



**HIGHWAYS AND TRANSPORT OVERVIEW AND SCRUTINY**  
**COMMITTEE – 5 JUNE 2025**

**QUESTIONS ASKED UNDER STANDING ORDER 35**

**1. Question asked by Mr. Adam Stares**

In the Highways & Transport Grown & Savings section of the current MTFS (Appendix B, point 44 of this Committee's January meeting) there is a proposal to cut spending on bus subsidies marked as a "Service Reduction" to save £400,000 each year from 2026/27.

Is the Council still committed to this upcoming spending cut which it has described as a "service reduction" and what does it expect that the impact will be on service users from 2026/27?

[http://cexmodgov01/documents/s187653/MEDIUM%20TERM%20FINANCIAL%20STRATEGY%20202526%20202829.pdf?\\$LO\\$=1](http://cexmodgov01/documents/s187653/MEDIUM%20TERM%20FINANCIAL%20STRATEGY%20202526%20202829.pdf?$LO$=1)

**Reply by the Chairman**

The £400,000 savings requirement to 'review the application of the subsidised bus policy, post Covid', was included in the MTFS prior to award of one-off central government funding for 2025/26 for bus services (Bus Grant). Whilst government funding remains in place, budgets will continue to be maintained at pre-grant award levels, with any inflation increases being met by grant funding. As things stand, we currently have a one-year Bus Grant allocation for 2025/26 from the Department for Transport of £8.1m (split between £5.0m revenue and £3.1m capital). No further funding has been announced for future years at this stage.

In terms of impacts on bus users, should there be no further grant funding then savings will be required and proposals to reduce bus services paid for by the County Council would be developed and engagement with the community on those proposals would take place. Community feedback and any changes proposed would be considered by cabinet for approval before any saving is implemented. It may be helpful to note that the County Council's Medium Term Financial strategy is reviewed annually.

In the meantime, aided by the one off 'Bus Grant' funding, the Council is well underway with a comprehensive passenger transport network review to create

more travel opportunities for Leicestershire residents in line with its Passenger Transport Policy and Strategy. Full details of the phases of this review and new, amended and improved services including new app based demand responsive transport Foxconnect services are available on the Council's website here: <https://www.choosehowyoumove.co.uk/public-transport/get-around-by-bus/leicestershire-buses/leicestershire-network-review/> Details of the new services that have been launched this week in the Charnwood, Harborough and South West Leicestershire areas are also available on the website.