

TRANSPORT FOR LONDON

AGENDA

BOARD MEETING

**TO BE HELD IN ROOM AG16
ROMNEY HOUSE, MARSHAM STREET, LONDON SW1P 3PY
ON FRIDAY 12TH APRIL 2002, STARTING AT 10.00 A.M.**

A meeting of the Board will be held to deal with the following business. The public are welcome to attend this meeting, which has disabled access. Please note that members of the press should use the Tufton Street Entrance.

1. Apologies for absence
2. Minutes of the previous meetings held on 5th February and 19th March
3. Matters arising, not covered elsewhere
4. Commissioner's Report
5. Finance and Performance Report
6. Street Management
 - 6.1 Joint Arrangement with London Borough of Croydon
 - 6.2 Joint Arrangement with London Boroughs
7. Safety, Health and Environment Committee Report
8. Any Other Business
Membership

Transport *for* London

Minutes of a meeting of the Board
held on Tuesday 5th February 2002, commencing at 11.10 a.m.
in Room AG16, Romney House, Marsham Street, London SW1P 3PY

Present: Ken Livingstone (Chair for items 1 to 9)

Board Members: Dave Wetzel (Chair for Items 10 to 14)

David Begg

Stephen Glaister

Kirsten Hearn

Mike Hodgkinson (Items 1 to 9)

Oli Jackson

Susan Kramer

Paul Moore

Murziline Parchment

Special Advisors Bryan Heiser

in attendance: Lynn Sloman

Others Robert Kiley

in attendance: Ian Brown

Peter Hendy

Betty Morgan

Lesley McLeod

Maureen Nolan

Commander Alan Shave (Metropolitan Police Service)

Michael Swiggs

Derek Turner

Jay Walder

01/02 PRELIMINARIES

The Chair reported that he had appointed Murziline Parchment and Noel Harwerth to the Board. Murziline Parchment was welcomed to her first Board meeting.

02/02 APOLOGIES FOR ABSENCE

Apologies for absence had been received from David Quarmby and Tony West.

03/02 DECLARATION OF INTERESTS

The Chair reminded Board Members of the requirement to declare any interests in matters under discussion. No interests were declared.

04/02 MINUTES OF PREVIOUS MEETINGS

The minutes of the meeting held on 27th November 2001 were **agreed** as a true record.

05/02 MATTERS ARISING

There were no matters arising.

06/02 COMMISSIONER'S REPORT

The Commissioner gave a presentation, outlining key aspects of his written report. Key issues in general discussion were:

It was noted that the Boards of London Transport and London Underground were due to meet on 5th and 7th February respectively, to approve the PPP contracts. The Ernst & Young Value For Money Report would be released on 8th February, following which there would be a formal consultation period. TfL had requested that the period of consultation be extended from fifteen working days to thirty working days.

All bus priority work was being co-ordinated by LBSL as client and progress would be monitored closely. The Boroughs were critical to delivering bus priorities.

Board Members **noted** the progress toward appointing a Head of Social Inclusion.

The report was **noted**.

07/02 FINANCE AND PERFORMANCE REPORT

Jay Walder gave a presentation supporting his written Finance and Performance Report to cover the nine months to December 2001, and other significant items discussed at the Finance and Audit Committee meeting on 24th January 2002.

The following points were noted:

- Bus patronage had continued to increase during November, although the number of journeys was slightly lower than budgeted and there was a strong growth in ridership of DLR. LUL passenger journeys, however, recorded a sustained decrease;
- The variance to the budget for the nine months to December 2001 was £129m. This was due to cost savings, underspends, slippage, and higher costs from work not included in the original budget;
- At the recent GLA Budget Committee meeting, the TfL budget had been reviewed and a precept of £18m provisionally agreed. The GLA Assembly was due to meet on 13th February to consider the final budget proposals. TfL continued to be hopeful

that additional funding would be made available but if not, the Board would be asked to prioritise budget items.

During discussion, it was **noted** that progress was being made on a number of equalities issues. Specifically on transgender issues, TfL would be liaising with the GLA officer recently appointed to this area. The possibility of a presentation on social inclusion and equalities issues at a future Board Meeting was raised.

08/02 **TRANSPORT POLICING INITIATIVE**

Peter Hendy and Commander Alan Shave of the Metropolitan Police Service introduced a presentation on proposed Transport Operational Command Unit (OCU). The Unit was targetted to go live in June, with full operations by March 2003.

The programme was welcomed by Board Members and during discussion, the following points were **noted**:

- All staff at the OCU will have had training in race and gender issues. It was anticipated that staff will remain in place for up to five years before being moved to another position;
- The Unit will introduce measures such as the use of motor bikes for traffic wardens, which should improve the response time significantly;
- Once further statistics on the pilot had been collected and assessed, a report will be made at an early opportunity.

The report was **noted**.

09/02 **PPP**

The embargo placed on the House of Commons Select Committee report on London Underground ended at noon. Copies of the report were distributed to Board Members shortly after noon and the Chair outlined key aspects of the report.

A number of points were made in discussion, including the changed capacity forecasts, the absence of guarantees for TfL from the Government in the event of costs arising from cancelled programmes, and the general tenor of the Select Committee's concerns at the PPP approach.

It was **noted** that a detailed response would be prepared by TfL following the release of the Ernst & Young Value for Money Report on 7th February. The position regarding plans to provide access above the minimum required by the Disability Discrimination Act will be examined and reported to Board Members.

10/02 **CONGESTION CHARGING**

Derek Turner provided an update on the responses to the second round of consultation on the proposed Scheme Order for the introduction of the Congestion Charging Scheme.

Although the number of responses was low in comparison to the previous consultation, the majority supported the scheme.

It was **noted** that TfL was preparing a report on the proposals, including any recommended further amendments to the Scheme Order, to be delivered to the Mayor on 6th February. The Mayor will then take a decision on whether to confirm, modify, or reject the Scheme Order, or opt for a public consultation.

11/02 **ANY OTHER BUSINESS: APPOINTMENT OF CHIEF FINANCE OFFICER**

The position of Chief Finance Officer had been advertised and Stephen Critchley was selected as the recommended candidate. This is a statutory post with statutory duties. It was **noted** that Mike Hodgkinson, as Chair of the Finance and Audit Committee, had met Stephen Critchley and had endorsed the recommendation.

It was **agreed** that Stephen Critchley be appointed Chief Finance Officer with effect from 18th February 2002, the date of his joining TfL.

12/02 **REVIEW OF PROVISION FOR WALKING, CYCLING AND AREA BASED SCHEMES**

Derek Turner introduced his report on the recommendations arising from a task force review of walking and cycling provisions.

The report was welcomed and it was **noted** that:

- There was a perceived need to build up resources and facilities as part of the next phase;
- TfL will produce guidelines for Boroughs;
- LBI buses were utilising Selective Vehicle Detection to trigger signals at traffic junctions, thus sharing time at junctions more equitably between pedestrians and vehicles.

The Board **noted** the findings of the first stage of the review.

The Board **agreed**:

- i. The programme of 2002/03 initiatives;
- ii. The budget allocation of £31.43 million for 2002/03 and the proposal that this is increased above the level in accordance with the proposals set out in Table A of Agenda Item 8, subject to the outcome of the GLA budget on 13th February 2002;
- iii. Continued development of the programme of walking, cycling and area based schemes through phase 2 of the review (to be reported back to the TfL Board).

13/02 **CROSSRAIL AND EAST LONDON LINE PROJECTS**

Ian Brown introduced a progress report on the development of the Crossrail and East London Line projects. Concern was expressed at the absence of specific SRA Capital

funding for Crossrail and also the perceived level of priority the SRA attached to the project.

The report was **noted**.

14/02 **SAFETY, HEALTH AND ENVIRONMENT COMMITTEE REPORT**

In David Quarmby's absence, Michael Swiggs introduced a report of the last meeting of the Committee on 18th January.

The report was **noted**.

There being no further business, the meeting closed at 1 p.m.

Chair

Date

Transport for London

Minutes of a special meeting of the Board
held on Tuesday 19th March 2002, commencing at 1.05 p.m.
in Room AG16, Romney House, Marsham Street, London SW1P 3PY

Present:	Ken Livingstone (Chair)	Oli Jackson
Board Members:	Professor Stephen Glaister	Paul Moore
	Noël Harwerth	Tony West
	Kirsten Hearn	Dave Wetzel
	Mike Hodgkinson (Items 15 to 18)	

Special Advisors in attendance:	Bryan Heiser Lynn Sloman
--	-----------------------------

Others in attendance :	Robert Kiley	Maureen Nolan
	Ian Brown	Eric Rothman
	Peter Hendy	Michael Swiggs
	Lesley McLeod	Derek Turner
	Richard Meads	Jay Walder
	Betty Morgan	

15/02 APOLOGIES FOR ABSENCE

Apologies for absence had been received from David Begg, Susan Kramer, Murziline Parchment and David Quarmby.

16/02 DECLARATION OF INTERESTS

The Chair reminded Board Members of the requirement to declare any interests in matters under discussion. No interests were declared.

17/02 OVERVIEW ON BUDGET, PERFORMANCE FRAMEWORK AND BEST VALUE PERFORMANCE PLAN

Jay Walder presented an overview on TfL's 2002/03 Budget, Performance Framework and Targets, and Best Value Performance Plan (BVPP). The purpose of the meeting was to seek approval of the budget, the Performance Indicator targets, and the proposed contribution to the GLA Best Value Summary.

Since the Board approved TfL's Business Plan on 24 October 2001, revisions had been made which were set out in the submission. The changes in funding

and expenditure were outlined, and also a summary of the items it was proposed be removed and replaced in order to balance the budget.

It was noted that the proposed budget represented an increase of over sixty percent over the present net expenditure in 2001/02. Plans were under development to accelerate and/or bring work forward from 2003/04 in the event that delays on some aspects of the Plan occur. It was further noted that it would be important to continue to plan work on 2003/04 programmes during the year.

It was noted that the Business Plan did not include provision for the transfer of London Underground Limited (LUL). However, McKinsey & Co had been retained to facilitate the integration of LUL, including advising on the settlement of LUL funding with the Government, the design of the new organisation, and identifying areas where cost efficiencies could be achieved. The cost of this work had now been included.

18/02 Board Members discussed a number of issues, including:

- Board Members expressed a view that soft issues, such as the Perth experiment and green travel plans, should not be ignored. A report would be put to a future meeting of the Board and the Street Management Advisory Panel on the Perth experiment and the possibility of extending the experiment to London;
- Concern that TfL might not have sufficient staff resources to carry out the work committed to in the walking and cycling programme. It was noted that the design work would continue in anticipation of progressing the programme at the appropriate time;
- An accessibility performance measure encompassing accessible buses, stops and lack of bus stop obstruction by parked vehicles was desirable by would need development which might be difficult. This would be provided by Street Management and Surface Transport;
- Concern was expressed over the deletion of expenditure to provide additional door to door facilities. TfL Officers were asked to consider methods of incorporating this into the programme, should resources allow;
- It was noted that the Government national target for road safety targets for child deaths and serious injuries had been adopted as an implicit target by TfL;
- The expansion of Dial-a-Ride and Taxicard was strongly pressed. It was considered desirable to make the management and organisation changes at Dial-a-Ride, which would improve the service in any event, before further expansion work or eligibility also had to be pursued;
- It was noted that staff were required with strong project management skills, particularly within Rail Services and Street Management.

Following discussion, the Board **approved** the following resolutions:

19/01 **2002/03 BUDGET**

The Board **approved**:

- i. The proposed budget for 2002/03 at Business Unit and activity level;
- ii. The proposed level of external borrowing of £55 million by Transport Trading Limited;
- iii. The following borrowing limits for Transport for London, as a Local Authority, in 202/03:
 - The overall borrowing limit (£20 million)
 - The short-term borrowing limit (£20 million)
 - The maximum proportion of interest at variable rates (100%)

20/02 **PERFORMANCE INDICATOR FRAMEWORK AND TARGETS**

The Board **noted** the proposed performance indicator framework to monitor the TfL Business Plan.

The Board **approved** the proposed performance targets for 2002/03 as outlined in Tables C, D, E and F of the Board Paper (Agenda Item 3).

21/02 **BEST VALUE PERFORMANCE PLAN**

The Board **noted**:

- i. The latest requirements of the Best Value legislation;
- ii. The current position in developing TfL's Business Plan/Best Value Performance Plan. An update would be presented at the next regular meetings of the Finance and Audit Committee and Board to endorse the BVPP content prior to publication.

The Board **approved** the proposed TfL contribution to the GLA Best Value Summary document, to be made public at the end of March. It was **agreed** that authority to finalise the wording of the GLA Best Value Summary document be delegated to the Managing Director, Finance and Planning.

22/02 **ANY OTHER BUSINESS**

The Commissioner introduced Richard Webster, who had been appointed Financial Director of Street Management. with effect from 25th February 2002.

There being no further business, the meeting closed at 2.30 p.m.

Chair

Date

TRANSPORT FOR LONDON

TfL BOARD

SUBJECT: COMMISSIONER'S REPORT FOR APRIL 2002

MEETING DATE: 12 APRIL 2002

1. PURPOSE

This is the Commissioner's written report for April 2002. This report:

- Provides an overview of issues and developments since the February Board meeting;
- Informs the Board of major projects and initiatives being undertaken by TfL; and
- Updates the Board on actions that the management team is taking.

2. INTRODUCTION

This is our first Board meeting of the new financial year. The Board has met relatively frequently over the past two months in order to resolve a number of important issues. Firstly, the Mayor announced on 26 February that he had confirmed the Scheme Order enabling the introduction of congestion charging in Spring 2003. The Board met on 12 March to review the call options on the congestion charging contracts and agreed to their execution. Secondly, the Board met on 19 March to approve the TfL Budget for 2002/3 and the associated performance management regime.

The Mayor's decision to proceed with congestion charging will focus much of our efforts over the coming twelve months. We need to build on the improvements we have already made to the bus service and roll out the programme of bus priorities, enforcement and increased capacity. The maintenance and investment backlog in the strategic road network is starting to be addressed but we need to get streetworks under greater control. Significant resources have been allocated to these core programmes and we need to ensure that TfL and its partners deliver these works to complement the congestion charging programme.

3. TfL OPERATIONS

An overview of our operations is included in the separate finance and performance report. There are some particular issues to draw to your attention.

3.1 *Bus performance*

The latest operational results from London Buses indicate a further reduction of mileage lost due to staff shortages and a resulting small, but welcome, improvement in bus reliability. This continues to trend of the past year with a steady reduction in staff lost mileage which is now at 25% of the level of two years ago.

Bus lane enforcement is being stepped up. There are now over 1400 cameras in operation and by the beginning of April some 170,000 contraventions will have been identified and 85% of these are expected to result in a Penalty Charge Notice being issued. A joint leaflet was published by TfL, GLA and ALG in February publicizing the camera enforcement initiative.

3.2 DLR

Board members will be aware that there was a pay dispute involving DLR operational staff. Serco Docklands Limited have now reached settlement with operational staff at an increase of 9.75% staged over two years, plus £100 non consolidated bonus. There are no specific productivity “strings” as there is a high degree of flexibility already. The DLR base is £23,000.

There is no impact on TfL’s budget. The pay settlement is entirely funded by Serco whose fees are fixed until 2007 by the recent franchise extension.

3.3 Public Carriage Office

There have been problems delivering the inspections of taxis at the Public Carriage Office recently due to unofficial action by the vehicle examiners related to a pay and grading review. Whilst efforts to resolve the issue continue, an alternative plan has been put into effect to maintain the taxi service in the short term.

3.4 Tramlink.

Tramlink drivers participated in an industrial dispute on 26 March 2002 which resulted in services being heavily curtailed. Bus services were provided to cover passenger needs. The drivers are employed by a subsidiary of FirstGroup and work under contract to Tramtrack Croydon Limited. TfL has encouraged both sides to resolve their pay dispute other than by strike action.

3.5 TLRN maintenance

Stewardship contracts have been awarded by Street Management to monitor and manage the TLRN alongside new contracts for the maintenance and improvement of the network. These are 5 year contracts with a total value of £10 million and £60m respectively per annum. Under these contracts, the stewards will undertake day to day management functions including supervision of the works contractors. These contracts will address the inconsistencies inherited by TfL in terms of different standards of maintenance across the TLRN from predecessor bodies. Stewardship contracts have been awarded to LB Camden, WSP and Parkman and works contracts to Fitzpatrick, McNicholas and Ringways and are effective from 1 April 2002.

4. TfL PRIORITIES

I would like to draw your attention to the following.

4.1 PPP

Last week TfL Board members received a copy of our interim consultation response to London Transport. It shows that there is no meaningful risk transfer in the PPP; that it has been converted into a cost plus contract for what is essentially a maintenance programme; that it does not show value for money and still represents an inferior model for safety. All of these points are covered in great detail in our interim response and the Deloitte and Touche review of the Value for Money analysis.

We are now in a new consultation period as LU/LT provided new financial documents late on Friday 22 March. Our initial assessment is that even these seem to be incomplete. We will respond to these documents by 9 April. The Government has indicated that they still expect commercial close to take place on 10 April, with financial close some months after. We will continue to press our case.

We are in very preliminary discussions with DTLR on a financial settlement and have outlined our major concerns around the transfer of London Underground to TfL.

4.2 Congestion charging

The Mayor confirmed the congestion charging Scheme Order on 26 February 2002. Our report setting out the consultation process, responses to the consultation, recommended minor modifications, details of the scheme proposals, complementary transport measures, impact assessments, advice on holding a public enquiry and a cost benefit analysis was published on the same day.

The TfL Board met on 12 March 2002 to consider the call options in place for the main service provisions including Enforcement Infrastructure, Fibre Optic Telecommunications Networks and Combined Services. The Board agreed to exercise all the call options. Two agencies (TBWA and Triangle) were appointed on 20th March 2002 to run a public information campaign to promote awareness of the congestion charging scheme. Procurements are in progress for on-street enforcement services, bailiff services for the UK, and Europe-wide debt recovery services. Suppliers for these are due to be appointed in summer 2002.

To date £57m of the £100m congestion charging traffic management budget has been allocated. Schemes identified for funding include: Controlled Parking Zones; projects to develop and improve bus reliability; traffic flow and environmental management; improvements to cycling and pedestrian facilities; and road maintenance and safety initiatives. Implementation of the traffic management schemes; camera and telecommunication activities are being progressed following the Scheme Order confirmation.

Consultation on a major programme of bus improvements starts this month.

4.3 Crossrail

Norman Haste has been appointed as Chief Executive of the Cross London Rail Links (CLRL) company. He was formerly with BAA leading the Terminal 5 project. CLRL is in the process of appointing a head of finance and a director of communications. All TfL staff (including those transferred from LUL) associated with Crossrail have been seconded to CLRL.

CLRL recently announced the shortlisting of route options beyond the already established core from Heathrow to Stratford and the Isle of Dogs. There are three possible routes to the West:

- The Great Western route to Heathrow/Slough/Reading
- The Silverlink route to Watford Junction
- The Chiltern route to Amersham

In the East the short list is 2 routes only:

- The Great Eastern route to Stratford and Shenfield
- A route via Canary Wharf to Plumstead/ Dartford/Ebbsfleet

Long distance routes have been eliminated so defining Crossrail as a regional Metro.

4.4 East London Line

The Secretary of State for Culture has listed the Braithwaite Viaduct as Grade II. This in effect turns down the Mayor's request to delay listing until associated infrastructure can be removed. However, we recognise that this is the minimum listing possible and that the intention is to demolish the structures attached to the Braithwaite to make way for the East London Line. Local authority planning consent may be required to make such alterations on the site.

A joint SRA/TfL team is being set up to develop and implement the East London Line project. The powers and some staff are being transferred from LUL to TfL. The SRA will be submitting the business plan for the extension to the Secretary of State in May 2002.

4.5 London City Airport DLR extension

The Secretary of State announced the granting of a Transport and Works Order to extend the DLR from Canning Town to King George V Dock on 19 March, some five months later than anticipated.

The next stage is for DLR to invite a best and final offer (BAFO) from the two bidders who have expressed interest in constructing the route so that a contract can be placed this summer. There remains an unresolved issue involving local government capital finance regulations which we are seeking to address with GOL/DTLR.

4.6 Thames Gateway River Crossings

The DLR planning team is also taking forward preparation work for a TWA application in May 2002. This is for a further tunnel extension under the Thames to Woolwich Arsenal. Public consultation carried out between September 2001 and January 2002 highlighted that 95% of respondents supported this extension. The current timetable for the DLR Woolwich Arsenal extension is for construction to start in late 2004 with the line open by 2007.

Over the past two months TfL has also been reviewing the case for two further additional crossings in the Thames Gateway; one at Gallion's Reach and one at Silvertown-North Greenwich. These were originally conceived as road-based crossings to service local traffic. Over the next few months we will be working closely with the GLA and London

Development Agency to develop the business case for these major infrastructure projects. This will focus particularly on assessing how the planned regeneration of the Thames Gateway depends on additional transport infrastructure; especially in the context of the other planned links such as Crossrail, possible DLR extensions and various intermediate mode proposals.

A separate briefing for TfL Board Members on the Thames Gateway River Crossings has been arranged for 19 April.

4.7 *Social inclusion*

TfL's first Social Inclusion Action Plan is nearing completion and will be discussed at the next cycle of Panel meetings. It focuses on how TfL's mainstream service improvements and programmed activities can be linked together more effectively to address the needs of socially excluded groups. The Plan also highlights the need to address some fundamental gaps in our understanding of the barriers faced by different marginalised communities in accessing transport services.

We are also in the process of interviewing for the new Head of Social Inclusion. This post will work from the Commissioner's Office and lead on the Social Inclusion agenda across the TfL organisation.

4.8 *Transport policing initiative*

We now have the results of the pilot for the Transport Policing Initiative that was run along routes 109 and 159 (between Westminster and Streatham) in January 2002. The focus of the pilot was to examine joint methods of working between TfL, bus operators, the police and traffic wardens. On those grounds it was judged by all parties to have been successful. On the ground coordination worked well and there were some significant learning points for how communications could be further improved.

The MPS were particularly pleased with the impact of the pilot on crime prevention and response. During the two week period, the dedicated police team made 13 arrests, undertook a number of mini-cab enforcement actions and gathered significant intelligence. Response time within the corridor dropped from 45 minutes to 10 minutes.

Illegally parked vehicles were moved on, ticketed and removed in reasonably large numbers. As a result there was some reduction in lost mileage on the routes in question. These results are encouraging, especially for a short term pilot. More sustained data and intelligence monitoring will be undertaken when the first routes roll out in the summer.

4.9 *Review of Countdown*

The bus radio, Automatic Vehicle Location and Countdown review has been completed. The conclusions are that significant improvements in project management are needed to deliver the full value of the investment already made in existing systems. These improvements should be put in place before further expansion or development of the core system. The review has also concluded that switching to alternative technologies (eg GIS) to replace part of the system would not result in significant improvements at this stage.

London Buses are making the necessary management changes and are putting a programme of improvements into action.

5. STRATEGIC ISSUES

5.1 Integration of LUL

We have appointed McKinsey & Co to prepare for the integration of London Underground into TfL. The scope of their work includes high level organisational design, managing the logistical and legal issues around transition, and supporting the funding discussions with DTLR. McKinsey will also provide support to TfL in the immediate post-transfer period.

Their work over the next two months will focus on agreeing the desired organisation design for TfL. They will also start to design in detail the corporate functions and processes as well as rolling out internal communications across both TfL and London Underground.

The Board will be kept informed of progress on a regular basis.

5.2 Review of Board arrangements

When the current TfL Board, Committee and Panel structures were established we agreed to undertake a review after a year. I intend to have informal discussions with Board members over the next month to obtain their feedback on how the present arrangements are working. This will coincide with a review of standing orders and new business management processes that we are introducing. I propose to report back to the Board during the next cycle of panel and Board meetings.

Robert R. Kiley
Commissioner for Transport
April 2002

TRANSPORT FOR LONDON

TfL BOARD

SUBJECT : FINANCE AND PERFORMANCE REPORT : JANUARY 2002

MEETING DATE : 12 APRIL 2002

1. PURPOSE

1.1 To inform the TfL Board of the latest position on the financial and operational issues facing TfL for the ten months to January 2002, and other significant items discussed at the Finance & Audit Committee at its 19 March 2002 meeting. A verbal update on the position as at February 2002 will also be provided at the meeting.

2. FINANCIAL SUMMARY

2.1 TfL's value of work done during January totalled £50m, and this was some £28m (36%) less than planned at the beginning of the year in the budget, as shown in the table below. This has increased the cumulative budget underspend to £157m (25%), and further details outlining the causes of this budget variance can be found in sections 3 & 4 of this report.

2.2 The new forecast indicates a further fall in the estimate of net expenditure for this year of £8m compared with the forecast in December largely due to slippage in Street Management work including Congestion Charging and LBI (£8m), on DLR railcar refurbishment (£3m) and lower estimates for payments to Borough's for ITP work (£3m). In addition to the underspends, the forecast incorporates lower estimates for bus revenues of £3m, and the purchase of the freehold interest in 200 Buckingham Palace Road (£3m).

	January 2002		10 months to Jan '02		Full Year		
	Actual	Variance to Budget	Actual	Variance to Budget	January Forecast	Variance to Budget	Variance to Dec Forecast
	£m	£m	£m	£m	£m	£m	£m
Net revenue expenditure	40	18	365	115	509	85	(4)
Net capital expenditure	10	10	116	42	187	40	12
Transfer to reserves					34	(24)	(15)
Net Accrued Spend	50	28	481	157	730	101	(7)
Funded by :-							
Working capital	(24)	25	16	4	(9)	(10)	1
Grants & precept	(50)	1	(622)	6	(729)	13	
External borrowing		(22)		(22)		(88)	
Increase in cash balances	(24)	32	(125)	145	(8)	16	(6)

2.3 The lower level of work carried out this year has allowed an increase the level of reserves to be held by TfL at year-end to £34m, an increase of £15m compared to the December forecast. Considerable uncertainty still exists however around the level of work included in the forecast over the remaining two months of the year, particularly in relation to work carried out by the Borough's on behalf of TfL. As such, level of reserves and external borrowing may still change materially before year end.

3. REVENUES & INCOME

3.1 After ten months of the year, TfL's revenues total £435m, and this is £6m (1%) less than budget, as with previous months the variance combines a shortfall in ticket revenues at London Buses and DLR (£12m) offset by higher recharges to Boroughs and enforcement income within Street Management (£2m), increased bank interest income (£2m), and higher trading revenues in the other TfL business units (£2m),

3.2 The January forecast anticipates a further £4m reduction in TfL's revenues for the year compared with the December forecast to £522m, increasing the full year unfavourable variance to £10m. The change in forecast mainly refers again to a reduction in the expected level of bus ticket revenues leaving them now 3% lower than the full year budget, but also includes a lower estimate of rental income from Street Management's property.

Revenue Account

	January 2002		Full Year		
	Year to 31 Jan	Variance to Budget	January Forecast	Variance to Budget	Variance to Dec Forecast
	£m	£m	£m	£m	£m
Expenditure					
London Buses	527	25	642	31	(1)
Docklands Light Railway	10	1	13	1	
Street Management	126	24	170	16	(3)
Borough ITP's	45	43	90	20	3
TfL Central directorates	43	30	58	30	5
Other Services	27	(2)	33	(4)	(4)
	778	121	1,006	94	
Income					
London Buses	391	(11)	469	(14)	(3)
Docklands Light Railway	8	(1)	9	(1)	
Street Management	15	2	17	1	(1)
Other Services	21	4	27	4	1
	435	(6)	522	(10)	(4)
Net Cost of Services	343	115	484	84	(4)
PFI capital & interest charges	22		25	1	
TfL Net Revenue Costs	365	115	509	85	(4)

4. REVENUE EXPENDITURE

4.1 TfL's cumulative revenue expenditure after ten months totalled £778m and this was £121m (13%) less than budget for the same period. This variance comprises :-

Actions taken in the early part of the year to reduce expenditure

- deferral of staff recruitment in Central Directorates (£2m)
- re-assessment of interchange planning and major project development as part of the 2001 business plan round (£28m)
- deferral of additional conductors for buses with doors pending the results of a pilots study on Route 55 (£7m)
- a reduced level of bus service improvements and additional service supervision (£19m)

Other underspends during 2001/02

- local transport work carried out by the Borough's (£20m)
- the settlement of Part 1 claims (£6m) and the re-profiling of work to the end of the year on the A13 DBFO (£4m)
- bus lane enforcement and other work within the LBI programme due in part to the delay in setting-up SLA's with Borough's (£8m)
- traffic management and other works within the congestion charging scheme (£9m)
- Street Management strategic initiative costs (£5m).

Slippage to be recovered over the remainder of the year

- rephasing of Borough transport work into the last two months of the year (£23m)
- traffic control maintenance and Street Management administration costs (£5m)

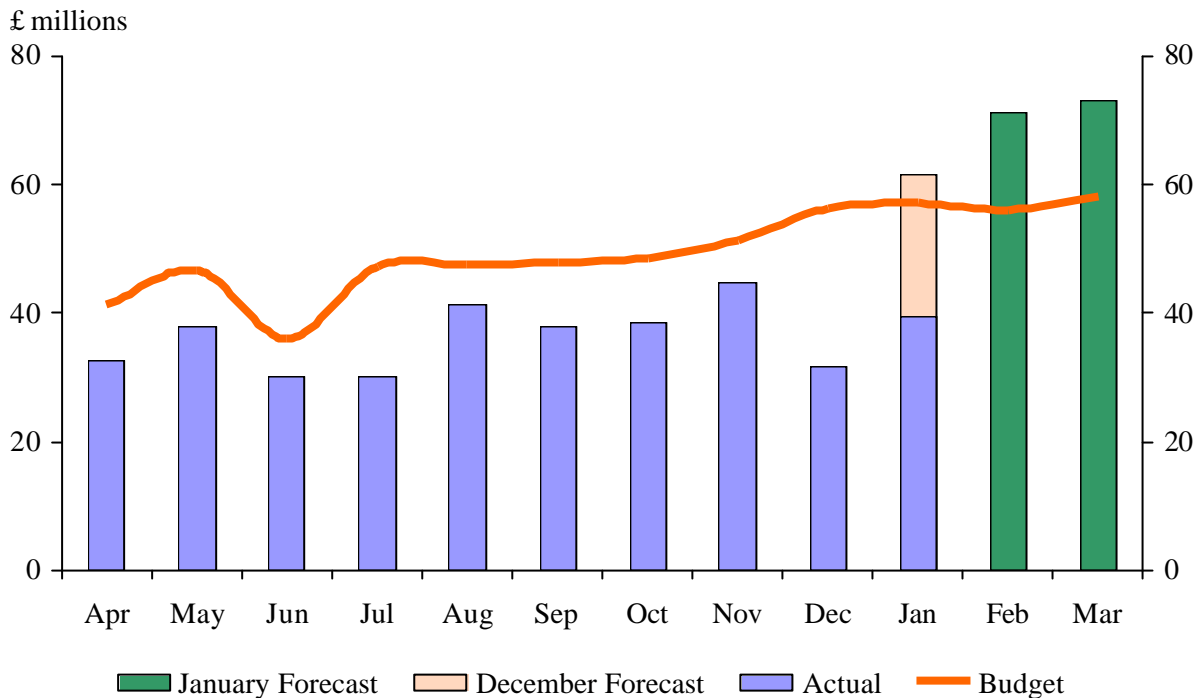
Overspends and additional unbudgeted items

- TLRN road maintenance (£14m), and
- TfL's share of CLRL expenditure and LUL integration work (£2m)

4.2 For the full-year, TfL's forecast of total revenue expenditure is broadly unchanged this month at £1,006m, which will be £94m (9%) less than budget. Although the total remained unchanged, the new forecast did include :-

- an increase in TLRN road maintenance of £7m combined with lower charges to the A13 DBFO contractor (£2m) and various other Street Management initiatives (£2m).
- an increase in bus marketing campaign costs of £1m.
- a £3m reduction in the estimated payments to Borough's for local transport work.
- a further reduction in the level of interchange planning and multi-model planning work within the TfL Centre (£1m).

TfL Net Revenue Costs - 2001/02



4.3 As can be seen from the chart above, net expenditure in the month of January again fell well short of the level forecast in the previous month (£22m). Of this shortfall, £11m represents slippage in Borough ITP payments and £7m represents lower Street Management spending than assumed in the previous month. As a result, the remaining two months of the year now requires an average spend of £72m a month compared with £38m a month averaged during the third quarter of 2001/02.

5. CAPITAL EXPENDITURE

5.1 In the ten months to January 2002, TfL's capital expenditure has totalled £122m, and this is some £61m (33%) less than budget for the same period. As with revenue expenditure this variance is the result of a number of reasons including :-

Slippage to be recovered over the remaining months of the year

- Red route implementation (£7m)
- Traffic control development (£3m)
- Construction of the Millbank Pier (£1m)

Projects with lower spend in 2001/02 compared to budget

- Street and bus improvements within LBI 1 (£11m)
- Bus improvements included within LBI 2 work (£4m)
- Traffic management work within the Congestion Charging scheme (£4m)
- TLRN road improvements (£4m)

- Trafalgar Square pedestrianisation (£2m)
- The start to refurbishment of the Blackwell Tunnel refurbishment (£2m)
- Accident reduction, cycling schemes and other Street Management projects (£3m)
- The start of mid-life refurbishment for DLR rail cars (£3m)
- Major road improvements inherited from the Highway Agency and, although included in this year's budget were in fact completed during 2000/01 (£9m)
- The DLR Canning Town sidings project which was also completed before the beginning of the year (£1m)
- New DLR rail cars (£6m) due to problems with construction of the cars bogies which has delayed further payments
- Delay in the awarding of TWA powers for the London City Airport extension has deferred further spending on the project until 2002/03 (£1m)
- Budget provision in central directorates that has not been utilised during the year (£4m)

Overspends and additional work not included in the budget

- purchase of land in Hounslow to allow the construction of a new bus garage (£2m)
- the refurbishment of Routemaster buses and other bus infrastructure projects (£1m)
- the phasing of TfL's contribution to the construction of the Hungerford footbridge (£2m)

Capital Expenditure Summary

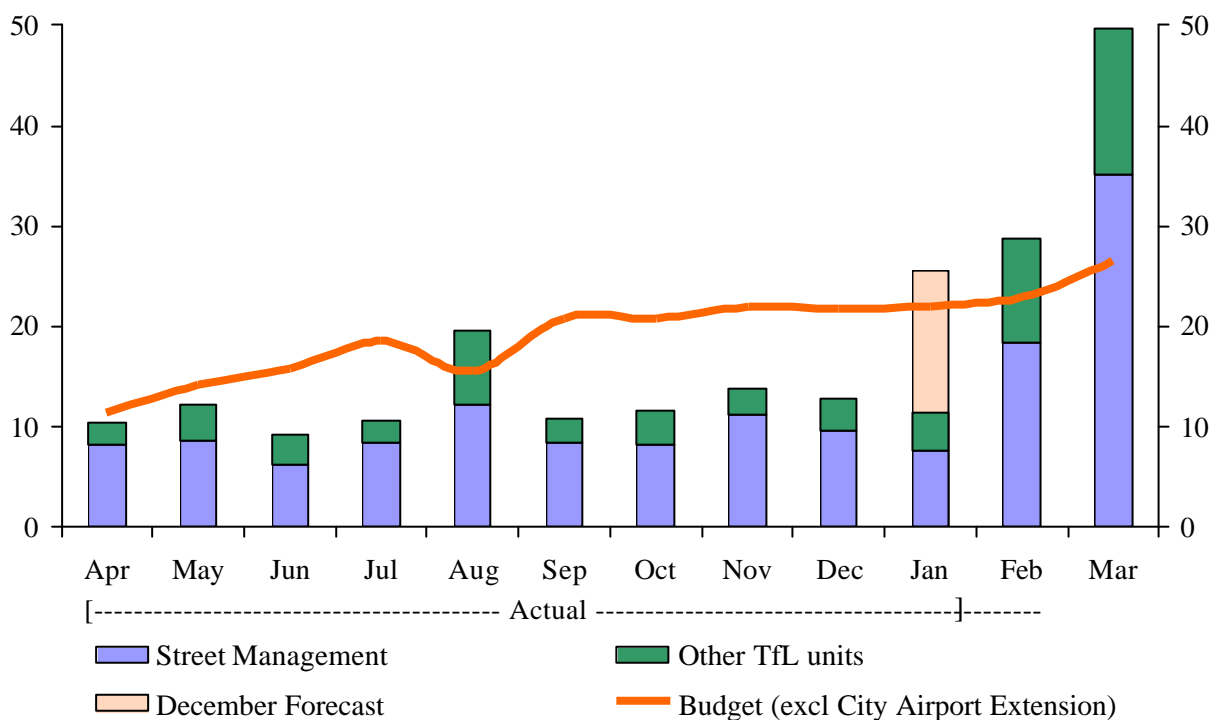
	January 2002		Full Year		
	Year to 31 Dec	Variance to Budget	January Forecast	Variance to Budget	Variance to Dec Forecast
	£m	£m	£m	£m	£m
Street Management	88	48	142	33	14
Docklands Light Railway	10	12	18	35	3
London Buses	17	(3)	25	(9)	
Other Services	7	4	16	(3)	(3)
Total capital expenditure	122	61	201	56	14
Capital receipts	(3)	(10)	(5)	(10)	
Third party contributions	(3)	(9)	(9)	(6)	(2)
Net Spend on Capital	116	42	187	40	12

5.2 The January forecast estimates that full-year capital expenditure will reach £201m and this would represent a further reduction of £14m in expenditure compared with the forecast in December. As shown in the table above this fall results mainly from slippage in Street Management where work on Congestion Charging (£5m), TLRN road improvements (£4m), LBI (£1m), Red Routes (£1m) and various other initiatives (£3m) have all contributed.

- 5.3 In addition, slower progress on the DLR car refurbishment programme, partially due to the uncertainty over the delivery schedule of new cars has meant that it is now highly unlikely that commercial close on the contract can be achieved before the end of the year (£3m). The forecast also incorporates the additional spend of purchasing the freehold interest in 200 Buckingham Palace Road to accommodate the Transport Policing unit and others for £2.9m.
- 5.4 Capital spending in the month of January was again significantly lower than estimated in the previous month (£11m actual compared with £25m forecast in December), almost entirely due to lower than forecast spend on Street Management projects (£14m). As shown in the chart below, with the revised total expenditure included in this month's forecast expenditure of £78m will be required over the last two months of the year if the forecast is to be achieved.

£ millions

TfL Capital Expenditure - 2001/02



6. CASH SPEND

- 6.1 During the first ten months of the year, cash payments totalled £497m (£346m on operational activity and £151m on capital work), and this was some £161m (25%) less than the budget for the same period. Grant and precept funding of £622m has now been received by TfL, and this is £6m more than assumed in the budget, due to the receipt of CLRL grant funding not included in the budget and the addition of start-up funding for the commencement of Private Hire licensing received earlier this year. As a result, cash balances held by TfL have increased by £125m for the period to the end of January 2002.
- 6.2 The January forecast indicates cash payments will total £687m for the year as a whole, and this is £9m less than estimated in December's forecast, with the change largely the result of the decrease in capital spend noted in section 5 of this report. The consequence of these changes to the forecast is to allow an increase in cash reserves held by TfL at year-end, and to confirm that no external borrowing will be required to finance this year's work. It should be noted however, that considerable uncertainty still exists around the level of work being carried out by

the Borough's on TfL's behalf in the areas of the London Bus Initiative, Interim Transport plans and road maintenance. As such the level of reserves held and external borrowing required may still change before year end.

Cash Summary

	January 2002		Full Year		
	Year to 31 Jan	Variance to Budget	January Forecast	Variance to Budget	Variance to Dec Forecast
	£m	£m	£m	£m	£m
Net revenue costs	(365)	115	(509)	85	(4)
Movement in working capital	19	27	12	(7)	(3)
Cash spend on operating activities	(346)	142	(497)	78	(7)
Net spend on capital	(116)	42	(187)	40	12
Movement in working capital	(35)	(23)	(3)	(3)	4
Cash spend on capital activities	(151)	19	(190)	37	16
Transport grant	608		711	5	
CLRL grant	5	5	7	7	
GLA grants				(25)	
DETR start-up grants	1	1	1	1	
Precept funding	8		10		
External Borrowing		(22)		(63)	
Cash inflow from financing	622	(16)	729	(75)	
Movement in Cash Balances	125	145	42	40	9

7. STAFF NUMBERS

7.1 TfL staff numbers (defined as the full time equivalent number of permanent and temporary agency staff and consultants covering for on-going positions) increased by a net 8 during January to 2,885 with most the increase in headcount taking place in London Buses (15). Staff numbers however remains below budget at month-end by 58, with the majority of budget vacancies occur in :-

- * Central directorates (69) due to the decision to defer Travel Information expansion plans during the last month of last year,
- * Public Carriage Office (12) due to the delayed set-up of private hire licensing, offset by
- * The addition of consultancy staff at Street Management (16) covering for on-going positions but not included in the budget.

- 7.2 The December forecast indicates a net increase in staff of 35 to 2,920 between February and March 2002, mainly to support the implementation of private hire licensing (12), at the Travel Information Call Centre (9) and at the Museum (6).

Staff Employed

31 March 2001	(increase) / decrease in staff	Month-ended 31 January 2001		Year-ended 31 March 2002	
		Actual	Variance to Budget	Forecast	Variance to Budget
	TfL Corporation				
261	TfL Centre	325	(10)	334	(19)
126	Public Carriage Office	150	12	162	
604	Street Management	799	(16)	799	1
991		1,274	(14)	1,295	(18)
	Transport Trading Ltd				
724	London Buses	772	(15)	772	(15)
235	East Thames Buses	232	(6)	225	1
32	Docklands Light Railway	30	6	32	4
120	Victoria Coach Station	119	2	121	
86	Museum	92	6	98	
18	London River Services	17	1	18	
4	Dial-a-Ride	5	(1)	5	(1)
314	Group Transport Services	344	79	354	69
1,533		1,611	72	1,625	58
2,524	Total TfL Staff Employed	2,885	58	2,920	40

8. FINANCE & AUDIT COMMITTEE : 19 MARCH 2002

- 8.1 At its meeting, the Committee considered the proposed internal audit workplan for 2002/03 along with a report of internal audits completed since the last meeting, noting that no significant issues have emerged from these audits. The Committee also received its regular report of TfL's financial progress against budget for the ten months to January 2002 with the key points being highlighted in this report. In addition, for the first time, the Committee received information on London Underground's financial progress during the current year.
- 8.2 Given a lengthy debate on audit and financial progress matters, time only allowed the Committee to consider further a paper on the results of the fare policy options for 2002 and 2003. This outlined a range of packages that takes into consideration the introduction of smartcard-based ticketing in 2003 and options for 'Pre Pay' on the buses and Underground. Following discussion of these options at each of the Surface and Rail Panels and F&A Committee meetings during March, detailed proposals will be developed for presentation to the Mayor and TfL Board members in the Summer 2002.

9. SERVICE PERFORMANCE

9.1 Service performance for the main operational business units for the year to November 2001 is shown on the following pages. This information is summarised under the following headings:-

1. Trends in the economy and ridership
2. Service provision
3. Service reliability
4. Safety
5. Customer satisfaction
6. Service performance for other TfL business units

10. RECOMMENDATION

10.1 The Board is asked to **note** the progress against the 2001/02 Budget and the content of this report.

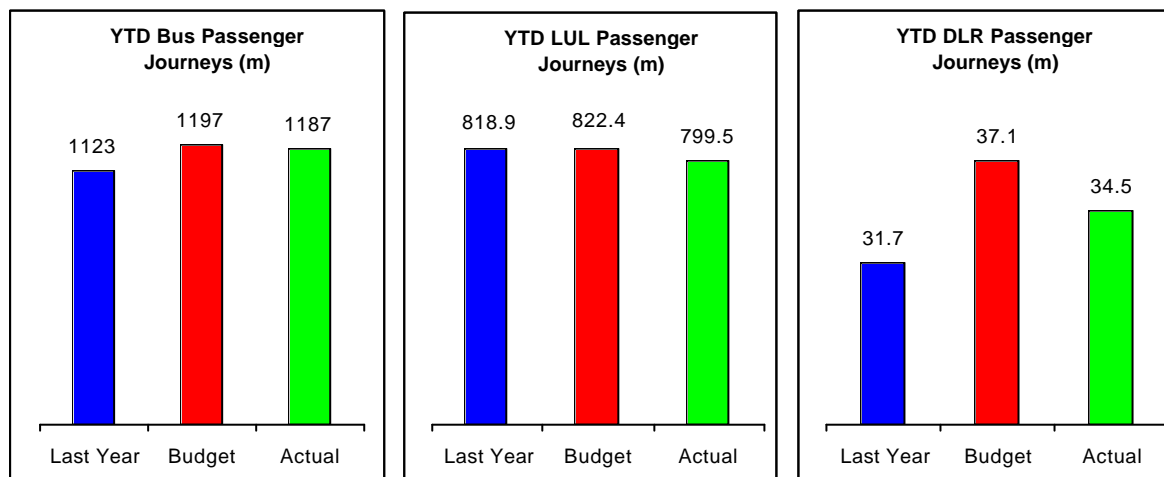
1. Trends in the Economy and Patronage on TfL's Main Services

General Economic Indicators reported in January 2002

Annual RPI (headline) monthly	Base Rates 4 weekly	GDP Growth quarterly	Retail Sales monthly	Avg Earnings in Service sector monthly	Central London FT Employment quarterly	Central London PT Employment quarterly	Tourist Visitor Nights % year on year	London Population annual
0.7%	4.0%	2.2%	5.7%	4.2%	3.3%	-5.3%	-7.9%	0.7%
Comparative figures for prior period								
0.9%	4.0%	2.2%	7.0%	4.2%	3.5%	-4.5%	-5.9%	0.7%

In December, the headline inflation (RPI) fell and underlying inflation rose, compared to the previous month. RPI rose by 0.7% year-on-year in December, down from 0.9% in November. This was mainly the result of lower mortgage interest payments following past interest rate cuts, which fed through to lower housing costs. Meanwhile underlying inflation rose to 1.9% from 1.8% year on year over the same period, due to higher food prices this year compared to last year.

The growth in retail sales volume slowed markedly with an increase of 5.7% year-on-year compared to an increase of 7.0% in the previous month. Service sector average earnings rose by 4.2% year-on-year in November which is unchanged from October, while growth in employment in the three months to September remained in line with the restated figures for the previous three months. Finally, the annual moving average for tourist visitor nights in London has fallen further from 5.9% in the year to November, to 7.9% in December.

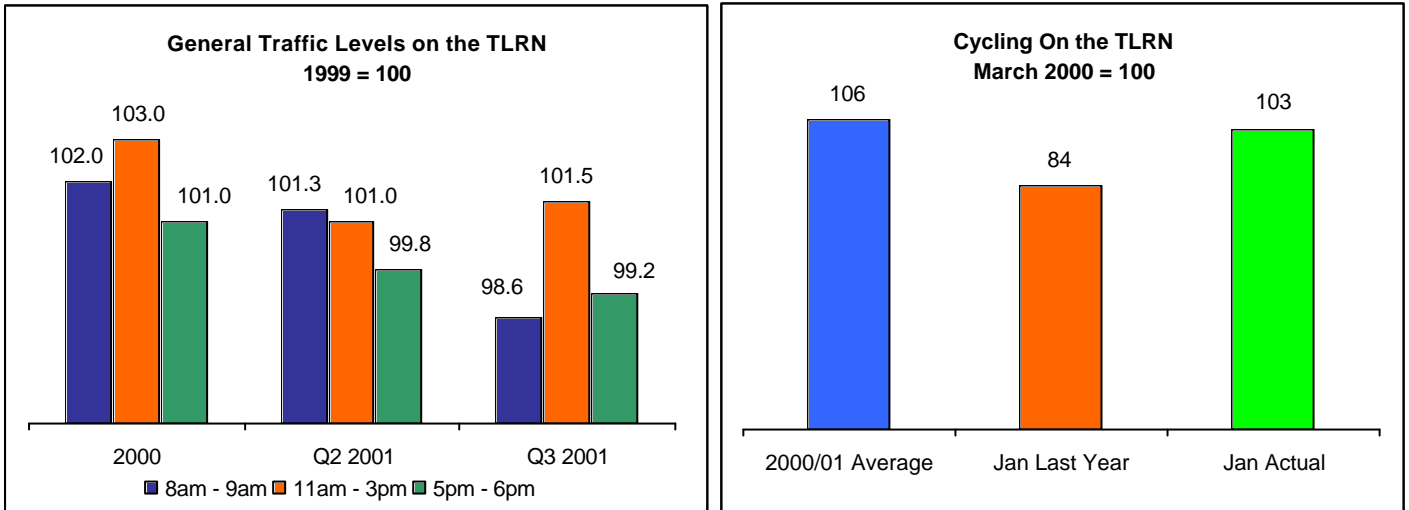


Bus passenger journeys for the ten months to the end of January 2002 are 5.7% higher than the equivalent period last year at 1187million, reflecting the policies of expanding mileage, improving reliability and cheaper fares. It should be noted that the original budget anticipated 7% overall growth in journeys but that it was formulated prior to finalising details of changes in fares policy introduced in May and September, and is reflected in a 10 million (0.8%) negative variation between actual and budget illustrated above.

London Underground passenger journeys in period 11 (5 January - 2 February) were 2.5% below last year. This compares with year on year falls of 4% in period 10, 3.2% in period 9, 3.7% in period 8 and 4.9% in period 7 and was therefore the strongest result since the events of September 11. The improvement came particularly from one day tickets (Ordinary Fares, Day Travelcards both Peak and Off Peak, One Day LT Cards and Visitor Travelcards). Journeys on these were only 0.3% lower than a year ago compared to reductions of between 3% and 5% in the previous three periods. The fading threat of terrorism combined with buoyant consumer spending is thought to be the main explanation. In contrast, journeys on Travelcard and LT Card Seasons were 4.7% down in the period. The trend here is deteriorating, the early periods of 2001/02 having shown increases of up to 5%. A slowing rate of employment growth in London, with a decline in part time employment, provides a partial explanation for the trend.

Net passenger journeys on the DLR total 34.5 million in the year to period 11 (5 January - 2 February). Passenger journeys fell slightly to just under 3.3 million in Period 9 and then again to just under 2.5 million in Period 10, which is always less busy because of the Christmas and New Year holiday period. In Period 11, numbers rose again to just over 3.1 million. This leaves the total after eleven periods 2.6 million under budget, due to various major works on the railway affecting weekend numbers, as well as lower tourism and employment figures in the Docklands area. The year to date result is nearly 9% higher than over the same period last year.

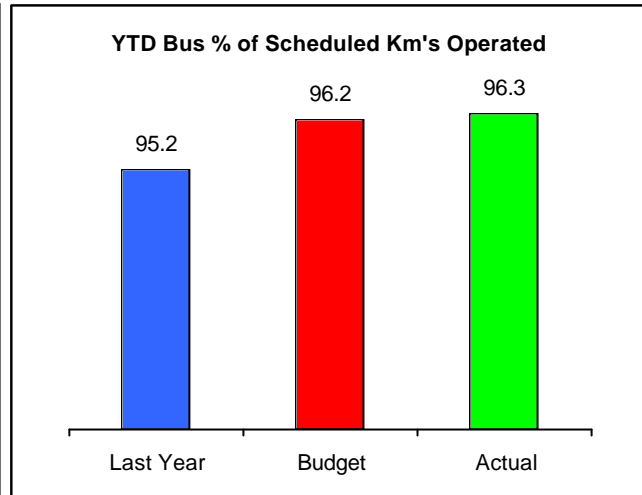
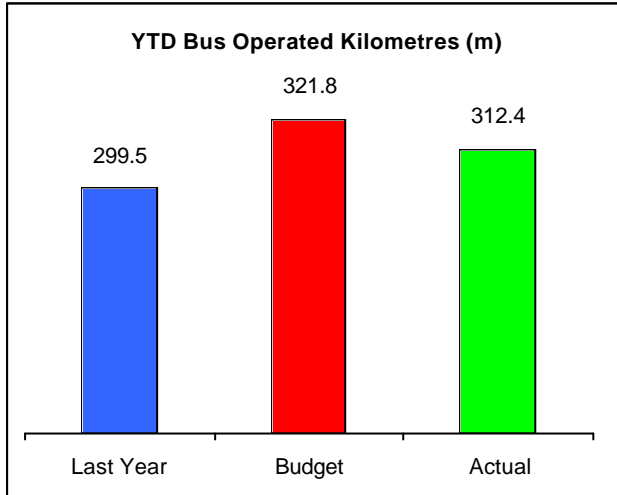
1. Trends in the Economy and Patronage on TfL's Main Services



This index records the average vehicles per hour per lane weighted by lane. The figures are derived from 23 automatic traffic counters representative of all road types on the TLRN. Sites have only been included where data was available in both 1998 and 1999. Compared to the previous quarter the third quarter (Oct - Dec 2001) shows a decrease of -2.7% in the AM peak (8am - 9am) and of -0.6% in the PM peak (5pm - 6pm) and a slight increase of 0.5% in the Inter Peak (11am - 3pm).

The index of total cycle flow is derived from 51 automatic cycle counters spread over the TLRN. The base line figure of 100 relates to March 2000. The January value of 103 indicates an increase in cycling of approximately 22.6% compared to that for January last year. Monthly comparisons continue to exceed last years figures, highlighted by the rolling annual average for January 2002 now being 11.6% higher than it was in January 2001.

2. Service Provision

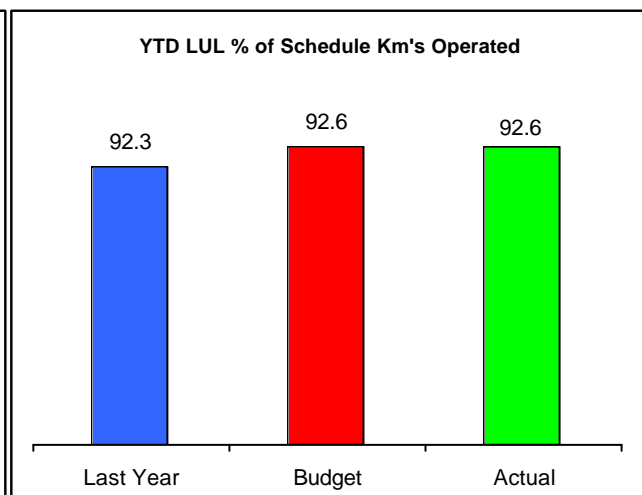
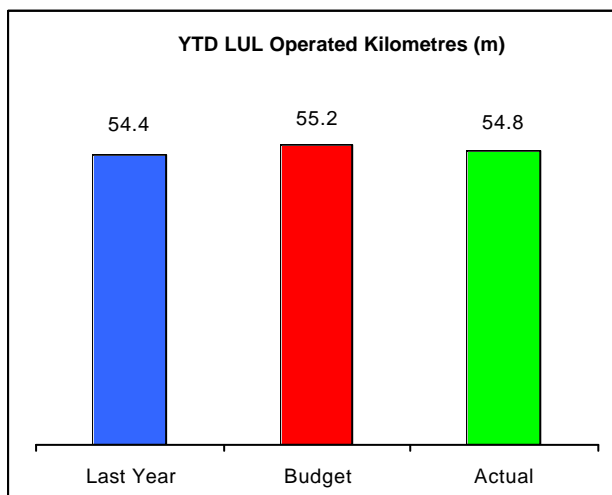


Reasons for lost mileage in

	January 2001	January 2002
Traffic congestion	43%	52%
Staffing	44%	31%
Mechanical	13%	18%

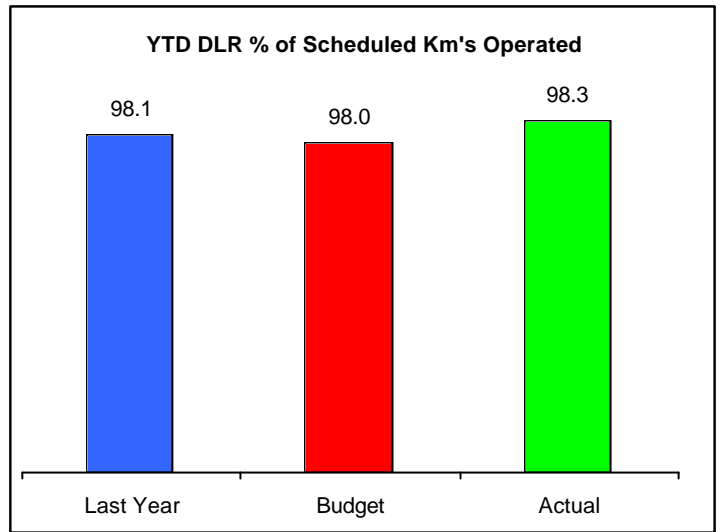
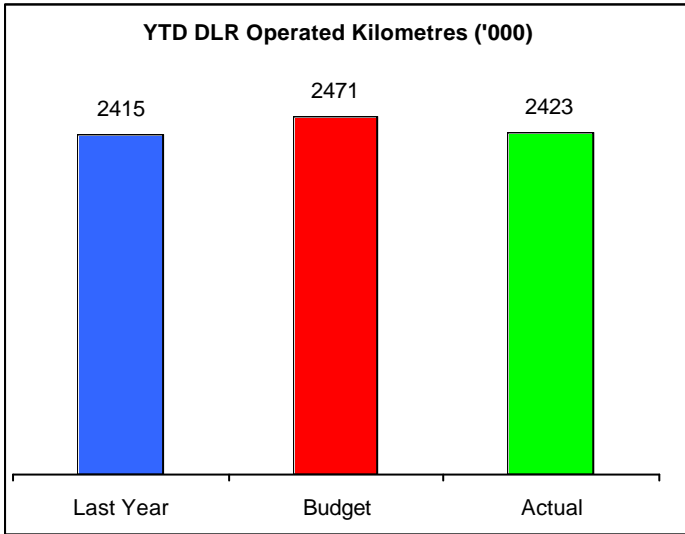
Bus operated kilometres during the year to January totalled 312.4 million, 2.9% less than budget, however, it represents a 5.0% increase on last year. Mileage lost due to staff shortage improved compared with December and continues to be significantly better than the same period a year ago. Reliability also continues to improve compared with last year. The underlying trend in punctuality of Night Bus services remains very encouraging, partly due to faster boarding times following recent changes in fare structure.

Bus percentage of scheduled km's operated total 96.3%, 1.1 percentage points above last year and in line with budget. A range of measures continue to be taken to alleviate staffing problems and improve reliability. Despite the normal seasonal improvement in traffic conditions in January, long-term roadworks at Kings Cross, New Cross and Barking caused particular problems for buses. Burst water mains at Angel Islington and Wood Lane also caused significant disruption, as did general traffic diverted away from Tower Bridge following its closure for repairs. Finally, industrial action on South West Trains led to additional traffic congestion and delays to buses from higher loadings on several days in January.



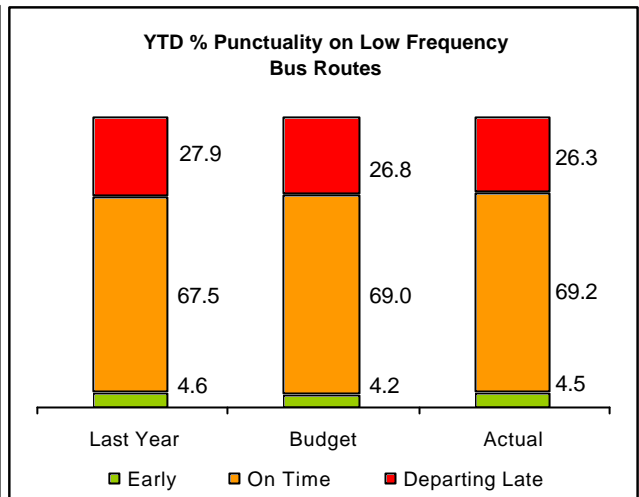
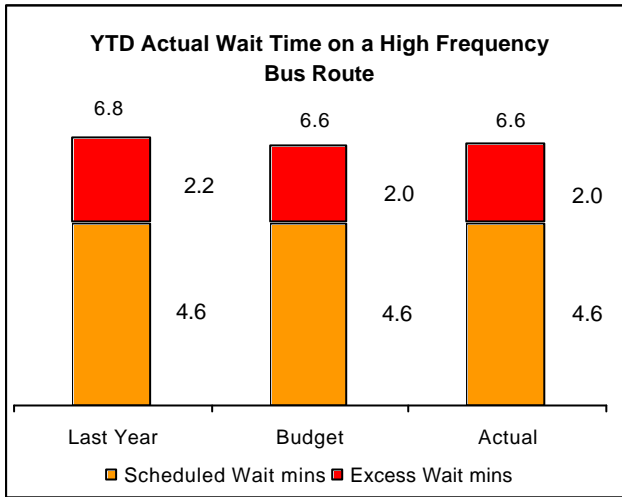
Although kilometres operated remain slightly below budget, good performance over the last three periods has brought the year to date percentage operated up to the budgeted 92.6%. In period 11 the percentage of schedule operated was 94.4%, which was 1% higher than the previous best period result this year. Within this result, the Piccadilly line at 91.2% delivered its best period performance of the year, despite suffering from rolling stock shortages and defects including one particularly disruptive incident (smoke from a defective motor) on 1st February. The Bakerloo line (93.3% of schedule) also achieved its best result of the year. The Northern has remained the best performing major line in periods 9-11, operating 98% of its scheduled kilometres despite a person under train incident at Tooting Broadway on 28th January and recurring points and signal problems at Camden Town on 1st/2nd February.

2. Service Provision



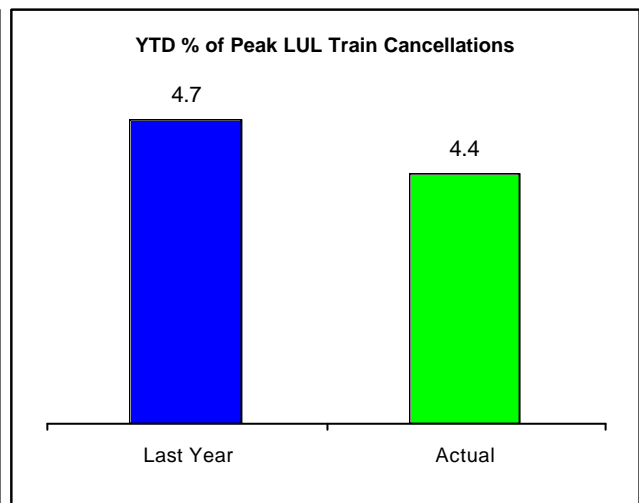
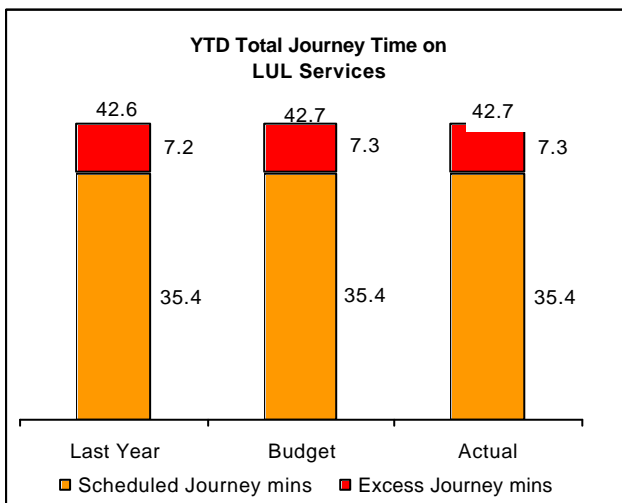
Year to date operated kilometres on DLR services totalled 2,423,000 and is 48,000 below budget, due to the budget assuming a much earlier agreement on the franchise extension, and hence an earlier start to the service increases contained therein. The percentage of scheduled service operated exceeded budget by 0.3% at 98.3% and this is in line with the previous year's performance. High performance levels and few major delays, except for those caused by external factors, ensure that this target is either met or beaten every period.

3. Service Reliability



Actual wait time on high frequency bus routes between April 2001 and January 2002 averaged 6.6 minutes compared with 6.8 minutes for the same period last year. Lost mileage from traffic congestion continues to decline compared with last year. However, compared with last year the excess wait time decreased from 2.2 minutes to 2.0 minutes year to date, which is in line with budget. This suggests a positive impact of measures being taken to alleviate staffing problems and improve reliability.

The issues affecting high frequency services also apply to low frequency services, with an improved staff situation having a greater influence on the percentage punctuality on low frequency routes than the worsening situation of traffic congestion. This is reflected in the percentage of on time services to 69.2% for January year to date from 67.5% over the same period last year.



Cause of Excess Journey Time :

	YTD 00/01	YTD 01/02
Station	2.39	2.55
Train	4.49	4.39
Closure	0.29	0.33
Total Excess	7.17	7.27

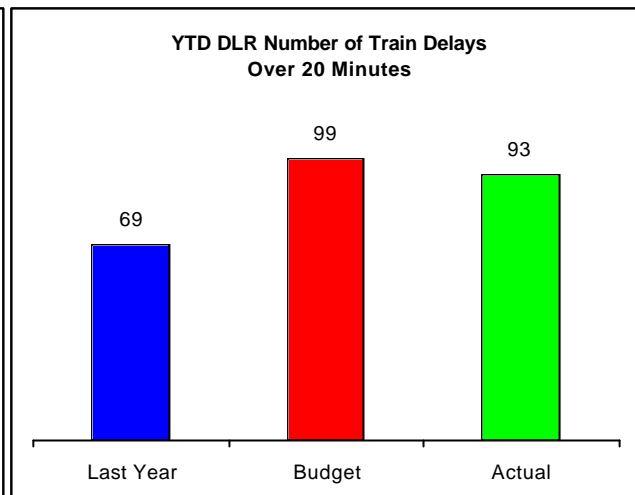
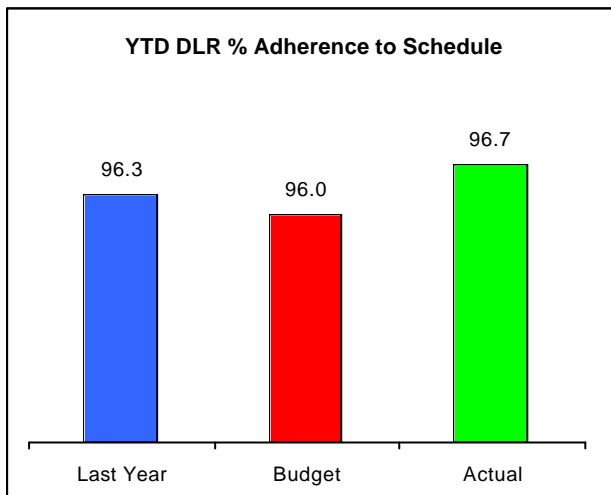
Cause of Peak Train Cancellation :

	YTD 00/01	YTD 01/02
Operator not available	46%	6%
Defective or no rolling stock	30%	56%
Signal or track defect	14%	26%
Other	10%	12%

Excess journey time to date remains in line with budget. All journey time components showed an improvement in period 9 and consequently the overall excess fell to 6.97 minutes. After an increase to 7.36 minutes in period 10 the result improved to 7.21 minutes in period 11, giving a year to date result of 7.3 minutes. The reduction in peak train cancellations and improved percentage of schedule are reflected in improved trains' excess times, the period 11 platform wait time results on the Bakerloo, Jubilee, Northern and Piccadilly being the lowest recorded so far this year. There has also been a gradual reduction in the average duration of passenger ill on train incidents. Excess ticket purchase time has averaged 0.52 minutes over the last three periods compared with an average of 0.60 minutes during the equivalent time last year. This reflects record volumes of tickets sold through Passenger Operated Machines and success of the 50 'Queuebuster' machines introduced during 2001.

The three periods since the last report have seen a steady reduction in the number of peak trains cancelled due to operator not available (ONA). In period 11, there were 36 ONAs, an average of less than one per peak and the fewest in a 4-week period for 2½ years. This is in marked contrast to the position a year ago when ONAs were averaging over 10 per peak. Defective or unavailable rolling stock has been the main cause of peak train cancellations over the most recent periods, with the Circle and Piccadilly lines worst affected. There was also one major "non-attributable" incident – a gas leak near Baker Street on the morning of 11th January which caused 40 cancellations on the Circle, Hammersmith, Metropolitan and District lines.

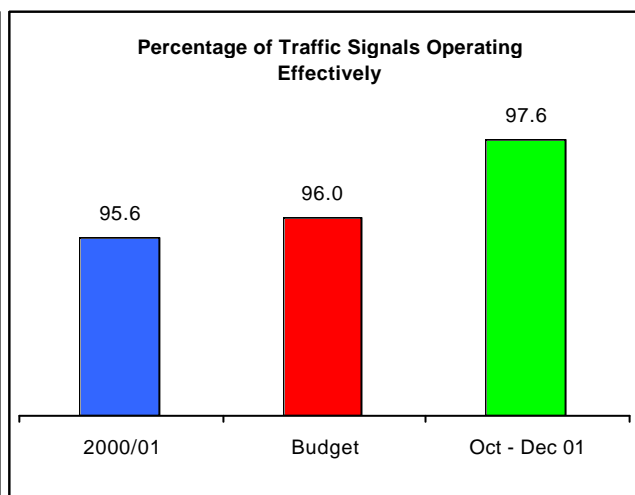
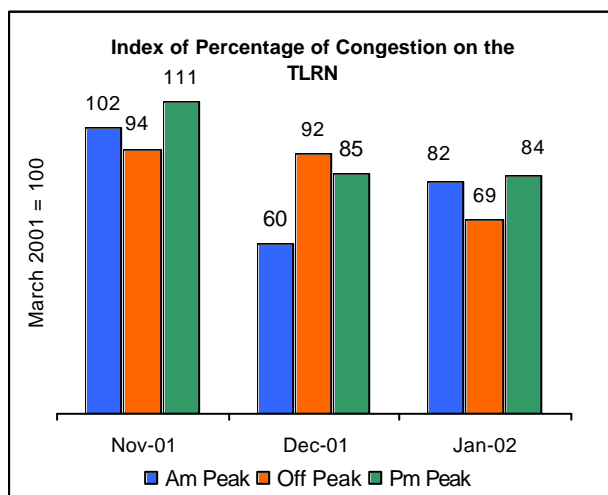
3. Service Reliability



	YT pd 11 00/01	YT pd 11 01/02
Vehicle	12	14
Track	21	18
External	36	61

For the year to February 2002, adherence to schedule recorded 96.7%, 0.7% above budget and 0.4% better than the previous year's figure. Recent periods have seen a downturn in performance owing to various factors, mainly external but including an ambitious off-peak service that affected reliability. Period 9's performance was 0.1% above target, Period 10 met the target and Period 11 failed the target by 0.1%. Contractual Quality Exclusions have recently been granted, mainly because of faults associated with new passenger indicator software introduction and suspension of service in strong winds caused by an obstruction on the track from an adjacent building site.

The total numbers of delays over 20 minutes has risen to 93 at the end of period 11. The number of delays fell to 10 in Period 9, again to six in Period 10 and to five in Period 11. Two delays in Period 9, three in period 10 and all five in period 11 were outside the railway's control. The overall year to date figure is six lower than budget albeit 24 higher than at the same time last year, reflecting the number of external factors such as security alerts occurring during the year.



This indicator measures the percentage of four second intervals during a green period when a detector is occupied by stationary traffic. The data is indicative in nature (not absolute) and is intended to reflect changes in congestion, for this reason the data has been indexed to March 2001, (a neutral month for traffic flows). A further performance indicator for traffic journey time reliability is currently being investigated which should allow a better indicator of reliability to be produced. Street Management has commissioned a series of journey time surveys and is studying past information for a selection of routes on the TLRN (20% of the total road length). The surveys have been completed and analysis of the data has started. The results should be available to report in late spring 2002.

The results show that in January congestion remained lower than November in all periods due to the Christmas and the new year period influence on traffic.

This performance indicator represents traffic signals that are operating effectively. Having exceeded the target of 95% for the previous year, the target for this performance indicator was raised at the beginning of 2001/02 to 96%. Since this time performance has remained above target for the first three quarters of the year. It should be noted that signals that are out, stuck, have no or a short or long right-of-way or have detector faults are reported as not operating effectively.

4. Safety

London Buses Fatalities and Injuries									
	Fatality			Major Injury			Total		
	2000/01	Last Yr YTD	Actual YTD	2000/01	Last Yr YTD	Actual YTD	2000/01	Last Yr YTD	Actual YTD
Passengers			2	37	25	46	37	25	48
Staff				141	115	108	141	115	108
Public	15	9	17	87	66	80	102	75	97
Total	15	9	19	265	206	234	280	215	253

London Underground Fatalities and Injuries									
	Fatality			Major Injury			Total		
	2000/01	Last Yr YTD	Actual YTD	2000/01	Last Yr YTD	Actual YTD	2000/01	Last Yr YTD	Actual YTD
Passengers	7	6	5	137	117	100	144	123	105
Staff	1	1		10	7	3	11	8	3
Total	8	7	5	147	124	103	155	131	108

TLRN Roads Fatalities and Injuries									
	Fatality			Major Injury			Total		
	2000/01	Last Yr YTD	Actual YTD	2000/01	Last Yr YTD	Actual YTD	2000/01	Last Yr YTD	Actual YTD
Pedestrian	33	19	12	377	215	194	410	234	206
Cyclist	7	5	2	115	78	68	122	83	70
Motorcyclist	20	9	21	373	211	221	393	220	242
Car User	22	13	10	588	333	289	610	346	299
Other	4	4	3	114	67	80	118	71	83
Total	86	50	48	1567	904	852	1653	954	900

London Buses - The upward trend for passenger / public major injuries on Bus services compared to last year, can be attributed to the provision of AICS (Accident Incident Collection System) refresher training to Bus Operators during the latter half of 2000. This helped reinforce correct procedures in recording major injuries statistics. Trained operatives subsequently visited garages to retrieve a backlog of injury statistics and there is an ongoing review of reporting criteria as well as a re-issue of guidelines to Bus Operators during 2001. Also, access to CIRS (Centrecomm Information Retrieval System) allows improved monitoring of incidents and subsequent follow up with Bus Operators. The facility has identified incidents which were not otherwise reported.

London Underground - There have been two customer accidental fatalities during the twelve weeks covered by this report. On 23rd December at Holborn station a male aged 40 fell on stairs for no apparent reason and died the following day. A post mortem revealed the person had died from head injuries and was 4 times over the drink drive limit. The second fatality occurred as a result of a stabbing incident at Euston on Friday 11th January.

There were 24 accidental major injuries to members of the public during periods 9-11, bringing the year to date total to 100. One occurred in the same incident at Euston as above (the injury to the perpetrator as a result of him turning the knife on himself is treated as a suicide attempt and therefore excluded from the statistics).

Since the last report there has been one major injury to a member of LUL staff and one to a member of Infraco staff. An employee suffered a fractured spine caused by a fall from a chair, which broke as he sat down on it. At Neasden depot an Infraco employee sustained a suspected fractured ankle when he tripped over a wooden scotch block.

TLRN Roads - Whilst figures for the year to date show slightly fewer fatal and serious casualties occurring on the TLRN there are still areas of concern, most notably the increase in motorcyclist fatalities.

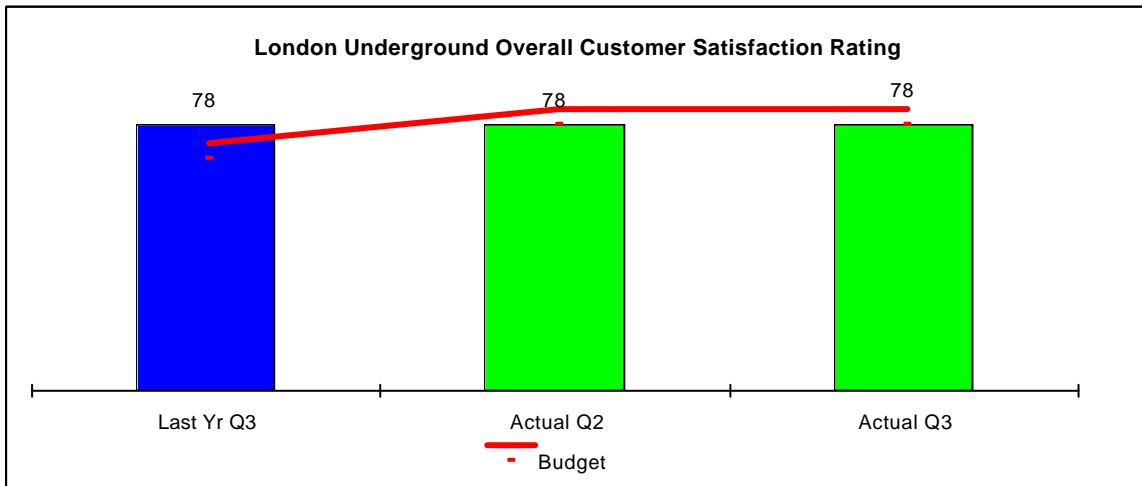
5. Customer Satisfaction



The bus service overall measure has again increased slightly and this reflects the movements in the other measures as below.

The average rating has increased for five measures, decreased for one and stayed the same for six compared to quarter two. The Christmas traffic congestion may have affected the Service Reliability results (-1%) and improvement for Cleanliness of +1% , compared with last quarter, is better than it suggests as it goes against the seasonal trend. Compared with the corresponding quarter in the previous year, the average rating has increased for six measures, decreased for two and stayed the same for four.

Definition - Level of satisfaction (as rated on a scale of 0 to 10) with the overall service experienced on a bus journey starting from the bus stop. Zero being extremely unsatisfied and 10 extremely satisfied. The overall satisfaction measured above is the mean percentage of those scores.

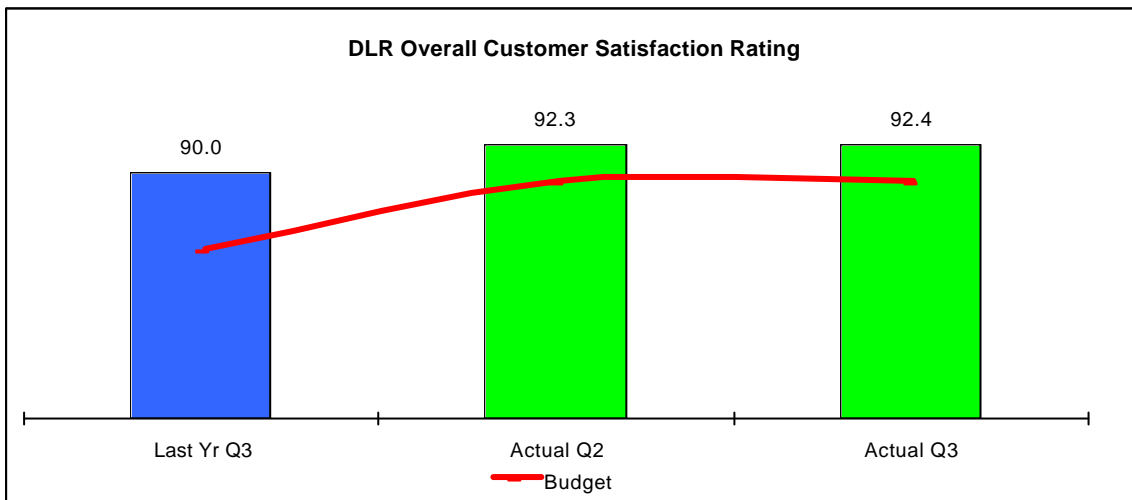


For London Underground, the overall evaluation (78) was the same as both last quarter and the corresponding quarter of last year. As anticipated, the score for the Train Service grouping improved reflecting recent improvements in train service reliability. Cleanliness retained the two-point improvement seen last quarter. However, there were falls in two service groupings – Information by one point and Station Staff Helpfulness & Availability by two points. This latter result was a little surprising in view of the improvement in station staff attendance that has been achieved this year.

Definition - Customers are asked to rate the current level of service (ie. Of the journey they have just completed) on a scale of 0 to 10 for one overall evaluation question.

'Thinking of this particular Underground journey as a whole, from beginning to end, how satisfied were you with the service experienced today, as a score out of ten.' The measure above is the average score from this question (x10).

5. Customer Satisfaction



Customer satisfaction in the third quarter of 2001-2002 showed good results in all areas, with overall service performance ranking 92.4% against the previous quarter's 92.3%.

The three factors making up DLR's overall service performance are comfort of journey, speed of journey and reliability of the DLR service. Comfort of journey actually fell by 1.64%, while speed of journey and reliability made compensatory increases of 0.61% and 1.32%. The overall level is almost 9% above the fixed target level.

Definition - A rolling quarterly survey throughout the system asking passengers to rate twelve categories as Very High, High, Satisfactory, Low or Very Low. Around 3,000 respondents are surveyed every quarter and the measure above is the percentage sum of the Very High, High and Satisfactory scores. The overall satisfaction figure is the weighted average of three categories comfort of journey, speed of journey and reliability of the DLR service.

6. Modal Performance Indicators for other TfL Business Unts

2000/01 Actual	2001/02 Budget	2001/02 Forecast	Monthly Indicators	December Actual	January Actual	January Budget
-------------------	-------------------	---------------------	--------------------	--------------------	-------------------	-------------------

PATRONAGE								
13,300	-	-	Croydon Tramlink	Passenger Journeys	000's	2,040	1,750	-
190.6	185.1	187.5	Victoria Coach Station	Coach Departures	000's	15.3	14.7	14.6
2,200	1,800	2,000	London River Services	Passenger Journeys	000's	54	68	60
1,223.0	1,298.8	1,266.5	Dial A Ride	Trips	000's	93.3	107.1	100.8
20.9	20.8	20.8	Public Carriage Office	Taxi's Licensed	000's	20.7	20.6	20.7
231.1	186.3	186.3	London's Transport Museum	Visitors	000's	9.8	17.2	11.0

SERVICE PROVISION								
99.2	-	-	Croydon Tramlink	Percentage of Schedule	%	99.3	99.6	-
97.5	98.5	97.0	London River Services	Journeys operated	%	95.0	95.0	98.5
23.9	24.2	24.4	Public Carriage Office	Taxi drivers licensed	000's	24.3	24.3	24.2
0.0	1.5	1.5	Public Carriage Office	Private operators licensed	000's	0.9	1.1	1.3

SERVICE RELIABILITY								
99.0	-	-	Croydon Tramlink	Headways Achieved	%	99.2	99.2	-

2000/01 Actual	2001/02 Budget	2001/02 Forecast	Quarterly Indicators	2nd Qtr Actual	3rd Qtr Actual	3rd Qtr Budget
-------------------	-------------------	---------------------	----------------------	-------------------	-------------------	-------------------

CUSTOMER SATISFACTION								
88.0	-	-	Croydon Tramlink		%	87.0	88.0	-
71.0	-	72.0	Victoria Coach Station			67.0	73.0	-
80.0	77.0	77.0	London's Transport Museum		%	77.0	77.0	77.0

London River Services service provision figures of 95% are still below budget of 98.5% as a result of the shortfall in scheduled service operated by Catamaran Cruisers. This is a consequence of continuing shortage of piloting staff.

Victoria Coach Station customer satisfaction overall has improved from 67% to 73% over the last quarter, two attributable reasons for this may be, staff changes which appear to have improved morale and improved passenger related duties, and temporary and now new cleaning contractors improving the level of performance.

Public Carriage Office total number of private hire operators licensed at the end of January was 1,069 against a full year budget of 1,500. The forecast has now been reduced to 1,500 as the data required from the operator to licence has been trickling through and as a consequence the previously forecast 2,000 licences will not be achieved by the end of the year.

TfL Workforce Composition Commentary

December – January 2002

The attached paper details the current workforce of the constituent parts of TfL broken down by ethnic group, gender and employees declaring disability.

Summary of Information

The tables show that female employees remain under-represented in East Thames Buses (4%), LBSL (23%), Public Carriage Office (29%), Street Management (29%) and DLR (38%). The male/female ratio is more representative in TfL (44%) and TTL (43%) mainly because of the relatively high percentage of female employees in Corporate Services and in Communications and Public Affairs.

Employees from ethnic minority groups are under-represented across all the divisions in Transport for London when comparison is made with the economically active ethnic minority community in London. Street Management (25%), LBSL (24%) and ETB (21%) have the most representative workforce.

The percentage of staff declaring a disability ranges from 4.90% in TTL and 4.71% in TfL Corporate to none in DLR and East Thames Buses.

Equality and Diversity Actions

TfL is continuing its drive to achieve significant improvements relating to Equality and Diversity. Below are some of the actions we are taking to promote equalities in TfL.

- As part of the TfL Equality Recruitment Strategy, TfL is working with Choice FM, which is the prominent Ethnic Community Radio Station. We are advertising vacancies through the website and short regular radio advertisements.
- Harassment training has been commissioned from the Equality Foundation. This initiative will continue through 2002/2003. The TfL Harassment, Bullying and Discrimination Policy will be incorporated into the training.
- The GLA cross cutting review – ‘Equalities for All’ is completed. The report has been written and presentations are now being made to the GLA and its functional bodies.
- TfL is planning the launch of “Show Some Respect” at Respect 2002 – a Road Safety initiative for 5-11 year olds from the ethnic minority community.
- TfL Equality Team is liaising with departments to hold more specific Disability Awareness Workshops.
- In partnership with Westminster Job Club, we are developing plans to assist people with hearing impairments with access to work – including the provision of mock interviews for deaf people.
- Mann Weaver has been commissioned to provide Equality Awareness Training to staff across TfL. A pilot programme has been held.
- Internal positive action – “Equal Chance” is an initiative to identify and fast track women and people from minority groups up the career ladder by providing training, coaching and mentoring. This will help to redress poor representation of women and people from minority groups in senior posts in TfL.
- We are in the process of setting up Support Networks for minority groups within TfL. A support network for minority ethnic engineers is established and “BME Women in Transport”, a support network for black and minority ethnic women is hoping to launch TfL wide in April 2002.

- TfL is part of the planning process for the following Greater London Authority initiatives:
 1. Black Workers Public Sector Conference in June 2002
 2. Respect week in July 2002
 3. Black History Month in October 2002

The initiatives outlined above and previous board papers have resulted in a significantly raised awareness of equality and diversity issues. The foundations are now in place to take forward positive action plans and embed diversity in all our activities.

Transport *for* London
Human Resource - Board Papers
January Information

**Transport for London
Workforce Composition Breakdown**

As at 31st January 2002

Employee Numbers - by Ethnicity									
Division	Tj/L - Corporate	TTL	Surface Transport			Street Management	CrossRail - Secondments	DLR	Total
			LBSL	East Thames Buses	PCO				
White	216	352	746	184	123	359	23	19	2022.00
Mixed Race	3	14	17	2	2	0	0	0	38.00
Asian or Asian British	7	29	36	12	9	39	1	1	134.00
Black or Black British	26	29	164	35	14	62	0	1	331.00
Chinese or other ethnic group	3	5	9	0	2	19	0	0	38.00
Totals	255.00	429.00	972.00	233.00	150.00	479.00	24.00	21.00	2563.00

Employee Numbers - by Gender									
Division	Tj/L - Corporate	TTL	Surface Transport			Street Management	CrossRail - Secondments	DLR	Total
			LBSL	East Thames Buses	PCO				
Male	144	244	753	224	106	341	23	13	1848.00
Female	111	185	219	9	44	138	1	8	715.00
Totals	255.00	429.00	972.00	233.00	150.00	479.00	24.00	21.00	2563.00

Employee Numbers - by Disability									
Division	Tj/L - Corporate	TTL	Surface Transport			Street Management	CrossRail - Secondments	DLR	Total
			LBSL	East Thames Buses	PCO				
No. of employees declaring a disability	3	5	9	0	2	19	0	0	38.00

Employee Percentage Figures - by Ethnicity									
Division	Tj/L - Corporate	TTL	Surface Transport			Street Management	CrossRail - Secondments	DLR	Total
			LBSL	East Thames Buses	PCO				
White	85%	82%	76%	79%	83%	75%	96%	90%	79%
Mixed Race	1%	3%	2%	1%	1%	0%	0%	0%	1%
Asian or Asian British	3%	7%	4%	5%	6%	8%	4%	5%	6%
Black or Black British	10%	7%	17%	15%	10%	13%	0%	5%	13%
Chinese or other ethnic group	1%	1%	1%	0%	1%	4%	0%	0%	1%
Totals	100%	100%	100%	100%	100%	100%	100%	100%	100%

Employee Percentage Figures - by Gender									
Division	Tj/L - Corporate	TTL	Surface Transport			Street Management	CrossRail - Secondments	DLR	Total
			LBSL	East Thames Buses	PCO				
Male	56%	57%	77%	96%	71%	71%	96%	62%	72%
Female	44%	43%	23%	4%	29%	29%	4%	38%	28%
Totals	100%	100%	100%	100%	100%	100%	100%	100%	100%

Employee Percentage Figures - by Disability									
Division	Tj/L - Corporate	TTL	Surface Transport			Street Management	CrossRail - Secondments	DLR	Total
			LBSL	East Thames Buses	PCO				
% of employees declaring a disability	4.71%	4.90%	2.37%	0.00%	1.33%	1.88%	0.00%	0.00%	2.61%

TfL - Corporate - Directorate Employee Numbers - by Ethnicity				
	Finance & Planning	Communication & Public Affairs	Corporate Services	Rail Services
White	95.0	32.0	82.0	7.0
Mixed Race	2.0	1.0	0.0	0.0
Asian or Asian British	5.0	1.0	1.0	0.0
Black or Black British	13.0	3.0	10.0	0.0
Chinese or other ethnic group	2.0	0.0	1.0	0.0
Totals	117.0	37.0	94.0	7.0

TfL - Directorate Employee Numbers - by Ethnicity		
Finance & Planning	Communication & Public Affairs	Corporate Services
14.0	115.0	221.0
1.0	3.0	10.0
0.0	2.0	27.0
3.0	5.0	21.0
0.0	2.0	3.0
18.0	127.0	282.0

TfL - Corporate - Directorate Employee Numbers - by Gender				
	Finance & Planning	Communication & Public Affairs	Corporate Services	Rail Services
Male	76.0	20.0	43.0	5.0
Female	41.0	17.0	51.0	2.0

TfL - Directorate Employee Numbers - by Gender		
Finance & Planning	Communication & Public Affairs	Corporate Services
13.0	71.0	158.0
5.0	56.0	124.0

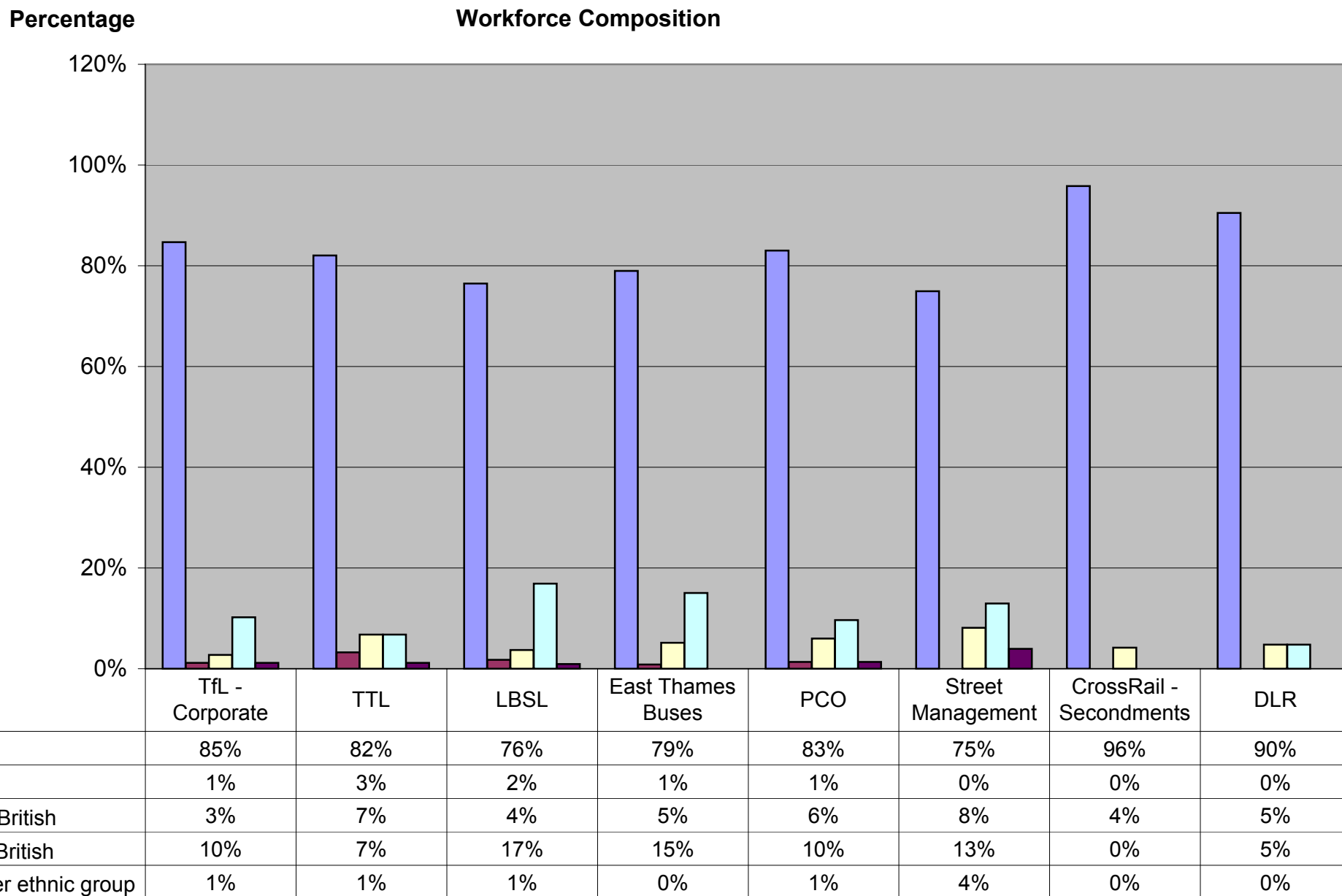
TfL - Corporate - Directorate Employee Percentage Figures - by Ethnicity				
	Finance & Planning	Communication & Public Affairs	Corporate Services	Rail Services
White	81%	86%	87%	100%
Mixed Race	2%	3%	0%	0%
Asian or Asian British	4%	3%	1%	0%
Black or Black British	11%	8%	11%	0%
Chinese or other ethnic group	2%	0%	1%	0%
Totals	100%	100%	100%	100%

TfL - Directorate Employee Percentage Figures - by Ethnicity		
Finance & Planning	Communication & Public Affairs	Corporate Services
77%	90%	78%
6%	2%	4%
0%	2%	10%
17%	4%	7%
0%	2%	1%
100%	100%	100%

Directorate Employee Percentage Figures - by Gender				
	Finance & Planning	Communication & Public Affairs	Corporate Services	Rail Services
Male	65%	54%	46%	71%
Female	35%	46%	54%	29%

Directorate Employee Percentage Figures - By Gender		
Finance & Planning	Communication & Public Affairs	Corporate Services
72%	56%	56%
28%	44%	44%

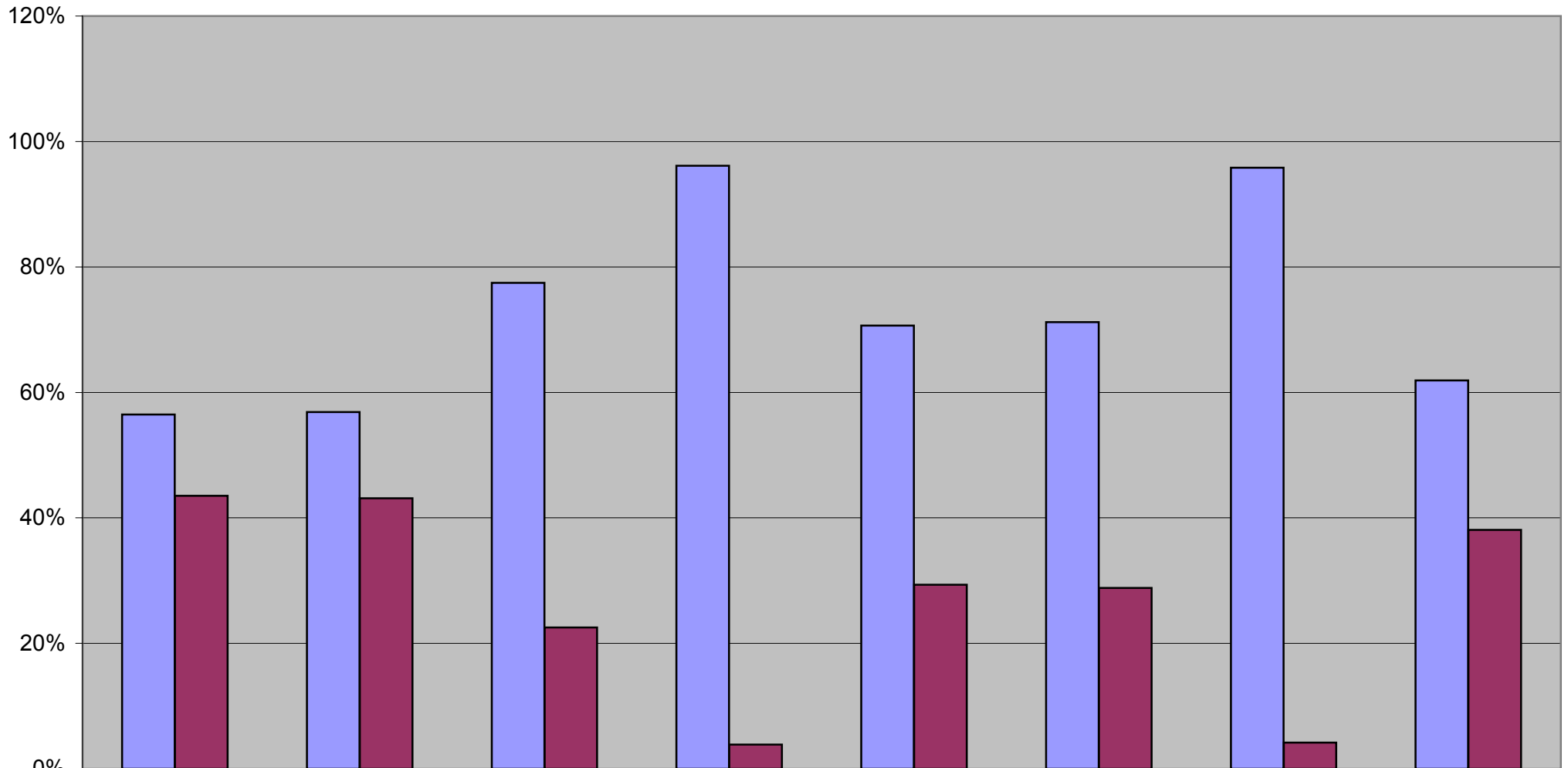
Transport for London - Workforce Composition - by Ethnicity



Transport for London - Workforce Composition Breakdown - by Gender

Percentage

Gender Breakdown



Male	56%	57%	77%	96%	71%	71%	96%	62%
Female	44%	43%	23%	4%	29%	29%	4%	38%

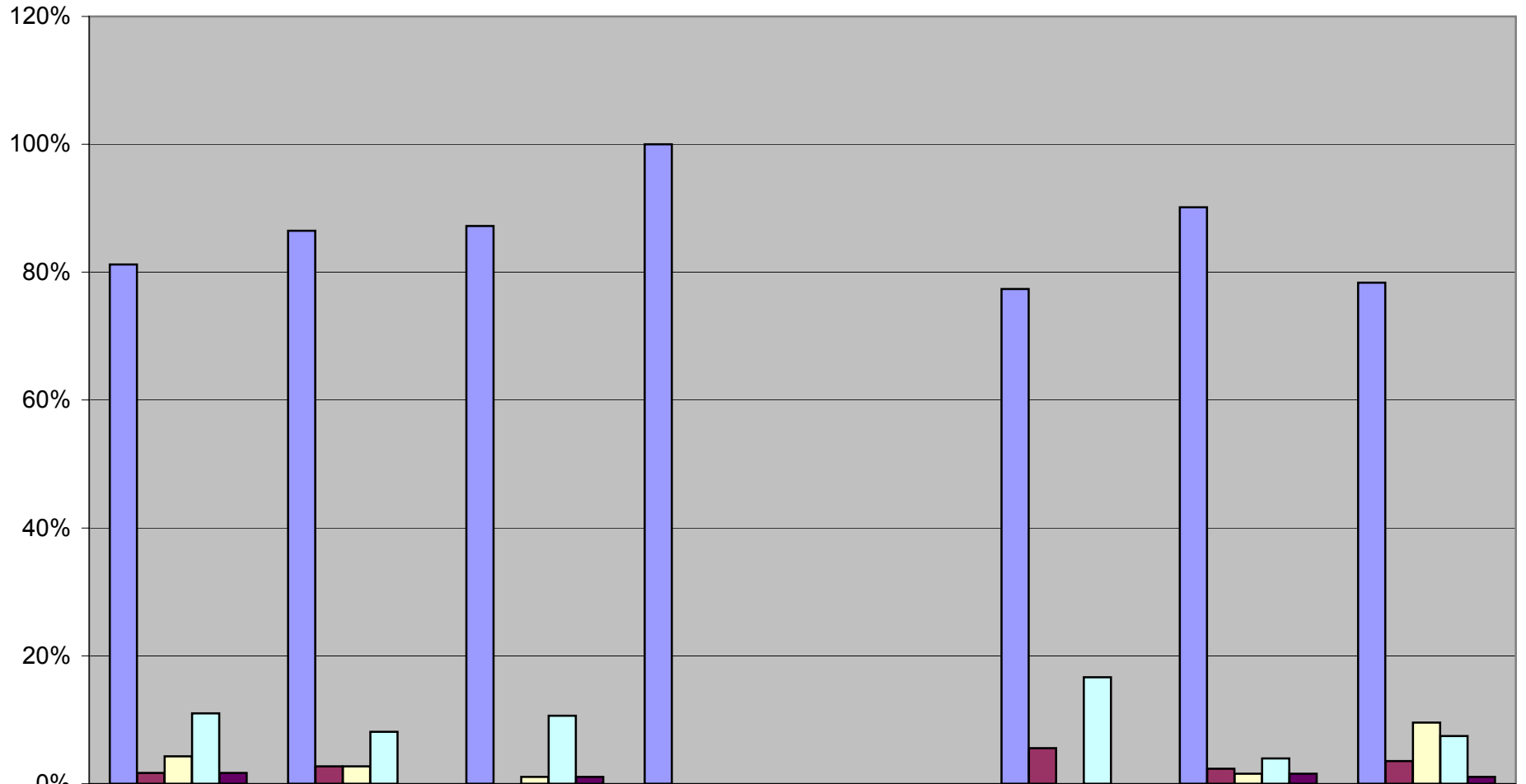
Transport for London - Directorate Information

Ethnicity Breakdown - January

Percentage

Transport for London

Transport Trading Limited



	Finance & Planning	Communication & Public Affairs	Corporate Services	Rail Services		Finance & Planning	Communication & Public Affairs	Corporate Services
White	81%	86%	87%	100%		77%	90%	78%
Mixed Race	2%	3%	0%	0%		6%	2%	4%
Asian or Asian British	4%	3%	1%	0%		0%	2%	10%
Black or Black British	11%	8%	11%	0%		17%	4%	7%
Chinese or other ethnic group	2%	0%	1%	0%		0%	2%	1%

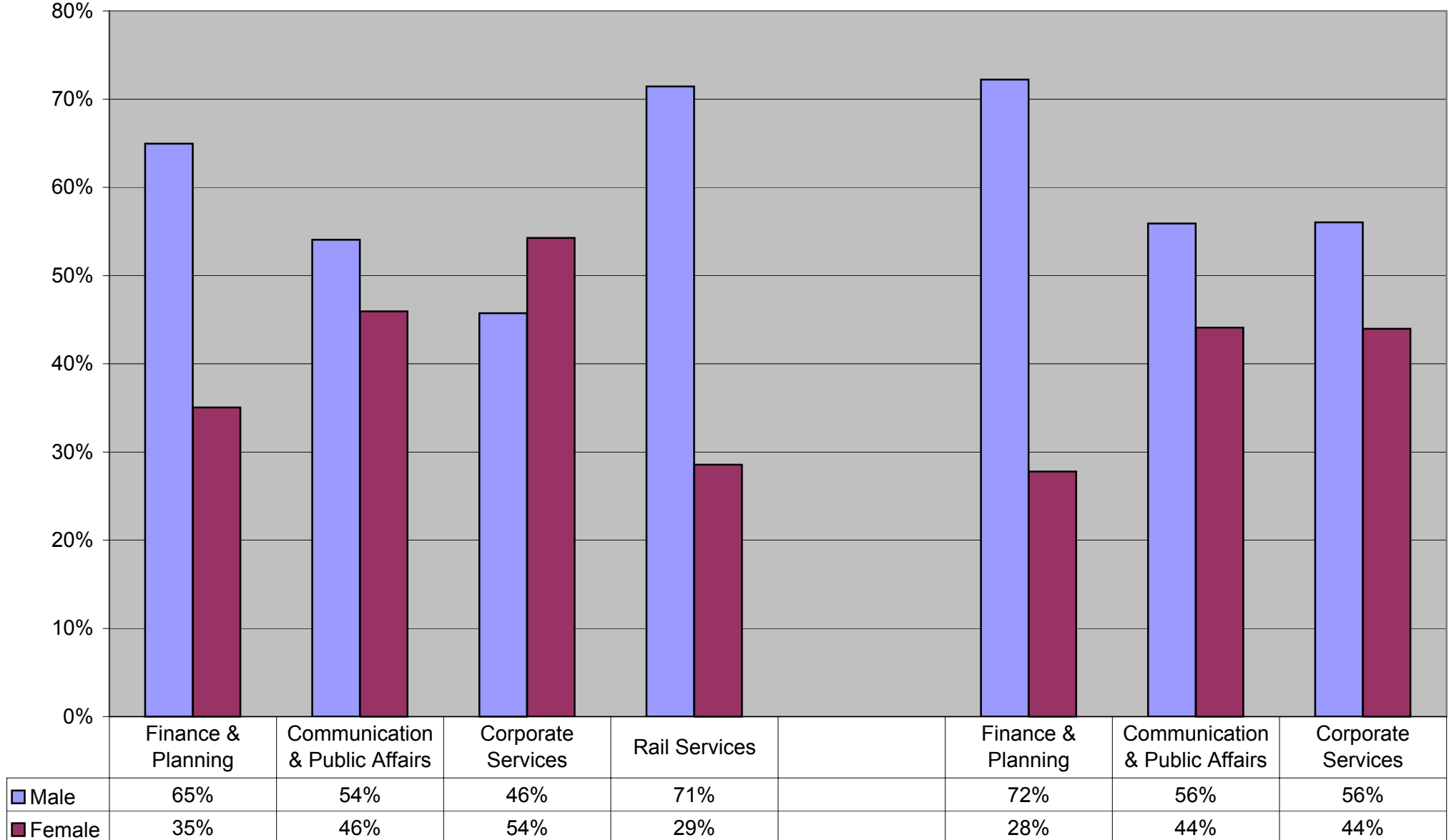
Transport for London - Directorate Information

Gender Breakdown - January

Percentage

Transport for London

Transport Trading Limited



Transport *for* London
Human Resource - Board Papers
December Information

**Transport for London
Workforce Composition Breakdown**

As at 31st December 2001

Employee Numbers - by Ethnicity								
Division	TfL - Corporate	TTL	Surface Transport			Street Management	DLR	Total
			LBSL	East Thames Buses	PCO			
White	223	356	756	183	119	346	18	2001.00
Mixed Race	3	14	17	2	2	0	0	38.00
Asian or Asian British	7	29	39	14	9	37	1	136.00
Black or Black British	25	31	164	33	13	62	1	329.00
Chinese or other ethnic group	2	6	9	0	2	17	0	36.00
Totals	260.00	436.00	985.00	232.00	145.00	462.00	20.00	2540.00

Employee Numbers - by Gender								
Division	TfL - Corporate	TTL	Surface Transport			Street Management	DLR	Total
			LBSL	East Thames Buses	PCO			
Male	152	245	765	223	103	327	13	1828.00
Female	108	191	220	9	42	135	7	712.00
Totals	260.00	436.00	985.00	232.00	145.00	462.00	20.00	2540.00

Employee Numbers - by Disability								
Division	TfL - Corporate	TTL	Surface Transport			Street Management	DLR	Total
			LBSL	East Thames Buses	PCO			
No. of employees declaring a disability	13	21	23	0	2	9	0	68.00

Employee Percentage Figures - by Ethnicity								
Division	TfL - Corporate	TTL	Surface Transport			Street Management	DLR	Total
			LBSL	East Thames Buses	PCO			
White	85%	82%	76%	79%	83%	75%	90%	81%
Mixed Race	1%	3%	2%	1%	1%	0%	0%	1%
Asian or Asian British	3%	7%	4%	6%	6%	8%	5%	6%
Black or Black British	10%	7%	17%	14%	9%	13%	5%	11%
Chinese or other ethnic group	1%	1%	1%	0%	1%	4%	0%	1%
Totals	100%	100%	100%	100%	100%	100%	100%	100%

Employee Percentage Figures - by Gender								
Division	TfL - Corporate	TTL	Surface Transport			Street Management	DLR	Total
			LBSL	East Thames Buses	PCO			
Male	58%	56%	78%	96%	71%	71%	65%	72%
Female	42%	44%	22%	4%	29%	29%	35%	28%
Totals	100%	100%	100%	100%	100%	100%	100%	100%

Employee Percentage Figures - by Disability								
Division	TfL - Corporate	TTL	Surface Transport			Street Management	DLR	Total
			LBSL	East Thames Buses	PCO			
% of employees declaring a disability	5.00%	4.82%	2.34%	0.00%	1.38%	1.95%	0.00%	2.68%

Figures are calculated as a headcount and do not FTEs.

Transport for London
Workforce Composition Breakdown

As at 31st December 2001

TfL - Corporate - Directorate Employee Numbers - by Ethnicity				
	Finance & Planning	Communication & Public Affairs	Corporate Services	Rail Services
White	114.0	31.0	75.0	1.0
Mixed Race	2.0	1.0	0.0	0.0
Asian or Asian British	5.0	1.0	1.0	0.0
Black or Black British	12.0	3.0	10.0	0.0
Chinese or other ethnic group	1.0	0.0	1.0	0.0
Totals	134.0	36.0	87.0	1.0

TTL - Directorate Employee Numbers - by Ethnicity		
Finance & Planning	Communication & Public Affairs	Corporate Services
14.0	115.0	227.0
1.0	3.0	10.0
0.0	2.0	27.0
3.0	5.0	23.0
0.0	2.0	4.0
18.0	127.0	291.0

TfL - Corporate - Directorate Employee Numbers - by Gender				
	Finance & Planning	Communication & Public Affairs	Corporate Services	Rail Services
Male	89.0	21.0	39.0	1.0
Female	45.0	15.0	48.0	0.0

TTL - Directorate Employee Numbers - by Gender		
Finance & Planning	Communication & Public Affairs	Corporate Services
13.0	70.0	162.0
5.0	57.0	129.0

TfL - Corporate - Directorate Employee Percentage Figures - by Ethnicity				
	Finance & Planning	Communication & Public Affairs	Corporate Services	Rail Services
White	85%	86%	87%	100%
Mixed Race	1%	3%	0%	0%
Asian or Asian British	4%	3%	1%	0%
Black or Black British	9%	8%	11%	0%
Chinese or other ethnic group	1%	0%	1%	0%
Totals	100%	100%	100%	100%

TTL - Directorate Employee Percentage Figures - by Ethnicity		
Finance & Planning	Communication & Public Affairs	Corporate Services
77%	91%	79%
6%	2%	3%
0%	2%	9%
17%	4%	8%
0%	2%	1%
100%	100%	100%

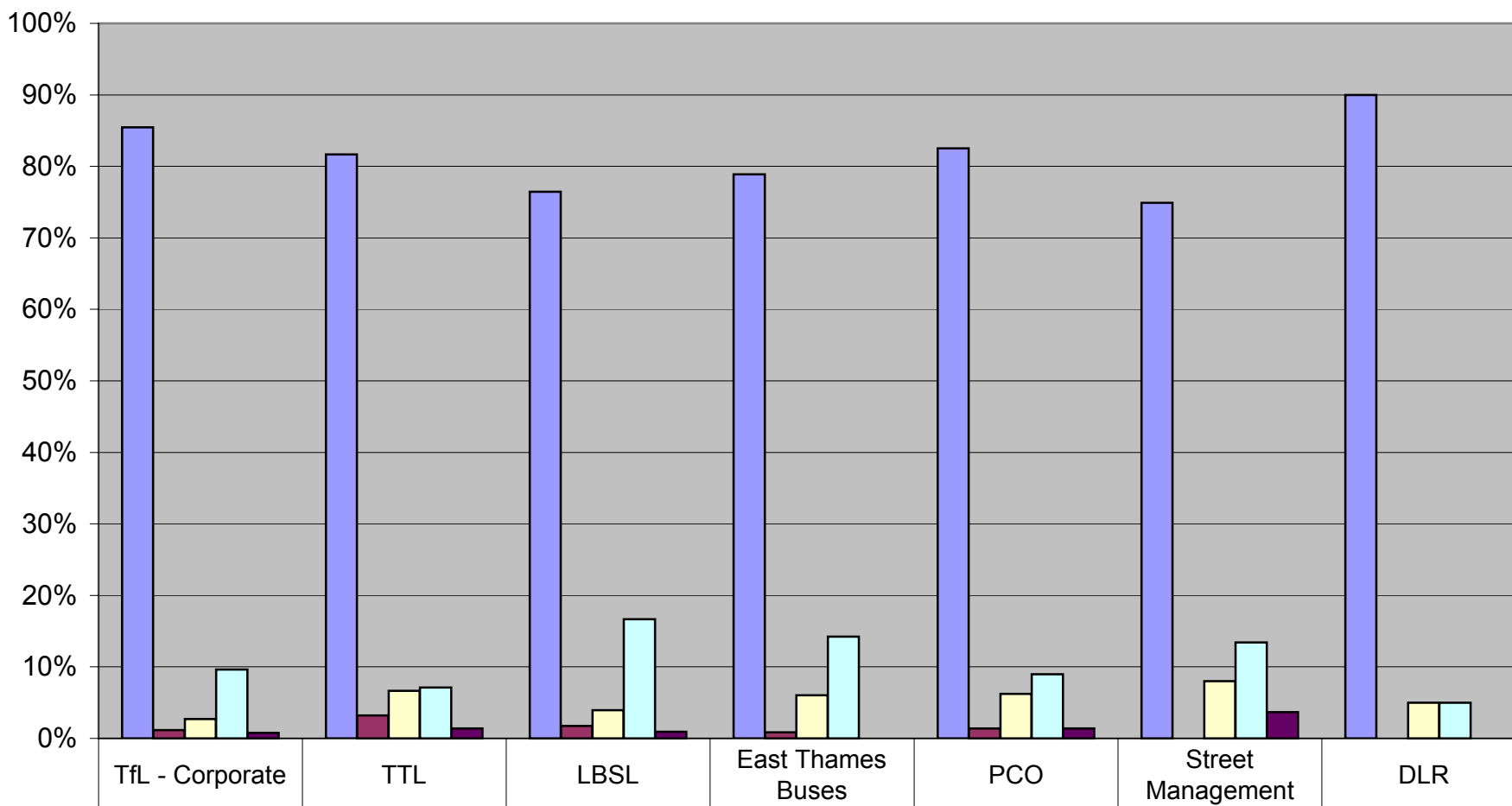
Directorate Employee Percentage Figures - by Gender				
	Finance & Planning	Communication & Public Affairs	Corporate Services	Rail Services
Male	66%	58%	45%	100%
Female	34%	42%	55%	0%

Directorate Employee Percentage Figures - by Gender		
Finance & Planning	Communication & Public Affairs	Corporate Services
72%	55%	56%
28%	45%	44%

Transport for London - Workforce Composition - by Ethnicity

Percentage

Workforce Composition

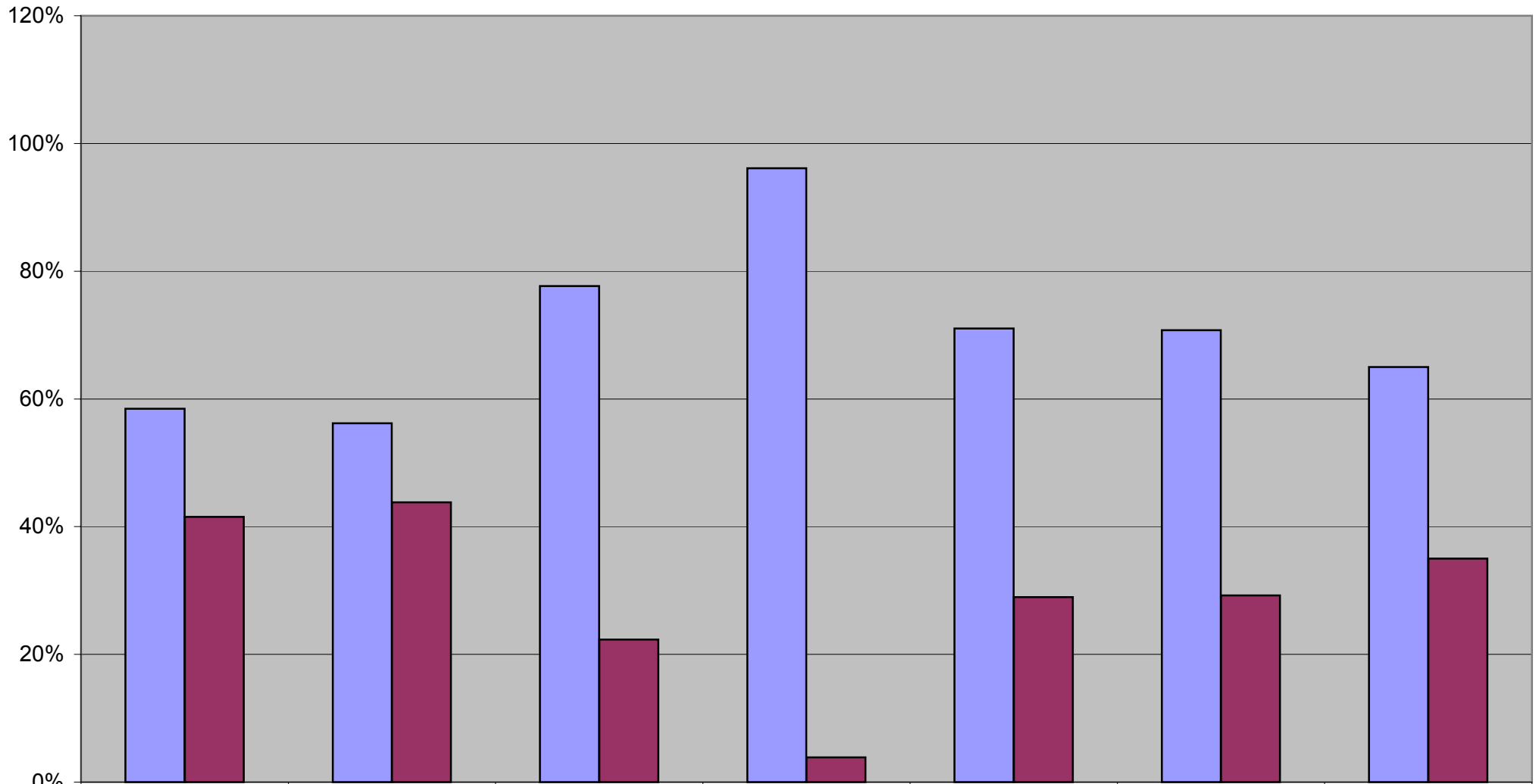


White	85%	82%	76%	79%	83%	75%	90%
Mixed Race	1%	3%	2%	1%	1%	0%	0%
Asian or Asian British	3%	7%	4%	6%	6%	8%	5%
Black or Black British	10%	7%	17%	14%	9%	13%	5%
Chinese or other ethnic group	1%	1%	1%	0%	1%	4%	0%

Transport for London - Workforce Composition Breakdown - by Gender

Percentage

Gender Breakdown



Male	58%	56%	78%	96%	71%	71%	65%
Female	42%	44%	22%	4%	29%	29%	35%

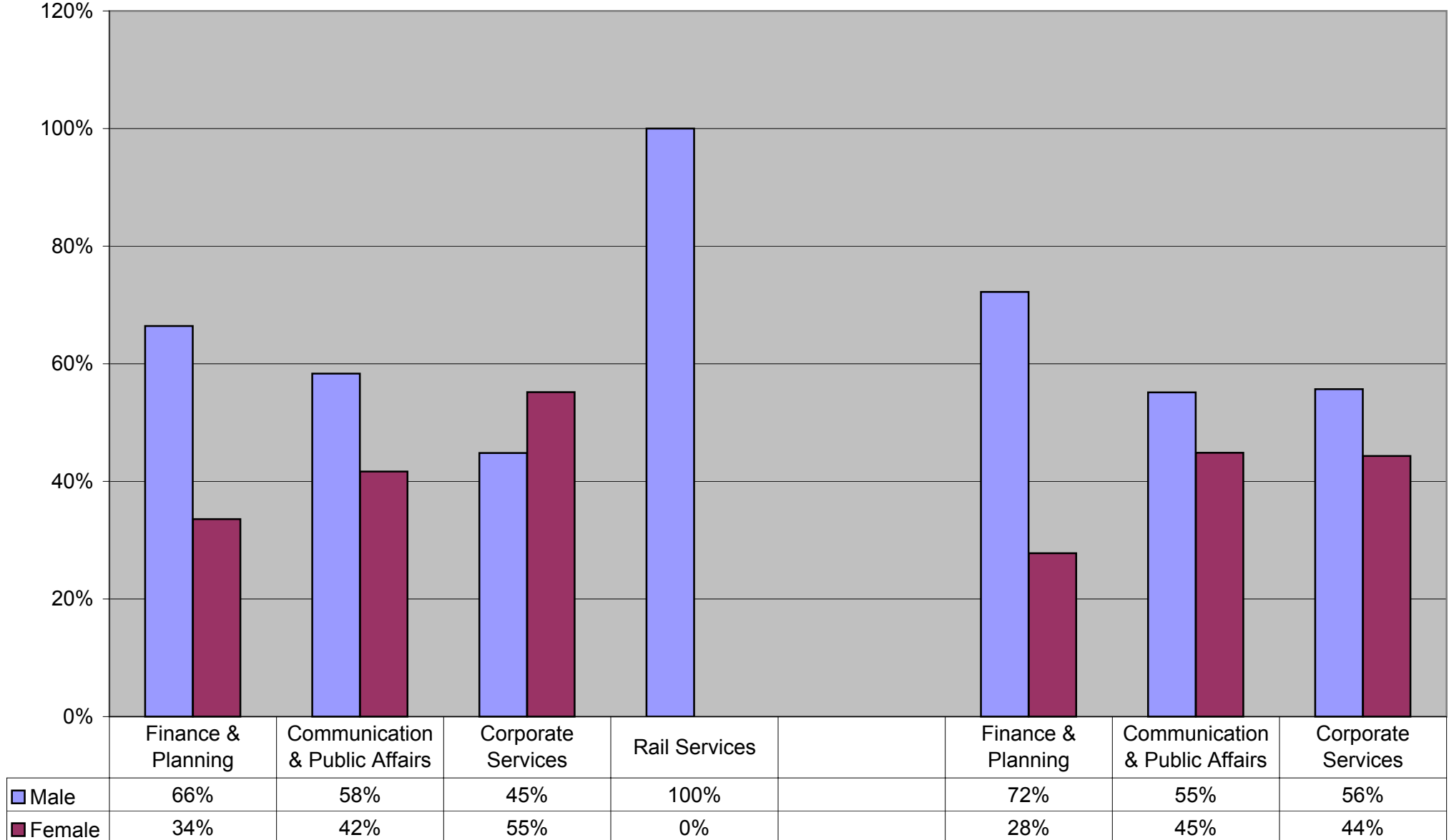
Transport for London - Directorate Information

Gender Breakdown - December

Percentage

Transport for London

Transport Trading Limited



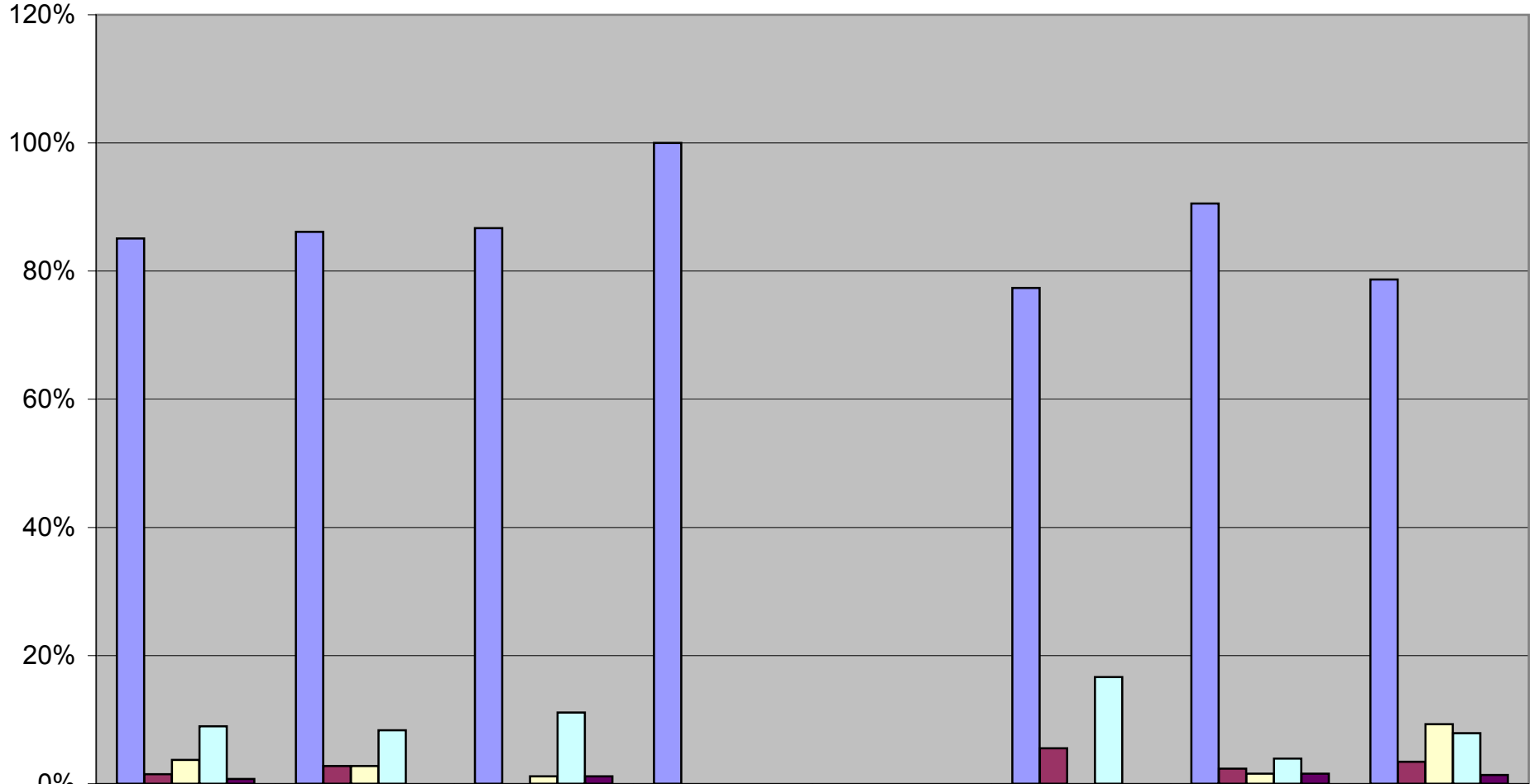
Transport for London - Directorate Information

Ethnicity Breakdown - December

Percentage

Transport for London

Transport Trading Limited



	Finance & Planning	Communication & Public Affairs	Corporate Services	Rail Services		Finance & Planning	Communication & Public Affairs	Corporate Services
White	85%	86%	87%	100%		77%	91%	79%
Mixed Race	1%	3%	0%	0%		6%	2%	3%
Asian or Asian British	4%	3%	1%	0%		0%	2%	9%
Black or Black British	9%	8%	11%	0%		17%	4%	8%
Chinese or other ethnic group	1%	0%	1%	0%		0%	2%	1%

TRANSPORT FOR LONDON

**STAFF SUMMARY
EXECUTIVE MANAGEMENT GROUP**

SUBJECT: JOINT ARRANGEMENT WITH THE LONDON BOROUGH OF CROYDON

MEETING DATE: 12 APRIL 2002

1. PURPOSE

To seek approval to Transport for London Street Management (TfL SM) entering a Joint arrangement with the London Borough of Croydon to deliver a Penalty Notice-processing service in respect of Bus Lane enforcement until 30 September 2003. The current agreement with Croydon has expired and in order to maintain this important enforcement and revenue generating service a new agreement is required.

2. BACKGROUND

On 1 April 2001, TfL SM migrated from the criminal method of enforcing Bus Lanes to the civil process. As well as improving the method of enforcement, this also enabled the introduction of a £80 Penalty to deter abuse of Bus Lanes and for TfL to keep the proceeds from paid Penalty Charges.

TfL SM entered an Agreement with the London Borough of Croydon to deliver this service. My officers have recently negotiated an extension to this Agreement for Croydon to provide the service until 30 September 2003. This needs to be ratified.

Under Section 101 of the Local Government Act 1972, any Local Highway Authority may act by agreement on behalf of another Authority in respect of any of its highway services. Such an Agreement – or Joint Arrangement as it is known – must be approved by the senior Committee of the Authorities involved. In the case of TfL SM, this is the TfL Board.

3. ALTERNATIVES

Whilst options exist in the longer term, the key current issue is one of ensuring continuation in this important Bus Lane enforcement and revenue generating service.

The choice is not simply about costs. It needs to address both risk and time, of which time is the most critical.

There are three possible routes: -

1. To extend the current operation with the London Borough of Croydon
2. Set up and operate “in house” or
3. Pursue the possibility of it being an adjunct to the congestion charging enforcement process to be operated by Capita if Congestion Charging goes ahead.

However, as it will take approximately 12 months to set up an in house processing capability and congestion charging would not be able to take it on board for approximately 18 months, there is only one practical short term solution.

In the longer term, if and when other options are available, the most cost-effective solution can be implemented.

It is therefore proposed that an agreement be made with Croydon as an interim solution with the aim of moving to either an in house or congestion charging solution, if the latter is available, (which ever is the most cost effective) in 18 months time. At the present time it would appear that the congestion charging solution is likely to prove most cost effective. It must be emphasised, however, that this is as yet an untested system.

There is risk involved in this operation, particularly the possibility of loss of revenue through ineffective enforcement processes. Croydon is a tried and tested option. It is essential that there is the same degree of confidence in any alternative.

Analyses of costs have been prepared for the three options based on currently available information. These are given below under financial implications.

As stated above, time is of the essence. Timescales for the three options are: -

Option	Timescale
Extend Croydon agreement	Immediate and continuous
Set up in house operation	1 year from decision, say, April 2003
Adjunct to congestion charging process	6 months from "Go live", say, September 2003

4. IMPACT ON FUNDING

The financial implications given below revolve mainly around the direct costs of the options proposed. They do however recognise the risks involved and whilst no exact cost of these can be calculated the Board needs to be aware of them.

All costs are based on 210,000 Penalty Charge Notices (PCNs) issued a year.

	Croydon	In House	Contract Services with Congestion Charging
Cost per PCN	£8.04	£4.67* ¹	
		£3.72* ²	
Annual Costs	£	£	£
Year 1	1,688,400	1,688,400* ³	1,688,400* ³
Year 2	1,688,400	781,200	1,030,050* ⁴
Year 3	1,688,400	781,200	371,700
Year 4	1,688,400	781,200	371,700
Year 5	1,688,400	781,200	371,700
Total over 5 years	8,442,000	4,813,200	3,833,550

*¹ First year cost includes estimated cost of system, £200,000

*² Subsequent years include normal staff and other running costs

*³ Year one costs are the same for all options, as only the Croydon option is available.

*⁴ The varying costs for the contracted service with Congestion Charging reflects the 18 month timing differences.

The current year's forecast outturn for income from PCN enforcement is forecast at £6m, this represents approximately 120,000 PCN's over the financial year.

The level of enforcement activity is expected to increase to approx. 450,000 PCN's over the next financial year, estimated income of £19m. This reflects potential increases in enforcement activity resulting from the LBI investment and increase in the London's Bus Lane camera network. Subject to entering a Joint Arrangement Croydon are able to process up to 1m PCNs per year.

The total costs over the five-year period demonstrate that the CCS option would be most cost effective. However, whilst it is difficult to predict with absolute certainty the situation in 18 months time there is sufficient evidence to support the recommendation.

From a budgetary perspective, the in house route would require Capital expenditure of an estimated £200,000 in 2002/03. In revenue terms, both in house and CCS options would reduce revenue expenditure from 2003/04 onwards.

Risk

The most significant risk is the number of PCNs issued and recovered and its consequent effect on ensuring compliance with Bus Lane regulations. At all times it is essential to ensure there is no disruption to the service. Should a later decision be made to migrate to an alternative solution, we must be satisfied that it can be done without disruption and, more importantly, it will provide at least as effective service as at present.

To illustrate this, next year's income is expected to be £19m. The collection rate is approximately 90% of PCNs issued, which translates to £100,000 for each percentage point increase or decrease. It would take little disruption to the current situation to experience substantial reductions in income and this must be fully guarded against.

5. RECOMMENDATIONS

It is recommended that TfL SM enter into a Joint Arrangement with the London Borough of Croydon for the operation of a Penalty Charge Notice processing and recovery system until 30 September 2003. On 15 March 2002, the Street Management Advisory Panel recommended this report to the TfL Board via the Executive Management Group. It is therefore recommended that the Executive Management Group allow this report to proceed to the TfL Board on 9 April 2002 for a decision.

DEREK TURNER
MANAGING DIRECTOR

TRANSPORT FOR LONDON

**STAFF SUMMARY
EXECUTIVE MANAGEMENT GROUP**

JOINT ARRANGEMENTS WITH LONDON BOROUGHES

MEETING DATE: 12 APRIL 2002

1. PURPOSE

To seek the Board's approval to enter Joint Arrangements with all London Boroughs for the purpose of enforcing bus lane contraventions identified using bus-mounted cameras and static cameras on their roads.

2. BACKGROUND

On 1 April 2001, Transport for London Street Management (TfL SM) migrated from the criminal method of enforcing Bus Lanes to the civil process. As well as improving the method of enforcement, this also enabled the introduction of an £80 Penalty to deter abuse of Bus Lanes and allowed TfL to retain any income from paid Penalty Charges.

Under Section 101 of the Local Government Act 1972, any London Highway Authority may act by agreement on behalf of another Authority in respect of any of its highway services. Such an Agreement – or Joint Arrangement as it is known – must be approved by the senior Committee of the Authorities involved. In the case of TfL this is the Board.

It is necessary to enter Joint Arrangements with other London Boroughs in respect of Bus Lane enforcement. Because contraventions captured on bus-mounted cameras will include contraventions on Bus Lanes under Borough control, it will be necessary to enter an Agreement with each Borough authorising TfL SM to act on their behalf in analysing videotapes and identifying contraventions. These details will be passed to Boroughs for them to issue the Penalty Charge Notices (PCNs). This arrangement also applies to 20 roadside or static cameras located on Borough roads, but controlled by TfL SM.

Some Boroughs have requested that TfL SM act as their agent in issuing the PCNs as well and undertake processing and debt recovery proceedings. This will entail a "3-way Agreement" with those Boroughs, as Croydon will be acting as their agent on TfL SM's behalf.

Good progress is being made in reaching these Agreements but it is likely that they will be reached at different times over the next 12 months. I suggest, therefore, that the Advisory Panel recommends that the Board agrees to delegate authority to the Managing Director of Street Management to enter these Agreements with Boroughs as and when they arise.

3. ALTERNATIVES

To deliver the highest level of enforcement on non-TLRN Bus Lanes and achieve the highest level of compliance with Bus Lane regulations there is no alternative to entering Agreements with Boroughs regarding bus-mounted and static camera enforcement.

4. FINANCIAL IMPLICATIONS

There is no charge to Boroughs in year one in respect of the analysis of tapes retrieved from bus-mounted and static cameras. This is an incentive aimed at persuading Boroughs to join the scheme in order to create a common enforcement strategy across the whole of London. This arrangement will be reviewed after the first year. The cost of this service is estimated at £0.8m and can be met in full from the Bus Lane Trading Account. (This cost is subject to approval in the Enforcement Operations Business Case, and covers the staffing to collect and analyse the tapes and identify contraventions.) Although difficult to predict at this stage, it is estimated that this activity will generate low levels of income but the activity is essential to achieve compliance with Bus Lane regulations on all Bus Lanes.

Croydon's charge to TfL SM for processing PCNs (estimated at £8.30 per PCN) will be passed onto Boroughs together with a small handling charge (estimated at £2.00 per PCN). Surplus income from PCNs will accrue to the Boroughs.

5. RECOMMENDATIONS

To recommend to the Board for TfL SM to enter Joint Arrangements with other London Boroughs in respect of enforcing their Bus Lane contraventions identified using bus-mounted cameras and static cameras on their roads.

To recommend that the Board delegates to the Managing Director of Street Management the authority to enter such Joint Arrangements with Boroughs as they arise.

DEREK TURNER
MANAGING DIRECTOR

TRANSPORT FOR LONDON

TfL BOARD

**SUBJECT: SAFETY, HEALTH AND ENVIRONMENT
COMMITTEE REPORT**

MEETING DATE: 12 APRIL 2002

1. PURPOSE

This report provides a summary of the SHEC meeting held on 22 March.

2. BACKGROUND

The Committee (which meets not less than six times a year) is required under its terms of reference to report to the TfL Board.

3. REPORT ON MARCH 2002 MEETING

The Committee received Safety Reports for 2001/2 Quarter 3 from Rail Services DLR, Street Management, Surface Transport and TfL Corporate Departments and London Underground Limited.

In addition, progress reports were submitted on:

- **Health & Safety Arrangements: Woolwich Ferry**, where the results of the review of safety standards were noted, together with the proposal to undertake an occupational health audit.
- **Staff Assaults**, where business units confirmed acceptance of the proposal to identify and share 'best practice' and agreed that the need to record and better understand assaults on minority groups would be included in the ongoing work programme.
- **Securing and Monitoring Compliance**, where the proposal to establish a working group and introduce a pilot scheme in the Autumn was agreed
- **Major/Minor Accidents & Assaults Definition**, where it was agreed that business units would be reporting to a new definition set from financial year 2002/03 Quarter 1.
- **Contractors' Health & Safety Liabilities** where a second meeting with Counsel had taken place to complete the consultation and briefing. A written advice will follow.
- **Major Bus Injury Rates Review** where it was noted that revisions to questions to bus operators within the software package relating to the incident reporting system, would improve the quality of data available for analysis.

In addition, the following reports were submitted:

- **Transport Policing Initiative**, where the promising results from the pilot study were noted, together with the proposals for roll-out.
- **Proposed Central London Congestion Charging Scheme**, where projections for the changes in road traffic accidents, together with the proposals for a monitoring programme were reviewed.

4. RECOMMENDATION

The Board is asked to note the report from the Committee. The next meeting will be held in May 2002.

**TRANSPORT FOR LONDON
BOARD PAPER**

SUBJECT: APPOINTMENTS

MEETING DATE: 12 APRIL 2002

1. INTRODUCTION

The purpose of this paper is to record the agreement of the Board to new appointments to Committees, Advisory Panels and the Board of a subsidiary of TfL.

2. ADVISORY PANELS AND COMMITTEES

The TfL Board agreed the establishment of three Board Committees and three Advisory Panels on 13th March 2001.

The Terms of Reference of the Committees and Advisory Panels, as outlined in TfL's Standing Orders, provide that membership of the Committees and Panels shall be determined by the Board from time to time.

Following recent resignations and appointments to the TfL Board, the membership of the Committees and Advisory Panels has been updated, and the current membership of the Committees and Panels will therefore be:

Finance and Audit Committee

Mike Hodgkinson (Chair)
Stephen Glaister
Noël Harwerth
Oli Jackson
Susan Kramer
Dave Wetzel

Remuneration Committee

Ken Livingstone (Chair)
Noël Harwerth
Mike Hodgkinson

Safety, Health & Environment Committee

David Quarmby (Chair)
Kirsten Hearn
Murziline Parchment
Dave Wetzel

External Advisers eligible to attend:

Richard Booth
Stuart Natrass

Rail Transport Advisory Panel

Bob Kiley (Chair)
Susan Kramer (Vice-Chair)
David Begg
Stephen Glaister
Kirsten Hearn
David Quarmby
Tony West

In attendance:

Bryan Heiser

Surface Transport Advisory Panel

Bob Kiley (Chair)
Dave Wetzel (Vice-Chair)
David Begg
Stephen Glaister

In attendance:

Bryan Heiser

Street Management Advisory Panel

Bob Kiley (Chair)
Paul Moore (Vice-Chair)
David Begg
Noël Harwerth
Oli Jackson
Murziline Parchment

In attendance:

Lynn Sloman
Bryan Heiser

The Board is asked to confirm the existing appointments and make the new appointments in accordance with the Standing Orders.

3. BOARD OF LTIG

London Transport Insurance (Guernsey) Limited (LTIG) is a wholly owned subsidiary of TfL. The company is a captive insurance company and is based in Guernsey.

The Board of LTIG currently comprises six directors, four of whom are based in Guernsey.

Simon Ellis, formerly TfL's Chief Finance Officer, resigned from the Board of LTIG on 30th November 2001. It is proposed that Stephen Critchley, TfL's new Chief Finance Officer, be appointed as Director of LTIG in place of Simon Ellis.

TfL's Standing Orders provide that the TfL Board will appoint and remove the directors of the subsidiary companies. In addition, the Articles of Association of LTIG provide that the Board of LTIG may appoint directors.

This appointment also requires the prior consent of the Guernsey Financial Services Commission, pursuant to the Insurance Business (Guernsey) Law Part II Section 18.

4. RECOMMENDATIONS

The Board is asked to:

- i. **Confirm** existing appointments and approve new appointments, as outlined in paragraph 2 above, to take effect from 9th April 2002.
- ii. **Approve** the appointment of Stephen Critchley as a director of the Board of LTIG, noting that such appointment is subject to the consent of the Guernsey Financial Services Commission, and **note** that upon receipt of the consent of the Guernsey Financial Services Commission, the appointment of Stephen Critchley will be effected by the Board of LTIG at its next meeting.

Michael Swiggs
Director, Corporate Services