

Date: 23 November 2022

Item: Communications, CCTV, Access Control and Security Systems Maintenance and Upgrade Services Contract - Increase to Procurement Authority

This paper will be considered in public

1 Summary

- 1.1 The purpose of this paper is to seek approval for additional procurement authority for the communications, CCTV, access control and security systems maintenance and upgrade services contract across the TfL estate.
- 1.2 A paper is included on Part 2 of the agenda which contains exempt supplementary information. The information is exempt from publication 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 public and press have been excluded from the 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 to grant additional Procurement Authority, in the sum set out in the paper in Part 2 of the agenda, for the provision of maintenance and upgrade services for Communications, CCTV, Access Control and Security Systems across the TfL estate.**

3 Background

- 3.1 TfL has a contract for the provision of maintenance and upgrade services to communications, CCTV, access control and security systems across the TfL estate including London Underground (stations, depots, operational buildings, power sites), Surface (bus stations, river piers, cycle hire stations), TfL Head Offices, LT Museum, London Trams, Dial a Ride and London Overground locations. The contract comprises:
- a) maintenance services; and
 - b) upgrade works including capital asset replacement and upgrade works.
- 3.2 The supplier is Telent Technology Services Limited (Telent) and the contract was awarded following a full competition in 2019 for an initial period of seven years and three months to 31 March 2027, with an option for TfL to extend for up to five years.

- 3.3 No fundamental changes are being proposed to the contract or the operational delivery strategy previously approved and this recommendation seeks approval for an increase in Procurement Authority.
- 3.4 The original procurement authority was approved by the Committee via a Chair's action on 7 July 2019 for the provision of maintenance services only. The paper was submitted in time for consideration at the meeting of the Committee on 1 July 2019 but as the meeting was not quorate, approval via a subsequent Chair's action was required.
- 3.5 Estimated values for Upgrade Works included in the original submission, based on budget allowances in the TfL approved Business Plan at that time. This element was not approved at the original meeting due to forecast uncertainty.
- 3.6 The request is to obtain additional approval for £75m to cover our immediate requirements until the Finance Committee in March 2023. In the period between this meeting and that meeting in March, further work will be undertaken through the annual budget process to confirm estimates for future years.
- 3.7 The estimated outturn value has been revised since the original contract award and we are now requesting a proportion of this amount, pending further confirmation of the forecast requirements by March 2023. The forecast increases relate to:
- (a) Planned maintenance fixed costs with annual CPI uplift until expiry;
 - (b) Additional maintenance until expiry for Croydon Trams, Dial A Ride, London Overground, New Cross depot and the Station Security Improvement Project;
 - (c) 2-year budget plan for Capital Upgrades and run rate until expiry; and
 - (d) Maintenance renewals based on 2-year run rate and CPI.
- 3.8 The current financial profile provides good insight into our near term future expenditure and this has underpinned this request to increase the current procurement authority by a further £75m.
- 3.9 The contract also continues to provide value for money, whereby we are utilising rates which are only affected by the annual CPI uplift since the original costs agreed in 2019.

List of appendices to this report:

A paper containing exempt supplementary information is included on Part 2 of the agenda.

List of Background Papers:

1 July 2019 Finance Committee paper - Technical Facilities Management Services (Communications, CCTV, Access Control and Security Systems): Approval of Award of Contract

Contact Officer: Rachel McLean, Chief Finance Officer
Email: RachelMcLean@tfl.gov.uk