

**Board**



**Date: 24 September 2015**

**Item: Alstom Northern Line Train Service Contract: Renewal to 2027**

---

## **This paper will be considered in public**

### **1 Summary**

- 1.1 The purpose of this paper is to set out the contractual position regarding the renewal/non-renewal of the Alstom Northern Line Train Service Contract (NLTSC) at the end of September 2017 and to seek a decision as to whether to renew into the Secondary Usage Period which will run until 2027.
- 1.2 A paper is included on Part 2 of the agenda, which contains exempt supplemental 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 business affairs of TfL. Any discussion of that information must take place after the press and public have been excluded from this meeting.

### **2 Recommendation**

- 2.1 **The Board is asked to make a decision regarding the renewal of the Alstom Northern Line Train Service Contract into the Secondary Usage Period.**

### **3 Background**

- 3.1 In 1995 London Underground Limited (LUL) entered into a Private Finance Initiative arrangement with Alstom for the provision and maintenance of trains, equipment and depot works for the Northern line.
- 3.2 The contract expires in 2033 but LUL has the option to break in 2017 and 2027.
- 3.3 The trains, equipment and depot works are financed through sale lease arrangements between Alstom and the two lessor banks.

### **4 Renewal / Non Renewal beyond 2017**

- 4.1 LUL can terminate the contract by serving notice of non renewal at the end of September 2017 or extend the contract into a secondary period which will run until 2027 by notice of renewal.
- 4.2 A notice to either renew or not must be served by 30 September 2015. Once served, the notice is irrevocable.

**List of Appendices to this Report**

None

**List of Background Papers:**

None

Contact Officer: Martin Faulkner, Head of Commercial JNP, London Underground  
Number: 020 7088 5262  
Email: martin.faulkner@tubelines.com