

Date: 11 October 2023

Item: **London Overground Infrastructure Maintenance Contract Extension**

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## This paper will be considered in public

### 1 Summary

- 1.1 The purpose of this paper is to seek Procurement Authority to extend the current London Overground Infrastructure Maintenance Contract (IMC2) for up to two years, with a latest expiry date of 31 March 2026.
- 1.2 A paper is included on Part 2 of the agenda, which contains exempt supplemental 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 financial or business affairs of TfL and tenderers. 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 grant Procurement Authority, at the sum set out in the related paper on Part 2 of the agenda, for the extension of up to two years of the London Overground Infrastructure Maintenance Contract, as described in this paper and the related paper on Part 2 of the agenda.**

### 3 Background

- 3.1 The IMC2 is a single, multidisciplinary contract for the maintenance of infrastructure assets controlled directly by London Overground. These include civils, structures, permanent way, signalling and telecoms, traction power, and electrical and mechanical assets. The contract also covers maintenance of depot facilities at New Cross Gate, Wembley and Silwood and includes stations along the West Anglia route network.
- 3.2 This is an operationally critical contract for maintenance of infrastructure assets controlled directly by London Overground and to ensure the smooth running of the London Overground rail service.
- 3.3 The IMC2 is divided into two main elements:

- (a) delivery of core maintenance services. This includes delivery of the London Overground Fault Reporting Centre as part of core services (implemented in late 2018); and
  - (b) delivery of additional works and services as may be instructed in connection with London Overground managed infrastructure, typically for fault rectification, renewals and maintenance of assets normally maintained by others. These are defined and delivered on a case-by-case basis under a task order mechanism.
- 3.4 The IMC2 was awarded by Rail for London Limited (RfL) following a competitive process in January 2018 to Cleshar Contract Services Limited for an initial contract term of five years with the option to extend for period(s) up to a total of 36 months. To date, a 12-month extension has been implemented and the current expiry date is 31 March 2024.
- 3.5 RfL proposes to extend the term of IMC2 for up to a further two years until 31 March 2026. Further detail is contained in the paper included on Part 2 of the agenda.
- 3.6 The proposed extension entails exercising contractual options, so is permitted without the need for a further competitive process under procurement regulations.

**List of appendices to this report:**

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

**List of Background Papers:**

None

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