

Transport for London

Projects and Planning Panel

Subject: Project Monitoring – Project Approvals

Date: 27 November 2012

1 Purpose

- 1.1 To present to the Panel the forward approval programme for projects with a value in excess of £5m, from November 2012 to August 2013 and to inform the Panel of Project Authority given by the Commissioner and the Managing Director (MD) Finance in accordance with delegated authority under TfL's Standing Orders.

2 Project Approvals

Background

- 2.1 The Commissioner (and in his absence, the MD Finance) has delegated authority to approve Project Authority on projects up to a value of £50m that contain less than £25m of unbudgeted expenditure.
- 2.2 The MD Finance approves Project Authority for projects under £25m that contain less than £10m of unbudgeted expenditure. Approval of authority for projects of less than £5m that contain less than £2m of unbudgeted expenditure is delegated to Chief Officers and not reported here.
- 2.3 The governance arrangements put in place following the acquisition of Tube Lines (Holdings) Limited require that the Project Authority on projects over £5m and up to £50m is granted by the Tube Lines (Holdings) Limited Board.

Forward Approval Programme

- 2.4 To enable an appropriate level of governance, processes are in place for the authorisation, control and reporting of projects. The forward approval programme for November 2012 to August 2013, for projects with a value in excess of £5m, is set out in Appendix 1.
- 2.5 Where the projects have a value in excess of £50m and have not already received full approval from the Finance and Policy Committee, these requests will be submitted to the Finance and Policy Committee for consideration. The approval of projects with an estimated final cost below £50m will be reported to subsequent meetings of the Projects and Planning Panel.

Project Approvals by the Tube Lines (Holdings) Limited Board

- 2.6 No Project Authorities have been approved since the meeting of the Tube Lines (Holdings) Limited Board on 5 January 2012.

Project Approvals by the Commissioner

- 2.7 Since the meeting of the Projects and Planning Panel on 3 October 2012, the Commissioner has approved Project Authority on one project. Further details of this project are set out in Appendix 2.

Project Approvals by the MD Finance

- 2.8 Since the meeting of the Projects and Planning Panel on 3 October 2012, the MD Finance has approved Project Authority on six projects. Further details of these projects are set out in Appendix 3.

3 Recommendation

- 3.1 The Panel is asked to NOTE the paper.

4 Contact

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Forward Approval Programme – November 2012 to August 2013

To enable an appropriate level of governance, processes are in place for the authorisation, control and reporting of projects.

Projects with a total value greater than £2m (unbudgeted) or £5m (budgeted) require authorisation by the MD Finance. The Corporate Gateway Approval Process (CGAP) sets the requirements for the review of these projects prior to approval.

Each gate applies 'challenges' to the project to assess whether it is in a suitable state to move through the gate. The Gate Review provides assurance that a project or programme is:

- deliverable – it is likely to deliver the expected benefits within the declared cost/time/performance envelope;
- affordable – the level of expenditure and financial risk involved is acceptable in light of TfL's overall financial position when set against other priorities; and
- value for money – it provides the optimum combination of whole-life cost and quality (or fitness for purpose) to meet users' requirements.

Corporate Gates normally apply to a project at the following stages of their project lifecycles:

- Gate A – Project commencement (compulsory gate);
- Gate B – Single option selection*;
- Gate C – Pre-tender;
- Gate D – Contract award*;
- Gate E – Project close (compulsory gate); and
- Gate P – Programme review for annualised programmes of minor schemes.

All figures shown in the following tables are in accordance with the approved TfL Business Plan unless otherwise indicated.

* If there is more than two years between gates, projects will be reviewed again at an interim point, e.g. Gate B+ or Gate D+.

Projects to be submitted to the TfL Board over £100M

Project Title	Current Project Authority £m	Expected Cumulative Authority Sought £m	Estimated Final Cost £m	CGAP Gate	Proposed Board Date
Rail and Underground					
London Overground Capacity Improvement Programme	0.0	TBC	250.0	A/B	Feb-13
Deep Tube Programme	23.0	TBC	7,602.0	B	Jun-13
Bank Station Upgrade	13.6	TBC	610.0	C	Nov-13
Surface					
London Road User Charging (LRUC) Contract Re-let	0.0	TBC	100.0	A/B	Feb-13
New Bus for London	0.0	TBC	TBC	TBC	TBC
Tunnels and Structures Programme	5.5	TBC	200.0	A+	TBC
Corporate					
Crossrail 2	0.0	TBC	TBC	A	Feb-13
Northern Line Extension	2.4	TBC	TBC	A+/B	Feb-13
Woolwich Ferry Replacement	0.0	TBC	150.0	B	Jun-13
Silvertown River Crossing	0.0	TBC	600.0	B	Jun-13

Notes

TBC: The amount to be approved at the gate will be confirmed closer to the approval date.

Projects to be submitted to the Finance and Policy Committee (FPC) between £50M and £100M

Project Title	Current Project Authority £m	Expected Cumulative Authority Sought £m	Estimated Final Cost £m	CGAP Gate	Proposed FPC Date
Rail and Underground					
SUP – Neasden Heavy Maintenance Facilities	2.5	TBC	52.0	B	Mar-13
Surface					
Better Junctions Programme	0.0	TBC	50.0 – 100.0	A	Mar-13
Corporate					
Future Ticketing Phase 2	TBC	TBC	TBC	A	Mar-13
Future ticketing phases 3,4 and 5	66.0	TBC	TBC	B	Mar-13

Notes

TBC: The amount to be approved at the gate will be confirmed closer to the approval date.

Projects to be approved by the Commissioner between £25M and £50M

Project Title	Current Project Authority £m	Expected Cumulative Authority Sought £m	Estimated Final Cost £m	CGAP Gate	Proposed Approval Date
Rail and Underground					
Baker St to Bond St Tunnel	TBC	TBC	TBC	D	Dec-12
SSR Major Power Works Package 3b	49.9	N/A	49.9	D	Jan-13
Vauxhall Station Capacity and SFA	0.8	TBC	43.0	D	Mar-13
Track Plant Programme	0.0	TBC	49.3	B	May-13
SSR Major Power Works (Signalling) (Package 2)	48.0	N/A	48.0	D	Jun-13
Surface Transport					
TLRN Capital Renewals 2013/14 Programme	0.0	TBC	TBC	P	Feb-13

Notes

TBC: The amount to be approved at the gate will be confirmed closer to the approval date.

N/A: Not Applicable, as no further authority is to be sought.

Projects to be approved by the MD Finance under £25M

Project Title	Current Project Authority £m	Expected Cumulative Authority Sought £m	Estimated Final Cost £m	CGAP Gate	Proposed Approval Date
Rail and Underground					
SSR 750V Conversion Phase 2	0	TBC	TBC	C/D	Nov-12
Finsbury Park step-free access and capacity	0	TBC	12.8	B	Nov-12
SSR Major Power Works Package 7 (b)	20.6	N/A	20.6	C	Nov-12
SUP – Piccadilly line signalling	0.0	8.5	8.5	A-D	Dec-12
SUP – Neasden Maintenance Enhancement works	2.9	12.0	12.0	B	Dec-12
Embankment Station - Refurbishment	0	TBC	10.6	B	Dec-12
Power Sourcing	0	TBC	7.0	B	Jan-13
Power Supervisory Control and Data Acquisition	0.2	TBC	24.8	B	Jan-13
SSR Major Power Works Package 7 (a and c)	20.6	N/A	20.6	D	May-13

Project Title	Current Project Authority £m	Expected Cumulative Authority Sought £m	Estimated Final Cost £m	CGAP Gate	Proposed Approval Date
Surface Transport					
Energy Efficient Lighting	0.1	0.4	7.3	C	Dec-12
Euston Circus	0.4	5.4	5.4	D	Feb-13
TLRN Signal Modernisation 2013/14 Programme	0.0	TBC	TBC	P	Feb-13
TLRN Capital Development 2013/14 Programme	0.0	TBC	TBC	P	Feb-13
Borough Traffic Signals 2013/14 Programme	0.0	TBC	TBC	P	Feb-13
21 st Century Traffic Signal Communications	2.4	TBC	15.6	C	May-13
Corporate					
Ticketing Gateline – Logical Control Panel Installation	0.0	TBC	TBC	A-D	Jan-13
Service Stabilisation High Value	8.0	N/A	20.0	P	Mar-13

Notes

TBC: The amount to be approved at the gate will be confirmed closer to the approval date.

N/A: Not Applicable, as no further authority is to be sought.

Interim Gate (C/D+/P) Project reviews to be submitted to the PPP

Project Title	Current Project Authority £m	Expected Cumulative Authority Sought £m	Estimated Final Cost £m	CGAP Gate	Proposed Submission Date
Rail and Underground					
Bank Station Bloomberg	54.3	TBC	54.3	C	Jan-13
SUP-S8 Infrastructure	TBC	N/A	TBC	D+	Jan-13
Bond Street Station Upgrade	293.4	N/A	285.2	D+	Jan-13
SUP-Rolling Stock*	1,837.0	N/A	1,828.0	D+	Jan-13
Tottenham Court Road Station Upgrade	538	538	482	D+	Jan-13
SUP-ATC*	981.7	N/A	981.7	D+	May-13
SUP S7 Infrastructure					May-13
Paddington Station Upgrade	62.9	N/A	62.9	D+	May-13
Track BCV/SSR programme 2012/13	124.1	N/A	124.1	P	May-13
Victoria Station Upgrade	661.2	N/A	598.5	D+	May-13
Bond Street Station Upgrade	293.4	N/A	285.2	D+	May-13
Surface Transport					
Cycle Superhighways 10	105.6	TBC	105.6	D+	Feb-13

Project Title	Current Project Authority £m	Expected Cumulative Authority Sought £m	Estimated Final Cost £m	CGAP Gate	Proposed Submission Date
Routes					
Corporate					
Future ticketing phase 2	72.7	N/A	72.7	D+	May-13
Tube Lines					
Track Programme	326.1	N/A	N/A	P	Oct-13
Civil Programme	121.4	N/A	N/A	P	Oct-13
Lifts & Escalators Programme	171.8	N/A	N/A	P	Oct-13
Northern Line Upgrade	395.0	N/A	N/A	D+	Oct-13

Notes

* Subject to coordination with IIPAG interim review programme.

N/A: Not Applicable, as no further authority is to be sought.

Gate E Project Close reviews to be submitted to the PPP over £100M

Project Title	Current Project Authority (£m)	Estimated Final Cost (£m)	Proposed Submission Date
Rail and Underground			
Connect Enabling	260.0	260.0	TBC
East London Line Extension Phase 1 & 1a	1,044.3	1,018.9	May-13
Stratford International DLR Extension	188.9	180.5	May-13
Major Power Works (Victoria Line Upgrade)	142.8	141.7	Mar-13
East London Line Extension Phase 2	75.0	75.0	Mar-13
Victoria Line Upgrade	1029.0	1029.0	May-13
SUP-S8 Infrastructure	»	»	Oct-13
North London Railway Infrastructure Project	252.0	252.0	TBC
Tube Lines			
Jubilee Line Upgrade	»	»	Mar-13

Notes

» Costs are excluded for reasons of commercial confidentiality.

Gate E Project Close reviews to be approved by the MD Finance

Project Title	Current Project Authority (£m)	Estimated Final Cost (£m)	Proposed Approval Date
Rail and Underground			
DLR 3 Car New Vehicles	43.8	43.8	Feb-13
Cooling the Tube – Victoria Line Mid Tunnel Vents		90.0	Jan-13
Interlocking Machine Room (IMR) Wire Degradation	13.5	13.5	Dec-12
Green Park Station Upgrade	80.8	47.9	Dec-12
Beckton Depot Offices	21.2	21.2	Dec-12
Earl's Court Lifts 3 and 4 Replacement	5.0	5.0	Dec-12
Centralised Train Following System		8.0	Dec-12
92TS Bogie Replacement and Gearbox Repair	64.7	64.7	Jan-13
Cable Car	62.6	62.6	Jan-13
Paddington Station Upgrade	62.9	62.9	Apr-13
Silverlink Stations Upgrade	28.4	27.4	Jun-13
Surface Transport			
Dial-a-Ride Renewal	10.0	10.0	Nov-12
Transport Coordination Centre	5.8	5.8	Nov-12
Countdown II Project	26.0	26.0	Dec-12
Hydrogen Transport Programme	19.7	19.7	Dec-12
A406 Bounds Green	52.7	52.7	Feb-13
New Bus for London	11.1	11.1	Feb-13
ORN Junctions and Carriageways	47.7	47.7	Apr-13
Corporate			
Future ticketing phase 1	72.7	72.7	Jun-13

Summary of projects approved by the Commissioner

LU-IP03014 Bridges and Structures and Deep Tube Tunnels Programme to September 2014			
Financial Authority in Business Plan	Previous Project Authority Granted	Total Project Authority Granted	Estimated Final Cost
£26,711k	Nil	£26,711k	£26,711k
Authority Approval	Project Authority of £26,711k was approved following a Corporate Gate P review to enable the programme to continue with the Civils (Bridges and Structures and Deep Tube Tunnels) Programme.		
Outputs and Schedule	<p>The objective of the Bridges and Structures Programme is to strengthen and/or upgrade a large portfolio of sub-standard assets through strengthening of structural elements and heavy maintenance activities.</p> <p>The programme scope covers all activities, from feasibility and design through to construction and hand over.</p> <p>Opportunities associated with the Station Improvement Programme are regularly reviewed and bridge D112A at Embankment Station is an example where the enabling works are to be carried out during the proposed closure of the Northern and Bakerloo sections of this station.</p> <p>The waterproofing works at Paddington are to be performed in conjunction with the station works. On Civils behalf, the Track Partnership will be carrying out structural waterproofing of bridge decks during their Ballasted Track Replacements.</p> <p>The replacement of bridge decks to remove longitudinal timbers has been programmed to make the most of the residual life of the timbers and timings of possessions.</p> <p>The programme includes the completion of the Bridges and Structures assessments, which will inform the future workbank and re-assessments, which will in turn identify where upgrading works are not required.</p> <p>This authority allows the programme to deliver works through to the end of September 2014.</p>		

Summary of projects approved by the MD Finance

UIP2167 Bank Station Systems Integration & Upgrade (SSIU) Project			
Financial Authority in Business Plan	Previous Project Authority Granted	Total Project Authority Granted	Estimated Final Cost
£15,359k	£200k	£15,359k	£15,359k
Authority Approval	Project Authority of £15,359k was granted to progress further design development and implementation of the Station Operations Room (SOR), asset renewal of life expired CCTV and delivery of an increased number of Passenger Help Points (PHPs).		
Outputs and Schedule	<p>There is a growing need to upgrade the existing antiquated SOR, PHPs and CCTV across the station complex as they are becoming beyond economical repair. The main items of scope for this project are:</p> <ol style="list-style-type: none"> 1 Provision of a compliant and fit for purpose Category B1 SOR. 2 A Station Management System with as few user interfaces for independent sub-systems as possible. 3 Replacement of the existing station communications assets for CCTV and PHPs in conjunction with the installation of new PHPs throughout the Bank-Monument station complex. 4 Integration of the existing DLR traffic control room into the LU operational facilities and existing systems. 5 Decommission of the Existing DLR Traffic Control Room in preparation for the Bank Station Capacity Upgrade Project. 6 Compliant and fit for purpose back of house welfare facilities 7 Upgrade of any obsolete and life expired Voice Transfer Units within the ticket office, Door Entry Systems within the station and Intruder Gate Alarm Systems. <p>The next stage for the project is to develop a concept for the multidisciplinary design of the new CCTV, PHPs, Operations Room and Station Control systems. The contract for this design work is currently out to tender with completion due in March 2013. Following concept design, the main Design and Build contract will be awarded in July 2013, with completion due in July 2015.</p> <p>The new facility will make future provision for both the Waterloo and City line entrance at Bloomberg Place (DIS 2015) and also the Bank Station Capacity Upgrade project (DIS 2021).</p>		

UIP2052 Enhanced Ticketing Functionality Phase 3			
Financial Authority in Business Plan £7,476k	Previous Project Authority Granted £1,938k	Total Project Authority Granted £7,476k	Estimated Final Cost £7,476k
Authority Approval	Project Authority of £7,476k was granted to deliver new touch screen software to all Passenger Operated Ticket Machines at Underground stations (POMs).		
Outputs and Schedule	<p>There are three outputs from the project:</p> <ol style="list-style-type: none"> 1 New screen designs across all touch screen POMs – A new design of screen across all the different types of machine to standardise the look and feel of the screen presented to the customer 2 Automatic Fare Machine (AFM) multiple vending capability – this will enable customers to purchase more than one Oyster card in a single transaction. 3 Multi Fare Machine additional Staff Functionality – Software improvements to allow staff outside the ticket office to assist customers better with the resolution of issues with tickets and Oyster Cards. <p>Work to be completed by May 2014.</p>		

BC-PJF109C Chancery Lane Station Improvement Project			
Financial Authority in Business Plan £6,644k	Previous Project Authority Granted £924k	Total Project Authority Granted £7,089k	Estimated Final Cost £7,089k
Authority Approval	Additional Project Authority of £6,165k was granted to carry out detail design, implementation and award contracts to successful bidders following a Corporate Gate D review.		
Outputs and Schedule	<p>This project forms part of the Stations Improvement Programme which is a key component in London Underground's plan to improve the reliability of the Tube. Chancery Lane is the second station project to complete the feasibility and scoping stage.</p> <p>Investigations have been completed and a comprehensive workbank has been produced. The work bank has been reviewed, preferred solutions agreed and items prioritised in line with the policy 'Maintain Fair' for minimum of ten years. The outcome of this review is the scope, which has been agreed with the key stakeholders.</p> <p>This supports the objectives of the Mayor's Transport Strategy, specifically: improving public transport reliability; reducing operating costs; bringing and maintaining all assets to a state of good repair and improving public transport customer satisfaction.</p> <p>The project is due to complete by August 2015.</p>		

Station Wi-Fi Project			
Financial Authority in Business Plan £16,494k	Previous Project Authority Granted £16,494k	Total Project Authority Granted £21,857k	Estimated Final Cost £21,857k
Authority Approval	Additional Project Authority of £5,363k was granted to complete the enabling of Wi-Fi at 120 stations by 31/06/2013 and to complete additional capacity and resilience for the core Wi-Fi network.		
Outputs and Schedule	<p>The aim of the project is to build on the successful introduction of Wi-Fi at 72 stations prior to the Games. The output from this phase of work will be to enable Wi-Fi at a further 48 stations on the network giving coverage at 120 in total. Additional works are to strengthen the capability of the overall system to provide additional signal capacity and resilience based on the usage experience to date.</p> <p>The extension of the service to customers will also enable additional staff functionality to be released across the wider area.</p> <p>Project is due to complete in June 2013.</p>		

LU-PJ815C Gunnersbury Station Refurbishment			
Financial Authority in Business Plan Nil	Previous Project Authority Granted £250k	Total Project Authority Granted £3,004k	Estimated Final Cost £3,004k
Authority Approval	The developer of land adjoining Gunnersbury Station has a Section 106 obligation to carry out station enhancement works. Additional project authority of £2,754k was granted to carry out stations works at Gunnersbury Station. The project cost will be recoverable from the developer, 95 per cent of the estimated final cost will be paid upfront by the developer and the balance will be paid at the end of the project.		
Outputs and Schedule	<p>The project will amend the existing gateline to include two additional wide aisle gates; provide an additional queue-buster ticket machine; refurbish the existing ticket hall; re-configure the ticket office to include a station control point for the station; modernise the ticket issuing facility as LU is required to sell National Rail tickets; deliver improvements to station staff facilities; undertake improvements to the existing station staircase; and de-clutter the platforms of signage.</p> <p>The station improvements must be in beneficial use by June 2013 to enable the developer to let the building.</p> <p>The project is due to complete in June 2014.</p>		

LU-PJ209C Cannon Street Development			
Financial Authority in Business Plan £4,868k	Previous Project Authority Granted £4,913k	Total Project Authority Granted £5,320k	Estimated Final Cost £5,320k
Authority Approval	Additional Project Authority of £407k was granted for additional works that the developer requested LU to undertake on its behalf. £5,004k has been recovered to date and the additional cost will be recovered from the developer.		
Outputs and Schedule	<p>The developer-led works at Cannon St are almost complete, providing customers with a double height entrance, expanded ticket hall and new finishes. Permanent signage, CBS Outdoor advertisement panel installation, bringing into use of the National Rail interchange and lifts are still outstanding.</p> <p>LU works that have been completed include gateline and Passenger Operated Ticket Machines installation, IM works, power supply and partial replacement of the fire system.</p> <p>The overall completion and LU takeover of the works is anticipated to be no later than 31 December 2012.</p>		