

**Date:** 30 November 2016

**Item:** Project Monitoring – Project Approvals

---

**This paper will be considered in public.**

## **1 Summary**

- 1.1 To inform the Committee of Project Authority granted by the Commissioner and the Chief Finance Officer in accordance with delegated authority under TfL's Standing Orders.

## **2 Recommendation**

### **2.1 The Committee is asked to note:**

- (a) the approval by the Commissioner of additional Project Authority of £22.07m for Woolwich Ferry Life Extension - Phase 2; and**
- (b) the approval by the Chief Finance Officer of additional Project Authority in respect of the projects and amounts set out below:**
  - (i) Bus Priority Delivery Portfolio 2016/17 – £0.80m;**
  - (ii) Concession Ticket Vending Machine Investment – £7.10m;**
  - (iii) RfL Crossrail Systems Information Programme – £9.55m;**
  - (iv) West Anglia Stations Project – £3.00m;**
  - (v) Train Systems Data-Driven Maintenance – £4.21m; and**
  - (vi) Train Modification Unit – £0.18m.**

## **3 Background**

- 3.1 The Commissioner (and in his absence, the Chief Finance Officer) has delegated authority to approve Project Authority on projects up to a value of £50m that contain less than £25m of unbudgeted expenditure.
- 3.2 The Chief Finance Officer has delegated authority to approve Project Authority for projects under £25m that contain less than £10m of unbudgeted expenditure. Approval of authority for projects of less than £5m that contain less than £2m of unbudgeted expenditure is delegated to Chief Officers and is not reported here.

## **4 Project Approvals**

- 4.1 To enable an appropriate level of governance, processes are in place for the authorisation, control and reporting of projects.
- 4.2 Where projects have a value in excess of £50m and have not already received full approval from the Programmes and Investment Committee (or, previously, the Finance and Policy Committee), requests will be submitted to the Committee and, where appropriate, to the Board for consideration. Those projects with an estimated

final cost of £50m or below, which have been approved by the Commissioner or the Chief Finance Officer, will be reported to subsequent meetings of the Committee.

#### **Project Approvals by the Commissioner**

- 4.3 Since the last meeting of the Finance and Policy Committee on 27 July 2016, the Commissioner has approved Project Authority for one project. Further details are set out in Appendix 1.

#### **Project Approvals by the Chief Finance Officer**

- 4.4 Since the last meeting of the Finance and Policy Committee on 27 July 2016, the Chief Finance Officer has approved Project Authority for six projects. Further details of these projects are set out in Appendix 2.

#### **List of appendices to this report:**

Appendix 1: Summary of projects approved by the Commissioner

Appendix 2: Summary of projects approved by the Chief Finance Officer

#### **List of Background Papers:**

None

Contact Officer: Michael Bridgeland, Head of Project Assurance

Number: 020 3054 7751

Email: [MichaelBridgeland@tfl.gov.uk](mailto:MichaelBridgeland@tfl.gov.uk)

Summary of projects approved by the Commissioner

ST-PJ463 Woolwich Ferry Life Extension - Phase 2	
<b>Existing Project Authority</b> £ 3.36m	<b>Financial Authority in Business Plan</b> £ 32.23m
<b>Additional Project Authority</b> £ 22.07m	<b>Estimated Final Cost</b> £ 33.41m
<b>Total Project Authority Granted</b> £ 25.43m	<b>Variance Commentary</b>  The estimated final cost exceeds the Financial Authority by £1.18m as a result of the berthing infrastructure cost being higher than estimated, and currency exchange rate fluctuations. The shortfall will be funded from operational savings delivered by the new ferries.
<b>Outputs and Schedule</b>	<p>The project will replace the existing vessels which are end of life. The project will complete by March 2019.</p> <p>Additional Project Authority of £22.07m was granted up to 2019 following a Contract Award Integrated Assurance Review. The new Authority covers:</p> <ul style="list-style-type: none"> <li>• Purchase of two replacement vessels.</li> </ul> <p>Further Project Authority will be requested for the berthing infrastructure by March 2017.</p>

Summary of projects approved by the Chief Finance Officer

ST-PJ372/373/486/488/489/490C Bus Priority Delivery Portfolio 2016/17	
<b>Existing Project Authority</b> £ 11.36m	<b>Financial Authority in Business Plan</b> £ 12.16m
<b>Additional Project Authority</b> £ 0.80m	<b>Estimated Final Cost</b> £ 12.16m
<b>Total Project Authority Granted</b> £ 12.16m	<b>Variance Commentary</b> N/A
<b>Outputs and Schedule</b>	<p>The portfolio will deliver bus priority road schemes to improve bus service reliability and support regional growth. 138 schemes were planned for delivery in 2016/17.</p> <p>Additional Project Authority of £0.80m was granted up to April 2017. The new Authority covers:</p> <ul style="list-style-type: none"> <li>• Delivery in 2016/17 of an additional 10 schemes originally planned for later years, to help reduce bus excess wait time.</li> <li>• Design of a further 10 schemes for delivery in 2017/18.</li> </ul>

LR40.013 Concession Ticket Vending Machine Investment	
<b>Existing Project Authority</b> £ Nil	<b>Financial Authority in Business Plan</b> £ 8.90m
<b>Additional Project Authority</b> £ 7.10m	<b>Estimated Final Cost</b> £ 7.10m
<b>Total Project Authority Granted</b> £ 7.10m	<b>Variance Commentary</b> N/A
<b>Outputs and Schedule</b>	<p>The project will purchase new TfL standard design ticket machines for London Overground stations. The machines will be installed by the train operating company. The project will complete by March 2019.</p> <p>Project Authority of £7.10m was granted up to March 2019. The new Authority covers:</p> <ul style="list-style-type: none"> <li>• Purchase of 218 ticket machines.</li> </ul>

LR83 RfL Crossrail Systems Information Programme	
<b>Existing Project Authority</b> £ 3.05m	<b>Financial Authority in Business Plan</b> £ 12.60m
<b>Additional Project Authority</b> £ 9.55m	<b>Estimated Final Cost</b> £ 12.60m
<b>Total Project Authority Granted</b> £ 12.60m	<b>Variance Commentary</b> N/A
<b>Outputs and Schedule</b>	<p>The project will deliver IT systems for the management, maintenance, and safe and efficient operation of Crossrail. The project will complete by April 2018.</p> <p>Additional Project Authority of £9.55m was granted up to April 2018 following a Contract Award Integrated Assurance Review. The new Authority covers purchase of:</p> <ul style="list-style-type: none"> <li>• Enterprise Asset Management System.</li> <li>• Enterprise Content Management System.</li> <li>• Access Management System.</li> <li>• Systems Integration.</li> </ul>

**LR-PJ315C West Anglia Stations Project****Existing Project Authority**  
£ 24.94m**Financial Authority in Business Plan**  
£ 27.94m**Additional Project Authority**  
£ 3.00m**Estimated Final Cost**  
£ 27.94m**Total Project Authority Granted**  
£ 27.94m**Variance Commentary**  
N/A**Outputs and Schedule**

The project will improve revenue recovery, security and customer experience across London Overground stations on the West Anglia routes. The project will complete by May 2017.

Additional Project Authority of £3.00m was granted up to May 2017 following an Interim Integrated Assurance Review. The new Authority will install gate-lines at the following stations:

- Highams Park.
- London Fields.
- Silver Street.
- Wood Street.

<b>UIP3104 Train Systems Data-Driven Maintenance</b>	
<b>Existing Project Authority</b> £2.52m	<b>Financial Authority in Business Plan</b> Nil
<b>Additional Project Authority</b> £ 4.21m	<b>Estimated Final Cost</b> £6.73m
<b>Total Project Authority Granted</b> £ 6.73m	<b>Variance Commentary</b> The estimated final cost exceeds the Financial Authority by £6.73m. The shortfall will be funded from the Predict & Prevent and Maintenance Modernisation programmes.
<b>Outputs and Schedule</b>	<p>The project will improve how trains are maintained on the Central, Metropolitan, Victoria, Hammersmith, Circle and District lines by enhancing the collection and analysis of operating and fault data. The project will complete by December 2017.</p> <p>Additional Project Authority of £4.21m was granted up to December 2017. The new Authority covers:</p> <ul style="list-style-type: none"> <li>• Development of the in-house train data analysis capability.</li> <li>• Business changes to make better use of existing data.</li> <li>• Identification and analysis of additional train data not currently being used.</li> </ul>



UIP3087 Train Modification Unit	
<b>Existing Project Authority</b> £ 0.37m	<b>Financial Authority in Business Plan</b> £ 22.70m
<b>Additional Project Authority</b> £ 0.18m	<b>Estimated Final Cost</b> £ 22.70m
<b>Total Project Authority Granted</b> £ 0.55m	<b>Variance Commentary</b> N/A
<b>Outputs and Schedule</b>	<p>The project will design and build a new Trains Modification Unit at Acton Works, initially for the life extension work of the Central Line 92 Tube Stock. The project will complete by July 2018.</p> <p>Additional Project Authority of £0.18m was granted up to January 2017 following a Pre-Tender Integrated Assurance Review. The new Authority covers:</p> <ul style="list-style-type: none"> <li>• Planning consent.</li> <li>• Detailed design.</li> <li>• Enabling works.</li> </ul>