire – delivering on the ground infrastructure improvements and enhancements, highlighting the need for a stronger 'back office' function to support route development and planning, using technology to become data-informed. These are specified below in the Resource Implications section.

The areas that would benefit the service, the planning and the delivery of the day-to-day experience of using buses across the county are outlined in the council's submission to the Department for Transport (DfT) for the spend. The categories of spend are determined by the DfT. The vast majority of this spend will go on Bus Interchanges.

### Category: Bus stops/stations/interchanges

Title: Market town main bus stops refurbishment programme

Description: To encourage patronage by removing barriers to onboarding process - in this case, a more attractive environment for the market town main bus stops.

### Category: Bus stops/stations/interchanges

Title: Real Time Information (RTI) screens

Description: All main stops in city and market towns to have RTI Screens; all other stops to have QR codes to access live bus data. This will provide live data for passengers, to encourage trust in the bus network. Maintenance costs will need to be considered in the funding.

### Category: Ticketing equipment/systems

Title: Public transport route planning and management software

Description: Up to date software is required to support the design of a smart network, which focuses on integration, frequency and regularity. We have previously not had access to this kind of smart thinking support to push forward on intelligent data informed decision making.

### **Category: Development of future proposals**

Title: Specialist consultancy services

Description: The council need to engage professional expertise to support route redesign ambitions to deliver the overall BSIP+ ambitions and our long-term conditions as reflected in the council plan. The right skills and knowledge will enable a broader, more comprehensive 'systems thinking' approach for merging rural and urban buses for public transport, along with a wide range of council-run transport requirements.

### **Category: Other infrastructure**

Title: Review of Traffic light Signals that can be adjusted to account for supporting bus priority

Description: To investigate possibilities for bus priority measures on lights in Hereford. To improve frequency, reliability and trust in the bus network. To contribute to making buses a viable city transport option for residents and visitors, without impact upon transport choices.

4. The specifics of the spend will need to be supported by the Enhanced Partnership, as the funding has arrived as part of the BSIP agreement. The Enhanced Partnership is a formal agreement between the Local Transport Authority and all the relevant bus operators in the area, implemented by central government to manage and monitor BSIP spending.
5. The Council is an equal partner in the Enhanced Partnership. Officers will take a proposal of specific locations of spend to the Enhanced Partnership for consideration and approval, the final approach being agreed as set out in recommendation (b). Priority will be given to market towns that have the measurably greatest need for improvements. This would need to be agreed, but could be, for example, the longest time since previous improvements or the most in structural need of support following an engineer assessment.
6. It is highly likely we will be in receipt of further BSIP+ capital funding in 2026/27. Therefore, whilst it is not a definitive answer, we are confident of being able to improve all market town bus interchanges over the next two years.

### **Procurement and Delivery**

7. The £1.1 million 2025/26 capital funding through the Bus Service Improvement Plan plus budget would be delivered by Herefordshire Council through its own framework for the delivery of civil engineering and associated works for the improvement of the Council's highway network and public realm, or through procurement of appropriate contractors through specific procurement routes, the final approach being agreed as set out in recommendation (b)
8. The upgrading of bus interchanges in market towns, and the installation of RTI will necessitate some periods of work where the current bus stops will be unusable. Alternative provision will be made to account for this. The anticipated disruption will be kept to a minimum. Operators will be fully briefing and involved, through the Enhanced Partnership, so they are on board with the disruption and can account for any issues with service delivery. Notices will be posted, following work with the comms team, and contractors, to ensure awareness of the market town in question.

### **Community impact**

9. The additional £1.1million of bus capital funding contributes to the Council Plan 2024-2028 ambitions. As there are several components to the spend, the contribution is across multiple elements of the council plan. Improving bus infrastructure enables the council to "Expand and

maintain the transport infrastructure in a sustainable way and improve connectivity across the county". Improving the route planning systems and use of specialist skills and knowledge means the council can "Improve the way we use technology across our services" and "build a data and intelligence led culture to inform decisions, improve efficiency and manage demand".

10. Improving bus infrastructure, bus planning and data information will contribute to making busses better for everyone that makes a choice to use a bus. This will include care leavers who want to access employment, education and training.

## Environmental Impact

11. This investment seeks to deliver the council's environmental policy commitments and aligns to the following success measures in the Council Plan 2024-2028.
12. a) Expand and maintain the transport infrastructure in a sustainable way and improve connectivity across the county. Value nature and uphold environmental standards to minimise pollution and maximise biodiversity Reduce waste, increase reuse and increase recycling.
13. b) Work towards reducing county and council carbon emissions, aiming for net zero by 2030/31 and work with partners and communities to make the county more resilient to the effects of climate change
14. Herefordshire Council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.
15. The environmental impact of this proposal will be considered through the service specification and will include appropriate requirements on the contractor/delivery partner to minimise waste, reduce energy and carbon emissions. This will be managed and reported through the ongoing contract management.

## Equality duty

Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to –

- a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

16. . As part of this decision is for back-office functions, we do not believe that this action will have an impact on our equality duty.

17. During the design phase of the bus interchanges and bus stop replacement programme we will ensure we follow the most up to date design principles for accessible design of bus infrastructure, these designs will need to be specific to the context and local geography of each stop and may require the gathering of evidence to support design decisions.
18. Part of this decision is for contractors to deliver infrastructure improvements. Our providers will be made aware of their contractual requirements in regards to equality legislation.
19. We will undertake a Equality Impact Screening Checklist as part of the procurement exercise and if required, a full Equality Impact Assessment.

### Resource implications

20. The £1.1 million additional budget for bus infrastructure would be delivered as appropriate either by Herefordshire Council through its own framework highway and public realm framework or through external procurement frameworks. The final approach being agreed as set out in recommendation (b). The funding to support the decision is included in the capital programme, and is not already assumed as part of the council's annual budget.
21. The project will be managed by the council's Public Transport team, with appropriate external support as required. The Head of Transport and Parking will be responsible for delivery.
22. Unique project codes will be allocated so that progress can be monitored and reviewed to enable reporting to relevant capital programme boards.
23. There are no implications to revenue funding as any future maintenance is managed within the existing programme and budget. However, capital funding will be needed to support the resource requirement to actually deliver the spend, this means project management costs will come from the grant funding below, instead of being an extra cost to bourn by the council.

Capital cost of project	2025/26	Future years	Total
	£000	£000	£000
BSIP capital funding			
Market town main bus stops refurbishment programme	650	0	650
Real Time Information (RTI) screens	150	0	150
Public transport route planning and management software	150	0	150
Specialist consultancy services	50	0	50
: Review of Traffic light Signals that can be adjusted to account for supporting bus priority	80	0	80
TOTAL	1,108	0	1,108

Funding streams (indicate whether base budget / external / grant / capital borrowing)	2025/26	Future Years	Total
	£000	£000	£000
<i>Grant funding</i>	1,108	0	1,108
<b>TOTAL</b>	<b>1,108</b>	<b>0</b>	<b>1,108</b>

### Legal implications

24. This section is to be completed in its entirety by the legal services team.

### Risk management

25. The £1.1 million of BSIP capital funding will enable an improvement in several areas of bus infrastructure and bus operations support through capital investment. This will enhance the experience of bus travel for all users, as well as encouraging greater patronage across the network.
26. Any risks will be managed at service level and escalated in accordance with the Risk Management Plan

Risk / opportunity	Mitigation
This is funding for one year. There is not the time nor the resource to reinvigorate every bus stop in the county.	Expectations will need to be managed. Officers will develop a specific plan, based on the emerging asset register, to programme a schedule of works targeting specific bus interchanges. This will be clearly communicated
Environmental issues / constraints restrict project delivery in year.	Review and reprofile as required.
Projects conflict with programmed and other funded works such as Levelling Up funding or s106 works	Opportunity to incorporate into the project, potential for savings and minimising impact on communities and economy of Herefordshire.
Deliverability due to rising costs and available resources	Effective contract management processes will provide early warnings of such implications.
Deliverability of entire spend amount in one year. Lack of capability/capacity in Public Transport team.	Experienced, specific project management resource required to mitigate risks. DfT enable 'drawback' of unspent money.

## Consultees

27. The Enhanced Partnership have been initially consulted on the broader goals and objectives we the council wants to achieve with this investment. However, officers will take a specific proposal back to the Enhanced Partnership for further consideration and agreement.
28. The Project manager will provide regular and frequent monitoring reports to the Enhanced Partnership, as the group responsible for BSIP+ spend.
29. A Political Group Consultation was undertaken on 11/6/25.
  - a. The consultation was attended by 11 councillors from across the Conservative Party, Green Party, Independents for Herefordshire, True Independents and Liberal Democrats groups. Also attending was the Cabinet Member for Transport and Infrastructure and the Head of Transport and Parking. The following discussion/feedback was noted:
  - b. There was support for the decision to delegate powers to the Corporate Director for Economy and Environment
  - c. All Members welcomed the opportunity for local ward members to engage in the process of improving market town interchange stops
  - d. Members from the Green Party and Conservative Party, wanted improvements to rural bus stops and bus shelters

- e. One member, from the Green Party, commented that the Enhanced Partnership did not allow for political engagement from opposition parties
- f. One member, from the Green Party, wanted there to be more capital schemes that were 'shovel-ready' so that when this kind of short-term funding was announced by government, the Council was in a strong position to respond proactively.
- g. One member, from the Green Party, suggested that instead of buses and bus operators, Community Transport could run rural services. Furthermore, one member from the Conservative Party, considered bus services were a 'mess' and needed 'sorting out'. This paper is concerned with the delegation of capital spending to the Corporate Director for Economy and Environment, not with revenue spending on services.
- h. One Member, from the Conservative Party, advised the officer to consider the security of Real Time Information systems; that they need protection from vandalism.
- i. Members from the Green Party and Conservative Party said they did not want money to be spent on consultants.

## Appendices

[The bus services act 2017: enhanced partnerships](#)

## Background papers

Bus Service Improvement Plan update. [Herefordshire Bus Service Improvement Plan \(2024\)](#)

## Report Reviewers Used for appraising this report:

Please note this section must be completed before the report can be published		
Governance	Click or tap here to enter text.	Date Click or tap to enter a date.
Finance	Click or tap here to enter text.	Date Click or tap to enter a date.
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Communications	luenne featherstone	Date 16/04/2025
Equality Duty	Click or tap here to enter text.	Date Click or tap to enter a date.
Procurement	Click or tap here to enter text.	Date Click or tap to enter a date.
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**[Note: Please remember to overtype or delete the guidance highlighted in grey]**

**Please include a glossary of terms, abbreviations and acronyms used in this report.**

Bus Service Improvement Plan plus (BSIP+). Government funding stream for local transport authorities to contribute to improving and enhancing bus services. Generally, for those authorities that did NOT receive BSIP, or CRSTS funding.

Enhanced Partnership (EP). Governance arrangement consisting of the Local Transport Authority and all bus operators in that area. To provide oversight and agreement on the BSIP funding spend.

Department for Transport (DfT) – central government department, provider of BSIP money

Chief Operating Officer (COO) – Senior Director in Economy and Environment directorate.

PGC – Political Group Consultation – internal consultation process with Ward members.