

More about the Bus Contracting Model

Under Singapore's bus contracting model, operators will be paid a service fee to operate the services, while LTA will determine the bus services to be provided and set service standards. This allows the Government to make public bus services more responsive to changes in ridership and commuter needs, inject competition into the industry, and raise service levels for commuters.

For a start, three packages of bus services, comprising about 20% of existing buses, have been tendered out through competitive tendering. Tower Transit has started operating the Bulim bus package since May 2016, and operation of the Loyang bus package by Go-Ahead will start in September 2016. The Seletar bus package, which has been put out for tender in June 2016, will continue to be operated by SBS Transit and SMRT Buses under the bus contracting model, until it is taken over by the successful tenderer in the first half of 2018.

Tendered bus packages		
Package Name	Operator	Commencement Date
Bulim package	Tower Transit Singapore	May 2016
Loyang package	Go-ahead Singapore	Sep 2016
Seletar package	Put out for tender in June 2016	1H 2018

Excluding the three tendered bus packages, Singapore's remaining public bus services have been reorganised into 11 packages, from the originally announced nine packages, for greater operational efficiency and greater contestability in the longer term. From 1 September 2016, SBS Transit and SMRT Buses will operate these 11 packages under the bus contracting model, with contract durations ranging from two to 10 years. When these negotiated contracts expire, they will also be put out for competitive tendering.