

## PART 2 – CONFIDENTIAL FACTS AND ADVICE

**DMFD258**

### **Facilities Management (FM) Soft Services Provision**

*Information may have to be disclosed in the event of a request under the Freedom of Information Act 2000. In the event of a request for confidential facts and advice, please consult the Information Governance team for advice.*

#### **This information is not for publication until the stated date, because:**

Publication of the information included in this report is deferred as its disclosure would be likely to prejudice the commercial interests of the London Fire Commissioner (LFC) and the suppliers of the soft FM services. The figures included in this report are directly related to the amount of funding available to complete the procurement actions. This is sensitive, as suppliers tendering could increase their prices to use more of the available budget.

**Date** at which Part 2 will cease to be confidential or when confidentiality should be reviewed:  
31 December 2025

#### **Legal adviser recommendation on the grounds for not publishing information at this time:**

In the event the information contained in this Part 2 is the subject of a request for information under section 1 of the Freedom of Information Act 2000 (the Act), it is considered that access can be denied on the basis that such information constitutes exempt information under:

section 43(2) of the Act, which provides an exemption from disclosure where the release of such information would, or would likely to, prejudice the commercial interests of any person (including the public authority holding it).

#### **Public Interest Assessment**

On balance, it is considered that the public interest is best served if the information contained in this Part 2 decision is not disclosed at this point. Disclosure by the LFC of the information in this Part 2 decision would likely have a detrimental effect on the LFC's commercial position in the procurement of services detailed in this report, which is not considered by the LFC to be in the public interest

The eligibility of the exemption should be reassessed in the event of a FOI request for this information as the sensitivity will change over time and different circumstances may alter the arguments in favour of disclosure.

**Legal Adviser** – I make the above recommendations that this information should be considered confidential at this time

**Name:** TfL Legal

**Date:** 27/01/2025

**Confidential decision and/or advice:**

The current annual budget for soft services is £3,765,518 which includes planned and reactive services. The total cost for the five-year life of the contract is £18,682,075.

The current annual cost for these services, which includes the provision of the building manager and reception staff at the LFB's headquarters, is £3,939,490. The additional costs beyond the current budget are being funded by underspends in staffing for the vacancies that have been outsourced.

A saving of £381,000 per annum has been offered as part of the 2025-26 budget process to reduce the scope of services; and remove the six-monthly sanitisation programme. This results in a revised annual cost of £3,558,490.

The estimated annual cost for the new contract is £3,736,415. This includes a 5 per cent increase to reflect anticipated cost increases following the procurement process, due to inflation and market forces. This results in an estimated total cost, for the contract term, of £18,682,075.

This does not include any allowance for inflationary increases which will be applicable for each year of the new contract.

**Financial comments**

The current annual cost of the soft services contract of £3,939,490 is budgeted for through a combination of the existing soft FM budget as stated, and staffing underspend as a result of vacancies outsourced through the contract.

The multilateral trading facility allows for annual inflationary increases on the contract, assumed at 5 per cent for 2025-26. In addition, an annual recurring saving of £381,000 has been taken forward as part of the 2025-26 draft budget submission, to be delivered through a reduced contract scope. The annual budget available for the new contract is therefore £3,736,415 from April 2025. This will need to be reflected in the procurement process.