

Plymouth City Council 2025 Non-Commercial Routes Network Tender Contract Award – Briefing Note



1. Background

This briefing note has been produced to inform the Service Director for Strategic Planning and Infrastructure of the outcomes following the procurement, evaluation and subsequent contract award for a number of bus services which, upon award, will form part of Plymouth City Council's non-commercial routes network.

2. Current Situation

The Council currently provides financial support for services set out in Table 1 below. The services are funded through a range of budgets - the Council's own non-commercial routes budget (NCR), various Section 106 contributions, and the Department for Transport's (DfT) Bus Service Improvement Plan Phase 2 (BSIP 2) grant. Table 1 also shows the funding source for each route.

Table 1: Current Non-Commercial Routes Network

Service	Route	Funding Source
1A	Elburton – Sherford	S106
1A	William Prance Road extension to serve the Royal Eye Infirmary (REI)	S106
2	Service 2 BSIP corridor frequency enhancements	BSIP 2
2	Retention of evening journeys between Mount Batten, Hooe and City Centre.	BSIP 2
4, 4A, 4B & 4C	4 – City Centre to Plymstock Broadway via Saltram Meadow 4A - City Centre to Hooe via Saltram Meadow 4B – City Centre to Elburton via Saltram Meadow 4C – City Centre to Saltram Meadow	S106
13/S	13S – Barne Barton to Kings Tamerton via St Budeaux 13 – City Centre to Holly Park via Saltash Passage	NCR & BSIP 2
14	City Centre to Derriford via Devonport, Mutton Cove, Keyham and Beacon Park	NCR
21/21A	Service 21/21A BSIP corridor frequency enhancements	BSIP 2
27	City Centre to Derriford Hospital via Lower Compton, Efford, Eggbuckland, Mainstone and Estover Factories	NCR & BSIP 2

30/31	30 – City Centre to City Centre via Mannamead, Hartley Vale and Peverell 31 – City Centre to City Centre via Peverell, Hartley Vale and Mannamead	BSIP 2
41	City Centre to Southway via Peverell	BSIP 2
52	Plympton to Derriford Hospital via Coypool Park and Ride	SI06
54	City Centre to Bovisand Beach via Plymstock	BSIP 2
200	Coypool Park and Ride to City Centre	NCR

As can be seen in Table 1, a number of services are fully funded through the Council's BSIP 2 grant allocation. However, this funding must be spent by 31st August 2025.

Services funded through the Council's non-commercial routes budget and SI06 have also been included in the tender where the current contracts are due to expire on 31 March 2025.

Table 2 shows all services that have been included in the tender.

Table 2: Services Included in the Tender

Service	Route	Current Status	Funding Source
4, 4A, 4B	4 – City Centre to Plymstock Broadway via Saltram Meadow 4A - City Centre to Hooe via Saltram Meadow 4B – City Centre to Elburton via Saltram Meadow	Existing tendered service	100% SI06
13/S	13S – Barne Barton to Kings Tamerton via St Budeaux (school journey) 13 – City Centre to Holly Park via Saltash Passage	Existing tendered service	13S and 13 journeys between City Centre and Saltash Passage – NCR Extension from Saltash Passage to Holly Park – BSIP 2
14	City Centre to Derriford via Devonport, Mutton Cove, Keyham and Beacon Park	Existing tendered service	100% NCR
19	City Centre to Merafield via Haye Road	New service included in the tender due to public requests for a service to the crematorium	N/A
27	City Centre to Derriford Hospital via Lower Compton,	Existing tendered service	Monday to Friday service – NCR

	Efford, Eggbuckland, Mainstone and Estover Factories		Saturday service – BSIP 2
30/31	30 – City Centre to City Centre via Mannamead, Hartley Vale and Peverell 31 – City Centre to City Centre via Peverell, Hartley Vale and Mannamead	Existing tendered service	100% BSIP 2
41	City Centre to Southway via Peverell	Existing tendered service	100% BSIP 2
54	City Centre to Bovisand Beach via Plymstock	Existing tendered service	100% BSIP 2
200	Coypool Park and Ride to City Centre	Existing tendered service	100% NCR

Table 3 below shows services not included in the tender, and the reasons why they have not been included.

Table 3: Services Not Included in the Tender

Service	Operator	Route	Reason
1A	Stagecoach Southwest	Elburton - Sherford	100% S106 funded. Contract in place until September 2026
1A	Stagecoach Southwest	William Prance Road extension to serve REI	Short term contract to be taken on commercially from April 2025
2	Stagecoach Southwest	Service 2 BSIP corridor frequency enhancements	100% BSIP 2 funded. Extension option to 31 August 2025 to be enacted if operator is unable to retain the service on a commercial basis
2	Stagecoach Southwest	Retention of evening journeys between Mount Batten, Hooe and City Centre.	100% BSIP 2 funded to 31 March 2025 but on a use it or lose it basis
4C	Stagecoach Southwest	City Centre to Saltram Meadow	Early morning service to be withdrawn due to low demand (replaced in part by service 4)

21/21A	Plymouth Citybus	Service 21/21A BSIP corridor frequency enhancements	100% BSIP 2 funded. Extension option to 31 August 2025 to be enacted if operator is unable to retain the service on a commercial basis
52	Stagecoach Southwest	Plympton to Derriford Hospital via Coypool Park and Ride	100% S106 funded. Options within current contract to extend in annual increments until 2030

3. Procurement Process

The procurement process utilised the Devon County Council Dynamic Purchasing System (DPS). This system has been used in the past and provides the most cost-effective procurement when tendering local bus services.

The main benefits of using the DPS are as follows

- The Council do not need to undertake a full public procurement process that is subject to the Public Contract Regulations 2015 (PCR 2015) as this has already been done by Devon County Council in setting up the DPS
- The DPS provides a quicker route to market as suppliers listed on the DPS have already been assessed for their financial stability, track record, experience and technical & professional ability, before being awarded a place on the DPS
- The DPS offers the opportunity to a wider audience, providing the ability for new operators to consider tendering
- The use of the DPS has potential to allow longer contracts (up to eight years) and hence encourage a wider base of tenderers and investment in better vehicles
- The Council has successfully used the DPS on previous tender opportunities, including the last full retendering exercise in 2022 and 2023
- Cost savings to Plymouth City Council if compared with undertaking our own procurement process in accordance with the PCR 2015
- The Council's contract award processes at the point of contract award still apply

The tender was dispatched on 16 September 2024 with bids being returned on 16 October 2024.

It is anticipated that the contracts will be awarded from 30 March 2025 for an initial 3-year contract term until 1 April 2028, with options to extend in annual increments for up to a further 5 years.

Lot 11, service 19, will only be awarded for one year due to it being funded from the DfT's Bus Service Improvement Plan Phase 4 (BSIP 4) which is only available for the financial year 2025/2026. This contract will also commence from 30th March 2025 and will expire on 28th March 2026, with options to extend in annual increments for up to a further 7 years, should additional funding become available.

4. Tender Outcomes

The tender opportunity was viewed by eleven organisations, but only two of these submitted bids. All bids received were compliant with the requirement. Operators were also given the opportunity to submit alternative proposals, potentially offering more practical, financially advantageous solutions for the Council, such proposals being received for the following Lots:

- Lot 4 – Service 30/31 – one alternative timetable proposal
- Lot 7 – Service 200 – one alternative timetable and minor route change proposal
- Lot 9 – Service 4 – two alternative timetable proposals
- Lot 10 – Service 4A/4B – one alternative timetable proposal
- Lot 11 – Service 19 – two alternative timetable proposals

Table 4: Bids Received

Lot	Plymouth Citybus	Stagecoach Southwest
1	Y	Y
2	Y	Y
3	Y	Y
4	N	Y
5	Y	Y
6	N	Y
7	Y	Y
8	Y	Y
9	Y	Y
10	Y	Y
11	Y	Y

Tenders were evaluated using the following methodology:

- Price-70%
- Quality-20%
- Social Value-10%

5. Options Considered

As part of the evaluation of the bids received, a number of options were considered, these are as follows:

Option 1: Do Not Award the Contracts

The option was considered and rejected as the services which are being procured can be fully funded by the Council's own Non-Commercial Routes budget, various Section 106 funds for which agreements are already in place, the Department for Transport's (DfT) Bus Service Improvement Plan Phase 2 (BSIP 2) and the DfT's Bus Service Improvement Plan Phase 4 (BSIP 4).

In addition to the above, not awarding the contracts would leave many residents of Plymouth without a bus service, denying them a sustainable form of transport to access employment, education, leisure, retail and medical facilities.

Option 2: Award all Contracts on a Like for Like Basis

This option was considered and rejected as it was not financially viable for the full three years of the contract award. This option could have been affordable in year one of the contracts (2025/2026) given the Council's BSIP 4 funding allocation, however, for year two (2026/2027) and year three (2027/2028) of the contracts this funding would not have been available.

However, one option was fully affordable for all three years of the initial contract period as set out in Table 5 below:

Table 5: Recommended Option

Service Number	Operator	Description	Annual Cost
13/S	Stagecoach Southwest	13S: Barne Barton to Kings Tamerton via St Budeaux School Days Only 13: City Centre to Holly Park Via Saltash Passage - Monday to Friday except Public Holidays	£103,912.8
14	Stagecoach Southwest	City Centre to Derriford via Devonport, Keyham and Beacon Park - Monday to Saturday except Public Holidays	£135,754.95
27	Stagecoach Southwest	City Centre to Derriford via Lower Compton, Efford, Eggbuckland and Mainstone - Monday to Saturday Except Public Holidays	£10,845.09
30/31	Stagecoach Southwest	30: City Centre to City Centre via Mannamead, Hartley Vale and Peverell – Monday to Friday except Public Holidays 31: City Centre to City Centre via Peverell, Hartley Vale and Mannamead – Monday to Friday except Public Holidays	£79,392.51
41	Plymouth Citybus	City Centre to Southway via Peverell - Monday to Friday except Public Holidays	£48,000
54	Stagecoach Southwest	City Centre to Bovisand Beach via Plymstock – Summer only	£22,045.95
200	Stagecoach Southwest	City Centre to Coypool Park and Ride – Monday to Saturday	£125,372.98
4	Stagecoach Southwest	City Centre to Plympton via Saltram Meadow, Plymstock	£340,388.34

		Broadway and Sherford - Monday to Sunday including Public Holidays	
4A/4B	Stagecoach Southwest	4A – City Centre to Hooe via Saltram Meadow and Plymstock Broadway - Monday to Friday except Public Holidays 4B – City Centre to Elburton via Saltram Meadow and Plymstock Broadway - Monday to Friday except Public Holidays	£82,101.55
19	Stagecoach Southwest	City Centre to Plympton Ridgeway via Plymstock Broadway, The Park Crematorium and Merafield - Monday – Sunday including Public Holidays.	£113,927.81

Summary

This is our preferred option as:

- It is affordable within existing funding streams
- It retains all services with minor changes to frequencies on the 4A, 4B, 30 & 31 and a minor route change on the 200
- It provides a service to the new crematorium
- It provides an additional service between Plymstock and Plympton via Sherford

This award will be provisional and subject to receipt from Stagecoach Southwest and Plymouth Citybus of the satisfactory self-certification documents detailed in the ITT Return Document. In the event these operators cannot provide the necessary documentation, the Council reserves the right to award the contract(s) to the second highest scoring Tenderer.

This award is also subject to the outcome of any challenge made during the voluntary standstill period.

6. Financial Considerations of the Tender Outcomes

Table six below shows the financial implications of the contracts based on the option within table 5:

Table Six: Financial Impact

Budget Information			
	2025/2026	2026/2027	2027/2028
Non-Commercial Routes	£466,200	£466,200	£466,200
SI06	£422,490	£489,829	£489,829
BSIP 2	£67,339	£0	£0
BSIP 4	£113,828	£0	£0
Total Budget Available	£1,069,957	£956,029	£956,029
Cost	£1,061,742	£947,814	£947,814
Difference	£8,215	£8,215	£8,215

7. Recommendations

It is recommended that the contracts are awarded to the highest scoring tenderers as set out in Table 5.