

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

<b>Reference Number:</b>	<b>4861</b>
<b>Author:</b>	<b>James David Howe</b>
<b>Department:</b>	<b>Growth and City Development</b>
<b>Contact:</b>	<b>James David Howe</b> <b>(Job Title: Principal Public Transport Officer, Email: james.howe@nottinghamcity.gov.uk, Phone: 0115 876 4676)</b>
<b>Subject:</b>	<b>Devolved Local Tendered Services Bus Services Operating Grant (DLTS BSOG) &amp; Local Transport Fund (LTF) Grant 2022-23</b>
<b>Total Value:</b>	<b>£276,161 (Type: Revenue)</b>
<b>Decision Being Taken:</b>	<b>Approval to use the two sets of Grant funding from the Department for Transport to support local bus services. The devolved BSOG will be used to support the cost of tendered bus services contracts. The LTF grant will cover the loss of fares revenue since such income has not recovered from pre-pandemic levels.</b>
<b>Reasons for the Decision(s)</b>	<b>This external funding takes the pressure off council budgets and the use of the Workplace Parking Levy to partially support a variety of public transport related spend. It helps the council cover any fare losses as patronage continues to slowly recover after the pandemic and provides a contribution towards bus service contract costs, thereby reducing the council's subsidy cost per passenger/citizen. The contracted bus services serve gaps in the commercial public transport network to connect residential areas with key employer sites, district centres and health institutions.</b>
<b>Other Options Considered:</b>	<b>If these grants were not accepted, council budgets and Workplace Parking Levy receipts would have to wholly fund the cost of public transport provision. This option should be rejected as the council can satisfy the conditions of each grant and utilise the funding.</b>
<b>Background Papers:</b>	<b>Letter to LTAs - BRG extension first 3 months arrangementsFinal - Letter - Devolved BSOG + Annexes Complete ListingLTF Grant Agreement - April 2022</b>
<b>Unpublished background papers:</b>	<b>Letter to LTAs - BRG extension first 3 month arrangements.pdf, Final - Letter - Devolved BSOG + Annexes Complete Listing.docx, LTF Grant Agreement - April 2022.pdf</b>

**Published Works:**

**Affected Wards:**

Citywide

**Colleague / Councillor Interests:**

**Consultations:**

Those not consulted are not directly affected by the decision.

**Crime and Disorder Implications:**

Supporting the provision of local bus services to areas under-served or not served at all by the commercial network, provides a safe mode of transport, particularly for the most vulnerable. It also provides opportunities for residents to connect to important services and institutions, such as schools, colleges and to places of work, helping to divert people away from crime or anti-social behaviour.

**Equality:**

EIA not required. Reasons: No EIA required as there are no proposed changes to any policies, services or functions.

**Decision Type:**

Portfolio Holder

**Subject to Call In:**

Yes

**Call In Expiry date:**

23/02/2023

**Advice Sought:**

Legal, Finance

**Legal Advice:**

The decision seeks to accept grant funding from the DfT to support local bus services.  
In accepting and using the grant funding, the Council must comply with the conditions imposed on the grant funding.  
In undertaking or extending tendered bus service contracts, the Council must comply with its own Constitution and relevant legal requirements, for example only Public Contract Regulations 2015.  
Where the Council specifically uses LTF grant funds to cover the loss of fares, the Council must ensure there is an audit trail to evidence the accurate use of funds for this purpose.  
Anthony Heath, Senior Solicitor, Contracts and Commercial, 18th November 2022. Advice provided by Anthony Heath (Senior Solicitor) on 18/11/2022.

**Finance Advice:**

The Decision to accept £276,161 from the DfT in continued funding for Bus Services Operating Grant (BSOG) & Local Transport Fund Grant (LTF) to aid the council with the cost of Council contracted bus services is supported.

BSOG contributes £197,557 for the period 1 April 2022 to 31 March 2023 and can be used to support the cost of tendered bus service contacts.

LTF contributes £78,604 with this extension applying from 5 October 2022 and will end on 31 March 2023. This funding can be used to cover losses where the local authority takes the risk for fares revenue on tendered bus services.

Previous Decisions on receiving DfT funding for bus services include DD4603 and DD4491 for the Bus Recovery Grant (BRG), and DD4235 Bus Capacity Grant.

This grant will support any the in-year position and it is important to ensure at the end of the financial year that any grant not used as intended is clearly accounted for.

Advice provided by Paul Rogers (Commercial Finance Business Partner (G&D)) on 18/11/2022.

**Signatures**

<b>Audra Wynter (Portfolio Holder for Highways, Transport and Parks)</b>
<b>SIGNED and Dated: 15/02/2023</b>
<b>Sajeeda Rose (Corporate Director of Growth &amp; City Development)</b>
<b>SIGNED and Dated: 13/02/2023</b>