

- PS_n = Actual Planned Services achieved and delivered in Accounting Period n, a percentage expressed as a fraction of the Planned Services required by the Activity Plan;
- PQ_n = Actual Planned Services Quality inspections passed in Accounting Period n, a percentage expressed as a fraction of the maximum Planned Services Quality inspections completed by the Company as set out in Schedule 3, Appendix 2;
- PSQ_n = Passed Second Planned Service Quality Inspection from Accounting Period n-1 that is delivered during Accounting Period n as set out in paragraph [2.1.9] of Schedule 12 and a percentage expressed as a fraction of the maximum Planned Services Quality inspections completed by the Company in Accounting Period n-1;
- $£PSC_n$ = Service Charges for Planned Services for Accounting Period n;
- UCW_n = Undelivered Completed Work from Accounting Period n-1 that is delivered during Accounting Period n as set out in paragraph [2.1.5] of Schedule 12 and a percentage expressed as a fraction of the Planned Services required by the Activity Plan in Accounting Period n-1;
- $£PSC_{n-1}$ = Service Charges for Planned Services for Accounting Period n-1;
- $£RSC_n$ = Service Charges for Reactive Services for Accounting Period n;
- $£RSD_n$ = Deduction (in £s) for Reactive Services in the Accounting Period n;
- RQ_n = Reactive Services Quality inspections passed in Accounting Period n, a percentage expressed as a fraction of the maximum Reactive Services Quality inspections completed by the Company as set out in Schedule 3, Appendix 2;
- CAP_n = The cap on deductions for the Reactive Services in the Accounting Period, expressed as a monetary value and as described in paragraph 8 of Schedule 12 (Supplier Performance);
- RSQ_n = Passed Second Reactive Service Quality Inspection from Accounting Period n-1 that is delivered during Accounting Period n as set out in paragraph 3.2.12 of Schedule 12 (Supplier Performance) and a percentage expressed as a fraction of the maximum Reactive Services Quality inspections completed by the Company in Accounting Period n-1;

RPF_i^n = Reactive Services Faults rectified for Accounting Period n , which is obtained by selecting the percentage value expressed as a fraction in the second column of Table 6, Schedule 12 (Supplier Performance) where ' i ' = (FT_{mrect} / FT_{rect}) being the fraction of Faults rectified within the Rectification Time (Table 6, Schedule 12 (Supplier Performance) first column);

Also:

FT_{mrect} = Number of faults in the Accounting Period that met the Rectification Time as set out in Table 5 of Schedule 12 (Supplier Performance);

FT_{rect} = Number of faults in the Accounting Period assigned a Rectification Time as set out in Table 5 of Schedule 12 (Supplier Performance); and

All calculations shall be made to two decimal places.

Worked Example

Supplier 'A':

- i) completes 97% of Planned Services for Accounting Period 2;
- ii) delivers 2% of Accounting Period 1's Planned Services during Accounting Period 2, i.e. one Accounting Period in arrears;
- iii) passes 86 of a total of 95 Planned Service Quality Inspections in Period 2 being 90.52% successfully passed quality inspections;
- iv) achieves passes where the Company has re-inspected non conformant works in 5 of a total of 90 Planned Service Quality Inspections from Period 1 being known as "Passed Second Quality Inspections" being 5.55% successfully passed quality inspection second time around;
- v) meets the Rectification or Response Time for 58 of 60 faults assigned a Rectification or Response Time, i.e. 2 Faults are not responded to or rectified within the set times;
- vi) passes 19 of a total of 20 Reactive Service Quality Inspections in Period 2;
- vii) achieves passes where the Company has permitted re-inspected non conformant works in 4 of a total of 25 Reactive Service Quality Inspections from Period 1 being known as "Passed Second Quality Inspections";
- viii) the Service Charge for Planned Services for Accounting Periods 1 and 2 (£PSC_n and £PSC_{n-1}) is £500,000;
- ix) the Service Charge for Reactive Services (£RSC) for Accounting Periods 1 and 2 is £300,000; and

x) the Supplier's declared profit margin for the Accounting Period 2 is £16,000.

In this example, the Service Payment for an Accounting Period is calculated as follows:

To calculate the Actual Planned Service payment for delivery of the planned service (worth a maximum of 80% of the Service Charge) and successfully passed quality inspections (worth a maximum of 20%);

$$(97\% \times (£500,000 \times 80\%)) + (90.52\% \times (£500,000 \times 20\%)) = £478,520.$$

The Actual Planned Service and non compliant quality inspections conducted by the Company and inspections passed in the current period but dating from the previous period:

$$(2\% \times (£500,000 \times 80\%)) + (5.55\% \times (£500,000 \times 20\%)) = £13,550.$$

The Actual Reactive Service and Quality Inspections payment has to be compared with the declared profit margin for the Supplier. In this example 58 Faults meet the Reactive Services KPI (FTmrect) out of a total 60 assigned Faults (FTrect) i.e. 2 Faults do not meet that KPI. 19 of 20 quality inspections were passed in the period i.e. 1 quality inspection of Reactive works is non conformant.

The number of Faults which met the response and rectification KPI is 58 / 60 = 96.67%. Looking up 96.67% in Table 6 (column 1) of Schedule 12 results in payment of 96% or a deduction of 4% of the 80% eligible Reactive Service Charge for the Accounting Period.

1 – (19 / 20) = 5% reactive service quality inspections were non conformant

The Reactive Service Deduction is therefore:

$$(4\% \times (£300,000 \times 80\%)) + (5\% \times (£300,000 \times 20\%)) = £12,600.$$

Compare this figure with the profit margin declared by the Supplier for the Accounting Period n. and in this example assume it is above the capped amount in accordance with paragraph 7.1 of Schedule 12.

The Reactive Service Charge for the Period is therefore:

$$(96\% \times (£300,000 \times 80\%)) + (95\% \times (£300,000 \times 20\%)) = £287,400.$$

The Actual Reactive Services non compliant quality inspections conducted by the Company in the current period but dating from the previous period are "Passed Second Quality Inspection" for faults:

$$4 / 25 = 20\% \text{ and therefore } (20\% \times (£300,000 \times 20\%)) = £12,000.$$

The Service Payment due to Supplier 'A' in this example is the sum of Planned and Reactive Services and Quality inspections:

$$SP_n = \underline{\underline{\pounds 478,520 + \pounds 13,550 + \pounds 287,400 + \pounds 12,000 = \pounds 791,470.}}$$

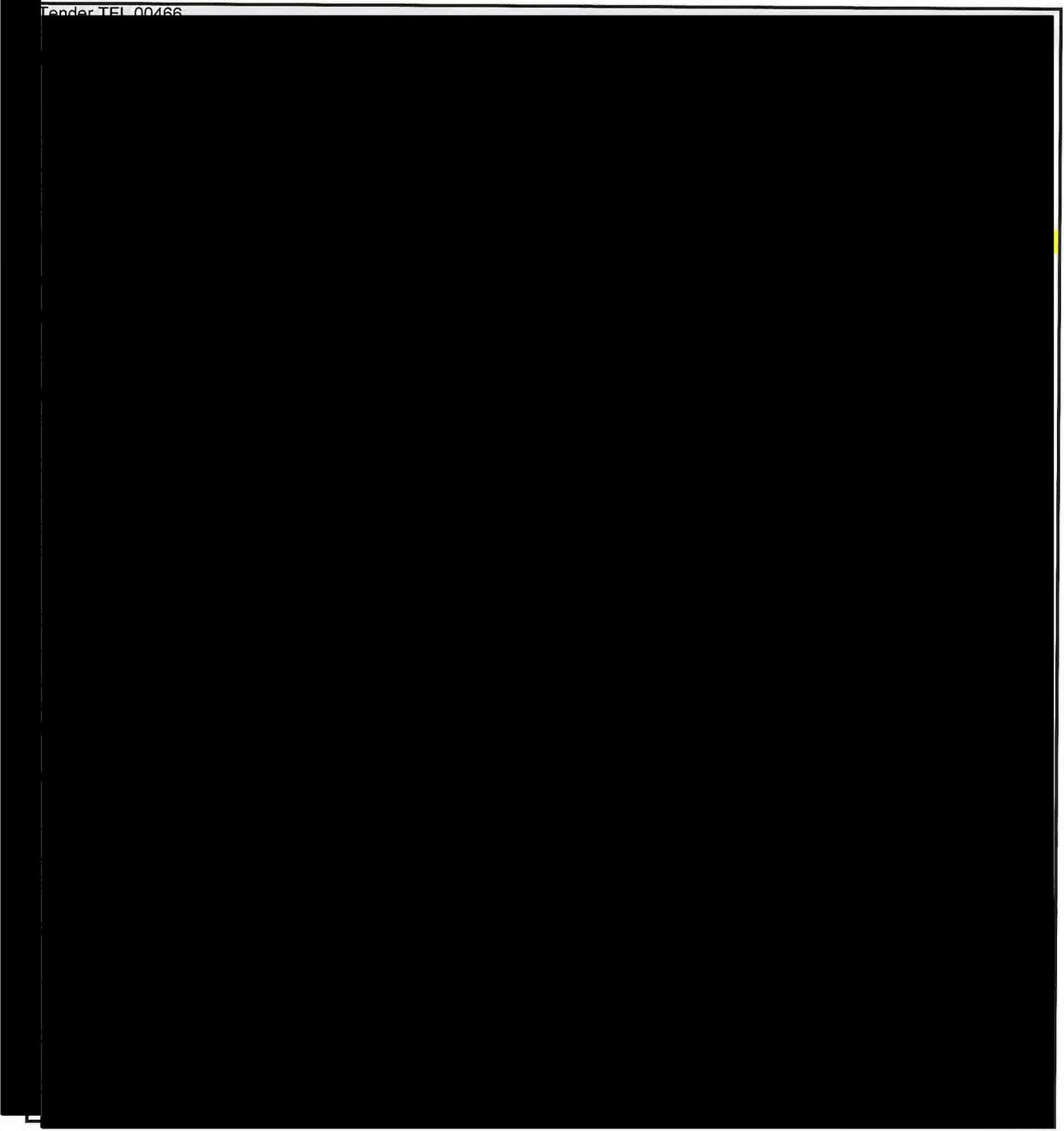
If, in the above example, the calculated deduction for Reactive Services in £s when compared with the Supplier's declared profit margin is greater than the profit margin the cap level profit margin is substituted for the Reactive Services deduction the Service Payment is;

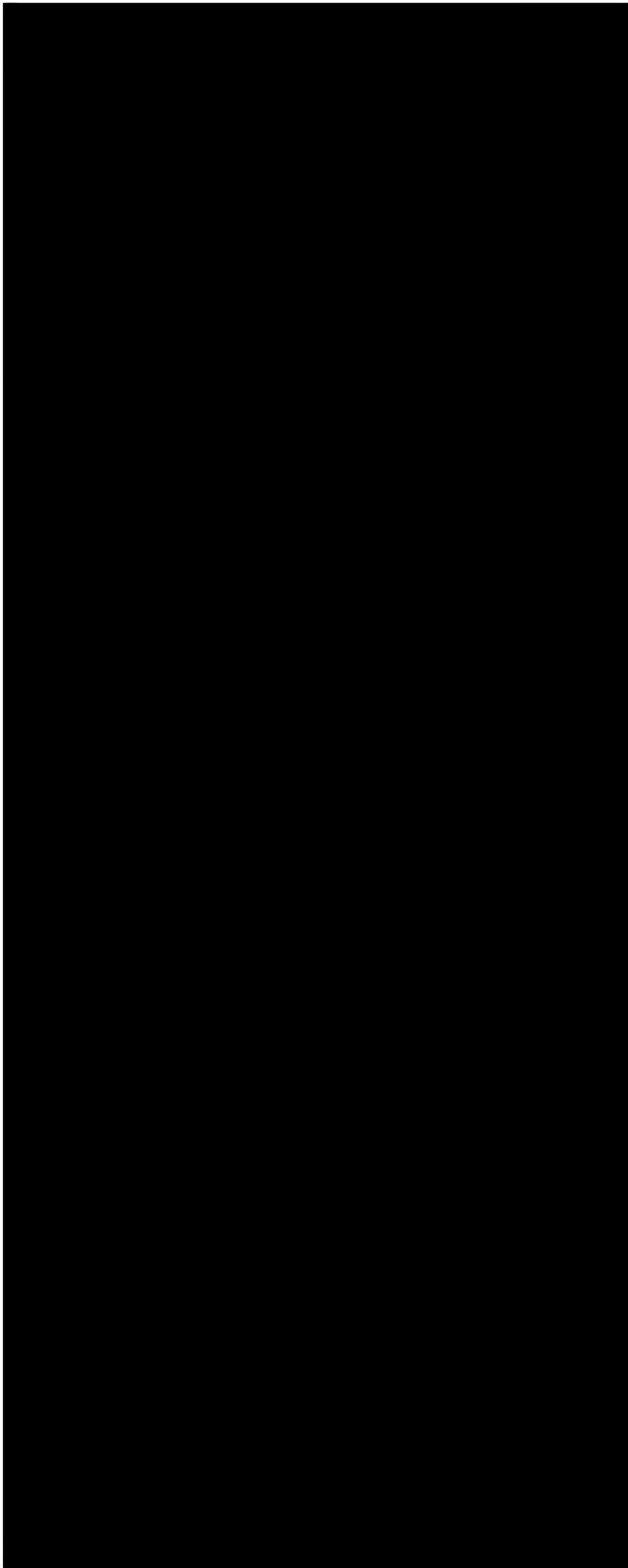
$$SP_n = \underline{\underline{\pounds 478,520 + \pounds 13,550 + (\pounds 300,000 - \pounds 16,000) + \pounds 12,000 = \pounds 788,070.}}$$

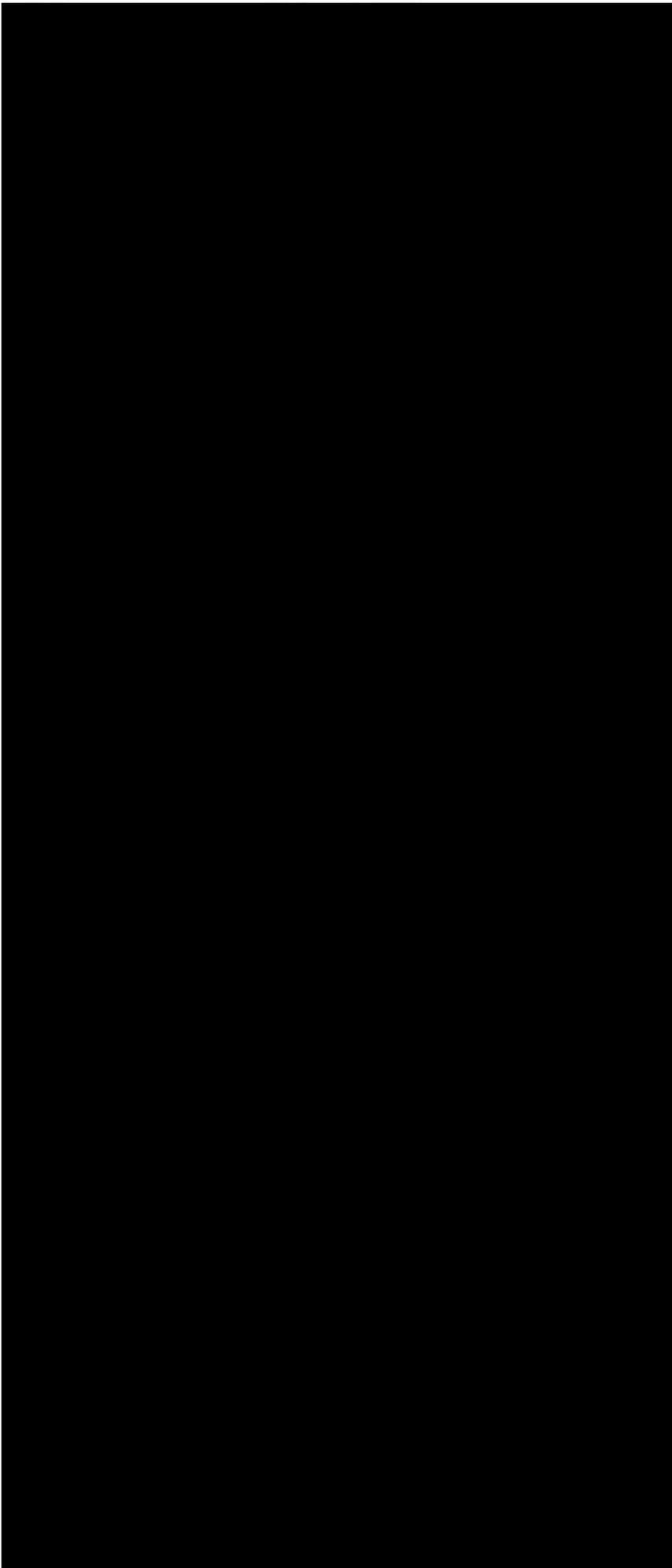
- 1.3 The AFP submitted by the Supplier will be clear, concise, accurate, and adequately descriptive and in the format agreed with the Company.
- 1.4 Failure on the part of the Supplier to submit a clear, concise, accurate and adequately descriptive statement in the required format may lead to delays in processing the AFP and subsequent payment of invoices. Any loss or additional expenses incurred by the Supplier in the correction or re-submission of an AFP or invoice will be at the Supplier's own expense.
- 1.5 Upon receipt of the CPAF, the Supplier may raise an invoice for the Service Payment so certified and, attaching one copy of the CPAF to each such invoice, send each Invoice to the address below or such other address as is notified by the Company to the Supplier from time to time:

Transport for London – Accounts Payable
14 Pier Walk
London
SE10 0ES

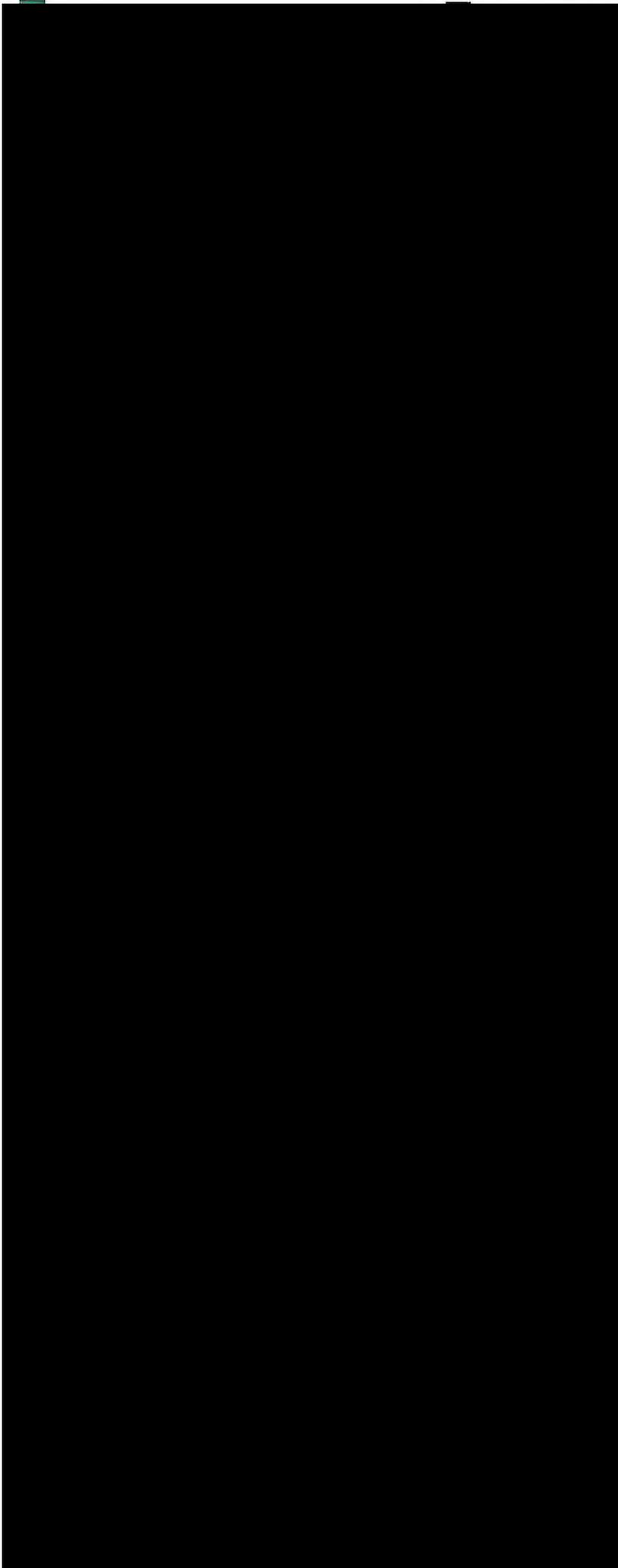
Appendix 1: Service Charges Schedule of Rates



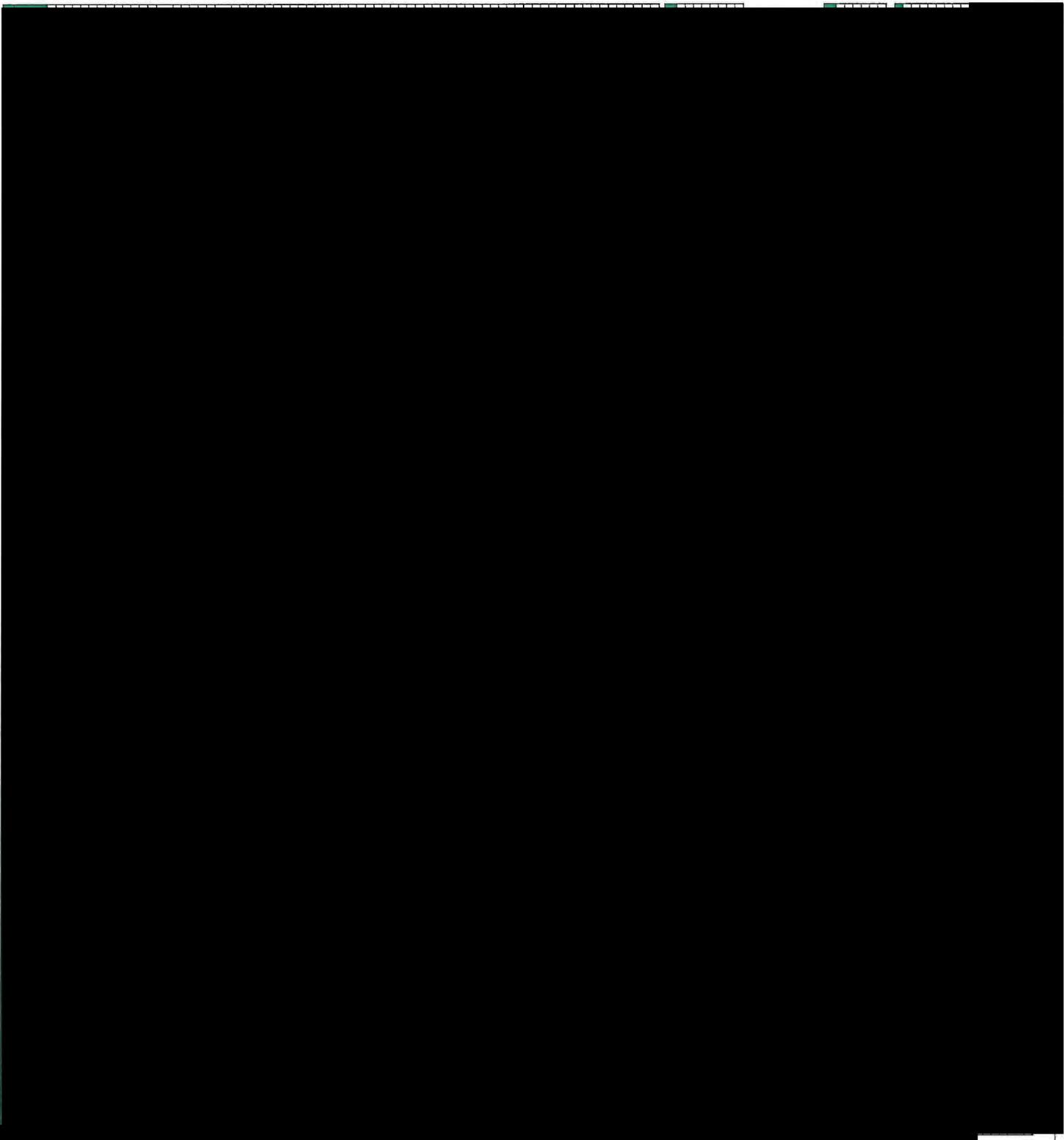


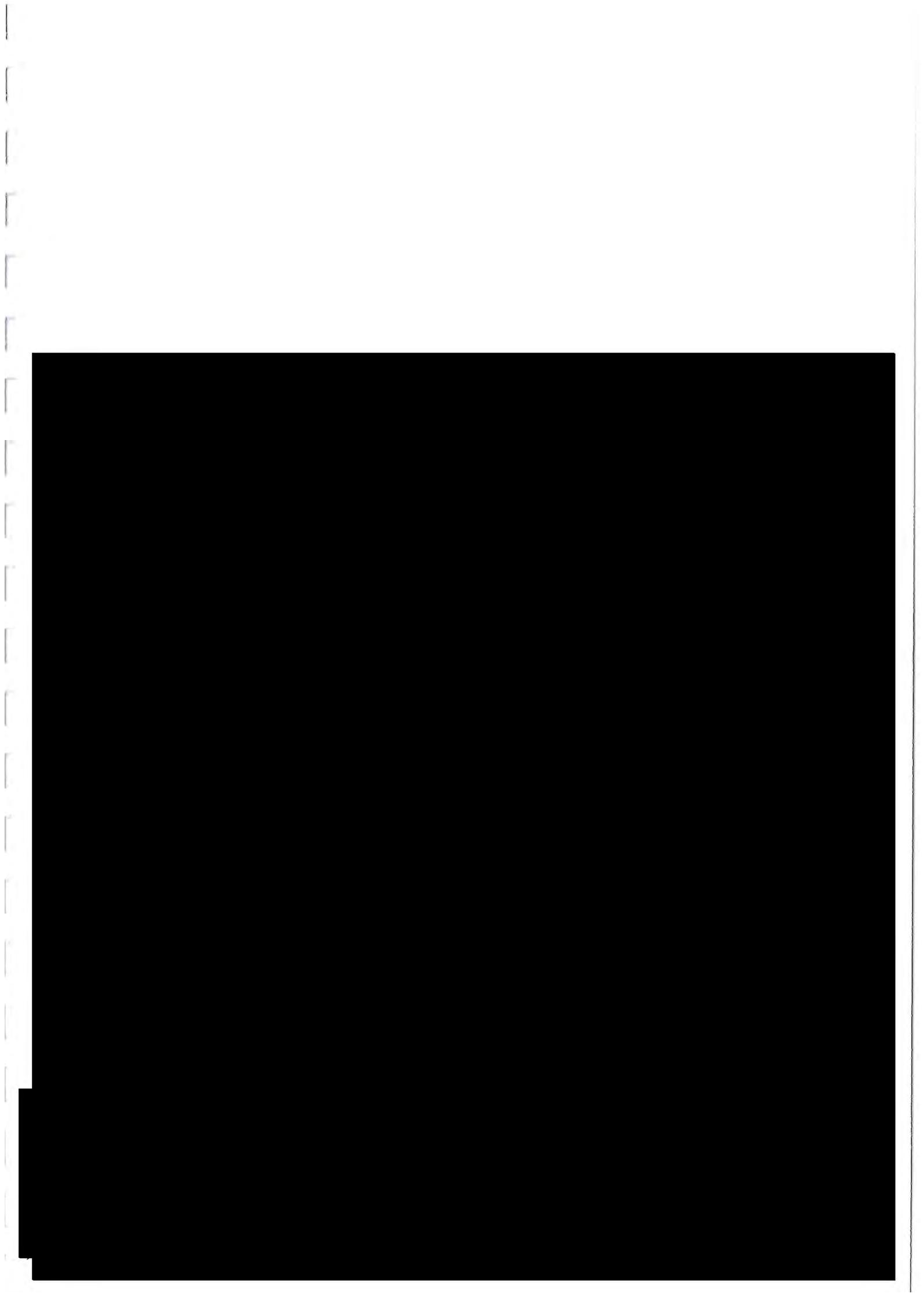


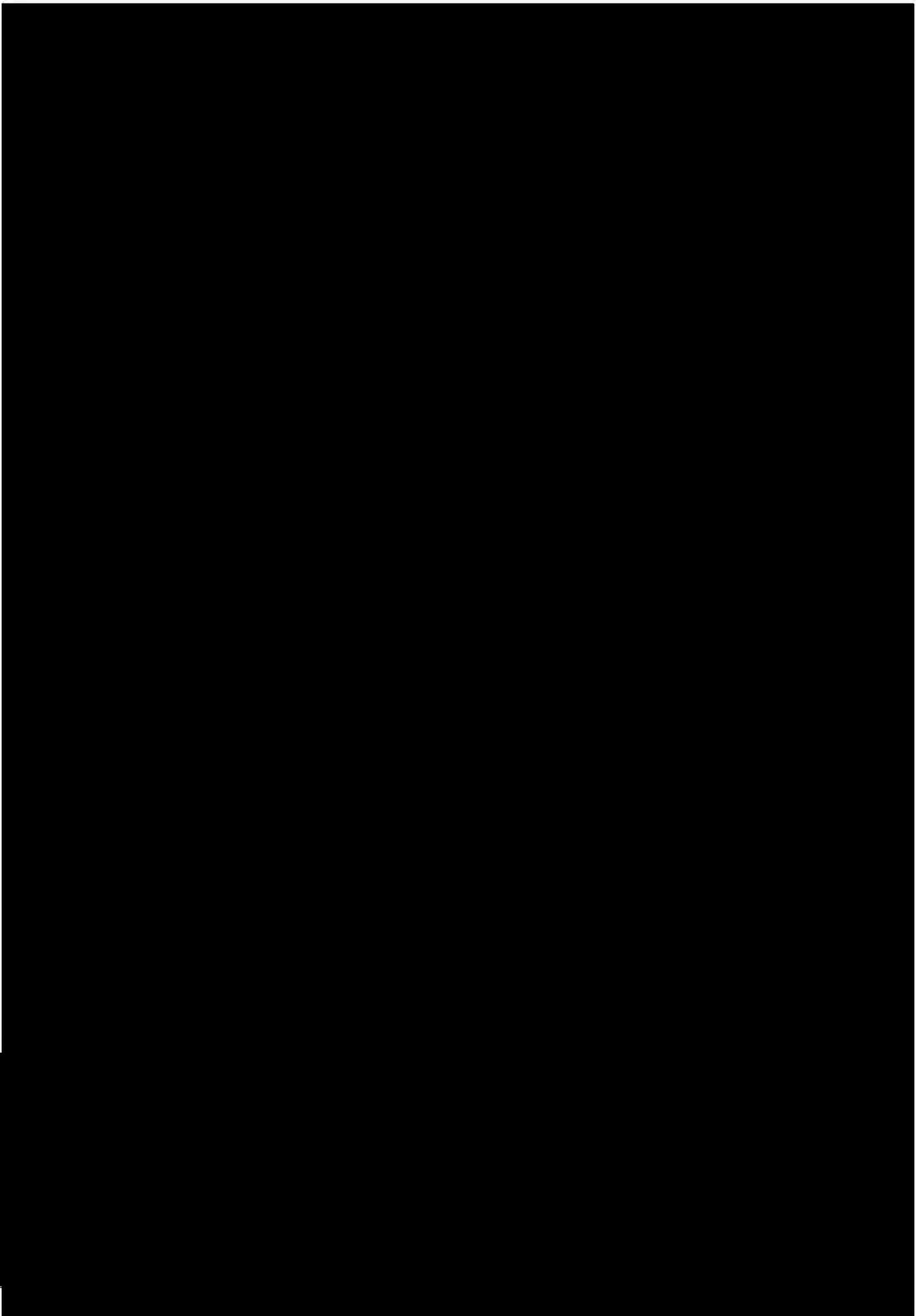
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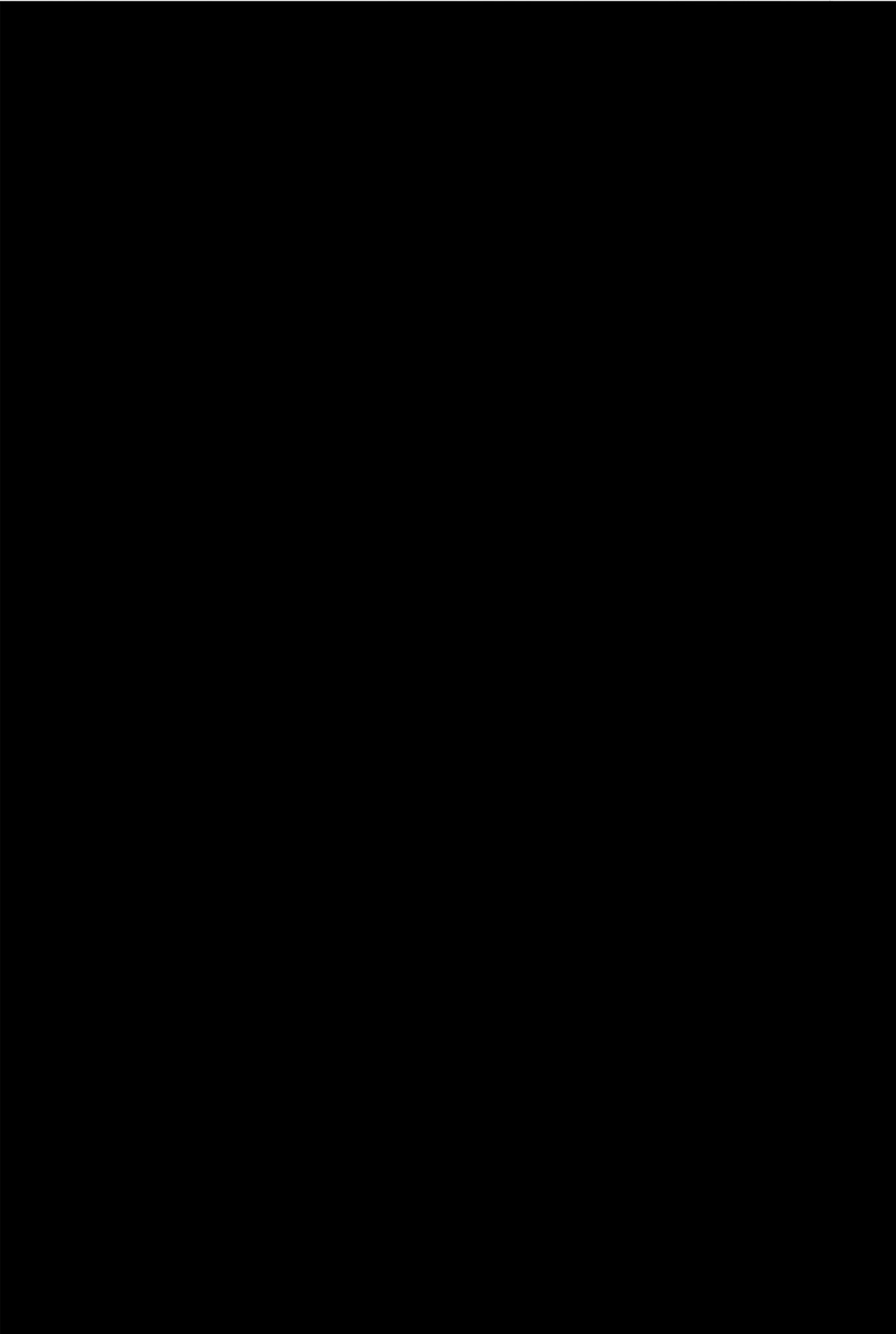


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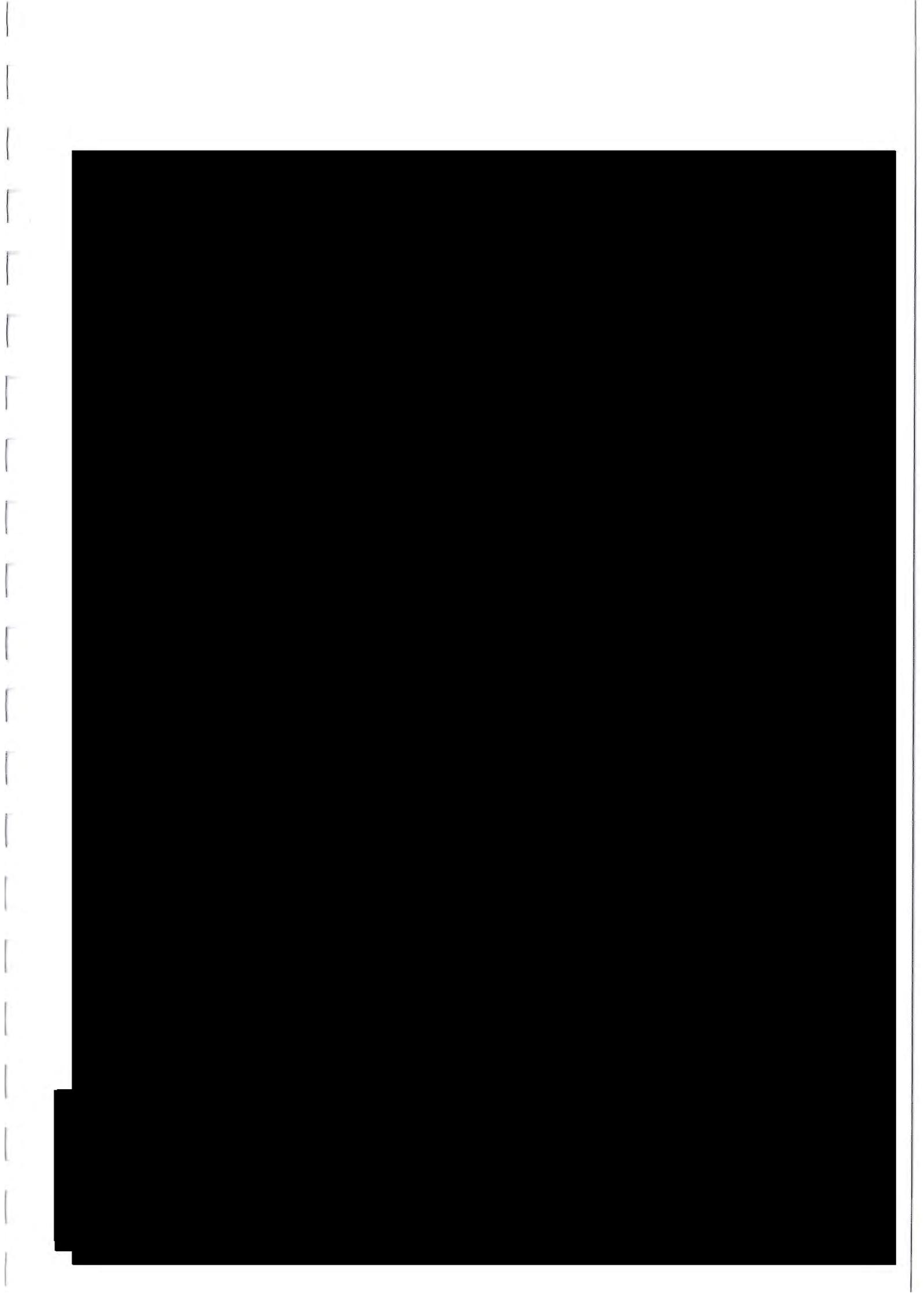


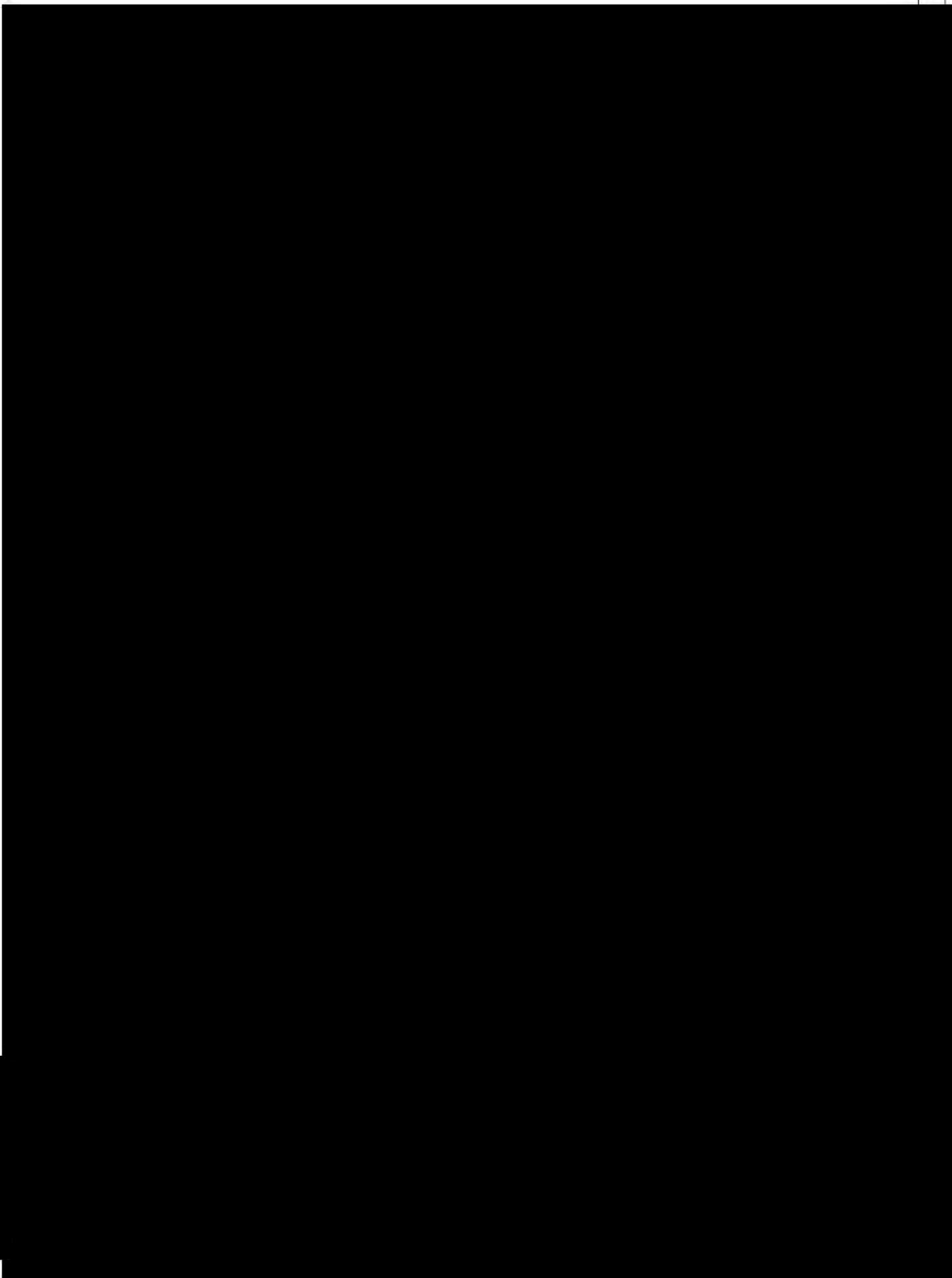


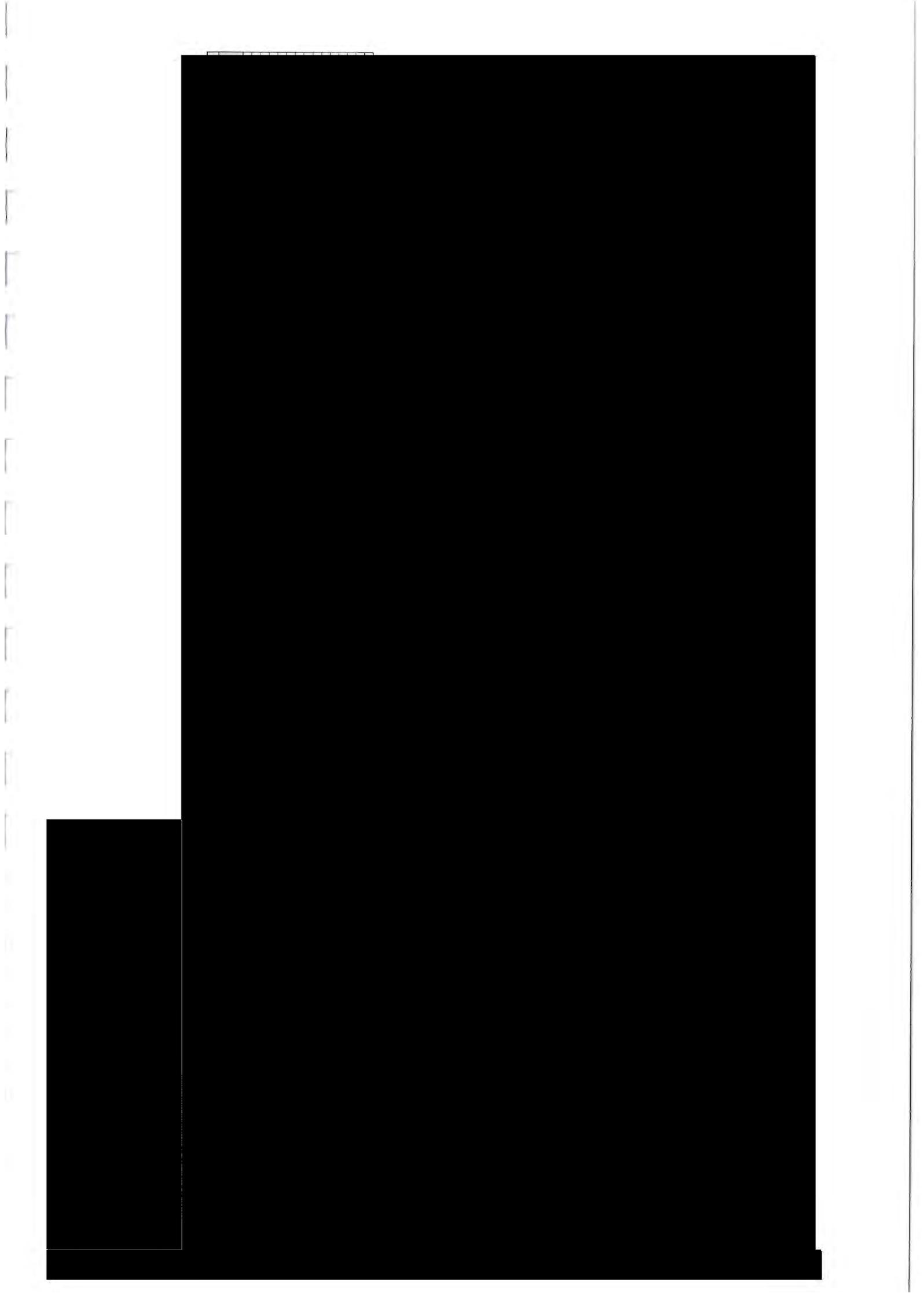


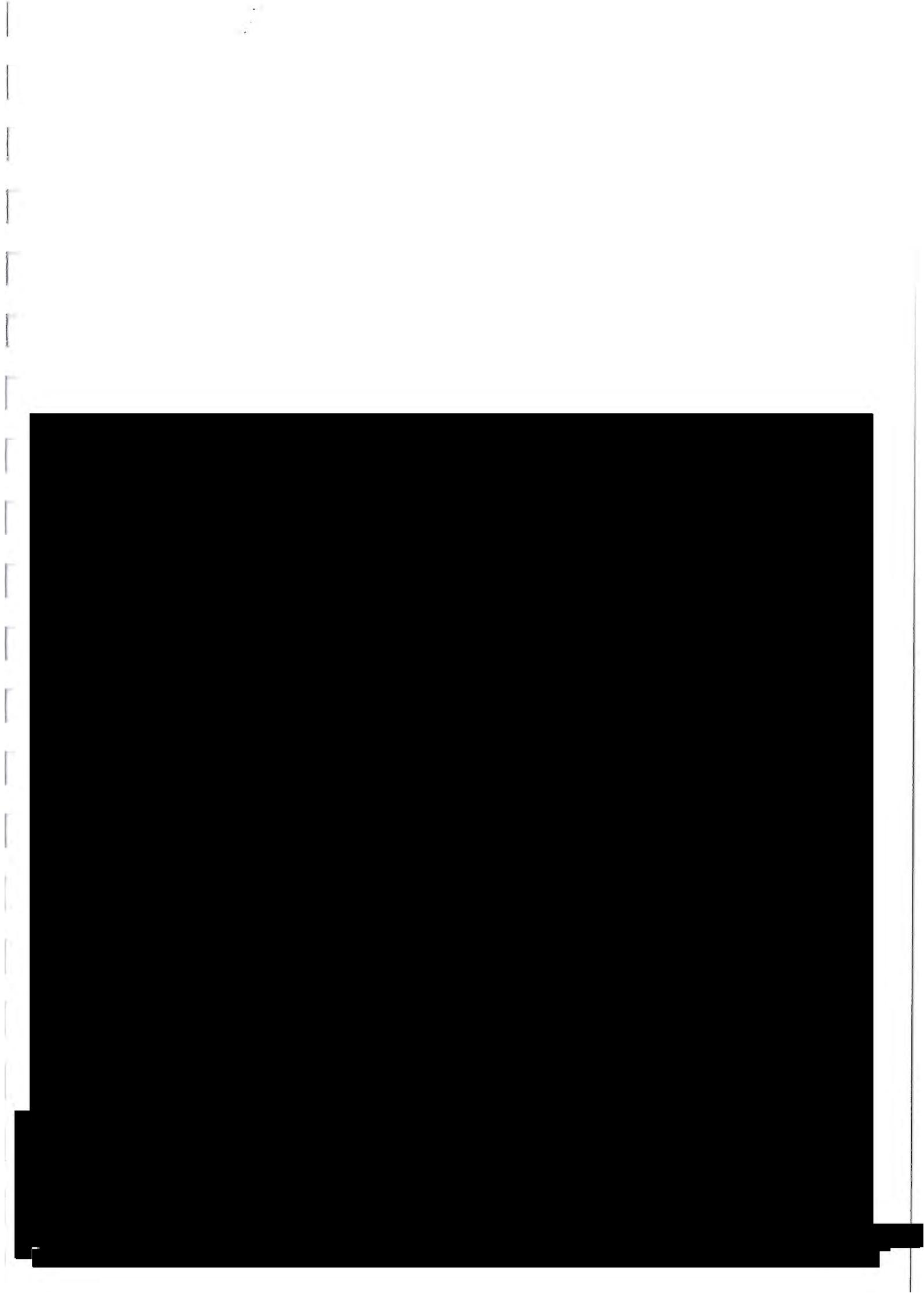
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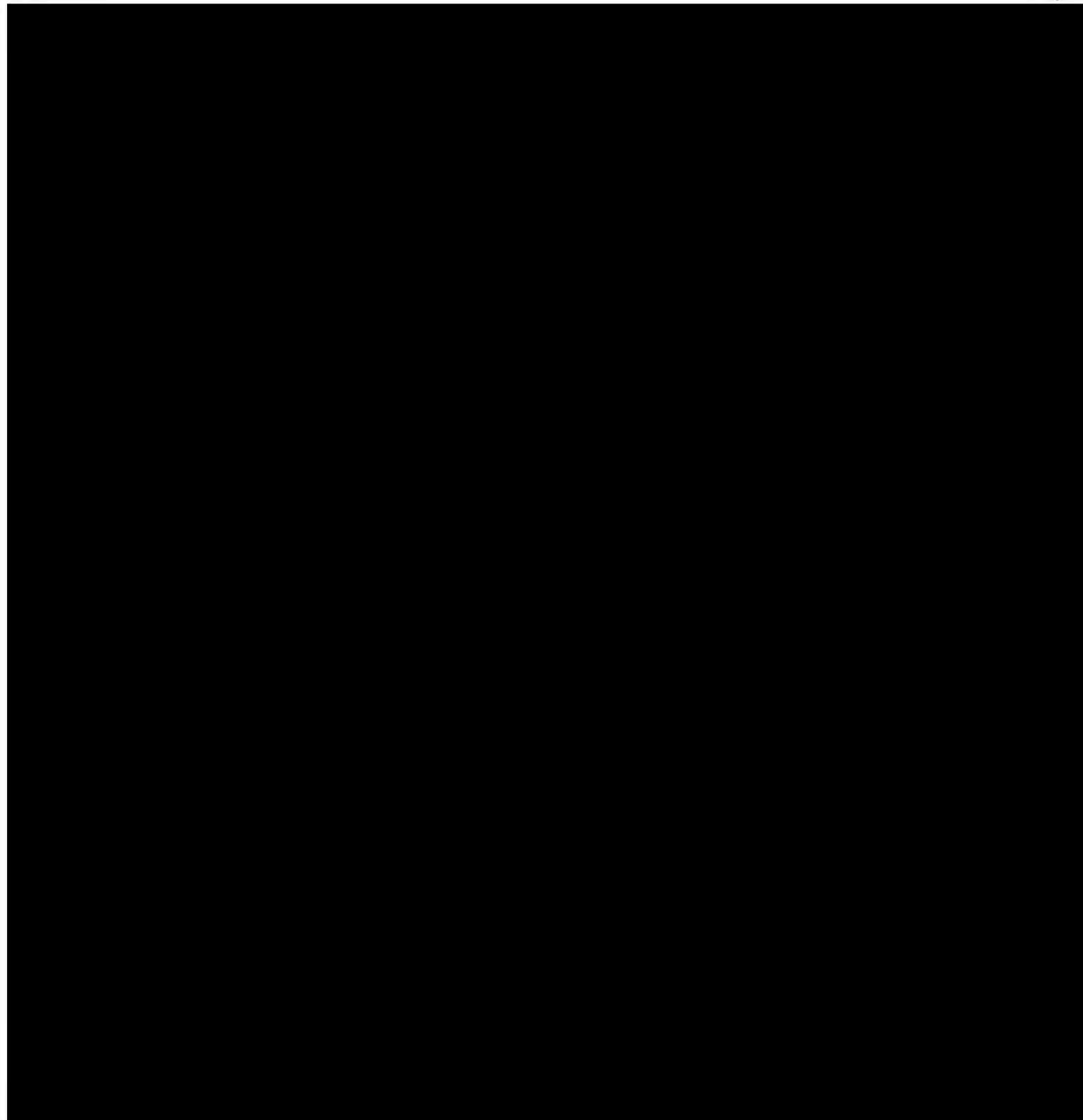


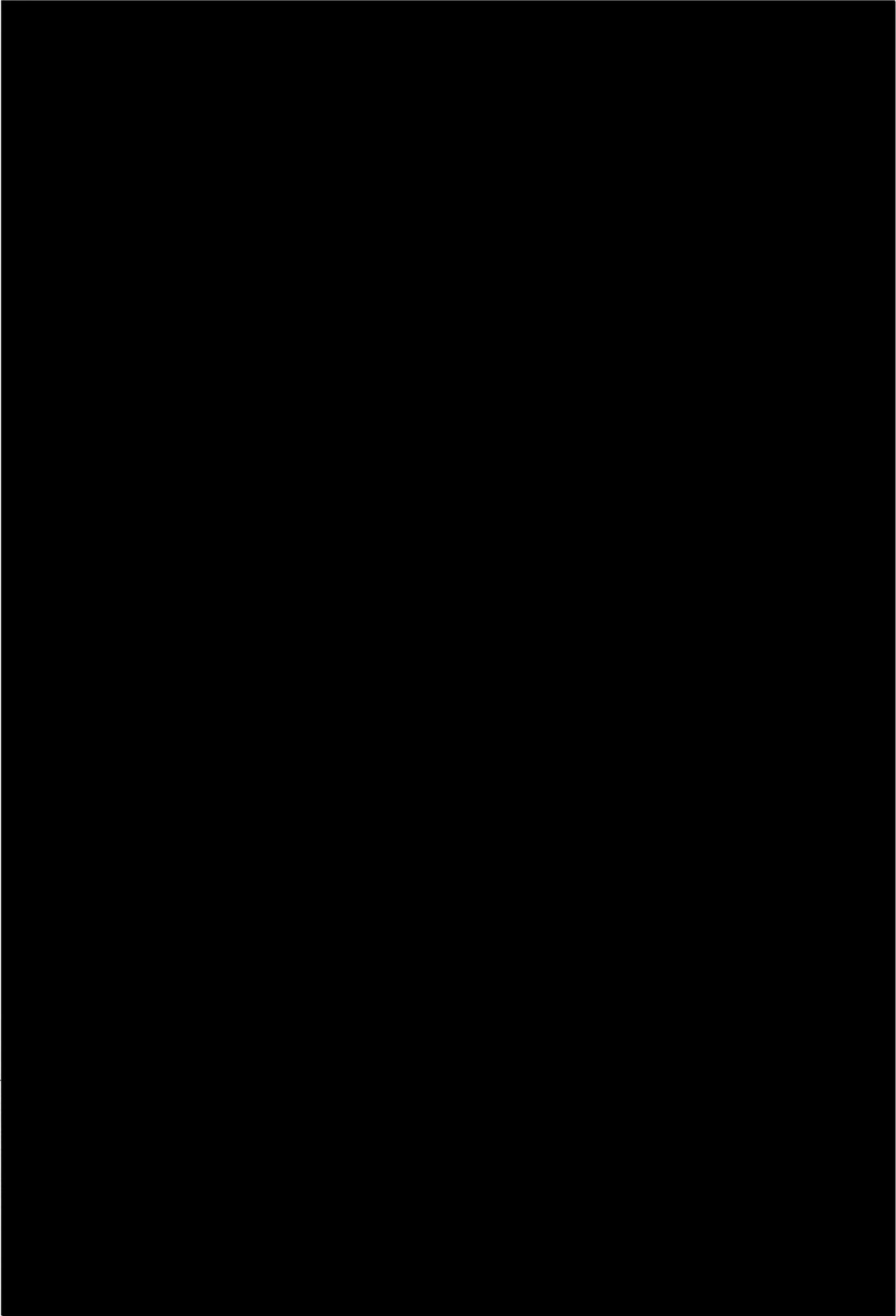




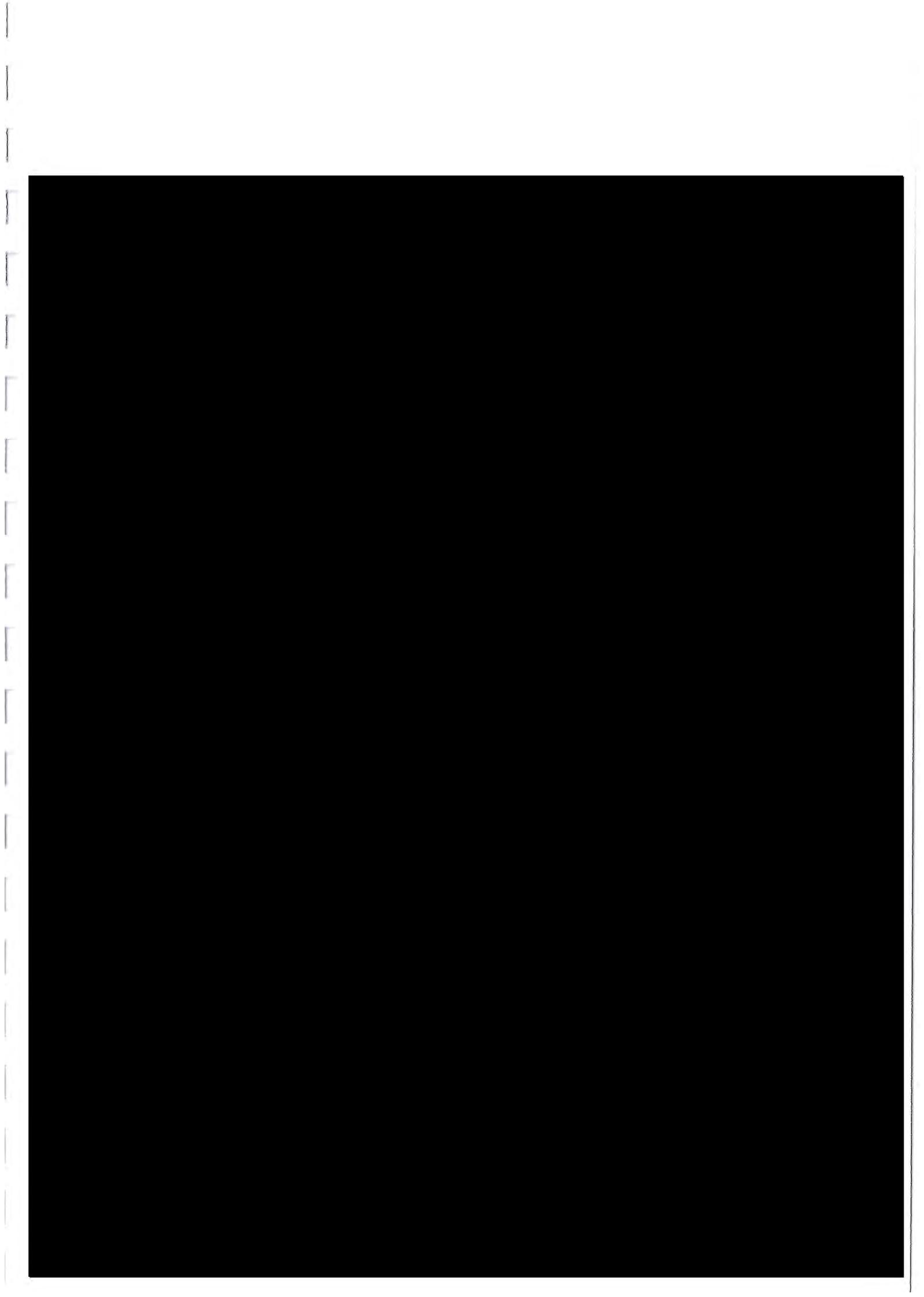


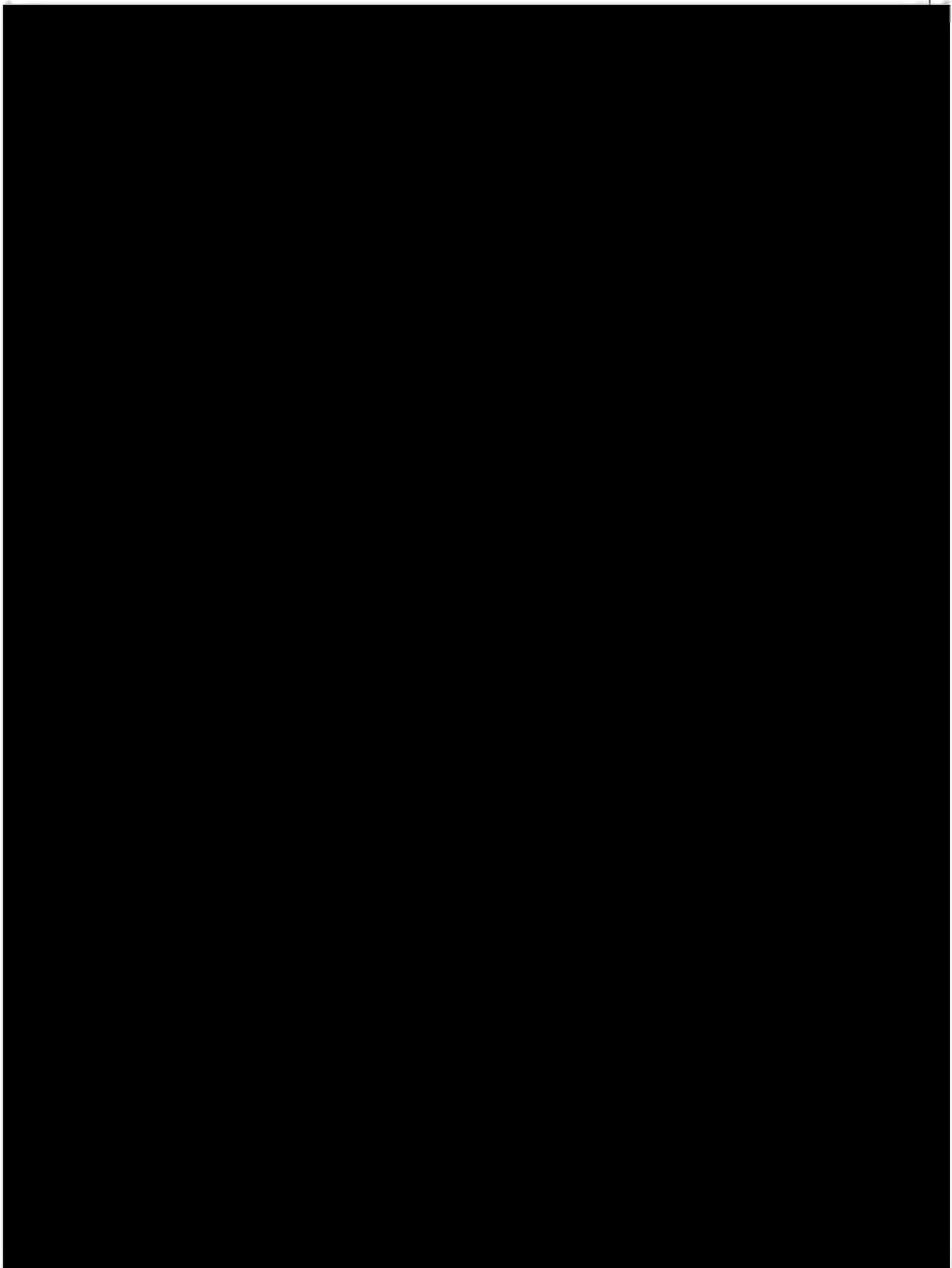
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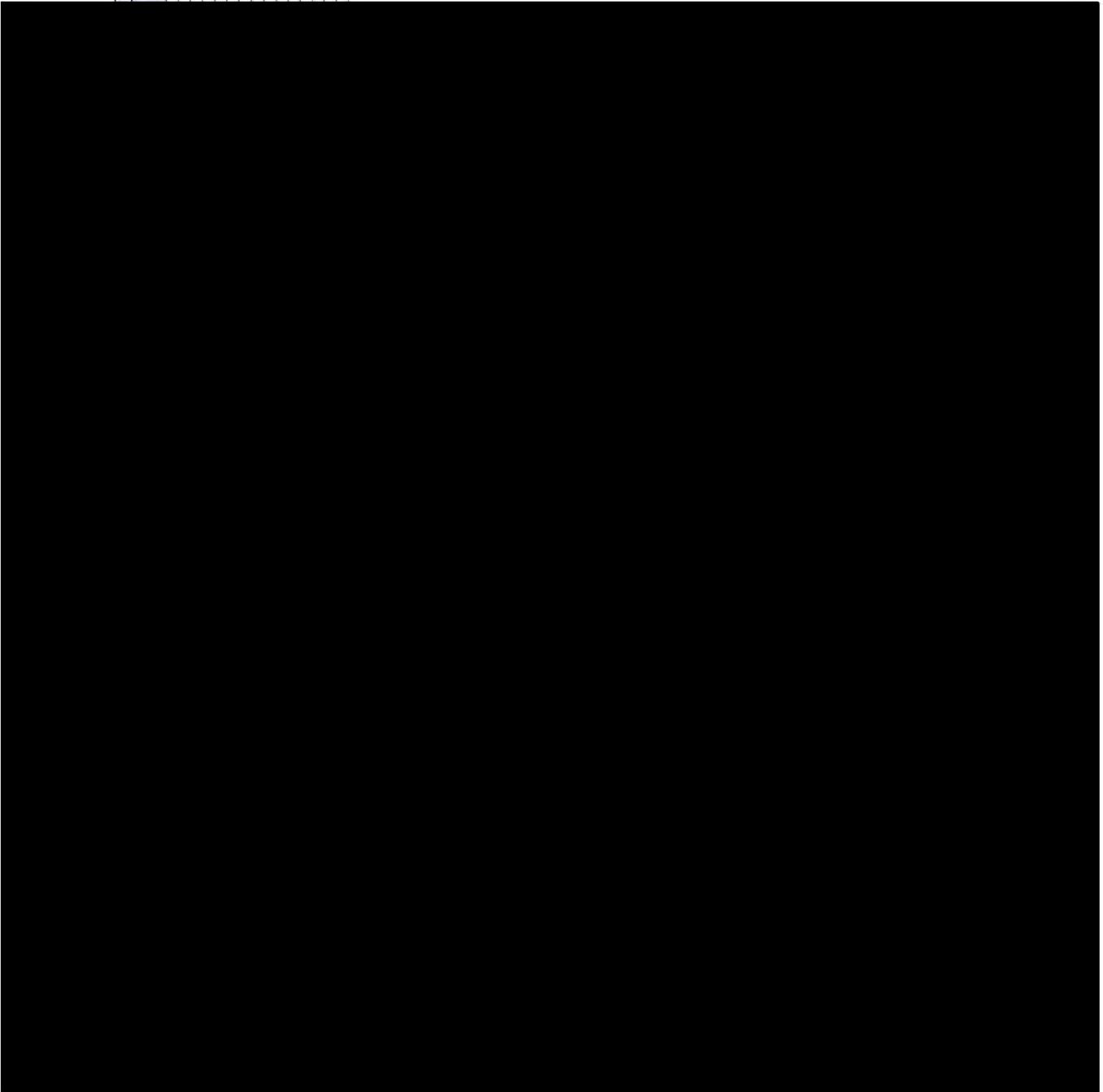




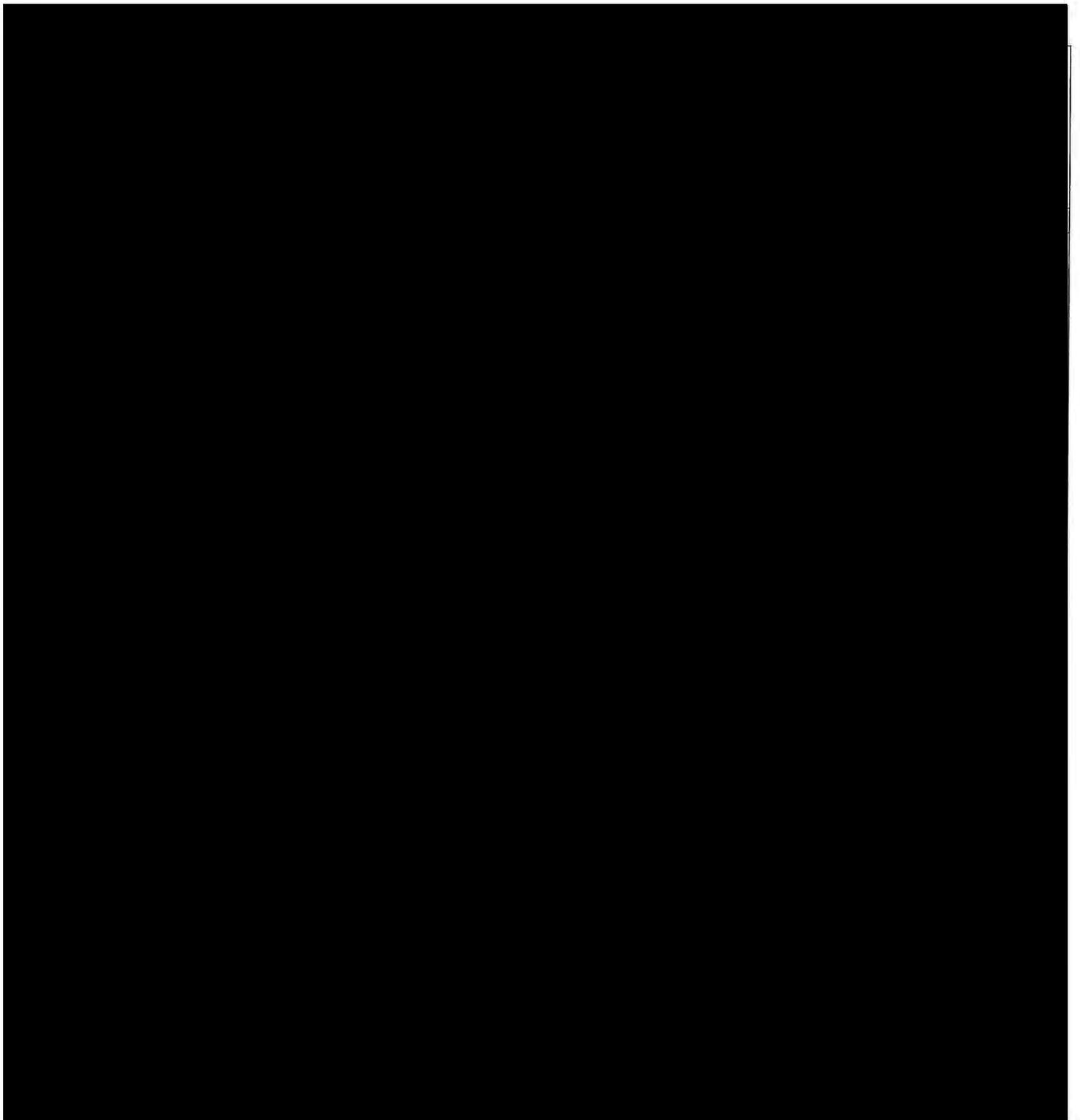
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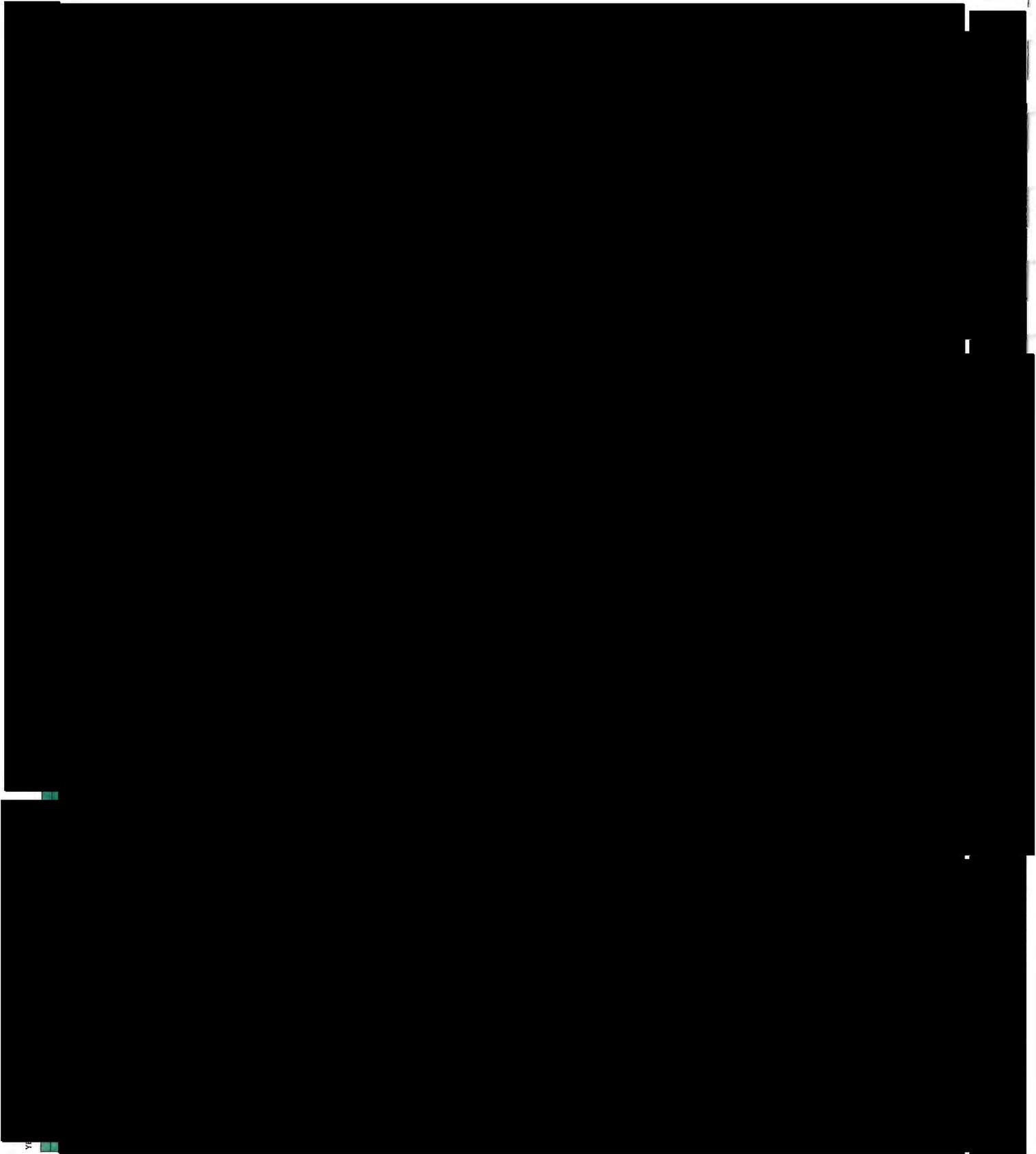


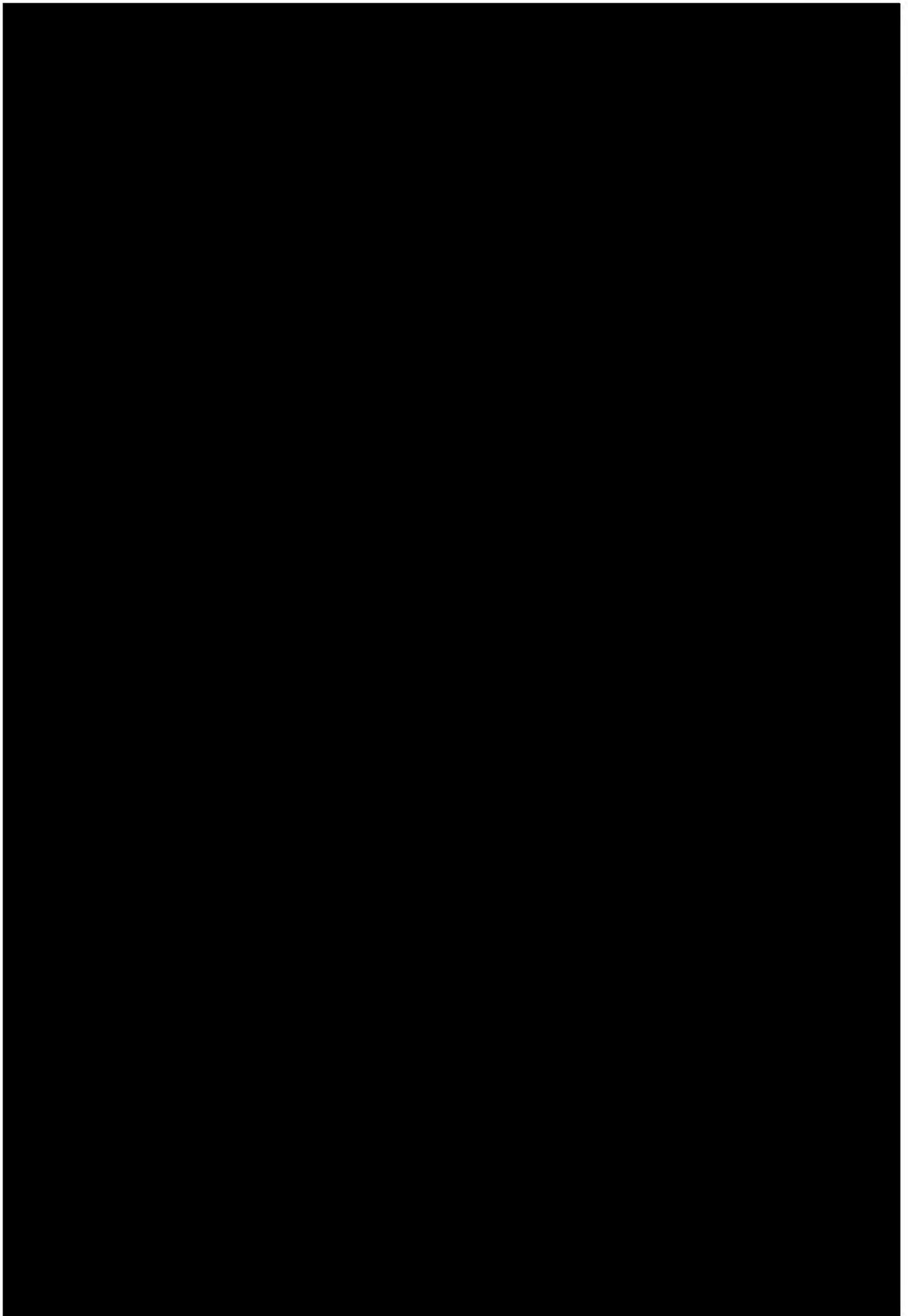


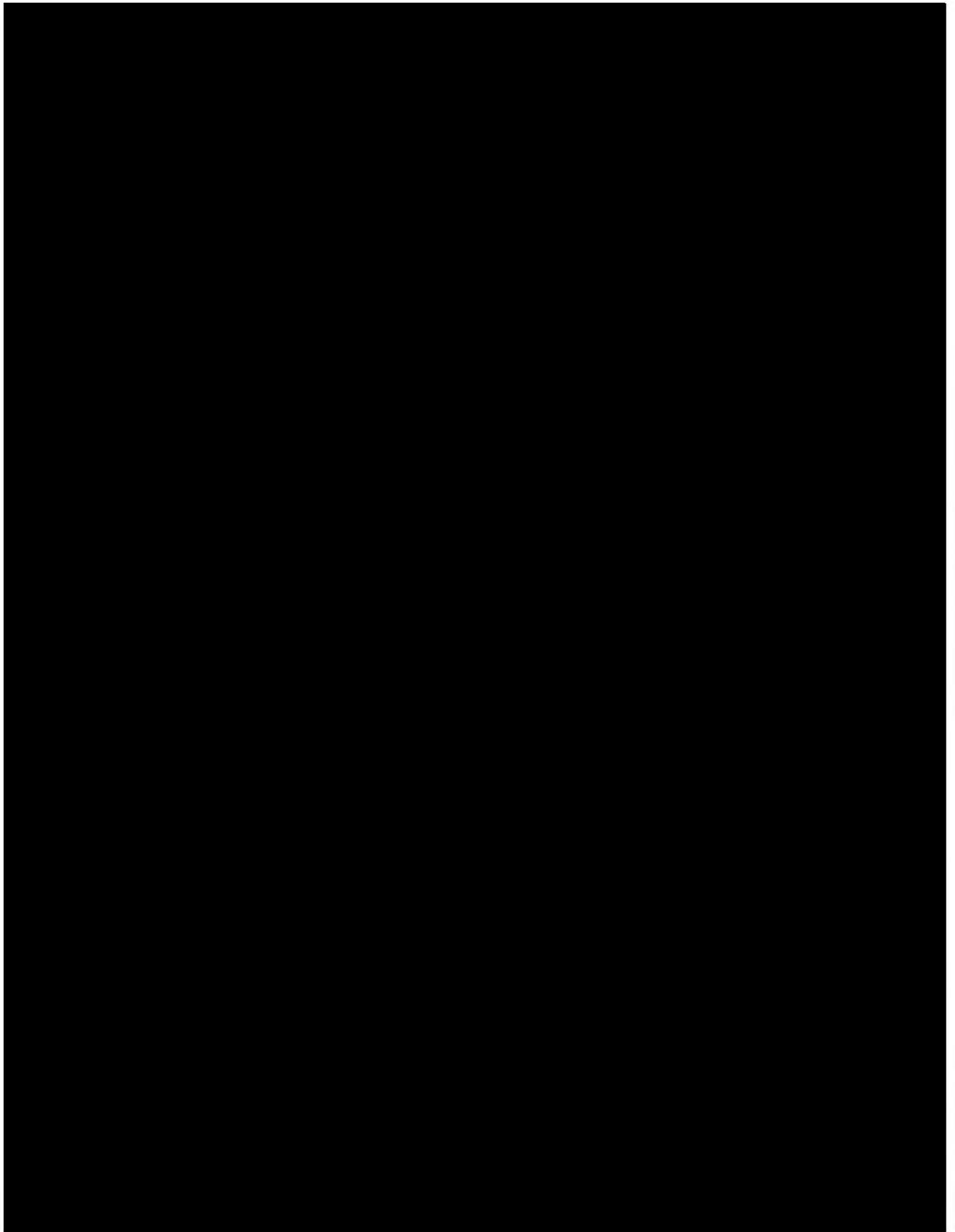


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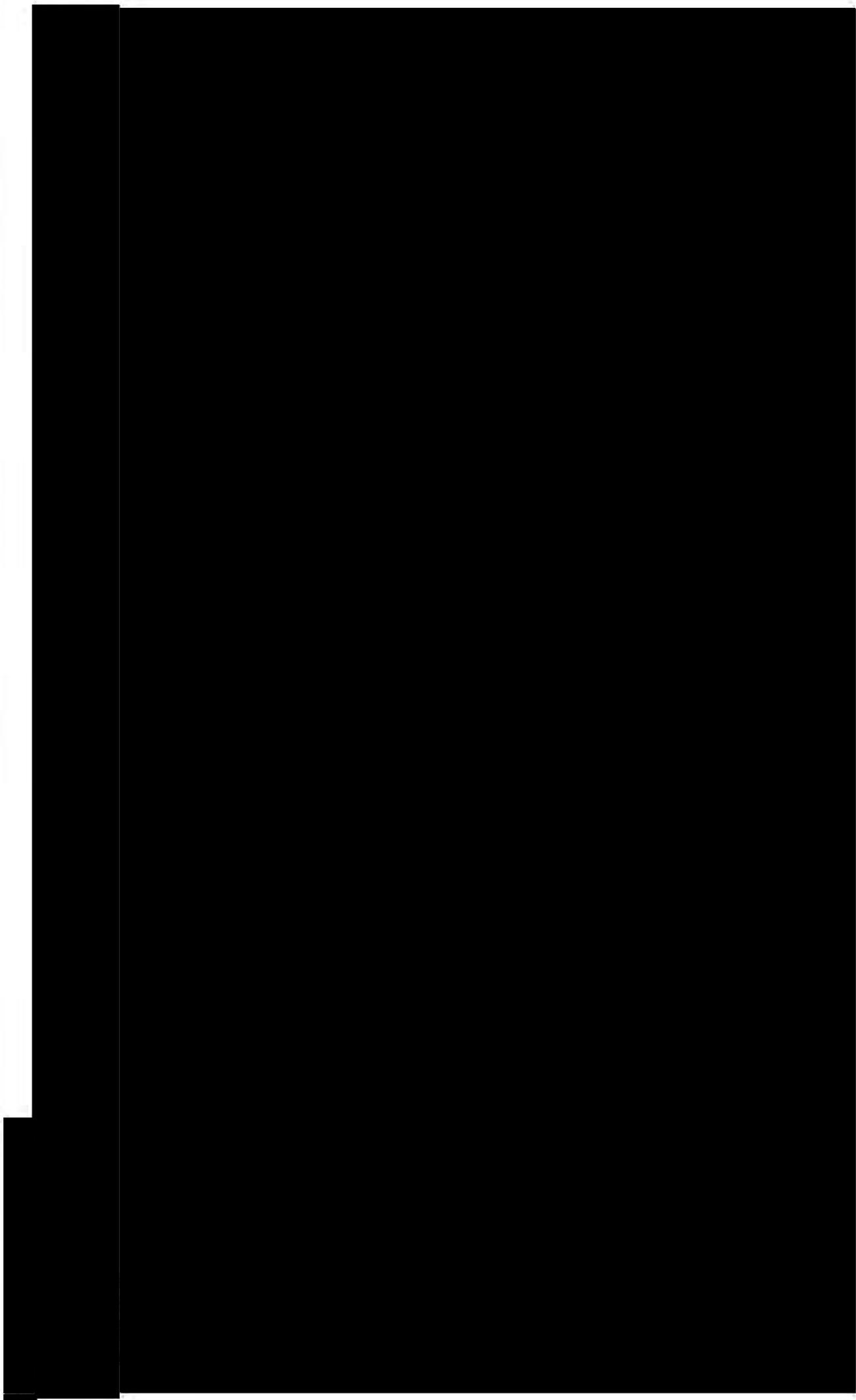


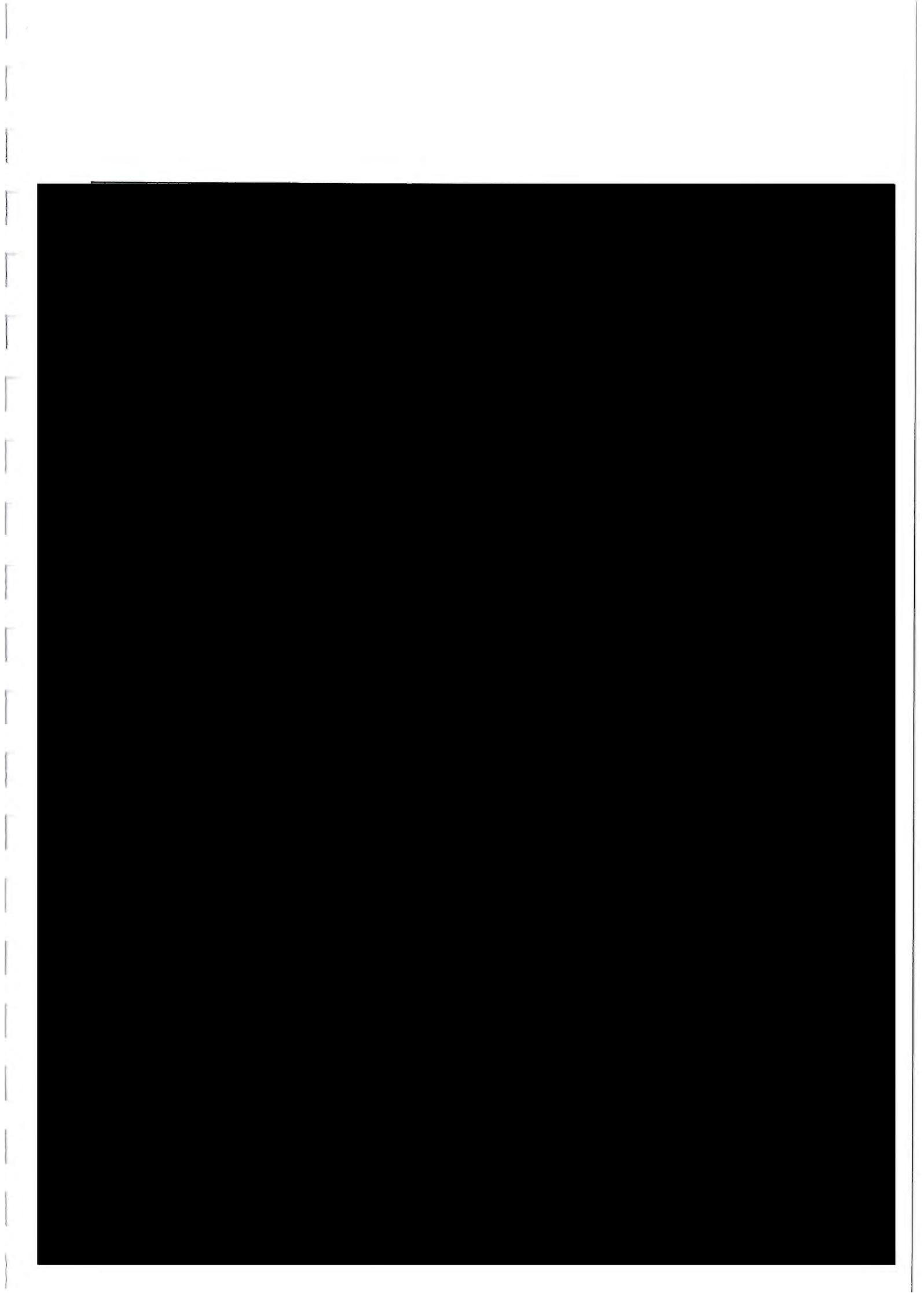


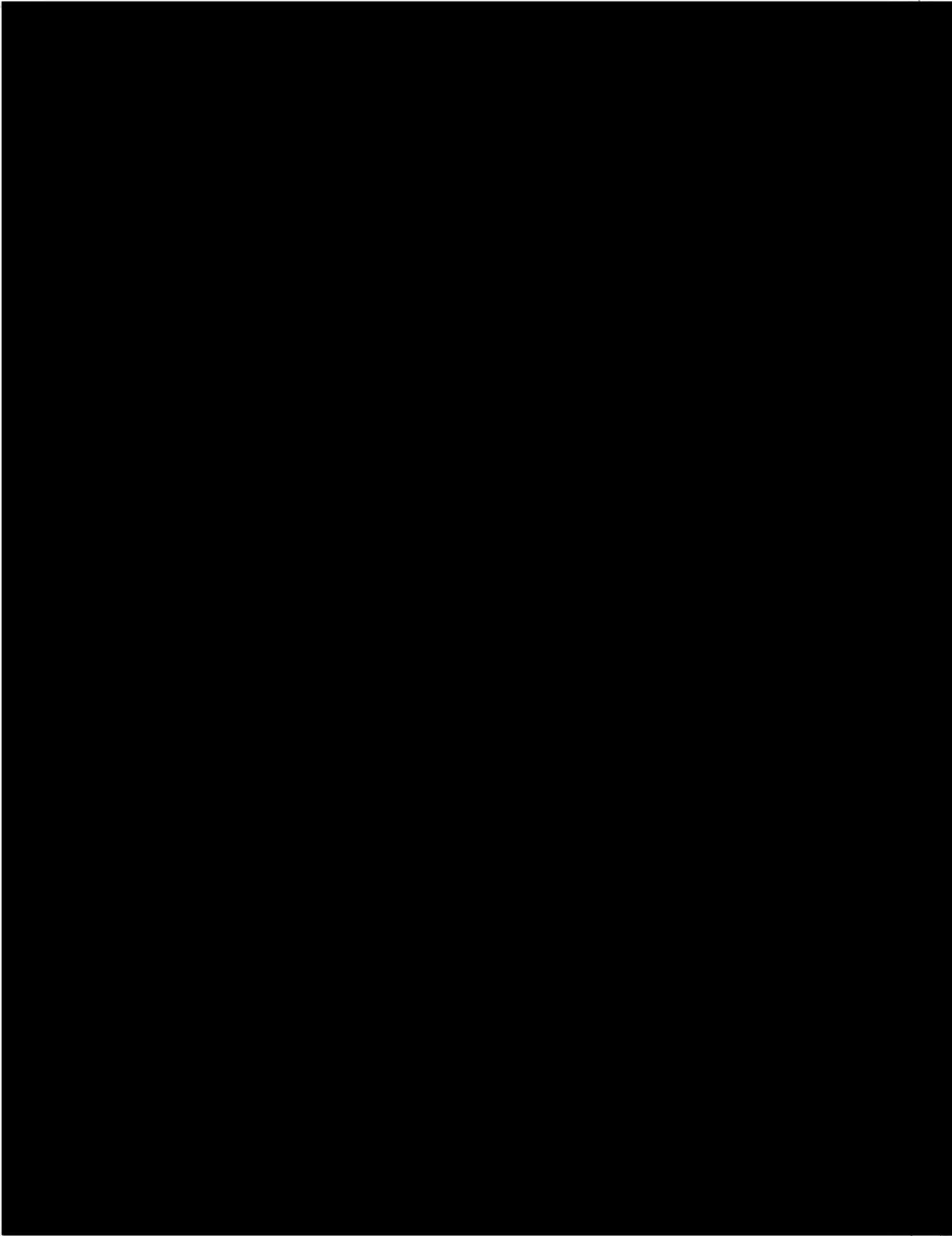


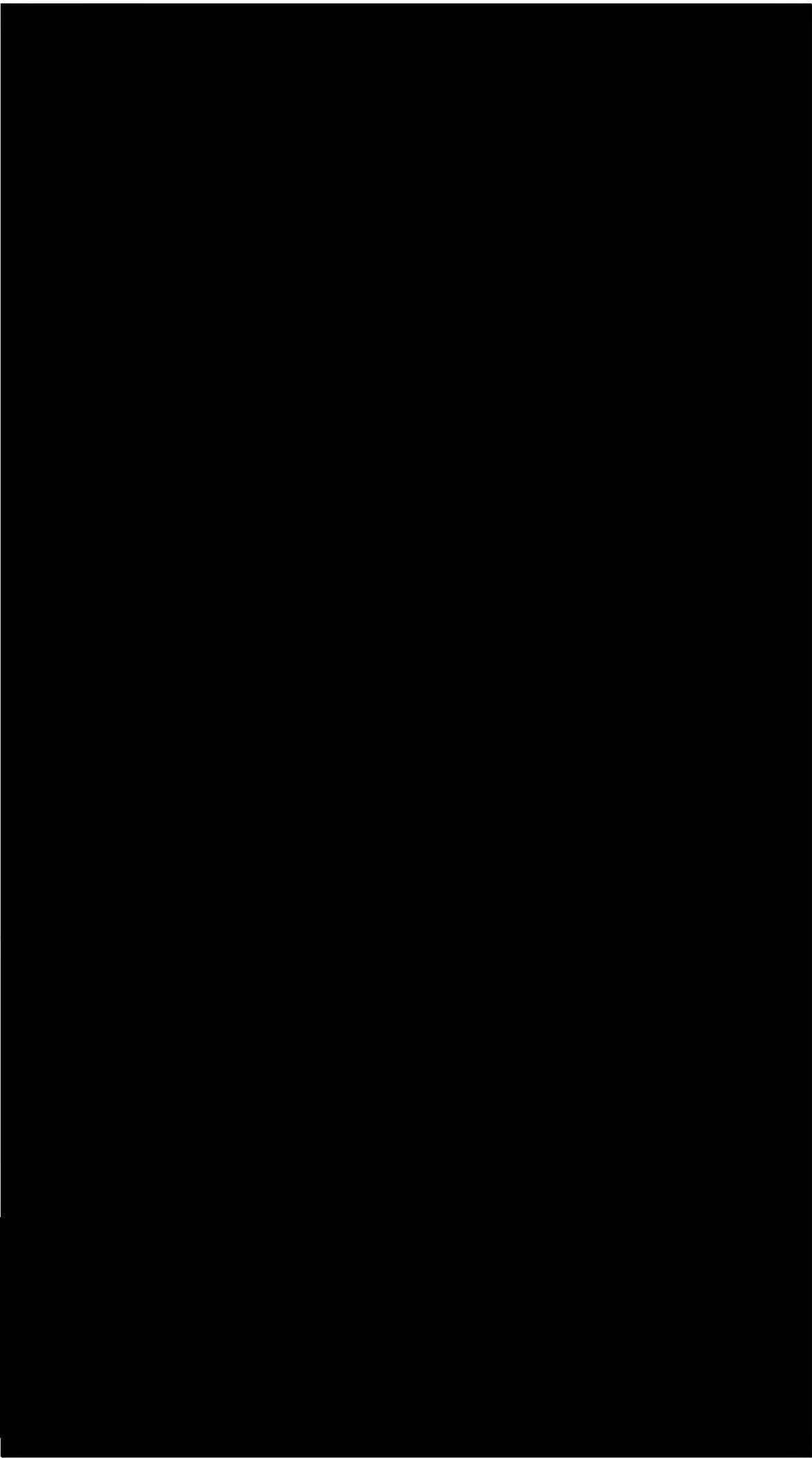












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SCHEDULE 3: SPECIFICATION

SCHEDULE 3 – The Specification

SCOPE 1 - COATINGS

1. Description of the Works

- 1.1 The Supplier shall apply coatings to Assets through a programme of planned maintenance interventions. The Assets to which coatings shall be applied are listed in the PPM work bank. The Supplier shall ensure that all works are carried out in accordance with Standards which are current throughout the life of the Contract.
- 1.2 The Supplier shall research and identify innovative products, methods of working and overall health, safety and environmental practices to ensure the continual improvement of this scope. The Supplier is encouraged to engage with “the Company” to arrange trial innovations for any such improvements, and work in accordance with good industry practice.
- 1.3 The Supplier shall be responsible for arranging all access and delivering all the requirements of this scope, including but not limited to, the supply of all labour, overheads, consumables, materials, access equipment and any plant necessary to undertake the required tasks. The Supplier shall hold adequate stock to meet Planned Services needs.
- 1.4 Any proposed coating material must be registered and approved on the LUL Approved products register before application. Application of any product is to be in accordance with the manufacturer’s instructions.
- 1.5 The Supplier is to ensure that this Scope 1 is read in conjunction with the information provided in the Data Pack.

2. Scope of Services

- 2.1 The Supplier shall undertake a programme of planned maintenance to Assets identified by “the Company” in accordance with the Asset and Scope Matrix. Assets to be subject to Protective Coating interventions shall include but not be limited to viaducts, underline bridges, overline bridges, walls and tunnel headwalls. Each intervention shall be undertaken once during the Contract term in accordance with a work bank supplied by “the Company”. Where “the Company” has determined the year required for coating intervention activity, the Supplier shall complete all Protective Coating interventions within that specified year. Where “the Company” has not determined year for coating application, the Supplier can plan activity in synergy with other works in the area or in accordance with their submitted contract programme.
- 2.2 The Supplier shall provide the Company with digital images (photographic evidence) of the asset before and after every element of planned maintenance intervention is undertaken, containing date and time stamp as metadata and include in the Handover Document.

3. Planned Services

3.1 Coatings to Brick, Masonry and Concrete Structures

The Supplier shall apply a hydrophobic, protective coating material to the structure. The protective treatment shall be applied to all brick and concrete assets. The protective treatment shall be applied following removal of all graffiti from the Asset. The Supplier shall use a product which has, as a minimum requirement, a manufacturer's backed guarantee of 15 years for both product and workmanship.

3.2 Coatings to Carbonated Concrete Structures

The Supplier shall apply a hydrophobic impregnation with minimum penetration depth of 10mm, to all carbonated concrete assets. The list of carbonated concrete assets is in the data pack. The hydrophobic impregnation shall be water based, provide protection of the substrate from graffiti and be colourless. The Supplier shall use a product which has, as a minimum requirement, a manufacturer's backed guarantee of 15 years for both product and workmanship.

3.3 Coatings to Steelwork

The Supplier shall apply a visco-elastic coating material to all top-flanges of main spanning members to all Underbridges. The Supplier shall use a product which has, as a minimum requirement, a manufacturer's backed guarantee for a minimum of 8 years for both product and workmanship. The colour is to match existing paint colour. If this is not possible the Supplier is to inform "the Company" of the alternative options and seek confirmation of acceptable colour.

4. Location of Works

- 4.1 The Company may order and request resources detailed above to work on all areas of infrastructure controlled by the Company, including track and areas where the infrastructure encroaches on to the public highway. This can include areas where Network Rail and DLR rules apply.
- 4.2 In some cases access to Assets may be via third party areas and properties for which the Supplier is required to make local arrangements.
- 4.3 The locations of work are detailed in "the Company's" Asset Location Plans.

4 Hours of Work

Access will be obtained in accordance with the arrangements set out in Schedule 5 [Access Arrangements]. Compliance with these arrangements is mandatory.

5 Standards and Specifications

- 5.1 The Supplier shall deliver the Services to meet the requirements of the Terms and Conditions of Contract – Clause 5.
- 5.2 The Supplier has 28 days from completion of the scope to submit the Handover Document, the document is to include asset level information, such as date product applied, certificate guarantee of product used and a complimentary report that shall include high level analysis by the Supplier on topics such as,

but not limited to, trend analysis, lessons learnt and initiatives for continuous improvement based on the data collected.

6 Skills and Competencies

The Supplier's personnel shall be fully trained to meet the requirements of this Scope of Services. Such training, including any subsequent refresher training shall be at the Supplier's expense.

The Supplier's personnel shall be experienced, trained and competent in NRSWA – Chapter 8 Lighting, Signing and Guarding and shall be trained in carrying out works on public highways.

7 Plant and Equipment

The Supplier shall deliver the Services to meet the requirements of the Terms and Conditions of Contract – Clauses 8.1(D), 28.1, 28.3, 28.4 and 28.5.

8 Quality Inspections

The Company will carry out quality inspections of Planned Services completed by the Supplier in accordance with Schedule 12 [Performance]. An indicative quality inspection sheet is provided as Appendix A of this scope. The maximum number of quality inspections will be 10% of the number of assets with a planned intervention in each Accounting Period defined by the planned services in this Scope 1.

**Appendix A
Coatings - Quality Inspection**

Work Order Number:		Structure Number:	
Line:		LSC Number:	
Description of Structure;	Date: / /	Time: :	
Conducted By: Print Name:		Signature:	
Supplier:		Sub-Supplier:	

	Quality Inspection		Re-Inspection	
	PASS	FAIL	PASS	FAIL
Has the surface been prepared and material applied to the manufacturer's instructions?				
Has the agreed scope of works been completed?				
Has the correct dosage of coating been applied?				

Re-Inspection Sign Off	
Print Name:	Signature:
Photos of Failures	

SCHEDULE 3 – The Specification

SCOPE 2A – VEGETATION MANAGEMENT

1. Description of the Works

- 1.1 The Supplier shall deliver planned and reactive vegetation management services to the Company as detailed below. The Supplier shall be responsible for the management and control of vegetation on “the Company’s” Assets. The Supplier shall ensure that all works are carried out in accordance with Standards which are current throughout the life of the Contract.
- 1.2 The Supplier shall research and identify innovative products, methods of working and overall health, safety and environmental practices to ensure the continual improvement of this scope. The Supplier is encouraged to engage with “the Company” to arrange trial innovations for any such improvements, and work in accordance with good industry practice.
- 1.3 The Supplier shall be responsible for **arranging all access** and delivering all the requirements of this scope, including but not limited to, the supply of all labour, overheads, consumables, materials, access equipment and any plant necessary to undertake the required tasks. The Supplier shall hold adequate stock to meet Planned Services needs.
- 1.4 **The Supplier shall notify the Company of the presence of any Non-Native Invasive Species (NNIS) and will await instruction upon any removal.**
- 1.5 **The Supplier is to ensure that this Scope 2 is read in conjunction with the information provided in the data pack.**

2. Scope of Services

- 2.1 The Supplier shall prepare and undertake a programme of vegetation control to Civil assets, station to station as identified by “the Company” Asset Location Plans. The Supplier is to use a risk based maintenance approach, ensuring all assets remain vegetation free excepting those described in section 3.3. The Suppliers programme shall take account of growth patterns in accordance with seasonal variations. Assets subject to vegetation management are identified in the asset and scope matrix. In addition planned services are required on earth structures as described in section 3.3.
- 2.2 The Supplier shall provide the Company with digital images (photographic evidence) of the asset before and after every element of the planned maintenance intervention is undertaken, containing date and time stamp as metadata and include in the Handover Document.

3. Planned Services

3.1 Vegetation on Structures

The Supplier shall cut back vegetation that is growing on, or from the fabric of the structure, including removal of the roots. The Supplier shall take care to remove or destroy roots without damage to the Asset and shall undertake any necessary structural repairs as a result of the vegetation management activity.

The Supplier shall treat affected and surrounding areas with a similar approved weed killer in accordance with Standards.

3.2. Vegetation around Structures – SSL only

3.2.1 The Supplier shall provide vegetation management services for growth within 1.5m around Civil assets, station to station as identified by the Company Asset Location Plans and in accordance with current Track Standards. The Supplier shall take care to remove or destroy roots without damage to the infrastructure and shall undertake any necessary repairs to the infrastructure as a result of the vegetation management activity. The Supplier shall treat affected and surrounding areas with a similar approved weed killer in accordance with Standards. Assets are to be available at all times for Inspection and Maintenance.

3.3 Vegetation on Earth Structures – SSL only

3.3.1 The Supplier shall cut back and keep clear all trees and woody vegetation that is growing within the slope area encompassing 1.5m around the groups of buried discrete piles supporting or stabilising Earth Structures. The locations of buried discrete piles are supplied in the data pack for this scope.

3.3.2 The Supplier shall ensure that all trees and woody vegetation growing on the slopes of chalk cuttings (that have been supported or stabilised using an anchored mesh system), is removed. In many cases, these assets will comprise of steep slopes and a system of safe access will be required. The locations of anchored mesh system are supplied in the data pack for this scope.

3.3.3 The Supplier shall ensure that all trees and woody vegetation that is growing within the slope area encompassing 1.5m around the groups of discrete soil nails that are supporting or stabilising the slopes of cuttings are removed. In many cases, these assets will comprise of steep slopes and a system of safe access will be required. The locations of discrete soil nailed slopes are supplied in the data pack for this scope.

3.4 Pest Control [Not used]

4. Reactive Services

- 4.1 The Supplier shall be responsible for delivering all the Reactive Services requirements of this scope, including but not limited to, the supply of all labour, overheads, consumables, access equipment and any plant necessary to undertake the required tasks. The Supplier shall hold adequate stock to meet Reactive Services needs.
- 4.2 Reactive Services are required 24 hours a day, 7 days a week, every day of the year.
- 4.3 All Faults shall be notified / passed by the Company to the Supplier. All Faults shall be responded to and rectified in accordance with paragraph 2.2 of Schedule 12.
- 4.4 Faults that cannot be rectified on the initial visit shall be left by the Supplier in a safe condition.

- 4.5 The Supplier shall provide the Company with a digital image of the asset before and after every element of reactive maintenance is undertaken and included in the fault close out report.

5. Location of Works

- 5.1 The Company may order and request resources detailed above to work on all areas of infrastructure controlled by the Company, including track and areas where the infrastructure encroaches on to the public highway. This can include areas where Network Rail and DLR rules apply.
- 5.2 In some cases access to Assets may be via third party areas and properties for which the Supplier is required to make local arrangements.
- 5.3 The locations of work are detailed in the Company's Asset Location Plans.

6. Hours of Work

Access will be obtained in accordance with the arrangements set out in Schedule 5 [Access Arrangements]. Compliance with these arrangements is mandatory.

7. Standards and Specifications

- 7.1 The Supplier shall deliver the Services to meet the requirements of the Terms and Conditions of Contract – Clause 5.
- 7.2 The Supplier has 28 days from completion of the scope to submit the Handover Document, the document is to include asset level information and before and after digital images, and a complimentary report that shall include high level analysis by the Supplier on topics such as, but limited to, trend analysis, lessons learnt and initiatives for continuous improvement based on the data collected.

8. Skills and Competencies

- 8.1 The Supplier's personnel shall be fully trained to meet the requirements of this Scope of Services. Such training, including any subsequent refresher training shall be at the Supplier's expense.
- 8.2 The Supplier's personnel shall be experienced, trained and competent in NRSWA – Chapter 8 Lighting, Signing and Guarding and shall be trained in carrying out works on public highways.

9. Plant and Equipment

The Supplier shall deliver the Services to meet the requirements of the Terms and Conditions of Contract – Clauses 8.1(D), 28.1, 28.3, 28.4 and 28.5.

10. Quality Inspections

The Company will carry out quality inspections of Planned Services completed by the Supplier in accordance with Schedule 12 [Performance]. An indicative quality

inspection sheet is provided as Appendix A of this scope. The maximum number of quality inspections will be 10% of the number of assets with a planned intervention in each Accounting Period defined by the planned services in this Scope 2.

**Appendix A
Vegetation Management - Quality Inspection**

Work Order Number:		Structure Number:	
Line:		LSC Number:	
Description of Structure;	Date: / /	Time: :	
Conducted By; Print Name:		Signature:	
Supplier:		Sub-Supplier:	

	Quality Inspection 1		Re-Inspection	
	PASS	FAIL	PASS	FAIL
Is the structure/area free from vegetation?				
Was there damage to assets when vegetation was removed? Has the damage been repaired?				
Have approved chemicals been used?				
Has all waste vegetation removed been cleared from the site?				
Were any controlled vegetation species removed in accordance with legislation?				

Re-Inspection Sign Off	
Print Name:	Signature:
Photos of Failures	