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Award

London Tram SVT 960K Bogie Overhaul Materials

Transport for London

UK5: Transparency notice - Procurement Act 2023 - view information about notice types

Notice identifier: 2025/S 000-040812

Procurement identifier (OCID): ocds-h6vhtk-0560f3 (view related notices)

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Scope

Reference

LTC-25-842

Description

Award a supply goods contract to the Original Equipment Manufacturer (OEM) [Stadler] to Purchase the Core Materials required to complete the London Trams Stadler Variobahn Bogie Overhaul.

London Trams have Stadler Variobahn Fleet of 12, which has been in service since circa 2012-2015 and has now reached their overhaul based on kilometrage (960k km). The materials from the OEM are required to undertake overhauling of the various bogie components and systems of per tram (2 Traction Bogies and the 1 Trailer Bogies) used on the SVT Fleet.

Overhauling the above component will ensure that London Trams adhere to Original Equipment Manufacturer (OEM) maintenance recommendation and improve fleet reliability and availability.

The total amount is circa £900k, and all the materials must be delivered within 3 months.

Justification for awarding STADLER the contract as a single supplier under Chapter 3, Section 41, and Schedule 5 Direct Award Justifications (Schedule 5) of the UK Government Procurement Act 2023 (the Act).

Stadler, as the Original Equipment Manufacturer (OEM), uniquely possesses the intellectual property, technical capabilities, and proprietary rights essential for fulfilling the requirements of the contract.

Contract 1. London Tram SVT 960K Bogie Overhaul Materials

Supplier

Stadler Signalling AG

Contract value

- £900,000 excluding VAT
- £1,080,000 including VAT

Above the relevant threshold

Earliest date the contract will be signed

21 July 2025

Contract dates (estimated)

- 29 July 2025 to 28 December 2025
- 5 months

Main procurement category

Goods

Options

The right to additional purchases while the contract is valid.

Additional Materials identified during the overhaul

CPV classifications

• 34000000 - Transport equipment and auxiliary products to transportation

Contract locations

- UKC North East (England)
- UKD North West (England)
- UKE Yorkshire and the Humber
- UKF East Midlands (England)
- UKG West Midlands (England)
- UKH East of England
- UKI London
- UKJ South East (England)

UKK - South West (England)
Participation
Particular suitability
Small and medium-sized enterprises (SME)
Other information
Conflicts assessment prepared/revised
Yes
Procedure
Procedure Procedure type
Procedure type

Direct award justification

Single supplier - intellectual property or exclusive rights

STADLER

Justification for Direct Award to Stadler Under Schedule 5 of the UK Government Procurement Act 2023

The justification for awarding STADLER the contract as a single supplier is under Chapter 3, Section 41, and Schedule 5 Direct Award Justifications (Schedule 5) of the UK Government Procurement Act 2023 (the Act).

Stadler, as the Original Equipment Manufacturer (OEM), uniquely possesses the intellectual property, technical capabilities, and proprietary rights essential for fulfilling the requirements for the critical parts.

1. Technical Feasibility - Paragraph 6

The execution of the required works necessitates the use of materials, sub-components, and commodities that are exclusively manufactured and supplied by Stadler. These critical inputs are not available for purchase on the open market and are not distributed to third parties. As a result, it is technically infeasible for any supplier other than Stadler to deliver the scope of works required under the contract.

Engaging an alternative supplier would risk incompatibility between the existing systems and any new goods, services, or works introduced. Such incompatibilities could require substantial redesign, reengineering, or modification efforts, which are not only complex and time-consuming but also likely to result in unacceptable costs and delays. Given the essential nature of the services being supported, such delays would be detrimental to the continuity of critical operations.

2. Additional or Repeat Goods, Services, or Works - Paragraph 7

This contract forms part of a series of linked procurements, providing for the partial replacement or supplementation of goods, services, or works already delivered under a prior agreement with Stadler. Procuring from a different supplier at this stage would create disproportionate technical difficulties in both the operation and ongoing maintenance of the integrated systems.

Specifically, third-party suppliers would lack access to proprietary specifications or components necessary for interoperability with the existing Stadler-supplied infrastructure. In scenarios such as overhauls or component failure, a non-OEM supplier would ultimately have to source parts from Stadler, reintroducing Stadler into the supply chain

indirectly, thereby increasing risk, complexity, and cost. This approach would also result in extended lead times and reduced operational reliability-outcomes that are inconsistent with the authority's service obligations and value-for-money principles.

Accordingly, the direct award to Stadler is justified under both Paragraphs 6 and 7 of Schedule 5 to the UK Government Procurement Act 2023. Stadler's unique position as the OEM, combined with the technical and operational risks associated with using any other supplier, supports the conclusion that competition is absent for technical reasons and for reasons of compatibility, making a direct award both necessary and legally compliant.

Supplier

Stadler Signalling AG

Public Procurement Organisation Number: PGRP-7117-DPHG

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8304

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Website: https://www.stadlerrail.com/en/solutions/signalling

Small or medium-sized enterprise (SME): No

Voluntary, community or social enterprise (VCSE): No

Contract 1. London Tram SVT 960K Bogie Overhaul Materials

Contracting authority

Transport for London

• Public Procurement Organisation Number: PHMT-6197-NWNZ

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Organisation type: Public authority - central government