

OPEN

## **Highways and Transport Committee**

**19 June 2025**

### **Bus Service Improvement Plan - Delivery Plan 2025/26**

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**Report of: Tom Moody, Director Transport and Infrastructure**

**Report Reference No: HTC/11/25-26**

**Ward(s) Affected: All Wards**

#### **Decision**

#### **Purpose of Report**

- 1 This report presents the Cheshire East Bus Service Improvement Plan (BSIP) Delivery Plan 2025/26 for approval (see Appendix 1). The plan was submitted to the Department for Transport (DfT) as a draft document on 31 March 2025, in line with DfT requirements. Any amendments required by Committee will be incorporated and a final version submitted to DfT by the end of June 2025.
- 2 Cheshire East Council has been allocated £5,444,474 from the DfT as Local Bus Grant 2025/26. A summary of the proposed schemes for delivery using this revenue and/or capital funding is set out at Appendix 2. Committee is recommended to approval this programme of work.

#### **Executive Summary**

- 3 The bus network in Cheshire East plays a key role in providing access to jobs and services and connecting people and places. The Cheshire East Plan 2025-29 (adopted in February) sets out a new vision and commitments for the borough. Buses have a vital role in delivering key Council policy priorities for the economy, social cohesion, public health and environmental sustainability, including decarbonisation.
- 4 Our 2024 BSIP includes a vision to: "Transform the bus network within Cheshire East to provide attractive, reliable and convenient connections that enable more residents and visitors to choose bus, make fewer car journeys, to contribute to our carbon reduction challenge and improve the

health of our citizens”. The vision for local buses is aligned with corporate strategic priorities and the emerging new Local Transport Plan (LTP).

- 5 To deliver this vision, a set of principles have been developed which shape our commitment to work in partnership with bus operators to improve the quality of local bus services in Cheshire East. They include:
  - Connectivity: across the network and cross-boundary
  - Accessibility: network coverage, information and infrastructure
  - Integration: across modes of transport, technologies and ticketing
  - Reliability and punctuality
  - Sustainability: quality improvements and network growth
  - Decarbonisation: reducing vehicle emissions
  - Collaboration: with operators’ stakeholders and Bus User Groups.
- 6 As part of the DfT Local Bus Grant award for 2025/26, Cheshire East have been allocated £2,879,963 revenue and £2,122,646 capital. The proposed initiatives to utilise this funding are summarised below.

#### Revenue Funding (£2,879,963)

- 2025/26 bus service enhancements
- Continuation of Silk Town multi-operator Ticket (Macclesfield)
- Continuation of 16-19 Bus Saver (at £1 flat fare) and Care Leaver Pass
- Improved marketing, communications and promotion
- Support for the modernisation/reconfiguration of flexible transport
- Transport Focus (Passenger Satisfaction Monitoring)
- BSIP programme management.

#### Capital Funding (£2,122,646)

- Bus priority infrastructure delivery (traffic signal technology)
  - Bus priority scheme development – identifying new locations
  - Bus stop infrastructure – along strategic bus corridors and in towns
  - Macclesfield Bus Station – quality improvements / refurbishment
  - Real Time Passenger Information (RTPI) – bus stations & interchanges.
- 7 The DfT Local Bus Grant (total £5,444,474) also includes £94,000 Capacity & Capability funding to support local authority delivery and £347,865 Bus Service Operator Grant which is a committed recurring annual allocation, therefore not new funding.
  - 8 Appendix 3 provides an update on the proposals to reconfigure and modernise the Council’s demand responsive transport (DRT) services.

This is in accordance with previous Committee approvals. Appendix 3 includes the DRT service specification which is expected to be implemented later this year.

- 9 The proposed schemes and initiatives will deliver a strong package of complementary measures that support the BSIP vision for the bus network in Cheshire East. The aim is to enhance quality to attract new passengers whilst improving the level of service experienced by existing users.
- 10 The grant funding streams have been released after the MTFs was approved on 26 February 2025. Therefore, fully funded Supplementary Revenue and Capital Estimates are required to adjust the budget. As both items are over £1m, Full Council approval is required for these supplementary estimates and Committee is asked to recommend the items to Council.

#### RECOMMENDATIONS

The Highways and Transport Committee is recommended to:

1. Approve the Bus Service Improvement Plan (BSIP) Delivery Plan 2025/26 (see Appendix 1) for final submission to the Department for Transport (DfT) by the end of June 2025.
2. Recommend to Full Council approval of the associated, fully funded Supplementary Revenue and Capital Estimates for the value of revenue funding £2,879,963 and capital funding £2,122,646.
3. Approve the proposals for spending the Council's allocation of Local Bus Grant funding (value £5,444,474) for the financial year 2025/26 (see Appendix 2) and delegate the authority to spend the funding to the Director of Transport and Infrastructure, in consultation with the Enhanced Partnership Board.
4. Approve the specification (see Appendix 3) for a modernised Demand Responsive Transport (DRT) service as part of the Council's transformation programme and delegate authority to the Director of Transport and Infrastructure to deliver the service in line with the specification.

## Background

- 11 The Cheshire East BSIP is aligned with the National Bus Strategy for England and was refreshed in 2024 to incorporate the latest DfT guidance and ensure alignment with corporate strategic priorities. The Bus Enhanced Partnership provides the opportunity to work in partnership with local bus operators and deliver a range of schemes and initiatives in collaboration.

- 12 Our objectives and ambitions for local bus over the next 10+ years are published in the 2024 BSIP. These are split into three phases across our town, inter-urban and rural bus network.
- Phase 1 – stabilise the network
  - Phase 2 – quality improvements
  - Phase 3 – network growth
- 13 Short, medium and long-term ambitions have been identified within the 2024 BSIP, along with funding priorities. These have been used to continue to develop and inform the initiatives and schemes for delivery as part of the Local Bus Grant funding 2025/26.
- 14 The delivery plan builds on the schemes and initiatives which were launched with previous rounds of BSIP funding in 2023/24 and 2024/25.

## **Consultation and Engagement**

- 15 In developing the 2024 BSIP, there was engagement with local bus operators, user groups, stakeholders, businesses and town and parish councils as part of the Enhanced Partnership (EP) Forums. Formal consultation has been undertaken as part of the formation of the 2021 BSIP and the Bus Service Review in 2024. The following meetings have enabled partners to inform and influence the proposed initiatives and schemes for the Local Bus Grant funding.
- Enhanced Partnership Forums in May and November 2024
  - Operator Working Groups in September 2024 and January 2025
  - Enhanced Partnership Boards in November 2024 and March 2025
- 16 The Council have an ongoing commitment to the Enhanced Partnership to support the delivery of the BSIP. Stakeholder engagement will continue for the proposed schemes under the Local Bus Grant funding. Formal engagement will continue through the Enhanced Partnership Forums (upcoming forum in June 2025), operator working groups and Enhanced Partnership Boards.

## **Reasons for Recommendations**

- 17 The DfT has confirmed the Cheshire East funding allocation from the Local Bus Grant 2025/26 (totalling £5,444,474), which was subject to submission of a delivery plan and signed Memorandum of Understanding (MoU) by 31 March 2025. This report provides the opportunity for Committee to amend the delivery plan and a final version will be submitted to DfT by the end of June 2025.

- 18 The grant funding will provide the investment to deliver the Bus Service Improvement Plan (BSIP) and the delivery plan lists the schemes and initiatives which will be delivered, including key milestones for each scheme, an assessment of the outcomes and contributions to the BSIP.
- 19 The package of schemes and initiatives will continue the momentum and success of schemes funded by previous rounds of BSIP funding. The funding and proposed schemes will be used to improve bus services (including fare initiatives) and infrastructure.

### Other Options Considered

- 20 The alternative option is to decline the opportunity to utilise Local Bus Grant funding and in so doing, propose no schemes and do not approve the 2025/26 delivery plan. DfT would therefore not release the Local Bus Grant funding, as the submission of the Delivery Plan 2025/26 and the related funding MoU is a national condition of the Local Bus Grant funding allocations.

| Option     | Impact   | Risk   |
|------------|--|--|
| Do nothing | Delivery plan is not approved and/or the conditions of the MoU are not agreed. No new package of initiatives developed for 2025/26 | DfT would not release the Local Bus Grant funding allocations. |

### Implications and Comments

#### *Monitoring Officer/Legal*

- 21 In developing and implementing the schemes and initiatives for the 2025/26 delivery plan, the Council must have regard to the transport needs of all of the residents in the borough, which may include disabled persons, persons who are elderly or have mobility problems and mothers with young children.
- 22 Development of plans will need to be in accordance with statutory and legal requirements for Community Engagement and Equalities Impact Assessment. The Council should consult with local bus operators, various organisations including the chief of police for the area to seek their views on the planned proposals.
- 23 The Secretary of State may issue secondary legislation and additional guidance in relation to the Local Bus Delivery Grant outcomes that feed

into future Enhanced Partnership plans and schemes, the Council must have regard to the guidance.

- 24 In implementing the package of interventions, the Council must have regard to its adopted Enhanced Partnership and ensure that the proposals meet the aims of the Enhanced Partnership.

#### *Section 151 Officer/Finance*

- 25 For 2025/26, the DfT have allocated a total of £5,444,474. Of this total, £2,879,963 is revenue funding and £2,122,646 is capital funding. There is an additional £94,000 Capacity & Capability Grant to support local authority delivery and £347,865 Bus Service Operator Grant (BSOG) which is a committed annual allocation and therefore not new funding.

| 2025/26                         | Total      | Revenue    | Capital    | Other     |
|---------------------------------|------------|------------|------------|-----------|
| Local Bus Grant – Cheshire East | £5,444,474 | £2,879,963 | £2,122,646 | £441,865* |

\*Capacity & Capability Grant (£94,000) and Bus Service Operators Grant (£347,865)

- 26 DfT are clear that the Local Bus Grant funding is expected to complement, not replace the Council's supported bus budget. The agreed funds will be issued to the Authority as non-ringfenced grant payments under Section 31 of the Local Government Act. While this grant is non-ringfenced, there is an expectation that this funding is solely used for the purposes outlined.
- 27 The Memorandum of Understanding (MoU) is clear that the funding for 2025/26 is conditional on written confirmation from the Chief Finance Officer/Section 151 Officer and that they consider the funding has been used for the purposes set out in the MoU. It is also required that the Chief Finance Officer believes that it represents value for money (VfM) and that they will continue to monitor this and comply with the DfT's VfM reporting and approval requirements.
- 28 The DfT encourages the use of Bus Grant funding by March 2026. However, it is recognised that this may not always be possible, or to do so in a value for money manner, given the lead times on capital projects and usual lengths of tendered bus service contracts. Where necessary funding can be carried forward into 2026/27 and beyond March 2027 on submission of a Project Adjustment Request (PAR) form.
- 29 The grant funding streams have been released after the MTFS was approved on 26 February 2025. Therefore, fully funded supplementary

estimates are required. As both items are over £1m then Full Council approval is required for the supplementary estimates.

### *Policy*

- 30 The BSIP 2025/26 Delivery Plan supports the delivery of the Cheshire East Plan 2025-29 (adopted in February) which sets out the corporate plan vision and commitments, as well as the emerging Local Transport Plan (LTP).
- 31 These documents recognise the importance of the bus network in supporting key strategic objectives such as reducing carbon emissions, reducing health inequalities, enabling employment and housing growth and improving quality of place.
- 32 The package of schemes identified under the Local Bus Grant funding work towards achieving the BSIP 2024 ambition and align with the LTP. The ambition states that the bus network will improve speed, reliability and quality of public transport, and encourage more residents to choose bus, make fewer car journeys and contribute to carbon reduction.

| <b>Commitment 1:<br/>Unlocking prosperity for all</b>          | <b>Commitment 2:<br/>Improving health and wellbeing</b>   | <b>Commitment 3: An effective and enabling council</b>  |
|--|---|---|
| A great place for people to live, work and visit.              | Work together with our residents and partners to support people and communities to be strong and resilient. | Ensure that there is transparency in all aspects of council decision making. Support a sustainable financial future for the council, through service development, improvement and transformation. |
| To reduce the impact on our environment.                       |   |   |
| A transport network that is safe and promotes active travel.   | Reduce health inequalities across the borough.  | Promote and develop the services of the council through regular communication and engagement with all residents.  |
| Thriving urban and rural economies with opportunities for all. |   |   |
| To be carbon neutral by 2025.                                  |   |   |

### *Equality, Diversity and Inclusion*

- 33 The Council has fully evaluated the equality implications of the proposed schemes under the Local Bus Grant funding through an Equality Impact Assessment (EqIA). The EqIA incorporates Transport Focus data and engagement with user groups and stakeholders through the Enhanced

Partnership. The vision to grow bus patronage in Cheshire East will benefit protected equality groups, particularly young people, older people and people with disabilities. An EqIA is included at Appendix 4.

### *Human Resources*

- 34 There are no direct implications for Human Resources.

### *Risk Management*

- 35 As the proposed programme is ambitious, the Council have developed a programme wide governance structure to ensure successful delivery of each package and workstream – see Appendix 5.
- 36 As part of this governance structure and corporate oversight, each proposed scheme has been placed into a workstream (in line with the national BSIP objectives) which include a dedicated workstream Project Manager, supported by an experienced BSIP technical team. Each workstream feeds up into a Revenue or Capital Delivery Board, and further, an overarching Strategic Bus Improvement Board which includes key enabling services such as legal, finance, procurement, research & consultation and communications.
- 37 Detailed programme management dashboards, including a risk register, decision log and stakeholder communications log have been developed for delivery and will continue to be maintained and updated throughout the life of the programme.

### *Rural Communities*

- 38 The Corporate Plan outlines targets to reduce areas of the borough not served by public transport. The Council has already demonstrated a commitment to this through its successful bid to DfT funding as part of the Rural Mobility Fund, subsequent operations of the Go-Too service and continued delivery of the boroughwide FlexiLink service.
- 39 The Corporate Plan also identifies the desire for thriving and active rural communities by 2025. The importance of local buses for rural communities has been reflected in the Delivery Plan 2025/26 through proposed investment in rural communities and demand responsive transport.

### *Children and Young People including Cared for Children, care leavers and Children with special educational needs and disabilities (SEND)*

- 40 The Corporate Plan outlines the significant pressures in Children's Services, particularly placements for looked after children and services for children with special educational needs, including home to school



transport. A significant number of school children across the borough use buses to access educational establishments and this is considered in the Delivery Plan 2025/26 and package of interventions, aimed at young people and care leavers.

### *Public Health*

- 41 There are pockets of deprivation in Cheshire East related to income, health and life chances. Bus services enable a greater proportion of residents to access important services such as health care and leisure (gym, swimming) facilities. The continued delivery of these services therefore helps to address the Corporate Plan target to reduce health inequalities across the borough. The Index of Multiple Deprivation (IMD) is used to prioritise services based on their ability to serve highly deprived areas.
- 42 This will have a positive impact on health and wellbeing of Cheshire East residents through improving access, reducing social exclusion and isolation and providing connections to health care, whilst reducing transport related deprivation.

### *Climate Change*

- 43 Cheshire East Council have committed to be carbon neutral by 2025 and to influence carbon reduction across the borough in order to become a carbon neutral borough by 2045 – the decarbonisation of the transport network is a key component of this programme of work.

### *Consultation*

| <b>Name of Consultee</b>               | <b>Post held</b>          | <b>Date sent</b> | <b>Date returned</b> |
|--|---------------------------|------------------|----------------------|
| <i>Statutory Officer (or deputy) :</i> |                           |                  |                      |
| Ashley Hughes                          | S151 Officer              | 05/06/25         | 05/06/25             |
| Janet Witkowski                        | Acting Monitoring Officer | 05/06/25         | 05/06/25             |
| <i>Legal and Finance</i>               |                           |                  |                      |
| Name                                   | Job title                 | 13/04/25         | 15/04/25             |

|  |  |          |          |
|--|--|----------|----------|
| Andrew Poynton   | Senior Lawyer,<br>Place                        |          |          |
| Steve Reading  | Finance<br>Manager                             | 13/04/25 | 17/04/25 |
| <i>Other Consultees:</i><br><br><i>Executive<br/>Directors/Directors</i> |  |          |          |
| Tom Moody  | Director of<br>Transport and<br>Infrastructure | 23/04/25 | 25/04/25 |
| DMT  |  | 08/05/25 | 08/05/25 |
| CLT  |  | 21/05/25 | 21/05/25 |
| Chair / Vice Chair   |  | 23/05/25 | 02/06/25 |
| Phil Cresswell   | Executive<br>Director, Place                   | 05/06/25 | 09/06/25 |

| <b>Access to Information</b> |  |
|------------------------------|--|
| Contact Officer:             | Richard Hibbert<br><br><a href="mailto:Richard.Hibbert@cheshireeast.gov.uk">Richard.Hibbert@cheshireeast.gov.uk</a>  |
| Appendices:                  | <a href="#">Appendix 1 Draft Bus Service Improvement Plan</a><br>Appendix 2 – Indicative 2025/26 Funding Breakdown<br><a href="#">Appendix 3 DRT Service Specification.pdf</a><br><a href="#">Appendix 4 - Equality Impact Assessment</a><br><a href="#">Appendix 5 Governance Structure.pdf</a> |
| Background Papers:           | Bus Service Improvement Plan 2024<br>Enhanced Partnership Plan 2025  |

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|  | <p>Enhanced Partnership Scheme 2025</p> <p>The background papers and files relating to this report can be inspected by contacting the report writer.</p> |
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