



### Proposed award of subsidised local bus service contracts

**Committee**            Operations

**Date of meeting**    13 May 2016

**Date of report**    28 April 2016

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

##### 1.    **Object of report**

To recommend the Committee approves the award of contracts for subsidised local bus services.

This report affects East Dunbartonshire, Glasgow City, North Lanarkshire and West Dunbartonshire council areas.

##### 2.    **Background**

SPT subsidises bus services not provided by the commercial market but which are considered socially necessary in accordance with SPT's adopted guidelines. Bus service withdrawals by JJ Travel and McColl's Commercial Repairs Ltd required that SPT carry out tendering exercises for the provision of replacement services.

The Committee is asked to consider the under noted contracts for award.

##### 3.    **Outline of proposals**

Copies of all timetables are available on request

###### **(a) Glasgow - Roystonhill - Stobhill Hospital (service 329)**

JJ Travel took the decision to withdraw the Saturday element of its Monday to Saturday service 329, which provided an hourly, daytime service between Glasgow city centre and Stobhill Hospital via Roystonhill and Springburn, with effect from 4 January 2016, resulting in a gap in bus service provision.

Following an unsuccessful effort by SPT to stimulate interest in a commercial replacement, SPT cancelled contract 3164K which provided the Sunday element of service 329, with effect from 3 January 2016, to create a revised contract which encompasses the modified requirements of service 329.

Temporary contracts 3164T8 and 3164T9 have since been arranged successively and awarded under delegated powers, to provide an hourly, Saturday and Sunday daytime service. Temporary contract 3164T8, operated from 3 January 2016 until 26 March 2016 at a cost of £330 per week, equivalent to £17,160 per annum and

current temporary contract 3164T9, operates from 27 March 2016 until 16 July 2016 at a cost of £320 per week, equivalent to £16,640 per annum.

Tenders were invited for a long-term contract to replace the current temporary arrangements and the sole tender for contract 3164M was submitted by McGill's Buses, at a cost of £16,640, for the contract period 17 July 2016 until 15 July 2017.

Based on the above, it is recommended that contract 3164M should be awarded to McGill's Buses at a cost of £16,640. The cost of this long term award is in parallel with the cost of the current temporary arrangements.

**(b) Carnbroe - Coatbridge - Cliftonville - Monklands Hospital (service 77)  
Townhead - Coatbridge - Cliftonville - Carnbroe (service 117)**

JJ Travel took the decision to withdraw service 77, which provided a Monday to Friday daytime service between Carnbroe and Cliftonville via Coatbridge, with effect from 1 January 2016, resulting in a gap in bus service provision.

Following an unsuccessful effort to stimulate interest in a commercial replacement, SPT cancelled contract W024D, which provided an hourly, Monday to Saturday evening service between Townhead and Carnbroe via Coatbridge, Cliftonville and Monklands Hospital and a half hourly, Sunday daytime service between Townhead and Coatbridge as service 117, with effect from 2 January 2016, to create a revised contract which encompasses the modified requirements of services 77 and 117.

Temporary contracts W024T4 and W024T6 have since been arranged successively and awarded under delegated powers. Temporary contract W024T4 operated from 2 January 2016 until 26 March 2016 at a cost of £1,150 per week, equivalent to £59,800 per annum and current temporary contract W024T6 operates from 27 March 2016 until 16 July 2016, at a cost of £1,250 per week, equivalent to £65,000 per annum. The latter incorporates a revised specification to extend service 77 from Cliftonville to Monklands Hospital.

Tenders were invited for a long-term contract to replace the temporary arrangements, and the best value tender for contract W024F1 was submitted by JJ Travel, at a cost of £69,680, for the contract period 17 July 2016 until 15 July 2017.

Based on the above, it is recommended that contract W024F1 should be awarded to JJ Travel at a cost of £69,680. This represents an increase of £4,680 per annum against the cost of the current temporary arrangements.

**(c) Glasgow North West MyBus (services M18 / M92 / 850 / 81/81A ) SPT vehicles**

McColl's Commercial Repairs Ltd intends to surrender Contract 9574F with effect from 28 May 2016. Since the scheduled end date of the contract is 7 July 2018, SPT has the right to recover any additional costs associated with replacing McColl's Commercial Repairs Ltd.

Tenders were therefore invited for a replacement for the remainder of the contract period. The best value price for contract 9574H was received from McGill's Buses at a cost of £454,226, equivalent to £218,028 per annum. This represents an annual increase of £2,790 on the cost of the current arrangements.

Based on the above, it is recommended that contract 9574H is awarded to McGill's Buses.

**4. Committee action**

The Committee is recommended to agree to:

- (a) the award of contract 3164M to McGill's Buses, at a cost of £16,640, for the contract period 17 July 2016 until 15 July 2017;
- (b) the award of contract W024F1 to JJ Travel, at a cost of £69,680, for the contract period 17 July 2016 until 15 July 2017;

and

- (c) the award of contract 9574H to McGill's Buses, at a cost £454,226, for the contract period of 29 May 2016 until 07 July 2018.

It should be noted that the award of the contract[s] is subject to satisfaction of the requirements of the mandatory standstill period for EU advertised public sector contracts.

**5. Consequences**

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

Legal consequences: *All awards will be subject to SPT's conditions of contract for transport services together with vehicle lease agreements where applicable.*

Financial consequences: *The award of contracts detailed in the committee paper will result in additional costs of £5,900 to SPT in 2016/17.*

Personnel consequences: *None.*

Equalities consequences: *Seeks to reduce the incidence of social exclusion by supporting socially necessary services.*

Risk consequences: *None.*

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Gordon MacLennan  
**Chief Executive**

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