

Title: Bus Service Improvement Plan Capital Programme: Project Approvals
Report of: Tobyn Hughes, Director of Transport
Portfolio: Transport

Report Summary

The purpose of this report is to approve and agree to enter into Grant Funding Agreements for the following Bus Service Improvement Plan (BSIP) capital schemes:

- Newcastle- Blue House Junction Newcastle City Council, £127,720
- Newcastle- North Brunton, Newcastle City Council, £256,320
- North Tyneside- Cobalt Business Park, North Tyneside Council, £342,183.16
- Durham- Meadowfield Pocket Park and Ride, Durham City Council, £325,794

The total value of the schemes associated with this report is £1.052million, which is fully funded through the Bus Service Improvement Plan (BSIP) capital allocation of £40.468 million approved by the North East Combined Authority (North East CA) Cabinet on 30 July 2024, this decision also delegated authority to the Chief Executive to approve investments within the allocation and to enter into associated grant funding agreements.

Proposals within the BSIP capital programme are required to go through scheme level assurance, inclusive of detailed consultation and local approvals prior to sign off. These requirements have been fulfilled for each of the schemes detailed above, and in line with thresholds set out in the Single Assurance Framework and the delegation provided to the Chief Executive, agreed by Cabinet in December 2025, to award and sign a grant offer or agreement up to £5m, approval is sought to enter into Grant Funding Agreements with the promoting authorities to progress delivery.

Recommendations

The Chief Executive is recommended to approve and agree to enter into the necessary grant funding agreements with the relevant scheme promoters, for the following schemes:

- BSIP – Newcastle Blue House Junction (Newcastle City Council) which has a total BSIP Capital funding allocation of £127,720
- BSIP- North Brunton (Newcastle City Council) which has a total BSIP Capital funding allocation of £256,320
- BSIP- Cobalt Business Park (North Tyneside Council) which has a total BSIP Capital funding of £342,183.16
- BSIP- Meadowfield Pocket Park and Ride (Durham City Council) which has a total BSIP Capital funding of £325,794

A. Summary of Investment Proposals

Project Outline	
Funding Source	Bus Service Improvement Plan Capital
Proposal Name	Newcastle Blue House Junction

Delivery Areas	Newcastle
Start Date	July 2026
Financial End Date	October 2026
Practical completion date (date by which all outputs will be achieved)	August 2026
Total Project (s) Value	£127,720
Grant Amount Requested	£127,720
Budget Implications	The requested grant can be met within the overall BSIP capital budget.
Project Outline	
Funding Source	Bus Service Improvement Plan Capital
Proposal Name	Newcastle- North Brunton
Delivery Areas	Newcastle
Start Date	August 2026
Financial End Date	November 2026
Practical completion date (date by which all outputs will be achieved)	September 2026
Total Project (s) Value	£256,320
Grant Amount Requested	£256,320
Budget Implications	The requested grant can be met within the overall BSIP capital budget.
Project Outline	
Funding Source	Bus Service Improvement Plan Capital
Proposal Name	North Tyneside- Cobalt
Delivery Areas	North Tyneside
Start Date	April 2026
Financial End Date	September 2026
Practical completion date (date by which all outputs will be achieved)	June 2026
Total Project (s) Value	£342,183.16
Grant Amount Requested	£342,183.16
Budget Implications	The requested grant can be met within the overall BSIP capital budget.
Project Outline	
Funding Source	Bus Service Improvement Plan Capital

Proposal Name	Meadowfield Pocket Park and Ride
Delivery Areas	Durham
Start Date	May 2026
Financial End Date	December 2026
Practical completion date (date by which all outputs will be achieved)	September
Total Project (s) Value	£325,794
Grant Amount Requested	£325,794
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, more affordable, and a more attractive offer to customers.
- 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. This approval also confirmed funding allocations to enable BSIP Key Performance Indicators (KPIs) to be delivered.
- 1.3 In July 2023, the JTC approved £33.29m of BSIP capital funding for investment in Bus Priority Infrastructure and Intelligent Transport Systems. In March 2024, JTC Members approved and allocated the remaining unallocated BSIP capital funding totalling £40.468m.
- 1.4 At the 30 July 2024, meeting of the North East CA Cabinet, Members re-confirmed the decisions previously made by the JTC and delegated authority to the Chief Executive (in consultation with the Mayor, relevant Cabinet Member, Monitoring Officer and Director of Finance and Investment) to enter into agreements for up to £40.468m of BSIP capital funding (Cabinet Decision C24/7/24 (9)).
- 1.5 At the 9 December 2025 meeting of the North East CA Cabinet, Members resolved to approve a revised Scheme of Officer Delegations enabling the Chief Executive to award and sign a grant offer or agreement up to £5m (Cabinet Decision 50/12/25 (Governance Update)).
- 1.6 In line with the Single Assurance Framework, and in line with the delegation agreed at Cabinet held on 9 December 2025, the schemes outlined in Section A, have now come forward for approval following successful assurance.

2. The Investment Proposals

- **Newcastle- Blue House Junction - £127,720**

This scheme comprises the extension of the existing northbound bus lane from a point south of Forsyth Road to the Blue House Roundabout. The extended bus lane will terminate just before the carriageway widens from two lanes to three. This represents a minor refinement to the alignment of the bus lane to reflect the local road layout and conditions. The scheme is intended to improve bus journey reliability and reduce delays for northbound services along this corridor.

- **Newcastle- North Brunton- £ 256,320**

The scheme comprises the introduction of a northbound bus lane along the B1318, extending from the off-slip from Great North Road to a point just prior to the roundabout entry. This scheme will therefore ease congestion as well as improving the flow of bus traffic on the corridor.

- **North Tyneside- Cobalt Business Park- £342,183.16**

This scheme involves the signalisation of the junction at Quick Silver Way / The Silverlink North (Cobalt). Introduction of traffic signals will both enhance the traffic flow at the junction at present and provide future proofing for any potential future development in the area to ensure the junction runs to maximum efficiency.

- **Durham City Council- Meadowfield Pocket Park and Ride- £325,794**

This scheme encompasses the Meadowfield PP&R site, located adjacent to the A690 corridor adjoining the Meadowfield Leisure Centre, to the south-west of Durham with the delivery of 16 parking spaces. The site at Meadowfield is located 3 miles south west of Durham city centre, via the A690. The dual carriageway runs through Durham and is an important link to the city centre and Durham University. This project will enable bus passengers to park in close proximity to a key bus corridor and travel the rest of their journey by bus.

3. Outputs and Outcomes

For the schemes seeking approval the following outputs apply:

Newcastle Blue House Junction

Outputs	26/27	Total
New bus lane	360m	360m

Newcastle- North Brunton

Outputs	26/27	Total
New bus lane	714m	714m
New pedestrian crossing	1	1

North Tyneside- Cobalt Business Park

Outputs	26/27	Total
New traffic signals	3	3
New signal controller	1	1
New pedestrian crossing	3	3

Durham- Meadowfield Pocket Park and Ride

Outputs	26/27	Total
New car parking spaces	16	16
New entrance and exit into site	1	1

Outcomes

For all schemes seeking approval, the following outcomes apply

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)

4. Timetable for Implementation

Anticipated milestones are outlined in section A (Summary of Investment Proposals).

5. Evaluation

Evaluation will be undertaken by the scheme promoter for each scheme, 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.

6. Appraisal

Independent appraisal identified no fundamental issues to programme delivery or viability of all schemes contained within this report. This provides comfort that proposals are sufficiently developed and pose limited delivery risk.

7. RAG Assessment

Both programme level business cases and assurance statements have been assured by specialist independent appraisers who have provided the following summary across each scheme presented for decision:

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

8. Recommended Conditions of Funding

The award of funding will be subject to the following proposed funding conditions.

No.	Condition
1.	All funding must be defrayed by March 2027
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

The LTP and its associated Delivery Plan are centred on delivering a fully integrated public transport system, better travel planning to ensure smoother journeys, with a key focus on safety and security of women and girls. The proposals included within this report directly contribute towards achieving these aims, and in turn, support the North East Combined Authority corporate objectives of delivering a Home of real opportunity and a North East we are proud to call home. The benefits that will be realised through the schemes included in this report will improve the attractiveness, accessibility and reliability of public transport, leading to more people choosing to travel sustainably, journey time savings for people choosing to travel sustainably and a reduction in harmful emissions owing to an uptake in public transport.

C. Key risks

The key risk associated with this report is the ability of the scheme promoters to defray BSIP capital expenditure within the overall BSIP programme timescales as required by the Department for Transport (March 2027). Approval and agreement of the proposals outlined within this report will aid in the delivery of the interventions within the required timescales.

D. Financial and other resources implications

The current estimated financial profile for schemes seeking approval is included below:

Scheme name	2026/7	Total
Newcastle- Blue House Junction	£127,720	£127,720
Newcastle- North Brunton	£256,320	£256,320
North Tyneside- Cobalt Business Park	£342,183.16	£342,182.16
Durham- Meadowfield Pocket Park and Ride	£325,794	£325,794
Total	£1,052,017.16	£1,052,017.16

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 to the schemes seeking approval via a Cabinet decision in July 2024 (C24/7/24).

E. Legal implications

The comments of the monitoring officer are included in this report.

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

Extensive consultation and engagement was undertaken in the development and agreement of the BSIP programme, as such the schemes included within this report have been consulted on and considered by Heads of Transport of the LA7 constituent authorities, Transport Advisory Board and at the July 2024 meeting of the North East CA Cabinet.

The relevant scheme promoters have undertaken consultation and engagement for each of the schemes outlined in this report. This includes engagement with local ward members, the public and businesses, which has been evidenced through the assurance process.

H. Appendices

None.

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
TOG: Technical officers Group
FIB- Finance and Investment Board
DfT: Department for Transport
GFA: Grant Funding Agreement
CDM- The Construction (Design and Management) Regulations

L. Consultee

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