

**TRANSPORT FOR LONDON**

**BOARD**

**SUBJECT: COMMISSIONER'S REPORT**

**DATE: 25 JUNE 2008**

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**1 PURPOSE**

This Report provides an overview of major issues and developments since the Board meeting on 12 March and updates the Board on significant projects and initiatives.

**2 ELECTION OF NEW MAYOR**

On behalf of TfL I welcome Boris Johnson as Mayor and as Chair of the TfL Board. I also welcome the new Board Members and those that are continuing. The Mayor's appointment as Chair is interim pending the appointment of Tim Parker as Chair on 1 September after the Assembly's confirmation hearing.

Up to the election on 1 May, and subject to the pre-election rules, TfL worked hard on developing and implementing the previous Mayor's policies. Immediately after the election of Boris Johnson TfL was ready with an analysis of his policies and priorities and has worked hard since then on implementing them, as highlighted below.

**2.1 Mayoral Policy Initiatives (1): Crime and Anti-Social Behaviour**

**440 Additional Uniformed Officers**

The Mayor, with the TfL and MPS Commissioners, announced plans for 440 additional uniformed officers to enhance policing on the bus network and launched the first three teams on 16 May. These will be financed by identified reductions in TfL's marketing spending. The roll out of the officers will be completed by June 2009 in three phases. Phase one – Operation Tyrol will last twelve weeks and has seen the introduction of three hub teams (consisting of approximately nine officers in each team) which have been deployed to West Croydon, Canning Town and Wood Green/Turnpike Lane, areas identified as priorities through TfL's mapping and analysis. The new teams, supported by officers from TfL's Revenue Protection staff, Safer Transport Teams and TOCU, are undertaking high visibility bus patrols in and around local transport hubs. Phase two (up until December 2008) will involve the further enhancement of these teams through recruitment. Phase three (January 2009 to June 2009) will involve the full roll out of 440 officers to London's bus network.

**Alcohol Banned on the Transport Network**

On 7 May, the Mayor announced plans to ban alcohol on Tube, bus, Docklands Light Railway, London Overground and tram services and stations across the

capital. Drinking from, and carrying open containers of alcohol, was banned from 1 June, making travelling on public transport a safer and more pleasant experience for passengers. This ban has been implemented by changing the conditions of carriage on the relevant modes and is being enforced by TfL staff with the support of transport policing resources. TfL has also utilised an existing mechanism contained in the relevant Railway Byelaws which provides for notice to be given prohibiting alcohol on any train service. In order for the ban to be fully enforced across all relevant transport modes and premises in the future, TfL is also seeking to amend its byelaws and has written to DfT to commence this process. There is a comprehensive poster based campaign to inform passengers of the ban. Extensive media and public information activity supported the introduction of the ban on alcohol from 1 June. Research conducted during the last week of May shows that 84% of Londoners support the policy.

### **ZIP 11-15 scheme / Youth Concession Withdrawals Summary**

On 1 June, the mandatory 11-15 Oyster (ZIP) scheme came into effect. All those aged 11 to 15 wishing to travel free on buses and trams must hold an 11-15 Oyster photocard and validate the card when boarding a bus or tram in order to continue to travel for free. Revenue Protection Inspectors have been deployed to priority locations and routes to support drivers. Further support will be provided by the Metropolitan Police Safer Transport Teams, the Transport Operational Command Unit and the new Operation Tyrol hub teams. Since the beginning of the youth concession schemes, in 2005 for 14 - 15 year olds and 2006 for 16 - 17 year olds, 11,303 cards have been retained by TfL. Of these 8,499 (75%) related to ticketing issues (transferred, altered or expired passes) and 2,804 (25%) have related to other issues including anti-social behaviour. In total 1,519 cards have been permanently deactivated.

The introduction of ZIP photocard provides a foundation to introduce the Payback London scheme. TfL, in consultation with the MPS and other partner agencies, is currently scoping out options for a voluntary Payback London scheme which will give young people the opportunity to earn back their free travel concession if it has been temporarily or permanently withdrawn.

### **DNA Kits**

London's bus drivers have been issued with DNA 'spit kits' that will be used to help prosecute passengers guilty of assaults involving spitting. This means that if an incident involving spitting happens on a bus, the driver will be able to use the kit to take a DNA sample of the suspect. Last year there were more than 1,000 recorded incidents of spitting on London's buses and many of these were attacks on drivers.

## **2.2 Mayoral Policy Initiatives (2): Others**

### **Oyster expansion to National Rail**

The extension of Oyster Pay As You Go to all of London's National Rail services is being progressed in phases. The first saw its roll-out to C2C, Chiltern and part of National Express East Anglia train operators completed on schedule in January 2008. TfL's recent agreement with First Great Western, announced by the Mayor on 12 May, will extend Oyster Pay As You Go to all London stations served by this operator from September 2008. Southern has

now agreed to allow installation of Oyster equipment to commence immediately. More details on the roll-out of Oyster Pay As You Go to National Rail are included in the Finance section of this Report.

### **Consultation on Abolition of Half-yearly Black Cab Inspections**

On 14 May, the Mayor announced that TfL will be consulting on the abolition of the half-yearly black cab inspections. The mid-year inspections were introduced in October 2007 and many taxi drivers have felt that this arrangement has been an unnecessary administrative burden. TfL's consultation will explore new approaches to ensure the safety of London's taxis including increased on-street compliance checks, fleet inspections at rental companies and harmonising the inspection regimes for taxis and PHVs.

### **Venezuela Energy Funding Agreement**

In line with the Mayor's announcement to bring the agreement to an end when its first year is complete on 20 August, TfL has closed the Caracas office but will continue to honour the half price bus and tram fares scheme for Londoners on Income Support, and the commitment to provide technical advice to Venezuela, until the agreement comes to an end.

### **Beijing Bus**

In the light of the tragic earthquake in China, LOCOG and TfL agreed that it would be inappropriate to continue with this project. However, I am delighted to say that the drivers who worked so hard to prepare for the journey will instead utilise their skills as part of undertaking the formidable 3 Peaks Challenge to raise money for the Help for Heroes charity. They will be taking on the UK's three highest mountains – Ben Nevis, Scafell Pike and Snowdon - in 24 hours. We all wish them the very best of luck.

## **3 MODAL OPERATIONS**

### **3.1 Surface Transport**

#### **Traffic Management Act 2004**

Regulations issued under the Traffic Management Act 2004 (TMA) by the Department for Transport on 1 April introduced revised conditions for issuing notices for works on the highway; fixed penalty notices for infringements of some noticing requirements; and issuing permits for works which require the agreement of the highway authority before they may proceed. This offers the opportunity for a step change in works coordination and will improve the quality of works information received from statutory undertakers.

From 1 April, statutory undertakers are required to submit notices via the updated system for the Electronic Transfer of Notices. Notices to the new specification are being received from most works promoters, including Thames Water, National Grid and EDF. Regulations came into force on 12 May introducing Fixed Penalty Notices (FPNs), which enable highway authorities to apply sanctions when conditions which are included in notices are breached by works undertakers. The offences for which FPNs will apply are under the New Roads and Streetworks Act and, while these offences are not decriminalised, the FPN scheme offers a statutory undertaker the opportunity to pay a penalty

to discharge any liability to conviction. It was anticipated early on in the approach to the TMA that a common permitting scheme for London would best serve the capital by applying a consistent approach to streetworks planning and coordination. London Councils supported a common permit scheme for London, applying to all streets, and has recently issued for consultation the "London Permitting Scheme for Road and Street Works" (LoPS), a proposal drawn up by TfL and the Boroughs. Subject to consultation and Department for Transport Secretary of State approval, TfL anticipates commencement of the operation of a Common Permit Scheme for London in November 2008, initially involving TfL and 14 boroughs. A further nine boroughs expect to commence the scheme in April 2009, and five more in October 2009. The remaining five boroughs, who have not opposed the idea of a common permitting scheme, have not yet decided on the timing of commencement.

### **Workplace Violence Unit**

Transport for London and the Metropolitan Police Service's Transport Operational Command Unit is setting up a joint workplace violence unit to investigate violence against bus drivers and operational bus staff across London. The Unit will work to enhance support for victims and ensure consistent high levels of investigation and prosecution of staff assaults. The Unit will complement the work of the successful London Underground Workplace Violence Unit, which has increased the detection of people who have abused members of staff.

### **Cycle Safety Campaigns**

March saw the launch of two new cycling safety initiatives. A high profile cycling campaign featured in the London press and on websites such as Facebook and Auto Express where it had over 4.8 million hits. Many other cities around the world have approached TfL for copies of the visual material to influence their own campaigns. In a second campaign, to help improve cyclists' visibility, environmentally-friendly, wind-up secondary cycle lights were given away throughout March.

### **Freight Operator Recognition Scheme**

On 15 April, the Freight Operator Recognition Scheme (FORS) was formally launched at the Commercial Vehicle Show in Birmingham. FORS, one of the key projects in the London Freight Plan, is a unique membership scheme that will help freight operators become safer, more efficient and more environmentally-friendly. Developed by TfL in partnership with key industry bodies, it is open to any company operating vans or lorries in London. Ten thousand free 'Fresnel' lenses are being distributed through FORS. The lenses attach to the passenger window of the driver's cab and help improve the driver's view of cyclists within close proximity of their vehicles.

### **Eco-Power**

On 22 April, the High Court dismissed Eco-Power's challenge to TfL's decision to withdraw the approval for Eco-Power's taxi emission reduction system. The Judge held that the Public Carriage Office had acted reasonably on the basis of proper expert advice. TfL has re-issued the notice confirming that this system is no longer approved.

### **Traffic Control Maintenance and Related Services Contract**

The new Traffic Control Maintenance and Related Services Contracts commenced on 1 April. The contracts are collectively worth £98.5m over a seven-year period. The contracts cover equipment, emergency response and the maintenance of variable message signs, overheight vehicle detectors and safety cameras, as well as the installation, modernisation and maintenance of all traffic signals sites across London. The contractors are Serco, Peek Traffic Ltd and Siemens. Contractors will be responsible for determining how they organise their work to meet output targets. TfL will maintain control over outputs by monitoring performance and work completed. The new contracts which provide 24/7 coverage, are a significant improvement in TfL's operational capability and are more cost efficient.

### **Low Emission Zone (LEZ)**

The weekly average level of vehicle compliance with Phase 1, lorries over 12 tonnes, continues to increase. The average weekly compliance for vehicles in the week commencing 9 June was 96.3%. Up until 8 June some 5,555 penalty charge notices (PCNs) had been issued to UK operators. Final preparations for the launch of Phase 2 of the scheme affecting lorries over 3.5 tonnes, buses and coaches on 7 July are progressing well.

### **A12 Diesel Spillage**

On 1 April at 4:28 am, a road traffic accident involving a tanker resulted in a major diesel spill along the northbound carriageway of the A12. Extensive carriageway resurfacing was required. The vehicle operator was identified by the Metropolitan Police and TfL is taking action to recover the costs of the carriageway remediation from the haulier's insurers.

## **3.2 London Underground**

### **Customer Service & Performance**

In 2007/08 a record number of passengers were carried on the highest volume of train service ever operated on the Underground. These results were achieved despite the continued extensive programme of engineering and improvement work on the network, disruption in September 2007 as a result of industrial action by Metronet staff and closure of the East London line from December 2007.

### **Metronet**

Metronet's Administrator finalised an agreement with Bombardier and Westinghouse over the Sub-Surface lines (SSL) upgrade on 31 March. Under the new arrangement Bombardier will still supply the new trains but the proposed new signalling system will be re-tendered. Westinghouse will continue to modify the existing Sub-Surface Railways (SSR) signalling system to allow the new trains to run. This agreement was a significant step forward in the process of removing Metronet from Administration, and a triumph for Tim O'Toole and all those in LU and TfL who have worked to achieve a satisfactory outcome.

The previous Mayor gave approval on 23 April to the schemes which transfer the Metronet business to TfL. The schemes are part of a suite of arrangements for transfer. Following a court hearing on 23 May, completion of the transfer

took place on 27 May when all Metronet Rail staff transferred to the nominee companies, LUL Nominee BCV Limited and LUL Nominee SSL Limited, under their existing terms and conditions and in accordance with Transfer of Undertakings (Protection of Employment) Regulations. The old Metronet companies are expected to go into liquidation later this year. Metronet's two subsidiary companies, Metronet REW Limited and Metronet TMU Limited, were included in the transfer scheme and are now part of the TfL Group.

### **Piccadilly Line Extension to Heathrow Terminal 5**

Piccadilly line passenger services to Heathrow Terminal 5 station commenced as planned on 27 March. This is the first extension to the Underground network since the Jubilee line was extended to Stratford in 1999. The new station, which was opened by myself and Tim O'Toole, was delivered on time and on budget. It is also used by Heathrow Express services.

### **District line trains**

Refurbishment of the 75-train District line fleet has been completed, ahead of programme and within budget, and all trains are back in passenger service. The trains have been fitted with completely renewed interiors, CCTV cameras inside the cars, fire retardant seats and flooring and accessibility measures, including tip-up seats to accommodate wheelchairs, buggies and luggage. The 30-year old trains remain among the most reliable on the Underground, and the refurbishment will help extend their life until the introduction of a new fleet of trains in 2013. Prior to its introduction on the District line, the new Sub-Surface train will be introduced on the Metropolitan line (from 2010) and on the Circle and Hammersmith and City lines (both 2012).

### **Bank/Monument station**

A major programme of work on the escalators at Bank/Monument station moved into its next phase on 30 March when replacement of the four machines linking Monument station and the Docklands Light Railway began. During this work, which is planned to be completed in summer 2009, passengers are being advised by means of posters, leaflets and PA announcements to avoid interchanging at Bank and to use other stations nearby wherever possible.

### **Northern line performance**

A new timetable introduced on the Northern line from late January has led to increased reliability and has reduced journey times by around a minute. Over the first 14 weeks of the new timetable the line operated, on average, 98.5% of its scheduled train kilometres making it the most reliable of the LU lines over this period. The new schedule allows for the additional station dwell times caused by higher passenger numbers and provides an increased train frequency on the Bank branch. It also means that the service can recover more quickly if there are delays.

## **3.3 London Overground**

### **Performance**

The performance of London Overground continues to show an upward trend, with the highest ever Public Performance Measure (PPM, the percentage of trains that arrive at their destination within five minutes of their scheduled arrival time) achieved in Period 1 (94.7%) since the measure was introduced in 2001.

This was 1.63% ahead of the same period last year. This confirms the effectiveness of the short-term initiatives to improve performance in advance of the introduction of new trains and infrastructure upgrades. The reliability of the existing trains has been improved and greater attention is being given to service planning. A new, dedicated Overground Control office opened at the end of April which will improve the management of any disruptions that do occur.

The results of the quarterly Ticketless Travel survey carried out in March show a further reduction in ticketless travel from 3.8% to 2.7%. The most significant decrease was on the Gospel Oak to Barking line with an improvement from 6.7% to 1.7%. Prior to TfL taking over the concession, the rate of ticketless travel was nearly 15% and these excellent results demonstrate the success of TfL's station staffing, gating and policing strategy as well as better management by TfL's operator, London Overground Rail Operations Ltd (LOROL).

Results of the customer satisfaction survey showed significant improvements in nearly all categories, compared to previous surveys, with an overall score of 73. This is the best result achieved since PPM was implemented and reflects TfL's investment in station appearance and ambience, as well as the much welcomed increase in station staffing at every station during the hours of operation since the concession started.

### **Secure Station Award**

Ten London Overground stations have been recognised as helping to reduce crime through good design and management and have been awarded Secure Station status. When TfL took over the Overground network in November 2007, a passenger survey revealed that almost a quarter of passengers believed the service was too dangerous to use. TfL's introduction of staff at stations during running hours and the network-wide upgrade programme has resulted in a recent survey by the British Transport Police finding that almost 82% of passengers now feel they are safer on the stations. The stations given Secure Station accreditation by the Department for Transport are: South Hampstead, Kilburn High Road, Acton Central, South Acton, Brandenburg, West Hampstead, Hampstead Heath, Walthamstow Queens Road, Caledonian Road and Barnsbury, and Canonbury.

### **DLR Performance**

DLR Performance has been variable during the second quarter of 2008 with Period 1 experiencing a number of equipment failures including several connected with the 3 car capacity enhancement works. An action plan is being implemented by the franchisee in conjunction with the DLR team and results have already improved during Period 2. An event to mark the arrival of the first three new DLR vehicles was held at West India Quay in mid March in conjunction with the Olympic Delivery Authority who is part-financing the fleet.

### **South Central franchise**

The present rail franchise, which operates services in South London and to the south coast, expires on 20 September 2009. TfL has been working with DfT to develop the outline specification, which is now out to public consultation. This incorporates many enhancements that will help TfL meet its objectives for transport in London. TfL continues to advocate additional improvements for passengers that would bring the London services up to the same level of quality

as will be provided by London Overground in the future. The new franchise agreement will also facilitate the delivery of Phase 2 of the East London line extension to Clapham Junction, and TfL is pressing for funding to become available for this project (see Section 4.2).

### **Fares**

On 18 May, London Overground fares were simplified to match London Underground zonal fares. The result is an average fare reduction of 9p. The latest changes include those requested by passengers and other stakeholders that will complete amendments made in January to reflect the introduction of Oyster Pay As You Go on London Overground services and the move from a National Rail to a TfL charging structure. Many of the remaining Cheap Day Returns have been withdrawn to provide a simpler range of fares where Oyster offers the best value option.

### **Office of Rail Regulation Periodic Review**

The Office of Rail Regulation (ORR) published on 5 June its draft determination on Network Rail's outputs and charges for the period to 2014. This found that Network Rail is sufficiently funded to deliver significant capacity enhancements and reliability (as measured by the Public Performance Measure) for rail passengers in London and the South East. Apart from some non-essential cuts in scope which ORR believes offer poor value for money, ORR believes the enhancements can be delivered within the Government's "statement of funds available". ORR's benchmarking does show that operating and maintenance costs are high relative to other European infrastructure managers but Network Rail strongly dispute that there is scope to make efficiency savings of as much as 15-20% by 2014. TfL is preparing a response to the consultation which closes on 4 September.

### **Mayor's summit with Association of Train Operating Companies (ATOC)**

Planning for an event has commenced. It is the intention to discuss a range of rail initiatives designed to bring benefits to passengers, including the roll-out of Oyster on National Rail, the harmonisation of passenger standards (fares and information) plus interchange security and policing. Those invited to attend will be senior representatives from the different train operating companies whose routes serve London.

### **Croydon Tramlink**

Following authorisation from the TfL Board in March 2008, TfL made an offer to acquire Tramtrack Croydon Ltd (TCL) and announced the intention to take direct control of Croydon Tramlink. TCL have accepted the offer and it is anticipated that operational transfer will take place at the end of June 2008 (subject to contract and HMRC approvals). TfL will be working with the existing private sector operating concessionaire (First Group) to implement a programme of immediate and short term improvements for passengers, which will include additional off peak services, a refresh of tram stops, a thorough clean and refurbishment of the trams, and improved passenger information. A Tramlink Horizon study (10-year development programme) is also underway.

## **4 MAJOR PROJECTS AND INITIATIVES**

### **4.1 Crossrail**

#### **Crossrail Bill**

The Crossrail Bill continues to make progress. The House of Lords Select Committee report has been received and the Government response was submitted on 5 June. The report does not contain any recommendations that the project was not expecting and had not prepared for. The Bill will now proceed to the next public stage, the Grand Committee, where the long-awaited amendments to the railway provisions of the Bill are expected to be made. DfT have met with the Lords Whips, and the Grand Committee is expected to be set for the last week of June. There will then be one more opportunity for debate on the floor of the House in the Lords, before the Bill goes back to the House of Commons for the amendments made in the Lords to be considered. There are, by convention, minimum intervals between these last stages and while the Bill is still on programme for Royal Assent before Parliament rises on 22 July, this programme is increasingly tight.

#### **Delivery Strategy**

The Crossrail Delivery Strategy, which sets out how the execution phase of the project is to be organised and managed, was issued to the Sponsors on 27 May and comments are now being collated. The prequalification period for both Delivery Partner and Detailed Design Framework procurements has now closed with a strong response being received from the market.

#### **Agreements**

Development of the core project agreements continues. These comprise the agreement between Cross London Rail Links (CLRL) and the Sponsors, known as the Project Development Agreement, the agreement between the Sponsors to fund and govern the project, the agreements with industry partners (London Underground and Network Rail) and agreements with third parties. Work is planned to conclude prior to the end of August, with the objective of achieving approval by the various Boards in September, including the new CLRL Board.

#### **Incidents**

There were no reportable accidents or incidents in period 1. With respect to the cable strike accident that occurred on 7 February, when a site operative employed by Fugro Ltd drilled into an electricity cable as part of ground investigation works at Hanover Street, the CLRL Investigation Panel has now issued its report, which has been well received by the Health and Safety Executive. The recommended action plan is being implemented that includes reconfirmation of the duties and requirements for the supervision and execution of ground investigation works, and the specification of fire retardant protective clothing for operatives. The injured person has now been discharged from hospital.

## **4.2 London Overground**

### **Station Enhancement Programme**

The stations improvement programme is well underway and will provide a better journey experience for passengers. Deep cleaning works have now been completed at 11 stations. By the end of Summer 2008, all 35 London Overground managed stations on the network will have been cleaned and repaired. The station refurbishment phase will follow, ensuring that all London Overground stations are equipped with enhanced waiting facilities, better lighting, real time customer information system, CCTV, Help Points, and better passenger announcements. It is anticipated that this phase of work will be completed in 2010 for all Overground stations. Work has started on two new stations that will become part of the Clapham Junction to Willesden Junction line on the London Overground network. Construction works for the new Imperial Wharf station have recently commenced and Shepherd's Bush station, which will serve the new White City development, is expected to open later this summer.

### **Trains**

The manufacturing programme for the brand new fleet of high capacity, electric trains for the London Overground network began on 11 February 2008 at Bombardier's plant in Derby. The new air conditioned fleet will offer a metro style layout and more capacity, with wider gangways and wider doors for faster alighting and boarding. The latest programme indicates that the first train will be tested at Derby in July 2008 and on Network Rail's infrastructure in mid August 2008. London Overground is expecting the first trains to be delivered in December 2008 with phased delivery into service during January 2009. The cleaning and repair of the existing Silverlink fleet has now been completed. The programme to remove some seats from the existing trains to increase capacity and reduce station dwell times is on target for completion in July 2008.

### **North London Railway Infrastructure Project (NLRIP)**

TfL is funding enhancements to the London Overground network with the ODA's support, to increase the train frequencies on all routes by 2011. These infrastructure works (mainly to upgrade tracks and signalling) will be delivered by Network Rail in 2009 and 2010. As a result, London Overground will be able to run a more reliable, frequent and efficient passenger train service ahead of the Olympic Games. Network Rail is currently tendering both the Infrastructure and Signalling Contracts and anticipates awarding them by the end of the year.

In advance of these works, Network Rail is upgrading key freight routes as part of a programme to improve the efficiency of freight transport on the national rail network. Some of these routes are on the London Overground network and involve the widening of a tunnel near Hampstead Heath and the reconstruction of three bridges in Islington and Waltham Forest. This will create disruption to passenger services between September and November 2008. TfL will be running an alternative train service between Watford and Stratford and operating bus replacement services along the closed sections of the line to keep users connected to the TfL network. Stakeholder consultation is underway and communication with passengers commenced on 30 May with more detailed information available in July.

### **East London Line Extension**

The construction programmed for the East London Line extension is progressing well. Work to relay track and re-signal the core route (the former East London line tunnel) is proceeding well, and new stations at Holton, Hagerstown and Dalton Junction are beginning to take shape. The new Maintenance Facility and Operational Building Complex at New Cross Gate are well underway. The installation of the three key bridges within a six week period was a major achievement with Shoreditch High Street bridge and the New Cross Gate flyover completed on time and the GE19 bridge near Liverpool Street completed ahead of schedule. Over the coming months, the following will be completed: the foundations and piling at the new stations on the line, the Maintenance Facility and Operational Building Complex, and putting in place the slab that forms the base for the over station development at Dalton.

### **GE 19 Bridge**

An incident occurred on 28 May when the GE19 bridge near Liverpool Street slipped off its temporary supports into its permanent position. The safety measures that had been installed ensured that there was no risk of collapse, although some of the permanent formwork on the bridge deck was displaced onto the track halting trains out of Liverpool Street. Engineers worked through the night to clear the debris and the station was re-opened later the following morning. The precise circumstances are the subject of an inquiry by TfL, Network Rail and the contractor, Balfour Beatty Carillon.

### **East London Line Phase 2**

Both TfL and Network Rail (in its recently published South London Route Utilisation Strategy) support the concept of extending East London line services to Clapham Junction. Completion is recommended by 2012 at the latest to precede the disruption at London Bridge which will result from work on the Thameslink upgrade project. The extended East London line would also help resolve the withdrawal of Victoria to London Bridge services due to the loss of terminating platforms at London Bridge. The new extension will improve passenger access to the City (Shoreditch) and Docklands (Canada Water). All parties are therefore continuing work to produce a proposal that offers best possible value for money, is most readily operable in practice, and is as affordable as possible. It is not currently funded within the TfL business plan, so discussions are ongoing between TfL and DfT as to how it could potentially be funded. Given the proposal to withdraw the Victoria to London Bridge services, the project is also referred to in the recently started DfT consultation on the South Central re-franchise.

### **Docklands Light Railway**

Several major projects are underway to expand the DLR network and upgrade the railway ahead of the Olympic and Paralympic Games in 2012. These include: Woolwich Arsenal extension; Stratford International extension; 3-Car Capacity Enhancement between Bank and Lewisham, Poplar, Stratford and Woolwich Arsenal. DLR has also deposited an application for a Transport and Works Act Order to gain powers to extend to Dagenham Dock in association with housing expansion plans at Barking Reach.

### **Woolwich Arsenal extension**

Following the completion of tunnelling, excellent progress continues to be made on this project and the extension is programmed to open on time in February 2009. Over the summer, the new station building at Woolwich Arsenal will be fitted out and track power supply will be installed. Discussions are ongoing with developers regarding a new mixed use development over the station.

### **Stratford International extension**

A significant amount of construction activity is taking place at Stratford on the DLR extension and replacement Overground platforms. These are all broadly progressing to programme and the new Overground platforms are scheduled to open in December 2008. On the rest of the extension, demolitions and utilities diversions will begin to allow construction of new DLR platforms at Canning Town and a new station at Star Lane. Archaeological investigations are continuing at Abbey Road. The project is on schedule for completion in June 2010 as a key element of the Olympic Transport Plan.

### **3-car Capacity Enhancement Project**

This project is a series of works to upgrade key routes of the DLR allowing 3 car trains to operate (current trains are 2 car). It also includes major junction works at Poplar/West India Quay/ Westferry (known as the "Delta Junction") and at Canning Town. These works will allow an increased number of trains through the junction and provide greater timetabling flexibility across the network, providing passengers with more trains and more capacity. This project is on schedule to be complete in April 2010.

Construction began in May 2007 and the project is progressing on schedule. Hoardings have been erected at stations to allow for platform extension works, which are required to accommodate longer trains. The new station is now under construction at South Quay. The Delta Junction upgrade remains a challenging package of work but despite these challenges this work remains largely on schedule. Bridge work conducted over the 24-26 May Bank Holiday weekend revealed extra work was needed on part of the viaduct structure and this work could not be completed within the weekend possession. This extra work was therefore undertaken over the following week. During this period trains could not operate between West India Quay and Westferry. A revised timetable was planned and put in place overnight and additional staff put in place to assist passengers. Services on other parts of the DLR network operated normally and disruption to passengers was kept to a minimum.

Extensive work is planned over the summer which unavoidably creates disruptions for passengers, although these will be kept to a minimum. Tower Gateway station is scheduled to close between 28 June 2008 and Spring 2009 for complete rebuilding with all DLR services to the City operating to and from Bank. A reduced service will operate between Crossharbour and Lewisham from 30 June until 25 August 2008 to allow work on station platforms. DLR is continuing to work closely with other transport providers such as London Underground, South-eastern Trains and C2C trains ensuring passengers have other routes to destinations.

### **Dagenham Dock extension**

An application for a Transport and Works Act Order was submitted on 30 April 2008 and the consultation period closed mid-June. DLR is continuing to answer questions from interested parties and negotiate with those who have an interest in the project.

## **5 CORPORATE ACTIVITIES**

### **5.1 Planning**

#### **Working with the Boroughs**

In line with the Mayor's priority to improve the level of collaborative working with the London Boroughs, I wrote to, and will meet, the Chair and Chief Executive of London Councils to establish a more positive and productive relationship between TfL and the Boroughs. This will focus on short term work to streamline the process for LIP funding and longer term activity to ensure effective engagement on the new Mayor's Transport Strategy and the second round of Local Implementation Plans. With a headline figure of 103% delivery against TfL allocation of £160.2m for 2007/08, Boroughs have maintained an excellent delivery record of transport improvements on Borough roads. This record, coupled with emerging progress on target delivery, confirms that Boroughs with the support of TfL are playing an important role in delivering transport improvements in London.

#### **Response to the Government Consultation on NATA (New Approach to Appraisal)**

TfL responded to the DfT's NATA Refresh consultation on 31 March. The NATA Refresh is aimed at refining the current DfT's guidance for transport appraisals in order to align it with the DfT's new objectives and include the recommendations of the Eddington and Stern reports (i.e. mode neutrality, wider economic impacts and impacts on environment). DfT welcomed TfL's response and indicated they would value further input as the refresh progresses.

#### **TfL response to Healthcare for London NHS consultation**

TfL has responded to the NHS consultation on implementing Lord Darzi's proposals for reconfiguring health services in the Capital. The response highlighted the potential travel implications of relocating health facilities and recommended that TfL works in partnership with the NHS to develop agreed criteria for service location which reflect the need for good accessibility. In support of this work, TfL gave evidence to the Joint Overview and Scrutiny Committee for all London Boroughs on Healthcare for London proposals.

#### **Regeneration**

Joint TfL/GLA/LDA/DfT steering and working groups have been convened to ensure a consistent and effective approach is taken to making the regeneration case for transport investment. This will be applied to project and strategy appraisal, prioritisation and monitoring of benefits.

### **Modelling and Data Analysis**

As part of a programme to develop a new set of sub-regional transport models to inform scheme and strategic development at the sub-regional level, TfL has prioritised and started work on central and north London models. As part of this, an extensive roadside interview programme has started to provide up to date demand data for input to various transport model development activities.

### **Mayor's Transport Strategy and TfL Business Plan**

TfL has prepared travel demand forecasts for 2016 and 2026 to inform business planning and the Mayor's Transport Strategy development. Additionally, further work has been completed to develop TfL's strategic objectives framework and a set of strategic measures to provide comprehensive, multi-modal assessment of schemes and transport strategies.

## **5.2 Smarter Travel Unit**

### **School Travel Planning**

All Boroughs submitted plans in line with the national submission date of 17 March 2008. The plans are now being logged and evaluated through a Quality Assurance process. If all of the plans submitted are approved then the programme will have exceeded the 2007/08 target of 70% of London's schools to have an approved School Travel Plan in place. In addition, three Boroughs are in line to achieve 100% coverage with a further nine reaching in excess of 90%.

### **Workplace Travel Planning**

During 2007/08, workplaces with a total of 423,000 employees signed up to the TfL Corporate Package (available for companies with in excess of 250 employees.) This significantly exceeded the target of 200,000 employees for the year due to a focus on larger employers. Following a promotional event in March, Expressions of Interest for in excess of 60,000 employees have been received for the 2008/09 programme. In addition, 234 Small and Medium Sized Enterprises (SMEs) signed up for the Enterprise Package. Initial results from the data recorded by businesses demonstrated an average shift of 13% away from car usage.

### **Workplace Cycle Challenge**

Registration opened on 19 May for TfL's Workplace Cycle Challenge, to encourage London's commuters to take to two wheels. Cyclists from workplaces across London are being asked to form teams and compete against other businesses in the challenge which is scheduled for June.

### **Integrated Area Programmes**

After the success of the Smarter Travel Sutton project, TfL invited bids for a second integrated area programme. Following a two stage assessment process, Richmond was successfully selected as the location for the second Integrated Area Programme. A formal launch is planned for Autumn 2008.

## **Car Clubs**

During 2007/08 the 1,000<sup>th</sup> Car Club car was placed on London streets. Across London there are now 30,000 car club members representing 75% of the total UK car club membership. TfL research shows that car club vehicles cut car usage by members by an average 36%, with a fifth of members selling a car either immediately before or after joining. To continue support for car clubs, TfL published its car club strategy in March 2008.

## **5.3 Group Services**

### **The Independent Disability Advisory Group (IDAG)**

As previously reported, TfL's independent review of IDAG was undertaken in March 2008. The review incorporated interviews with key stakeholders and a day long workshop. The final report, which will be published by the end of June, suggests the future role of IDAG, making a number of recommendations. TfL's response to the review, and a way forward may include a smaller group of members leading on cross cutting goals. Existing IDAG members complete their two year term of engagement in November 2008. A recruitment process will commence during September 2008 for the new IDAG.

### **Clinton Climate Change Initiative**

As part of the global Energy Efficiency Building Retrofit Programme, initial surveys and high level analysis of 22 TfL buildings were completed during April. The work identified around £2m worth of works, designed to achieve CO<sub>2</sub> savings of 13.5% and energy savings of over 15%.

### **Responsible Procurement**

Following on from the publication of the Mayor's Responsible Procurement report, TfL has shared its responsible procurement best practices with a range of organisations, including Shell, Marks & Spencer, the Department for Communities and Local Government and the Olympic Delivery Authority. Reactions from these organisations have been very positive and TfL is seen as a leader in this field. Specific highlights, mentioned in the Responsible Procurement report, include TfL's groundbreaking work around supplier diversity on the East London Line Extension Project and procurement of environmentally responsible products.

## **5.4 Finance**

### **Borrowing and Debt Servicing**

Six loans in two separate tranches from the Public Works Loan Board in April 2008 raised £200 million, with maturities ranging between 34 years and 43.5 years. The interest rates were between 4.45% and 4.53% (weighted average rate of 4.49% or Gilts + 17bps).

### **New sections of TfL Pension Fund – Metronet**

New sections of the TfL Pension Fund were established with effect from 1 April 2008 for Metronet REW Limited and Metronet TMU Limited alongside the existing two Metronet sections. The change involves transferring 27 members from these existing sections. This action arose out of the terms of the Scheme Rescue pension arrangements agreed for Metronet in September 2007. The

concluding part of these arrangements will be the participation of the two LUL nominee companies who will take over the Metronet sections following the business transfer.

### **Oyster expansion to National Rail**

The expansion of Oyster on National Rail services across London remains on course for general launch in 2009. The work required at 240 National Rail stations includes the installation of around 1,100 Oyster validators, over 600 ticket gate upgrades, ticket machine upgrades, together with supporting software and other back office changes for the expansion in the volume of transactions. This has been achieved by continuing the software programme while awaiting Pay As You Go agreements signature, and by commencing installation on First Great Western.

The Association of Train Operating Companies (ATOC) have now submitted their Pay As You Go fares proposals (the fares that customers would pay on National Rail) to the DfT for approval. Subject to the DfT's decision, signature of the Pay As You Go agreements is now expected in July 2008. The fares proposals are broadly acceptable to TfL.

### **Retail Network Expansion**

The expansion of the Oyster Ticket Stop network was completed at the end of May with 1,350 new agents being added to the existing 2,300. The remaining 350 agents will be added on a discretionary basis, to give a good geographic coverage of Oyster Ticket Stops across London. The 2,300 existing agents will have existing ticket sales equipment swapped out with the 'Pearl' devices in June and July.

## **5.5 Communications**

### **Crime and anti-social behaviour**

There have been a number of marketing and communications initiatives designed to help passengers feel more secure on the transport system. A wider strategy on marketing and communications in the area of crime and anti-social behaviour is being developed for discussion between TfL and GLA colleagues.

Initial evaluation of TfL's 'Considerate Travel' campaign – launched in January to encourage passengers to think about the impact their behaviour has on fellow travellers – shows that almost 50% of Londoners recognise the campaign and 85% endorse the main campaign message. Endorsement was especially high (87%) amongst the target group of 18 to 34 year olds. There was an increase of five percentage points in positive behaviours such as being generally more considerate, and speaking less loudly on mobile phones, and a four percentage increase in people saying they had given up a seat for someone. The next wave of evaluation will give TfL further evidence of the extent of changed behaviour.

### **Oyster – promoting the benefits to customers**

There have been four recent developments as part of the overall programme to deliver increased convenience for passengers and efficiency for TfL through greater usage of Oyster. In addition to Pay As You Go on suburban services discussed elsewhere in this Report, there has been an increase in Visitor

Oyster sales. On Eurostar this is currently running at 3,000 per month with Eurostar forecasting that this will increase to 5,000 per month by July. WH Smith have also agreed to sell Visitor Oyster cards through 70 stores outside London from July (mainly at airports and main train stations with direct service into London). Depending on the results, WH Smith will look at widening availability through other stores. Oxford Tube coach services now joins National Express in selling Visitor Oyster on its services into London. This is in addition to the programme of widening availability of Oyster in London (see the Finance section for details).

### **Website tie-ups with Yell Group and Google**

Following the successful redesign of the TfL website last year, the focus has switched to testing the commercial potential of the site without damaging its core function as a trusted source of clear and simple information for customers. A three-month pilot has been launched with Yell whereby relevant Yell listings are carried on selected pages of the site. The revenue generated for TfL depends on the number of 'click-throughs' from the Yell banner and the commercial value to Yell. The pilot will raise around £30,000 and a full analysis of revenue potential will be completed after the trial. Working in partnership with Google, TfL has produced a set of "gadgets" which enable people to access Journey Planner, Tube service updates and the Tube map from their iGoogle personalised homepage. These also link back to TfL's homepage. This forms part of a TfL syndication strategy which makes TfL content available in a controlled manner to external organisations and extends the reach of TfL's information while protecting TfL's brand. In the first two weeks after launch, 48,000 users had signed up for at least one of the three gadget services.

## **5.6 General Counsel**

### **Appointments to the TfL Board**

On 6 May 2008 the Mayor appointed himself as a member of the Board of TfL and became the Chair. On that date he also gave notice to Dave Wetzel, the previous deputy chair, bringing his term of office to an end. The Mayor has now appointed Tim Parker, Kulveer Ranger and Steven Norris to the Board. Tim Parker has been nominated by the Mayor to be the Chair of TfL from 1 September 2008, subject to the confirmation hearing process of the Assembly. In addition, the Mayor has also re-appointed Sir Mike Hodgkinson, Judith Hunt, Christopher Garnett and Eva Lindholm for a further two month period. Peter Anderson, previously an Adviser to the Board, has also been appointed as a Board member for a period of two months. An advertisement for appointments to the Board was placed in the Sunday Times on 12 May 2008 inviting applications and was also on the GLA website. Applications closed on 2 June and the Mayor is expected to make further appointments in due course. The Mayor has requested that declarations of interests of TfL Board members are made available on TfL's website. To further improve TfL's governance arrangements, my declarations of interests and those of the Chief Officers are also being made available in the same way.

### **London Transport Museum Limited**

The TfL Board approved the Transport for London (London Transport Museum) Transfer Scheme on 12 March 2008. Mayoral approval was given to the Scheme and the transfer of property, rights and liabilities to the new charitable subsidiary London Transport Museum Limited and its trading subsidiary took effect from 1 April 2008. As Dave Wetzel is no longer on the TfL Board, TfL has withdrawn his nomination as a TfL Nominated Trustee to the London Transport Museum Board.

### **Mayoral Direction: Ticketing Arrangements with the TOCs**

TfL received a Direction from the Mayor on 14 April 2008 directing TfL to participate in various ticketing arrangements with the national rail train operating companies (TOCs) in London. The Direction requires TfL to enter into arrangements with the TOCs for the extension of TfL's Pay As You Go ticketing system, to continue to participate in the common ticketing arrangements and to participate in the annual fare discussions, fare setting and revenue allocation mechanisms and information sharing provisions.

### **Transport for London Act 2008**

On 22 May, the first Transport for London Bill received Royal Assent. The Transport for London Act 2008 provides TfL with further powers in respect of its responsibilities relating to road user charging, London cabs and private hire vehicles, street management, financial management and changes to the penalty fares regime. The majority of the provisions will commence on 22 July 2008. There are several provisions which will commence on a day to be appointed by TfL: a new payment regime for penalty fares, a new regime for penalties relating to London cabs, and detailed requirements relating to PHV drivers and operators.

Peter Hendy  
Commissioner of Transport  
Transport for London  
June 2008