

Agenda

Meeting: Board

Date: Wednesday 3 February 2021

Time: 10.00am

Place: Teams Virtual Meeting

Members

Sadiq Khan (Chair)

Heidi Alexander (Deputy Chair)

Cllr Julian Bell

Kay Carberry CBE

Prof Greg Clark CBE

Bronwen Handyside

Ron Kalifa OBE

Dr Alice Maynard CBE

Anne McMeel

Dr Mee Ling Ng OBE

Dr Nelson Ogunshakin OBE

Mark Phillips

Dr Nina Skorupska CBE

Dr Lynn Sloman

Ben Story

Government Special Representatives

Andrew Gilligan

Clare Moriarty DCB

Copies of the papers and any attachments are available on [tfl.gov.uk How We Are Governed](https://tfl.gov.uk/How-We-Are-Governed).

To maintain social distancing in the current circumstances, the meeting will be held by videoconference or teleconference. The meeting remains open to the public, except for where exempt information is being discussed as noted on the agenda, as it will be webcast live on the [GLA website Mayoral Webcast page](https://www.london.gov.uk/sites/default/files/Openness-in-Meetings.pdf).

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Further Information

If you have questions, would like further information about the meeting or require special facilities please contact: Shamus Kenny, Head of Secretariat; telephone: 020 7983 4913; email: ShamusKenny@tfl.gov.uk.

For media enquiries please contact the TfL Press Office; telephone: 0343 222 4141; email: PressOffice@tfl.gov.uk

Howard Carter, General Counsel
Tuesday 26 January 2021

**Agenda
Board
Wednesday 3 February 2021**

1 Apologies for Absence and Chair's Announcements

2 Declarations of Interests

General Counsel

Members are reminded that any interests in a matter under discussion must be declared at the start of the meeting, or at the commencement of the item of business.

Members must not take part in any discussion or decision on such a matter and, depending on the nature of the interest, may be asked to leave the room during the discussion.

3 Minutes of the Meeting of the Board held on 9 December 2020 (Pages 1 - 16)

General Counsel

The Board is asked to approve the minutes of the meeting of the Board held on 9 December 2020 and authorise the Chair to sign them.

4 Matters Arising, Actions List and Use of Delegated Authority (Pages 17 - 24)

General Counsel

The Board is asked to note the paper and the use of Chair's Action.

5 Commissioner's Report (Pages 25 - 68)

Commissioner

The Board is asked to note the Commissioner's Report, which provides an overview of major issues and developments since the report to the meeting on 9 December 2020 and updates Members on significant projects and initiatives.

6 Elizabeth Line Operational Readiness and Crossrail Update (Pages 69 - 72)

Managing Director London Underground and TfL Engineering and Chief Executive, Crossrail

The Board is asked to note the paper.

7 Finance Report (Pages 73 - 104)

Chief Finance Officer

The Board is asked to note the Finance Report.

8 Report of the meeting of the Programmes and Investment Committee held on 11 December 2020 (Pages 105 - 112)

Committee Chair, Prof. Greg Clark CBE

The Board is asked to note the report.

9 Report of the meeting of the Elizabeth Line Committee held on 29 January 2021 (Pages 113 - 116)

Committee Chair, Heidi Alexander

The Board is asked to note the report.

10 Any Other Business the Chair Considers Urgent

The Chair will state the reason for urgency of any item taken.

11 Date of Next Meeting

Tuesday 16 March 2021 at 10.00am

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Transport for London

Minutes of the Meeting

Teams Virtual Meeting

10.00am, Wednesday 9 December 2020

Members

Sadiq Khan	(Chair, present to Minute 69/12/20 inclusive and in the Chair from Minute 68/12/20 to Minute 69/12/20 inclusive)
Heidi Alexander	(Deputy Chair, in the Chair from Minutes 63/12/20 to 67/12/20 and Minutes 70/12/20 to 82/12/20 inclusive)
Cllr Julian Bell	
Kay Carberry CBE	
Prof. Greg Clark CBE	
Bronwen Handyside	
Ron Kalifa OBE	
Anne McMeel	
Dr Mee Ling Ng OBE	
Dr Nelson Ogunshakin OBE	(present to Minute 72/12/20 inclusive)
Mark Phillips	
Dr Nina Skorupska CBE	
Dr Lynn Sloman	(present to Minute 73/12/20 inclusive)
Ben Story	

Government Special Representatives

Andrew Gilligan

Executive Committee

Andy Byford	Commissioner
Howard Carter	General Counsel
Michèle Dix CBE	Managing Director, Crossrail 2
Vernon Everitt	Managing Director, Customers, Communication and Technology
Stuart Harvey	Director of Major Projects
Simon Kilonback	Chief Finance Officer
Andy Lord	Managing Director, London Underground and TfL Engineering
Lilli Matson	Chief Safety, Health and Environment Officer
Gareth Powell	Managing Director, Surface Transport
Shashi Verma	Chief Technology Officer and Director of Customer Experience
Alex Williams	Director of City Planning
Mark Wild	CEO, Crossrail Limited
Tricia Wright	Chief People Officer

Staff

Andrea Clarke	Director of Legal
Patrick Doig	Divisional Finance and Procurement Director
Sarah Gasson	Chief of Staff to Commissioner
Jackie Gavigan	Secretariat Manager
Joanna Hawkes	Corporate Finance and Strategy Director
Shamus Kenny	Head of Secretariat
Tony King	Group Finance Director and Statutory Chief Finance Officer
Rachel McLean	Chief Finance Officer Crossrail and Finance Director London Underground
Clive Walker	Director of Risk and Assurance

63/12/20 Apologies for Absence and Chair's Announcements

Although most of the meeting met the requirement to be contemporaneously broadcast, technical issues with the internet connection in the City Hall building meant there were some interruptions to the broadcast for the public and press at the start of the meeting. As a result, it was agreed that all decisions would be taken by Chair's Action. To ensure full transparency, the Teams recording of the meeting would be uploaded to the Mayoral Webcast page and additionally to TfL's YouTube channel as soon as possible on the day of the meeting. The internet connection issue also meant that attendance by the Chair was initially interrupted so the start of the meeting was chaired by the Deputy Chair up to and including the Commissioner's Report, when it was clear that the connections had been stable. The Deputy Chair resumed the role of chairing the meeting from the Annual Travel in London Report, when the Chair had to leave for another engagement.

Apologies for absence had been received from Dr Alice Maynard CBE and from the Government Special Representative, Clare Moriarty DCB. Dr Nelson Ogunshakin OBE had indicated that he would be absent for part of the meeting. Sadiq Khan and Dr Lynn Sloman both indicated that they would need to leave for other engagements after 1.00pm. All other Members were present. The Deputy Chair, on behalf of the Board and the Executive, wished Dr Alice Maynard CBE a speedy recovery.

The Deputy Chair welcomed everyone to the meeting. The Chair had accepted the Finance Report: Budget Submission and Capital Strategy, published on 7 December 2020, as a late item as information pertinent to the paper was not available when the Board papers were published on 1 December 2020.

On 31 October 2020, TfL agreed a funding settlement with the Government up to 31 March 2021. This was another short-term agreement and less than required to cover the costs of the coronavirus pandemic, which meant TfL had to find additional savings, beyond those it had already committed to. It had, however, made progress on the steps to agreeing a long-term funding settlement.

On 30 November 2020, TfL also agreed a funding and financing agreement for the remainder of the Crossrail project, that would enable it to press ahead with getting the central section of the Elizabeth line open as soon as possible. The Government had insisted that London pay the shortfall, despite the overwhelming majority of the tax income that would result from Crossrail going to the Treasury. This was another example of London supporting the country way above the help that it received from Government.

Since the last meeting of the Board, there had been two important anniversaries.

On 9 November 2020, TfL marked the fourth anniversary of the tragic tram overturning at Sandilands, where seven people lost their lives and a further 62 people were injured. Due to the national lockdown, a memorial service was not held but flowers were laid at the site by staff in memory of the victims. The inquests had been adjourned to 17 May 2021, due to the national coronavirus restrictions. The victims and all others affected by this incident remained in the thoughts of the Board and everyone at TfL, which continued to offer support to those people directly affected as well as the wider community.

The Commissioner's Report provided further information and an update on the significant progress made on the 15 recommendations from the Rail Accident Investigation Branch report in 2017. The Physical Prevention of Over-speeding system went live on all trams on 16 November 2020; this was an important milestone as it meant that, to all intents and

purposes, all recommendations were complete with only some remaining functionality to complete on the Sandilands Tunnel lighting.

On 29 November 2020, TfL also marked the first anniversary of the London Bridge attack in which Jack Merritt and Saskia Jones were killed. The Board and staff's sympathies remained with everyone affected.

TfL's Staff Network Group for Disability led TfL's celebration of the International Day of People with Disabilities, on 3 December 2020. The theme, 'Not all Disabilities are Visible', raised awareness and understanding of disabilities that were not immediately apparent. The Commissioner's Report provided a summary of the activities on the day. TfL had previously pioneered the use of "Please offer me a seat" badges to support those with hidden and seen disabilities and staff also looked out for people that wore the sunflower lanyard.

The Board noted the forthcoming departure of three key staff and thanked them for their contribution to TfL. Brian Woodhead, Director of Customer Service, London Underground, would retire in early 2021. Claire Mann, Director of Bus Operations, would leave in March 2021 to take up the role of Managing Director of South Western Railway. Clive Walker, Director of Risk and Assurance, would retire in March 2021; Members on the Audit and Assurance Committee would be engaged in the process to recruit his successor as the appointment was a matter reserved to the Board.

The Deputy Chair invited Members to raise any issue of safety or security at the Board meeting, either under a specific agenda item or with the appropriate member of the Executive Committee after the meeting.

64/12/20 Declarations of Interests

Howard Carter noted that Board Members' individual register of interests were published on the TfL website and were up to date.

Since the last meeting of the Board, Ron Kalifa OBE had been appointed as a Non-Executive Director to the England and Wales Cricket Board and Mark Phillips had stood down as a member of the British Transport Police Authority, where he had also been the Deputy Chair, on 6 November 2020.

It was noted that, under the Finance Report: Budget Submission and Capital Strategy item, Cllr Julian Bell would be required to leave the meeting for any specific discussion on Borough funding, as he was a member of London Councils; and Prof. Greg Clark CBE would be required to leave for any discussions on banking arrangements or contracts in which HSBC had an interest, due to his role with the bank.

There were no other interests to declare that related specifically to items on the agenda.

65/12/20 Minutes of the Meeting of the Board held on 21 October 2020

Following consultation with the Board, the Deputy Chair approved the minutes of the meeting held on 21 October 2020 as a correct record. The minutes would be provided to the Chair for signature at a future date.

66/12/20 Matters Arising, Actions List and Use of Delegated Authority

Howard Carter introduced the paper. There had been two uses of Chair's Action since the last meeting, to approve the funding agreements with Government in relation to TfL, on 31 October 2020, and Crossrail, on 30 November 2020.

Members noted the progress against the actions from previous meetings, set out in Appendix 1 to the paper.

Since the last meeting, there had been no exercise of delegated authority that required reporting. There had been one Mayoral Direction to TfL, requiring it to provide financial support to the Seven Sisters Market traders until they could move to a new temporary site in 2021, as the TfL building that housed the market could no longer be used.

The Board noted the paper, the use of Chair's Action and the Mayoral Direction received since the last meeting.

67/12/20 Commissioner's Report

Andy Byford introduced the report, which provided a review of the major issues and developments since the last meeting, and updated Members on significant projects and initiatives.

The key issues arising from the overview and discussion were:

- 1 TfL was continuing to carefully manage the impacts of the coronavirus pandemic in order to keep colleagues and customers safe. London had emerged from lockdown into Tier 2 and there had been a subsequent and expected rise in Tube and bus ridership, and in road use and traffic, which TfL was operationally well-prepared for.
- 2 Since the last meeting, four more colleagues had sadly passed away due to coronavirus, bringing the total number of colleagues who had died during the pandemic to 49, including 32 bus drivers. TfL continued to do everything it could to support and look after the families of those who had died, and the Employee Assistance Programme was available to all employees and their dependents, offering bereavement support.
- 3 The final report of the University College of London bus driver death review would be published in early 2021. The bus driver survey results were being analysed and the report would include non-occupational risk exposure. Gareth Powell confirmed that all buses had fully sealed driver compartments and the highest level of cleaning. Representations were being made to Government to vaccinate bus drivers as essential service providers.
- 4 Random testing of touch points and air quality across the network continued with Imperial College London, which provided positive assurance that no traces of the virus had been detected for the third month in a row. Andy Byford thanked colleagues at ABM UK, including frontline operators and cleaners, and technical staff for innovation in the device that treated escalator handrails with ultra-violet light during every rotation to kill the virus.

- 5 Between 4 July and 8 December 2020, 125,000 travellers had been stopped by TfL enforcement officers to ensure the wearing of face coverings and safer travel on the network. Most of those stopped had complied, although 9,000 had been prevented from boarding, over 2,000 had been ejected from the service and over 1,500 fixed penalty notices were issued.
- 6 Andy Lord confirmed that a recent attack on and theft from two construction workers involved two colleagues carrying out road engineering preparations. The incident was being taken very seriously by TfL and was being followed up by the Metropolitan Police.
- 7 Andy Byford thanked Mark Davis, General Manager for London Trams, who had overseen the installation of the Physical Prevention of Over-speeding system, which was the first of its kind on any UK tram network. The device would intervene if a tram was over-speeding and would lead to tangible safety improvements. TfL was part of a UK wide group that would disseminate the shared learnings with the rest of the country.
- 8 TfL continued to keep the safety performance of all of its transport modes under close scrutiny and incidents were fully and exhaustively investigated. Andy Byford noted that TfL had been notified by the tram operator of a number of incidents in recent months. While none of these resulted in harm to customers or staff, such incidents were seen as precursors and TfL was therefore following up with the operator and regulator to understand the reasons for each incident and to ensure that corrective mitigative action had been taken.
- 9 On road safety, Lilli Matson confirmed that TfL was engaging with powered two-wheeler riders due to an increase in serious and fatal collisions among this group. Further research and an action plan for improving motorcycle safety was also underway. Great progress had been made on junction safety improvements and further rollout of schemes would be part of the Investment Programme in the Financial Sustainability Plan.
- 10 On the recent TfL funding settlement with Government, Andy Byford thanked Simon Kilonback and his Finance team and Department for Transport colleagues on achieving the deal, which was a big step forward. He also thanked Greater London Authority colleagues for providing an innovative solution to closing the gap in the additional deal reached with Government on Crossrail funding. Both deals had involved gruelling negotiations and he was proud of the Legal and Finance teams for securing the agreements. Work would continue to secure a longer-term, acceptable and sustainable financial settlement for TfL.
- 11 The recently completed annual staff Viewpoint survey provided a temperature check of the pervading culture and morale of staff, showed year on year changes and gave granular insight into areas of dissatisfaction where work was required. The level of engagement had jumped by a statistically significant five percentage points, with a 64 per cent response rate. All other indices had gone up, including in the areas of change, leadership, wellbeing and inclusion. The key results and trends would be brought back to the next meeting of the Safety, Sustainability and Human Resources Panel. An informal briefing session for Members would also be arranged for January 2021. **[Action: Tricia Wright]**

- 12 TfL was proud to celebrate the International Day of People with Disabilities on 3 December 2020 and to support the Staff Network Group for Disability event on the day. Andy Byford had also recently met with the Independent Disability Advisory Group to discuss accessibility and disability issues.
- 13 Projects were continuing at pace; the Northern Line Extension would run its first passenger test train over Christmas and the Bank Station Upgrade was into its fitout work stage. TfL had identified £4m to contribute to the Hammersmith Bridge repairs and a procurement process would confirm a successful bidder by February 2021 for the provision of a temporary ferry link at the crossing. Bus routes had also increased the frequency of service in the area.
- 14 Progress on various environmental and Streetspace programmes continued. Operators had been invited to take part in a trial of e-scooters and TfL was working with the Rail Delivery Group to control user access to stations. TfL was on track to meet its target of 300 rapid charging points for electric vehicles by the end of the year, with 276 in place so far. TfL also remained on course to raise the core of its 9,000 bus fleet to meet the zero engine emission standard by the end of 2020.
- 15 Gareth Powell confirmed that the Santander cycle scheme was very well-utilised and had record usage for the time of year. There were plans to expand the scheme, including increased availability by new cycle lanes, and to look at new technology such as e-bikes. TfL had reviewed the positive data for the Kensington High Street cycle lanes and had written to the Royal Borough of Kensington and Chelsea asking for its rationale in removing the facility.
- 16 Andy Lord confirmed that the Central line was the busiest line during the pandemic and that the Waterloo and City line, which was suspended due to decreased ridership, would not reopen before April 2021. On New Year's Eve plans, the last trains in central London would not have extended hours and this would be clearly communicated to stakeholders and the public.
- 17 Shashi Verma confirmed that the 4G network had gone live and was working successfully on the Jubilee line and would be rolled out further to additional lines. The broader telecommunications commercialisation procurement, while delayed by the pandemic, was ongoing and in the process of being finalised.
- 18 The Chair thanked Members for their contributions, expertise and advice, which had been crucial to the funding negotiations, safety issues and planning decisions during the pandemic.

The Board noted the Commissioner's Report.

68/12/20 Elizabeth Line Operational Readiness and Crossrail Update

Andy Byford introduced the item, which provided an update on the status of the Crossrail project and the readiness of the Infrastructure Managers (IM) for the operations and maintenance of the railway after handover from Crossrail.

The governance for the project transferred to TfL on 1 October 2020 and further finance and funding support had been agreed to complete the project. TfL was fully committed to the delivery of the Elizabeth line at the earliest opportunity. A summary report from the

inaugural meeting of the Elizabeth Line Committee was included elsewhere on the agenda which, along with the executive Elizabeth Line Delivery Group, would help drive the work forward. There were no significant issues raised by the Committee to bring to the attention of the Board.

Mark Wild provided a further update on progress. The highest standards of Covid-19 security were retained on site, with only a handful of reported infections and self-isolations. Slips, trips and falls remained the biggest safety challenge, but safety statistics remained within range.

2020 had been a challenging year but had ended strongly with the transfer of the project to TfL. Shafts and portals would be all handed over by Christmas and all stations ready to accept trial running. Paddington and Farringdon stations were physically complete with Farringdon in countdown for linking up to Underground systems. Blockade work for the tunnelling systems was finished, with track and overhead line complete. System integration dynamic testing to run a timetabled service was progressing well.

The railway was expected to open in the first half of 2022. The project would move from dynamic testing to trial running, by the end of March 2021 at the earliest, which would entail very detailed safety assurance work. Testing the immense digital systems would take between six to nine months from the start of trial running to opening the railway.

Mark Wild confirmed that the impact of the previous financial uncertainty on retaining critical resources and key people on the project had been alleviated, since the further funding agreement had concluded.

Andy Lord reported that TfL Rail continued to perform very well. There was a continued focus on train reliability. Regular meetings were held with Bombardier and Siemens on the remaining software drops required that had started to be rolled out across the fleet. Dynamic testing was a critical milestone, as it meant Rail for London took control of the signalling and the railway in and out of the central tunnel section, with performance encouraging in the first week of testing.

Network Rail was on track to complete its significant infrastructure works and step-free access stations by August 2021, except for Romford station where step-free access and power upgrades were due to be completed by October 2021. Significant platform works would start at Liverpool Street mainline station to extend the platform to accommodate the full-length trains and was due to complete by Easter 2021. All shafts and portals, except for Limmo and Stepney Green, were handed over and under the care and ownership of Rail for London, which was another critical milestone.

Simon Kilonback confirmed that opportunities for financial and other efficiencies from rolling stock not currently being used for the mileage expected in the train contract would be reviewed and brought back to the next meeting of the Board.

[Action: Simon Kilonback/Andy Lord]

On the need and capacity of hired train drivers, Andy Lord confirmed that out of approximately 400 train operators in TfL Rail, 150 drivers were required to run the current East service and another 150 on the West service. The remaining drivers were needed to undertake the dynamic testing and higher frequency of testing services, as well as undergoing further familiarisation and training.

The Board noted the paper.

69/12/20 Finance Report: Budget Submission and Capital Strategy

The Chair had agreed to the late publication of this item so that it could reflect the impact of the funding agreement for Crossrail, which was agreed the night before the agenda papers were published.

Simon Kilonback introduced the report, which considered TfL's draft Budget submission to the Greater London Authority (GLA) consolidated budget, which was open to consultation from December 2020 and would be finalised in February 2021. The submission covered an updated forecast for 2020/21 and a forward look to 2021/22 and 2022/23. It was an update and extension of the Revised Budget approved by the Board on 29 July 2020.

The Budget submission to the GLA included TfL's updated assumptions based on: the conditions set out in the Government's H2 funding agreement; and the latest cost estimates and profiles in the Operations and Investment Programme, including updated social distancing assumptions and associated impacts. Board approval of the Budget submission was sought as the basis for TfL's Budget and Business Plan for the remainder of the financial year 2020/21 and the financial years 2021/22 and 2022/23, for the purposes of TfL Standing Orders.

Simon Kilonback took Members through the presentation slides on TfL's submission to the GLA Budget, as set out in Appendix 1 to the report. The priorities of the Revised Budget, set in July 2020, were to restart and recover from the coronavirus pandemic and to complete the Crossrail project and open the Elizabeth line. The pandemic had a catastrophic impact on TfL's business and demonstrated that the current funding model, with its dependence on fares, did not work when faced with such a devastating financial shock. TfL had made considerable cost reductions during the year and introduced a host of cost control measures. The high level of fixed costs meant it was not possible to offset the loss of revenue, so Government support of two rescue packages had been required.

Given the high level of revenue uncertainty, the one-year Comprehensive Spending Review and discussions pending early in 2021 with Government on future funding, the Mayor had agreed that TfL would not publish a five-year Business Plan this year, as it was not a statutory document. Instead, the Budget was presented with an updated forecast for 2020/21 and two additional years to 2022/23, and a 20-year Capital Strategy, which were legally required to be submitted to the GLA for its budget process. These had been developed in a context of incredible uncertainty, with no indication of how much funding TfL would have beyond 31 March 2021, with huge swings between risk and opportunity in revenue streams which were not within its control.

The Budget set out a plan over the next two years for how TfL could continue to support economic recovery by ensuring its transport network remained in a safe and fit state to help drive economic productivity; maintain standards of operability and reliability; and provide opportunity for people to travel safely and in socially distanced ways through cycling and walking schemes. It also included investment that pushed forward a green recovery, such as improving air quality through expanding the Ultra-Low Emission Zone (ULEZ) and tightening the Low Emission Zone (LEZ). This would help towards London's ambitious target of a net zero-carbon transport network by 2030, and helped the Government achieve the national targets it set out in the 10-point plan for a green industrial revolution. To fully achieve this target, significant further investment was needed.

TfL had to adapt to the challenges posed by the pandemic and reduce its cost base, whilst providing a frequent and reliable service to promote recovery and support transportation across a thriving city. Failure to address the funding gap would see the condition of London's core transport network deteriorate and TfL would be unable to deliver planned wider initiatives, such as reduced carbon emissions, improved air quality and supporting housing delivery. TfL continued to complete major projects, like the Four Lines Modernisation and Northern Line Extension, where the capacity enhancements and frequency and reliability benefits supported the Mayoral target of mode shift, enabling more people to travel in sustainable ways including by public transport.

Modelling predicted that passenger volume was not expected to recover to pre-pandemic levels quickly, which left TfL very exposed as it was reliant on the fare box to generate 72 per cent of income to run day to day operations under its current operating model. Asset stewardship also required a certain level of investment, and continued completion of enhancements in progress made commercial sense, as did work to maximise opportunities for enhancements that supported Mayoral and Government objectives such as a green recovery and active travel. Despite the cost reductions made and savings planned, TfL had a projected funding gap of £3.1bn in 2021/22, £1.8bn in 2022/23 and between £1.5bn and £2.0bn per-annum thereafter; ongoing Government support was therefore expected to be required in the short to medium-term, alongside work towards a longer-term funding solution.

The Capital Strategy submission set out the longer-term investment priorities for maintaining the condition of the existing assets and the projects that would help achieve the Government's national targets for a green industrial revolution, a net zero-carbon transport network by 2030 and the Mayoral goal of mode shift in London with a target of 80 per cent of people travelling in sustainable ways by 2041. Considering lead times, some projects would need committed funding sooner rather than later, such as investment in the electrification of the bus network with a target to fully electrify by 2030.

The benefits of an integrated transport authority drove improvements such as reducing carbon emissions, improving air quality, and supporting new homes and jobs. No previous model matched these positive impacts, and there was currently no better alternative. TfL needed a longer-term, sustainable and stable funding solution to enable it to plan and deliver in the most efficient and effective way, ensure best value for money and fulfil its financial stewardship duties. Sustainable funding would provide assurance to plan a pipeline of work that benefitted regions throughout the UK, generating jobs, skills, growth and playing a part in the levelling up agenda and the green industrial revolution. The Financial Sustainability Plan, which TfL was developing to submit to the Department for Transport in mid-January 2021, would be the basis of discussions with Government on how to achieve a longer-term funding solution.

Andrew Gilligan advised that significant aspects of the plans were subject to future negotiations with Government, who would have welcomed the opportunity to discuss them before they were published. Simon Kilonback responded that the governance process required TfL to make its meeting papers publicly available in advance and obtain Board agreement of plans before sharing them with Government. The teams were under huge pressure to turn around the amount of work needed, due to the last-minute nature of the funding agreements with Government for TfL and Crossrail.

Andy Byford confirmed that the report of the Independent Review Panel would be published before Christmas 2020. **[Action: Andy Byford/Howard Carter]**

On future travel demand and recovery planning, Vernon Everitt confirmed that research showed that safety, cleanliness and an orderly system were the priorities for customers to use the network. The purpose of journeys was a key element in stimulating demand, as were advertising and marketing campaigns rolled out at the appropriate juncture.

Following consultation with the Board, the Chair:

- 1 noted the report;**
- 2 noted the TfL presentation given in Appendix 1 to the report, which is based on TfL's Budget and Capital Strategy submission to the GLA Budget;**
- 3 approved TfL's Budget submission to the GLA Budget (as set out in Appendix 2 to the report) as TfL's Budget and Business Plan (for the purposes of TfL Standing Orders) for the remainder of the financial year 2020/21 and the financial years 2021/22 and 2022/23, which was part of the submission to the GLA on 30 November 2020; and**
- 4 approved TfL's Capital Strategy included in its submission to the GLA Budget on 30 November 2020.**

70/12/20 Annual Travel in London Report

Alex Williams introduced the item, which presented the Travel in London 13 Overview Report. The Travel in London Report was an annual report and the full report would be published on the TfL website a few days after this meeting of the Board. It provided an interpreted summary and evidence base of key trends and developments affecting travel in London, in the context of the aims of the Mayor's Transport Strategy.

This year, the report also contained a substantial review of developments during the coronavirus pandemic, in terms of a collated evidence base that was being used to guide TfL's recovery planning. The first part reviewed trends and developments in the pre-pandemic period and the second part considered developments related to the pandemic, in so far as available data allowed. The aim was to use the emerging evidence base to guide the recovery and inform longer-term plans for London over the next decade or so.

Pre-pandemic trends had seen steady progress in increased use of sustainable modes of travel, active travel and road safety, though the pace of progress and change had slowed. The exceptions had been a slight decrease in cycling and an increase in traffic levels into London. The air quality data showed the most significant improvement, with the number of Londoners living in areas that exceeded the legal limit for air pollution down from 2 million to 118,000 during the Mayor's tenure.

The pandemic had brought profound change, with central London and the areas around Heathrow struggling the most to recover economically. The Greater London Authority commissioned research into the future of the central London activities zone would be informative and illuminating, with Prof. Greg Clark CBE on the steering group. The research report would be shared with the Board in March 2021. **[Action: Alex Williams]**

There had been huge reductions in transport use with lower levels of change on the road network, highlighting the risk of a car-led recovery. More people were walking and using local facilities, and more were cycling for leisure purposes. Scenario planning work showed the increased scale of homeworking, which had profound implications for future commuter demand and how TfL managed the networks. The range of uncertainty was unprecedented and future planning scenarios were being kept under review.

Members noted that the paper on the website had been updated after publication of the Board papers. A short note was added to table 19 (page 32 of the report, page 100 of the agenda pack) which showed the relationship between casualties and journeys in London over the pandemic period, March to October 2020. The note clarified that the road collision data from June to October 2020 was provisional and subject to a verification process.

The Board noted the Travel in London 13 Overview Report.

71/12/20 Surrey Quays Station Upgrade – Compulsory Purchase Order Authorisation

Howard Carter introduced the item. The Surrey Quays Station Upgrade (SQSU) project was part of a wider programme on the East London line that would unlock approximately 14,000 new homes. The project would provide a new station entrance and ticket hall adjoining the planned Canada Water property development. The Programmes and Investment Committee had previously approved authorities in relation to the SQSU and its members had seen the draft Compulsory Purchase Order (CPO) paper and had not raised any issues to bring to the attention of the Board.

The CPO was necessary to support the acquisition of the land required at Surrey Quays for the SQSU. The land required, shown edged red on the plan in Appendix 1 to the paper, was owned by Wandle Housing Association and was also subject to third-party interests. Whilst discussions continued with third-party interfaces, it was necessary to approve, in principle, the making of a CPO to ensure the timely acquisition of the land and to ensure that the removal of third-party interests from the Property could be dealt with through compulsory purchase powers should that prove necessary. Exempt supplementary information was included on Part 2 of the agenda but did not need to be discussed prior to the decision being taken.

Following consultation with the Board, the Chair:

- 1 noted the paper and the supplementary information on Part 2 of the agenda; and**
- 2 approved the principle of the making of a Compulsory Purchase Order for the acquisition of the Property, shown edged red in the plan at Appendix 1 to the paper, to enable the timely implementation of the Surrey Quays Station Upgrade.**

72/12/20 Statutory Chief Finance Officer

Simon Kilonback introduced the item. Under Standing Orders, the appointment and removal of the statutory Chief Finance Officer (CFO) and anyone that deputised in that role was a matter reserved to the Board. On 2 June 2020, the Board appointed the Group Finance Director, Tony King, as statutory CFO and agreed the individuals that were authorised to undertake the statutory CFO responsibilities if he was unavailable.

Following the departure of one of the authorised individuals, the Board was asked to update the list of staff that could undertake that role. The exempt supplementary information included on Part 2 of the agenda named the two individuals proposed to be authorised and confirmed that they were suitably qualified. That information did not need to be discussed prior to the decision being taken.

It was proposed that Patrick Doig, Finance Director Surface Transport, remained on the list and that Rachel McLean, Chief Finance Officer Crossrail and Finance Director London Underground and TfL Engineering, be added to the list.

Following consultation with the Board, the Chair:

- 1 noted the paper and the supplementary information on Part 2 of the agenda;**
- 2 agreed that Patrick Doig and Rachel McLean were authorised to undertake the statutory Chief Finance Officer (CFO) responsibilities if the statutory CFO is unavailable; and**
- 3 authorised any of the Commissioner, Chief People Officer and the General Counsel to take any steps necessary or consequential to implement the matters approved above.**

73/12/20 Board Effectiveness Review 2020

Heidi Alexander introduced the item. In line with good corporate governance practice, TfL reviewed the effectiveness of its Board and decision-making structure periodically. Her 2020 review considered the progress made against the recommendations from the externally led review in 2019. It then assessed the Board's performance and contribution during one of, if not the most, challenging year in TfL's history, given the impact of the coronavirus pandemic on staff, services and finances. She commended the contribution of Members, collectively and individually, and their effectiveness, professionalism, maturity and insightfulness. She also thanked Members for their work on the recruitment and appointment of the Commissioner.

Members thanked the Chair and Deputy Chair for their exceptional leadership and for their support and commitment to good governance.

Following discussions between the Deputy Chair, the Chair of the Audit and Assurance Committee and Cllr Julian Bell, it was proposed to appoint Cllr Julian Bell to the Audit and Assurance Committee.

Following consultation with the Board, the Chair:

- 1 noted the Board Effectiveness Review 2020; and**
- 2 appointed Cllr Julian Bell to the Audit and Assurance Committee.**

74/12/20 Report of the meeting of the Safety, Sustainability and Human Resources Panel held on 4 November 2020

The Chair of the Panel, Kay Carberry CBE, introduced the item. The Panel had discussed the approach to climate change adaption, which included how existing climate change related risks were mitigated across the organisation. It commended the work to date, while recognising the challenges ahead. It would receive regular updates on this topic, ahead of TfL's submission to the Department for Environment, Food and Rural Affairs, as part of the third round of the Adaptation Reporting Power in December 2021.

The Board noted the summary report.

75/12/20 Report of the meeting of the Customer Service and Operational Performance Panel held on 18 November 2020

The Chair of the Panel, Dr Mee Ling Ng OBE, introduced the item. The Panel had considered, from a customer perspective, Enterprise Risk 12 – TfL Asset Condition Unable to Support TfL Outcomes. The actions taken to mitigate this risk would also be part of the considerations of the Programmes and Investment Committee and the Safety, Sustainability and Human Resources Panel.

The Panel commended the Communications team for its work to keep the public briefed throughout the coronavirus pandemic on travel options, including the availability and safety of TfL's services and networks.

The Board noted the summary report.

76/12/20 Report of the meeting of the Remuneration Committee held on 23 November 2020

The Chair of the Committee, Ben Story, introduced the item. The Committee reviewed TfL's compliance training, noting the rigorous approach to regulatory training and the focus on health and safety. It requested further consideration be given to what was covered by mandatory training and how compliance was encouraged and assured.

After the regrettable but necessary decision to defer the payment of 2019/20 performance awards and to suspend the scheme for 2020/21, the Committee considered how individual performance would continue to be captured and success celebrated.

Approval of salaries of £100,000 or more was a responsibility of the Committee. It noted that over the 2016-20 period, there had been a 17 per cent reduction in the number of staff and a 14.5 per cent reduction in the salary bill for those staff within that population, with the non-permanent labour significantly reduced. It then reviewed the parameters it set for individual roles against the actual salaries negotiated; it was pleased to note that these were often below the amount approved, which demonstrated a commitment to achieve value for Londoners, while ensuring TfL recruited and retained key staff in a very competitive market.

The Board noted the summary report.

77/12/20 Report of the meeting of the Finance Committee held on 25 November 2020

The Chair of the Committee, Ron Kalifa OBE, introduced the item. The Committee reviewed TfL's performance against the H1 2020/21 Scorecard, where staff had achieved a commendable 98.5 per cent. The Committee would review H2 performance at the end of the financial year.

TfL's Energy Purchasing through the Crown Commercial Service and Power Purchase Agreements were discussed and the Committee would continue to monitor the implementation of TfL's strategy to procure renewable energy to meet its ambition to operate a zero-carbon railway by 2030.

The Committee agreed the capitalisation of TTL Properties Limited, a key component in the capital neutral plan for a ring-fenced, self-financing property development company within TfL. The structure provided a strong capital base for the company and would support potential future funding options. The company enabled TfL to deliver affordable housing and a long-term sustainable funding stream.

The governance and cost control focus of the Procurement and Supply Chain Improvement Programme was considered and welcomed. The Committee then discussed Enterprise Risk 5 – Supply Chain Disruption and the action taken to mitigate the significant risks from Brexit to project delivery and services.

The Board noted the summary report.

78/12/20 Report of the meeting of the Elizabeth Line Committee held on 26 November 2020

The Chair of the Committee, Heidi Alexander, introduced the item, which summarised the inaugural meeting of the Committee following the formal transition of the governance of the Crossrail project on 1 October 2020. The meeting included attendance by the Government's special representative, Kathryn Cearnis OBE and by the Project Representative.

The Committee noted the project status and the impact of the funding negotiations (which were not concluded at the time of the meeting); both issues were covered earlier on the agenda (see Minute 68/12/20 above).

On safety, the Committee discussed how to build on the exemplary work of the previous Crossrail Limited Board and how it could provide more support and oversight in this area. It agreed that individual members would take a specific interest in one or two stations each and Mark Phillips was thanked for agreeing to take on a more wide-ranging safety champion role for the Committee.

The Committee discussed the Project Representative reports and the management response. It requested that future reports be more succinct, with the management response more clearly linked to the key issues raised. The Committee also agreed that the Independent Investment Programme Advisory Group would undertake third line assurance for the project.

An item on the Project Partner incentive scheme was considered. A decision was deferred and would be taken by Chair's Action once the further information requested by the Committee had been provided.

The Board noted the summary report.

79/12/20 Report of the meeting of the Audit and Assurance Committee held on 2 December 2020

The Chair of the Committee, Anne McMeel, introduced the item. The meeting had been held after the papers for the Board had been published. The Committee, in considering its regular items, commended the resilience of TfL as controls had not been loosened, despite the impact of and changes to working practices due to the coronavirus pandemic.

The Committee discussed the positive progress in TfL's approach to ensuring that value for money was optimised across the Investment Programme, which included both capital and operating expenditure.

The holistic approach to security, which was being embedded across the organisation, was discussed under the consideration of Enterprise Risk 4 – Major Security Incident.

The Committee also commended the work to ensure that TfL was compliant with all relevant tax legislation, through its annual tax governance framework.

The Board noted the summary report.

80/12/20 Any Other Business the Chair Considers Urgent

There was no other urgent business.

81/12/20 Date of Next Meeting

The date of the next meeting was scheduled for Wednesday 3 February 2021 at 10.00am.

82/12/20 Exclusion of Press and Public

Items 21 and 22 on the agenda that contained exempt information (Surrey Quays Station Upgrade (SQSU) - Compulsory Purchase Order Authorisation and Statutory Chief Finance Officer respectively) had been considered without the need to discuss that information and therefore there was no need to exclude the press and the public from the meeting. The information on the SQSU item remained exempt from publication.

The meeting closed at 1.30pm.

Chair: _____

Date: _____

Board



Date: 3 February 2021

Item: **Matters Arising, Actions List and Use of Delegated Authority**

This paper will be considered in public

1 Summary

- 1.1 This paper informs the Board of any use of delegated authority, issuance of Mayoral Directions to TfL and progress against actions agreed at previous meetings, since the last meeting of the Board on 9 December 2020.
- 1.2 There has been no use of specific authority delegated by the Board to a Committee since the last meeting. Technical issues with the live broadcast of the last meeting meant that all the decisions on the agenda were taken under Chair's Action and recorded in the minutes, elsewhere on the agenda. There has been no other use of Chair's Action since the last meeting.
- 1.3 There has been one Mayoral Direction to TfL in relation to implementing March 2021 fares changes (MD 2730).
- 1.4 Appendix 1 sets out the progress against actions agreed at previous meetings.

2 Recommendation

- 2.1 **The Board is asked to note the paper and the use of Chair's Action.**

3 Use of Chair's Action and Delegated Authority

- 3.1 Under Standing Order 114, in situations of urgency, the Board delegates to each of the Chair and the Chairs of any Committee or Panel the exercise of any functions of TfL on its behalf. Any use of Chair's Action is reported to the next ordinary meeting. The Board on occasion will also makes specific delegations to its Committees which, when exercised, are reported to the next ordinary meeting of the Board.
- 3.2 There has been no use of specific authority delegated by the Board to a Committee since the last meeting.
- 3.3 The only use of Chair's Action was to take the decisions required at the meeting of the Board on 9 December 2020. Although most of the meeting met the requirement to be contemporaneously broadcast, technical issues with the internet connection in the City Hall building meant there were some interruptions to the broadcast for the public and press at the start of the

meeting. As a result, it was agreed that all decisions would be taken by Chair's Action. To ensure full transparency, the Teams recording of the meeting was uploaded to the Mayoral Webcast page and additionally to TfL's YouTube channel as soon as possible on the day of the meeting. The minutes from that meeting record the decisions that were taken and are elsewhere on the agenda for this meeting.

4 Actions List

- 4.1 Appendix 1 sets out the progress against actions agreed at previous meetings.

5 Mayoral Directions to TfL

- 5.1 The Greater London Authority Act 1999 (as amended), permits the Mayor to issue to TfL general directions as to the manner in which TfL is to exercise its functions or specific directions as to the exercise of its functions (or not to exercise a power specified in the direction). Directions are also often made in relation to the implementation of matters in respect of which the Mayor delegates statutory powers to TfL.
- 5.2 The Mayor makes Mayoral Directions through Mayoral Decisions. Papers for Mayoral Directions set out the financial and other implications. If those implications change over time, that will be reported to the GLA.
- 5.3 All Mayoral Decisions are issued in writing, with the information that is not exempt from publication included on the GLA's Decisions Database on its website: <https://www.london.gov.uk/about-us/governance-and-spending/good-governance/decisions?order=DESC>.
- 5.4 Mayoral Directions fall into three broad categories: those addressing technical issues relating to statutory powers; those related to commercial development activities; and those related to projects and programmes. Mayoral Directions relating to TfL are reported to the Board's Committees for discussion as soon as possible after they are received by TfL or published. Regular reports will list the relevant Directions for as long as they are applicable.
- 5.5 Annually the Audit and Assurance Committee considers the list as part of its consideration of the annual audit plan to ensure that appropriate audit resource is applied to assurance on TfL's work in implementing Mayoral Directions. This will also be kept under review at each quarterly meeting of that Committee.
- 5.6 A summary of current Mayoral Directions to TfL is maintained on the "How we are governed" page on our website, with links to the relevant Mayoral Decisions: <https://tfl.gov.uk/corporate/about-tfl/how-we-work/how-we-are-governed>. That page will be updated as and when further Directions are made.

5.7 Since the last meeting, there has been one Mayoral Direction issued to TfL on 14 January 2021 (which will also be reported to the Finance Committee on 10 March 2021).

(a) March 2021 fares changes (MD 2730)

As part of the funding settlement with Government, dated 31 October 2020, the Mayor committed to implementing an overall increase on fares of Retail Price Index (RPI) +1 per cent. In this decision, the Mayor approved a Fares Revision to deliver this commitment, while ensuring the increase in fares is as affordable as possible for Londoners. The fares increase will be implemented from 1 March 2021.

A summary of the fares revision is:

- Bus and tram single fares increase by 5p to £1.55 and the daily bus and tram cap is raised to £4.65. The Bus & Tram Pass season price is increased to £21.90 for a 7 Day ticket. The Hopper fare, which was introduced in September 2016, will remain in place, permitting multiple free bus and tram transfers within an hour.
- On the Tube in Zones 1-6 and other rail services in London where Tube fares apply Pay As You Go (PAYG) fares will typically increase by 10p or 20p. A number of fares, including PAYG fares for children, remain unchanged.
- Travelcard prices and the associated PAYG caps will increase from 1 March by RPI+1 per cent. These increases reflect national government rail fares policy, over which the Mayor has no control. As a result, Travelcard season ticket prices and the associated all day PAYG Travelcard caps increase by 2.6 per cent overall. Fares on TfL services for journeys from outside London are subject to guidance from the Department for Transport, with the same fares applying on Train Operating Company (TOC) and TfL services.

List of appendices to this report:

Appendix 1: Actions List

List of Background Papers:

Minutes from previous meetings.

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Board Actions List (to be reported to the meeting on 3 February 2021)

Actions from the meeting held on 9 December 2020

Minute No.	Item/Description	Action By	Target Date	Status/Note
67/12/20	Commissioner's Report – Staff Viewpoint Survey Results The key results and trends would be brought back to the next meeting of the Safety, Sustainability and Human Resources (SSHR) Panel. An informal briefing session for Members would also be arranged for January 2021.	Tricia Wright	January/ February 2021	Briefing held in January 2021. On the forward plan for the SSHR Panel.
68/12/20	Elizabeth Line Operational Readiness and Crossrail Update – Rolling Stock Contracts Simon Kilonback confirmed that opportunities for financial and other efficiencies from rolling stock not currently being used for the mileage expected in the train contract would be reviewed and brought back to the next meeting of the Board.	Simon Kilonback/ Andy Lord	February 2021	Completed. Included in the item on the agenda for this meeting.
69/12/20	Finance Report: Budget Submission and Capital Strategy – Independent Review Panel Report Andy Byford confirmed that the report of the Independent Review Panel would be published before Christmas 2020.	Andy Byford	December 2020	Completed. http://content.tfl.gov.uk/tfl-independent-panel-review-december-2020.pdf
70/12/20	Annual Travel in London Report – Central London Activities Zone Greater London Authority commissioned research into the future of the central London activities zone would be informative and illuminating, with Prof. Greg Clark CBE on the steering group. The research report would be shared with the Board in March 2021.	Alex Williams	March 2021	On the forward plan.

Actions arising from previous meetings

Minute No.	Item/Description	Action By	Target Date	Status/Note
07/01/19 (1)	HSE Annual Report – Reducing Road Injuries Members suggested that the SSHR Panel look at how local borough strategies were performing against the Mayor’s Transport Strategy.	Gareth Powell	June 2021	On the forward plan for the SSHR Panel as part of the next update on Vision Zero.
07/01/19 (2)	HSE Annual Report – Waste Strategy Members recommended that TfL consider developing a waste strategy so that it was a leader in reducing green house emissions in its operations and also in the work it was doing to support housing. TfL would look at how it captured that information and report back to the SSHR Panel.	Lilli Matson	June 2021	The waste strategy is being developed as part of the Corporate Environment Strategy which will be presented to the SSHR Panel.
79/09/19 (1)	Tram Overturning at Sandilands, Croydon on 9 November 2016 - Update – pan-TfL Lessons Learnt Members also agreed that a report would be considered by the SSHR Panel on pan-TfL lessons learnt and changes to processes arising from the information from the Bus Fatigue study, which brought together the relevant parts of the operating business.	Lilli Matson	June 2021	On the forward plan for the SSHR Panel.
05/01/20 (2)	Commissioner’s Report – Bus Safety Standard Visit Members would be offered a visit to see a bus that met the new Bus Safety Standard.	Gareth Powell	Impacted by lockdown	Members will be asked again about availability when lockdown measures are relaxed.
05/01/20 (6)	Commissioner’s Report – Corporate Environmental Plan A briefing on the internal Corporate Environmental Plan would be provided to Members in summer 2020 to set out the work being done to meet objectives to reduce carbon emissions as well as air pollution.	Lilli Matson	Winter 2021	On the forward plan.
05/01/20 (7)	Commissioner’s Report – Northern Line Extension Visit Members would be offered a visit to view the Northern Line Extension work.	Stuart Harvey	Impacted by lockdown	Members will be asked again about availability when lockdown measures are relaxed.

05/01/20 (8)	Commissioner's Report – Future Affordable Homes It was confirmed that plans on a number of sites identified for the next wave of 10,000 affordable homes would be brought to a meeting of the Finance Committee.	Simon Kilonback/ Graeme Craig	TBC	On the forward plan for Finance Committee, date to be scheduled.
08/01/20 (3)	TfL Viewpoint Survey Results 2019 – Pay Feedback Members asked if the Remuneration Committee could look at underlying issues of why pay dominated the open feedback. It was confirmed that a Talent attraction and Retention paper would be taken to a future meeting.	Tricia Wright	March 2021	This issue has been discussed informally by the Committee. On the forward plan for Remuneration Committee.
19/06/20 (1)	Commissioner's Report – Response to Covid-19 – UCL The University College London (UCL) Institute of Health Equity had been asked to provide independent advice as part of a two-part study to better understand the pattern of coronavirus infections and deaths amongst London's bus workers. This study would help ensure that all possible measures were taken to protect the health, safety and wellbeing of those working to keep the bus network moving. The work was due to start shortly and would take between three and four months to complete. The Board would be updated on any findings from the studies.	Lilli Matson	Ongoing	Updates are provided to the Board (via the Commissioner's Report) and to the SSHR Panel. The SSHR Panel considered the latest update on 4 November 2020.
31/07/20 (2)	Commissioner's Report – Changes to work patterns Increased remote working had provided an opportunity for TfL to assess how work might be done differently in the future. Assessments were being done on the percentage of staff that could continue to work from home in the long term, the tools and technology required and the impact on the operational model and accommodation strategy. The outcomes from that work would be reported to a future meeting.	Tricia Wright	TBC 2021	An update on the planned return to offices was considered by the SSHR Panel on 9 September 2020. Further updates would be provided as the impact of the coronavirus pandemic on future work and accommodation progressed.
34/07/20 (1)	Safety, Health and Environment Annual Report 2019/20 – Body Worn Camera Trial Details and lessons learnt from the successful trial of body worn cameras and their rollout for London Underground and Surface staff would be provided to Members separately.	Siwan Hayward	December 2020	Completed. An update was provided to Members in January 2021.

38/07/20	<p>Slavery and Human Trafficking Statement 2019/20 – Update</p> <p>A paper would be presented to the SSHR Panel, providing details on what TfL had identified and the actions taken as a result of work undertaken in this area, including the consideration of purchases from China and labour exploitation issues.</p>	Simon Kilonback	June 2021	On the forward plan for the SSHR Panel.
51/10/20 (3)	<p>Commissioner’s Report – DfT regulations on app-based taxi and private hire services</p> <p>Howard Carter confirmed that the Board had previously been updated on the Department for Transport (DfT) proposals to update regulations on app-based taxi and private hire services. A further update would be provided to Ron Kalifa OBE.</p>	Howard Carter	January 2021	Completed. An update was provided to Ron Kalifa in November 2020 and a briefing provided to Members in January 2021.

Board



Date: 3 February 2021

Item: Commissioner's Report

This paper will be considered in public

1 Summary

- 1.1 This report provides a review of major issues and developments since the meeting of the Board on 9 December 2020.

2 Recommendation

- 2.1 **The Board is asked to note the report.**

List of appendices to this report:

Commissioner's Report – 3 February 2021

List of Background Papers:

None

Andy Byford
Commissioner
Transport for London

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Commissioner's report

3 February 2021

1	Introduction	3
2	Safety and security	4
3	Restart and recovery	13
4	Improving transport and generating growth	18
5	Healthy Streets	26
6	Crossrail	39
7	Finance	40

I Introduction

This report provides a review of major issues and developments since the Board meeting on 9 December.

Unfortunately, since my last update there has been a significant rise in coronavirus cases and, sadly, many more deaths across London and the UK. I am deeply saddened that 67 of our colleagues have now tragically passed away due to coronavirus. Their families and loved ones remain in our thoughts and we remain committed to offering them all the support they need during this incredibly difficult time.

As a result of the latest lockdown measures that came into effect on 6 January, we have changed and stepped up our customer messaging to remind people that they must only travel for essential journeys, remain local, consider reducing the number of journeys they need to make and walk or cycle where possible.

I understand these are unsettling times for many people, and I want to reassure customers who need to access our services that we continue to do everything we can to operate as many services as possible and ensure our network remains safe. Over the last four months, experts from Imperial College London have been independently testing our Tube and bus network for coronavirus on a monthly basis. To date, every test has come back negative, showing that our extensive cleaning regime is working and helping to keep the network safe for those who need it most.

I am also working with the Mayor of London and key Government officials to prioritise transport workers in London for the vaccine against coronavirus. My staff have worked tirelessly throughout the pandemic to support the Capital, and I owe it to them to ensure that I do everything I can to keep them safe while doing their job.

We also continue to work with our policing partners to enforce the use of face coverings on our network, and play our part in keeping the network safe.

On 15 January, we published our Financial Sustainability Plan which sets out how our finances can be placed on a sustainable footing following the catastrophic impact of the pandemic. It is also the starting point for discussions with the Department for Transport (DfT) on what financial support we will require over the coming years. In addition, the plan makes clear how we can contribute to wider Mayoral and Government objectives around a green recovery, accelerating the decarbonisation agenda, improving air quality and supporting an extensive supply chain across the country. As Commissioner, my priority is to steer this organisation through the pandemic and to secure our long-term financial future. My team and I remain committed to reaching a mutually agreeable deal with the Government, which benefits not only London but the entire UK.

2 Safety and security

Deaths in service

We are doing everything we can to support the families of the 67 colleagues who have died from coronavirus, and will continue to do so. Our Employee Assistance Programme is available to all employees and their dependents and provides support, guidance and information on a range of topics, including bereavement. The programme also gives access to support from a qualified counsellor via a 24/7 telephone service. Bereavement support is also extended to families of the deceased via our Sarah Hope Line.

Research into bus driver deaths due to COVID-19

Phase two of the research, which is being undertaken by University College London, is still under way. The bus driver survey has now closed, with almost 4,000 surveys completed. The findings of this research phase are expected to be published in early spring 2021.

Vulnerable colleague risk assessments

A working group was set up at the beginning of the pandemic to address the effects on colleagues more at risk from coronavirus. We continue to put contingencies in place to protect these vulnerable groups, and are offering support to the individuals affected and their line managers in making informed decisions critical to their health, safety and wellbeing.

By 13 January, our Occupational Health and Wellbeing team had received more than 2,700 COVID-Age risk self-assessments. This helps us identify our

more vulnerable employees and enable them to return to work, where possible.

In line with the latest Government advice, Clinically Extremely Vulnerable employees are not expected to come to work and, if they cannot work from home, they should not work.

We will, of course, continue to review this and follow Government advice to ensure our most vulnerable people are protected.

COVID-19 vaccine

Phase one of the vaccination programme aims to reduce mortality rates and support the country's health and social care systems. The vaccine is being offered first to vulnerable groups, such as older people, and those in the Clinically Extremely Vulnerable group, and frontline health and social care workers.

The Joint Committee on Vaccination and Immunisation has asked the Department of Health and Social Care to consider occupational prioritisation in the next phase of vaccination, for those whose job puts them at increased risk of exposure to the virus – this would include transport workers.

Rapid COVID-19 testing pilot

On 2 December, we started a pilot of rapid COVID-19 testing of volunteer employees in conjunction with the Department of Health and Social Care. We opened three sites across our network to carry out this testing, two in King's Cross Underground station (in the employee training area and the visitors centre) and a third at Pier Walk in North Greenwich.

We continue to enforce the wearing of face coverings on our services with our policing partners



The rapid tests use lateral flow technology and provide results within 30 minutes. This work will help to reduce risk of transmission in the workplace and is being used in conjunction with more general Public Health England and Government advice such as ‘hands, face, space’, and enhanced cleaning across our network and buildings.

As of 22 January, a total of 1,854 tests have been undertaken with 28 employees testing positive for coronavirus.

Imperial College London sampling

Scientists from Imperial College London have continued to periodically sample our Tube and bus network for traces of coronavirus. For the fourth month in a row, none of the air and surface samples have revealed any traces of the virus in detectable quantities on the network. Further testing aims to extend the scope of the testing on customer-facing parts of the network and include staff-only areas.

Face covering enforcement on the network

Our Transport and Support Enforcement (TSE) officers continue to enforce the mandatory wearing of face coverings on all public transport modes, except for passengers with a valid exemption, using powers under the Health Protection (Coronavirus, Wearing of Face Coverings on Public Transport) (England) Regulations 2020. This work is being led by the Compliance, Policing and On-Street Services (CPOS) team, with support from our policing partners.

In preparation for the festive period, we brought in additional TSE officers and policing resources to help with enforcement at the busiest times across the network. Deployments have taken place across our buses, Tram, London Overground, Dockland Light Railway (DLR) and London Underground (LU) services.

Passenger compliance remains very high in general, particularly during peak travel

times. Customer research findings show that 90 per cent of customers say they are wearing a face covering at all times while using our transport services, six per cent are wearing it on some journeys, and four per cent are not wearing a face covering at all. Of those not wearing a face covering at all while using public transport or just on some journeys, around three quarters claim to have an exemption or valid reason for not complying.

Up until 25 January 2021, we have engaged with 134,085 passengers, 9,618 have been refused travel and we have issued 1,902 Fixed Penalty Notices. A total of 738 of these have been paid within 14 days (at a charge of £100) and 27 were paid within 28 days (at a charge of £200). Where these remain unpaid, we continue to prosecute the offender, where appropriate.

On 7 December, 50 cases were listed in court, with seven defendants pleading guilty to the offence of not wearing a face covering, resulting in fines ranging from £0 (Conditional Discharge) to £276 (amount dependent on the individuals' circumstances, which the court needs to take into consideration). Of those fifty cases, thirty-nine defendants had their case proved in their absence due to not responding to the court summons. This resulted in a fine of £660 each.

On 25 January, 82 cases were listed in court, with nine defendants pleading guilty to the offence of not wearing a face covering, resulting in fines ranging from £66 to £230. Of those 82 cases, 69 defendants had their case proved in their absence. This resulted in a fine of £660 each.

Croydon tram overturning

The Rail Accident Investigation Branch (RAIB) conducted an independent investigation into the tragic tram overturning at Sandilands in November 2016, and published its report in December 2017.

It included 15 recommendations to address safety on London's tram network,

as well as other networks across the country. We have made significant progress to implement these recommendations by working closely with all parties concerned, including the RAIB, Office of Rail and Road (ORR), Light Rail Safety and Standards Board, and the wider UK tram industry.

All recommendations have now been actioned and implemented following the recent fitting and introduction of the new Physical Prevention of Over Speeding system on all 35 trams. This system will automatically apply the brakes and bring a moving tram to a controlled stop if it exceeds the speed limit at designated locations.

Following the announcement of the most recent national lockdown, the Sandilands inquests are currently adjourned although the Senior Coroner has relisted them to commence on 17 May 2021. A pre-inquest review hearing is taking place on 28 January 2021, with a further pre-inquest review hearing to take place towards the end of March.

The victims and all others affected by this incident remain in our thoughts. We continue to offer support to those people directly affected as well as the wider community.

Incidents of note on the tram network

As mentioned in my update to the Board in December, we note with concern that there have been three operational incidents across the tram network in a short period of time. These took place on 5 August 2020, 14 September 2020 and 21 October 2020, and all have been reported to the ORR. While none of these instances resulted in injury or harm to our staff or customers, they are being taken very seriously.

We are in regular dialogue with the ORR with regards to jointly working through the incidents with Tram Operations Limited (TOL), a subsidiary of FirstGroup, who operate the tram service under a 30 year contract, to ensure no further

incidents occur in future and appropriate reporting to TfL and the ORR is undertaken. A joint System Safety Improvement Plan will be produced and presented to the ORR by 31 March 2021.

A full paper on this will be shared with the next meeting of our Safety, Sustainability & Human Resources panel on 10 February.

Crime and anti-social behaviour on public transport

Throughout the months of December and January, the Metropolitan Police Service (MPS) and the British Transport Police (BTP) concentrated on face covering enforcement and warnings, working closely with our TSE officers to enforce regulations at transport hubs.

The BTP continues to prioritise 'Operation Viking,' which focusses on areas of the network with an increased risk of violence or robbery. Areas are prioritised through an intelligence and evidence-based tasking process. Although incidents on the network remain low, we are clear that crime and anti-social behaviour will not be tolerated on our network. As such, a dynamic approach has been implemented to target robbery offences, which uses patrols and hot spot location deployment based on daily intelligence analysis. An example of this type of targeted deployment linked a series of robbery offences on the Piccadilly line. Officers were redeployed from prior commitments and two of the outstanding robbery suspects were arrested (along with five others for a variety of offences including carrying offensive weapons, possession of drugs with intent to supply and illegal entry to the UK). A suspect for a snatch theft was also arrested on 28 December at Euston station, after the suspect stole a nurse's bag.

Action has also been taken to tackle knife crime through deployments which entail a large number of officers across a range of police specialisms attending Tube stations to reassure customers and identify and target offenders. On the 18, 22 and 30

December, our policing partners conducted an operation at Stratford Tube station using knife arches and plain clothes officers. During this operation, two men were arrested, both in possession of drugs and one with a large hunting knife.

Work-related violence and aggression

We take workplace violence extremely seriously and continue to encourage staff to report any instance of abuse. On 21 December, we launched new messaging, as part of our existing staff abuse and anti-social behaviour campaign, to reiterate our zero-tolerance approach to work violence and aggression.

The campaign reinforces our commitment to tackle workplace violence against our staff promptly, and to further encourage staff to report instances of abuse, whether physical or non-physical. The campaign has been featured on digital sites and printed poster spaces in bus and Tube stations. It adopts a powerful message, making it clear that we will not tolerate any abuse towards our staff and we will always push for maximum penalties for those who do so.

Delivery of body-worn cameras to frontline colleagues at greatest risk of work-related violence and aggression is also on track. As of 26 January 2021, more than 5,500 colleagues across 239 sites in LU, CPOS, bus stations and Victoria Coach Station now have access to a body-worn camera. This will increase to more than 6,000 colleagues across 300 sites by 31 March this year. We are also reviewing the possible roll out of body-worn cameras to other frontline colleagues.

Tackling hate crime

On 20 January, we worked with the MPS and BTP on our ongoing efforts to tackle hate crime through a one-day event that took place over social media due to the pandemic. This event focused on addressing anti-Semitism and raising awareness of hate crime in general, including how to report it amongst our customers. This activity reinforces the

messaging from the National Hate Crime Awareness week that we held in October last year.

Police activity to support Vision Zero

The MPS continues to support the Mayor's Vision Zero target to eliminate all deaths and serious injuries from London's roads by 2041, through a number of initiatives aimed at making the Capital's roads safer.

In line with the month-long National Police Chiefs' Council campaign, the MPS's Roads and Transport Policing Command (RTPC) focused on tackling drink and drug driving during the month of December. As part of the operation, the RTPC set up stop sites across London and carried out breath testing and engagement activity such as distributing leaflets. A total of 323 traffic offence reports were issued during the month-long campaign.

Tackling speeding on the Capital's roads remains a priority for us and our policing colleagues. Speeding is the single most important determinant of both the likelihood of a collision and the severity of the outcome, and was a factor in over half of all fatalities on London's roads in 2019.

During 2020, when national lockdown restrictions were in place, the Capital saw an increase in speeding as drivers took advantage of lower levels of traffic on London's roads and extreme speeds of up to 160mph were detected. Over the last year, the MPS dealt with almost 30,400 speeding drivers who were detected through roadside speed enforcement activity, an increase of 150 per cent on 2019. An additional 240,000 offences were dealt with through safety cameras. This increase in activity is part of a joint action plan we have with the MPS to increase levels of roadside and safety camera enforcement activity.

In addition to speed enforcement, significant activity was also undertaken to deal with other criminal and reckless

driving offences that puts road users at risk. The below highlights some of the priority offences that the MPS have dealt with throughout the last year. Officers issued Traffic Offence Reports to:

- 3,088 drivers for driving without due care and attention
- 3,822 drivers for using a mobile phone while driving
- 21,296 drivers for insurance offences
- 8,564 drivers and passengers for seatbelt offences

MPS officers also arrested:

- 5,868 drivers for insurance offences
- 3,303 drivers for licence offences
- 1,585 drivers for dangerous driving
- 1,614 drivers for driving whilst disqualified
- 11,898 drivers for driving under the influence of drugs and/or alcohol
- 448 drivers for driving without due care or attention

During January, the RTPC continued to work towards Vision Zero by cracking down on these behaviours that contribute to serious and fatal collisions on London roads.

TfL Vision Zero dashboard

On 11 January, we launched the new Vision Zero dashboard tool on our website. This will enable organisations and members of the public to more easily access and interpret London's collision data, which is recorded by the police. By sharing data in this way, we can work with our partner organisations to identify the road danger challenges specific to communities and work with London's boroughs and agencies to tackle these.

The dashboard helps visualise our published collision statistics, complementing the data we have already made publicly available. Users can now easily filter the raw data based on key fields such as injury severity, location, date, time and mode. New maps, charts and data visualisation tools compare collision data across the years and by

location, making the data easier to understand.

The dashboard currently shows collision data from 2017 to 2019. Data from future years will be added in due course, with plans for further analysis capability, including being able to identify casualty rates by kilometre travelled.

In 2019, there were 25,341 reported collisions on London's streets, resulting in 125 people being killed and more than 26,000 being injured, 3,780 of those seriously injured. People walking, cycling and motorcycling made up 83 per cent of all people killed or seriously injured, highlighting the need for urgent life-saving measures including segregated cycle lanes, 20mph speed limits, Low Traffic Neighbourhoods, the removal of lorry blind spots and improved motorcycle training, which all aim to protect the most vulnerable people on London's streets.

Our data also shows that 96 people died on London's roads in 2020. Last year, 31 motorcyclists were killed on the Capital's roads – equalling the 2019 total – with 45 people tragically dying while walking, and six while cycling. These stark figures serve as a reminder for Londoners to drive safely and within the speed limit. This is especially important as there has been an increase in the number of people walking and cycling since the pandemic started.

Lowering speed limits

Phase two of the Lowering Speed Limits programme has restarted, with the survey and design work currently under way. This programme will reduce the posted speed limit by 10mph on more than 140km of our roads in high-risk areas – including 37 town centre locations across London. Where opportunities exist, we are also integrating 20mph speed limits into social distancing schemes delivered under the Streetspace for London programme.

We have recently introduced 20mph speed limits on the A4202 Park Lane, A400 Hampstead Road and A503 Euston Road,

totalling around three kilometres on our road network. There are a number of other projects included in the programme to introduce lower speed limits in other areas of London, including:

- The A3 and A24 corridors, as part of the CS7 improvement works
- The A3212 and A3205 corridors, as part of the CS8 improvement works
- The A21 corridor in Lewisham town centre
- The A1203 Burdett Road in Tower Hamlets
- The A503 corridor in Camden
- The A107 Homerton High Street
- The remaining Transport for London Road Network within the City of Westminster

Work continues on our sites, with our teams adhering to strict social distancing measures and following Public Health England advice.

Tackling rough sleeping on our network

People sleeping rough on our network are our most vulnerable customers, and we continue to work on safeguarding their health and wellbeing. The Severe Weather Emergency Protocol (SWEP) has continued to provide support to those sleeping rough on the streets where the temperature is expected to drop below freezing. The protocol triggers a pan-London response to ensure sufficient levels of emergency accommodation are available for those who require it, when local authority capacity is reached. Our frontline teams continue to keep our CPOS team updated on individuals sleeping rough on our network and help those identified gain access to SWEP facilities such as shelter, food and support services.

Over the last six months, we have significantly improved the tools available to our frontline staff for reporting rough sleepers. This has enabled the CPOS team to pass on detailed information to outreach agencies and local authorities. Reporting remains a key focus of our work and we have established a single point of

contact for each transport mode. We have also delivered improvements to our data systems which has enabled us to continue to respond to any issues raised as soon as possible, with a consistent approach across the network.

During the last quarter of 2020, we engaged with over 20 individuals sleeping rough on our network, across 12 sites. At least four of these individuals have been successfully moved into accommodation, and of those remaining, half are actively engaging with borough led support services. We also continue to have success in helping to rehome a number of persistent rough sleepers. A rough sleeper at Walthamstow, who had returned to the bus station after two years, was housed before Christmas through the joint efforts of our staff, outreach services and the local authority housing team.

We have also worked closely with Westminster City Council, borough led support services, the GLA and the MPS to address the encampment on the Park Lane central reservation. A collaborative approach has enabled us to address the problems being caused, and we have implemented processes to prevent the issue from reoccurring in the future.

Due to the ongoing pandemic and its social and economic impact, there is likely to be an increase in the number of people forced to sleep rough and on our services. We continue to strengthen our partnership with charities and outreach agencies in anticipation of this and are working closely with our Greater London Authority and borough colleagues to help provide the support needed for these customers.

Assisted Transport Services

We continue to offer a travel lifeline to London residents with the greatest accessibility needs through our Assisted Transport Services. The travel mentoring service has been available since October 2005 and helps those who want to use our accessible network for the first time,

providing advice and support to help build confidence while travelling.

For those who need additional assistance, our London Dial-a-Ride service has continued to operate during the pandemic, including on Christmas Day. This service has provided essential door-to-door trips for food shopping, doctor appointments and vital social contacts within support bubbles. The services remain an essential link to the outside world for those who need door-to-door assistance when travelling and for whom isolation might otherwise lead to poor mental wellbeing.

As many community-based social activities and clubs are not operating at present, the usual number of Dial-a-Ride trips has temporarily declined. This has provided us with an opportunity to contribute some of our transport resources to help support community initiatives such as delivering hot meals and food supplies to vulnerable people.

Bus Safety Standard

We continue to roll out the Bus Safety Standard to new vehicles joining the fleet to help eliminate all deaths and serious injuries from London's roads by 2041. The next generation of the Bus Safety Standard requires new buses to have: camera monitoring systems in place of side mirrors, offering a wider field of view and clearer visibility in low light; toggling to help identify the brake pedal and its relative position from the driver's foot; changes to the brake system to prevent buses rolling away without a driver in the cab; and enhancements to saloon interiors to reduce the risks of passenger injuries. These new safety-enhanced vehicles will start appearing on London's roads by late 2021.

There are already around 350 buses that meet the first generation of the safety standard. Of these, 202 are equipped with the Acoustic Vehicle Alerting System (AVAS) to alert vulnerable road users to much quieter buses, such as pure electric

vehicles, which would otherwise be virtually silent in busy traffic. The sound these buses make will become an increasingly common feature for when vehicles are travelling at 20kmph or less. This sound will also be heard in other parts of the UK as some operators like First Group are adopting it when they order new buses.

From spring 2021, AVAS will automatically adjust the volume of its warning system to reflect noisier shopping centres and quieter suburban districts using geo-fencing – zones which trigger it to play its sound at different volumes. The new technologies are part of a concerted campaign to get closer to our Vision Zero target.

Bus driver training

We have paused our Destination Zero bus driver training following the introduction of the national lockdown at the start of this year. Our bus operator training teams have now been equipped with medical-grade ultra-violet cleaning boxes to sterilise digital headsets and tablets and training will restart once it is deemed safe to do so. This virtual reality (VR) course looks at road hazards such as driver behaviour, vulnerable road users and driver wellbeing. The new cleaning equipment will ensure we can operate safely while using VR headsets. In addition to this, operators will continue to use COVID-secure delivery methods for training such as enhanced cleaning, reduced group sizes and regular hand washing.

Bus driver fatigue management

Our fatigue awareness training aims to raise awareness of the basics of tiredness, how it is caused it and what drivers can do to help alleviate it. We started training bus operator managers and supervisors in September 2020. Around 250 bus operator managers have received training so far. Training continues this year and is being completed virtually due to the pandemic which has allowed us to continue this important work.

Bus driver facilities

With the colder months approaching, we have been working to secure extra winter facilities for our bus drivers. As many mess facilities are too small to accommodate social distancing requirements, we have undertaken the task of adding 38 new facilities across London. This has been achieved by fully fitting out portacabins, acquiring unused retail units and refurbishing and re-planning existing facilities.

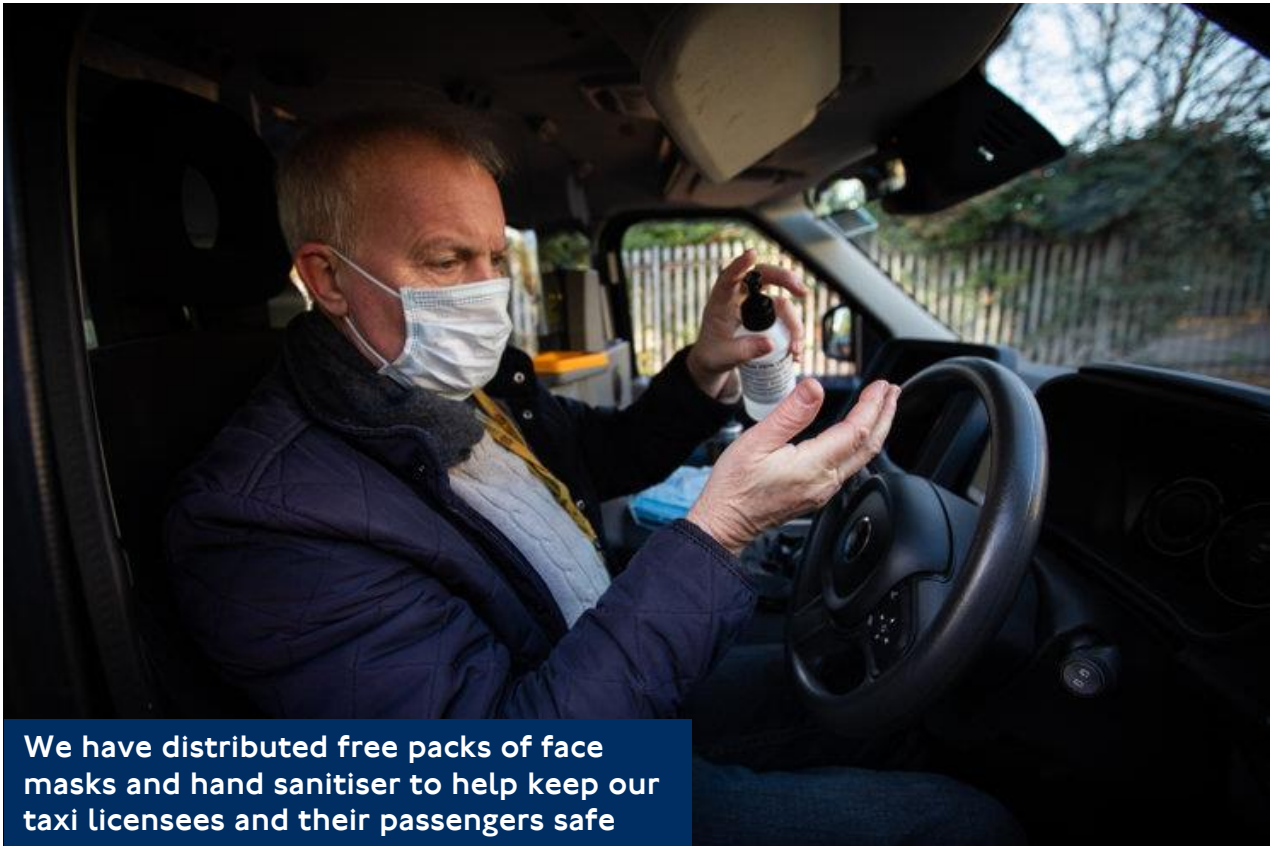
To date, we have installed 19 cabins and managed 14 refurbishments at existing welfare facilities to make them COVID-secure. Locations that now have additional bus driver facilities include Becontree Heath, Hammersmith (upper and lower), Tottenham Hale, Walthamstow Central, Stratford Regional, Kingston, West Croydon, Bromley North, Stratford City and Ilford. In Brent Cross, we have secured a retail unit which has been fully fitted and is now open to drivers. The remaining facilities will be in place by 12 February and the cabins will be in place by March 2021.

Taxi and Private Hire driver assessment centres

On 20 December 2020, in line with the Government guidance and the approach taken by other assessment bodies, all driver assessment centres were closed. All applicants with a scheduled appointment were contacted in advance and made aware of these closures. The service will resume when restrictions are lifted, with all appropriate safety measures taken, including social distancing, enhanced cleaning and regular hand washing.

Taxi and Private Hire vehicle inspection centres

Driver licensing inspection sites remain open (apart from planned closures over the festive period), with appropriate safety measures in place including social distancing markers, hand sanitiser stations, personal protective equipment for staff and limits on contact between staff and customers, who will be asked to



We have distributed free packs of face masks and hand sanitiser to help keep our taxi licensees and their passengers safe

wear face coverings. This decision was made to ensure vehicles can continue to be licensed, enabling drivers to continue to work during the pandemic.

Coronavirus support initiative for taxi and private hire drivers

To help ensure the safety of licensees and passengers, we have provided free packs of face coverings, hand sanitiser and stickers with coronavirus-specific information to be displayed in vehicles. Since 7 December 2020, we have distributed free packs of 1.5 million face coverings and 30,000 bottles of Dettol hand sanitiser. Drivers from Dial-a-Ride helped distribute the packs from parked vehicles at locations across London. We have also produced an educational video which provides guidance to drivers on how to clean their vehicle at the end of their shift.

Department for Transport Statutory Standards

On 22 July 2020, the Secretary of State for Transport issued a range of new statutory standards for the taxi and private hire

vehicle (PHV) sector across England and Wales. The DfT expects all the recommendations to be implemented unless there is a compelling local reason not to. These standards cover the following areas:

- Administering the licensing regime
- Gathering and sharing information
- Decision making
- Driver licensing
- Vehicle licensing
- Operator licensing
- Enforcing the licensing regime

Key recommendations include criminal record checks for drivers every six months, safeguarding training for all taxi and PHV drivers, and a recommendation for licensing authorities to consider whether the use of in-vehicle CCTV would be beneficial or proportionate in their areas. We are continuing to engage with the taxi and PHV trades on how these recommendations will be implemented.

3 Restart and recovery

On 14 December, the Government confirmed new coronavirus tier restrictions would come into force on 16 December, with London placed in Tier 3. However, due to the rising cases of coronavirus, London was moved into Tier 4 on 20 December. On 4 January, the Government announced a third national lockdown which started on 6 January.

We have amended our messaging to reflect the latest Government advice. We ask that everyone stay at home unless they are a key worker, are unable to work from home, require medical assistance, are visiting a support bubble or need to travel for educational purposes. We continue to advise Londoners to walk or cycle where possible and to visit our website to help plan their journeys by public transport. We also ask that those who do need to travel do so during quiet times. These are currently between 08:15 and 16:00 and after 17:30 on weekdays, and before noon and after 18:00 on weekends. In addition to this messaging, we also updated our 'Safer travel guidance' web page to reflect recent Government guidance. Under the 'National lockdown: stay at home' heading, customers are reminded that the latest Government guidance requires everyone to stay at home. From 9 January, we also ran a London-wide 'stay at home' radio advert on digital radio and from 11 January on FM radio.

The safety of our staff and customers remains our key focus. Extensive measures that we brought in at the start of the pandemic will continue, such as providing a clean, safe and reliable network. Extensive signage is also in place on trains, buses, platforms and stations, reminding everyone to maintain social distancing. In addition, our enforcement staff and police partners are actively enforcing the

national requirement for everyone to wear a face covering when using public transport, unless they are exempt.

Over the past few months, we have put significant effort into ensuring our offices are COVID-secure for those who need to use them for welfare or work purposes. The updated guidance from 6 January outlines that those who can work from home should continue to do so.

On 11 January, Nightingale Hospital reopened to help hospitals cope with the rising cases of coronavirus in the Capital and distribute vaccinations. We have worked with the NHS on the rollout of planned vaccination centres and implemented a patient reimbursement arrangement for Londoners that need to attend a site located within the Congestion Charge and Ultra Low Emission Zone (ULEZ). Most hospitals located within these zones already have the reimbursement arrangement in place, however we are working closely with the NHS to ensure this arrangement is implemented at any future vaccination centres located within the Congestion Charging Zone and ULEZ zone. Our operational teams have been developing a targeted strategy for dealing with potential travel hotspots, following lessons learned during previous lockdowns, to cope with any increases in passenger numbers for people travelling to these centres. We continue to monitor the situation closely.

School restart

We have deferred the reintroduction of most school bus services following the Government decision to postpone the return to school in London and the announcement of the national lockdown in January. We will reintroduce these

We continue to use hospital-grade substances to kill viruses and bacteria, and keep our network safe for customers and employees



services, including those funded directly by the Department for Education, when schools reopen to help London cope with the increase in passenger numbers.

Extensive cleaning regime

Our extensive anti-viral cleaning regime continues across the transport network and includes using hospital-grade cleaning substances that kill viruses and bacteria on contact and provide ongoing disinfection. Our cleaning contractors continue to focus on customer touch points such as card readers, handrails and help points. We have now installed more than 1,100 sanitising points across our network for customers to use.

Ultra-violet light sanitising

We have installed more than 200 ultra-violet light sanitising devices on escalators across the Tube network at our busiest stations. We are currently in the process of procuring more devices to install on our remaining escalators during this year. This work is in addition to our existing extensive anti-viral cleaning regime. The ultra-violet bulb sanitises the handrail

continuously as the belt passes through the unit. While some ultra-violet sanitising solutions need an external power source, our devices are fitted with a small dynamo to generate power from the moving handrail.

Business sector and recovery support

We have continued to assist tenants on our property estate to support London's business recovery. In the run up to the festive season, we ran a series of campaigns celebrating the many businesses located across our estate. This included launching our first ever Track Friday on 27 November, alongside Small Business Saturday on 28 November. On these days, we had a series of Christmas offers available to customers via our blog and social media.

Following the closure of Seven Sisters Market in early 2020, as a result of both the pandemic and health and safety defects, the Mayor has approved a Mayoral Direction to provide financial support to traders affected by the closure. The project team has met with traders, and the

first payments were made in December. The project team will continue to provide support to traders as appropriate throughout 2021 until they are able to relocate to the temporary market located at Apex Gardens.

Supporting our employees

Wellbeing support for our employees

We understand that this is an incredibly difficult time for everyone, and we are doing everything we can to support the mental health and wellbeing of all our colleagues. Our internal intranet platform is host to a wide range of easy-to-access resources - from tips on how to adapt to new ways of working to information on mental health and stress management.

We have partnered with Able Futures to offer nine months free confidential mental health support to those employees whose mental health issues are directly impacting their ability to work. The support includes regular calls with a mental health professional, an action plan, advice and guidance. This support service can be accessed through our Employee Assistance Programme or directly through Able Futures. We continue to encourage those who are struggling with their mental health to use our Employee Assistance Programme helpline which is available 24 hours a day, seven days a week.

Our Occupational Health and Wellbeing team continues to provide easy access to support for employees, despite the challenges of pandemic. In addition to providing mental and physical health support, they are also focusing on initiatives, including losing weight and advice on how to improve sleep and reduce fatigue.

A renewed campaign on tackling obesity took place during December, with the emphasis on reducing weight via free Slimming World vouchers, encouraging greater physical activity – especially through short bursts of activity – and increasing awareness of the COVID-Age risk questionnaire. The campaign highlighted the overall health benefits of

weight loss and encouraged staff to have any pre-existing health conditions checked to mitigate their vulnerability to coronavirus.

The team has also been piloting health ‘MOTs’ at our Acton depot which has been well-received and attended by operational staff. More dates have been added and planning has begun to extend this initiative to other TfL sites over the coming months.

Our Display Screen Equipment team is also working tirelessly to ensure that colleagues who are currently working from home have the right display screen equipment set up. We currently have a team of more than 300 equipment assessors, working to ensure that users have the correct set up and equipment to do their work. The team is also assisting colleagues with any required reasonable adjustments they may need to help maintain their physical health while working from home.

Viewpoint 2020

Viewpoint, our annual staff survey, ran from 28 September to 1 November 2020. A total of 17,293 people responded to the survey – 64 per cent of all employees. This was the same response rate as in 2019, which is no mean feat considering the challenges that people have faced over the last year.

The survey’s overall measure, Total Engagement, was made up of 27 questions. The total for this area increased by five per cent on 2019’s score to 62 per cent. This is the highest result in this area since 2015. All other measures of engagement increased as well, notably the Inclusion and Wellbeing at Work indexes which both increased to 52 per cent and 57 per cent respectively.

Other organisations that have carried out surveys in 2020 have also reported increases in engagement, with the exceptional circumstances generated by the pandemic likely to have had an impact in this area. Increased communication, a focus on safety, health and wellbeing as

well as improved tools for working have all led to a better result.

Our colleagues were most positive about how their work contributes to the organisation's success, recommending our services and being proud to be a part of TfL. Key areas for improvement and what people were least positive about included confidence that the organisation had a clear vision for the future, openness and honesty of senior manager communications, and being involved in decisions that affect their work.

On 7 December, the results were released to the whole organisation. These will be used to develop and review existing plans and strategies. Senior managers are also being supported to develop actions from the results together with their teams. Progress on this work will be tracked by the upcoming Pulse survey due to be carried out in early spring.

New Year's Honours

I would like to congratulate our colleagues Sharon Sear and Mat Sullivan, who have been awarded British Empire Medals in recognition of their work to help protect transport staff and customers during the pandemic.

Sharon worked tirelessly to ensure that colleagues continued to have access to personal protective equipment (PPE) despite the increased demand following COVID-19. As a result of her efforts, she was able to obtain millions of face coverings for staff and thousands of hand sanitisers, as well as helping to implement a new procurement control method for ordering stock during the pandemic.

Sharon also made sure that the NHS could continue to receive lifesaving face masks at the height of the shortage by ensuring our supplies came from a different range of countries to where the NHS supplies were being sent from. This helped mitigate any further disruption caused by lockdown measures as supplies were not dependent on one source. By spotting any potential problems early on, Sharon helped us as an

organisation to supply protective equipment to our Tube and bus workers, as well as all the cleaning staff who have also been essential to our coronavirus response.

Mat also played a big part in ensuring that vital PPE reached colleagues who required it for their roles quickly, and that face coverings and other protective equipment were made available for frontline staff. He personally took the lead in managing the sorting and distribution of millions of face masks and hundreds of thousands of hand sanitisers to staff across London. At the peak of the first wave during the summer, Mat stored and distributed 1.5 million face coverings across 48 hours, as well as creating more than 1,000 rapid response kits in three days to help keep colleagues safe.

It is also fantastic news that Sarah Hope has been awarded an MBE for her work supporting child amputees and improving road safety. Safety is our top priority and we are absolutely committed to do everything we can to eliminate deaths and serious injuries from London's roads.

The work we have done in partnership with Sarah not only helps with bus driver training but saw the creation of the Sarah Hope Line, a dedicated phonenumber which provides support for those who are affected by these tragic incidents. I cannot think of a more worthy recipient than Sarah, whose positivity and courage in the face of adversity is truly remarkable.

Employee thank you campaign

On 18 December, we launched a campaign to celebrate our staff and recognise their ongoing efforts and the immense bravery they have demonstrated in the face of some incredible obstacles over the last year. Our staff have been dedicated to keeping our customers safe and London moving, not only through this pandemic, but since the organisation was created. The campaign includes a series of posters and short videos that are being displayed on our network and social media channels,

featuring stories from a diverse range of staff across the organisation who have played a pivotal role during such an uncertain time.

Welcoming new graduates and apprentices

On 18 January, we were thrilled to welcome 56 new graduates and apprentices to the organisation. This is the first group of new starters with more expected to follow in the spring. Due to the pandemic, we have had to adapt to new ways of working. Our Skills and Employment team successfully turned our usual 'face-to-face' Graduate and Apprentice induction event into a completely virtual one, while keeping the content and activities similar to previous years.

The virtual induction ran from 18 to 20 January and events included: networking activities with peers and colleagues; speeches from our Executive Committee; sessions on mental health and wellbeing; and time with our Staff Network Groups to understand the important work that they do within the organisation. Career journey presentations also took place, with some excellent examples across the business, including a speech from current apprentice Paige Thomas, who was 'Highly Commended' at the recent BAME Apprenticeships Awards.

Due to the pandemic, we had to move the start date for our graduates and apprentices from September 2020 to January and spring this year. The team has kept our new starters engaged leading up to their start dates, with a range of interactive sessions and keep warm activities, from training sessions and learning about working styles to a LinkedIn 'Rock your Profile' masterclass. The team also introduced the new starters to their peers, to help them learn about the business and keep them engaged with ongoing activity within the organisation.

Anonymous recruitment

Following months of hard work, our recruitment team has successfully implemented new, anonymous recruitment software. The software is now active and being used on more than 100 live vacancies across our Technology & Data, Safety, Health and Environment, Engineering, London Underground Operations and Major Projects Directorates, as well as some GLA recruitment projects. This is one of the many steps we are taking to enable us to achieve a more diverse and inclusive workforce across our organisation.

Festival of Carols

On 9 December, our events calendar closed with the Festival of Carols at St. Martin-in-the Fields in Trafalgar Square. For the first time in its long history, the service was also livestreamed on social media by our Visual Services team. Following Government guidelines, attendance was limited to the six readers and nine choir members, with the remaining choir members joining the service virtually.

The Drum - Out of Home 2020 Awards

Our team won two categories at The Drum magazine's Out of Home Awards 2020. The first award was for 'Best Spectacular Campaign' for Amazon Prime Video's launch of the original series Star Trek by changing the name of Piccadilly Circus to PICARDilly Circus. The second award was for our 'Response to COVID-19 - Best Creativity and Innovation during COVID-19' for the 'Dettol keeps London moving safely' campaign and our sponsorship deal with Dettol.

4 Improving transport and generating growth

Northern Line Extension

The Northern Line Extension project includes a twin-tunnelled extension from Kennington station to a new terminus at Battersea Power Station, via a new station at Nine Elms. The project is scheduled for completion this autumn.

Following the successful power energisation of the track and the implementation of a testing environment for running empty trains earlier in the month, we successfully ran the first passenger test trains on the new extension on 19 and 25 December. This enabled us to test the new signalling system, including stabling trains at all platforms and bi-directional running within the Kennington loop. We also carried out dynamic testing on trains in restricted manual and fully automatic train operation on all routes. This is a significant achievement which has increased the confidence in the extension being available for revenue service in autumn this year.

The successful high voltage energisation to the switch rooms in October has facilitated the commissioning of key systems, including escalators, tunnel vent fans, CCTV and lighting. The system enabling train information, which will be distributed from Highgate to both new stations, successfully passed factory acceptance testing. Tunnel ventilation fans were commissioned, and we completed a test run at Kennington Park on 11 and 12 December.

Modernising the Circle, District, Hammersmith & City and Metropolitan lines

The programme continues to make good progress. We held a successful operational proving weekend on 9 and 10 January for the next section of new signalling to go live. This means that we remain on track for the switch to new signalling between Monument, Euston Square and Stepney Green this spring.

The weekend enabled our operational staff, including line controllers, service managers, train operators and asset teams to get hands-on experience of operating the new automatic signalling system in this complex area. We also put more demand on the system by increasing the volume of trains in service from previous testing, as well as testing the new system in a range of scenarios. The next steps are to analyse the performance in detail and feed results into the final software, operational and maintenance assurance plans in preparation for timetabled customer service.

We have also begun the overhaul of our S-stock fleet that operates on the Circle, District, Hammersmith & City and Metropolitan lines. We are starting with the S8 trains on the Metropolitan line, which have now completed around 1.25 million kilometres each.

This work includes the wheels, suspension, brakes, air and electrical systems, and the cab seat. This is the first overhaul of our S-

stock trains, which entered service on the Tube between 2010 and 2012. We expect to complete the overhaul of 60 Metropolitan line trains by the end of 2022. After this, we will begin work on the S7 fleet on the District, Circle and Hammersmith and City lines, which we expect to complete by 2026.

Bank station

We are boosting capacity at Bank station by 40 per cent. This includes creating a new Northern line tunnel, platform and circulation spaces, a new entrance on Cannon Street, the introduction of step-free access to the Northern line, additional interchange between the DLR platforms, and two new moving walkways between the Central and Northern lines.

We continue the multi-disciplinary fit out phase of the works, and the number of new subcontractors joining the project is increasing steadily. A focus on safety and productivity has been paramount in guiding new work groups through the inevitable learning curve associated with working in a new setting.

In November, we awarded contracts for communications (including CCTV, public help points and public address systems), and the pumps, drainage and domestic cold and hot water supply. These were the main outstanding subcontracts for the project, giving further confidence in the project's estimated final cost. Works on the mechanical and fire suppression systems are also progressing well.

The work to provide an electrical supply to the new station entrance passed an important milestone with the new supply being certified ready for energisation, enabling all subsystems to progress. We have also created mock-ups of the new track, as planning for the track work elements of the new southbound running tunnel ramps up.

Planning for temporary closures on the Northern line Bank branch also continues. This will enable the existing southbound Northern line to be linked into the new

running tunnel and platform at Bank, and the old running tunnel to be transformed into a new passenger concourse.

South Kensington

We are replacing all five Piccadilly line escalators at South Kensington station. This means that from late February, Piccadilly line trains will be non-stopping at South Kensington until early spring 2022. The station will remain open for Circle and District line customers.

During the months of December and January, we carried out preliminary work at South Kensington station as part of our separate planned capacity upgrade project, removing a retail kiosk to make more space in the ticket hall and enable social distancing.

We are also awaiting a decision from the Royal Borough of Kensington and Chelsea on our plans for development around the station. This application includes providing step-free access to the Circle and District lines, as well as delivering new shops, workspace and housing, 35 per cent of which will be affordable.

Elephant & Castle

A new station entrance and new Northern line ticket hall will be provided as part of a private sector redevelopment of the Elephant & Castle shopping centre, significantly increasing station capacity to meet future demands. The developer, Delancey, has achieved vacant possession of the existing shopping centre and demolition is currently under way. Infrastructure protection agreements with us are in place.

We continue to negotiate with Delancey to secure agreements on construction of the new station box. Our concept design work has been completed and work is ongoing to integrate the design and construction requirements within the wider development. As part of this work, we will provide the fit out of the ticket hall, step-free access and tunnels connecting the ticket hall to the existing Northern line platforms. Our concept design for the

station box also safeguards the future interchange with the Bakerloo line. In addition, we are also carrying out work to improve the reliability of the two lifts at Elephant and Castle station that provide access from street level to the Northern line. Work began on the first lift on 4 January and will be completed in the spring. To ensure social distancing is maintained, there will be no entry to Underground services via the Northern line ticket hall at busy times on weekdays. Customers will need to enter the station via the Bakerloo line ticket hall and lifts.

Bakerloo line

The planned Bakerloo Line Extension scheme from Elephant and Castle to Lewisham remains a crucial new infrastructure project for our city. The Mayor and TfL are committed to delivering the extension which, together with an upgrade of the existing line, would connect a historically underserved part of London to the Tube network, while supporting the delivery of thousands of new homes and jobs. However, this remains dependent on a viable funding package being put together. A commitment from the Government to support funding for the scheme is essential in developing a funding package. Our immediate priority is to safeguard the route from Elephant and Castle to Lewisham to protect it for future delivery, as well as working with the Government to agree a new longer-term sustainable funding model for transport in London.

Following the public consultation in autumn 2019, and the publication of the consultation report in November 2020, we are now working with the Government and other stakeholders to establish formal safeguarding for the route of the scheme. In December 2020, we received confirmation that the Secretary of State for Transport is supportive of issuing Statutory Safeguarding Directions by March 2021. Seeking the Statutory Safeguarding Direction was also endorsed by the TfL Programmes and Investment Committee on 11 December. Once issued, the directions will help prevent premature

development on sites required to deliver the project, protecting its future delivery.

Ealing Common

We have completed major work at Ealing Common depot. The east end of the site was entirely renewed, making the track safer and more reliable for our staff. The work also included the installation of eight new sets of points, 228 metres of new ballasted track and 160 metres of new staff walkways.

To enable these works, the team worked together to share cleaning, delivery and scrap removal trains between teams. These trains carried out significant ballast and sleeper renewals, scrap removal on the main track and in other areas of the depot, and maintenance tamping which has brought significant efficiencies. We also used this work as an opportunity to complete valuable training for engineering train operators.

Hammersmith Bridge

We have committed a total of £4m, as part of the DfT funding settlement for the second half of 2020/21, for the continuing development of the scheme to repair Hammersmith Bridge. Our officers are working closely with borough colleagues in Hammersmith and Fulham, Richmond, the Port of London Authority and the DfT to further develop the structural designs and plans to stabilise the bridge and enable it to open to pedestrians and cyclists, before the full strengthening phase of the works enable road traffic to use the crossing again. Following the funding agreement and the end of the first national lockdown, the exploratory works (taking off the pedestal casings to investigate the structural cracks in detail) have now restarted. All four sets of central casing panels will have been completely removed by April this year. Discussions are ongoing with the Hammersmith Bridge Taskforce on options to refine the delivery programme and contractual arrangements, and potential works to de-risk the construction schedule.

We have increased the frequency of service on bus route 533 (Hammersmith Bus Station to Lonsdale Road) and on route 378 (Mortlake Bus Station to Putney Bridge station) to try to alleviate transport delays in the area while the bridge is closed. We continue to work with various stakeholders, including schools on both sides of the river, to see how we can further help local customers and school pupils.

In addition, we have started procurement to appoint a contractor to run a temporary ferry service close to Hammersmith Bridge while plans for repair are finalised. We have concluded initial shortlisting and have invited bidders to tender full submissions. Bidders are currently compiling their responses and we intend to award contracts in early March.

Silvertown tunnel

The new twin-bore tunnel, within the extended Ultra Low Emission Zone (ULEZ), will effectively eliminate congestion and improve air quality around the Blackwall Tunnel approach, with no increase in carbon emissions. It will also provide a transformative new cross-river bus network for east London, with plans for up to 37 buses per hour in each direction, all of which are expected to be zero emission from launch. The tunnel will connect Silvertown and the Greenwich Peninsula, and support significant planned redevelopment in the coming years.

We have let contracts for transport and traffic, socio-economic and environmental monitoring as part of our development consent obligations, and environmental monitoring has started. We have also served temporary possession notices and taken possession of land from ten tenants to facilitate handover to our contractor RiverLinx. This includes twenty-two sections of the sites on both the north and south sides.

Three continuous air-quality monitoring stations have been installed near where the new tunnel's portals will be. A further 29 NO₂ diffusion tubes were installed and

are monitoring air quality in the boroughs of Greenwich, Newham, Tower Hamlets, Southwark and Lewisham.

We have finished the ground investigation pumping tests and pavement surveys along with ordnance surveys in the Greenwich and Silvertown work areas in preparation for start of major works. We have completed our intrusive and non-intrusive surveys to facilitate utilities mapping and have had productive engagement with the utility companies. Utility works have started on cabling and UK Power Networks diversions to enable the Tunnel Boring Machine (TBM) power supply.

Site works have started in Greenwich, where the TBM launch chamber will be constructed, with demolition and clearance of existing buildings. We have also started construction works to the coach park, including earthworks, drainage, retaining walls and ramp construction.

Our procurement planning for the TBM is progressing, with the contract for its design and manufacture awarded on 4 December. The methodology for the TBM launch and procurement for the segmental lining of the tunnel tubes, TBM moving system and de-watering continues to be progressed.

DLR extension to Thamesmead

We have begun further feasibility work on the proposed extension of the DLR to Beckton Riverside and Thamesmead, following the confirmation of the new Thamesmead and Abbey Wood Opportunity Area Planning Framework.

The feasibility work will be carried out by us and a joint commission between Arup and Atkins for design, engineering and environmental assessment, and with Aecom for socio-economic support. It will be fully funded by external partners through a £1m joint funding agreement between the London Borough of Newham, the Royal Borough of Greenwich and developers Thamesmead Waterfront (a joint venture partnership between

Peabody and Lendlease), Aberdeen Standard Investments and St William (a joint venture between Berkeley Group and National Grid).

This work will enable us and our partners to further develop the proposed DLR extension from Gallions Reach in Newham to Beckton Riverside, and then across the river to Thamesmead. Providing new public transport options would support the delivery of more than 25,000 new homes along the route as well as improve connectivity across the river. The scheme was included in our submission to the recent Government Comprehensive Spending Review as one which could support new housing and jobs where they are needed most, to regenerate and support the recovery of both London and the wider UK economy.

This next stage of technical work will enable further development of the route and the potential locations of stations to be considered. Support work on other transport options within the framework will also be carried out, including options for a rapid bus corridor and new walking and cycling links.

Further assessments on both the potential environmental impacts and transport benefits of these schemes will ensure that the best options to support growth in the area are taken forward once appropriate funding has been identified and secured. The decision to progress this work comes as the Mayor formally signed the creation of the new planning framework. From December 2019 to 11 March 2020, a public consultation on the draft framework was undertaken, which sets out a vision to deliver more than 15,000 new homes and around 8,000 jobs south of the river.

The planning framework also supports growth aspirations north of the river at Beckton Riverside, where there is further potential for new homes and jobs in the coming years. Feedback from the public consultation showed there was strong support for a DLR extension to Thamesmead.

Barking Riverside Extension

We are delivering a new rail link which will unlock and support 10,800 new homes planned for the Barking Riverside development area. We will build a spur on the London Overground east of Barking to extend the Gospel Oak to Barking service to a new station at Barking Riverside. The extension is around 4.5km from Barking station. It includes modifications to the existing Network Rail infrastructure and new lines running on a viaduct of around 1.5km. A four-carriage London Overground service running at 15-minute intervals is planned.

Construction of a ramp and viaduct is taking place north of Choats Road, linking to existing Network Rail infrastructure. To the south of Choats Road, the viaduct runs through the Barking Riverside development to the terminus station near the Thames. Ramp and viaduct piling activities have been completed and the final pier walls, at Piers 13 and 14 where the north and south viaducts will meet, were poured in December. The final deck span over Choats Road will be lifted and installed in April this year. Concrete works on the south viaduct were also completed during December 2020. On the north viaduct, works are ongoing to finish the ramp, complete installation of the last deck spans and pour the remaining deck slabs.

At the new station, we have completed the main roof and platform canopy cladding and glazing, and have started the installation of mechanical and electrical equipment, including the permanent power supply to the station. On 4 January, we completed a major signalling stage that was previously delayed last year due to the coronavirus pandemic.

Following the disruption and re-planning required as a result of the pandemic, the delivery programme has now stabilised and our most-likely start of service remains forecast for autumn 2022.

Bus consultations and changes to bus routes

Consultation has now closed on our proposals for a major recast of bus routes in the Sutton and Croydon areas. We are proposing the re-structure of thirteen existing routes and the introduction of three new routes. These schemes would provide customers with new transport links, increase passenger capacity and improve reliability. We have also consulted on a proposal to restructure bus route 414 (currently from Putney to Maida Hill) in central London to better match capacity to demand by curtailing it at Marble Arch, and on a proposed extension of route 324 from Stanmore to Elstree to better serve the Royal National Orthopaedic Hospital.

We successfully defended the Judicial Review claim of our decision to re-route the 384 bus service in the High Barnet area. In a judgment given on 3 December 2020, the claim was dismissed on all grounds and the Judge found that there were no defects in our consultation process.

Heathrow Airport Limited have given written notice that they are ending the sponsored route agreement. This will impact the free fares zone for buses around the airport which will cease from 1 March. Free fares will remain for London Underground and TfL Rail services between terminals.

High Speed 2

High Speed 2 (HS2) is a new high-speed railway connecting London to the West Midlands and the North of England. Our work consists of the design and supply of new assets, infrastructure and operational facilities at Euston and Old Oak Common, and protecting our operational networks and services.

HS2 Ltd's construction activity has continued across all sites in London under COVID-19 secure conditions. This has included the continuation of site clearance and mobilisation at Euston, including preparatory works for the new Underground substation and ventilation

building, and utilities diversions along Hampstead Road and across Euston Road. Discussions for the enabling works for the interim taxi rank at Euston station have now entered the detailed design phase.

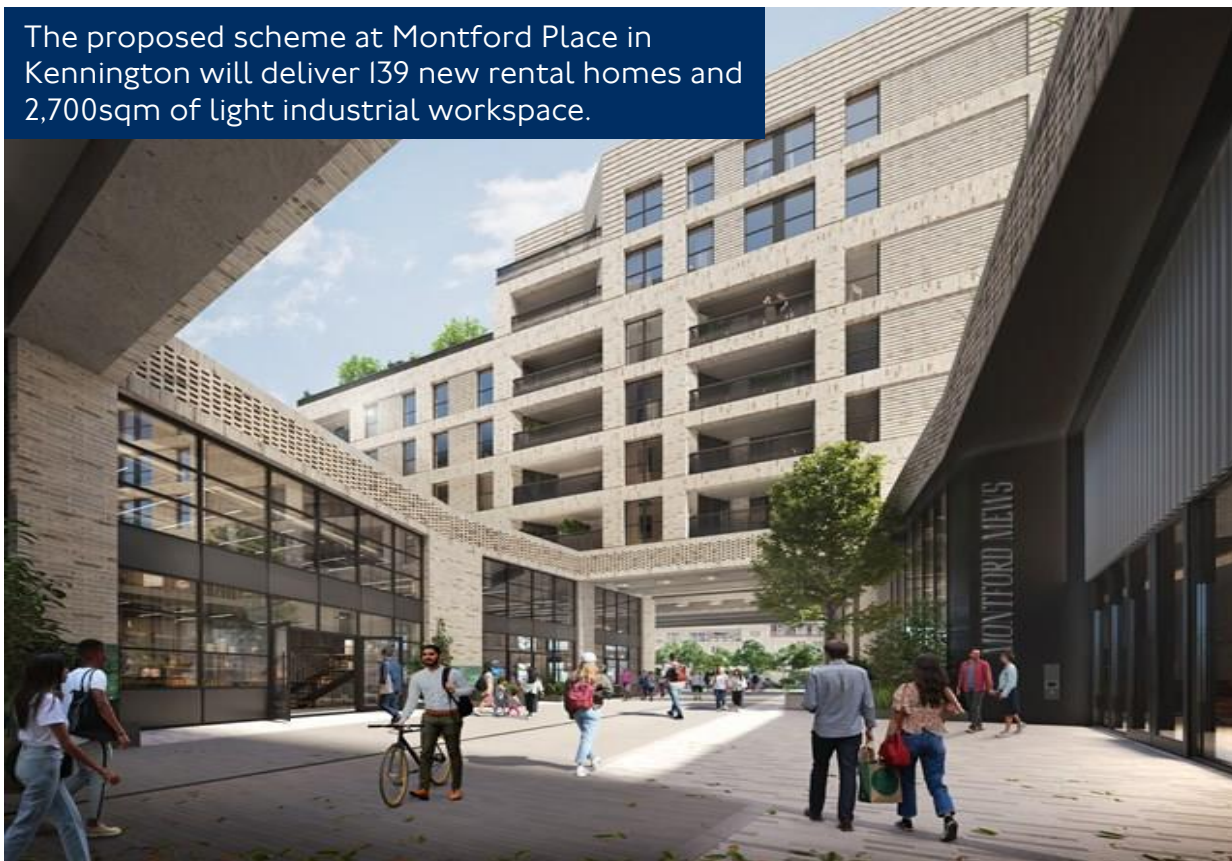
We continue to provide input into the DfT-led study on proposals for Euston following publication of the Oakervee Review in 2020. The DfT has recently instructed HS2 to proceed with further design development for one of the options, which provides a solution based around 10 HS2 platforms, a single stage build and increased oversight development. However, the impact on our infrastructure, operations and passengers needs further consideration. We are therefore working alongside other key stakeholders, including HS2 Ltd, Network Rail, London Borough of Camden and Lendlease, under the umbrella of the newly formed Euston Partnership, to assess the proposals and refine early scheme designs, and to assist with work on affordability to ensure investment delivers best value.

We have also restarted some activities on the Euston Healthy Streets project with funding provided by London Borough of Camden. This is taking a strategic view of the highways around Euston to inform future aspirations in line with the Mayor's Healthy Streets principles. Current work includes developing a joint vision with stakeholders as well as identifying short-term improvements for pedestrians. We continue to work collaboratively with HS2 Ltd and its supply chain in reviewing and assuring designs and works where there is a potential impact on our assets or our operations.

New Homes Wembley Park, Brent

With planning permission in place, we have been preparing our site near Wembley Park Tube station for construction. We are excited to transform the 7,000-square-metre car park into 454 homes, 40 per cent of which will be affordable. The site will also host a retail unit, improvements to the public realm and new operational space for us. The development has a focus

The proposed scheme at Montford Place in Kennington will deliver 139 new rental homes and 2,700sqm of light industrial workspace.



on sustainability, environmental, economic and social benefits. For example, except for blue badge parking, the scheme will be car-free for residents, helping to improve air quality.

Bollo Lane, Ealing

On 20 January, a new development at Bollo Lane in Acton was given the go-ahead by Ealing Council, and will provide hundreds of new high-quality and affordable homes in the local area. The masterplan, designed in collaboration with architects HOK, landscape architects East and engineers Mott MacDonald, covers a 3,600-square-metre site and spans from Acton Town station in the north to the level crossing towards Chiswick. The development, our largest to date, will provide 852 new homes spread over nine buildings, with a mixture of one, two and three-bedroom properties, suited to all types of households, including first time buyers, families and downsizers. Half of the homes will be affordable and will be available at a range of affordable rents, such as discounted market rent and

London Affordable Rent, and as shared ownership properties.

The proximity of the site to Acton Town, Chiswick Park and South Acton stations means new residents will have easy links to central London with the Piccadilly, District and London Overground lines. This access to the rail network combined with a number of bus routes serving the area will enable new residents to travel sustainably with ease.

The area around the new homes has been designed to deliver long-term positive change and sustainability for the local community. As well as looking to incorporate renewable energy systems such as solar panels, the designs include multiple gardens and new play spaces for the local community and residents.

The local community will also benefit from improvements to the area that will make it easier to travel sustainably, by walking and cycling. The designs incorporate a new continuous, widened

footpath alongside the west side of Bollo Lane, making it much easier and safer to walk. It will be easier to cross the road with new crossing points, which will include tactile paving and dropped kerbs, to support those with accessibility needs. The designs also include the provision of a new cycle zone, alongside new cycle parking.

The vast site will provide more than 2,300 square metres of commercial space, which could be used by local businesses. Combined with the additional retail space included in the plans, the development will contribute to and help stimulate the local economy.

Blackhorse View, Waltham Forest

Sales continue of our new homes at Blackhorse View. The homes include studio, one-, two- and three-bedroom properties, ready for people to move into by autumn 2021.

Connected Living London – our Build to Rent partnership

We have secured planning consent for a scheme at Montford Place, in Kennington. A new mixed-use development of 139 new rental homes and more than 2,700 square metres of light industrial workspace in north Lambeth has been given the go-ahead, helping to provide quality rental housing for the area along with commercial opportunities to help support the local economy.

The proposals by Connected Living London have been designed by award-winning architects, Hawkins\Brown and will occupy a site currently being used to facilitate the delivery of the Northern Line Extension.

The new rental homes, which include 40 per cent affordable housing, will be delivered across two buildings with a central mews street between them. They will be a mixture of studio and one-, two- and three-bedroom properties, providing options for all types of households. The affordable homes will be provided at a discount to open market rates for rent.

Situated within ten minutes' walking distance of Vauxhall, Kennington and Oval stations, the development's location means residents will have several different ways to travel sustainably using the public transport network, including the Tube, rail network and buses.

The development has also been shaped to deliberately incorporate sustainability throughout its design, and features a sustainable energy system which includes solar panels. The buildings also have roof gardens, biodiverse roofs, hedges and bird boxes to help provide shelter and roosting sites for birds.

PlayStation 5 launch partnership extension

On 18 November, Oxford Circus Tube station roundels were transformed into Sony's iconic PlayStation controller button symbols for 48 hours to mark the launch of the new PlayStation 5. In addition to the Tube's roundels, the tunnels, entrances, exits and Victoria, Central and Bakerloo line platforms also featured the four recognisable shapes.

We agreed to extend the partnership with Sony for a further three days, generating additional income which will be reinvested into our network.

Art on the Underground

At the end of last year, we launched a commission of permanent and temporary artworks, titled *Pleasure's Inaccuracies*, by Scottish-born, Belgium-based artist Lucy McKenzie at Sudbury Town station.

Sudbury Town Tube station is a listed building designed by Charles Holden in 1931. The commission comprises two permanent hand-painted ceiling murals featuring: maps of the local area; a highly detailed architectural model of the station that will remain on permanent display; two large billboards installed on each platform; and a series of posters which will be on display until November 2021.

5 Healthy Streets

Streetspace for London

The Streetspace for London programme continues to deliver at pace. To date, 79.5km of strategic cycle routes have been completed, with a further 8.7km under construction.

Alongside the Royal Borough of Greenwich and the London Borough of Hounslow, we have opened two new temporary cycle lanes totalling almost 5.5km. The new route in Greenwich will make cycling between the Old Royal Naval College and Angerstein Roundabout much safer and includes a protected route through the roundabout. The roundabout is one of the most dangerous and intimidating junctions in the area and was where somebody was tragically killed cycling in 2018. Other improvements include new pedestrian crossings which provide a more direct route through Angerstein Roundabout for people on foot.

The new lane will form part of an extended Cycleway 4 which, when complete, will connect Charlton and Greenwich to central London via Rotherhithe and Bermondsey. In September, we opened the first section of the route between Tower Bridge Road and Rotherhithe, including a complete overhaul of Rotherhithe Roundabout and three new Santander Cycles docking stations along the route.

In west London, the new 2.4km track along Chiswick High Road is the first major section of Cycleway 9 to open. The new route links to other changes to create one of the longest Cycleways to

have opened under the Streetspace for London programme so far. The new cycle track runs between Heathfield Terrace and Goldhawk Road, separating cyclists from traffic and reducing the risk of collisions with motor vehicles. Other temporary work on Cycleway 9 carried out so far includes measures on Wellesley Road and between Olympia and Goldhawk Road, which have together created a safer cycling corridor between Olympia and Gunnersbury for the first time. We will continue to work with Hammersmith & Fulham and Hounslow Councils on plans to create the Cycleway 9 route in full.

We are also moving forward with permanent measures to make roads in Streatham much safer and less intimidating for people walking and cycling, following a public consultation that showed strong support for our plans for the area. On 19 January, we published the results of the consultation. The results showed that 83 per cent of respondents agreed that the proposals would make people feel safer cycling through the area, with 70 per cent saying the same about walking.

We have started on the detailed design work for the changes proposed, which will include:

- Nearly 2km of new, high quality segregated cycle lanes between Sternhold Avenue and Holmewood Road, making cycling much easier and safer on this busy stretch of road
- New pedestrian crossings and the relocation of existing crossings, making

sure that people can cross safely at the most convenient locations

- Changes to side road entry and exit rules to reduce rat running on local roads
- Improvements to make the local area more attractive for everyone, including planting new trees and improving landscaping in the area

Following feedback from the consultation, we have made changes to the scheme to improve it, including increasing the amount of trees planted and making other changes to side road access to further reduce rat running in the area. We are now working to finalise our designs for these changes to local roads and will look to start construction work early next year.

As part of the Mayor's Vision Zero outlook, we are committed to eliminating death and serious injury on the transport network. The new cycle lanes will reduce the chance of collisions with motor vehicles by separating cyclists from traffic, enabling many more people across the local areas and beyond to cycle with confidence.

Other key delivery highlights include improvements at Savoy Street and The Strand in Westminster, which now provide a much-needed connection between Cycleway 1 and Cycleway 3. Improvements have also completed along Queensbridge Road in Hackney. Further funding has been allocated to London boroughs to continue delivery during the remainder of the financial year.

London Streetspace Plan and Bishopsgate Scheme Judicial Review

The United Trade Action Group Limited and the Licensed Taxi Drivers' Association Limited issued a judicial review claim against us and the Mayor of London, challenging the London Streetspace Plan and associated guidance to boroughs, and a temporary scheme made pursuant to

the Streetspace Plan designed to free up space for buses, and those who walk or cycle in Bishopsgate as part of our response to the pandemic. The claim was heard on 25 and 26 November 2020.

On 20 January 2021, the court quashed the Streetspace Plan, our current borough guidance and the A10 Bishopsgate Order but has stayed the effect of these orders until 21 days after final determination of any appeal. This means that the plan, guidance and order can remain in place pending any appeal.

We are disappointed with the court's decision and are seeking to appeal the judgment. We recognise the need for schemes such as our Bishopsgate corridor to work for the communities they serve and have worked hard to ensure that people across the capital, including those who use taxis, can continue to make the journeys they need. We also recognise the need for schemes to be delivered in a fair and consistent manner and have worked closely with boroughs to create clear guidance for implementing schemes.

Santander Cycles

Santander Cycles have played a crucial role in supporting key workers during the pandemic, as more people have turned to cycling for their exercise and transport journeys.

Since March 2020, free cycle-hire access codes have been provided for NHS staff and other key workers. So far, there have been 217,710 hires and almost 18,000 people have benefited from this offer. The busiest location for NHS code redemption is the docking station on Lambeth Palace Road in Waterloo, near St Thomas's Hospital.

In addition, 24-hour membership registrations rose by 167 per cent in the year to December 2020, representing the largest increase in the scheme's 10-year history. Meanwhile, registrations for new annual memberships increased by 25 per

Santander Cycles have played a crucial part in supporting a green recovery and enabling Londoners to get around safely



cent. Total hire numbers for 2020 were 10,434,167 – an increase of around 6,000 from 2019 – despite a significant overall reduction in journeys across London during the pandemic.

Over the course of last year, the previous maximum daily hire number of 50,000 was surpassed on 14 separate days as record numbers of people tried Santander Cycles for the first time. The festive period also continued to be very busy, with more than 60,000 hires made between the 25 and 28 December, as people took advantage of quieter streets and dry weather.

Cycleways **Cycleway 4**

The re-started works in Greenwich along Creek Road, from Deptford Church Street to Norway Street, are progressing well and will be complete by summer 2021. The remainder of the route, including the Lower Road (Southwark) and Evelyn Street

(Lewisham) sections, is being developed under the Streetspace for London

programme and will be completed under a temporary design.

Cycleway 9

Demolition works on Chiswick High Road towards the east of Kew Junction started on 5 December 2020. Kew Bridge has also been re-marked in preparation for the western footway cutback works which started on 4 January. Works on these two sections are expected to be completed by March 2021. Work for the western arm of Kew Junction towards Brentford is continuing with the planning phase.

Mini-Hollands

The completion of Enfield's route between Ponders End and Freezey Water saw the completion of the Mini-Holland-funded programme in Enfield. We continue to make good progress in Kingston, with completion of that programme scheduled for summer 2021. Schemes currently under construction include protected Cycleways between Kingston Vale and Kingston, and Kingston and Surbiton.

Partnership with London Marathon Charitable Trust

On 10 December, in partnership with the London Marathon Charitable Trust, we announced the recipients of the 2020 Walking and Cycling Grants London programme, which aims to encourage more people to walk and cycle. Grants of up to £10,000 over a period of three years have been made available to community projects across London to deliver programmes that address barriers to active travel among traditionally under-represented groups. These will also enable more people to walk and cycle as capacity is reduced on public transport due to social distancing measures, and to help avoid a car-led recovery from the pandemic.

We received 128 applications, the highest number in the scheme's five-year history. A record 68 community and not-for-profit groups have been selected for the programme.

The scheme is jointly funded in partnership with The London Marathon Charitable Trust as part of a new five-year programme to inspire Londoners to walk and cycle, with many health benefits for individuals and communities. We have conducted research that shows people felt better physically and mentally when they introduced just 20 minutes of walking and cycling per day into their lives, with benefits including an improved mood, feeling more alert and enjoying discovering new parts of London. On a broader level, the funded projects will enable greater physical, social and economic mobility, reduce social exclusion and strengthen communities.

The Trust, which distributes the surplus generated from all events organised by its trading company, London Marathon Events Ltd, has awarded the scheme £2m over the five-year period as part of its Strategic Partnerships Grants programme, created in 2018 to support big regional projects that inspire physical activity. The

2020 funded projects will receive £593,369 of joint funding over three years. Projects include:

- The Aeon Bike Project – Inspirational Youth Ltd (Lambeth)
- Sole Sistas – active (Newham)
- Breaking the Cycle: Fixing Bikes, Changing Lives – YES Outdoors (Islington, Camden and Haringey)
- Walking Down Memory Lane: Step-by-Step Stories around Toynbee Hall – Walk East (Tower Hamlets)
- Girls Inclusion in Community Cycling Clubs – Access Sport (Hackney, Ealing, Bexley, Harrow and Walthamstow)
- Walk and Talk Project – Southall Community Alliance (Ealing)
- Lewisham Family Cycling Library – Climate Action (Lewisham)
- Over 60s Social & Cultural Walking Group – Sport4Health (Westminster, Kensington & Chelsea, Hammersmith & Fulham)
- Bart's WeCycle Rehab – Walk and Cycle London (Waltham Forest)
- Rutlish Recycle a Bike – Old Rutlishians Association (Merton)

To mark the announcement of the latest winners, on 10 December the Mayor visited The Cut in Lambeth where through traffic has been restricted to enable people walking and cycling.

Cycle parking spaces for the Capital

On 12 January, we awarded funding of more than £1m to create up to 2,000 much-needed new cycle parking spaces across the Capital, providing a further boost to the Mayor's bold Streetspace programme measures to boost walking and cycling.

Enabling Londoners to cycle safely is more important than ever. While the current coronavirus rules state that people must stay at home unless there is a reasonable excuse, it is vital that as many of these journeys as possible are made by walking, cycling and public transport rather than by car. This will help

to cut congestion and pollution in the Capital and reduce the risk of a car-led recovery, while also improving people's health and activity levels and making extra space on public transport for those who need to use it.

Funding has been awarded to 14 boroughs across inner and outer London, with the cycle parking spaces being delivered over the coming months to ensure that cyclists can benefit from the new infrastructure as soon as possible. The investment has been carefully targeted, with around 900 spaces to be delivered along routes that have been created or upgraded as part of the Streetspace for London programme.

A further 1,100 spaces across London will be created using a mix of different parking types, including on-street cycle parking, residential cycle hangars and new cycle hubs at Tube and rail stations. In Enfield, the investment will create new parking spaces at doctors' surgeries, helping people to cycle to appointments more easily, while in Merton, Sutton and Kingston, there are plans to create 514 new spaces across 37 schools.

We have also approved funding for the first time for two cargo bike cycle hangars in Waltham Forest, which will be in Walthamstow and Wood Street town centres. The hangars, built for local businesses, will be able to store two cargo bikes each, giving local businesses more sustainable options for moving freight and delivery services.

We will invest the rest of the funding in converting some temporary cycle parking spaces outside Tube stations into permanent cycle parking. We will also invest some of the funding to create a new cycle parking hub for Hackney Central station, enabling more people in the area to access the station by bike.

More than 1,400 new cycle parking spaces have been delivered on our road network since May 2020 through the Streetspace

programme, in addition to more than 90km of new or upgraded cycle lanes that have been built or are under construction.

Air quality education campaign

On 26 January, we launched a marketing campaign to educate London drivers on the issue of air quality. The campaign aims to raise awareness of what we and the Mayor are doing to help improve air quality, such as the central ULEZ. It will also help Londoners to consider using their cars less and make more of their journeys by sustainable modes, and support the need for the ULEZ expansion which is coming into effect on 25 October. A radio partnership with Global Radio is also part of the campaign, including interviews with experts and Londoners about air quality, as well as a radio advert.

Safer Streets

A number of safety projects to improve dangerous junctions for vulnerable road users have completed or restarted on site over winter. To date, the following junctions have been completed:

- Britannia Junction in Camden
- Edgware Road/Harrow Road in Westminster

In addition, we have restarted the following schemes:

- Edgware Road/George Street, in Westminster
- Camberwell Green in Southwark
- Dalston Junction in Hackney

Construction work is due to start at Camden Road/Camden Street in early 2021, although some challenges remain in terms of synergy with recent borough-led Streetspace for London improvements and concerns raised by some stakeholders during consultation.

Design and modelling work continues across a number of high priority safety schemes, including Holloway Road

corridor improvements which are approaching the end of the detailed design stage, and York Road roundabout which will soon commence detailed design for changing road markings to help improve safety for motorcyclists. Safer Streets improvement locations planned for delivery in 2021/22 include:

- Holloway Road/Drayton Park
- York Road roundabout – safety improvements for motorcyclists
- Upper Richmond Road by East Putney station – including 20mph and pedestrian crossing improvements
- A217 junction with Lumley Road – right-turn mitigation measures
- A3 Robin Hood Way service road – improved lighting and speed reducing features to reinforce the 20mph speed limit
- A23 Streatham High Road by Tesco – crossing improvements
- A23 Streatham High Road – closure of Gracefield Gardens junction to motorised vehicles and pedestrian crossing improvements
- A12/Ley Street junction – improvements following the fatality of a powered two-wheeler rider
- A10 junction with Edmonton County School – mitigate the impact of right-turning traffic
- A3220 Redcliffe Gardens - 20mph speed limit and pedestrian crossing improvements

Travel in London report

On 14 December, we published new data that shows the proportion of journeys made by walking and cycling in the Capital has significantly increased since the pandemic began, as Londoners' travel habits rapidly changed in the months following the start of the first national lockdown in March 2020.

Following the Government's advice at the time for people to stay at home and stop non-essential social contact, Londoners were told not to use public transport unless making an essential journey and to

walk or cycle, where possible. To support this, we have worked to deliver the Mayor's Streetspace for London programme of temporary changes to roads across London, rapidly creating a network of strategic cycle routes, extra space for walking in town centres as well as quieter roads in local neighbourhoods.

Changes to habits saw the proportion of journeys made by walking and cycling increase significantly, from 29 per cent between January and March 2020 to an estimated 46 per cent between April and June 2020. Since then, the proportion of people walking and cycling has remained well above previous levels even as restrictions eased and people began to return to public transport, accounting for an estimated 37 per cent of all journeys between July and September.

Normally, our annual report outlines changes in travel habits for the full previous calendar year, in this case 2019. This year, as a result of the dramatic changes to travel due to the coronavirus pandemic, a new section has been added to the report outlining the changes that have taken place since March 2020.

Other key insights include:

- The Mayor's Streetspace for London programme led to a huge increase in the number of Londoners living within 400m of the London-wide cycle network, from 11.5 per cent to 17.9 per cent
- 31 per cent of Londoners say they are walking to places where they used to travel by a different mode, 57 per cent say they now walk more for exercise and 42 per cent walk for longer than they did before the pandemic
- Nitrogen dioxide (NO₂) concentrations at some of London's busiest roads reduced by around half during March and April 2020 – when the tightest national lockdown measures were in full effect

- The proportion of journeys made by private transport increased a worrying amount, from 38 per cent between January and March 2020, to 45 per cent between March and June 2020.

These findings show how important the programme is to enable more journeys to be safely made by walking and cycling and achieve a green recovery to the pandemic.

TfL Go app

We launched our TfL Go app on Android on 9 December following a successful launch on iOS earlier in the year. The app helps people plan their journeys and travel safely across the Capital. It also displays the quiet times for every station on our network and allows users to see the fastest, alternative, and step-free routes for any journey planned.

The app also supports our continuing commitment to make journeys for those with accessibility needs as easy as possible. Customers can easily find accessibility information with the app's step-free mode and easy-to-navigate views of all stations which currently have street-to-platform accessibility.

For the first time, our free 'open data' will also include data to enable developers to show live lift disruption along these step-free routes, making it easier for those with accessibility needs to avoid stations where lifts are temporarily out of action for planned maintenance or repair. Since 16 December, this new data has been incorporated into the iOS version of the app, with plans to update the Android version shortly. Future features will also contain toilet information and include Thameslink on the Tube map.

The app has been a success with customers and there have been more than 70,000 downloads so far.

Air quality and the environment Ultra Low Emission Zone and Direct Vision Standard

The Low Emission Zone (LEZ), which covers most of Greater London, encourages the most polluting heavy diesel vehicles driving in the Capital to become cleaner by setting minimum standards for emissions. These standards are being tightened on 1 March 2021 for buses, coaches and lorries in line with the requirements for the central London ULEZ.

Improvements to the Direct Vision Standard (DVS) permit application system were successfully deployed on 24 November. In addition, the technical deployment of the DVS enforcement system was completed on 15 December in preparation for the customer-facing operational go live on 1 March 2021. We have reminded all heavy goods vehicle (HGV) operators to apply for a free safety permit as soon as possible. From 1 March 2021, all owners of HGVs over 12 tonnes – including those rated between one-star and five-star – will need to display a valid permit to continue operating in the Capital or will need to fit Safe System measures to improve the vehicle's safety. The Direct Vision Standard will operate 24 hours a day, seven days a week and will be enforced on all roads in London.

Following on from the successful technical cutover of the Capita system on 30 November 2020, the post implementation period of additional system monitoring and validation was completed by Capita as planned on 14 December 2020. On 4 December, we completed the recruitment of operational staff and training material has been baselined ahead of staff training due to start on 29 January 2021. We have continued our marketing campaign for

From 1 March 2021, heavy goods vehicles will need to display a valid safety permit to operate in the Capital



LEZ and DVS changes in recent months, with targeted letters sent to customers identified as being subject to both schemes, using data from the DVLA database.

Ultra Low Emission Zone Expansion

In 2019, we introduced the world's first 24-hour Ultra Low Emission Zone (ULEZ) in central London. This has had a transformational impact on air pollution, contributing to a 44 per cent reduction in roadside NO₂ levels within its boundaries. From 25 October 2021, the existing central London ULEZ will expand up to the North Circular Road (A406) and South Circular Road (A205), creating a much larger zone that will help improve air quality for millions of Londoners. Cars, motorcycles, minibuses (up to 5 tonnes), vans (up to 3.5 tonnes) and other specialist vehicles driving within the boundary will need to meet the required ULEZ emissions standards or pay a daily charge.

A key element of this expansion is to migrate the existing operational systems to a cloud-based platform to be able to

deal with the increased volumes of data that the larger zone will bring. We have successfully completed the first key testing cycles between the back-office systems, paving the way to migrate all systems to the cloud that has been established. Additionally, we have continued with the installation of new cameras across the expanded zone, with more than 300 fitted to date. Cameras are in line with privacy agreements and we have ensured the total numbers of cameras rolled out is kept to a minimum. We have also started installing the foundation sockets for the boundary signs.

Work continues on the marketing campaign to raise awareness of the ULEZ expansion and educate drivers on how and where the scheme will operate, encouraging them to check their vehicles and plan their options ahead of October. This campaign includes posters, radio adverts, press and online advertising, door drop leaflets to residents living along the boundary, press activity and stakeholder engagement, and will run until launch.

Heavy vehicle scrappage schemes

We operate London's £48m vehicle scrappage schemes which help drivers in London scrap their older, more polluting vehicles to meet required emissions standards. The grants have been targeted at small businesses, charities and low income and disabled Londoners to help remove older vehicles which do not meet the ULEZ and LEZ requirements off the roads and clean up London's air. After 18 months of operation, the scrappage scheme was suspended to vans due to high demand and limited funds, but remains open to charities. To date, the scheme has supported the scrapping of more than 3,500 vehicles. We continue to issue grant payments to applicants of the heavy vehicle scrappage scheme, with 45 vehicles scrapped to date. While the heavy vehicle scheme was only available for a short period, due to high demand and limited funds, we have recently secured an additional £344k of funding via underspend from the GLA's Good Growth Air Quality Fund, to enable an additional 156 heavy vehicles to be scrapped.

The ULEZ car and motorcycle scrappage scheme remains open to applicants. This scheme has supported the scrapping of more than 3,400 vehicles to date and has seen a significant rise in applications in recent months. We have been able to rebalance funding between the scrappage schemes in order to keep this scheme running as long as possible, as funds are returned to other schemes through uncompleted applications. Based on current uptake rates, we have a degree of certainty that the ULEZ car and motorcycle scrappage scheme will have enough funds to continue until the end of March, but depending on van redemption rates it could be extended further.

Lane rental scheme to support healthy streets

The Government has approved our application to operate a modified lane rental scheme. Stakeholders have been provided with the required three months'

advance notice of our intention to commence the scheme in April 2021. In the intervening period, we will work closely with all impacted stakeholders to ensure everyone is operationally ready. The scheme changes include extending the network coverage to 69 per cent (from 56 per cent), additional charging locations on cycle routes, new proposals for footway charges and increased opportunities for work promoters to complete work in the evening without incurring a charge.

This new scheme will incentivise excellence in safety and help support economic recovery and development, with discounts proposed where major infrastructure improvement works are being undertaken. As with the current scheme, regulations require that any net proceeds generated by the scheme are reinvested back into London's roadworks industry to improve the adverse effects that roadworks often have on people's journeys. Since the inaugural scheme started in 2012, more than £20m has been awarded towards innovation projects to develop new technology, modernise operational practice and reduce disruption from roadworks to a bare minimum. The cost benefit to society for reducing the delay in traffic from this investment is estimated to be more than £100m.

Rapid charging

To support the growing number of Zero Emission Capable (ZEC) taxis and the wider take-up of electric vehicles, we are spending £18m and working with the boroughs and other organisations to build a network of rapid charge points across London.

On 17 December, we reached our target of 300 rapid charge points installed and commissioned, despite some delays due to the pandemic. We have also continued work on hub sites at Baynard House in the City of London and Glass Yard in Greenwich, both due for completion in spring 2021.

Making buses greener

We raised 99 per cent of our core 9,000 bus fleet to the ultra-clean Euro VI engine emission standard by the end of 2020, completing this by the beginning of January. To help schools restart last year and to enable social distancing measures, we brought in extra buses to supplement school services until spring 2021. As a result, we do not expect to get the entire fleet to 100 per cent until they are no longer required and can be phased out.

We currently have 418 zero-emission buses in the fleet and will be increasing this number up to 700 by the end of 2021, subject to no further lockdowns or delays to vehicle delivery and roll out. Our plan is to seek continued funding from central Government and fares to increase this total to 2,000 vehicles by 2025 to further improve air quality in London and help tackle climate change. Ultimately, we aim to have an entirely zero-tailpipe emission fleet by 2037 and with support from Government we continue to work towards an accelerated date.

Bus priority

Work to convert all bus lanes on our road network to operate at all times is nearing completion, with 79km of 84km converted. We anticipate converting all 84km by March 2021, under an experimental traffic order. Work has begun to support some of the London boroughs to convert their bus lanes to 24/7 operation.

Design work continues on three new bus lanes in Central London, which will see one kilometre of additional bus lanes delivered on Vauxhall Bridge Road, New Kent Road and Tower Bridge Road in March 2021. This is in addition to 600m of bus lane that has recently been introduced by the London Borough of Brent. Detailed design on Wealdstone Town Centre, a significant bus priority scheme in Harrow, is nearing completion. This project is due to start construction in

late February 2021 and set to be completed in summer 2021.

Bus corridor review workshops have been finalised on eight strategic bus corridors. These include:

- Camberwell to New Cross
- Harrow Road
- New Cross to Deptford
- Elephant and Castle to Camberwell
- New Kent Road
- Highbury Corner to Hackney Central
- North Greenwich to Charlton
- Bricklayers to Dun Cow

These corridors have been targeted for small-scale, rapid-delivery improvements. A pipeline of schemes will now flow out of the reviews for delivery in 2020/21 and 2021/22. Further bus corridor reviews will be conducted in early 2021 to strengthen the scheme pipeline for 2021/22 and beyond.

Eco-friendly sleepers

We are replacing wooden sleepers on our Metropolitan, Hammersmith & City, District and Bakerloo line tracks with eco-friendly plastic composite versions. These new sleepers are made from 99 per cent recycled plastic and promise far greater durability than their hardwood equivalents. They can bear the repeated load of a 200-tonne passenger train with less frequent warping and cracking. These polymer sleepers move less when a train goes over them, which reduces wear and tear on the rails and joints. It also makes for a quieter, smoother riding experience.

The new sleepers are particularly useful in depots and sidings where the track form is comprised of compressed ash, without drainage, which causes the existing sleepers to rot. The new sleepers have an expected service life of about three to four times that of traditional wooden sleepers and they can be taken back and recycled by manufacturers at the end of their lifecycle to further improve their environmental credentials.



We have replaced the wooden sleepers on our London Underground tracks with an eco-friendly version on the Metropolitan, Hammersmith & City, District and Bakerloo lines

Old Street

Construction is progressing at Old Street roundabout, with a new design which will bring safety improvements to cyclists and pedestrians by providing new and improved crossings, fully segregated cycle lanes, and a new public space with an accessible main entrance to Old Street Underground station and the subsurface shopping arcade.

The main works are continuing with construction of the new station entrance at Cowper Street, which is now set to be completed and opened in July 2021. Good progress continues to be made on construction of the side walls before the precast stairs, glass cladding and canopy roof installed from February 2021. Following the completion of the remaining station roof strengthening works on the northeast side of the peninsula in December 2020, the final traffic management switch on the roundabout was successfully completed over the weekend of 15-18 January 2021, to reopen the northeast arm of the

roundabout and permanently close the northwest arm. This final traffic switch will enable construction to start for the new main station entrance, goods and passenger lifts and public space. Demolition work to create the opening in the peninsula for the new main station entrance has started and is on track for completion over the month of February. This will enable construction of the substructure works to begin, with the superstructure works scheduled to start in July 2021. Installation of the critical fire safety systems works in the shopping arcade area below the surface will begin in spring 2021, following the completion of the fabrication and installation designs by the specialist supplier. As a result of the pandemic, there is a reduced number of customers currently using Old Street Underground station. The station is operating normally and not implementing an exit-only operation at present, but we continue to monitor this approach in the event that numbers increase over the coming weeks.

Completion of the project is scheduled for autumn 2022.

Feasibility study for the Greater London boundary charge

On 11 December, the Independent Panel set up by the Mayor in summer 2020 to identify options for the long-term financial sustainability of TfL issued its report. Among its recommendations for further investigation were options for road user charging, which it identified as having the potential to create at least £1.5bn per year. The panel noted that this would also bring policy benefits and could take various forms including a boundary charge.

In his response to the report, the Mayor called on the Government to allow TfL to keep the £500m paid by Londoners in Vehicle Excise Duty every year. If the Government do not agree, other ways of raising money to overcome the unprecedented financial challenges we face as a result of the pandemic may be needed. The Mayor therefore asked that we investigate the feasibility of a new Greater London boundary charge for non-residents. A £3.50 daily charge, which would apply once a day regardless of how many times the boundary was crossed, would help further contribute to a green recovery for London by reducing the number of vehicles entering the Capital and could raise around £500m every year. The boundary charge would apply on top of any existing or planned charges such as the Congestion Charge and the ULEZ charge.

We are now working on a feasibility study which will consider the practicality, cost, alternatives to and impacts of such a charge. As part of this work, we will look at options for a higher charge for more polluting vehicles, options for different charging hours and days, and potential discounts and exemptions. Any revenue generated from the scheme would be reinvested into London's transport. We will also examine the potential for a

sustainable travel fund for boundary boroughs, which could respond to local transport priorities and help provide better alternatives to car use.

If a proposal was to be taken forward, it would be subject to statutory public and stakeholder consultation. Should the proposal require a change to the Mayor's Transport Strategy, then this would also require a consultation, including by the London Assembly.

Thameslink services added to Tube map

We have temporarily added Thameslink services to the world-famous London Underground map until the end of 2021. This will help customers navigate their way around the Capital more easily during the continuing pandemic whilst social distancing remains a priority.

This temporary change has been made to highlight to customers that Thameslink is operating a service through London. The change will see Thameslink services within Zones 1 to 6 (as well as Dartford and Swanley), shown on maps displayed in stations, the pocket Tube map, on our website and on the TfL Go app.

This will help further encourage the use of public transport to safely travel across London, aiding social distancing and reducing the risk of a car-led recovery. Step-free information has been added for all Thameslink stations shown, further aiding those with accessibility needs to travel around London.

As part of the Bank Station capacity upgrade work, there will be forthcoming closures to the Bank branch of the Northern line. Customers will benefit from using Thameslink services as an alternative route option and be able to better plan their journeys.

Heathrow

The Supreme Court gave its judgement in the long running Heathrow third runway litigation on 16 December 2020,

overturning the Court of Appeal's judgement and allowing Heathrow Airport Limited's appeal. As a result, the Airports National Policy Statement (ANPS), which allows for expansion of Heathrow Airport, is once again a lawful document. The Supreme Court found that the Secretary of State took the UK's climate change obligations under the Paris Agreement into account when preparing and designating the statement. The advice of the Committee on Climate Change had been followed and the statement provides for the planning permission application to be assessed in line with climate change targets which apply at the time. They also disagreed with the Court of Appeal's finding that the Paris Agreement was Government policy. The Mayor and TfL were not parties to the Supreme Court appeal but had supported the climate change grounds of the challenge in the Divisional Court and Court of Appeal stages.

A response to the Mayor's request for the statement to be reviewed, made in October 2019, is still outstanding. Efforts will continue to have the Secretary of State review and withdraw the statement, given it is unlikely that planning permission (by way of a development consent order) could be granted in respect of the third runway in light of the revised carbon reduction targets in the Climate Change Act and the advice of the Committee of Climate Change regarding international aviation emissions and airport capacity expansion. The approach to aviation and airport capacity is also likely to need to be re-assessed in light of the impacts of the pandemic.

6 Crossrail

Health and safety remains a top priority and overall performance is kept under constant scrutiny and has remained stable for the previous two periods.

Collaborative meetings to discuss the coronavirus pandemic are held regularly with senior leadership, and we continue to review project resilience and continuity plans. Additional measures have been initiated which include the suspension of all non-essential visits to project sites and the elimination of multi-site visits where possible.

Good progress has continued across the project in line with our plan to enter trial running at the earliest opportunity in 2021 and open the Elizabeth line in the first half of 2022, if not sooner.

There are two critical paths to opening the railway. The first is trial running, which is a period of intensive operational testing of the railway and is a pivotal milestone for the programme. Once this begins, it will provide the project with further certainty around the opening of the central section. The second critical path is the handover of stations to infrastructure managers. The formal handover is taking place in stages to take account of the challenges presented in handing over and commissioning these huge and complex assets.

All shafts and portals have now been handed over and all central section stations, including Bond Street, are certified to support trial running. Dynamic testing of the signalling and train systems has completed with mitigations in place and bug fixes applied to future software releases. This enabled System

Integration Dynamic Testing (SIDT) to start on 3 December 2020. This stage provides a valuable opportunity to test the complex systems in operational-like scenarios and begin to understand the reliability and software performance of the railway. Early indications show SIDT was hugely successful, with over 20,000 miles of tests run along the railway in the first period – greater mileage than previously achieved in the project’s test operations.

A third construction blockade was undertaken over the festive period to complete residual works on the routeway. The blockade achieved 98 per cent productivity against the plan, similar to the two preceding blockades. These blockades have helped to recover significant time lost due to the pandemic.

TfL Rail services continues to deliver excellent performance with service performance consistently above target for the year. From 22 December 2020, the nine-car Class 345 trains were re-introduced out of Paddington and have so far performed well and in line with expectations, with a further software update on course to be delivered and brought into use at the beginning of February.

The current focus of readiness activity to prepare for the opening of the Elizabeth line continues to be the review and acceptance of asset data, drawings and operational and maintenance manuals. This is a large and complex area that is critical to the safe handover of assets from Crossrail, and we continue to work collaboratively to complete this process as soon as possible to the required standard.

7 Finance

TfL Financial Sustainability Plan

On 11 January 2021, we submitted our Financial Sustainability Plan to the Government, as part of our commitments within the H2 Funding Agreement. The plan describes in detail how we can achieve financial sustainability, covering costs of day-to-day operations, maintenance and financing by 2023/24. It also clearly demonstrates how an equitable and longer-term funding settlement will support the Mayor's Transport Strategy objectives and the Government's levelling up and decarbonisation agendas which, through our range of shovel-ready projects, will boost the UK economy and aid recovery from the pandemic. It forms the start of the negotiating process and further discussions with the Government, with much to be discussed before any final decisions are made.

Prior to the pandemic, we were on track to deliver an operating surplus by 2022/23, but the massive fall in ridership caused by the pandemic has decimated our finances, due to our funding model's heavy reliance on fare revenue. The lack of sustainable long-term funding for an organisation whose assets have an average life span of around 30 years has led to an inefficient approach to maintenance, renewal and replacement.

The plan is informed by our Budget submission to the GLA; Long-term Capital Plan, and submission to the Comprehensive Spending Review; and with consideration of the recommendations in the Independent Panel Review report which was published on 11 December 2020. We have looked at

every lever and opportunity across the organisation, including income streams, commercial opportunities, funding mechanisms, cost bases, governance structures and liquidity.

Around £3bn in financial support will be needed from the Government in 2021/22. While the medium to long-term impact of the pandemic on travel demand is unknown, a significant financial gap will remain over the in the nearer term. The plan explores a range of options which are likely to be needed to ensure that we can continue to deliver the transport services the city needs.

It makes the case for a revised funding model with a predictable structure of financing in multi-year "Control Periods" like Network Rail and Highways England, while retaining and respecting the devolved framework and statutory obligations of the Mayor. It also assumes receipt of £500 million per annum from Vehicle Excise Duty or a possible new Greater London Boundary Charge, which is something that would need to follow statutory processes, including consultation. Other measure we will explore include reviewing our investment programme to support a decarbonised transport network by focusing on urgent priorities; progressing our planned savings and achieving further operational savings, and working with Government to develop our commercial development programme.

We are uniquely placed to help drive a strong and resilient future for London. With London's transport network crucial to the UK economy, we are seeking Government support for a

plan which will drive a green economic recovery, with a focus on maintaining service levels and decarbonising transport by 2030, while still achieving a level of financial self-sustainability greater than many mass transit systems around the world.

Our financial performance to date

Our latest financial report covers the period from 1 April to 12 December, equivalent to the period to the end of Quarter 3 of 2020/21. Our financial performance is measured against our Budget submission to the GLA, as presented to Board on 9 December 2020, and includes up to £1.8bn of Government funding for H2, after including £160m of additional savings required as part of the H2 funding agreement. These savings will be made mainly through higher other operating income, by reducing capital expenditure, deferring some non-safety-critical programmes and through cost and cash control measures.

Our year to date position on the net cost of operations, our day-to-day operating deficit including capital renewals and financing costs, was a deficit of £1,022m, £30m better than the GLA Budget submission.

This improvement is largely due to £100m of passenger income contingency we had included in the latest forecast, covering the period since further restrictions were implemented, reflecting the high degree of uncertainty in the impact of the restrictions and consequent journey levels. However, passenger income remains significantly below last year, with revenue reduced by 66 per cent, or almost £2.3bn over the three quarters.

As part of the H2 funding agreement with Government, we receive funding for losses in passenger revenue (up to an agreed level). We have seen higher than expected journeys and income in the Quarter, which has meant the funding from Government is lower (£109m).

During the second national lockdown, which lasted from 5 November to 2 December, Tube journeys fell to almost 80 per cent below last year compared to figures of around 65 per cent during October. In the same period, bus journeys fell to almost 55 per cent below last year compared to around 44 per cent during October. At the end of Quarter 3, Tube journeys had returned to 66 per cent and bus journeys to 44 per cent below last year. With London entering Tier 4 in late December 2020 and the new national lockdown in place since 5 January 2021, movement has been restricted to essential travel only, with overall journeys declining further and Tube journeys around 85 per cent down on last year and bus journeys almost 60 per cent down. Under the new funding agreement with the Government, we do not carry the financial risk from lower journeys, until 31 March 2021 as we receive a revenue top up to a predetermined level. Up to the end of Period 9, we have received £548m in grant funding in the second half of the financial year, 2020/21, which included £63m of revenue top up.

The temporary changes made to the Congestion Charge in Quarter 1 (increased charging times and rate) remain in place. The year to date position is slightly lower than budget.

Operating costs are £29m lower than expected, with almost half of this driven by lower core costs. We continue to enforce the spend control measures implemented at the start of the year, which we have been reviewing and tightening as needed since.

Overall, our spend on capital renewals and new capital investment is £27m, or four per cent, lower than our Budget submission which includes the capital savings identified as part of the additional £160m savings target. Spend to date is significantly lower than last year, by 24 per cent. The year-to-date variance is driven by the slower ramp up on London Underground renewals and smaller variances across most programmes

Board



Date: 3 February 2021

Item: Elizabeth Line Operational Readiness and Crossrail Update

This paper will be considered in public

1 Summary

- 1.1 This paper provides an update on the status of the Crossrail project (Crossrail) and the readiness of the Infrastructure Managers (IM) for the operations and maintenance of the railway after handover from Crossrail.
- 1.2 On 26 November 2020, the Elizabeth Line Committee met for the first time and will meet again on 29 January 2021. A summary report from the meeting will be provided at this meeting of the Board where any issues will be raised as needed.

2 Recommendation

- 2.1 **The Board is asked to note the paper.**

3 Crossrail Update

- 3.1 Health and safety remains a top priority and overall performance is kept under constant scrutiny and has remained stable for the previous two periods. Over the festive period there were no safety related incidents during the construction blockade over the new year. So far in the current period, there have been no accidents and incidents.
- 3.2 We continue to manage the coronavirus pandemic response in our established Gold, Silver and Bronze command structure. This structure has been stood up and maintained since the start of the crisis and is fully aligned with Government, Public Health England and TfL policies. The command structure includes all parts of “Team Crossrail”; from the delivery units right through to the operator and maintenance teams.
- 3.3 Additional measures have been initiated in response to the third national lockdown which include the suspension of all non-essential visits to project sites and the elimination of multi-site visits where possible. The Covid-19 secure site arrangements are audited weekly, with special emphasis on the ‘Golden Assets’, including Romford Control Centre (RCC), Tunnelling and Underground Construction Academy, and Plumstead maintenance facility. The priority remains on the sites and works needed to support Trial Running.
- 3.4 Good progress has continued across the project in line with our plan (Delivery Control Schedule) to enter Trial Running at the earliest opportunity in 2021 and open the Elizabeth line in the first half of 2022, if not sooner.

- 3.5 There are two critical paths to opening the railway. The first is Trial Running, which is a period of intensive operational testing of the railway and is a pivotal milestone for the programme. Once it begins it will provide the project with further certainty around the opening of the central section. The second critical path is the handover of stations to the IM. The handover is taking place on a staged basis to take account of the challenges presented in handing over and commissioning these huge and complex assets.
- 3.6 The progression of assurance documentation required for entry into the Trial Running stage remains a priority. The assurance process for the Elizabeth line is complex and requires the integration of individual railway assets which must undergo a series of safety checks before each one is issued with a safety document. Significant recent progress has been made in completing the safety assurance process for the routeway assets and systems, we are now in the final stages of completion.
- 3.7 All shafts and portals have now reached full handover and are in control of the IM. Limmo Shaft achieved this status on 8 December 2020 and Stepney Green Shaft on 17 December 2020. Six of the nine central section stations are now in a configuration to support Trial Running and Paddington station will be in this configuration by the end of January 2021.
- 3.8 Dynamic Testing of the signalling and train systems required for Trial Running is at a very advanced state of completion. This enabled the commencement of System Integration Dynamic Testing (SIDT) on 3 December 2020. SIDT provides a valuable opportunity to test the complex systems in operational like scenarios and begin to understand the reliability and software performance of the railway. It also marks the incorporation of the RCC into the testing process. Early indications demonstrate a positive performance of SIDT with over 20,000 miles being achieved in the first period – greater mileage than previously achieved in the project’s test operations. A small number of tests are scheduled in the coming weeks to complete the software configuration for full Trial Running.
- 3.9 A third construction blockade was undertaken over the festive period to complete residual works on the routeway. The blockade achieved 98 per cent productivity against the plan, a similarly high level of productivity to the two preceding blockades and has helped recover significant time lost as a result of the coronavirus pandemic.
- 3.10 Crossrail and the IMs are jointly preparing for the classification of the central operating section as an operational railway, under the Railways and Other Guided Transport Systems (Safety) Regulations 2006. At the commencement of Trial Running this will mark the transition of rules from a construction programme to an operational railway. Training of the supply chain is being done to operate under the new rules.
- 3.11 Farringdon is our most advanced central London station and has reached an important milestone with the construction works being sufficiently finished for testing and commissioning activities to start. It is expected that the station will be handed over to TfL in Q1 2021 and we are still on target to achieve this.

- 3.12 Good progress continues at stations across the central section. Paddington, Tottenham Court Road, Liverpool Street and Woolwich stations have all now achieved Staged Completion 3 (SC3) status, which is the step before entering the testing and commissioning phase once all the physical works are complete. The remaining central London station sites are planned to achieve SC3 status over the coming months.
- 3.13 An execution plan for the completion of Bond Street station is in place and there is a clear path for it being able to support Trial Operations, with associated work at the station due to be completed in the summer of 2021.
- 3.14 Network Rail's major upgrade works to surface stations on the eastern and western section of the railway continue to progress, with step-free access being prioritised where possible. Acton Main Line and West Ealing will become step-free in early 2021 and will be followed by Ealing Broadway, Southall, Hayes and Harlington, West Drayton, Romford and Ilford in intervals over the next 12 months.

4 Elizabeth Line Readiness

- 4.1 TfL Rail services continue to deliver excellent performance, with 96.4 per cent of trains meeting the reliability target in the four-week period between 14 December 2020 and 9 January 2021. This continues the trend of service performance above target for the year, although services in the previous period (94.1 per cent) were impacted by infrastructure incidents on NR's Great Western and Anglia routes.
- 4.2 We continue to focus on mitigating software related failures in the European Train Control System signalling system. New software is being introduced in January and February 2021 to improve reliability. From 22 December 2020 the 9-car Class 345 trains were re-introduced out of Paddington and have so far performed in line with expectations and a further software update is on course to be delivered and brought into use at the beginning of February 2021.
- 4.3 Following a question at the previous TfL Board meeting regarding possible opportunities for financial efficiencies with our rolling stock contract with Bombardier, the Class 345 contract between Rail for London (RfL) and Bombardier does contain a mechanism for varying the RfL train maintenance payments to Bombardier dependent on actual mileage, although offsetting this, delays to the availability of the Crossrail tunnels have incurred additional costs. Class 345 Fleet usage is planned to rise in 2021 to maximum contractual levels (65 from 70 trains in daily use) as the Programme progressively starts Trial Running/Trial Operations, Stage 4a, and Stage 3.
- 4.4 Recruitment and training continue, albeit in line with the safe systems of work in place in response to the coronavirus pandemic. Progress is positive, however, with the minimum number of maintenance colleagues required for Trial Running now in post. The training requirement for operations includes the completion of all courses including Refresher, Update and New ('RUN') courses by 19 March 2021. By the start of Trial Running ramp up 16 Traffic Managers are expected to have fully completed the necessary training with the remaining eight completing in the first four weeks of TR.

- 4.5 The majority of London Underground maintenance training has already been completed for Farringdon, Tottenham Court Road, Liverpool Street and Whitechapel, and familiarisation tours are being carried out on a station and system basis.
- 4.6 The current focus of readiness activity continues to include the review and acceptance of asset data, drawings and operational and maintenance manuals. This is a large and complex area critical to safe handover, and we continue to work collaboratively to complete this process to the necessary standard. On 27 November 2020 Farringdon station passed its go/no-go milestone, enabling London Underground commercial and maintenance managers to begin the process of varying internal and external maintenance contracts. RfL-Infrastructure have now accepted and are responsible for care and maintenance of all the shafts and portals.
- 4.7 We continue to develop the detailed functionality and commissioning of the RCC. Any further commissioning activities required during the period of Trial Running will be incorporated into the plan.
- 4.8 We continue to work collaboratively to identify residual works (post revenue service scope) and how they can best be delivered. We have agreed the principles for how these works can be taken forward and are finalising scope and the necessary organisational and commercial arrangements to enable this.

List of appendices to this report:

None

List of Background Papers:

None

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Board

Date: 3 February 2021

Item: Finance Report – Quarter 3, 2020/21

This paper will be considered in public

1 Summary

1.1 The Finance Report presentation sets out:

- (a) TfL's financial results to the end of Quarter 3 (Period 9), the year-to-date ending 12 December 2020; and
- (b) TfL's Financial Sustainability Plan.

2 Recommendation

2.1 **The Board is asked to note the Finance Report.**

3 Revised Financial Targets

- 3.1 On 9 December 2020, the Board reviewed and approved TfL's contribution to the consolidated draft GLA Budget, which is now our Business Plan and Budget for the next two financial years. This forecast includes funding for H2, 2020/21 agreed with Government in October 2020.
- 3.2 The Budget will operate as our reporting baseline for the remainder of 2020/21.

4 Financial Reporting to the Board

Finance Report – Quarter 3, 2020/21

- 4.1 The Finance Report presentation provides a summary of year-to-date financial performance against the Revised Budget and last year. The presentation is consistent with how we have presented the original 2020/21 Budget.

5 Quarterly Performance Report – Quarter 3, 2020/21

- 5.1 The Quarterly Performance Report covering Quarter 3, 2020/21 will be published directly online in early February, 2021. Quarterly Performance Reports can be found here:

<https://tfl.gov.uk/corporate/publications-and-reports/quarterly-progress-reports>

6 Financial Sustainability Plan

- 6.1 As part of our commitments within the H2 Funding Agreement, we submitted our Financial Sustainability Plan (FSP) to Government on 11 January 2021.
- 6.2 The plan describes in detail how TfL can achieve financial sustainability - covering costs of day-to-day operations, maintenance and financing by 2023/24 while still requiring government support for major investments. It considers a range of possible scenarios which look at demand, additional revenue sources and capital investment.
- 6.3 Our FSP demonstrates how an equitable and longer-term funding settlement will support the Government's levelling up and decarbonisation agendas. We have a range of shovel-ready projects which can boost the UK economy and aid recovery from the pandemic. It provides the starting point for discussions with Government – it is important to stress that discussion must take place before any final decisions are taken.
- 6.4 Prior to the pandemic, TfL was on track to deliver an operating surplus by 2022/23, but the massive fall in ridership has decimated our finances due to our heavy reliance on fare revenue. The lack of sustainable long-term funding for an organisation whose assets have an average life span of around 30 years leads to an approach to maintenance, renewal, and replacement that is not efficient.
- 6.5 The FSP is informed by our Budget; the Long-term Capital Plan and Comprehensive Spending Review, and with consideration of the recommendations in the Independent Panel Review report which was published on 11 December 2020. We have looked at every lever and opportunity across the organisation, including income streams, commercial opportunities, funding mechanisms, cost bases, governance structures and liquidity.
- 6.6 We strongly recommend the 'Decarbonise by 2030' scenario which contributes to the overarching Mayoral and Government agenda and proposes investment to achieve national and local ambitions for London's transport network. This investment in mass public transport would go a long way toward the Mayor's Transport Strategy objectives such as 80 per cent of all trips being made on foot, by bike or by public transport by 2041 which will lead to better health for Londoners, mitigate the impacts of climate change and enable both a Green Recovery in the short term and Good Growth in the longer term. This would require investment levels at £1.6bn capital funding per year between 2023-30, as part of our case for a new funding model less reliant on fares income
- 6.7 Around £3bn in financial support from Government will be needed in 2021/22. While the medium to long-term impact of the pandemic on travel demand is unknown, it is clear that a significant financial gap will remain over the next few years. A revised funding model, and a range of new measures, are therefore likely to be needed to ensure that we can continue to deliver the transport services the city and country need.

6.8 TfL is uniquely placed to help drive a strong and resilient future for London. With London's transport network crucial to the UK economy, we are seeking Government support for a plan which will drive a green economic recovery with a focus on maintaining service levels and decarbonising transport by 2030, while still achieving a level of financial self-sustainability greater than many mass transit systems around the world.

List of appendices to this report:

Appendix 1: Finance Report Presentation

List of Background Papers:

None

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Finance Report

Quarter 3, 2020/21

Management results from 1 April 2020 – 12 December 2020
Financial Sustainability Plan

Board

3 February 2021



Section I

Background: H2, 2020/21

Page 78

Background	1
Quarter 3, 2020/21 results	2
Divisional summaries	3
Financial Sustainability Plan	4



Background

- Our initial 2020/21 Budget was approved by Chair's Action on 29 March 2020, following consideration by the Board on 18 March at a briefing (held in lieu of a meeting, due to the coronavirus travel restrictions).
- During mid-March and April 2020, passenger demand declined steeply, with a 95 per cent reduction in journeys on the Tube, and an 85 per cent reduction in journeys on buses. This caused an initial overall income loss of around 90 per cent including non-passenger incomes.
- On 14 May 2020, TfL reached an agreement with the Government on a funding and financing package of £1.6bn to cover H1, 2020/21. Following this agreement, we produced an Emergency Budget for 2020/21, which includes funding from government, as well as income from furloughing staff, new savings and rephasing of some capital projects. The Emergency Budget was approved by the Board on 2 June 2020.
- We updated the Emergency Budget with the Revised Budget in July 2020. This budget reflected updated passenger journey and income trends for 2020/21 and 2021/22, as well as further cost savings and changes to capital programmes. The Revised Budget was approved by the Board in late July 2020.

H2, 2020/21 Funding Agreement with government

- At the end of October 2020, we finalised a new funding agreement with Government to cover H2, 2020/21. This agreement provides a level of base funding, as well as passenger income top up to an agreed level. In addition, TfL has committed to meeting a number of conditions, including making £160m of net savings in H2 compared to the Revised Budget, investing in Streetspace, and producing a management plan to achieve financial sustainability in the medium to long term (the 'Financial Sustainability Plan').

2020/21 GLA Budget

- In December 2020 we produced TfL's latest forecast for the next two years, as part of the draft GLA Budget for 2021/22, which was approved by the Board. This TfL (GLA) Budget will be used as our reporting baseline for the rest of the 2020/21 financial year.

Section 2

Quarter 3, 2020/21 results

Page 80

Background	1
Quarter 3, 2020/21 results	2
Divisional summaries	3
Financial Sustainability Plan	4



Headlines

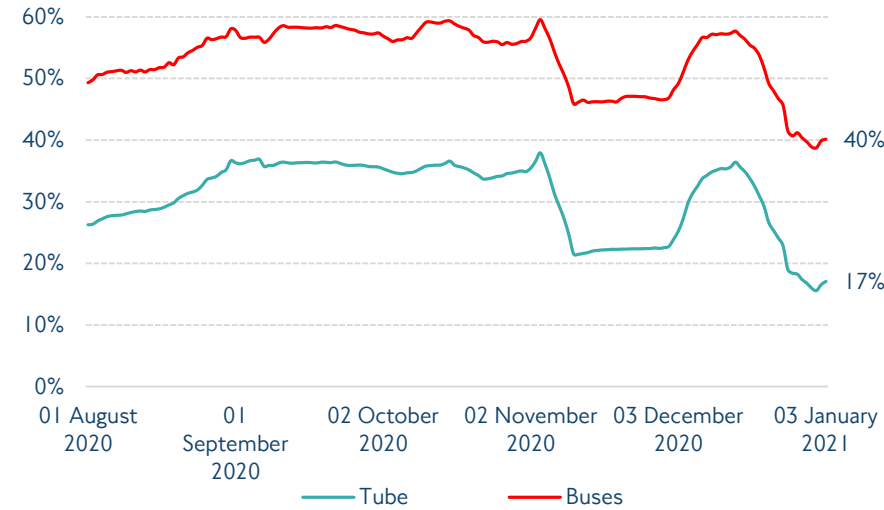
Passenger journeys and income remain significantly down on last year; at the end of Q3, weekly income £55m lower compared to last year. The Quarter saw increases in demand, with Tube demand peaking at 65% lower than last year; buses saw better results, with the peak around 40% lower than last year.

We have continued to keep costs down through our planned savings programme, lower network costs at the height of the pandemic, as well as new savings this year.

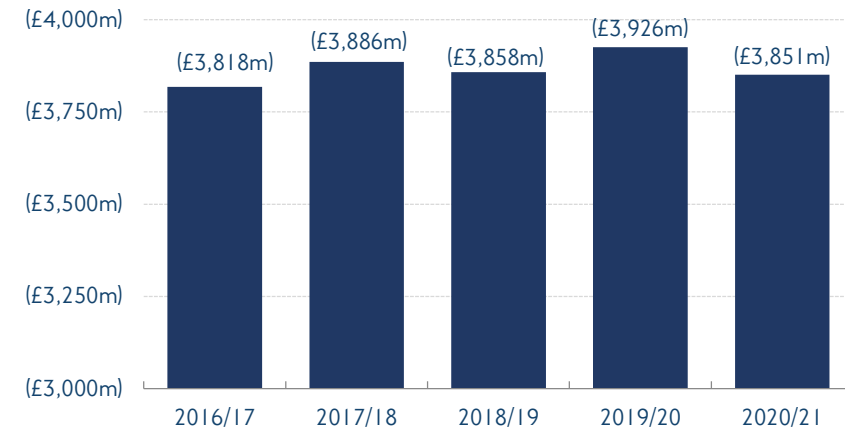
As part of the new agreement reached with government in October 2020, we will receive funding and financing up to £1.8bn in H2, 2020/21. This agreement will provide a base level of funding as well as funding for losses in passenger revenue (up to an agreed level).

Headlines

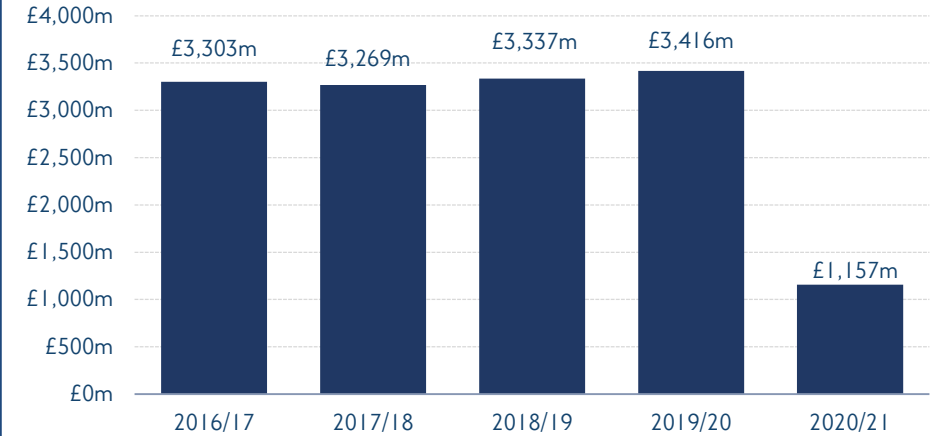
Flat journey demand for most of the Quarter, decline in December with tightening restrictions



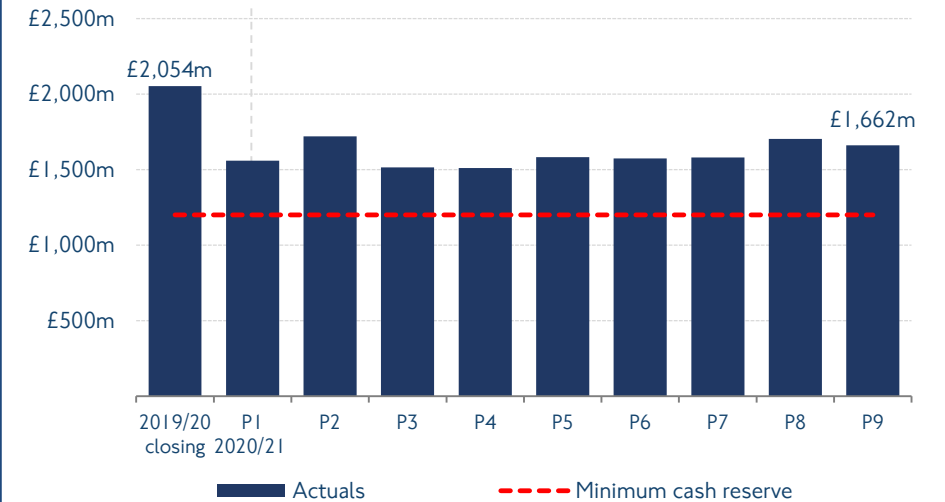
Core operating costs almost £80m lower than last year, with savings and lower costs at the height of the pandemic mitigating inflation



Passenger income up on earlier in the year, but almost 70% lower than last year



Cash balances stable following H2 agreement with Government



Operating account

Net cost of operations is £30m better than target, driven by higher journey volumes (largely offset by revenue top up funding included in extraordinary revenue grant), cost reductions, and lower coronavirus related costs.

Compared to the earlier Revised Budget, the net cost of operations before extraordinary funding is £450m better, driven by almost £350m of higher income – with journeys and roads volumes higher than expected earlier in the year – and lower operating costs.

Operating account

Operating account (£m)	Year to date, 2020/21				Year to date, 2019/20		
	Actuals	TfL (GLA) Budget	Variance to TfL (GLA) Budget	% variance to TfL (GLA) Budget	Last year	Variance to last year	% variance to last year
Passenger income	1,157	1,049	108	10%	3,416	(2,259)	-66%
Other operating income	522	531	(8)	-2%	709	(187)	-26%
Total operating income	1,679	1,580	100	6%	4,125	(2,445)	-59%
Business Rates Retention	659	659	0	0%	649	10	2%
Revenue grant	22	20	2	10%	58	(36)	-62%
Government furlough grant	58	60	(2)	-4%	0	58	N/A
Total income	2,419	2,319	100	4%	4,832	(2,413)	-50%
Operating costs ¹	(4,398)	(4,427)	29	-1%	(4,340)	(57)	1%
Coronavirus direct operating costs	(41)	(45)	4	-9%	0	(41)	N/A
Coronavirus safe stop and stranded labour costs ²	(92)	(96)	4	-5%	0	(92)	N/A
Net operating surplus	(1,979)	(2,108)	129	-6%	491	(2,471)	-503%
Net financing costs	(318)	(318)	(0)	0%	(309)	(9)	3%
Net cost of operations after financing	(2,297)	(2,426)	128	-5%	182	(2,479)	-1362%
Capital renewals	(202)	(213)	11	-5%	(293)	91	-31%
Net cost of operations	(2,499)	(2,639)	139	-5%	(111)	(2,388)	2158%
Extraordinary revenue grant	1,497	1,606	(109)	-7%	0	1,497	N/A
Net cost of operations after extraordinary revenue grant	(1,002)	(1,033)	30	-3%	(111)	(891)	806%

¹ - 2020/21 operating leases presented on IFRS 16 basis

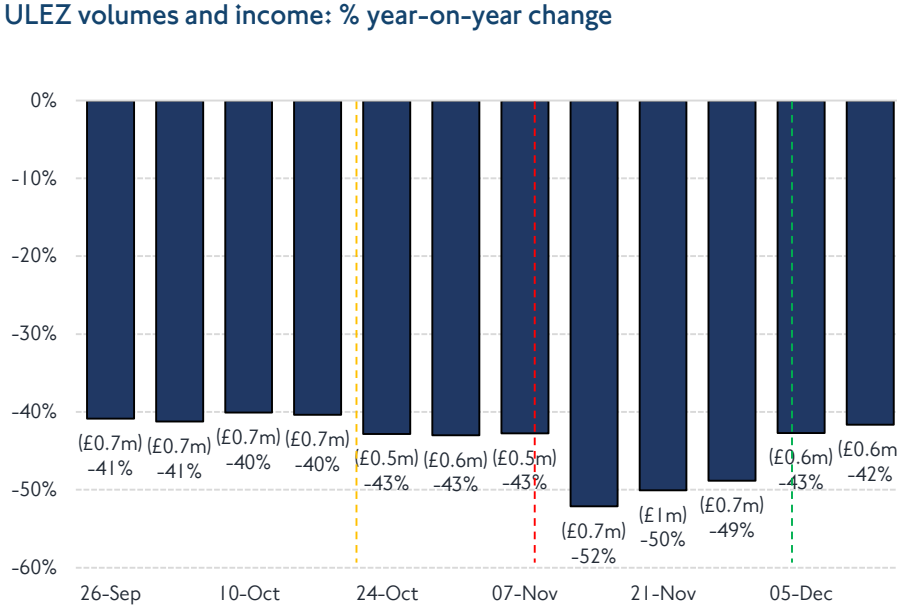
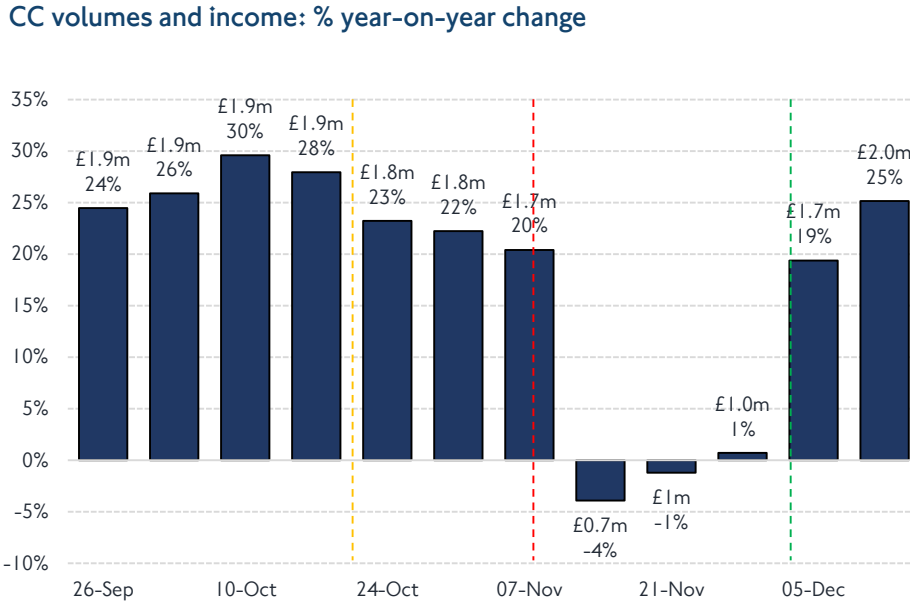
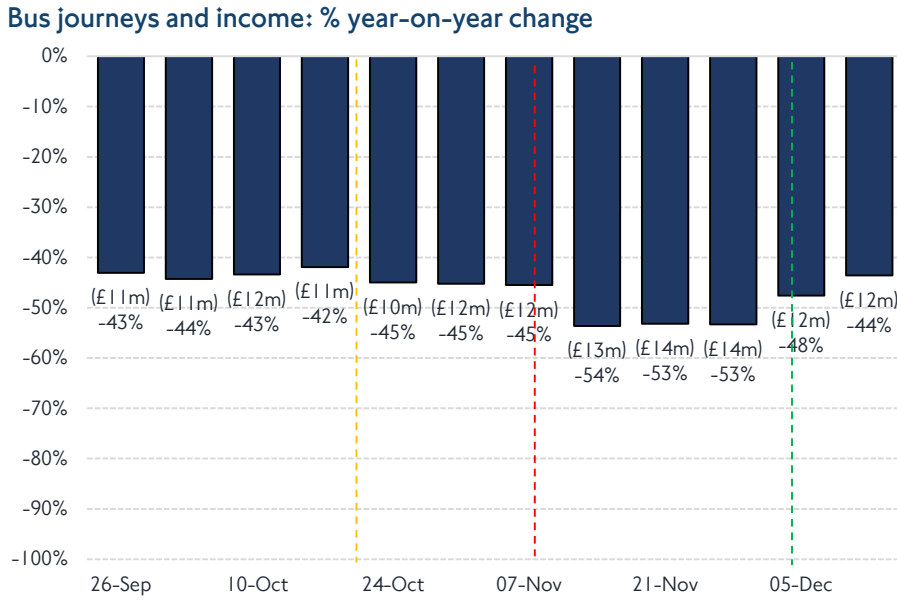
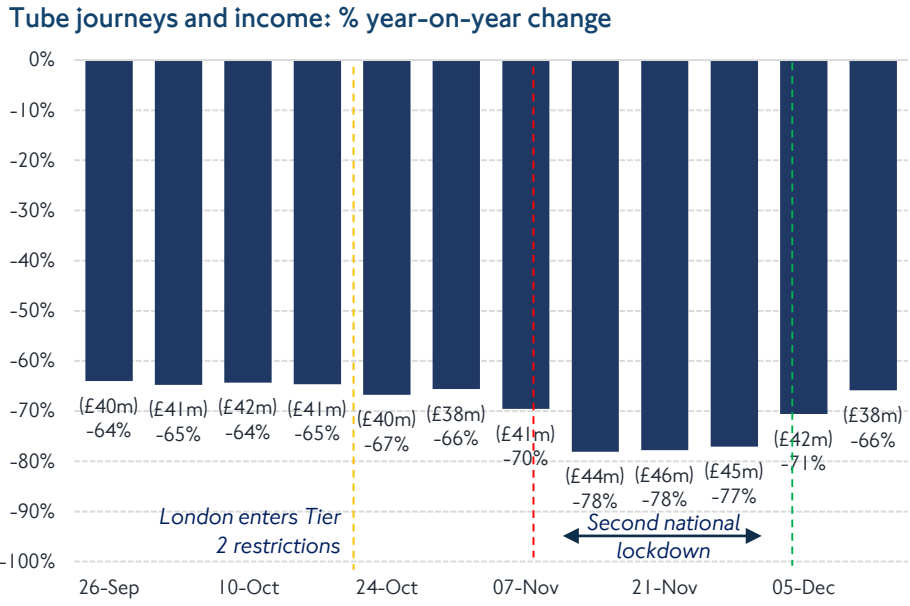
² - Stranded labour costs are staff costs for capital projects – we have paused some non-safety critical capital projects, which means these costs do not currently appear in the capital account

Passenger journeys and other operating income

Both Tube and bus journeys saw relatively flat demand for the first half of the Quarter. The second national lockdown in November 2020 saw some decline in journeys. Journeys at end of the Quarter broadly in line with those at the start.

Congestion Charge volumes up on last year for most of the Quarter, a result of the temporary extension of charging hours. Along with the reintroduction of charging, and the increase in daily charges in June 2020, this has increased income by around £2m per week. The second national lockdown saw volumes briefly dip below last year.

Passenger journeys and income



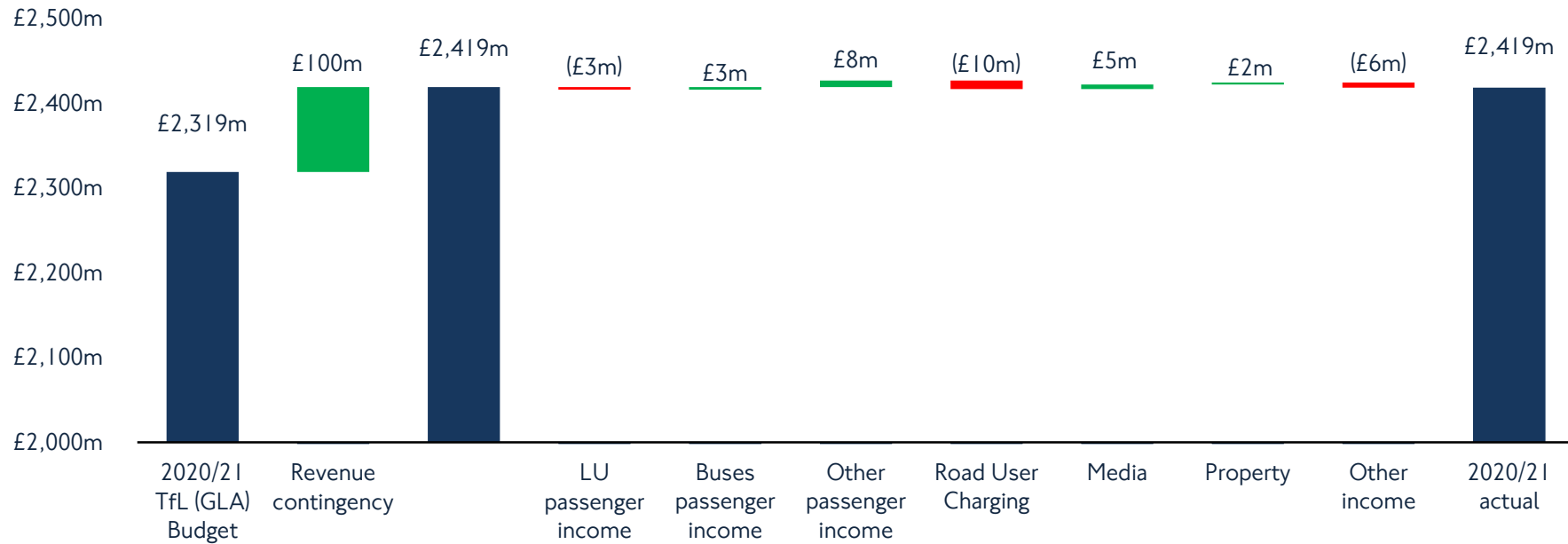
Total income

Underlying income – after adjusting for £100m revenue contingency – is in line with target.

Underlying passenger income (excluding contingency) was £8m better than target, driven by upsides in buses, Rail and Oyster write off income.

Road User Charging income (including income from the Congestion Charge and ULEZ schemes) was £10m lower than target, following the national lockdown in November. This income stream is not covered by the H2 agreement, and remains a risk over the remainder of the year.

Total income: year to date, 2020/21



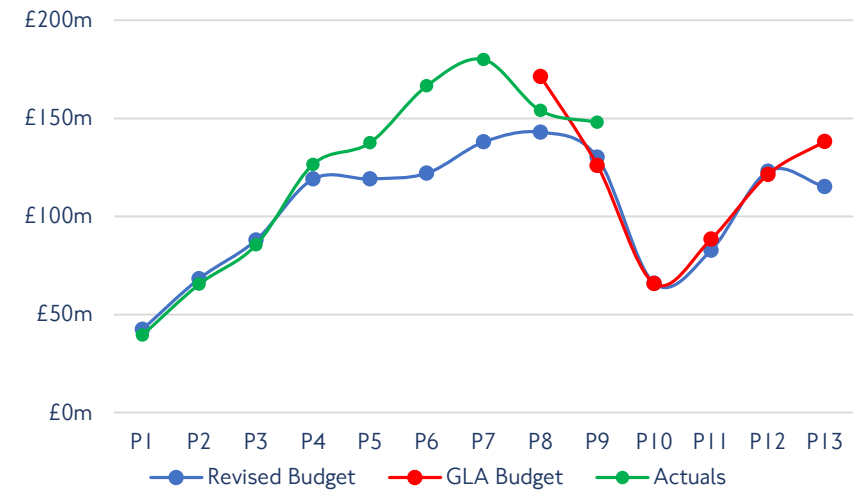
£100m

higher than target

Underlying passenger income broadly in line with target

Risk on passenger income minimised following H2 agreement with government; however, future risk on Road User Charging from prolonged lockdown

Passenger income: actuals, TfL (GLA) Budget and Revised Budget (excl. revenue contingency and Oyster write off income)



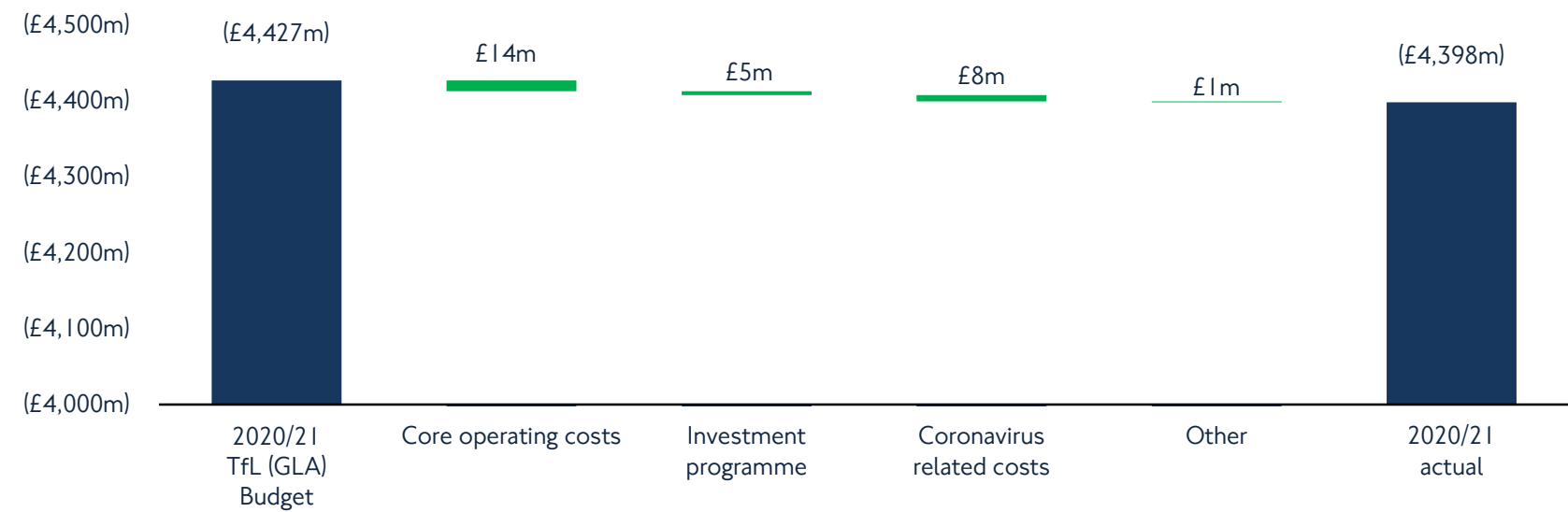
Operating costs

Operating costs £29m lower than target, driven by lower core costs – partly from lower bad debt as a result of lower Congestion Charge and ULEZ volumes – and lower investment costs.

Coronavirus costs – including cleaning, PPE, social distancing as well as stranded labour costs * - are £133m in the year to date.

Our savings programme is expected to deliver £325m of savings this year, before the impacts of inflation and cost increases from growth. We are continuing to drive through further savings through heightened oversight of all material expenditure.

Operating costs: year to date, 2020/21

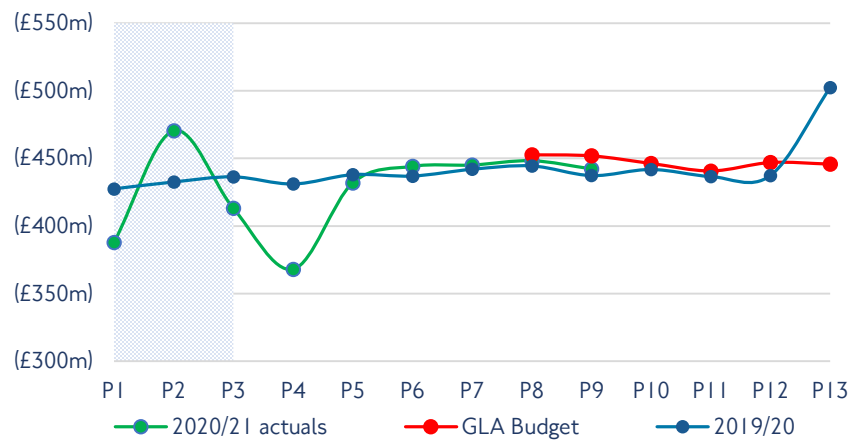


£29m
lower than target

Lower costs from combination of lower bad debt, slower investment spend, and lower coronavirus costs.

* Stranded labour costs are staff costs for capital projects – we have paused some non-safety critical capital projects, which means these costs do not currently appear in the capital account

Core operating costs: actuals for 2019/20 and 2020/21, GLA Budget
Costs now running broadly in line with last year



Staff

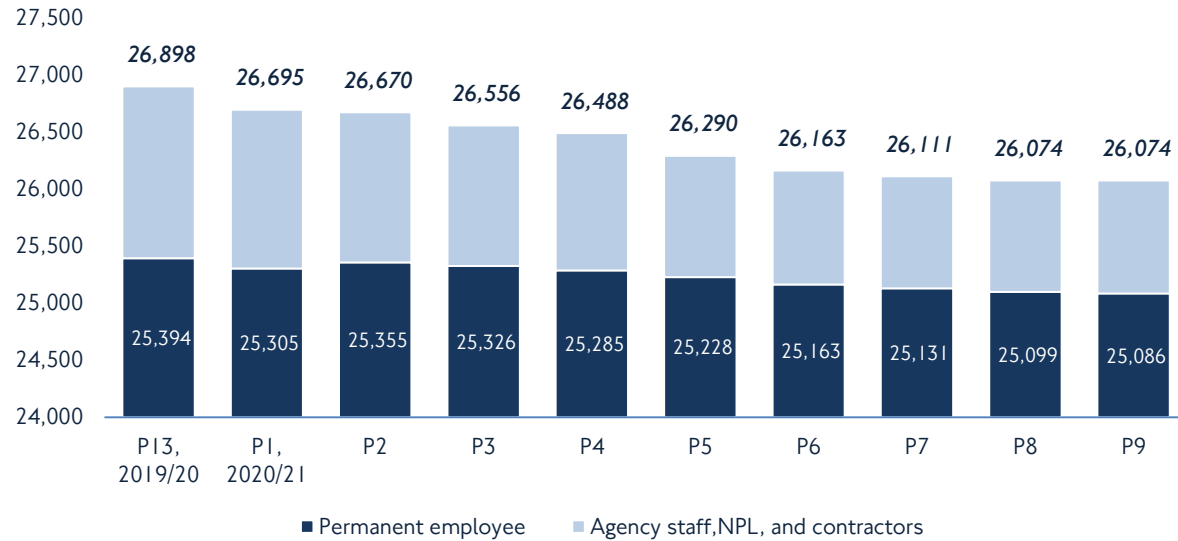
We have reduced total headcount by 824 (3%) since the end of last year, with almost two-thirds of the reduction through lower agency staff and non-permanent labour. Compared to our original Budget, staff numbers are down by almost 1,500.

We have stopped furloughing staff since the end of Period 8.

Page 86

Staff excl. Crossrail construction

Headcount trends since the end of last year



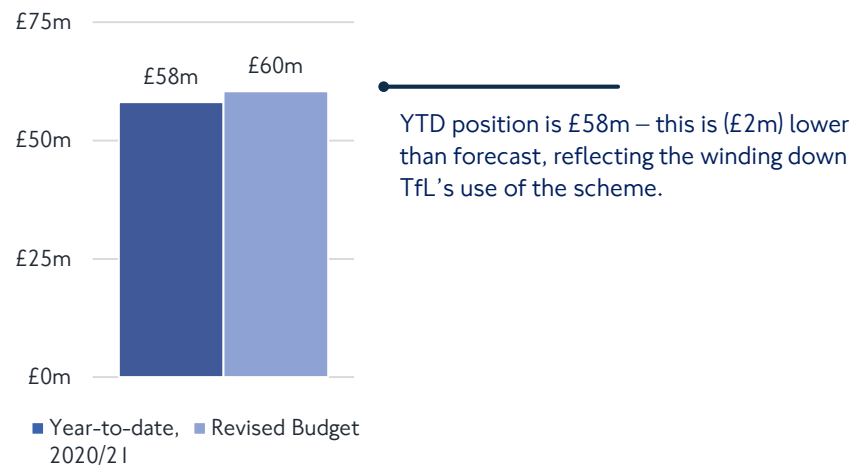
824

reduction in staff since end of 2019/20

c.£4m

additional savings per period compared to end of last year

Job Retention Scheme income



2020/21 full-year outturn

Our expected full-year outturn is a deficit of almost £4.2bn before funding and financing support from Government.

Compared to our earlier Revised Budget, this an improvement of £400m, driven in the main through higher income – from journeys and higher Road User Charging volumes – as well as further cost savings.

Against last year, our expected deficit will be just over £3.7bn worse, with total income £3.6bn lower. Total operating costs are up, driven in the main by over £160m of coronavirus related costs; our underlying core costs are expected to outturn almost £120m lower than last year, a result of new savings and reduced costs from running fewer services in the early stages of the pandemic.

Operating account

Operating account (£m)	Full year, 2020/21				Full year, 2019/20		
	TfL (GLA) Budget	Revised Budget	Variance to Revised Budget	% variance to Revised Budget	Last year	Variance to last year	% variance to last year
Passenger income	1,480	1,315	165	13%	4,751	(3,271)	-69%
Other operating income	768	708	60	8%	1,023	(255)	-25%
Total operating income	2,248	2,024	224	11%	5,774	(3,526)	-61%
Business Rates Retention	969	894	75	8%	988	(19)	-2%
Revenue grant	27	14	13	95%	117	(90)	-77%
Government furlough grant	60	40	20	50%	0	60	N/A
Total income	3,305	2,972	333	11%	6,879	(3,574)	-52%
Operating costs ¹	(6,654)	(6,692)	38	-1%	(6,433)	(221)	3%
Coronavirus direct operating costs	(71)	(80)	9	-12%	(9)	(62)	666%
Coronavirus safe stop and stranded labour costs ²	(118)	(100)	(19)	19%	(19)	(99)	513%
Net operating surplus	(3,349)	(3,720)	371	-10%	446	(3,795)	-850%
Net financing costs	(458)	(456)	(1)	0%	(433)	(24)	6%
Net cost of operations after financing	(3,806)	(4,176)	370	-9%	13	(3,819)	-29715%
Capital renewals	(366)	(396)	30	-8%	(453)	87	-19%
Net cost of operations	(4,173)	(4,572)	400	-9%	(440)	(3,732)	848%
Extraordinary revenue grant	2,589	2,865	(276)	-10%	0	2,589	N/A
Net cost of operations after extraordinary revenue grant	(1,584)	(1,707)	124	-7%	(440)	(1,143)	260%

¹ - 2020/21 operating leases presented on IFRS 16 basis

² - Stranded labour costs are staff costs for capital projects – we have paused some non-safety critical capital projects, which means these costs do not currently appear in the capital account

Capital account

Total capital expenditure £27m lower than target, driven by slower ramp up in capital renewals and lower property investment spend.

Property and asset receipts £44m down on target, mainly driven by delayed disposal of Davies Street as a result of Crossrail slippage.

Capital account: year to date, 2020/21

Capital account (£m)	Year to date, 2020/21				Year to date, 2019/20		
	Actuals	TfL (GLA) Budget	Variance to TfL (GLA) Budget	% variance to TfL (GLA) Budget	Last year	Variance to last year	% variance to last year
New capital investment	(513)	(529)	15	-3%	(648)	134	-21%
Crossrail	(522)	(537)	15	-3%	(733)	211	-29%
Total capital expenditure	(1,036)	(1,066)	30	-3%	(1,381)	345	-25%
Financed by:							
Investment grant	619	619	0	0%	607	12	2%
Property and asset receipts	8	52	(44)	-85%	150	(142)	-95%
Borrowing	507	507	0	0%	269	238	89%
Crossrail borrowing	473	484	(11)	-2%	0	473	N/A
Crossrail funding sources	68	68	(1)	-1%	607	(540)	-89%
Other capital grants	100	94	6	6%	127	(27)	-22%
Total	1,774	1,825	(51)	-3%	1,760	13	1%
Net capital account	738	759	(21)	-3%	380	359	94%
Capital renewals	(202)	(213)	11	-5%	(293)	91	-31%
New capital investment	(513)	(529)	15	-3%	(648)	134	-21%
Total TfL capital expenditure	(715)	(742)	27	-4%	(940)	225	-24%

Capital expenditure

Total capital expenditure £27m lower than target; spend to date this year is over £225m lower than this time last year, reflecting safe stop of non-critical projects at the height of the pandemic, and planned deferrals in H2, 2020/21.

Capital expenditure by programme: year to date, 2020/21

<i>Capital renewals and new capital investment (£m)</i>	Year to date, 2020/21				Year to date, 2019/20	
	Actuals	TfL (GLA) Budget	Variance to TfL (GLA) Budget	% variance to TfL (GLA) Budget	Variance to last year	% variance to last year
Major projects	(321)	(321)	0	0%	82	20%
Northern Line Extension	(74)	(74)	0	0%	39	35%
Four Lines Modernisation	(63)	(64)	1	-2%	116	65%
Major Stations	(51)	(51)	(0)	1%	10	17%
Railway Systems Enhancements	(8)	(8)	0	-2%	2	20%
Piccadilly line trains	(58)	(59)	1	-1%	(20)	-53%
DLR Rolling Stock	(30)	(30)	0	-1%	(16)	-119%
Barking Riverside	(32)	(30)	(2)	7%	(5)	-19%
Silvertown Tunnel	(5)	(6)	1	-13%	(44)	112%
Elizabeth line - infrastructure	(22)	(22)	0	-1%	(9)	-69%
LU	(127)	(140)	13	-10%	113	47%
Capital renewals	(106)	(117)	11	-9%	101	49%
New capital investment	(21)	(23)	3	-11%	12	36%
Surface Transport	(177)	(179)	2	-1%	5	3%
Healthy Streets	(28)	(30)	2	-6%	36	57%
Surface - assets	(49)	(47)	(2)	5%	(23)	-86%
Surface Tech	(9)	(10)	0	-3%	(5)	-98%
Public Transport	(41)	(44)	3	-6%	15	26%
Air Quality and environment	(50)	(52)	2	-5%	(18)	-58%
Surface Deliverability Overlay	-	3	(3)	-100%	-	N/A
Corporate programmes	(41)	(46)	5	-11%	28	40%
Professional Services	(50)	(54)	4	-7%	16	24%
Media	9	8	1	16%	12	333%
Commercial Development	(26)	(33)	6	-20%	7	21%
Estates and facilities	(0)	(1)	1	-96%	1	97%
Property development	(26)	(32)	6	-17%	6	18%
Total TfL	(715)	(742)	27	-4%	225	-24%



Cash balances

Cash balances are £1,662m at the end of the Quarter £89m higher than target, mainly driven by favourable working capital movements. This was in the main driven from higher passenger income, whereas we had budgeted to receive this income in arrears as part of the H2 funding agreement.

Cash balances include £1.6bn of funding and financing from government, as part of the H1 funding and financing package agreed with government in May 2020. As part of the H2 agreement, we have so far received £63m revenue top up, as well as £485m of base funding.

As part of the new funding agreement, we are required to return the 'excess' funding provided in H1, 2020/21 (£260m). This will be repaid to government when the new funding agreement expires at the end of 2020/21.

Cash balances and latest forecast

£m	2019/20 closing balances	Prior periods' movement	Q3 movement	Q3, 2020/21 closing cash	TfL (GLA) Budget	Variance to TfL (GLA) Budget
TfL cash balances (excl. Crossrail)	2,054	(479)	87	1,662	1,573	89

TfL cash balances since end 2019/20



2020/21 full year outlook

Latest trends

Latest journey trends

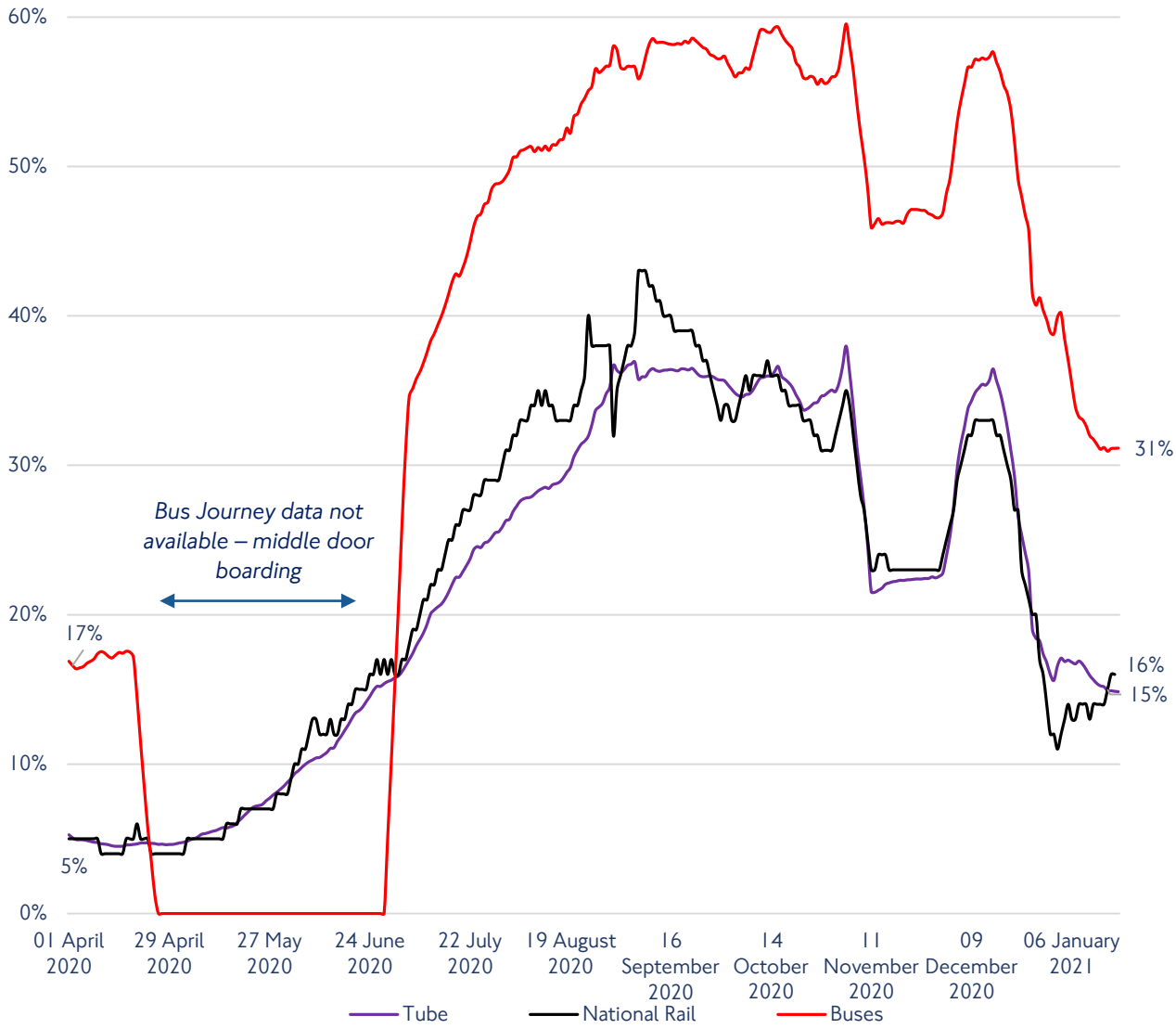
Tube, Bus and National Rail journeys saw sharp drop following introduction of national lockdown on 5 January 2021. Tube journeys are now 15% of last year's demand, while bus journeys are around 31%. Tube journey demand patterns are mirrored by those on the National Rail network.

We are seeing higher journeys than during the first national lockdown in March 2020. Tube journeys are almost three times higher, while bus journeys have almost doubled. Permissible journeys allowed under current Government restrictions are wider than in the initial lockdown from March 2020.

Page 9 of 15

Latest trends

Latest journey trends to 19 January 2021



Source: TfL (7 day rolling average compared to last year); DfT Transport use during the coronavirus pandemic. Trends to 19 Jan 2021.

Section 3 Quarter 3, 2020/21 results: Divisional performance

Background 1

Quarter 3, 2020/21 results 2

Divisional summaries 3

Financial Sustainability Plan 4



London Underground

Tube journeys were 66% lower than last year at the end of Quarter 3 and around 85% lower in mid January. Passenger income is almost £1.5bn lower than this time last year.

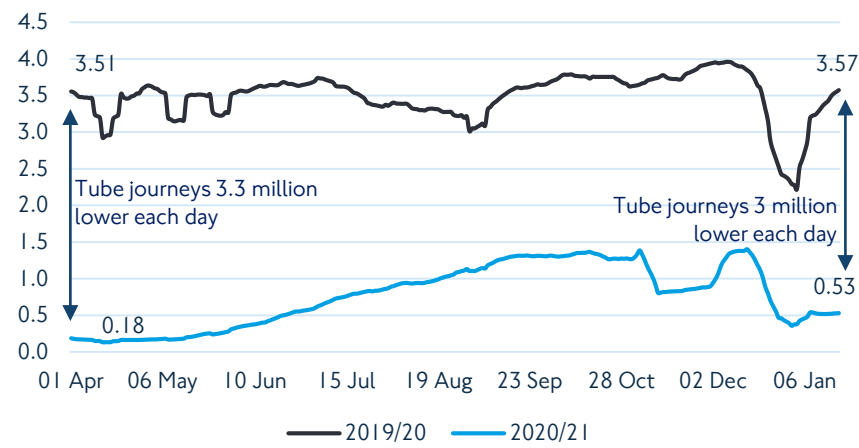
Continued cost control and savings have helped keep costs down; core operating costs are over £30m lower than last year. Overall operating costs are £39m higher than last year, a result of £82m additional costs arising from coronavirus (PPE, new cleaning regimes, social distancing as well as stranded labour costs).

London Underground

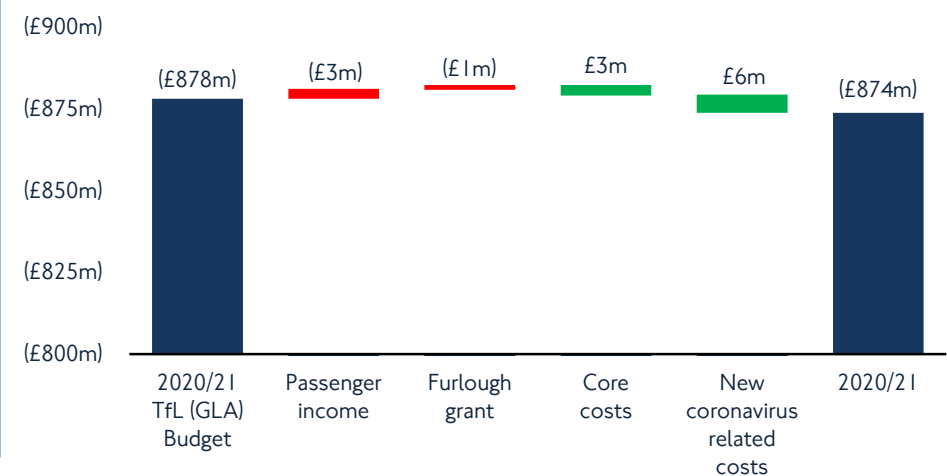
Operating account (£m)
Passenger income
Other operating income
Total operating income
Government furlough grant
Total income
Operating costs
Net operating surplus
Indirect costs
Net financing costs
Capital renewals
Net cost of operations
New capital investment

	Year to date, 2020/21				Year to date, 2019/20		
	Actuals	TfL (GLA) Budget	Variance to TfL (GLA) Budget	% variance to TfL (GLA) Budget	Last year	Variance to last year	% variance to last year
Passenger income	482	486	(3)	-1%	1,980	(1,497)	-76%
Other operating income	11	11	0	3%	23	(12)	-52%
Total operating income	493	496	(3)	-1%	2,003	(1,509)	-75%
Government furlough grant	38	39	(1)	-4%	0	38	N/A
Total income	531	535	(4)	-1%	2,003	(1,472)	-73%
Operating costs	(1,405)	(1,413)	9	-1%	(1,365)	(39)	3%
Net operating surplus	(874)	(878)	4	0%	637	(1,511)	-237%
Indirect costs	(188)	(272)	84	-31%	(195)	7	-4%
Net financing costs	(202)	(202)	(0)	0%	(196)	(5)	3%
Capital renewals	(106)	(117)	11	-9%	(207)	101	-49%
Net cost of operations	(1,369)	(1,469)	100	-7%	39	(1,408)	-3640%
New capital investment	(21)	(23)	3	-11%	(33)	12	-36%

Daily Tube journeys (millions, 7-day rolling average)



Net operating surplus compared to TfL (GLA) Budget



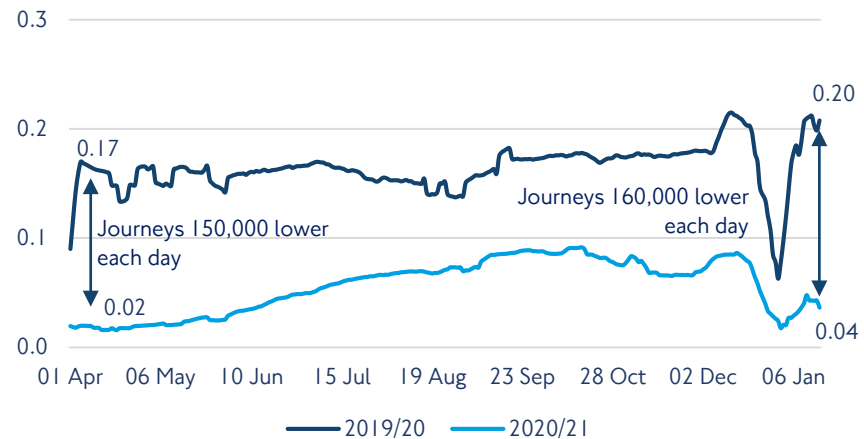
Elizabeth line

Passenger journeys broadly in line with target, but passenger income over 60% lower than this time last year.

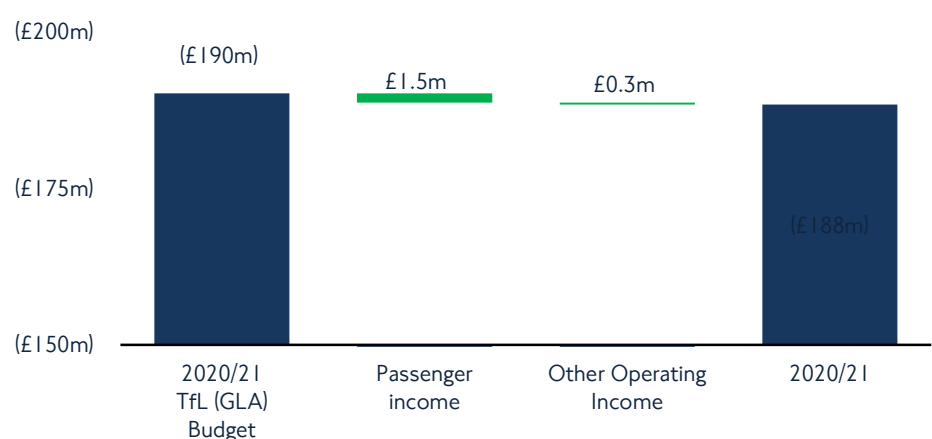
Elizabeth line

Operating account (£m)	Year to date, 2020/21				Year to date, 2019/20		
	Actuals	TfL (GLA) Budget	Variance to TfL (GLA) Budget	% variance to TfL (GLA) Budget	Last year	Variance to last year	% variance to last year
Passenger income	29	28	1	5%	77	(48)	-62%
Other operating income	5	4	0	7%	7	(3)	-36%
Total operating income	34	32	2	6%	84	(51)	-60%
Government furlough grant	0	1	(0)	-2%	0	0	N/A
Total income	34	32	2	5%	84	(50)	-60%
Operating costs	(222)	(223)	0	0%	(237)	14	-6%
Net operating surplus	(188)	(190)	2	-1%	(152)	(36)	24%
Indirect costs	(5)	(6)	1	-16%	(5)	(0)	7%
Net financing costs	(63)	(63)	(0)	0%	(61)	(2)	3%
Net cost of operations	(257)	(260)	3	-1%	(219)	(38)	17%
New capital investment	(22)	(22)	0	-1%	(13)	(9)	69%
Crossrail construction	(522)	(537)	15	-3%	(733)	211	-29%
Total capital investment	(544)	(559)	15	-3%	(746)	202	-27%

Daily Elizabeth line journeys (millions, 7-day rolling average)



Net operating surplus compared to TfL (GLA) Budget



Buses, Streets & Other operations

Bus journeys remain substantially down on last year; 44% lower in the final week of the Quarter, but around 70% lower in mid January. Congestion Charge (CC) and ULEZ income was higher than last year in the Quarter, but £10m lower than target following the national lockdown in November.

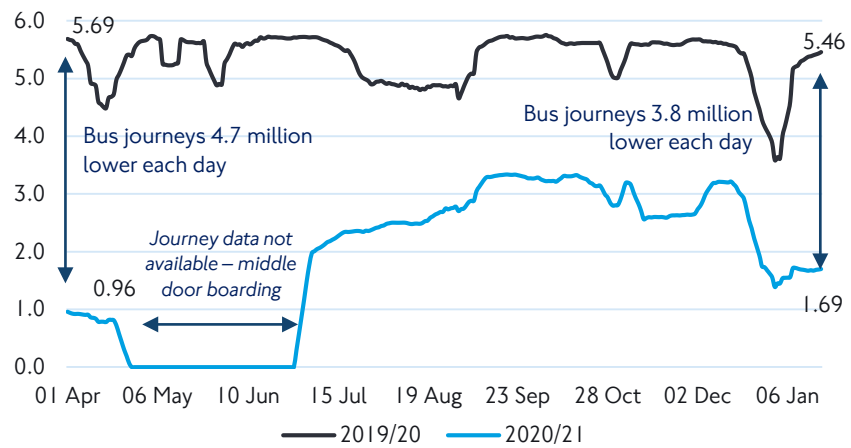
Total operating costs slightly up on last year, as a result of new coronavirus related costs, including new bus driver protection screens. Core operating costs are £20m lower than last year.

Buses, Streets & Other operations

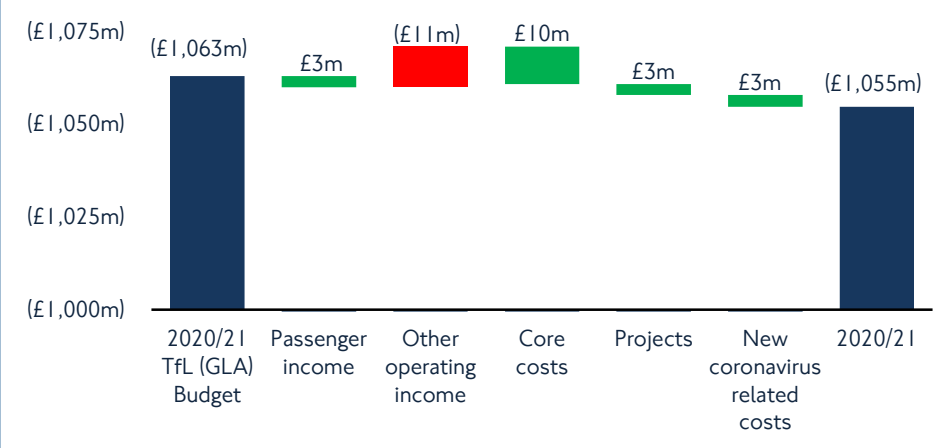
Operating account (£m)
Passenger income
Other operating income
Total operating income
Government furlough grant
Total income
Operating costs
Net operating surplus
Indirect costs
Net financing costs
Capital renewals
Net cost of operations
New capital investment

	Year to date, 2020/21				Year to date, 2019/20		
	Actuals	TfL (GLA) Budget	Variance to TfL (GLA) Budget	% variance to TfL (GLA) Budget	Last year	Variance to last year	% variance to last year
Passenger income	491	488	3	1%	1,022	(531)	-52%
Other operating income	358	369	(11)	-3%	391	(32)	-8%
Total operating income	850	858	(8)	-1%	1,413	(563)	-40%
Government furlough grant	9	9	(0)	-2%	0	9	N/A
Total income	859	867	(8)	-1%	1,413	(554)	-39%
Operating costs	(1,914)	(1,930)	16	-1%	(1,901)	(13)	1%
Net operating surplus	(1,055)	(1,063)	8	-1%	(488)	(567)	116%
Indirect costs	(70)	(84)	14	-16%	(69)	(1)	1%
Net financing costs	(30)	(30)	(0)	0%	(29)	(1)	3%
Capital renewals	(60)	(57)	(3)	6%	(32)	(28)	86%
Net cost of operations	(1,215)	(1,233)	18	-1%	(619)	(596)	96%
New capital investment	(81)	(83)	2	-3%	(97)	16	-17%

Daily bus journeys (millions, 7-day rolling average)



Net operating surplus compared to TfL (GLA) Budget



Rail

Rail journeys – from London Overground, DLR and Trams – around just over 50% of last year at the end of the Quarter, but have seen a slight deterioration since.

Operating costs are broadly in line with last year and target.

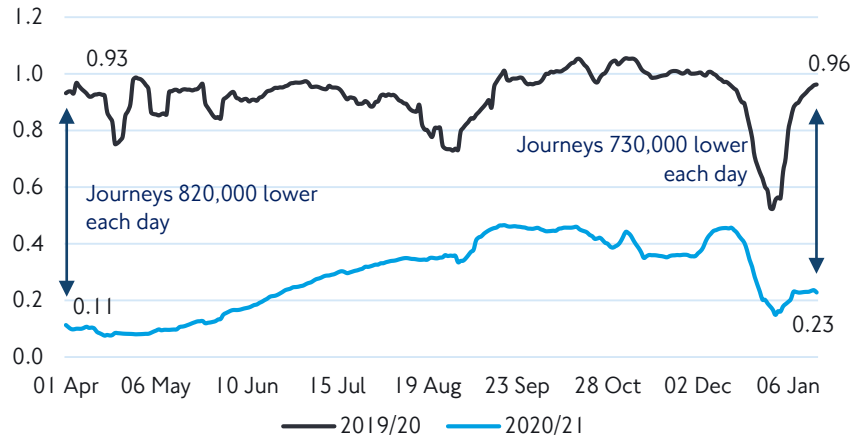
Rail

Operating account (£m)	Year to date, 2020/21			Year to date, 2019/20			
	Actuals	TfL (GLA) Budget	Variance to TfL (GLA) Budget	% variance to TfL (GLA) Budget	Last year	Variance to last year	% variance to last year
Passenger income	101	98	2	3%	298	(198)	-66%
Other operating income	4	4	(1)	-21%	19	(16)	-82%
Total operating income	104	103	2	1%	318	(214)	-67%
Government furlough grant	0	0	(0)	-6%	0	0	N/A
Total income	104	103	2	1%	318	(213)	-67%
Operating costs	(324)	(324)	(0)	0%	(321)	(3)	1%
Net operating surplus	(219)	(221)	1	-1%	(4)	(216)	6157%
Indirect costs	(11)	(12)	1	-10%	(11)	0	-1%
Net financing costs	(19)	(19)	(0)	0%	(19)	(1)	3%
Capital renewals	(21)	(24)	2	-10%	(28)	6	-22%
Net cost of operations	(271)	(276)	5	-2%	(61)	(210)	345%
New capital investment	(15)	(15)	(0)	1%	(25)	10	-40%

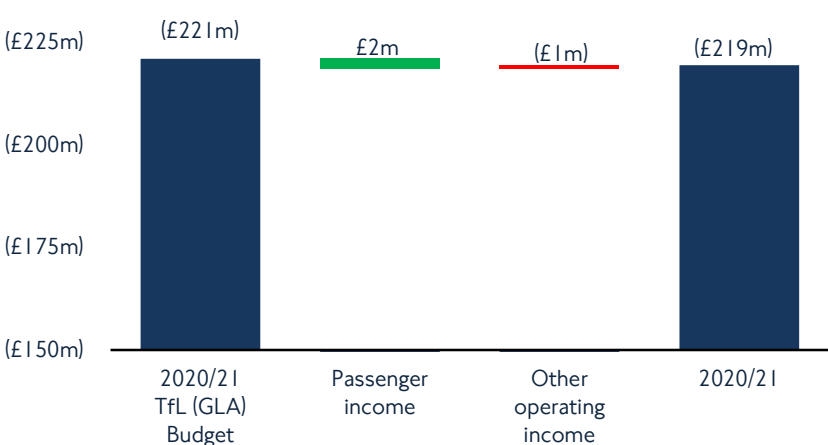
Year to date, 2020/21				Year to date, 2019/20		
Actuals	TfL (GLA) Budget	Variance to TfL (GLA) Budget	% variance to TfL (GLA) Budget	Last year	Variance to last year	% variance to last year
101	98	2	3%	298	(198)	-66%
4	4	(1)	-21%	19	(16)	-82%
104	103	2	1%	318	(214)	-67%
0	0	(0)	-6%	0	0	N/A
104	103	2	1%	318	(213)	-67%
(324)	(324)	(0)	0%	(321)	(3)	1%
(219)	(221)	1	-1%	(4)	(216)	6157%
(11)	(12)	1	-10%	(11)	0	-1%
(19)	(19)	(0)	0%	(19)	(1)	3%
(21)	(24)	2	-10%	(28)	6	-22%
(271)	(276)	5	-2%	(61)	(210)	345%
(15)	(15)	(0)	1%	(25)	10	-40%

Year to date, 2019/20		
Last year	Variance to last year	% variance to last year
298	(198)	-66%
19	(16)	-82%
318	(214)	-67%
0	0	N/A
318	(213)	-67%
(321)	(3)	1%
(4)	(216)	6157%
(11)	0	-1%
(19)	(1)	3%
(28)	6	-22%
(61)	(210)	345%
(25)	10	-40%

Daily Rail journeys (millions, 7-day rolling average)



Net operating surplus compared to TfL (GLA Budget)



Major Projects Directorate

Total capital spend is broadly in line with the TfL (GLA) Budget.

Major Projects Directorate

Operating account (£m)	Year to date, 2020/21				Year to date, 2019/20		
	Actuals	TfL (GLA) Budget	Variance to TfL (GLA) Budget	% variance to TfL (GLA) Budget	Last year	Variance to last year	% variance to last year
Other operating income	5	6	(1)	-13%	15	(10)	-66%
Total operating income	5	6	(1)	-13%	15	(10)	-66%
Government furlough grant	2	3	(0)	-6%	0	2	N/A
Total income	7	8	(1)	-11%	15	(7)	-50%
Operating costs	(33)	(34)	1	-2%	(7)	(26)	370%
Net operating surplus	(26)	(26)	(0)	1%	7	(33)	-447%
Indirect costs	(21)	(24)	3	-14%	(23)	2	-9%
Net financing costs	0	0	0	N/A	0	0	N/A
Capital renewals	(2)	(1)	(0)	10%	(15)	13	-89%
Net cost of operations	(49)	(52)	3	-6%	(30)	(19)	63%
New capital investment	(319)	(320)	1	0%	(388)	69	-18%

Four Lines Modernisation



In September 2020, we reviewed the programme to assess and challenge both cost and schedule. Following this review, the western branches of the District line will not be re-signalled as part of this programme. This means sections of the District line south of Fulham Broadway and west of Barons Court will remain under the existing signalling.

While this change will mean journey times in these sections will remain unchanged, we can still increase frequencies to up to 16 trains per hour, as originally planned.

Bank Station Upgrade



The project is now well into the fit out phase. The ductwork was installed for the mechanical ventilation system throughout most of the new Cannon Street entrance building. Framework for new cladding finishes and new bespoke integrated service booms are being installed in new and existing parts of the station. Installing a new fire suppression system has also started.

The overall project is due for completion in 2022.

Barking Riverside Extension



In October, a key milestone was achieved on the project. All the piling activities (1,195 piles) were completed.

Some uncertainty remains, which means the estimated service start date is now forecast for Autumn 2022. The team is working through the detail to give greater programme confidence.

Section 4

Financial

Sustainability

Plan

Page 98

Background	1
Quarter 3, 2020/21 results	2
Divisional summaries	3
Financial Sustainability Plan	4



Recap of H2 request from government

Our Financial Sustainability Plan demonstrates how an equitable and longer-term funding settlement will support the Mayor's Transport Strategy objectives, including the target for 80 per cent of all trips to be by sustainable modes of transport by 2041.

The Plan is also in line with Government's levelling up and decarbonisation agendas and, through our range of shovel-ready projects, will boost the UK economy and aid London's and the UK's recovery from the pandemic

Background

As part of the H2 financial agreement with Government, we committed to deliver a single, comprehensive management plan showing a trajectory to financial sustainability with a target date of Financial Year 2023. This is our Financial Sustainability Plan, which was submitted to Government on 11 January 2021 and published on our website [here](#).

Our Financial Sustainability Plan (FSP) sets out how we could self-sufficiently cover the costs of our day-to-day operations, maintenance, and financing by a target date of 2023/24, while supporting a wider national green recovery from the pandemic.

While the medium to long-term impact of the pandemic on travel demand is unknown, it is clear that a significant financial gap will remain over the next two to three years as our revenue recovers. This plan is intended as a starting point for discussions with Government around financial sustainability, and envisages Government still providing financial support for major capital investments.

Definition of Financial Sustainability

Financial sustainability in this context is defined as 'TfL's ability to cover, from sources available to it' (including, the consideration of potential new sources of income but excluding government grant):

- Operating expenditure
- Capital renewals
- Capital enhancements
- Servicing and debt repayments

For major capital enhancements and major renewals (i.e. replacement of life expired rolling stock and signalling), TfL would not be expected to solely finance these from operating incomes; as is consistent with other transport authorities.

FSP: Document outline

The contents of the FSP document show that in the medium term TfL can start to close the gap on net cost of operations excluding capital investment and some core renewals across all modes.

Chapter 1: Strategic context – sets out TfL’s critical role in supporting the London and UK economy, its contribution to wider Government objectives and the importance of ensuring TfL is put on a sustainable financial footing.

Chapter 2: Impact of the pandemic and potential future scenarios - sets out the impact of the pandemic, financial scenarios and the resulting impacts on TfL’s operating income. The scenarios are based on variations of long term future demand, options from TfL’s Long-term Capital Plan (LTCP) and have efficiencies and financial levers available to TfL embedded within them.

Chapter 3: Economic fundamentals of TfL business areas - sets out details of TfL’s major business areas: Buses and streets, Rail and Tube, and Housing and Land, including major challenges faced and the varying degrees to which the business areas were on track to achieve financial sustainability pre pandemic.

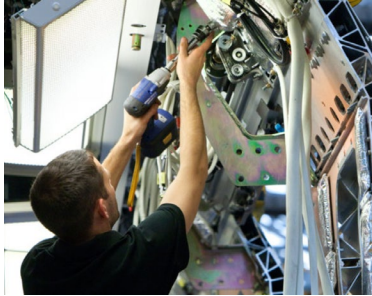
Chapter 4: Becoming and economic and efficient operator and the public service obligation - provides an outline of how a clear set of objectives for structural reform, under the continued direction of the Mayor, to support the ambition of becoming a more economic and efficient operator could be formulated. This includes a revised planning framework over “control periods” along with new public service obligations and general principles for the management of the strategic transport network on an economic and efficient basis, subject to greater independent assurance and being underpinned in statute.

Chapter 5: Achieving financial sustainability - sets out the detail of TfL’s proposals to address the financial sustainability challenge (more detail set out on slide 27).

Chapter 6: Bridging the gap - sets out the target dates for the implementation of TfL’s recommendations for helping the organisation to achieve financial sustainability over the medium to long term. It also summarises the expected activities required over the course of 2021 to take these recommendations forward.

What does the FSP ask for?

We strongly recommend the 'Decarbonise by 2030' scenario which contributes to the Mayor's Transport Strategy and overarching Mayoral and Government agenda. This would require investment levels at £1.6bn capital funding per year between 2023-30, as part of our case for a new funding model less reliant on fares income



£1.6bn capital funding p.a. to deliver improvements and accelerate decarbonisation

- This level of investment would support the Mayor's ambition to achieve zero carbon by 2030, which is in line with the Government's target for banning new petrol and diesel vehicles, and allow us to accelerate our plans to make all buses zero-emission
- This capital funding would be invested in improvements such as state-of-the-art trains and signalling

Funding certainty over a set number of years

- We are making the case for greater certainty of funding through the allocation financial support by Government over a set time period of a number of years, similar to the arrangements offered to Network Rail and Highways England, in the form of grant funding and/or fiscal devolution.
- Such a funding framework would allow for further efficiencies and help us engage and maintain a UK-wide supply chain – which currently employs more than 43,000 people across the country

Our case is consistent with the requests of other transport authorities around the world. For example, the New York Metropolitan Transportation Authority (MTA) have asked for \$12bn over a four-year period. This includes \$2.3bn in the years immediately after the pandemic (2023 – 2024), which is around 37 per cent of MTA's pre-pandemic passenger income. £1.6bn is approximately 32 per cent of TfL's pre-pandemic income.

Financial table: Decarbonise by 2030

A range of possible scenarios were considered as outlined in the FSP which looked at demand, additional revenue sources and capital investment.

Page 102

The scenario strongly recommended by TfL is – ‘Decarbonise by 2030’. This is fully in line with Government’s ambition on decarbonisation and includes significantly more funding for green recovery, active travel, decarbonisation and innovation, meaning rapid progress in these areas. This recommended scenario shows progressive steps to a position of financial self sufficiency, breaking even on an operating account basis in 2023/24, while still requiring support from government for major capital investments.

Decarbonise by 2030	Hybrid (+) demand + policy consistent capital scenario + £500m per annum from Greater London Boundary Charge or VED retention = Capital funding requirement (including renewals) of £ 1.6bn average per annum from 2023-30										Average per annum	Average per annum
(£m)	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	2023-30	2030-40
Net Cost of Operation	(3,807)	(2,259)	(467)	34	404	586	707	846	982	1,110	667	1,268
Net Surplus (Deficit)	(3,336)	(3,127)	(1,515)	(1,065)	(1,055)	(1,950)	(1,993)	(1,874)	(1,715)	(1,370)	(1,575)	(730)
Net Surplus (Deficit) after Debt repayment	(3,336)	(3,127)	(1,515)	(1,065)	(1,240)	(2,129)	(2,351)	(2,219)	(2,049)	(1,691)	(1,821)	(984)

Figures in the table are in nominal prices until 2024/25, and thereafter in 224/25 constant

This builds on the recent GLA Budget and includes the following assumptions:

- A hybrid demand planning scenario which draws on a range of possible demand outcomes and assumptions on service levels including bus kilometres, and also includes an uplift to revenue forecasts reflecting levels of capital investment.
- Additional revenue generation, which assumes net additional £500m a year from 23/24 from either retaining London’s Vehicle Excise Duty or introducing a Greater London Boundary Charge.
- Levels of capital investment that are policy consistent with aspirations set by local and national Government, as well as adequate spending on renewals.

Under this scenario Government grant requirement to fund the operating deficit and the investment programme is £3.1bn in 2021/22 and £1.5bn in 2022/23, with on average £1.6bn required in the period up to 2030 before debt repayment to fund the capital programme and £1.8bn after debt repayment cost is included.

Other measures to explore

Our plan also outlines a range of new measures that will need to be explored to ensure that we can continue to deliver the transport services the city and country needs.

Page 103

Assessing the feasibility of a Greater London Boundary Charge for non-residents.

- Unlike the rest of England, London does not receive any guaranteed contribution from Vehicle Excise Duty (VED), despite Londoners contributing an estimated £500m a year. Retaining this would be the Mayor's preferred option.
- As an alternative, the Mayor has asked we look at the feasibility of a charge on vehicles entering the capital which are not registered in London. This could raise a net revenue of around £500m per year.

Reviewing our investment programme to support a decarbonised transport network by focusing on urgent priorities such as replacing old trains and signalling systems, working towards a zero-emission bus fleet and developing more facilities encouraging active travel. Work on this is already underway.

Progressing our planned savings.

- Building on the £1bn savings achieved over the last four years, we are working towards a further £730m of recurring savings through to 2024/25
- Before the pandemic, we had already initiated a programme aiming to reduce the cost of certain back and middle office areas by 30 per cent.
- We will also continue to keep the organisation's size under review, taking into account emerging evidence on future demand and the scale of its capital investment plans.

Achieving further operational savings.

- In some cases, where demand will clearly be suppressed for some time, we propose to explore further savings – including through a four per cent reduction in the bus kilometrage operated across London by 2024/25.
- No decisions on how this would be delivered have been agreed, but it is likely that the modest reduction would be largely comprised of changes to the frequency of some services in central London where there is lower demand and efficient alternative means of travel exist.
- We are already working to increase bus capacity on Outer London routes where there is expected demand following the pandemic.

Working with Government to develop our commercial development programme.

- Our property ambitions are currently restricted by the levels of borrowing we are allowed.
- A sufficiently-funded third-party entity – owned by TfL – could deliver around 50,000 homes over a 25-year period; supporting us in achieving financial sustainability and supporting the wider economic recovery of London and the UK through our supply chain.

Next steps and 21/22 funding discussions

The plan is intended as a starting point for discussions with Government around financial sustainability. The next steps centre on engagement with Government and finalising funding for 2021/22 and beyond:

- Meetings between TfL and the DfT executive to set out the key strategic agreements for working group negotiations to be based on
- Working groups in TfL are now engaged with DfT and representatives from HMT to explain the FSP in more detail and to also explore further possible options around revenues, costs and investment
- The success of these discussions play a critical part in the funding support for TfL – we are looking for a continuation of the H2 funding deal for 2021/22 and a longer term funding deal beyond
- We are intending to conclude funding discussions for 2021/22 by mid March 2021, so we enter the new year financial with an approved budget which will provide the appropriate level of financial support and a balanced budget
- The expectation is that discussions on funding discussions for the period beyond 2021/22 will continue well into next year

Board



Date: 3 February 2021

Item: Report of the Meeting of the Programmes and Investment Committee held on 11 December 2020

This paper will be considered in public

1 Summary

- 1.1 This paper provides a summary of the items considered by the Programmes and Investment Committee at its meeting on 11 December 2020.

2 Recommendation

- 2.1 **The Board is asked to note the report.**

3 Committee Agenda and Summary

- 3.1 The papers for the meeting of the Committee held on 11 December 2020 were published on 3 December 2020 and are available on the TfL website: <https://tfl.gov.uk/corporate/publications-and-reports/programmes-and-investment-committee>. A link to a video recording of the meeting can also be found on the page.
- 3.2 The main matters considered by the Committee were:
- (a) Use of Delegated Authority;
 - (b) Investment Programme Report – Quarter 2 2020/21;
 - (c) Independent Investment Programme Advisory Group Quarterly Report;
 - (d) TfL Project Assurance Update;
 - (e) Emergency Services Network and 4G Pilot Projects;
 - (f) Connect: System Upgrade Projects;
 - (g) London Underground Fleet Heavy Overhaul Programme;
 - (h) London Underground Signalling and Controls Programme;
 - (i) Docklands Light Railway – Housing Infrastructure Funding;
 - (j) Barking Riverside Extension;
 - (k) Air Quality and Environment;

- (l) Cycle Hire Modernisation;
 - (m) Enterprise Risk Update – Delivery of TfL Key Investment Programmes (ER8);
 - (n) Healthy Streets Programme, H2 2020/21; and
 - (o) Bakerloo Line Upgrade and Extension Update.
- 3.3 A summary of the items considered, and decisions taken at the meeting is provided below. The more detailed minutes of the meeting will be published ahead of the meeting of the Committee on 3 March 2021.

4 Issues Discussed

Use of Delegated Authority

- 4.1 The Committee noted the paper on the use of delegated authority, since the meeting on 16 October 2020. There had been one use of Chair’s Action, in relation to authority for the Healthy Streets Programme and an update paper was provided elsewhere on the agenda.
- 4.2 The Commissioner had exercised delegated authority to approve Procurement Authority for: Four Lines Modernisation Programme Support Partner; London Overground infrastructure works; and air and braking system components and related services for the S8 fleet.
- 4.3 There had been no Mayoral Directions to TfL within the Committee’s remit.

Investment Programme Report – Quarter 2 2020/21

- 4.4 The Committee noted the update on the progress and performance in Quarter 2, 2020/21 of a range of projects that will deliver world-class transport services to London. It noted that in-year performance against 2020/21 strategic milestones was strong, with all complete and either green or amber rated. The Estimated Final Cost (EFC) in several projects had moved, primarily due to coronavirus related pressures. There had also been some savings and efficiencies that had positively impacted the EFCs.

Independent Investment Programme Advisory Group (IIPAG) Quarterly Report

- 4.5 The Committee noted the update on the work undertaken since the last report. IIPAG continued to distil the emerging themes from its deep dive reviews in Major Projects and other areas, which had identified three cross-cutting themes: commercial strategies (choice of contracts, commercial capability and commercial agreements, risk (allowances made, resources available and their presentation to decision makers) and approach to prioritisation (clearer definition of outcomes and focus on value for money).

- 4.6 Members thanked IIPAG for its work and welcomed the scrutiny that it provided, which gave the Committee more confidence in approving recommendations.

TfL Project Assurance Update

- 4.7 The Committee noted the update on the Project Assurance work undertaken in Periods 7 and 8 of 2020/21. Members welcomed the downward trend in the number of overdue recommendations from the IIPAG and Project Assurance.

Emergency Services Network (ESN) and 4G Pilot Projects

- 4.8 The Committee noted the update on the progress of the Home Office funded ESN and the 4G Pilot. It approved Programme and Project Authority for a further extension of the ESN Phase 1 infrastructure installation works (subject to full grant funding from the Home Office being agreed for that additional scope) to the end of 2021/22.
- 4.9 Following a question from Members, it was noted that 4G and 5G equipment was very similar, except for the switching equipment, though 5G had not had the same level of testing. If mobile operators expressed a preference for 5G equipment then TfL would determine if it were possible.

Connect: System Upgrade Projects

- 4.10 The Committee noted the update on the status of the Connect Upgrade project. It approved additional Procurement Authority and Programme and Project Authority for further investment to support necessary upgrades to the Connect radio and telecommunications system.
- 4.11 TfL had determined that it was more cost effective to upgrade the system to increase longevity, rather than develop a new system, as relatively modest investment that would deliver a significant return on a safety critical asset. The upgrades to the Connect system would ensure all assets had a useful life, until at least 2036.

London Underground (LU) Fleet Heavy Overhaul Programme

- 4.12 The Committee noted the update on the LU Fleet Heavy Overhaul Programme and the planned delivery until December 2021. It approved additional Programme and Project Authority to progress mandatory overhaul works on the passenger fleet within the Programme.
- 4.13 TfL had established the essential minimum maintenance over the multi-year programme, which delivered large scale heavy maintenance activities on LU's existing fleet of passenger rolling stock and rail adhesion trains. The coronavirus pandemic had impacted delivery and resulted in some increased cost though procurement of materials and spares, across all passenger fleets, had been combined and made more efficient, which delivered £11m in savings.

- 4.14 The Committee noted the views of Project Assurance on how the Programme could become even more efficient and that lessons had been learned from past practice and was being applied; it suggested that TfL also look at the lessons from National Rail on the overhaul of its fleets.

London Underground Signalling and Controls Programme

- 4.15 The Committee noted the progress against the LU Signalling and Controls Programme and approved additional Programme and Project Authority. The Programme was critical for the safe and efficient running of the railway and would extend the life of assets and contain obsolescence risks.
- 4.16 In line with the 25-year Capital Plan, there had been a shift to an incremental signalling and controls upgrades. The new strategy would cover all railway-based systems, including the Docklands Light Railway (DLR) , the tram networks and the Elizabeth line.
- 4.17 The Programme was beginning to mature, and improvements had been made to ensure that investment was aligned to the long-term strategies. As further work was required on value for money on the Jubilee and Northern lines, it was agreed that evidence of that work would be shared with Project Assurance before the money in the authority request was drawn down.

Docklands Light Railway – Housing Infrastructure Funding (HIF)

- 4.18 The Committee noted the update on the status of the DLR HIF and approved unbudgeted Financial Authority and Programme and Project Authority for TfL to enter into a grant determination agreement with the Greater London Authority and the Ministry of Housing, Communities and Local Government to receive funds from the HIF and its subsequent expenditure. This would enable TfL to: purchase up to 14 additional DLR trains; expand the Beckton DLR depot and acquire the land required to facilitate that expansion; and contribute to the cost of enabling works at DLR Poplar depot required to facilitate a wider TfL Commercial Development scheme.
- 4.19 The DLR HIF bid strategy would enable housing to be delivered in-line with the Mayor’s Transport Strategy (MTS) and London Plan, and was a flagship example of ‘good growth’. The DLR HIF Scope was one of the largest single contributions that TfL could make to delivering the New Homes and Jobs objectives of the MTS by supporting or enabling the delivery of up to 12,000 homes in total – including up to 1,740 homes by TfL at Poplar.

Barking Riverside Extension (BRE)

- 4.20 The Committee noted the update on the progress of the BRE project and approved additional unbudgeted Financial Authority, Programme and Project Authority and Procurement Authority due to the Safe Stop delay, as a result of the pandemic.
- 4.21 The focus of the project had moved from the riskiest areas, such as ground conditions, to the rail systems and the interface with Network Rail. When

completed, the project would deliver a 4.5km extension of the electrified London Overground Gospel Oak to Barking line by autumn 2022, from its current terminus at Barking to a new station in Barking Riverside. The four-train per hour service would support 4,000 homes, that were being built at Barking Riverside and directly unlock a further 6,800 homes.

Air Quality and Environment (AQE)

- 4.22 The Committee noted the update on the AQE Programme's progress and approved additional Programme and Project Authority to support its delivery for the period of 2020/21 to 2022/23. Six new projects had been transferred into the Programme: Air Quality Systems contract re-let, Grid to Gate, Bus Opportunity Charging, Electrifying the fleet, Waste Heat and Private Wire projects.
- 4.23 In response to the pandemic, Air Quality Systems schemes including the Congestion Charge, Low Emission Zone (LEZ) and the central Ultra Low Emission Zone (ULEZ) were suspended between 23 March and 18 May 2020. The enforcement of the Heavy Goods Vehicle Direct Vision Standard (DVS) and the tightening of LEZ standards were also postponed from 16 October 2020 to 1 March 2021. TfL also temporarily increased the daily Congestion Charge and extended the hours of operation.
- 4.24 In the next year, the Programme would achieve significant milestones, including the delivery of DVS and LEZ, and ULEZ expansion.
- 4.25 Project Assurance was keen to ensure that new schemes in the pipeline went through the rigorous process of project initiation and value for money assessment. IIPAG said the Programme was in good shape but there was further scope to develop value for money prioritisation, for example by looking at carbon saved per pound (£).
- 4.26 Members commended the progress in improving air quality across London and encouraged consideration of how the private sector might bear some of the capital expenditure. The Competition and Markets Authority was looking at electric vehicle public charging infrastructure to encourage a competitive market, private investment and ensure users had confidence in the service.

Cycle Hire Modernisation

- 4.27 The Committee noted the update on the Cycle Hire Scheme. It approved Financial Authority and Programme and Project Authority to modernise the Scheme over Financial Years 2021/22 to 2022/23 and an increase in the Programme and Project Authority for the Surface Technology Programme.
- 4.28 Since its introduction in 2010, the Scheme had delivered over 97 million trips on 14,000 bikes, across 800 sites around London. It was a key contributor to the MTS and was essential in supporting Londoners through the pandemic. Since May 2020, it has attracted over 40,000 new members and has had the busiest weekends in its history.

- 4.29 The Scheme's assets were approaching the end of their design life and the authorities granted would enable the Scheme to evolve with improved technology to deliver a better experience to customers, for example through flexible pricing models and enhanced app functions. The Committee encouraged consideration of e-bikes to enable those who were older or less fit to take more journeys by cycling.
- 4.30 TfL had been working on the Cycle Hire strategy, which took into account private operators, and believed that the surge in usage demonstrated that TfL could break even quicker than previously envisaged through optimised customer experience and flexible fare structures. Members encouraged a focus on the end user experience.

Enterprise Risk Update – Delivery of TfL Key Investment Programmes (ER8)

- 4.31 The Committee noted the update on how TfL managed Enterprise Risk 8, Delivery of TfL key investment programmes, across its capital delivery. The risk was determined to be adequately controlled.
- 4.32 While the pandemic had impacted the productivity and finances of the Investment Programme, it had been a good test of TfL's risk management process. It proved that there were good systems in place, which could be demonstrated through lessons learned.

Healthy Streets Programme, H2 2020/21

- 4.33 The Committee noted the update on the Healthy Streets Programme. Chair's Action had been exercised, on 17 November 2020, to approve additional Programme and Project Authority for the delivery and remobilisation of the Programme, as a decision was required ahead of the Committee meeting.
- 4.34 The London Streetspace Plan had been rapidly rolled out across London following the pandemic, to encourage active travel rather than a car-based recovery. The schemes had delivered more than initially expected with 61.6km of new or upgraded cycle infrastructure, over 22,000sqm of extra space on the Transport for London Road Network (TLRN) and 850 borough led schemes supported.
- 4.35 The Committee noted that lessons learned from H1 (Quarters 1 and 2 2020/21) would inform a more strategic approach to the delivery in H2 (Quarters 3 and 4 2020/21), including greater consultation and greater engagement with communities and stakeholders, including regular meetings between TfL, the emergency services and the boroughs.
- 4.36 All schemes delivered under the London Streetspace Plan would be reviewed to determine if they were appropriate to be made permanent and how they supported the MTS. All schemes on the TLRN were subject to monitoring and boroughs had been asked to do the same for the schemes that they had delivered.

- 4.37 TfL recognised that the scale and pace of the Programme presented challenges for stakeholder engagement and for data collection and disaggregating the scheme's impacts. Further monitoring results were expected to be available in the next 12-18 months and Members asked that longer term assessment be conducted, with the results shared with the Committee, when available.

Bakerloo Line Upgrade and Extension Update (BLUE)

- 4.38 The Committee noted the progress of the BLUE Programme and that the Secretary of State for Transport had approved Statutory Safeguarding directions for the proposed route of the extension to Lewisham. Costs to TfL in securing Statutory Safeguarding Directions were included in the Financial Year 2020/21 TfL Revised Budget.

List of appendices to this report:

None

List of Background Papers:

Papers submitted to the Programmes and Investment Committee on 11 December 2020.

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Board



Date: 3 February 2021

Item: Report of the Meeting of the Elizabeth Line Committee held on 29 January 2021

This paper will be considered in public

1 Summary

- 1.1 This paper provides a summary of the items to be considered by the Elizabeth Line Committee at its meeting on 29 January 2021. This paper is published ahead of that meeting being held.
- 1.2 A paper on Elizabeth Line Operational Readiness and Crossrail Update is provided elsewhere on the agenda for this meeting.

2 Recommendation

- 2.1 **The Board is asked to note the report.**

3 Committee Agenda and Summary

- 3.1 The papers for the meeting of the Committee held on 29 January 2021 were published on 21 January 2021 and are available on the TfL website: <https://tfl.gov.uk/corporate/publications-and-reports/elizabeth-line-committee>. A link to a video recording of the meeting can also be found on the page.
- 3.2 The main matters to be considered by the Committee are:
 - (a) Safety Update;
 - (b) Project Status Update;
 - (c) Elizabeth Line Readiness;
 - (d) Finance Update;
 - (e) Elizabeth Line Risk Management;
 - (f) Project Representative Report;
 - (g) Crossrail Programme Assurance; and
 - (h) Audit and Assurance Update.

- 3.3 A summary of the items to be considered and decisions to be taken is provided below. The more detailed minutes of the meeting will be published ahead of the meeting of the Committee on 18 March 2021.

4 Issues Discussed

Safety Update

- 4.1 The Committee will be asked to note an update on safety on the Crossrail project. Health and safety remained the top priority and overall performance was kept under constant scrutiny.
- 4.2 There were no significant operational safety incidents during the periods covered by the report and performance remained stable.

Project Status Update

- 4.3 The Committee will be asked to note an update on the status of the Crossrail project. Good progress continues across the project in line with the schedule.

Elizabeth Line Readiness

- 4.4 The Committee will be asked to note the update on the performance of the TfL Rail operational service and the status of the readiness of the Infrastructure Managers for the operations and maintenance of the railway after handover from Crossrail.
- 4.5 TfL Rail continues to deliver excellent performance, and the focus continues to be on mitigating software related failures in the signalling system.

Finance Update

- 4.6 The Committee will be asked to note the update on Crossrail funding and financial performance for Period 9 2020/21.
- 4.7 The Anticipated Final Crossrail Direct Cost remains stable with higher risk scenarios continuing to show that up to £1.1bn of additional funding could be required, however, Crossrail continues to work towards managing the costs as closely as possible to the additional available funding of £825m.

Elizabeth Line Risk Management

- 4.8 The Committee will be asked to note the update on the risk management approach in Crossrail.

Project Representative (P-Rep) Report

- 4.9 The Committee will be asked to note the latest periodic reports from the P-Rep on the Crossrail project and the management responses to these reports, for Periods 7 and 8 2020/21. Copies are also available on the TfL website, with commercially sensitive material redacted.

Crossrail Programme Assurance

- 4.10 The Committee will be asked to note progress with Programme Assurance activity, including updates to the Crossrail Integrated Assurance Framework (three Lines of Defence) arrangements. As agreed with the Committee, a Sub-Group of the TfL Independent Investment Programme Advisory Group (IIPAG) now provides third line assurance.

TfL Audit and Assurance

- 4.11 The Committee will be asked to note the overview of the second and third line assurance activity during Quarter 3 of 2020/21, and approve the Terms of Reference of the IIPAG's Crossrail Sub-Group. This reflects the request of the Committee to integrate IIPAG in providing third line assurance.

List of appendices to this report:

None

List of Background Papers:

Papers submitted to the Elizabeth Line Committee on 29 January 2021.

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