

REPORT TO: FAIR WORK, ECONOMIC GROWTH AND INFRASTRUCTURE COMMITTEE – 22 SEPTEMBER 2025

REPORT ON: SOURCING STRATEGIES BY HEAD OF SUSTAINABLE TRANSPORT & ROADS

REPORT BY: EXECUTIVE DIRECTOR OF CITY DEVELOPMENT

REPORT NO: 280-2025

1 PURPOSE OF REPORT

- 1.1 The purpose of this report is to present sourcing strategies and seeks approval to commence with the procurement exercise in respect of each project.

2 RECOMMENDATION

- 2.1 It is recommended that Committee;
- a approves the commencement of a procurement exercise in respect of the commissions described, based on the sourcing strategy detailed in Appendix 1;
 - b delegates authority to the Executive Director of City Development to award a contract to Trapeze based on the recommendation in Appendix 1; and
 - c notes that the contract awards in relation to the public and school bus service tenders detailed in Appendix 1 will be brought back to committee for consideration in due course.

3 SUMMARY OF SOURCING STRATEGIES

- 3.1 Proposed sourcing strategies for progressing by the Sustainable Transport & Roads Division in relation to the commissions detailed below.

Proposed Sourcing Strategies
Supply of Route Planning and Public Transport Asset Management Software
Secondary School Bus Transport
Local Bus Service 10 (Outer arc)

4 FINANCIAL IMPLICATIONS

- 4.1 The Executive Director of Corporate Services has confirmed that funding for the above projects is available as detailed on the attached sheet.

5 SOURCING STRATEGY SUMMARY

- 5.1 This Sourcing Strategy seeks approval to progress with an appropriate procurement process in accordance with Public Contracts (Scotland) Regulations 2015. Bidders will go through a selection process to assess capability to the needs and requirement of the contract.

6 RISK ANALYSIS

- 6.1 There are 4 standard risks in any procurement and for public sector regulated procurements, a fifth is added, that of the procurement exercise itself breaching the public contract regulations and leaving the Council open to a legal challenge:

Description of Risk	Actions To Be Taken To Manage Risk
Commercial Risk – that either the price objectives are not achieved up front or there are other costs that arise during the contract and diminish the overall benefits.	Low Risk - the contract will be procured through a compliant procedure, through which all costs have been considered.

Description of Risk	Actions To Be Taken To Manage Risk
Technical Risk – this concerns the difficulty in being able to specify the desired outcome and on the market being unable to deliver to the specification.	Low Risk - the contract will be procured through a compliant procedure. Bidders will be required to demonstrate technical competence as part of the evaluation or commissioning process.
Performance Risk – this concerns the ability of suppliers to perform consistently over the life of the contract to deliver the planned benefits.	Low Risk – a contract management process will be put in place with the use of KPI's.
Contractual Risk – being able to remedy the shortcomings in the contractor's performance without severely damaging the contract and about avoiding reliance on the contracted supplier as the contract develops.	Low Risk - DCC are contractually protected via the contract terms and conditions. The contractor shall be proactively managed during the term of the contract.
Procurement Risk – where a procurement is found unsound in law, through the public procurement rules.	Low Risk – this is a regulated contract.

7 SUMMARY

- 7.1 It is recommended that the Committee approve this Sourcing Strategy and award appropriate delegated powers to the Executive Director of City Development to proceed as outlined.

8 POLICY IMPLICATIONS

- 8.1 This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services or funding and so has not been subject to an Integrated Impact Assessment. An appropriate Senior Manager has reviewed and agreed with this assessment.

9 CONSULTATIONS

- 9.1 The Council Leadership Team has been consulted in the preparation of this report.

10 BACKGROUND PAPERS

- 10.1 None.

Ewan Macnaughton
Head of Sustainable Transport & Roads

Robin Presswood
Executive Director of City Development

RP/EM/JM/KM

10 September 2025

Dundee City Council
Dundee House, Dundee

APPENDIX 1

SOURCING STRATEGY	Supply and Maintenance of Route Planning and Public Transport Asset Management Software
PROJECT NUMBER	N/A
PROJECT INFORMATION	<p>This sourcing strategy is to procure a collaborative contract for the supply and maintenance of software to support the management of public transport provision across Dundee, Angus, and Perth & Kinross.</p> <p>The strategic objective is to appoint a single supplier to provide services to all three Councils through a single, joint system.</p> <p>The three local authorities currently operate individual systems containing both unique and duplicate information about public transport operating in the Tayside area.</p> <p>The proposal is to consolidate systems into a single unified system that will reduce on-going licensing costs and hosting fees, create greater resilience for managing the data and reduce the duplication of entering the same information into three systems.</p> <p>In recognition of the costs and resources associated with establishing new software, data migration, training and familiarisation, the continuation of service from the incumbent supplier (Trapeze) is the three Councils preferred and recommended procurement solution.</p>
PROPOSED CONTRACT DURATION	January 2026 – December 2029
RECOMMENDATION	<p>It is recommended that the Committee approve a direct award to the incumbent supplier, Trapeze, who currently provides this software to all three Councils. Dundee City Council intends to utilise a negotiated procedure without prior publication, in accordance with Regulation 33 of the Public Contracts (Scotland) Regulations 2015. The direct award will be made under Regulation 33(4)(b), as a change of supplier would oblige the Council to acquire supplies with different technical characteristics, resulting in incompatibility or disproportionate technical difficulties in operation and maintenance. This constitutes an absence of competition for technical reasons.</p>
FINANCIAL IMPLICATIONS	<p>The contract is expected to be in the region of £52,500 per annum for licensing and maintenance costs which will be shared equally between Dundee City Council, Angus Council and Perth & Kinross Council.</p> <p>Expenditure in the first quarter of 2026 will be met from the Tactran People & Place award 2025/2026. Thereafter, costs will be met from revenue budgets held by the individual Councils. Dundee City Council will use the Sustainable Transport revenue budget to support these recurring costs.</p>
POLICY IMPLICATIONS	There are no issues.
BACKGROUND PAPERS	N/A

SOURCING STRATEGY	Secondary School Bus Transport
PROJECT NUMBER	N/A
PROJECT INFORMATION	This sourcing strategy outlines Dundee City Council's approach to tendering the Secondary School Bus Network for the 2026 – 2027 academic year, with options to extend for up to two additional years. It aims to ensure safe, reliable, and efficient transport for learners across the city. The network will be tendered in multiple lots, with consideration given to route efficiency, travel times, and operator capacity.
PROPOSED CONTRACT DURATION	Initial term: August 2026 – July 2027 Optional extensions: +1 year, +1 year (subject to performance and budget)
RECOMMENDATION	Proceed with an open tendering process in accordance with procurement regulations. Tenders to be evaluated on best value, service quality, and operational viability.
FINANCIAL IMPLICATIONS	The cost of delivering this service in the current academic year is £147,000. The current contract cost provides an initial benchmark for anticipated future expenditure, however the influence of market appetite and inflationary pressures on future years costs will be ascertained once tenders are received. The contract will be funded from a Children & Families Service revenue budget.
POLICY IMPLICATIONS	There are no issues
BACKGROUND PAPERS	N/A

SOURCING STRATEGY	Local Bus Service 10 (Outer Arc)
PROJECT NUMBER	N/A
PROJECT INFORMATION	This sourcing strategy outlines Dundee City Council's approach to procuring subsidised local bus services for 2026–2027, with option to extend for two additional years. The procurement aims to provide an evening and weekend bus service across the northern arc of Dundee, from Broughty Ferry to Ninewells Hospital, linking communities in between. The procurement will invite bus operators to submit tenders for varying service levels which will be evaluated for best value based on criteria including service frequency, operating hours, cost, and capacity.
PROPOSED CONTRACT DURATION	Initial term: April 2026 – March 2027 Optional extensions: +1 year, +1 year (subject to performance and budget)
RECOMMENDATION	Proceed with an open tendering process under the Public Contracts (Scotland) Regulations 2015.
FINANCIAL IMPLICATIONS	The new contract specification will aim to offer the optimum level of bus service whilst aligning with the available Sustainable Transport revenue budget. The current contract cost for 2025/2026 is £134,000.
POLICY IMPLICATIONS	There are no issues
BACKGROUND PAPERS	N/A

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