
Executive Decision

Local Transport Funding Grant 2025/26

Decision to be taken by: City Mayor

Decision to be taken on: 14 August 2025

Lead director/officer: Andrew L Smith, Director of
Planning, Development and Transportation

Useful information

- Ward(s) affected: All
- Report author: Daniel Pearman
- Author contact details: 0116 454 3061
- Report version number: 1

1. Summary

Leicester City Council has been awarded £9.52m as part of the Local Transport Grant – a fund made available to Northern and Midlands authorities to spend on transport improvements.

The grant may be spent on a variety of projects related to local transport, including design, construction and maintenance, . The primary limitations are that it cannot be spent on heavy rail nor on the Strategic Road Network.

In addition, the authority has been provided £360,000 under the Local Transport Resource Grant – this is intended to provide a level of resource to recruit, retain, and train officers to support transport plan development.

The grant is required to be spent before the end of the 25/26 financial year, and there has been no confirmation of funding for 26/27. Given these constraints, a programme has been developed that prioritises deliverability, investment opportunities, and time or resource critical projects.

2. Recommended actions/decision

It is recommended that the City Mayor:

- a) Approves this proposed programme to be taken forward for delivery during the 2025/6 financial year.
- b) Approves the addition of £9.52m, as an immediate start, to the 2025/26 General Fund Capital Programme, financed by Local Transport Grant.
- c) Delegates authority to the Director of Planning, Development and Transportation, in consultation with the City Mayor and the Assistant City Mayor for Environment and Transport, to make amendments to the programme to enable project delivery in accordance with the grant requirements.

2. Scrutiny / stakeholder engagement

Details on the Local Transport Grant were considered at the 25th June session of the Economic Development, Transport, and Climate Emergency Scrutiny Commission.

4. Background and further details

Introduction

The Government has made available funding for the delivery of capital transport projects within the 25/26 financial year – the Local Transport Grant.

Leicester's allocation under this grant is £9.52m, and as per the grant terms this should be spent before the end of the 2025/26 financial year. This grant may be spent on a wide range of transport works and improvements.

Proposed Programme

The proposed programme is attached as Appendix A

Local Transport Resource Grant

The Local Transport Resource Grant will be used to support staffing resources in the transport strategy team to enable development of the Local Transport Plan once additional guidance is available and the Integrated National Transport Strategy has been adopted.

5. Financial, legal, equalities, climate emergency and other implications

5.1 Financial implications

This report seeks addition of £9.52m to the 2025/26 General Fund capital programme, to be financed entirely by Local Transport Grant. A separate revenue grant of £360k will enable the continuation of staffing resource for wider strategy development.

Signed: Stuart McAvoy – Head of Finance

Dated: 11th July 2025

5.2 Legal implications

The report identifies various projects which are to be funded through Central Government grant(s), each scheme/project will have appropriate legal considerations as they are developed therefore Legal and Procurement Services will need to be engaged as needed.

The Authority is receiving this funding in its statutory role as a local transport authority. In accepting the Government funding the Authority will be required, under the terms of any grant funding agreement comply with conditions attached to that grant funding. In spending the grant funding, the Authority will also need to consider the applicability of the Procurement Act 2023 and the Subsidy Control Act 2022. Expenditure of the funding will

therefore be subject to advice from the Legal and Procurement Services, to ensure that each acts lawfully.

Signed: Mannah Begum, Principal Lawyer, Commercial & Contract Legal Services

Dated: 12 June 2025

5.3 Equalities implications

The report provides details of the government grants made available for transport improvements in the 25/26 financial year. There are no direct equality implications arising from the report. Transport impacts on an individual's quality of life as an enabler of economic and social inclusion. Better transport makes access to healthcare, jobs, education and training, and community possible.

Signed: Equalities Officer, Surinder Singh, Ext 37 4148

Dated: 10 June 2025

5.4 Climate Emergency implications

Increasing the proportion of journeys made by active travel - which produces no, or minimal carbon emissions - is an important part of the council's strategy for working towards a 'climate ready' net zero city. There are also secondary benefits with improved connections, providing safer active travel options and improved health and wellbeing. Maintenance and refurbishment of existing assets to extend asset life helps mitigate emissions associated with the wholesale disposal and replacement of materials.

Signed: Phil Ball, Sustainability Officer, Ext: 372246

Dated: 13 June 2025

5.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

6. Background information and other papers:

N/A

7. Summary of appendices:

Appendix A – Indicative project list

8. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?

No

9. Is this a "key decision"? If so, why?

Yes - 'Connecting Leicester Phased Programme'. Capital expenditure of over £1m is to be committed on a scheme which is not currently included within the capital programme.