

TRANSPORT FOR LONDON

BOARD

SUBJECT: COMMISSIONER'S REPORT

DATE: 30 MARCH 2011

1 INTRODUCTION

This report provides an overview of major issues and developments since the Board meeting on 2 February 2011 and updates the Board on significant projects and initiatives. This report does not include the Mayoral priorities appendix; this is provided on a quarterly basis, and will be included in the Commissioner's report to the Board meeting in June 2011.

2 IMPROVING THE UNDERGROUND

2.1 Operating the Underground

Service Performance

London Underground (LU) continues to move more passengers than ever before – current estimates predict reaching 1.1 billion journeys by the end of the year, for the first time in the history of the Underground. This will be delivered alongside LU meeting its Customer Satisfaction Score target.

The long term improvement in kilometres operated, and the positive continued fall of excess journey time over the last four years is illustrated in Figure 1. The small decline in kilometres in the time period 2009-2010 is a result of the hugely increased weekend closures which Tube Lines had insisted upon for the Jubilee line works prior to TfL ownership. The future will see significant increases in the kilometres operated with enhanced service frequency following the upgrades on the Jubilee, Victoria and the Metropolitan, Circle, Hammersmith & City and District lines.

Performance has been improving, with 96.4 per cent of the schedule operated in the four week period ended 5 February. If the impact of local industrial action on 15 January is excluded, the target for this period would have been met, at 96.6 per cent.

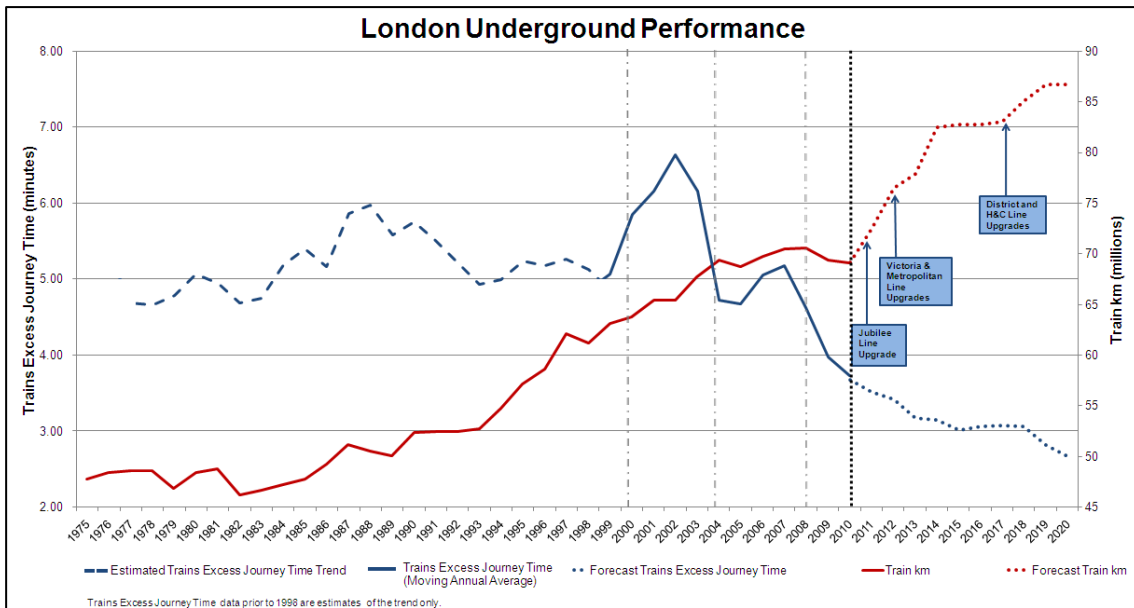


Figure 1: Excess Journey time and Kilometres operated

Operations Strategic Plan

Following the implementation of a new management structure in November 2010, changes to station staffing were introduced in February 2011. Ticket office window hours were changed to bring them in line with demand, which has fallen significantly in recent years – only one in 20 Tube journeys now starts with a visit to the ticket office. In the first week after the changes were introduced, there was a three per cent switch from ticket offices to passenger operated machines, while ticket queue times continue to reduce across the network. Since implementation on 6 February, there have been fewer station closures, and high standards of customer service have been maintained. Discussions continue with the trade unions to deal with their outstanding concerns, and to review the arrangements at a local level, following implementation.

In total, there has been a reduction of some 650 station posts, saving around £33m per year in operational costs, and 150 management and administrative posts saving a further £7m. In line with TfL's commitment, the changes have been introduced with no compulsory redundancies, and maintaining services.

2.2 Transforming the Tube

Jubilee Line Upgrade

The reliability of the Transmission Based Train Control system on the Jubilee line has been improving through fixing software issues since implementation between Christmas and New Year. This is translating into an improving train service, with 97.3 per cent of the scheduled service operated for the week ending 12 February. This trend has continued to improve into March.

Work is progressing on getting the final northern sections into weekday service. The complex interfaces between the Metropolitan and Jubilee lines are now the key challenges to operating normal weekday services under the new signalling system, across the whole line. Once the upgrade is completed, a new timetable will be implemented on the line, which will reap the benefits of the new system by increasing the kilometres operated by over 1 million kilometres per annum, and increasing peak trains to 27 trains per hour from 24 trains per hour currently. It is planned to introduce the new timetable in the summer of 2011.

Sub Surface Railway Upgrade

Three S-Stock trains continue to operate in passenger service on the Metropolitan line routes north of Baker Street. The service will be extended to Aldgate when the necessary infrastructure works have been completed between Baker Street and Aldgate. This is targeted to be achieved by the end of March 2011.

The best and final offers from the remaining two bidders for the Automatic Train Control contract are under evaluation. The appointment of the contractor is now forecast for April 2011, to allow for completion of the required assurance and governance activities, including review by the Independent Investment Programme Advisory Group.

Victoria Line Upgrade

Overall reliability of the Victoria line has continued to improve, with over half of the service now being provided by the 2009 stock. There are some issues with the gearboxes on the 2009 stock, though performance is unaffected by this at present. These are being investigated with Bombardier and performance is being closely monitored.

The train availability forecast (to replace old equipment) remains on target, and the remainder of the train fleet will be delivered into service by the end of 2011/12. A timetable change will be implemented in September 2011, which will see an increase of a quarter of a million train kilometres operated per annum on the Victoria line, with more frequent off-peak services.

Northern Line Upgrade

Installation activity is progressing according to programme, particularly trackside between the East Finchley and High Barnet areas. Discussions also continue to agree the overall programme and commercial agreements. The outcome will be a revised closures programme that will be much less disruptive than the original Tubelines proposal, and will have a delivery date in 2014 in line with recent Spending Review commitments.

Tottenham Court Road Upgrade

The project to transform Tottenham Court Road station continues, with work on the ticket hall progressing well, and a new road diversion in place. Stage two of

the excavation works has been completed, and excavation continues for further works.

Royal Wedding

TfL has ensured that there will be no line closures due to planned engineering works on Friday 29 April, the day of the royal wedding. Over the bank holiday weekend following the royal wedding (30 April – 2 May), due to vital Thameslink work around Blackfriars station and essential track replacement there will be no Circle line, and no District line from Embankment eastwards to West Ham. However, on the north of the Circle there will be a service from Hammersmith to Moorgate. All other lines in and out of central London will be running a full service. The other line suspensions during this weekend are on the northwest part of the network, on the Metropolitan line from Northwood to Rickmansworth and Watford, and the Bakerloo line is suspended north of Queen's Park (for Network Rail work).

Metros Awards 2011

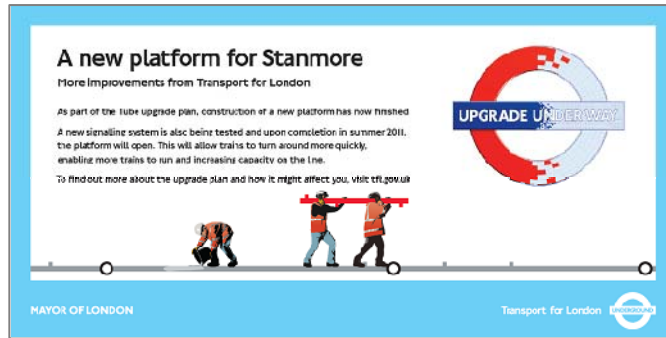
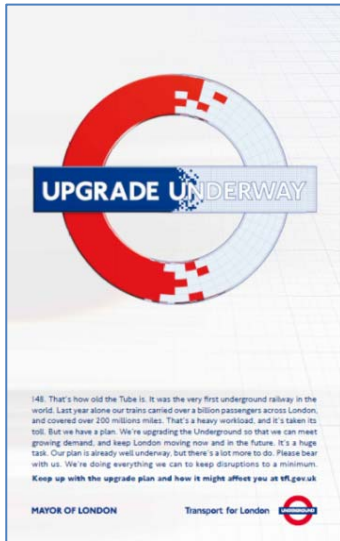
On 15 March, LU was named overall Best Metro at the Metros Awards 2011. 'The Metros' is an annual international awards ceremony allied with the MetroRail conference. LU beat five other shortlisted metros including Seoul, Madrid and last year's winner, Singapore, to win the trophy. This award recognises that LU is carrying more passengers than ever before, while progressing a major upgrade of the entire system, and seeing record customer satisfaction levels.

Keeping customers informed

The latest customer information campaign on the Tube upgrade plan commenced on 25 February 2011. This features much more granular line-by-line detail on the work being undertaken, and the benefits that the work will deliver.

The information campaign features on-system posters, radio, leaflets and emails to the Tube's 600,000 strong customer database. A new section on the TfL website supports the increasingly local and personal tone, including videos and updates from LU line managers, and Mike Brown.

The new site has received over 93,000 visits and 22,000 video views. A planned works calendar is also available, and provides customers with a convenient way to look ahead at the planned works across the LU network. Since launch, this tool has been used over 92,000 times.



Examples of posters on the network

3 EXPANDING THE OVERGROUND

3.1 London Overground

London Overground Service Performance

In January, the Overground was Britain's best performing railway for the second month in a row, with 96.4 per cent of trains arriving on time, nearly eight per cent better than the same period in 2010. The East London route has been a particular success, with large numbers of passengers enjoying performance in January of over 98 per cent. Customer satisfaction on the Overground also remains high, with a satisfaction score of 79 being achieved.

February also saw the final week-long closure on the North London route. New timetables to be implemented on 21 May 2011 will see passengers reap the benefits, with four trains per hour from Richmond/Clapham Junction to Stratford, and eight trains per hour between Willesden Junction and Stratford.

Extension to Highbury & Islington

The Mayor opened the 2.1km rail link between Highbury & Islington station and Dalston Junction on 28 February 2011, several months ahead of schedule. Passengers using the Victoria Line, Overground North London Line or National Rail services stopping at Highbury & Islington can now use fast London Overground services to reach the north, east or south of the capital. The extension will be particularly valuable for the London 2012 Games, providing another way for millions of passengers to reach the Olympic Park at Stratford.

New South London Line

TfL is due to award a contract shortly for the construction of the new 1.3km link for the London Overground extension between Surrey Quays and Clapham

Junction. This link will complete the orbital railway around the Capital, delivering significant benefits to south London.

Preparatory work is already underway and construction work will start as soon as the contract is awarded.

Tramlink

Since the network opened in 2000, passenger journeys have increased by 45 per cent, and although significant improvements have been made since TfL took over in 2008, additional capacity is now required to meet this growth.

In January 2011, TfL invited companies across Europe to submit proposals to supply up to 10 trams, which would increase service frequency on the busiest route between central Croydon and Elmers End. Bids closed on 14 March, and it is hoped that trams will be introduced in early 2012. Final go ahead will depend on the confirmation of funding (London borough of Croydon ratified its £3m contribution in late February), and the deliverability and affordability of the proposal.

Essential works to replace tracks are due to take place in Croydon over the Easter break from 22-27 April. To enable the work to take place, trams will not run between Sandilands and East Croydon. A communications plan for customers is also being prepared.

3.2 Docklands Light Railway (DLR)

Three-car trains have been running from Bank to Lewisham since April last year, and between Stratford and Lewisham since November.

Three-car works are progressing well on the Beckton line, with completion on schedule for Spring 2011, when the whole DLR network will be three-car compatible, well ahead of the London 2012 Games when the railway will carry more than 500,000 passengers on the busiest days. Three-car services on the Beckton line are expected to commence in May 2011.

3.3 Working with the Train Operating Companies

2011 Mayor's Train Operating Company Summit

The Mayor held his second Train Operating Company (TOC) summit on Friday 11 March, which was attended by all train companies that operate in Greater London. One of the key agreements from the summit was the withdrawal of Oyster Extension Permits from the end of May 2011. The permits were introduced by the train companies in January last year when Oyster was rolled out onto National Rail services to indicate an intention to travel using Oyster pay as you go credit.

A range of other improvements were also agreed:

- (a) A new, clear and combined Rail and TfL Oyster map for London will soon be appearing at rail and tube stations. Designed by TfL and the Association of Train Operating Companies following passenger research, the map replaces the train companies' London Connections and TfL's Oyster maps, making it easier for Londoners and visitors alike to navigate the city;
- (b) TfL and train operating companies will work jointly to finalise plans to extend Oyster pay as you go outside London;
- (c) Train operating companies and TfL will work jointly to evaluate the extension of payment using contactless bank cards to National Rail services for its introduction in 2012;
- (d) Train operating companies and TfL will further explore how to improve passenger information, particularly during times of disruption;
- (e) Train operating companies and TfL will work together to finalise travel arrangements for the London 2012 Games;
- (f) The Mayor and train operating companies will work together to seek sustained and continued investment to improve transport in the capital, and meet the expected rise in demand in coming years; and
- (g) The agreements made at the meeting build on the significant improvements made since the first summit between the Mayor and operators in February 2010.

Oyster extension to National Rail

Oyster extension to National Rail The extension of Oyster pay as you go (PAYG) to national rail has proved an immediate and sustained success with passengers, with usage on rail significantly exceeding expectations. There are now more than two million PAYG journeys on rail each week, some 1.5 million journeys a week more than a year ago, when PAYG was only valid on the London Overground and certain sections of the rail network that ran parallel to the Underground.

The convenience of PAYG has been amply demonstrated during the recent spells of industrial action on the Underground, and the weather related disruption on the rail network, when substantial numbers of PAYG users were able to switch seamlessly from one service to another. Oyster retailing has been gradually improved at train stations, and following a recent announcement by South West Trains and DfT, all Train Operating Companies should be offering top-ups from their self-service ticket machines by the end of 2011. In addition, most Train Operating Companies now provide new Oyster cards from their ticket offices.

Recent research indicates that the introduction of pay as you go has led directly to a 5.5 per cent increase in traffic over and above underlying growth. This leads to immediate revenue increases for national rail. Approximately 300,000 additional customers use Oyster as a result of this new service.

4 DELIVERING CROSSRAIL

Governance

On 25 February, Crossrail Limited (CRL) announced the appointment of two new non executive directors – Ian Brown CBE and Phil Gaffney. This follows a written resolution of the TfL Board of 23 February to make these appointments. Their appointments commence on 1 April 2011.

On 17 March 2011, the Finance and Policy Committee also made new recommendations for the issue of a Positive Project Review Notice, in respect of Review Point 4 (RP4), which (subject to discussions at the TfL and DfT Boards on 30 March and 1 April respectively) remains on track to be completed by 6 April. The recommendation of the Crossrail Sponsor Board to approve the release of the Positive Project Review Notice (with a limited number of conditions relating to issues on which further assurance is required from CRL post RP4) was endorsed by HM Treasury's Major Project Review Group at its meeting on 1 March.

Health and Safety

The Health and Safety Executive has decided to prosecute CRL under the Construction (Design and Management) Regulations as a result of the cable strike incident at Hanover Square in February 2008. The contractor, Fugro, has been charged with an offence under the Health and Safety at Work Act.

Central Section Works

The four main tunnel contracts were awarded in January 2011, and CRL is now working closely with the contractors to develop detailed plans.

The first main station construction contract, for Paddington station works, was issued on 9 February 2011 to the following groups:

- (a) Costain Skanska JV;
- (b) Balfour Beatty, Morgan Sindall and Vinci JV;
- (c) BAM Nuttall, Ferrovial Agroman and Kier Construction;
- (d) Laing O'Rourke and Strabag JV; and
- (e) Carillion Construction Ltd.

On 18 February, CRL also announced the shortlist for Farringdon station contract. The following organisations will be invited to tender for the main construction contract:

- (a) Balfour Beatty, Alpine BeMo, Morgan Sindall & Vinci JV;
- (b) Costain Skanska JV;
- (c) Laing O'Rourke & Strabag JV; and
- (d) BAM Nuttall, Ferrovial Agroman and Kier Construction JV

On 15 February, Berkeley Homes, the DfT, TfL, CRL and the London Borough of Greenwich signed the final agreement to build a new 'station box' on the Crossrail line through Woolwich. The station box will be constructed at no additional cost to the taxpayer. Discussions between DfT and TfL officials regarding options for funding the station box fit-out have commenced.

Over-site developments

CRL and development partner Great Portland Estates recently submitted plans for the first over-site development above a Crossrail station. The development would be above the Crossrail Bond Street station's eastern exit on Hanover Square, and include public realm improvements.

Rolling Stock and Depot

Prequalification submissions from respondents were returned on 7 February 2011. Following a good response from the market, CRL is currently undertaking an evaluation of these submissions in accordance with the Rolling Stock and Depot prequalification plan. An Invitation to Negotiate will be released in the autumn.

Signalling

In the second quarter of 2011, CRL will be publishing an Official Journal of the European Union (OJEU) notice for the signalling system for the Crossrail central section. The signalling system will need to support a service frequency of 24 trains per hour, and be capable of enhancement to support 30 trains per hour.

Waste management

In March 2010, CRL set demanding targets for its waste and excavated material. CRL collects data from its contractors and partners to monitor its progress against these targets. At the end of January 2011 CRL had reused or recycled 96 per cent of construction and demolition waste, which exceeds the target of 90 per cent, and the stretch target of 95 per cent. CRL had also reused or recycled 96 per cent of its excavated material, which exceeds the target of 95 per cent.

Art Programme

The CRL Art Programme was presented to some 30 potential sponsors at a workshop held with London First on 4 February 2011, explaining the proposed approach to sponsorship. A similar presentation was given to the 21 Local Authorities along the Crossrail route at the Planning Forum on 20 January 2011.

Engagement

As part of the archaeological investigation at the Stepney Green works site, a series of visits by children from local schools was arranged in conjunction with the Museum of London. The programme ended with a public open day on 30 January 2011, when over 100 members of the public attended.

Skills agenda

Work is progressing well on the build of the Tunnelling and Underground Construction Academy, the facility through which CRL will train at least 3,500 people in tunnel excavation and underground construction. Contractor Volker Fitzpatrick is 14 weeks into the 30-week construction programme.

CRL also hosted an event on 10 February 2011, as part of National Apprenticeship week 2011, to celebrate the arrival of the first Crossrail apprentices, and to demonstrate its commitment to delivering the targets outlined in its skills and employment strategy. CRL has committed to providing at least 400 apprenticeships through its supply chain over the lifetime of the project. The first apprentices have now started work on the scheme, and many more will be recruited as the CRL programme awards its remaining large construction and tunnelling contracts later this year.

The National Apprenticeship Service and CRL presented 'Apprenticeship Employer Certificates' in recognition of those contractors who have already taken on apprentices to work on Crossrail. The Chief Executive of the National Apprenticeship Services, Simon Waugh, commended CRL on the progress made towards its goal.

5 GETTING LONDON MOVING

5.1 A fair deal for motorists

Blackwall Tunnel Northbound Refurbishment Scheme

Construction works have continued to progress well, and the project is now expected to complete in December 2011, one year earlier than originally expected. In addition, although 10 weekend closures were planned during the three year refurbishment programme, TfL has reduced this to seven by working with its contractors to review works methods, with three more weekend closures required this year:

- (a) 2100 Thursday 21 April – 0500 Tuesday 26 April;
- (b) 2100 Friday 10 June – 0500 Monday 13 June; and
- (c) 2100 Friday 12 August – 0500 Monday 15 August.

During these closures, northbound traffic will be diverted through the southbound tunnel. Southbound traffic will again be diverted to the Rotherhithe Tunnel, which will operate two lanes in the southbound direction only.

5.2 Smoothing Traffic Flow

Journey Times and Traffic Speeds

Over the past two years, TfL has used Automatic Number Plate Recognition cameras to monitor traffic speeds. Across London, average traffic speeds (measured between 7am and 7pm) have risen from 18.34mph during April to February in the last financial year, to 18.48mph in the same time period this year. Similarly in Central London, where average traffic speeds have risen from 9.08mph to 9.30mph in the same time period. While this may seem a small increase, for every 30 minutes Londoners travelled on the Capital's roads in 2009, on average, their journeys are 29 seconds faster today. Given that there are the equivalent of 10 million such car journeys made every day on the network, this means that London's drivers are cumulatively sitting in their cars for over 80,000 hours less every day.

In January, journey time reliability on the Transport for London Road Network (TLRN) (defined as the percentage of journeys completed within an allowable excess of five minutes for a standard 30 minute journey during the AM peak) stood at 88.9 per cent, slightly higher than the same period last year. The year to date figure is 88.66 per cent.

Disruption on the Road Network

Up to 5 February this financial year, TfL has recorded a three per cent reduction in the levels of serious and severe disruption occurring on the TLRN, compared to the same time period last year.

Traffic Signal Timing Reviews

Up to 5 February this financial year, 781 signal timing reviews have been completed, achieving an 8.02 per cent reduction in stop-start delays for traffic. This has been achieved alongside a 0.76 per cent increase in the number of occasions when all pedestrians waiting to cross the road will have cleared the kerb during the first green man period.

Split Cycle Offset Optimisation Technique (SCOOT)

SCOOT optimisation has now been completed at 137 sites, and benefits are being seen. SCOOT is delivering a 13.2 per cent reduction in delays, and a 5.1 per cent reduction in the number of times vehicles have to stop as they travel through the network.

Volume of Roadworks on the TLRN

TfL operates the London Permit Scheme, and in this financial year, TfL has granted 40,183 permits and refused 7,245 applications. Enhanced enforcement has meant that, during the same period, 330 Fixed Penalty Notices have been given to works undertakers, including 121 for working without a permit, compared to 307 in the whole of last year. In addition, 722 days of unauthorised

works overruns have been recorded under Section 74 of the New Roads and Street Works Act 1991, compared to 665 days in the whole of last year.

Collaborative working has helped prevent more than 1,200 days of potential disruption on the TLRN so far this financial year, and there has been a 21 per cent reduction in the hours of serious and severe disruption caused by roadworks on the TLRN, compared to last year. TfL has held a number of positive meetings with the DfT on the potential introduction of a lane rental scheme for roadworks. TfL will continue to work with the Department to progress proposals, with a view to introducing a targeted lane rental scheme, which would see works undertakers charged for digging up the Capital's busiest roads at the busiest times.

5.3 London Buses

New Bus for London

Stakeholder engagement with the mock-up of the bus concluded at the end of January 2011, with more than 30 groups (comprising 200 individuals and a range of disability organisations) shown around the vehicle over a three-month period. Overall feedback is positive and indicates acceptance of both interior and exterior design features. The wheelchair bay has been modified following user comments, and engagement with key stakeholders over the redesigned bay demonstrates that users can access the area more readily. The designers will incorporate further improvements into the final design of the bus.

The mock-up of the new bus was installed for public display at the London Transport Museum on 28 February. The exhibition will allow the public a chance to get a close-up look at the exterior design of the bus, and to view the interior through the lower deck windows. Special family events celebrating the arrival of the bus will be held in April 2011, and there will be two open evenings that will be held free of charge on 13 and 20 May. The bus will be displayed at the museum until June this year.

Diversions on Oxford Street

To enable the Bond Street Underground Station upgrade to get underway, Oxford Street has been closed eastbound between Duke Street and Vere Street for utility works, from 14 February 2011 for nine months. 13 day-time and 14 night-time bus routes (eight of which are 24-hour services) are affected by the diversions, and general traffic has been diverted via other routes. Pedestrian access to all retail outlets and businesses along Oxford Street will be maintained during the length of the works. Extensive traffic modelling has been done to ensure diversions take the least disruptive routes, and the situation will be monitored closely to assess impacts, and keep buses and general traffic moving. Information for the travelling public has been placed on all bus stops affected by the diversion, and leaflets were handed out in the days before the change, and are available at nearby Tube stations.

East London Transit

The East London Transit (ELT) marked one year of operation on 22 February 2011. Replacing route 369 and part of route 179, ELT has reduced journey times by 15 per cent. Passenger journey numbers are up by 10 per cent to approximately 5.5 million, and a recent survey shows a five per cent improvement in customer satisfaction. In addition, the project was the recipient of the first prize in the Infrastructure category at the 2010 UK Bus Awards, in recognition of the highway improvements and bus priority delivered along the route. ELT has also won a national award from The Royal Institute of Architects for architectural excellence for its new bus driver facility, which is located in the terminus at Dagenham Dock.

London Bus Awards

The annual London Bus Awards were held by TfL on 23 February, hosted by David Brown. The awards recognise outstanding individuals and teams from bus operators and TfL, and champion the 28,000 members of staff that operate 8,500 buses over 700 routes and work from 93 bus garages. Awards were given to those who had overcome challenging circumstances or gone beyond their call of duty, or who have consistently set the highest standards of professionalism.

Dial-a-Ride Awards

The 2011 Dial-a-Ride Awards were hosted by TfL on 2 March. The awards, presented by David Brown, marked the achievements of staff who keep the Dial-a-Ride service operating. Certificates were also presented to drivers, engineering staff and duty managers who have passed a BTEC, NVQ or Duty Managers course in the last year. Based on current performance, Dial-a-Ride is on track to deliver the most trips to its members since records began 20 years ago.

6 IMPROVING THE URBAN ENVIRONMENT

6.1 Championing electric vehicles, car clubs and moving to hybrid buses

Electric Vehicles

The Siemens Sponsorship Agreement for services was signed at the end of January 2011, and will run to March 2014. Siemens is providing the call centre, IT infrastructure and back office to support the Source London scheme, which is scheduled to launch in April this year.

There are currently 104 electric charging points across London (out of the planned 1,300 by 2013), and more will be introduced using Plugged in Places grant funding from the DfT and Local Implementation Plan match funding. Funding is also being extended to the boroughs to assist them in implementing charging points on their roads.

Hydrogen Fuel-Cell Buses

Four of a planned fleet of eight hydrogen fuel-cell buses are now operating on route RV1 from Covent Garden to Tower Gateway. The fourth bus went into service on 7 March, and the next one will follow by the end of the month. The remaining three buses, funded with European Union support, are on schedule to be built and delivered by the end of 2011.

Leaflets to explain the benefits of hydrogen bus technology have been produced. These are being carried on fuel-cell buses, and will be used at a stakeholder event planned for April. The benefits of the technology are also displayed on posters within the buses.

6.2 Improving the urban realm

Low Emission Zone (LEZ) Phase 3 and 4

The Operator Information Campaign, to provide information on preparing fleet vehicles to meet tighter standards for particulate matter, commenced on schedule on 24 January 2011. This coincided with the launch of an Operator Enquiries service run by IBM on behalf of TfL. The LEZ section of the TfL website has been updated, new information leaflets produced, and advertisements have started to run on national and London radio stations, on roadside posters, and in the national, London and trade press. The Vehicle and Operator Services Agency can also now book emissions tests and issue Low Emissions Certificates for Phase 3 vehicles (vans and minibuses).

Tottenham Hale Gyratory Project

Advanced works, including utility diversions, will be completed by April 2011, allowing the full drawdown from the £4m Community Infrastructure Fund award. A £5m funding agreement has been signed with the Homes and Communities Agency to replace the loss of London Development Agency funding, following the Comprehensive Spending Review. The detailed design is approaching completion and the tender documents are scheduled to be issued in the autumn.

7 ENCOURAGING MORE CYCLING

Barclays Cycle Superhighways

The pilot routes project is now in the close-out stage, and post-launch monitoring is ongoing, with early indications that the routes are exceeding performance targets, with an increase in ridership of 70 per cent between October 2009 and October 2010.

Construction has now started on Phase 1 routes (2 and 8), in parallel to securing the necessary network approvals for the remaining work packages. Phase 1 routes will be launched in July 2011. For route 2, coordination with the

High Street 2012 project has resulted in a number of elements of High Street 2012 works being incorporated into its scope.

Preliminary designs for both Phase 2 routes (5 and 12) are currently being finalised, and are on schedule. Briefings for stakeholder groups on the preliminary designs have been arranged for late March. Phase 2 routes will be constructed after the London 2012 Olympic and Paralympic Games, and will be launched in spring 2013.

Phase 3 routes (9 and 11) are currently at the feasibility stage, with stakeholders engaged in highlighting opportunities and shaping proposals. Phase 3 routes will be launched in late 2013, with the remaining two pairs of routes to be completed by 2015.

Barclays Cycle Hire

As of 6 March 2011, the scheme had over 112,500 registered members, and there have been over three million journeys since launch. Nearly 134,000 journeys have been taken by casual users. There are currently 369 docking stations, and this number is steadily increasing.

The Mayor and TfL announced improvements to Cycle Hire, which were implemented in March. These improvements include 12 additional languages available at all terminals (bringing the total number of languages to 17), clearer indication at docking stations of bicycles that have been reported as faulty by other users, and a new Docking Station Status website that will be updated each week with information about new or out of service docking stations. The page is available on the TfL website.

Barclays Cycle Hire also won the transport category in the Brit Insurance Design Awards, which showcase the most innovative and forward thinking designs from around the world. An exhibition of all winners will run through to 7 August 2011 at the Design Museum.

Cycling Year in Review

TfL's End of Year Review of Cycling 2010 was published in late January 2011. The document is now available on the TfL website, and summarises everything that was delivered by TfL to increase levels of cycling in 2010.

Biking Boroughs Funding

The Mayor and TfL announced £4m of funding for Biking Boroughs on 18 February 2011. All 13 Biking Boroughs had the opportunity to bid for a share of the funding during a period lasting from 21 February to the end of March 2011.

The funding will help boroughs engage local communities in cycling, create better cycle infrastructure and parking, and make cycling safer in Outer London. The aim is to create a local culture of cycling with a focus on cycling hubs in

town centre locations or key areas where the potential for increasing cycling is greatest. They will also receive extra support and expertise from TfL in a bid to encourage greater numbers of cyclists in their areas.

8 IMPROVING THE JOURNEY EXPERIENCE

8.1 Safety and Security

Targeting of Bike Thieves

Operation Helium, a joint operation between the Metropolitan Police Services (MPS) Safer Transport Command funded by TfL, Tower Hamlets local police and Tower Hamlets Market Services, was set up in September 2010 to tackle cycle theft and the sale of stolen bikes in Brick Lane Market, after it was identified as a hotspot for cycle-related offences. Officers gathered intelligence on suspected cycle theft-related cases, conducted high-visibility patrols and advised cyclists on issues such as security, safety and how to protectively mark their bikes. The operation resulted in the return of 12 stolen bicycles to their owners, 12 arrests and a wealth of valuable intelligence on bike thieves.

The Mayor also launched the MPS Cycle Task Force in June 2010, with 30 officers who specialise in cycle-related crime. Since its launch, the MPS Cycle Task Force has already security marked over 10,000 bikes and made over 100 arrests. As part of the continuing campaign against cycle theft and the sale of stolen bikes, TfL and the MPS Safer Transport Command have produced a video advising cyclists on protecting their bikes, available on both the TfL website and YouTube.

Fare Evasion Campaign

A fare evasion marketing campaign was launched on 18 March. The campaign, which is intended to bring the public's awareness to the presence of plain clothes inspectors patrolling the Bus and Tube networks, will be seen on posters across the network.

9 EFFICIENT AND EFFECTIVE DELIVERY

9.1 Planning and Strategy

Local Implementation Plans (LIP)

The assessment of the boroughs' LIP submissions is well underway, with all 33 boroughs having submitted their draft LIPs. Overall, the quality of the submissions is good, and although many require some further information or clarification, only a few will require more substantive work. Comments are being provided to boroughs, and it is expected that the review of the drafts will be completed in March.

9.2 Safeguarding TfL finances

Fitch Ratings

On 10 March 2011, Fitch Ratings upgraded the long-term foreign and local currency ratings for TfL's two public market borrowing programmes, a Medium Term Note (MTN) programme and a Commercial Paper (CP) programme, Fitch has upgraded TfL's £5bn MTN programme rating to 'AA+' from 'AA' and affirmed its CP programme rating as 'F1+'.

The upgrade follows Fitch's reassessment of TfL's sponsor under the agency's Public Sector Entity criteria, which has credit-linked TfL's rating to that of the UK Government ('AAA'/Stable/'F1+'). This is due to the strong oversight by the central government, high level of public funding, strategic importance for UK's economy as a whole, and debt limits established by the central government under the Comprehensive Spending Review.

Mastercard Wallets

A new sponsorship deal for Oyster wallets has been secured with Mastercard for 2011, under which Mastercard branding will be on wallets distributed with all new cards issued. Up to six million wallets will be produced, and the commercial deal with Mastercard is part of the TranSys commercial advertising contract, under which TfL receives a revenue share.

Contactless Ticketing Announcement

On 24 February 2011, TfL announced that London will lead the world in 2012 when it will become the first city in the world where passengers are able to access an entire transport network with just a swipe of their contactless bank or credit card.

TfL will allow customers on the Tube, trams, buses and trains to benefit from the ease of using this technology. The new system will be up and running on all of London's 8,000 buses in time for the 2012 Games, and will then be rolled out onto the Tube, DLR, Tram and London Overground network before the end of 2012. Discussions are also under way with the TOCs that serve London about whether contactless payment cards could be used on National Rail services where Oyster is currently accepted. Oyster will also continue to be accepted for the many millions of customers who use it every day.

Transparency

On 31 May 2010, the Prime Minister wrote to all Government departments setting out his plans for the publication of information, in particular around expenditure, contracts, departmental organograms and salaries. The Secretary of State for Communities and Local Government then wrote to all local authorities setting a deadline of January 2011 for local authorities to publish items of spend over £500 online. Although neither the Prime Minister's, nor the Secretary of State's letter was directly addressed to TfL, in September 2010 the Mayor announced that TfL would publish all expenditure over £500 online.

Details of expenditure over £500 for Period 9 (14 November to 11 December) and Period 10 (12 December to 8 January) have been published on the TfL, Crossrail and Tube Lines websites, and will be regularly updated.

Various guidance notes on the approach that central and local governments should take to transparency have been published. The Department of Communities and Local Government recently published a consultation document in relation to a Proposed Code of Recommended Practice for Local Authorities on Data Transparency, which includes TfL. The deadline to respond to the consultation was 14 March 2011, and TfL has submitted a response.

The TfL website already has details of OJEU threshold competitions through the e-tendering system. Once there is clarity on the final requirements, changes will be made to the e-tendering system to meet the transparency obligations. Standard wording has been introduced in OJEU notices, invitations to tender, and the standard suite of conditions of contract to ensure that TfL has the right (at its discretion) to publish tender documents and contracts for future contracts (subject to any legal constraints).

Apprenticeships in TfL's Supply Chain

Since 2008/9, TfL has led a programme of work with key suppliers and industry partners to increase the number and range of apprenticeships within its supply chains. This programme increases the number of new entrants to the transport and engineering sectors, and helps maximise the job and training opportunities for Londoners arising from the TfL investment programme. Through this programme, over 1,000 new apprentices have started work on TfL contracts, covering areas as diverse as highways maintenance, bus driving, mechanical maintenance, business administration, construction, customer service and engineering. A number of new approaches to apprenticeships are being piloted, including an innovative apprenticeship consortium comprising six of TfL's engineering and project management consultancies. During National Apprenticeship Week (7 – 11 February), TfL's procurement team coordinated five high profile events, to raise the profile of apprenticeships across a range of industries.

9.3 Managing the workforce

New Surface MD Appointed

It was announced on 23 February that Leon Daniels would be the new Managing Director of Surface Transport. Leon joins TfL from FirstGroup plc, where he is currently Customer Service and Communications Director, UK Bus. He will take up the post in late April and succeeds David Brown, who has left TfL to join The Go-Ahead Group plc to become their Group Chief Executive.

Tubelines Management

Jon Lamonte has joined TfL as the designate Chief Executive of Tube Lines, and will be taking over from Andie Harper at the end of April. Jon joins TfL from the RAF where he has fulfilled a number of senior roles and led major project delivery. I am sure that the Board will join me in wishing Andie the best of luck, and thanking him for leading Tube Lines through a challenging period of transition.

10 OTHER

London Transport Awards

TfL has been shortlisted for a number of the 2011 London Transport Awards:

- (a) London Underground, DLR (Serco) and London Overground (LOROL) have been shortlisted for Public Transport Operator of the Year;
- (b) The Barclays Cycle Superhighways has been shortlisted under the 'Achievements in Cycling' category;
- (c) The East London line, DLR 3-car project, the Pedestrian Countdown at Traffic Signals and the Barclays Cycle Hire scheme were all shortlisted under the 'Most Innovative Transport Project';
- (d) King's Cross St. Pancras redevelopment and South Quay (DLR) have been shortlisted for Rail Station of the Year category;
- (e) The oneroadnetwork.org website has been nominated under 'Excellence in Technology and Innovation';
- (f) Cycle Hire, Surface Transport and Traffic Operations Centre Partnership between TfL and the Metropolitan Police Service, and TfL's relationship with its Highways Maintenance Works Contractors, under 'Transport Team/Partnership of the Year';
- (g) Glynn Barton, Chief Engineer in Network Performance, Traffic Directorate, has been shortlisted for 'Young Transport Professional of the Year';
- (h) Two of London Underground's staff, Tim Pinn (Customer Service Assistant Bakerloo line) and Andy Cutting (Line Information Specialist Circle & Hammersmith and City lines) have been shortlisted in the Frontline Employee of the Year category; and
- (i) The East London line launch campaign was shortlisted for the Travel information and marketing award.

The Awards reward boroughs, companies and organisations which have made a real difference to London. Results will be announced at the event on 28 April.

TfL assumes responsibility for key Olympic transport programmes

Responsibility for the London 2012 Games Travel Demand Management, Olympic and Paralympic Route networks and Road Freight Management programmes in London have now transferred to TfL from the Olympic Delivery Authority (ODA).

This is in addition to the delivery and management of a number of key programmes for which TfL is already responsible, including the Transport Co-ordination Centre. The transfer of these programmes to TfL will further enhance the integration and operational management of all London 2012 transport, ensuring all athletes, officials and spectators can get to their events on time, while London and the UK keep moving.

TfL will continue to build on the work undertaken by the ODA, who have led the planning, design and designation of these programmes to date. TfL will also continue to work with all partners to ensure all London 2012 transport programmes are integrated and provide consistent messages to businesses, residents and freight operators, so they can plan now to get the most out of the Games.

London Bombings Inquests

The London Bombings Inquests commenced on 11 October 2010, and have been led by the Coroner, Lady Justice Hallett. The Inquests are due to conclude by the end of March, following five months of considering a large amount of evidence and testimony, including from TfL. This has been a long-awaited and crucial step for all those involved, particularly for the relatives of those who were killed. The Coroner has heard evidence from survivors, first responders, and emergency services for each of the four locations. Some 300 witnesses have been called and over 200 statements read to the Inquest.

TfL has submitted significant evidence over the course of the hearing and has done everything possible to assist the process. TfL was asked by the Coroner specifically to provide evidence on:

- (a) London Underground's communications systems, including Connect, communications with passengers and emergency services and Airwave interoperability;
- (b) Identification and location of trains and notification of traction current status;
- (c) Lighting equipment, medical supplies and first aid training;
- (d) Contribution to the London Emergency Service Liaison Plan, major incident training and deployment of the emergency response unit; and
- (e) The decision to close/curtail the bus network.

Evidence on command and control for London Underground was given by Howard Collins, Chief Operating Officer, Andy Barr (Gold control) Network Co-ordination Manager and Geoff Dunmore, Operational Security Manager. For Surface Transport evidence was given by Alan Dell, Network Liaison Manager who was initially Gold control and witness statement evidence was also provided from Mike Weston, Operations Director. Evidence on command and control has also been given by the Metropolitan, British Transport and City of London police forces, London Fire Brigade and London Ambulance Services. There has been evidence about the backgrounds of the bombers and from the Secret Services on the issue of preventability.

TfL has implemented many improvements to working practices since the events of 7/7 in response to lessons learnt from those events, and also as part of its general programme of operational improvement and capital investment. It is likely that the Coroner will make recommendations to TfL and other interested parties, on further actions which the Coroner considers should be taken. These recommendations are expected by the end of March or early April. A full report will be provided to the Board in respect of these findings and the implications for TfL.

TfL and LU employees responded to the unfolding events of 7/7 in a calm and professional manner, acting swiftly in line with emergency procedures. All employees went above and beyond the call of duty on that day, and in the days and weeks that followed, to assist customers and restore Tube and bus services to London as soon as possible. TfL continues to offer support to all employees affected by the incident including those who gave evidence to the Inquest.

Ian Brown recognition

On 28 February a new Overground 378 train was named in honour of former Managing Director, Ian Brown. Following Ian's retirement from London Rail, the plaque shows TfL's appreciation for Ian's significant contribution to TfL and the rail industry.



Peter Hendy
Commissioner
Transport for London
March 2011