



FOR PUBLICATION

DERBYSHIRE COUNTY COUNCIL

CABINET

Thursday, 29 April 2024

Report of the Executive Director - Place

Bus Service Improvement Plan - Acceptance of BSIP Phase 3 Funding
(Cabinet Member for Highways, Assets and Transport)

1. Divisions Affected

1.1 County-wide.

2. Key Decision

2.1 This is a key decision because it is likely to result in the Council incurring expenditure which is, or savings which are significant having regard to the budget for the service or function concerned (this is currently defined as £500,000) and it is likely to be significant in terms of its effect on communities living or working in an area comprising two or more electoral areas in the County.

3. Purpose

3.1 To seek Cabinet approval to delegate the decision, in accordance with the Council's Standing Orders, to the Executive Director – Place, in consultation with the Cabinet Member – Highways Assets and Transport and, to accept Phase 3 Bus Services Improvement Plan (BSIP) funding to deliver long-term bus service improvements via the Department for Transport's Network North funding, at an indicative value of £4.519m in 2024-25.

4. Information and Analysis

- 4.1 On 10 March 2022, Cabinet delegated authority to the Cabinet Member – Highways Assets and Transport and the Executive Director - Place, to accept the Bus Service Improvement Plan funding from the Department for Transport (DfT) (Minute No.64/22 refers). On 4 April 2022, the DfT informed the Council of an indicative award of £47.003m BSIP funding, comprising both revenue and capital funding, subject to receipt of further details. The Memorandum of Understanding (MoU) was received from the DfT and signed on 10 November 2022 under these delegated powers. Subsequently, the BSIP Year 1 funding was released to the Council in November 2022.
- 4.2 On 23 October 2023, the Government announced the indicative allocation of a further £150m of 2024-25 funding for Local Transport Authorities (LTAs) to deliver long-term bus service improvements. This was the first instalment of a total of £1 billion, released as part of Network North - the third phase BSIP funding and is redirected funding which has been allocated to regions which were due to benefit from the cancelled HS2 investment.
- 4.3 On 7 December 2023, the Council received notification from the DfT's Deputy Director for Local Transport, of its Phase 3 indicative allocation of up to £4.519m of revenue funding to further support delivery of Derbyshire BSIP in 2024-25. This funding is in addition to the existing Phase 1 BSIP funding allocation of £47.003m (Phase 2 was BSIP + funding which the Council did not receive).
- 4.4 The DfT letter stated that the existing MoU in place for BSIP Phase 1 funding will apply to this additional Phase 3 funding. This letter amended the total funding allocated within the original MOU.
- 4.5 Following the notification of the Phase 3 indicative allocation, the Enhanced Partnership (EP) Board on 20 February 2024, agreed that approval should be sought from the DfT to use the additional funding for further bus service enhancements and in addition, to request to change a proportion of funding (£0.345m) from revenue to capital funding to provide for additional installation of Real Time Information (RTI) infrastructure in the County. RTI remains the single most requested bus service improvement after bus service enhancements from Derbyshire's travelling public. Therefore, a request was formally submitted on this basis to the DfT for approval, as required, by 29 February 2024 deadline. A formal decision is currently awaited.

- 4.6 To avoid additional BSIP Programme delay caused by the anticipated late release of Phase 1 year 3 and Phase 3 funding (not anticipated before July 2024), approval is now sought for delegated approval to be granted to the Executive Director – Place, in consultation with the Cabinet Member - Highways, Assets and Transport to accept the Phase 3 BSIP funding settlement on behalf of the Council.
- 4.7 Subject to approval and following receipt of Phase 3 funding, it will be necessary to make variations to the Enhanced Partnership Plan (EPP) and Enhanced Partnership Scheme (EPS) to confirm the measures to be delivered. These will be considered and approved by the EP Board in line with the Board’s Terms of Reference.
- 4.8 The EP for Derbyshire has been prepared in accordance with Section 138 of the Transport Act 2000, and guidance by the DfT and is jointly run by a board that represents the Local Transport Authority, local bus operators, and other stakeholders, and is led by an independent chairperson. The Executive Director – Place, in consultation with the Cabinet Member – Highways, Assets and Transport, both sit on the EP Board with the delegated powers, Cabinet 10 March 2022, (Minute No. 64/22 refers) to allow them to make changes for and on behalf of the Council.
- 4.9 Alongside this funding, the Council has been informed of the DfT requirement to “refresh” its original BSIP document. This “refresh” process and approval is the subject of a separate Cabinet report to this meeting. Acceptance of the refreshed BSIP by DfT is mandatory and will lead to the release of Phase 1, year 3 original BSIP funding and the indicative Phase 3 BSIP additional funding, however, funding will not be released until after 12 June 2024 (the deadline date of submission of the refreshed BSIP).

5. Consultation

- 5.1 Wider stakeholder consultation was undertaken on the drafting of the original BSIP and associated EPP. A further stakeholder engagement survey was undertaken in February and March 2024. The EP Board will consider when variations proposed to the EPP warrant further consultation either with the Wider Stakeholder Group or more widely.

6. Alternative Options Considered

- 6.1 The alternative to granting delegated powers is to retain decision making with Cabinet. However, this does not meet the timescales set

out in the EPS and it is likely to slow down the work of the Partnership and delivery of the BSIP.

- 6.2 Not delegating approval to accept the final funding allocation from the DfT will jeopardise the grant award and delay the commencement of additional services and benefits for the public. This would have a detrimental impact on the overall programme, which is already challenging as delivery must be concluded by 31 March 2025 with the exception of bus service enhancements which may be contracted until March 2026 to allow for the greatest chance of commerciality to be reached.

7. Implications

- 7.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

8. Background Papers

- 8.1 Cabinet Report: Approval to Make the Enhanced Partnership for Bus Services in Derbyshire and to Accept Bus Service Improvement Plan Funding: 10 March 2022 (Minute No. 64/22 refers).
- 8.2 Cabinet Member Decision – Highways, Assets and Transport report: Approval to Make the Enhanced Partnership for Bus Services in Derbyshire and to Accept Bus Service Improvement Plan Funding (Cabinet Member for Highways, Assets and Transport) 29 March 2022 (Decision Reference. D449 refers).
- 8.3 Cabinet Report: Approval to Delegated Powers to Agree Variations to the Enhanced Partnership for Bus Services in Derbyshire: 28 July 2022 (Minute No. 142/22 refers).
- 8.4 Department for Transport Letter dated 7 December 2023: Network North: Phase 3 BSIP funding allocation for Derbyshire County Council.
- 8.5 The Enhanced Partnership Plan and Scheme can be viewed on the following links:
- Derbyshire EPP [March](#) 2022 (derbysbus.info)
 - Derbyshire EPS [February](#) 2024 (derbysbus.info)
- 8.6 All background reports and papers are held in the BSIP archive if required for information.

9. Appendices

9.1 Appendix 1 – Implications.

10. Recommendation

That Cabinet:

- a) Approves to delegate the decision, in accordance with the Council's Standing Orders, to the Executive Director – Place, in consultation with the Cabinet Member – Highways Assets and Transport, to accept Phase 3 Bus Services Improvement Plan (BSIP) funding to deliver long-term bus service improvements via the Department for Transport's Network North funding, at an indicative value of £4.519m in 2024-25.

11. Reason for Recommendation

11.1 Granting delegated powers allows the Council to accept the additional funding and respond to Enhanced Partnership operational and delivery matters in a timely fashion and in line with the agreed EPS.

12. Is it necessary to waive the call in period?

12.1 No.

Report Author: Kay McIntyre

Contact details: Kay.McIntyre@derbyshire.gov.uk

Implications

Financial

- 1.1 To implement the measures set out in the BSIP, the Council has committed the Phase 1 funding for the three year BSIP Programme at a total allocation of £47.003m. Plans for use of the further indicative Phase 3 BSIP funding of £4.519m have been agreed by the EP Board and submitted to DfT, as requested, for approval.
- 1.2 As the additional funding will be received in the second quarter of year 3 of the programme, although must be spent in the 2024-25 year (2025-26 for contracted bus services), acceptance of the funding is required by approval of delegated powers in accordance with the Council's Standing Orders, to the Executive Director - Place, in consultation with the Cabinet Member - Highways Assets and Transport.

Legal

- 2.1 The Enhanced Partnership Plan and Scheme, were prepared and "Made" in accordance with the legal requirement of The Transport Act 2000. The Derbyshire Enhanced Partnership Plan and Scheme included the option of Bespoke Variation Arrangements, as permitted under Section 138 E of the Transport Act 2000. This allows changes to be made quicker and more efficiently.
- 2.2 The Transport Act 2000 also provides the Council with further powers to postpone all or parts of the Enhanced Partnership (Section 138 I), make variations (Section 138 K) and powers to revoke the Enhanced Partnership (Section 138 O).

Human Resources

- 3.1 None.

Information Technology

- 4.1 The BSIP proposals include provision for a significant expansion in the number of bus stops with Real Time Information displays. These would be progressed through existing contractual agreements.

Equalities Impact

- 5.1 Bus services are particularly important to a range of disadvantaged groups, such as young people, older people, women and those from economically deprived communities, all of which make a higher proportion of their journeys by bus than the population as a whole.
- 5.2 The ability to vary the EP and the measures associated with the BSIP will protect and, where funding allows, enhance the quality of bus services available and will contribute towards the wider levelling up agenda across all communities and ambitions for driving 'good growth'. The recommendations set out in this report will minimise delays in drawing down funding and delivery of improvements to benefit bus users.

Corporate objectives and priorities for change

- 6.1 This proposal will help deliver the following Council Plan priorities: Resilient, Healthy and Safe Communities; High Performing, Value for Money and Resident-Focused Services; A Prosperous and Green Derbyshire. Specifically, creation of an Enhanced Partnership will also enable the delivery of Place Directorate priorities around sustainable transport and travel.
- 6.2 The main aim of the BSIP and EP is to generate additional use of bus services and in turn encourage modal shift away from the private car. If this happens it will have a positive impact on the Council's wider environmental sustainability objectives and support the targets set in the Climate Change Strategy: Achieving Net Zero.

Other (for example, Health and Safety, Environmental Sustainability, Property and Asset Management, Risk Management and Safeguarding)

- 7.1 None.