

ANGUS COUNCIL

COMMUNITIES COMMITTEE – 12 NOVEMBER 2019

LOCAL BUS SERVICE CONTRACTS – BEST VALUE APPROACH

REPORT BY DIRECTOR OF INFRASTRUCTURE

ABSTRACT

This report seeks authority to award a Best Value Local Bus Service contract for the provision of bus service 34 (Brechin Town Service on school days) and service 30A (Arbroath – Montrose).

1. RECOMMENDATION

It is recommended that the Committee:

- (i) authorises the Director of Infrastructure Services, to award best value local contracts, as detailed in this report and under Financial Regulation 16.18.

2. ALIGNMENT TO THE ANGUS LOCAL OUTCOMES IMPROVEMENT PLAN/CORPORATE PLAN

This report contributes to the following local outcome(s) contained within the Angus Local Outcomes Improvement Plan and Locality Plans:

ECONOMY

- An inclusive and sustainable economy

PLACE

- A reduced carbon footprint
- Safe, secure, vibrant and sustainable communities
- An enhanced, protected and enjoyed natural and built environment

3. BACKGROUND

- 3.1 Local bus service contracts are tendered to operate for three years, with the option to extend into years four and five, subject to mutual agreement between the Council and the Operator.
- 3.2 Contract A497 has been extended to its maximum length and is subsequently due to end on 30 May 2020. This contract provides peak journeys on local bus service 34, which cover Brechin Town. These journeys are used widely by workers and scholars in Brechin.
- 3.3 Contract A371 has been extended to its maximum length and is subsequently due to end on 30 May 2020. This contract provides local bus service 30A, which offer a connection between Montrose – Arbroath in the evening.
- 3.4 Contract A372 has been extended to its maximum length and is subsequently due to end on 30 May 2020. This contract provides local bus service 30A, which offer a connection between Montrose – Arbroath on Sundays.
- 3.5 Financial Regulation 16.18 and Appendix 4 of the Financial Regulations set out the best value procedure for contracting local bus services. Best value procedure allows for transport services to be contracted without following a normal tendering process.

4. PROPOSALS

- 4.1 Should contract A497 be awarded to an operator other than Stagecoach East Scotland, Stagecoach East Scotland would withdraw their commercial journeys on the Brechin Town Service. This would subsequently cause the service to collapse leaving passengers without service provision, Monday – Friday off peak. These journeys are used by passengers to access local amenities.
- 4.2 It is therefore proposed that a best value procedure is applied to contract A497 to protect the overall service provision.
- 4.3 It is also proposed that Stagecoach East Scotland are awarded contract A497 for a further 12 months until May 2021 at the current agreed daily rate. The Committee should be aware that this rate will likely increase slightly on 1 April 2020 when the annual inflationary uplift is applied to all local bus service contracts.
- 4.4 Likewise should contracts A371 and/or A372 be awarded to a different operator then Stagecoach East Scotland would withdraw their commercial journeys on service 30A and subsequently this would cause the service to collapse, leaving passengers without service provision Monday – Friday off peak.
- 4.5 It is therefore proposed that a best value procedure is applied to contracts A471 and A472 to protect the overall service provision.
- 4.6 It is also proposed that Stagecoach East Scotland are awarded contracts A471 and A472 for a further 12 months until May 2021 at the current agreed daily rates. The Committee should be aware that these costs will likely increase slightly on 1 April 2020 when the annual inflationary uplift is applied to all local bus service contracts.

5 FINANCIAL IMPLICATIONS

- 5.1 The estimated total cost of local bus service contracts, as detailed in this report is in the region of £117,000 over the best value contracts lifespan of twelve months. The costs for these contracts will be contained within the Roads & Transportation revenue budget for 2020/21.
- 5.2 The maximum value of all contracts recommended for award under best value procedure is less than 40% of the local bus services subsidy budget for each financial year.

6 HUMAN RIGHTS IMPLICATIONS

There are no human rights implications arising from this report.

7 EQUALITIES IMPLICATIONS

The issues contained in the report fall within an approved category that has been confirmed as exempt from an equalities perspective.

NOTE: No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

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