

Slough Borough Council

Report To:	Cabinet
Date:	21 st July 2025
Subject:	Bus Grant Spend
Lead Member:	Councillor Paul Kelly, Lead Member for Planning, Parking, Highways & Transport
Chief Officer:	Pat Hayes, Executive Director of Regeneration, Housing and Environment
Contact Officer:	Matthew Hooper, Director of Environment and Highways
Ward(s):	All
Key Decision:	Yes
Exempt:	NO
Decision Subject To Call In:	Yes
Appendices:	(A) Delivery Plan 2025 (B) Grant letter from Department for Transport (C) Equality Impact Assessment

1. Summary and Recommendations

- 1.1 This report sets out recommendations to apply funding made available by Department for Transport to improve bus services and bus-related infrastructure (“bus grant”). This funding falls under both capital and revenue headings.

Recommendations:

Cabinet is recommended to add the Capital allocation of £917,715 to the 2025/26 Capital Programme and approve its use together with Revenue funding of £1,348,110 of the 2025/26 bus grant funding to deliver the proposals set out in the 2025 BSIP Delivery Plan.

Reason:

In 2021 government published “Bus Back Better”. This set out its ambitions to radically improve bus services across England through a combination of more bus services, frequency enhancements, bus priority, lower fares, ways to make it easier for passengers to pay for their journeys, better information and improved passenger infrastructure. It required local transport authorities to develop Bus Service Improvement Plans (BSIP) and to enter “Enhanced Partnership” agreements with bus operators.

Slough Borough Council submitted its BSIP in 2021 (refreshed in 2024) and created an Enhanced Partnership. Despite this, Slough (along with many other authorities) was not awarded BSIP funding by Government in 2021.

However, two subsequent awards of revenue funding were made in 2023/24 and in 2024/25. This was in addition to an annual grant of Bus Service Operators' Grant (BSOG) devolved to local transport authorities. In December 2024 Government awarded all local authorities both revenue and capital BSIP funding for 2025/6. This is now known as bus grant funding.

The bus grant funding is required to be spent on bus improvements during 2025/26. This funding may be carried over into 2026/27 provided the authority can demonstrate that it has suitable contractual commitments in place.

In total, together with additional funding, Slough Borough Council has available £2,265,825 as set out below:

£917,715	capital;
£1,285,110	revenue;
£63,000	capability funding.

Commissioner Review

This report is outside the scope for pre-publication commissioner review; please check the [Commissioners' instruction 5 to CLT to sign off papers](#) for further details.

2. Report

Introductory paragraph

2.1 In December 2024 Slough Borough Council was awarded bus grant funding by Department for Transport to spend in the year 2025/6. Together with funding awarded in previous financial years, the Council has available:

- £917,715 capital.
- £1,285,110 revenue.
- £63,000 capability funding

2.2 Application of the available funding will contribute towards the realisation of the following strategic local and national objectives:

2.3 Local Policies:

The Corporate Improvement and Recovery Plan. Corporate Plan 2023-27 (A fresh start)

- A borough for children and young people to thrive by providing improved access by alternative modes of transport to employment, education, health and leisure opportunities in and around the borough.
- A town where residents can live healthier, safer and more independent lives; by improving bus services reduce the reliance on cars to access opportunities.
- A cleaner, healthier and more prosperous Slough:
 - by seeking grant funding that help progress schemes that benefit the community and help the local economy; and

- b. providing enhancement works that help deliver quicker and more reliable bus journeys to places of work, shopping areas, school, home, worship and entertainment.

- **Bus Service Improvement Plan (BSIP)**

The BSIP sets out the Council's proposals to apply available funding to improve all aspects of bus services against the indicators of service reliability, journey time and passenger satisfaction, contributing to an increase in passenger numbers of 20% by 2030 compared to 2022/23. The BSIP seeks to achieve this by increasing service frequencies, improving bus speed and reliability, lowering fares, expanding service coverage, enhancing user accessibility, ensuring bus services are safer and inclusive and reducing carbon emissions.

- **The Carbon Strategy**

The council has set ambitious targets, including a borough wide net zero carbon goal by 2040 for the borough, and an accelerated target of 2030 for SBC's operations. Increased public transport provision will play a key role in reducing carbon emissions by encouraging a shift away from private car use and helping to reduce congestion.

- **The Low Emission Strategy**

Improved bus services will encourage more people to walk and use public whilst reducing the reliance on private cars and lifts from relatives or friends. This will support the development of a lower emission transport system.

- **The Local Transport Plan 3**

This is the over-arching plan for the provision of transport services and infrastructure at local level, across the borough. The current version (LTP3) is currently under review.

- **The Strategic Transport Infrastructure Plan (STIP)**

Car journeys should be replaced by realistic and achievable alternatives. Prioritising public transport will enable negotiations with bus operators. With greater patronage realised through improved efficiencies, opportunities exist to make public transport use increasingly attractive. i.e. cost and time savings for residents.

National Policies:

- **National Bus Strategy**

The National Bus Strategy ("Bus Back Better") sets out to deliver improved bus services across England through the provision of bus priority, improved passenger information, lower fares, easier payment methods, and conversion of bus fleets from diesel to zero-emission.

- **Integrated National Transport Strategy for England**

In November 2024 Government set out plans to develop an Integrated National Transport Strategy with public transport being a more attractive option and a seamlessly integrated transport network.

Options considered:

Option 1 – Do nothing

The alternative to spending the funding is to return it to the Department for Transport. This option would not contribute to the aims and objectives set out in the Council's Bus Service Improvement Plan. **This option is not recommended.**

Option 2 Deliver the revenue grant fund related activities only

Without the enabling conditions that the Capital funded activities would provide, there will be minimal gains for public transport delivery if only revenue related activities are delivered. **This option is not recommended.**

Option 3 Deliver capital and revenue funded bus improvement activities set out on the delivery plan

Capital-funded initiatives will deliver critical infrastructure enhancements, including traffic signal priority and upgraded traffic signals, real-time passenger information, and upgraded bus stops and shelters. These improvements are essential for reducing journey times, enhancing service reliability, and enabling higher frequencies on existing routes. Such infrastructure investments directly support and enhance revenue-funded service improvements, making them more viable, efficient, and attractive to users. The integration of capital and revenue funding streams is fundamental to delivering a high-quality, user-focused bus network that aligns with BSIP objectives that include reducing carbon emissions, improving accessibility, and increasing public transport use. This combined investment approach is therefore the recommended option for achieving long-term, sustainable improvements in bus service provision. **This is the recommended option.**

3. Implications of the Recommendation

3.1 Financial implications

3.1.1 The total amount of funding available to implement the proposals in the report is £2.223 m, as set out below.

	Capital	Revenue	Total
• BSIP funding	£917,715	£512,300	
• LA-BSOG		£43,138	
• Capacity and capability grant		£63,000	
Total Bus Grant	£917,715	£618,438	£1,536,153
Additional Funding		£686,534	£686,534
Total Funding	£917,715	£1,304,972	£2,222,687

3.1.2 The report set out how the funding might be applied but does not commit to specific allocations that will need to be developed for future decision.

3.1.3 Delivery oversight will be provided by the Design Authority for revenue purposes, and the Capital Board for appropriate schemes,

3.1.4 It is not currently proposed to apply match-funding from SBC's own resources, but funding may be sought from other funding partners and from developer contributions to deliver additional measures.

3.2 Legal implications

- 3.2.1 For highway measures, The Traffic Management Act 2004 (Section 16(1)) imposes a Network Management Duty to ensure that Slough Borough Council secures the expeditious movement of traffic on the authority's road network and facilitates the expeditious movement of traffic on road networks for which another authority is the traffic authority.
- 3.2.2 All proposals that require permanent and temporary traffic orders are subject to procedures under the Road Traffic Regulation Act 1984 (RTRA 1984) and the Local Authorities Traffic Orders (Procedure) (England and Wales) Regulations 1996. It should be noted that under the RTRA 1984 s.122, the Council has a duty to secure the expeditious, convenient and safe movement of vehicular and other traffic (including pedestrians), which involves a balancing exercise in accordance with that Act.
- 3.2.3 The introduction of signage and road markings will be undertaken using the Council's statutory powers as the Highway Authority and The Traffic Signs Regulations and General Directions 2016.
- 3.2.4 For bus service procurement, Slough Borough Council will comply with the relevant legislation under The Public Service Obligations in Transport Regulations 2023. For any other procurement, the Council will comply with the Procurement Act 2023 and its internal contract procedure rules.
- 3.2.4 For measures which may intervene in the market – notably any measure to set a fare under any multi-operator ticketing scheme, it will be noted that any measure brought forward by the Enhanced Partnership is subject to a Competition Test under Part 1 of Schedule 10 of the Transport Act 2000.
- 3.2.5 At the time of making its Enhanced Partnership, Slough Borough Council undertook a Competition Test and concluded: "...the benefits of delivering those Requirements, Facilities and Measures contained in the Enhanced Partnership which may be to the detriment of competition, are likely to outweigh any detriment to competition and the effect on competition is proportionate to achieving the wider policy aims in Slough." The proposals are consistent with the Requirements, Facilities and Measures set out in the Enhanced Partnership.
- 3.2.6 Use of the 2025-26 Bus Grant is subject to conditions set out in the Department for Transport letter appended at Appendix B.

3.3 Risk management implications

<i>Description of Risk</i>	<i>Risks / Threats / Opportunities</i>	<i>Controls</i>
<i>Delays in authorisation, implementation or spend</i>	<i>Will affect the ability to reach the contractual positions required to deliver any spend required beyond 2025/26 into 2026/27.</i>	<i>The delivery plan focuses on a number of small schemes with limited requirement for large-scale civils works. Authorisation has been sought through the Significant Decision dated 18 March 2025. Early engagement was made with legal (December 2024) on contract terms and conditions for supported bus services.</i>
<i>Improved bus services or fare offers are not commercially sustainable</i>	<i>Bus services or fare offers are withdrawn after the bus grant funding period has concluded.</i>	<i>Officers are designing proposals in conjunction with bus operators that are more likely to be commercially self-sustaining after the funding period has concluded. Monitor outcomes of projects at regular intervals post-implementation.</i>
<i>Capital overspend</i>	<i>Overspends have to be made up from other areas of Council spend or project scope reduced.</i>	<i>Careful scoping and design of capital projects with contingency; monitor out-turn against budget at all stages of delivery; usual Council procurement process for capital works contractors.</i>
<i>Objection to any proposed Traffic Regulation Orders (TRO's) required</i>	<i>Likely to cause delay to the scheme delay and significant changes to the scheme if the objection is not set aside.</i>	<i>Undertake the TRO process for residents to understand the scheme proposals and benefits of the TROs. The TRO process will follow the statutory process and will be advertised as per requirements of the Road Traffic Regulation Act 1984 – Section 9 and the Local Authorities Traffic Orders (Procedure) (England and Wales) Regulations 1996- Regulation 22.</i>
<i>Disruption to traffic and accessibility during construction phases of on-highway capital works</i>	<i>Journey time delays due to construction works of the scheme</i>	<i>Work closely with Highways to ensure a coordinated and well communicated approach is undertaken Advance warning of the scheme works and continuous monitoring of traffic to check if any changes are required. Ensure a clear communications strategy to inform residents, businesses, and stakeholders of works.</i>

3.4 Environmental implications

- 3.4.1 In its recently published strategies, the government set out its vision for a Net Zero Transport system which will benefit all. Public transport and active travel will be the natural first choice for daily activities; cars used less and residents able to rely on a convenient, cost-effective and coherent public transport network.
- 3.4.2. The Council's ambitions are described in key corporate strategies including the 2040 Vision and Climate Change Strategies with their key principles upheld through delivery of measures to encourage more people to use buses.
- 3.4.3. The measures will promote improved access to opportunity and provide the conditions for sustainable, inclusive and resilient economic growth, including enabling regeneration and redevelopment.
- 3.4.4. With private fewer vehicles on the road, there will be a decrease in pollutants such as particulate matter and nitrogen oxides, leading to cleaner and healthier air for residents.

3.5 Equality implications

- 3.5.1 An Equality Impact Assessment has been undertaken the measures proposed will:
- Improve access to employment, education, health and leisure opportunities through improved bus services, particularly at evenings and weekends,
 - Improve access to bus stops to make them more easily useable by less able or disabled residents.
 - Improve service information to passengers.
 - Reduce fares to passengers, particularly those who currently need to catch more than one bus to complete their journeys.

3.6 Procurement implications

- 3.6.1 Procurement exercises will be undertaken as appropriate for the design and delivery of capital works, consistent with the Council's current arrangements. Any construction works will be undertaken via existing framework agreements or use of the new Minor and major works contractor.
- 3.6.2 *For bus service procurement, Slough Borough Council will comply with the relevant legislation under "The Public Service Obligations in Transport Regulations" (SI 2023 No. 1369).*

4. Background Papers

None