

**Title:** Bus Service Improvement Plan - Bus Priority Infrastructure Approval: Gateshead Lambton Street  
**Report of:** Tobyn Hughes, Director of Transport  
**Portfolio:** Transport

### Report Summary

The purpose of this report is to seek endorsement of the Gateshead Lambton Street scheme which has a total project value of £949,861. This scheme stems from the Bus Service Improvement Plan (BSIP) Bus Priority Infrastructure - Tranche 2 Programme Business Case (PBC) which has a total value of £22,568,691. In line with the delegation agreed at July 2024 Cabinet, the BSIP Bus Priority - Tranche 2 PBC was presented at Technical Officers Group and Finance and Investment Board; both recommended that this PBC be approved via a delegated decision which was approved in February 2025 by the Chief Executive in agreement with Monitoring Officer and the Director of Finance and Investment and in consultation with the Mayor and the relevant Cabinet Member. It also confirmed that each project would be required to go through individual scheme level assurance inclusive of detailed consultation, Cabinet approval and S151 sign off from the Local Authority proposing the scheme prior to individual level scheme sign off. This has now been fulfilled, and in line with thresholds set out in the Single Assurance Framework and delegation agreed by Cabinet in July 2024, approval is sought to establish a Grant Funding Agreement with Gateshead Council to progress delivery of the scheme and to unlock the project amount.

### Recommendations

The Chief Executive is recommended to:

- Approve the Gateshead Lambton Street scheme which has a total project value of £949,861.
- Enable the payment of funding and the establishment of a Grant Funding Agreement.

### A. Summary of Investment Proposal (Context)

Project Outline	
<b>Funding Source</b>	Bus Service Improvement Plan Capital Programme
<b>Proposal Name</b>	Bus Priority Infrastructure - Gateshead Lambton Street
<b>Lead Organisation</b>	Gateshead Council
<b>Delivery Areas</b>	Gateshead
<b>Start Date</b>	April 2025
<b>Financial End Date</b>	July 2025
<b>Practical completion date (date by which all outputs will be achieved)</b>	July 2025
<b>Total Project Value</b>	£949,861
<b>Grant Amount Requested</b>	£949,861
<b>Budget Implications</b>	The requested grant can be met within the overall BSIP capital budget.

### 1. Background

- The North East's Bus Service Improvement Plan (BSIP) is the region's response to the Government's National Bus Strategy for England which was initially published in March 2021 and has subsequently been refreshed on an annual basis. The BSIP set out a clear ambition to improve real time passenger information by moving to a next generation system.

- 1.2** At Joint Transport Committee (JTC) in March 2023, Members approved a funding award of £163.5m of Bus Service Improvement Plan funding, of which £73.75m was allocated for capital delivery. At the same meeting the JTC made the Enhanced Partnership Plan (EP) and Scheme which set out through a statutory partnership, how Local Transport Authorities (LTAs) and local bus operators will work together to deliver BSIP outcomes which included improving information provision. This approval confirmed funding allocations to enable BSIP Key Performance Indicators (KPIs) to be delivered.
- 1.3** In March 2024, JTC Members approved and allocated the remaining unallocated BSIP capital funding totalling £40.468m to several sub-programmes which align to the refreshed BSIP and the Enhanced Partnership Plan and Scheme.
- 1.4** At the July 2024, meeting of the North East CA Cabinet, Members re-confirmed the decisions previously made by JTC and delegated authority to the Chief Executive to enter into the relevant decisions in agreement with Monitoring Officer and the Director of Finance and Investment and in consultation with the Mayor and the relevant Cabinet Member.
- 1.5** In line with the Single Assurance Framework and in line with the delegation agreed at July 2024 Cabinet, the BSIP Bus Priority - Tranche 2 programme business case which has a total value of £22,568,691 was presented at Technical Officers Group and Finance and Investment Board; both recommended that this PBC be approved via a delegated decision which was approved in February 2025 by Chief Executive in agreement with Monitoring Officer and the Director of Finance and Investment and in consultation with the Mayor and the relevant Cabinet Member. This approval has enabled individual assurance statements to be progressed which sets out final costings and designs.

## **2. The Investment Proposal**

The BSIP Bus Priority Gateshead Lambton Street scheme will see the delivery of reconfiguration of the Lambton Street / High Street junction in order to prioritise north – south bus movements along the existing bus lane, through the junction. These changes remove the junction stop lines for buses to create a continuous through route along the bus lane. This scheme will reduce the delay incurred by buses travelling along this route, enabling faster journey times and punctuality improvements.

This project is part of the wider Bus Priority Infrastructure Tranche 2 Programme which involves schemes across the region. These are focused on improvements to the road network to significantly improve the punctuality and reliability of bus services across the region.

A fully compliant five-part business case has been produced which confirms that this project can be fully delivered by March 2026, and meets the overarching objectives of the BSIP, the Local Transport Plan, and the wider North East CA priorities.

### **2.1 Outputs and Outcomes**

<b>Outputs</b>	<b>24/25</b>	<b>25/26</b>	<b>Total</b>
40metres of new bus lane	-	40	<b>40</b>
Junction upgrades to allow continual bus movements.		4	<b>4</b>

<b>Description of Outcomes</b>	<b>Timeframe for achievement</b>	<b>Totals</b>
Business users & transport providers - the improvements will benefit the bus operators through journey time savings and improved reliability.	1 year post completion	Increase from baseline (identified in M&E)
Reliability impact on business users – improvements will generate more reliable journey times across the	1 year post completion	Increase from baseline (identified

network.		in M&E)
Wider economic impacts – improvements across a wide area for bus priority will slightly improve accessibility which will support local economic growth by relieving congestion which may help induce investment and impact employment and productivity.	1 year post completion	Increase from baseline (identified in M&E)
Air quality and greenhouse gas emissions – reduced fuel consumption and tailpipe emissions due to lower levels of congestion and improved journey times for buses.	1 year post completion	Increase from baseline (identified in M&E)

## 2.2 Timetable for Implementation

Milestone	Forecast Date
Grant funding Agreements	March 2025
Delivery Commences	April 2025
Delivery Completion	July 2025

## 2.3 Evaluation

Evaluation will be undertaken by the scheme promoter in partnership with the Enhanced Partnership Team; a monitoring and evaluation plan has been produced and will be embedded into the forthcoming Grant Funding Agreement.

## 2.4 Appraisal

Independent appraisal identified no fundamental issues to programme delivery or viability. This provides comfort that proposals are sufficiently developed and pose limited delivery risk.

## 2.5 RAG Assessment

The project's full business case has been assured by specialist independent appraisers who have provided the following summary:

Overall RAG assessment		
<b>Risk Rating</b>	Strategic case	<b>Green</b>
	Commercial case	<b>Green</b>
	Economic case	<b>Green</b>
	Financial case	<b>Green</b>
	Management case	<b>Green</b>
	<b>Overall rating</b>	<b>Green</b>

## 2.6 Recommended Conditions of Funding

The award of funding would be **subject to the following proposed funding conditions:**

No.	Condition
1.	All funding must be defrayed by March 2026

2.	All funding can only be spent on scheme deliverables set out in the project business case.
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## B. Potential Impact on North East Combined Authority Objectives

BSIP and its programme of activity supports the strategic aspirations of the North East CA, as detailed in the North East Devolution Deal signed in December 2022 and the Deeper Devolution Deal agreed at the June meeting of the North East CA Cabinet. The benefits that will be realised through the delivery of this BSIP project will include improved reliability and punctuality of bus services and journey time savings.

## C. Key risks

The key risk associated with this report is the ability of scheme promoters to defray BSIP capital expenditure within the overall BSIP programme timescales required by the Department for Transport (March 2026). Approval and agreement of the proposals outlined within this report aid in the delivery of interventions within the required timescales.

## D. Financial and other resources implications

The financial profile for the programme is outlined below:

Funding source-BSIP Capital	2025/26	Total
Gateshead Council	£949,861	£949,861
<b>Total (£)</b>	<b>£949,861</b>	<b>£949,861</b>

### Status of match funding:

No match funding is required for BSIP.

### Funding availability:

The funding which has been identified in this report is fully allocated and has previously been committed to this sub-programme by the Joint Transport Committee and was re-confirmed by North East CA Cabinet in July 2024.

Name of Programme/Scheme	Date of Approval Sought/agreed	Value £
BSIP Bus Priority Infrastructure-Tranche 2 Programme Business Case Approval.	Delegated Decision (in line with Cabinet approval in July 2024)	£22,568,691
BSIP Bus Priority Infrastructure Tranche 2 – Gateshead Lambton Street scheme approval	March 2025 at Technical Officers Group	£949,861
<b>Total BSIP Bus Priority Tranche 2 Programme Funding Remaining</b>	-	<b>£21,618,830</b>

The remaining budget identified above, is sufficient to fund all remaining schemes within the overall programme.

## E. Legal implications

Grant Funding Agreements (GFA) are being developed, prepared, and will be approved by Newcastle City Council Legal for onwards agreement with scheme promoter. GFAs will minimise any legal risks and ensure the North East CA's obligations to the Department for Transport in regard to BSIP funding are met, these obligations will be appropriately transferred to each scheme promoter through the GFA. Clear roles and responsibilities have been established concerning the design and development of proposed infrastructure, including ensuring compliance with Health and Safety and CDM regulations.

## F. Equalities implications

The North East CA follows the Public Sector Equality duty, and this report has due regard to the need to achieve the objectives set out under s149 of the Equality Act 2010. In June 2024 the North East CA adopted equality objectives to reflect the different roles of the Combined Authority as an employer, a commissioner and deliverer of services, and a civic leader. This project will improve reliability and punctuality of bus services, and a reduction in journey times by reducing pinch points across the corridor.

**G. Consultation and engagement**

Both the wider BSIP Bus Priority Infrastructure programme and this project has been consulted on and considered through Heads of Transport of the LA7 constituent authorities and at the March 2024 meeting of the Joint Transport Committee. BSIP capital funding was approved and allocated at the July 2024 meeting of the North East CA Cabinet.

Gateshead Council have undertaken consultation and stakeholder engagement activities as part of the scheme which includes local residents, business and via a statutory Traffic Regulation Order.

**H. Appendices**

N/A

**I. Background papers**

[North East Combined Authority Cabinet Meeting July 2024](#)

**J. Contact officers.**

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**K. Glossary**

**North East CA** – North East Combined Authority

**BSIP**- Bus Service Improvement Plan

**JTC**- Joint Transport Committee

**DfT**- Department for Transport

**TRO**- Traffic Regulation Order

**L. Consultee**

Cabinet Member:	Director/Head of Service:	Director of Finance and Investment:	Monitoring Officer:
Yes	Yes	Yes	Yes