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Net Zero, Energy and Transport Committee  
The Scottish Parliament  
Edinburgh  
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04 March 2026

Dear Convener,

During the Net Zero, Energy and Transport Committee Evidence Session on 17 February 2026 on the National Bus Travel Concession Schemes (Miscellaneous Amendment) (Scotland) (No. 2) Order 2026, I undertook to provide the Committee with further detail of the administrative costs associated with operating the NCTS. This information is provided below.

**Table: Annual budget (£) – National Concessionary Travel Schemes**

Cost Type	23/24	24/25	25/26	26/27
Staff Costs	2,784,348	1,906,023	2,227,000	2,462,010
Admin & Operational Costs	1,241,214	2,439,568*	3,836,500**	3,330,899
<b>Total</b>	<b>4,025,562</b>	<b>4,345,591</b>	<b>6,063,500</b>	<b>5,792,908</b>

\* Cost increased significantly as the costs for the database systems which provide the security and reimbursement elements of the scheme were funded out of the Smart and Integrated Ticketing Budget. These costs and budget were transferred over to scheme admin costs in 2024/25. In addition we reduced headcount and out sourced our ISAM management element of work.

\*\* Costs are higher as over this year and next as we are undertaking physical maintenance costs for the upgrading of the ISAM<sup>1</sup> chip which is integral to the secure running of the NCTS. In addition, we are re-procuring the two key database systems that are needed to keep the schemes working.

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<sup>1</sup> ISAM is an electronic chip that resides within a ticket machine on the bus/ ferry that allows the secure transfer of concessionary travel data.

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I hope that the information provided is helpful to Committee members and I would like to extend my thanks for your consideration of the Order and for your constructive approach during the meeting.

Yours sincerely,



**JIM FAIRLIE**

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