

Date: 11 July 2024

Item: Forthcoming Key Procurement Activities

This paper will be considered in public

1 Summary

- 1.1 This paper sets out a summary of the major new procurements or contract extensions planned over the next two years and those that will require approval from the Committee over the next six months. It also highlights significant forthcoming procurements that require approval at officer level during that period.
- 1.2 A paper is included on Part 2 of the agenda which contains exempt 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 financial and business affairs of TfL. Any discussion of that exempt information must take place after the press and public 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.**

3 Background

- 3.1 There is a recognised need to provide this Committee and other decision makers in TfL with a forward look on the pipeline of major procurements and those requiring decisions.
- 3.2 The Procurement and Commercial (P&C) function within TfL has worked to improve its forward planning, for example by consolidating multiple sources of data regarding the plans for contract renewals and new procurements. This has enabled P&C to establish a pipeline of activities over the next two years.
- 3.3 P&C's ability to plan the necessary governance and approval timescales, in conjunction with meetings of relevant Committees where appropriate, is, and will continue to improve. This will not entirely remove the possible need for out of cycle approvals to be sought by way of Chair's Action, either because of the conclusion of a procurement which falls naturally in timing between meetings, or because of an urgent requirement. The data sets are accurate as of 28 May 2024 and may be subject to change.

- 3.4 This paper sets out the approvals anticipated to be required from the Committee over the next six months and highlights significant forthcoming procurements that require approval at officer level during that period.

4 Two year look ahead

- 4.1 The two year look ahead is summarised below, including only those projects with an estimated value of £1m or over. The pipeline for strategy approvals and contract awards covers 271 contracts with an estimated total value of £18bn, and equivalent annual spend of £3.1bn, when prorated by the length of the contracts. This is broken down as follows:

P&C Division/Team	No	Estimated Value (£m)	Equivalent Annual Spend (£m)
CAPITAL	85	6,734	1,331
Places for London	8	525	326
Technology	35	2,078	301
Capital Systems	17	227	66
Capital Infrastructure	25	3,902	638
OPERATIONS	186	11,426	1,854
Fleet	46	243	79
Operations Infrastructure	61	1,893	259
Partnerships	10	85	16
Rail and Sponsored Services	17	622	106
Track	21	1,520	221
Indirects	21	5,704	955
Facilities Management	10	1,356	214
Grand Total	271	18,161	3,186

5 Planned procurement activity ahead of the next meeting

- 5.1 There are two business units within the P&C function, and the key forthcoming procurement activities for both are summarised below. Further details of these procurement activities are provided within the related paper on Part 2 of the agenda.
- 5.2 In Operations we are currently forecasting that five contract awards will require Committee approval in the next six months. We will also provide an update on the procurement process for each of the DLR, Elizabeth line and London Overground concessions.
- 5.3 In Capital, most decisions for contracts related to capital expenditure are routed through the Programmes and Investment Committee rather than to this Committee although all Members will receive the paper.

List of appendices to this report:

Exempt supplementary information is included in the paper on Part 2 of the agenda.

List of background papers:

None

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