

Supplementary Agenda

Meeting: Finance Committee

Date: Wednesday 21 June 2023

Time: 10:00am

**Place: Conference Rooms 1 and 2,
Ground Floor, Palestra, 197
Blackfriars Road, London, SE1
8NJ**

Members

Anne McMeel (Chair)
Ben Story (Vice-Chair)
Seb Dance

Prof Greg Clark CBE
Anurag Gupta
Dr Nina Skorupska CBE

Government Special Representative:

John Hall

Copies of the papers and any attachments are available on [tfl.gov.uk How We Are Governed](https://tfl.gov.uk/How-We-Are-Governed).

As provided for under section 100b(4)(b) of the Local Government Act 1972, the Chair is of the opinion that this item should be considered as a matter of urgency. The reason for urgency is that the Procurement Authority is required and not all information was available at the time the main agenda was published.

Further Information

If you have questions, would like further information about the meeting or require special facilities please contact: Jackie Gavigan, Secretariat Manager; Email: [v JackieGavigan@tfl.gov.uk](mailto:JackieGavigan@tfl.gov.uk)

For media enquiries please contact the TfL Press Office; telephone: 0343 222 4141; email: PressOffice@tfl.gov.uk

Howard Carter, General Counsel
Tuesday 13 June 2023

**Supplementary Agenda
Finance Committee
Wednesday 21 June 2023**

13 Track Labour Framework Extension (Pages 1 - 2)

Chief Finance Officer

The Committee is asked to note the paper and the exempt supplementary information on Part 2 of the agenda and approve the extension of the framework to March 2025, approve Procurement Authority for £588.75m for the period to March 2024 and note a further request will follow for the financial year 2024/25.

19 Exclusion of the Press and Public

The Committee is recommended to agree to exclude the press and public from the meeting, in accordance with paragraph 3 of Schedule 12A to the Local Government Act 1972 (as amended), in order to consider the following items of business.

24 Track Labour Framework Extension (Pages 3 - 6)

Exempt supplementary information relating to the item on Part 1 of the agenda.

Finance Committee



Date: 21 June 2023

Item: Track Labour Framework Extension

This paper will be considered in public.

As provided for under section 100b(4)(b) of the Local Government Act 1972, the Chair is of the opinion that this item should be considered as a matter of urgency. The reason for urgency is that the Procurement Authority is required and not all information was available at the time the main agenda was published.

1 Summary

- 1.1 The purpose of this paper is to seek Procurement Authority for the extension of the Track Labour Framework, which provides external track labour resources required to supplement London Underground's direct labour. The extension is critical to ensure continuity of supply to support safety critical maintenance, enhancements and renewals across the network.
- 1.2 A paper is included on Part 2 of the agenda, which contains supplementary information. The information is exempt by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972, in that it contains information relating to the business affairs of TfL. Any discussion of that exempt information must take place after the press and public have been excluded from this meeting.

2 Recommendation

- 2.1 **The Committee is asked to note the paper and the exempt supplementary information on Part 2 of the agenda and:**
 - 1 **approve the extension of the framework to March 2025;**
 - 2 **approve Procurement Authority for £588.75m for the period to March 2024; and**
 - 3 **note a further request will follow for the financial year 2024/25.**

3 Background

- 3.1 London Underground has a continuing requirement to supplement its Direct Labour Organisation (DLO) with external, skilled labour, which is deployed across the network to support safety critical maintenance, enhancements and renewals of Track assets across the network.

- 3.2 The supply of labour from suppliers is contracted on a pan-TfL basis to enable other areas of the business the ability to call off from the framework.
- 3.3 The original Track Labour Framework was let via a competitive tender process and awarded to five suppliers being Morson Human Resources Limited; Cleshar Contract Services Limited; 1st in rail Limited; Trackwork Limited and McGinley Support Services (Infrastructure) Limited. It was let on a pan-TfL basis, which enables other areas of TfL (such as RFLI, Capital Projects, DLR, Trams) to utilise should they need Track Labour resource.
- 3.4 Authority is requested to extend this framework until March 2025, as part of the approach to transition to new Track Works and Resources arrangements. TfL is consolidating its Track related services including labour. The approach considers requirements from across all TfL modes, maximising our opportunity with the external market. This provides the time to complete the strategy, tender and award of the new framework contracts.

4 Financial implications

- 4.1 The requested Procurement Authority is £588.75m. This request covers the period to March 2024.
- 4.2 Financial Authority for the provision of Track Labour in 2023/24 was granted by the Board on 29 March 2023 as part of the 2023/24 Budget.
- 4.3 As TfL's funding settlement with Government expires in March 2024, it is not possible to develop the programme of work for 2024/25 or have sufficient confidence in the 2024/25 Budget. Therefore, a later request for procurement authority for 2024/25 will follow after funding discussions with Government have concluded.

List of appendices to this report:

A paper that contains supplementary information that is exempt from publication.

List of Background Papers:

None

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

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