

Title: Bus Service Improvement Plan- Bus Priority Infrastructure: Durham A690 Nevilles Cross Corridor Improvement Project Approval
Report of: Tobyn Hughes, Director of Transport
Portfolio: Transport

Report Summary

The purpose of this report is to seek endorsement of Durham's A690 Corridor Improvement project which has a total project value of £2,718,987. This programme sits within the Bus Service Improvement Plan (BSIP) Bus Priority Infrastructure Tranche 2 Programme Business Case (PBC) which has a total value of £22,568,691.

A delegation to the Chief Executive was agreed by Cabinet in July 2024, to enter into the relevant agreements as required, in accordance with the Single Assurance Framework of up to £40.468 million (capital) of BSIP funding to deliver a range of schemes through Grant Funding Agreement. The BSIP Bus Priority Tranche 2 sub-programme business case was approved in March 2025 by the Chief Executive, in consultation with the Mayor and the Cabinet Member for Transport. This scheme was included within the programme level business case and is now seeking final approval of funds having met the necessary requirements. The report was supported at the Technical Officers Group meeting of 16th June 2025 and Finance and Investment Board on 7th July 2025.

The recently published Mayor's Local Transport Plan centres around five key areas, including expanding the infrastructure and making it more resilient; resulting in reliability and punctuality improvements on the public transport network. This project supports this by delivering a series of targeted interventions designed to enhance bus priority along on of the principal bus corridors in County Durham

Recommendations

- i. The Chief Executive is recommended to
 - Approve Durham's A690 Corridor Improvements project which has a total value of £2,718,987 and is funded by the Bus Service Improvement Plan (BSIP) Bus Priority Infrastructure Tranche 2 sub-programme.
 - Enable the establishment of a Grant Funding Agreement and the payment of funding to Durham County Council.

A. Summary of Investment Proposal (Context)

Project Outline	
Funding Source	Bus Service Improvement Plan Capital Programme
Proposal Name	A690 Corridor Improvements
Lead Organisation	Durham County Council
Delivery Areas	Durham
Start Date	June 2025
Financial End Date	March 2026
Practical completion date (date by which all outputs will be achieved)	March 2026
Total Project Value	£2,718,987

Grant Amount Requested	£2,718,987
Budget Implications	The requested grant can be met within the overall BSIP capital budget.

1. Background

- 1.1 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 make bus travel faster and a more attractive offer to customers.
- 1.2 At Joint Transport Committee (JTC) in March 2023, Members accepted 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 bus reliability and punctuality. 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 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, in agreement with Monitoring Officer and the Director of Finance and Investment and in consultation with the Mayor and the relevant Cabinet Member, to approve investments and enter into associated grant funding agreements.
- 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, this delegated decision was subsequently approved in March 2025 by the Chief Executive in agreement with the Monitoring Officer and the Director of Finance and Investment, in consultation with the Mayor and the Cabinet Member for Transport. This approval has enabled individual assurance statements to be progressed which set out final costings and designs for interventions included within the programme. Durham County Council have finalised their Assurance Statement and are now able to commence delivery. Other schemes from across the region will come forward for approval in due course subject to finalisation of Assurance Statements.

2. The Investment Proposal

Durham's A690 corridor improvements comprise a series of targeted interventions designed to enhance bus priority along on of the principal bus corridors in County Durham. To support more reliable and efficient bus movements along the A690 route including-

- Reconfiguration of the Nevilles Cross and Crossgate Peth junctions to improve bus prioritisation.
- Upgrade of the existing puffin crossing controller on Sutton Street will be integrated with the Urban Traffic Management Control system to enhance traffic signal efficiency and support improved bus prioritisation.
- Signalisation of the North Road roundabout to facilitate improved traffic management and bus flow.

This project is part of the wider BSIP Bus Priority Tranche 2 sub-programme sets out a package of focused schemes aimed at improving the reliability and punctuality of buses at key pinch points on the region's highway network across the region.

An Assurance Statement 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

Outputs	25/26	Total
Signalised junctions with bus hurry calls- north road roundabout	8 signals (4) sets	8
Signalised junctions with bus hurry calls- Crossgate Peth	8 signals (4) sets	8
Signalised junctions with bus hurry calls- Neville cross	16 signals (8 sets)	8
New pedestrian crossing on north road roundabout	1	1

Description of Outcomes	Timeframe for achievement	Totals
Improved bus service reliability on corridor	5 years post completion	Increase from baseline (identified in M&E)
Improved journey times on corridor	5 years post completion	Increase from baseline (identified in M&E)
Increased bus patronage on corridor	5 years post completion	Increase from baseline (identified in M&E)

2.2 Timetable for Implementation

Milestone	Forecast Date
Grant funding Agreements	July 2025
Delivery Commences	July 2025
Delivery Completion	March 2026

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 assurance consultants who have provided the following summary:

Overall RAG assessment		
Risk Rating	Strategic case	Green
	Commercial case	Green
	Economic case	Green
	Financial case	Green
	Management case	Green
	Overall rating	Green

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.

B. Potential Impact on North East Combined Authority Objectives

This project supports the strategic aspirations of the North East CA, as detailed in the Corporate Plan which aims to increase opportunity, create more well-paid employment, improve transport connections, and build a greener North East.

Within the Mayor's manifesto, there is a commitment that the region's infrastructure must be fit for purpose as well as ensuring that public transport is attractive and works for all passengers. This project fundamentally supports this ambition by making buses quicker and more reliable.

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
<i>Durham County Council</i>	£2,718,987	£2,718,987
Total	£2,718,987	£2,718,987

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 via a delegated decision which was approved in March 2025 by the Chief Executive in agreement with the Monitoring Officer and the Director of Finance and Investment, in consultation with the Mayor and the portfolio holder for Transport. The grant funding for the A690 corridor improvements scheme covered by this report has not deviated from the funding envelope identified for the scheme within the business case approved in March 2025.

Name of Programme/Scheme	Date of approval sought / agreed	Value £
BSIP Bus Priority Infrastructure Tranche 2 Programme Business Case Approval.	Delegated Decision approved in March 2025 (in line with Cabinet approval in July 2024)	£22,568,691
BSIP Bus Priority Tranche 2 sub-programme- Gateshead Lambton	Delegated Decision approved in April 2025	£949,861

Street scheme		
BSIP Bus Priority Tranche 2 sub-programme- Durham A690 Corridor Improvements	Finance and Investment Board July 2025	£2,718,987
Total BSIP Bus Priority Tranche 2 sub-programme funding remaining	-	£18,899,843

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 the scheme promoter. GFAs will minimise any legal risks and ensure the North East CA's obligations to the Department for Transport regarding 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 distinct roles of the Combined Authority as an employer, a commissioner and deliverer of services, and a civic leader.

G. Consultation and engagement

Both the wider BSIP Bus Priority Infrastructure tranche 2 sub-programme and this project has been consulted on and considered through Heads of Transport of the LA7 constituent authorities and at the December 2024 meeting of the Technical Officers Group and the subsequent Finance and Investment Board. BSIP capital funding was approved and allocated at the July 2024 meeting of the North East CA Cabinet.

Durham County Council have undertaken consultation and stakeholder engagement activities with local ward members, the public and businesses in respect of the A690 corridor scheme itself.

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
FIB- Finance and Investment Board
DfT: Department for Transport

L. Consultee

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