



Proposed award of subsidised local bus service contracts

Committee Operations

Date of meeting 24 January 2020

Date of report 09 January 2020

Report by Assistant Chief Executive

1. Object of report

To recommend the Committee approves the award of a number of subsidised local bus service contracts.

This paper affects East Ayrshire, East Dunbartonshire, East Renfrewshire, Glasgow City, Inverclyde, North Ayrshire, North Lanarkshire, Renfrewshire, South Ayrshire, South Lanarkshire and West Dunbartonshire council areas.

2. Background

SPT subsidised bus services which are not provided by the commercial market but which are considered socially necessary in accordance with adopted guidelines. A proportion of these contracts are due to expire in 2020 and tenders have been sought for their renewal.

Prior to seeking replacement contracts, SPT analyse 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 or reduce costs.

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

Of the 26 advertised contracts, it is proposed to award 16 at this stage with a total contract value of £6,827,870 as detailed in Appendix 1. This will result in an annual saving of £166,567 to the subsidised bus budget, when compared to the current annual contract value.

Whilst this initial set of contracts due for renewal represents a reduction in costs compared with the current position, it should be noted that the prices submitted for the remaining contracts were considered excessive. With that in mind, those contracts not recommended will be re-tendered in an effort to achieve a more satisfactory outcome.

It is also proposed that current contract 5645S which provides daily, evening journeys as service 60, between Paisley Cross and Royal Alexandra Hospital, is not renewed due to extremely low usage.

Copies of all timetables are available on request.

Specific details of individual contracts are attached at Appendix 1, with the current cost and revised cost shown.

4. Committee action

The Committee is recommended to agree:

- a) the award of the contracts detailed in Appendix 1. The award of contract W012B is subject to the approval of Stirling Council, for apportioned mileage contribution.
- b) that contract 5645S is not renewed after its expiry on 11 July 2020

5. Consequences

Policy consequences	<i>In line with Regional Transport Strategy.</i>
Legal consequences	<i>All contracts will be awarded subject to SPT's terms and conditions for transport contracts, together with vehicle lease agreement, where applicable.</i>
Financial consequences	<i>The award of the contracts detailed in the committee paper will result in additional costs of £533 in 2019/20 (to Clyde Gateway) and net savings of £138,130 in 2020/21. In 2020/21, £136,396 is a saving against SPT's budgeted contract costs with the balance of £1,734 being net savings for other bodies. This relates to savings for Stirling Council of £2,880 offset by additional costs to Clyde Gateway of £1,146.</i>
Personnel consequences	<i>None directly.</i>
Equalities consequences	<i>Seeks to reduce the incidence of social exclusion by supporting socially necessary bus services.</i>
Risk consequences	<i>None directly.</i>

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APPENDIX 1

contract	service no	service description	operator	bus (proposed)	bus (current)	term (years)	contract price	annualised price (proposed)	annualised price (current)	variance
2829Q	71A	Torrance - Glasgow City Centre	First Glasgow (No. 1)	Operator	Operator	3	£183,690.00	£60,840.00	£69,877.60	-£9,037.60
9551H	M12/ M13/ M14/ 500	Ayr Coast DRT	Shuttle Buses Ltd (Sole tender)	SPT	SPT	7	£1,435,557.00	£205,079.57	£202,846.28	£2,233.29
9581K1	M15/ M19/ M96/ M98/ 800/ 900	Three Valleys Area DRT	Stuart's Coaches Ltd (Option)	Operator	Operator	5 ¼	£1,185,912.00	£223,432.70	£254,540.00	-£31,107.30
9600C	M45/ M85/ R965	Gryffe Valley DRT	Shuttle Buses Ltd	Operator	Operator	5	£1,612,500.00	£322,500.00	£341,190.72	-£18,690.72
W040C	332/333	Kilmarnock - Moorfield/Fenwick/Galston	Western Buses Ltd (Option)	Operator	Operator	1	£80,347.00	£80,347.00	£89,811.28	-£9,464.28
W057C	11	Gartnavel Hospital - Clydebank	First Glasgow (No. 1)	Operator	Operator	3	£124,030.00	£41,080.00	£49,169.64	-£8,089.64
W072C	47/47A	Carlisle Local/ Carlisle - Lower Braidwood	First Glasgow (No. 2)	Operator	Operator	2	£26,250.00	£13,000.00	£13,465.92	-£465.92
W082G	CG1	Rutherglen - Bridgeton - Clyde Gateway Carmyle	JMB Travel	Operator	Operator	1	£89,564.00	£89,564.00	£88,244.00	£1,320.00
W141	578A	Upper Inverkip - Wemyss Bay - Upper Skelmorlie	Millport Motors	Operator	Operator	3	£129,000.00	£42,726.11	£48,019.92	-£5,293.81
W144A	38	Kilwinning - Ayrshire Central Hospital	Shuttle Buses Ltd (Option)	Operator	Operator	3	£108,120.00	£35,810.45	£55,439.80	-£19,629.35

Package 17387

contract	service no	service description	operator	bus (proposed)	bus (current)	term (years)	contract price	annualised price (proposed)	annualised price (current)	variance
4801V	137	Carnwath - Lanark - Forth - Braehead	Stuart's Coaches Ltd	Operator	Operator	5	£276,000.00	£54,988.51	£65,711.88	-£10,723.37
4865E	191	Lanark - Symington - Biggar	Stuart's Coaches Ltd	Operator	Operator	5	£327,600.00	£65,268.97	£79,844.96	-£14,575.99
W071B	135/317B	Lanark - New Lanark/ Lanark - Crossford	Stuart's Coaches Ltd	Operator	Operator	5	£181,800.00	£36,220.69	£40,054.56	-£3,833.87
9557H	8/ 8A/ 9/ 135/ 210/ 800/ 900/ M19/ M98	Lanark DRT and locals	Stuart's Coaches Ltd	Operator	Operator	5	£708,000.00	£141,600.00	£146,443.44	-£4,843.44

Package 17381

contract	service no	service description	operator	bus (proposed)	bus (current)	term (years)	contract price	annualised price (proposed)	annualised price (current)	variance
LS009E	206	Westcliff/ Dumbarton - Tullichiewan	Garelochhead Minibuses & Coaches Ltd	Operator	Operator	2	£60,000.00	£29,714.29	£32,101.68	-£2,387.39
W012C	305/306/309	Luss/ Helensburgh/ Balmaha - Alexandria	Garelochhead Minibuses & Coaches Ltd (Option)	Operator	Operator	2	£299,500.00	£148,323.81	£180,301.68	-£31,977.87