



Trapeze Group (UK) Limited

Negotiation Phase

Transport for London - ICT13144 - The Procurement of a Booking and Scheduling Solution for Assisted Transport Services



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TfL ATS Booking and Scheduling System ITN – Negotiation Phase – Trapeze

Introduction

Thank you for taking the time to meet with us on the 13th of September. We appreciated the opportunity to present our solution and discuss ways to make our proposition more attractive to TfL ATS. We would welcome further interaction during our meeting on the 24th and if there are any areas you would like to discuss then we would ask that you make us aware as early as possible to give us time to prepare.

In the call on the 13th of September, Trapeze presented;

- An overview of the Mobility on Demand product
- Areas of product innovation
- How we plan to meet and exceed TfL's service
- Value added service innovations
- Cost drivers

This document aims to outline the proposals for savings and delivering additional value and functionality to our initial tender response. We have revised our positions based upon valuable TfL feedback on our previous call and will articulate this in the section 'Cost Drivers – Trapeze Positions' below. This document also serves to form an agenda for our follow up call on the 24th, where we will present a consolidated PowerPoint version of this document on that call.

Prior to our conversation on the 24th we would like to request your feedback on the solution overview, any weaknesses you perceive in the proposition and your feedback on the solution innovation opportunities we presented – these included:

TfL as a facilitator of mobility – leveraging the Trip Broker Tools and Trip Locator functionality, TfL can define relationships with 3rd party mobility providers, creating a one stop shop for assisted transport services in London. Mobility on Demand can support this by identifying trips to be brokered to create overall service efficiencies and facilitate the trip requests to 3rd parties. This is a mature offering in our North American marketplace, available today and in use by large transit agencies such as the Chicago Pace. Our existing clients using this technology to deliver:

- Improved passenger choice and access to services
- Reduce operational expenditure
- Manage demand peaks

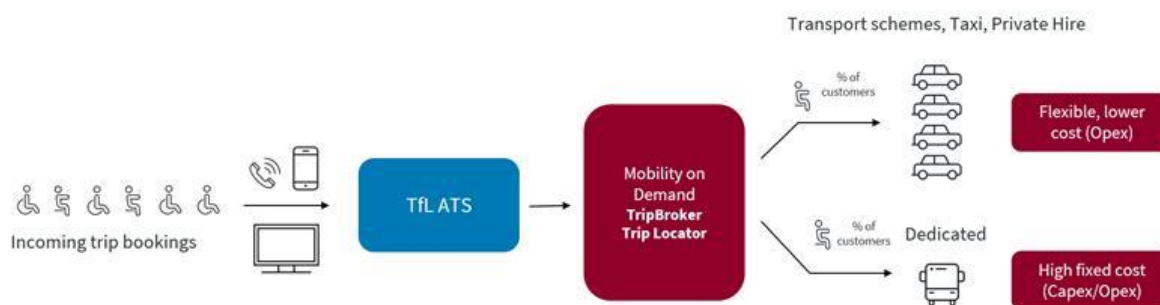


Figure 1: Flexible Mobility Design

AirLabs Air Quality Solution – We presented an opportunity to introduce and integrate air quality monitoring and cleaning in vehicles. We felt that this was an interesting proposition given the passenger base serviced by ATS and the requirement to build passenger confidence post COVID. The proposal was for a pilot which includes the introduction of air quality monitoring and cleaning units in vehicles. The units are proven to remove more than 95% of airborne pollutants and pathogens, including Coronavirus. By also monitoring air quality and providing integration to Mobility on Demand, this data could be included in feeds to passengers to provide assurance that the vehicle due to collect them is free from polluted air.

Trapeze proposed funding a trial for ten vehicles for three months and supporting the collection of passenger feedback on the pilot.

Mobility Planning with ESRI ArcGIS – We presented our recently announced partnership with ESRI that has meant Trapeze is able to develop a mobility planning tool in collaboration with ESRI. This Mobility Planning tool aims to bring together data used in the Trapeze transport product applications with ESRI GIS capability, to support the modelling of future transport networks. This product is in development and is expected to be released in Q2 2023. We felt this presented a unique opportunity given TfL's existing investment in ArcGIS via your Surface Playbook app. You can find out more about Mobility Planning here: <https://www.trapezegroup.com/mobility-planning>

Cost Drivers – Trapeze Positions

We presented four areas which we felt offered the most potential to deliver savings, by doing things differently. TfL offered constructive feedback on each of these, and we have since used this to review our position during this week. This section aims to articulate our revised position.

Project Design Process

We conveyed that by streamlining the design review process to include the collaborative review we felt that we would be able to reduce our professional service effort and pass this saving directly on to TfL. The response to this was positive from the TfL attendees with the only concern being raised that there will be elements of governance that are mandatory, take time and must be accounted for. We took an action to review the project plan in line with these comments and can confirm we have accounted for your processes in the project plan we submitted as part of our bid.

The saving we can offer is £23,000 which will be realised during the project phase in MS2.

Maintenance Service Support

We initially presented a cost saving idea to utilise the TfL Adiona service desk to field daytime 1st line support calls. The TfL attendees raised two concerns in relation to this:

1. This would lack continuity for users who would have to contact different service desks at different times of day.
2. There would still be a cost associated to this which would like result in limited net savings.

We understood this concern and we verbally discussed another opportunity to realise maintenance support savings by TfL having a bundle of out of hours calls available, the number of calls in the bundle would be comfortably over threshold of out of hours calls we have historically seen you make. This would allow us to change the way we recognise costs internally and offer a saving. The concern raised on this was:

- If for example there were a bundle of 10 out of hours calls, what happens when there is a need for an 11th call?

We can confirm that the service desk would still be fully available, each call over the 10th in the example above would be retrospectively charged on a per call basis. Although this would technically meet the requirements specified in the tender documentation, we recognise that this proposal was requiring TfL to take on the risk of not requiring additional out of hours calls.

Therefore, on reflection of this proposal we feel comfortable to take this risk on ourselves. This means that our revised position is that TfL:

- Can make any number of out of hours service calls.
- We are still able to offer a saving

This saving equates to £24,755.57 per year which is £173,289.00 over 7 years. This saving will be realised each year in the support charges.

Hosting

We proposed rationalising the number of hosted environments from 6 to 5 with the Pre – Production and Training environments being consolidated into a single environment. As well as creating a saving for the recurring annual cost of hosting, there is also a professional service saving by delivering 5 environments instead of 6.

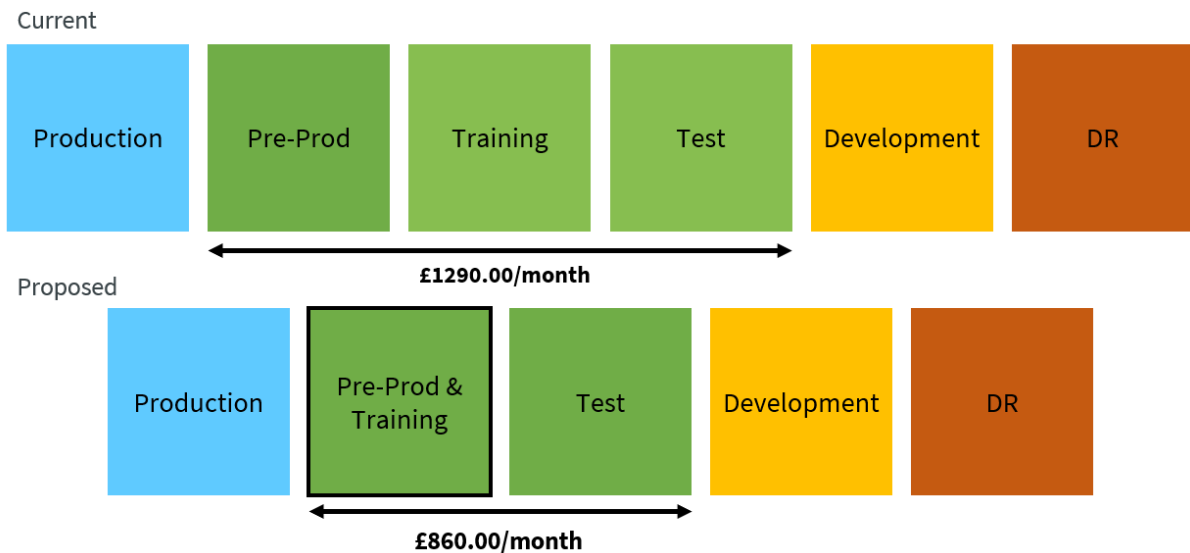


Figure 2: Hosting Environments – Current and Proposed.

This proposal offered a total saving over 7 years of £60,495. However, there were concerns raised, primarily:

- There is not a concern as to how many environments there are but that each of the business requirements can be met by the system.

We reflected on this and felt confident that the business requirements would be met by 5 environments. However, we recognise that this project recognises considerable change and reducing the requirement for 6 environments will introduce additional risk, regardless of our assurances.

Therefore, we recommend that we jointly review the hosting arrangements post go-live with a view to tailoring the provisioned infrastructure to meet your business requirements and release any savings at this point. This more risk averse path feels more sensible but means the £60,495 saving is not secured during this negotiation phase.

To provide a saving we have opted to reduce our system enablement charge by £60,300. This means that TfL can recognise the full saving during the project phase, at MS2 – rather than over 7 years. By reviewing the hosting post go-live, there remains an opportunity to rationalise the hosting provision and recognise further savings.

Configuration

We presented several tender requirements where our product doesn't precisely meet your requirements today and would require further configuration to deliver 100% of the functionality required. We felt that the feedback, use cases and articulation of why the requirements are important was valuable. We were able to see the value of the functionality not just to TfL but other UK and North American clients. Following our call, we review all configuration items again with a different mindset – which would be valuable to many customers. The outcome of this review is that we would be able to fund several configuration items within our R&D budget, delivering additional savings to TfL.

This meant that the saving we initially offered of £23,484, has increased to £41,355. This saving would be realised across MS1-3.

Value Added Initiatives

We proposed three initiatives to support an enhanced level of service to you. Each of these are optional and are available to you free of charge.

Annual System Health Check

The annual system health check is a technical review of system usage and is conducted on site by one of our product experts. Typically delivered over two days, the engagement would focus on shadowing system users to understand how they use the system to support their daily work activities. By understanding the challenges each user role faces and the workarounds they employ when the system does not support them, we are able to identify areas for product development and offer guidance on software functionality to support the user. The outcomes of the engagement will be documented and submitted to TfL with resulting Trapeze actions and recommendations.

Service Credits and Professional Services

We always work to avoid incidents that result in services credits. However, in the event this does arise, we propose the option of TfL being able to take professional service days instead of financial compensation. These days are banked and can be used on training, implementation, consultancy, or development. Other clients have been able to use this bank of days to quickly deliver required projects as additional funding is not required.

Note: this is offered as an option, Trapeze can fully meet the contractual requirements regarding service credits as stipulated in the tender documentation.

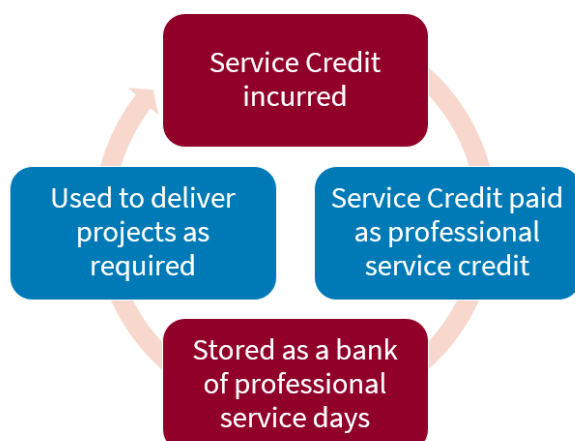


Figure 3: Service Credit Process.

Onsite Support

As well as supporting onsite Service Delivery Management meetings, we propose that the SDM remains onsite for the day as a point of communication for TfL people. We would look to rotate this onsite presence with your Account Manager and Product Technical Lead. This means that Trapeze people are visible and accessible to you, promoting direct communication. This does not in any way replace the formal channels of communication such as the service desk, but is an additional, more informal approach that helps to foster a close working relationship.

Savings Summary

Cost Driver	Saving Realisation Point	Cost Saving (£)
Project Design Process	MS2	£23,000.00
Hosting	MS2	£60,300.00
Configuration	MS1-MS3	£41,355.00
Maintenance Service Support	Post Go-Live, £24,755.57 per year	£173,289.00
Total saving over 7 years		£297,944.00

Impact on Cost Model	
Previous 'Total Cost for Evaluation'	£2,998,784.65
Proposed 'Total Cost for Evaluation'	£2,700,840.65
Saving as a percentage	9.9%