



Proposed award of subsidised local bus service contracts

Date of meeting 31 January 2025

Date of report 10 January 2025

Report by Head of Bus Strategy & Delivery

1. Object of report

To recommend the Committee approve the award of a number of subsidised local bus service and MyBus contracts.

This paper affects East Dunbartonshire, Glasgow, North Ayrshire, North Lanarkshire 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. A number of these contracts are due to expire in July 2025 and tender bids have been sought for their renewal.

Prior to seeking replacement contracts SPT analyses existing provision, reviewing performance data for each specified journey within each service to align provision with actual demand. In addition, the opportunity is also taken to determine whether contracts can be amalgamated in situations where this may improve connectivity and overall sustainability.

Operators must submit compliant tenders, but optional alternative 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.

A number of contracts advertised, but not recommended for award to this committee were deemed unsustainable, therefore further round(s) of tendering, and subsequent direct negotiation is being carried out to deliver best value for the subsidised bus budget.

3. Outline of proposals

Of the 37 advertised individual local bus service and MyBus contracts, it is proposed to award 9 at this stage with a total contract value of £4,506,143 detailed in Appendix 1. This will result in an annual increase of £52,699 to the subsidised bus budget costs when compared to the current annual contract value.

The Committee is advised that the contracts for service 14 and 251 currently utilise SPT vehicles and will be operated from the renewal date with operator vehicles. Copies of all timetables are available on request. Specific details of individual contracts are attached at Appendix 1 with the current and contract renewal cost shown.

4. Committee action

The Committee is recommended to agree the award of the contracts 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>All contracts will be awarded subject to SPT's terms and conditions for transport contracts.</i>
Financial consequences	<i>The award of the contracts detailed in this committee paper will result in increased costs of £39,167 to SPT in 2025/2026 when compared to current costs of these contracts.</i>
Personnel consequences	<i>None directly.</i>
Equalities consequences	<i>The proposals support continued operation of local bus services or, where service changes have resulted in impacts, mitigate the impact of a reduced commercial local bus services. Where contracts have been terminated or reduced this reflects commercial market provision or local demand and is not considered to have a significant detrimental impact</i>
Risk consequences	<i>None directly.</i>
Climate Change, Adaptation & Carbon consequences	<i>Supported bus services help reduce transport emissions through encouraging modal shift to more sustainable travel.</i>

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APPENDIX 1

contract	service no	service description	operator	comments	bus (proposed)	bus (current)	term (years)	contract price	annualised price (proposed)	annualised price (current)	variance
0906N	46	Castlemilk - Parkhead - Carntyne - Queenslie	Stuarts Coaches	Journey reduction due to low demand.	Operator	Operator	3	£689,774.00	£228,460.18	£204,222.20	£24,237.98
2838N	72 178/A/B	Kirkintilloch - Glasgow (72) Kirkintilloch - Moodiesburn (178/A/B)	McGill's (Option)	Optional timetable offering enhanced journey extensions between Kirkintilloch, Kilsyth, Banton and Falkirk.	Operator	Operator	3	£794,795.00	£263,244.20	£226,782.40	£36,461.80
4980L	14	Rutherglen - Fernhill	McGill's (Package 1)	Packaged with contract LS083K	Operator	SPT	3	£271,892.00	£90,053.40	£88,255.44	£1,797.96
LS083K	165	Rutherglen - Cambuslang	McGill's (Package 1)	Packaged with contract 4980L	Operator	Operator	3	£174,507.00	£57,798.50	£38,643.80	£19,154.70
LS060H	25/A/B/C/D /E X36A	Ardrossan/ Irvine - Kilwinning - Kilbirnie - Beith	Western (Option) (Sole Bidder)	Optional Farescale	Operator	Operator	3	£583,753.63	£193,345.15	£186,616.04	£6,729.11
W035D	251	Larkhall - Overtown - Wishaw General Hospital	ARG Travel (Option)	Optional Farescale	Operator	SPT	3	£592,389.72	£196,205.51	£170,954.68	£25,250.83

contract	service no	service description	operator	comments	bus (proposed)	bus (current)	term (years)	contract price	annualised price (proposed)	annualised price (current)	variance
W045H	49 124 153	Silverburn - Shawlands (49) Govan - North Cardonald (124) Glasgow - Silverburn (153)	McGill's (Sole Bidder)	Journey reduction due to low demand.	Operator	Operator	3	£476,394.00	£157,786.55	£159,163.68	-£1,377.13
W121E	49	Southpark Village - Silverburn - Govan	McGill's		Operator	Operator	3	£461,360.00	£152,807.13	£153,261.68	-£454.55
W134D	16/A 117 202	Salsburgh - Airdrie - Carnbroe (16/16A) Townhead - Carnbroe (117) Salsburgh - Monklands Hospital (202)	ARG Travel (Option 1)	Contract/Service consolidation. Optional Farescale - Gross Cost Contract	Operator	Operator	3	£461,277.65	£152,779.86	£211,881.29	-£59,101.43
								£4,506,143	£1,492,480	£1,439,781	£52,699