

SUBJECT:	BUS SHELTER PROVISION IN LINCOLN
DIRECTORATE:	COMMUNITIES AND ENVIRONMENT
REPORT AUTHOR:	STEVE BIRD, ASSISTANT DIRECTOR COMMUNITIES AND STREET SCENE

1. Purpose of Report

- 1.1 To seek the transfer of bus shelters and the bus shelter contract, so as to provide a new future for bus shelter provision in Lincoln that lets the service develop as a key part of public transport infrastructure in the city.

2. Executive Summary

- 2.1 The bus shelters, which have always been a part of the transport infrastructure of the city, were left with the City Council when the County Council took back responsibility for the highway functions many years ago.
- 2.2 The City Council has two types of bus shelter: Those that are self-maintaining (self-funded by advertising), making them 'free,' and others that incur a cost for their upkeep.
- 2.3 Advertising on bus shelters has become a more competitive market, and we are advised that the next contract for advertising on the shelters is likely to generate an income over and above the provision of the 'free' shelters. It is expected that the income will be enough to cover the annual maintenance costs of those that have traditionally incurred a cost to maintain them (non- advertising), with some potential for step by step improvements subject to the actual income achieved.
- 2.4 Before letting the next contract, as the bus shelters are expected to be self-financing, and thereby free of liability, it has been right to consider where the responsibility for the bus shelters should sit, not least in the context of the development of a modern transport strategy.
- 2.5 The County Council have been approached in the context of the above, and with recognition to the increasing importance of public transport, to see if they would be interested in adopting responsibility for all bus shelters. They have acknowledged the points made, and made it known that they would be prepared to consider adopting them if this is in full and at nil-cost. This report considers the options and makes a clear recommendation.

3. Background

- 3.1 The City Council has installed and cared for bus shelters across the city for many decades. Historically this work was part of the S42 highways agency agreement with LCC highways, when the City Council managed all highway related issues in

the city. However, it was not taken back with all the other transport services when LCC ended the agreement, leaving it as something of an anomaly.

- 3.2 The bus shelter stock falls into broad two types depending on location:
 - 1. Ones for which advertising had a potential to generate an income.
 - 2. Those for which there was no advertising income potential at this time.
- 3.3 Under the old highways agency agreement an agreement was reached with Adshell to take on those for which an advertising income was possible. The agreement saw them installed, cared for, maintained, and replaced when required at no cost to the Council. For clarity, there was no income, but no cost.
- 3.4 The remainder of the shelters were left for the Council to care for and maintain, for which a small budget was set, then subsequently removed when the financial position did not allow it, and savings had to be made.
- 3.5 The Adshell contract has worked well, and been rolled-on, with those facilities remaining in good condition, being well cared for, and being replaced as required. The remaining shelters having had no allocated budget. It has not been possible to identify a budget for the Council's own shelters for some years now, leading to a gradual overall decline in the quality of these facilities, which make up a significant part of the overall inventory.

4. Inventory

- 4.1 The City Council has 42 bus shelters of its own, with Adshell currently having a 'zero cost' contract to maintain a further 59 sites.
- 4.2 The Adshell shelters are in very good condition, with some having been upgraded to include new remotely controlled electrical advert installations.
- 4.3 The City Council's stock is of varied quality, from some relatively new (installed when grants/support funding has been available), to some very poor sites.

5. Adshell Contract.

- 5.1 This is a 'zero cost' contract, effectively agreeing to them providing and maintaining bus shelters on some routes in the city, in return for use of these shelters for advertising.
- 5.2 The contract is due to be re-let by 29 April 2026, and requires that a minimum of one year's notice be given.
- 5.3 The market for advertising has changed, and it is now a fiercely competitive area, with electronic advertising meaning that adverts can be posted more cheaply from a central site, and more quickly rotated. As a result, we are assured that the new contract, which will be exposed to open market forces, has a good potential to bring an income in addition to the provision of the 'free' shelters.

- 5.4 The procurement timetable for the letting of a new contract, means that a decision on their future is required very shortly. In summary, work will need to start on the contract well before the end of this year.

6. The Business Case

6.1 Part 1- The Service Case

- 6.1.1 Bus shelters are a small part of a much larger transport network. Although not a statutory service, they are still considered a vital part of a welcoming modern bus service.
- 6.1.2 They should be considered as an important part of the customers' service journey. They offer shelter when required, and so strongly affect views of the services offered, but also have the potential, if invested in, to provide electronic information on bus timetables, and 'live' information on bus services etc.
- 6.1.3 Currently, vested with the City Council there is no connection with the County Council's transport strategy, and instead they are maintained as 'street furniture' with no clear vision for their future, and no budget.

6.2 Part 2- The Financial Case

- 6.2.1 For the past few decades, the city's own bus shelters have either been cost-neutral, or a cost burden. With no budget for shelters this has meant essential maintenance only (removing health and safety hazards).
- 6.2.2 However, the new operating environment suggests that an income can now be achieved from the high profile advertising shelters, offering a potential income stream that will permit the shelters with no advertising to be upgraded and well maintained at no cost to tax payers. The existing stock is considerable, and it has to be accepted that unless up- front capital funding was available, the upgrade of the city's stock would take some considerable time, and the aspirational move to such as real-time data might not be possible as a stand-alone service.

7. Strategic Priorities

7.1 Let's drive inclusive economic growth

Bus shelters are seen as an important part of any transport system, and so underpin popular use of public transport by all, so supporting the growth and regeneration of a vibrant economy.

7.2 Let's reduce all kinds of inequality

Bus services have traditionally been valued by those on lower incomes, and those with certain disabilities for whom alternatives might not have been an option. Today they are seen as offering a more environmentally friendly choice, and so are increasing popular across a much wider demographic. Good quality bus shelters are a vital part of any bus journey.

7.3 **Let's address the challenge of climate change**

Increasing public transport is now seen as a critical way to reduce pollution, and thereby the impacts on our environment that personal transport can take.

8. **Organisational Impacts**

8.1 **Finance.**

The City Council makes no financial provision for bus shelter maintenance. Retaining the service, with a new contract for shelters with advertising potential, would however be expected to give an income for investment in non-advertising shelters.

It is expected that bus shelter maintenance would operate within the parameters of whatever income is achievable, in terms of physical spend on the shelters themselves, with the potential for investment dictated by the final value of the advertising shelter contract.

The City Council's staff responsible for this service presently are fully engaged with the letting of the Council's large scale street scene contracts, and so given the timetable for this contract, external consultancy assistance would be required. This has not been budgeted for, and so if the service is not transferred, an extra cost burden would arise.

9. **Legal Implications including Procurement Rules.**

9.1 The contract with Adshell has been rolled-on to its maximum extent. This work/opportunity must therefore now be exposed to the market.

9.2 The new contract must run from 30 April 2026, requiring it to be let by 1 November 2025 ideally, to ensure a smooth hand-over period.

9.3 The City Council's staff who run this service currently are fully engaged with the letting of the large-scale street scene service contracts as a priority. As a result, no capacity is available to let these contracts internally, so external support would be required, at an unbudgeted cost.

9.4 As the bus shelters should have reverted to LCC when the S42 Highway SLA lapsed, it is the view of legal services that the shelters do not constitute an asset of the City Council per se, and therefore they can be transferred now without impinging on the council's Constitution.

10. **Equality, Diversity and Human Rights**

10.1 The Public Sector Equality Duty means that the Council must consider all individuals when carrying out their day-to-day work, in shaping policy, delivering services and in relation to their own employees.

10.2 It requires that public bodies have due regard to the need to:

- Eliminate discrimination

- Advance equality of opportunity
- Foster good relations between different people when carrying out their activities

10.3 The provision of bus shelters benefits all public transport users, and does not disadvantage anyone with a protected characteristic. Loss of some shelters may have an adverse effect on all bus users, with those with mobility issues affected more than others.

11. Significant Community Impact &/or Environmental Impact

11.1 At the moment the provision of bus shelters in the city is in slow decline. This report identifies that this may stabilise if the City Council can bring in new income, but that if Lincolnshire County Council assumed responsibility, not only will the new income be advantageous, but they will also be able to review provision strategically, benefitting the traveling public long term.

Lincolnshire County Council have said that, mindful of both the reduced financial risks and the opportunities for enhancing the public's experience of bus travel, they would be open to receive an offer of transfer of assets and responsibilities at nil - cost.

12. Corporate Health and Safety Implications

12.1 Risk Implications

12.1.1 (i) Options Explored

a) City Council retains the bus shelters, and lets a new advertising contract. The income be placed within the street cleansing budget, and used to repair existing non-adverting shelters to a safe standard.

Pros.

- This is a potentially better position than enjoyed for many years, with the potential to halt a long-term decline.

Cons.

- Enhancements would be subject to budget, which cannot be known until the contract is let.
- It is likely that it will take some years to improve stock condition, if only this source of funding is available.
- Whilst this offers a long term improvement opportunity, it retains the stock outside of any public transport strategy, and consequently makes potential for any other public transport funding most unlikely.
- There would be a need for external specialist procurement support (unbudgeted) to let the contract.

b) County Council adopts the bus shelters, and lets a new advertising contract. This is done in the context of public transport strategy needs. The income be used

to repair existing non-adverting shelters to a safe standard. Enhancements would be subject to budget, be that from advertising or other sources.

Pros

- This would bring bus shelters within the responsibility of those who develop transport strategy, so their importance can be considered integral with other relevant services.
- It would provide the transport authority with opportunities to seek additional external funding.
- It would provide opportunity for transport authority to be aspirational in terms of such as 'real-time' data.
- It removes any demand on the City Council to resource contract letting this autumn, and permits staff to concentrate on other street scene issues at a time of significant change.

Cons.

- None.

12.1.2 (ii) **Key Risks Associated with the Preferred Approach**

The preferred option is for LCC to adopt the bus shelters, so they can be developed alongside the public transport strategy for the long term benefit of service users.

13. **Recommendation**

That the City Council invites the County Council to take ownership of the bus shelter asset, along with the Adshell contract.

Key Decision	Yes
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Key Decision Reference No.	N/A
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Do the exempt information categories apply?	No
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Call in and Urgency: Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply?	No
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Does the report contain appendices?	No
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List of Background Papers:

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