



## Proposed award of subsidised local bus service contract

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**Date of meeting** 25 August 2023

**Date of report** 3 August 2023

### Report by Chief Executive

#### 1. Object of report

To recommend the Committee approve the award of a subsidised local bus service contract. This paper affects Glasgow and South Lanarkshire Council areas.

#### 2. Background to report

SPT subsidises bus services which are not provided by the commercial market, but which are considered socially necessary in accordance with the approved framework.

Operators wishing to bid must submit compliant tenders, but optional prices are also considered whereby the operator may submit an option which offers efficiency savings to SPT. It is also permissible for operators to package contracts where this may provide better value for money.

#### 3. Outline of proposals

As previously reported, SPT was notified by First Bus that they had elected not to operate a significant number of SPT supported services from 5 February 2023 onwards - services 189/190, 14, 59, 93, 193, 210, 244, 251, 49 and M4 with the operator citing lack of driver availability.

SPT notified the operator of its intention to terminate these contracts, due to the breach of contract by First Bus, and to re-advertise accordingly. The award of contract 0914P noted within this paper, relates to the replacement on a "like for like" basis for service 189/190.

A temporary solution for the maintenance of service 189/190 was put in place during the period of seeking a substantive replacement, and this is noted in the report entitled "Contracts awarded under delegated powers" available at the following link: [https://www.spt.co.uk/media/dnxfztgb/ops280423\\_agenda11.pdf](https://www.spt.co.uk/media/dnxfztgb/ops280423_agenda11.pdf)

Copies of all timetables are available on request. Specific details of individual contracts are attached at Appendix 1 with the current and contract renewal costs shown.

#### 4. Committee action

The Committee is recommended to agree the award of the contract detailed in Appendix 1.

## 5. Consequences

Policy consequences	<i>In line with the Regional Transport Strategy and SPT's framework for local bus services.</i>
Legal consequences	<i>Contract will be awarded subject to SPT's terms and conditions for transport contracts.</i>
Financial consequences	<i>The contract awarded in this committee paper will result in additional costs of £128,783 in 2023/2024. These costs will be met by First Glasgow for the recovery of additional costs for replacement contracts.</i>
Personnel consequences	<i>None directly.</i>
Equalities consequences	<i>Seeks to reduce the incidence of social exclusion by supporting socially necessary bus services. As proposals support a continuation of existing bus services an Equality Impact Assessment has therefore not been undertaken.</i>
Risk consequences	<i>None directly.</i>
Climate Change, Adaptation & Carbon consequences	<i>As proposals support a continuation of existing local bus services an EIA has therefore not been undertaken.</i>

**Name** Neil Wylie  
**Title** **Director of Finance & Corporate Support**

**Name** Valerie Davidson  
**Title** **Chief Executive**

For further information, please contact *Gordon Dickson, Head of Bus Strategy & Delivery* on 0141 333 3407.

**APPENDIX 1**

First Glasgow Contract Termination										
contract	service no	service description	operator	bus provision	bus provision	term (weeks)	contract price	annualised price (proposed)	annualised price (current)	variance
0914P	189/190	Glasgow Inner Circle	Hobsons Travel	Operator	Operator	40	£319,200.00	£414,960.00	£140,518.04	£274,441.96
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