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Contract

## **PRO1680 -Contract for the Design, Development, Supply and Installation of Passenger Stop Signs and the provision of related Services**

Transport for London

F20: Modification notice

Notice identifier: 2022/S 000-026106

Procurement identifier (OCID): ocds-h6vhtk-036939

Published 16 September 2022, 4:06pm

### **Section I: Contracting authority/entity**

#### **I.1) Name and addresses**

Transport for London

5 Endeavour Square

London

E201JN

#### **Email**

[roberthughes@tfl.gov.uk](mailto:roberthughes@tfl.gov.uk)

#### **Country**

United Kingdom

#### **Region code**

UKI - London

## **Justification for not providing organisation identifier**

Not on any register

## **Internet address(es)**

Main address

<https://tfl.gov.uk>

Buyer's address

<https://tfl.gov.uk>

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## **Section II: Object**

### **II.1) Scope of the procurement**

#### **II.1.1) Title**

PRO1680 -Contract for the Design, Development, Supply and Installation of Passenger Stop Signs and the provision of related Services

Reference number

PRO1680

#### **II.1.2) Main CPV code**

- 48813200 - Real-time passenger information system

#### **II.1.3) Type of contract**

Supplies

### **II.2) Description**

#### **II.2.2) Additional CPV code(s)**

- 30231000 - Computer screens and consoles
- 31523200 - Permanent message signs
- 31682230 - Graphic display panels
- 34924000 - Variable message signs

- 39133000 - Display units
- 39171000 - Display cases

### **II.2.3) Place of performance**

NUTS codes

- UKI - London

### **II.2.4) Description of the procurement at the time of conclusion of the contract:**

Following an OJEU (Official Journal of European Union) competitive tender exercise, in 2009 London Bus Services Limited (LBSL), a subsidiary of Transport for London (TfL), awarded a 12 year contract to Vix Technology Ltd for the supply, install and maintenance of Countdown 2 (CD2) signs (the Contract). Vix Technology Ltd are responsible for maintaining circa 50% of the Countdown signs on TfL's estate, which comprises approximately 2,700 LED technology screens affixed to the roof of bus shelters across TfL's network. In 2021, the parties agreed to extend the Contract for 18 months, such that it would terminate in March 2023.

LBSL currently intends to competitively procure the next generation of signs and services, Countdown 3 (CD3), under the Utilities Regulations 2016 (UCR). The Countdown 3 procurement envisages that Lot 1 and Lot 2 will each account for approximately fifty percent (50%) of the total volume of Signs on which LBSL requires the Passenger Information Sign Services to be installed and maintained (which TfL considers will equate to approximately 1350 Signs for each of Lot 1 and Lot 2).

Concurrently, TfL is progressing the iBus2 project: a separate competitive procurement exercise which is concerned with the generation of data which underpins the information displayed through the Countdown signs (among other matters).

In 2020, the Countdown 3 project commenced, with the aim of re-procuring the supply, support, and maintenance services of the Countdown signs. Due to the Covid-19 pandemic, the Countdown 3 project was put on hold, which meant that no replacement contracts were awarded. The project restarted in 2021 and was due to award a contract later this year.

However, the Countdown 3 project is proposing to change the scope of the procurement following further market engagement and discovery of emerging industry standard processes and data transfer rationalisation strategies. The revised approach is also exploring the most appropriate interface between iBus2 and Countdown 3 for real time passenger information. In the absence of this process, the value of the Countdown 3 project to LBSL and TfL will be substantially eroded due to increased operational expenditure over a diminished timeframe before a further overhaul of the Countdown

asset base is required.

To complete this work, additional time will be required to review the Market Sounding Questionnaire (MSQ) responses from the suppliers who expressed interest to the PIN (FTS 007626-2022), confirm the outputs from the iBus2 procurement and incorporate these, and any changes, into the Countdown 3 requirements. Following conclusion of the Countdown 3 procurement, LBSL will then need to facilitate the appropriate transition from the existing Countdown 2 signs to the new signs which will be installed and maintained by the Countdown 3 suppliers.

To enable the above actions to take place in an orderly manner and without undue service disruption, on 16 September 2022, LBSL and Vix Technology Limited entered into an agreement to extend the Contract term for an initial 12 months to February 2024 with the option to extend for a further 6 months ("Extension") so that Vix Technology Limited can continue to provide the Countdown 2 services, permit the Countdown 3 procurement process to be properly carried out and allow mobilisation and transition to take place before the new suppliers take up the support and maintenance of the Countdown 3 signs.

As explained at section VII.2 below, LBSL considers that the Extension benefits from the exemption for "additional services" that is laid down in Regulation 88(1)(b) of the UCR. This exemption allows for the non-competitive procurement of additional services that have become necessary, where a change of contractor cannot be made for economic or technical reasons and where such a change would cause significant inconvenience or duplication of costs.

## **II.2.7) Duration of the contract, framework agreement, dynamic purchasing system or concession**

Duration in months

18

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## **Section IV. Procedure**

### **IV.2) Administrative information**

#### **IV.2.1) Contract award notice concerning this contract**

Notice number: [2007/S 026-031605](#)

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## **Section V. Award of contract/concession**

### **Contract No**

PRO1680

### **Title**

PRO1680 -Contract for the Design, Development, Supply and Installation of Passenger Stop Signs and the provision of related Services

### **V.2) Award of contract/concession**

#### **V.2.1) Date of conclusion of the contract/concession award decision:**

1 September 2009

#### **V.2.2) Information about tenders**

The contract/concession has been awarded to a group of economic operators: No

#### **V.2.3) Name and address of the contractor/concessionaire**

Vix Technology Limited

The Cottage Ridgecourt, The Ridge,

Epsom,

KT18 7EP

Country

United Kingdom

NUTS code

- UKI - London

Companies House

Vix Technology UK Limited

The contractor/concessionaire is an SME

Yes

**V.2.4) Information on value of the contract/lot/concession (at the time of conclusion of the contract;excluding VAT)**

Total value of the procurement: £5,584,848.84

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**Section VI. Complementary information**

**VI.4) Procedures for review**

**VI.4.1) Review body**

High Court (England, Wales and Northern Ireland)

London

Country

United Kingdom

Internet address

<https://judiciary.gov.uk>

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**Section VII: Modifications to the contract/concession**

**VII.1) Description of the procurement after the modifications**

**VII.1.1) Main CPV code**

- 48813200 - Real-time passenger information system

**VII.1.2) Additional CPV code(s)**

- 30231000 - Computer screens and consoles
- 31523200 - Permanent message signs
- 31682230 - Graphic display panels
- 34924000 - Variable message signs
- 39133000 - Display units

- 39171000 - Display cases

### **VII.1.3) Place of performance**

NUTS code

- UKI - London

### **VII.1.4) Description of the procurement:**

In 2009 LBSL (a subsidiary of TfL) awarded a 12 year contract to Vix Technology Ltd for the supply, install and maintenance of Countdown 2 (CD2) signs (the Contract). Vix Technology Ltd are responsible for maintaining circa 50% of the Countdown signs on TfL's estate, with the other signs being maintained by Trueform under a separate contract. In 2021, the parties agreed to extend the Contract for 18 months, such that it would terminate in March 2023. Please see the description given at section II.2.4 above for further details of the Contract.

The modifications will extend the Contract on its existing terms for a maximum period of 18 months and are required so that Vix Technology Limited can continue to provide the Countdown 2 services, permit the Countdown 3 procurement process to be carried out and will allow mobilisation and transition to take place before the new suppliers take up the support and maintenance of the Countdown 3 signs. Please see the description given at section VII.2.1 for further details of the modifications.

### **VII.1.5) Duration of the contract, framework agreement, dynamic purchasing system or concession**

Duration in months

18

### **VII.1.6) Information on value of the contract/lot/concession (excluding VAT)**

Total value of the contract/lot/concession:

£1,205,167.42

### **VII.1.7) Name and address of the contractor/concessionaire**

Vix Technology Limited

The Cottage Ridgécourt, The Ridge

Epsom

KT18 7EP

Country

United Kingdom

NUTS code

- UK - United Kingdom

Justification for not providing organisation identifier

Not on any register

The contractor/concessionaire is an SME

Yes

## **VII.2) Information about modifications**

### **VII.2.1) Description of the modifications**

Nature and extent of the modifications (with indication of possible earlier changes to the contract):

As explained in section II.2.4 above, in 2009 London Bus Services Limited (LBSL), a subsidiary of Transport for London (TfL), awarded a 12 year contract to Vix Technology Ltd for the supply, install and maintenance of Countdown 2 (CD2) signs (the Contract). Vix Technology Ltd are responsible for maintaining circa 50% of the Countdown signs on TfL's estate, which comprises approximately 2,700 LED technology screens affixed to the roof of bus shelters across TfL's network. In 2021, the parties agreed to extend the Contract for 18 months, such that it would terminate in March 2023.

LBSL currently intends to competitively procure the next generation of signs and services, Countdown 3 (CD3), under the Utilities Regulations 2016 (UCR). The Countdown 3 procurement envisages that Lot 1 and Lot 2 will each account for approximately fifty percent (50%) of the total volume of Signs on which LBSL requires the Passenger Information Sign Services to be installed and maintained (which TfL considers will equate to approximately 1350 Signs for each of Lot 1 and Lot 2).

Concurrently, TfL is progressing the iBus2 project: a separate competitive procurement exercise which is concerned with the generation of data which underpins the information displayed through the Countdown signs (among other matters).

In 2020, the Countdown 3 project commenced, with the aim of re-procuring the supply,



support, and maintenance services of the Countdown signs. Due to the Covid-19 pandemic, the Countdown 3 project was put on hold, which meant that no replacement contracts were awarded. The project restarted in 2021 and was due to award a contract later this year.

However, the Countdown 3 project is proposing to change the scope of the procurement following further market engagement and discovery of emerging industry standard processes and data transfer rationalisation strategies. The revised approach is also exploring the most appropriate interface between iBus2 and Countdown 3 for real time passenger information. In the absence of this process, the value of the Countdown 3 project to LBSL and TfL will be substantially eroded due to increased operational expenditure over a diminished timeframe before a further overhaul of the Countdown asset base is required.

To complete this work, additional time will be required to review the Market Sounding Questionnaire (MSQ) responses from the suppliers who expressed interest to the PIN (FTS 007626-2022), confirm the outputs from the iBus2 procurement and incorporate these, and any changes, into the Countdown 3 requirements. Following conclusion of the Countdown 3 procurement, LBSL will then need to facilitate the appropriate transition from the existing Countdown 2 signs to the new signs which will be installed and maintained by the Countdown 3 suppliers.

To enable the above actions to take place in an orderly manner and without undue service disruption, on 16 September 2022, LBSL and Vix Technology Limited entered into an agreement to extend the Contract term for an initial 12 months to February 2024 with the option to extend for a further 6 months ("Extension") so that Vix Technology Limited can continue to provide the Countdown 2 services, permit the Countdown 3 procurement process to be properly carried out and allow mobilisation and transition to take place before the new suppliers take up the support and maintenance of the Countdown 3 signs. This modification notice relates to that extension.

LBSL considers that the Extension benefit from the exemption for "additional services" that is laid down in Regulation 88 (1)(b) of the UCR.

The provision of the additional Countdown 2 services over a maximum duration of 18 months has become necessary for LBSL to ensure continuation of the Countdown services including the continued supply, installation and maintenance of Countdown 2 signs and gives the Countdown 3 project time to impact potential changes in scope.

Running a competitive tender for a short extension, ahead of starting the Countdown 3 procurement, would involve significant inconvenience and substantial duplication of costs for LBSL. It may also delay completion of the iBus2 tender process and the start of the Countdown 3 procurement. For more details of the reasons, please see section VII.2.2 below.

### **VII.2.2) Reasons for modification**

Need for additional works, services or supplies by the original contractor/concessionaire.

Description of the economic or technical reasons and the inconvenience or duplication of cost preventing a change of contractor:

Given the age of the Countdown 2 sign estate and its planned replacement in the near-term, it is not viable for TfL or LBSL to bring in a different contractor on a short term basis in a way that safeguards the continued operation of LBSL's countdown services, pending delivery of the Countdown 3 procurement. To do so would likely result in disruption to the service, thereby creating significant inconvenience to LBSL and broader users of the bus network.

Furthermore, the existing Countdown 2 signs cannot be taken on by another supplier as it would not be technically possible for another supplier to operate the existing Countdown 2 signs. A change in supplier would give rise to a need to replace the Countdown 2 assets. Indeed, replacement of the Countdown 2 assets is contemplated in the Countdown 3 procurement, such that an interim replacement would duplicate costs in light of Countdown 3.

The cost of bringing in a different contractor on a short term basis would therefore be prohibitive.

### **VII.2.3) Increase in price**

Updated total contract value before the modifications (taking into account possible earlier contract modifications, price adaptations and average inflation)

Value excluding VAT: £6,259,471.76

Total contract value after the modifications

Value excluding VAT: £7,464,639.18