



### Purchase of vehicles

**Committee**            Operations

**Date of meeting**    22 January 2016

**Date of report**    14 January 2015

#### Report by Assistant Chief Executive (Operations)

##### 1.    **Object of report**

To recommend the Committee approves the purchase of five buses, in line with SPT's bus fleet replacement strategy.

##### 2.    **Background**

Some years ago, SPT embarked upon an initiative in which buses were purchased for use on local bus service contracts and supplied to the successful tenderers on a full repairing lease basis.

This initiative, as well as having promoted the introduction to the market of smaller, more fuel efficient vehicles, significantly reduced the contract costs and offered greater opportunities for smaller companies to compete by relieving them of the potential burden of the capital outlays involved in buying any buses necessary to win tendering exercises.

The buses acquired have also markedly improved the overall profile of the bus fleet in the SPT area, being as they are low-emission and fully accessible.

Members will be aware that SPT has adopted a bus fleet replacement strategy, designed to maintain the quality and reliability of the fleet, while doing so in a manner which allows prudent management of the costs involved.

The criteria agreed by the Partnership set out that vehicles will be considered for replacement at 7 years or 250,000 miles, whichever milestone is reached first.

##### 3.    **Outline of proposals**

Vehicle records indicate that four vehicles currently engaged on bus service contracts are approaching the 250,000 miles point and, taking account of lead times for delivery, steps must be taken now to source replacements.

In addition, a tender submission for the renewal of Contract 2857G, details provided in a separate paper before this Committee, requires that a further bus be acquired.

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It is therefore proposed that five 7.9m Optare Solo buses be purchased, at an approximate cost of £600,000.

## 4. Committee action

The Committee is recommended to agree to the award of a contract to Optare Group Ltd via SPT's vehicle purchasing framework for the supply of five 7.9m Optare Solo buses at an approximate cost of £600,000.

## 5. Consequences

Policy consequences: *In line with Regional Transport Strategy.*

Legal consequences: *Vehicles will be purchased in compliance with the framework terms and conditions and leased to operators on the terms of SPT's vehicle lease agreements.*

Financial consequences: *The purchase of the five vehicles at an approximate cost of £600,000 would impact on the 2016/17 capital budget which has not yet been approved. However, SPT's Indicative Capital Programme for 2016/17 currently shows an amount of £690,000 at Category 1 for "Purchase of buses and operational vehicles".*

Personnel consequences: *None*

Equalities consequences: *Maintains socially necessary services.*

Risk consequences: *None.*

Eric Stewart  
**Assistant Chief Executive (Operations)**

Gordon MacLennan  
**Chief Executive**

*for further information please contact Alex Scott, Bus Services Manager on ext 3388*