

TRANSPORT FOR LONDON

BOARD

SUBJECT: OPERATIONAL AND FINANCIAL PERFORMANCE AND INVESTMENT PROGRAMME REPORTS – FIRST QUARTER 2011/12

DATE: 21 SEPTEMBER 2011

1 PURPOSE AND DECISION REQUIRED

- 1.1 The following performance monitoring reports are attached for the First Quarter of 2011/12 (1 April – 25 June 2011):
- (a) Appendix 1 - Operational and Financial Performance report; and
 - (b) Appendix 2 - Investment Programme report.
- 1.2 These were considered by the Finance and Policy Committee at its meeting on 15 September 2011.

2 RECOMMENDATION

- 2.1 The Board is asked to NOTE the reports.

3 CONTACT

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Operational and Financial Performance Report

First Quarter, 2011/12

Purpose of Report: For the Managing Director, Finance, to inform the Finance and Policy Committee, the TfL Board and other stakeholders of TfL's financial and operational performance every quarter.

This report covers Quarter One (1 April 2011 – 25 June 2011), comprising operating periods one to three.

TfL performance summary

Service: Passenger demand continued in line with expectations in Quarter One 2011/12 but was particularly strong on the Docklands Light Railway (DLR). The operation of three-car services on all DLR routes saw 5.4 per cent more passenger journeys than the same period last year, while the completion of London Overground upgrade works has also brought strongly increasing passenger demand. Customer satisfaction levels on London Overground are four points higher than both target and the previous year. London Underground (LU) passengers made 0.9 per cent more journeys than the same quarter last year, despite the fall in demand during the Royal Wedding period, while bus passenger journeys increased by 1.2 per cent.

Financial performance: Total operating income for Quarter One was £926 million, £11 million above budget. Operating expenditure, at £1,194 million, was £69 million lower than budget and spread across all modes of transport, but is forecast to be in line with budget in the full year. Net capital expenditure (excluding Crossrail) was £357 million in the quarter, £102 million below budget, primarily due to re-phasing of the Sub-Surface Railway (SSR) upgrade, the Northern line upgrade and the cycle programmes. Crossrail capital expenditure was £158 million (£33 million below budget) and is forecast to be £107 million lower than budget for the full year, mainly reflecting deferred expenditure on tunnelling and stations work. TfL's net service expenditure for the full year 2011/12 is forecast to be £4,600 million, £355 million below budget, with the main contributing factor being the re-phasing of the line upgrades.

Efficiencies: On a gross basis, £840 million of savings are forecast to be delivered for the full year and is anticipated to be £3 million more than target. LU delivered £17 million more than planned in the first quarter, with the additional savings reflecting earlier delivery of benefits planned for later in the year.

Staff: At the end of Quarter One, TfL employed 24,879 full time equivalent (FTE) staff. This was 980 fewer than budget, mainly due to limited recruitment pending the outcome of Project Horizon.

London Underground

Operational Performance

London Underground Performance	Units	Quarter One			Full Year		
		Actual	Vs target	Vs Last Year	Forecast	Vs target	Vs Last Year
Passenger Journeys	m	262.3	(3.6) ●	2.4	1,133.0	- ○	25.7
% Scheduled Services Operated	%	97.3	0.6 ○	-	96.7	- ○	1.1
Excess Journey Time (Weighted)	Mins	5.90	(0.30) ○	0.08	6.11	(0.09) ○	(0.39)
Overall CSS Q1 2012	Score	79.0	- ○	(1.0)	80.0	1.0 ○	1.0
Recorded Crime - LU & DLR Q1 2012	#	10.9	(0.6) ○	(1.1)	11.3	(0.2) ○	(0.3)

○: better than or equal to target; ◐: within 5% of target; ●: 5% or more worse than target

Tables may be subject to rounding errors. CSS: Customer Satisfaction Survey

- 1.0 In the first quarter of 2011/12, LU passengers made 2.4 million more journeys than Quarter One 2010/11, despite an initial fall in passenger demand due to the number and proximity of bank holidays in April 2011. Although there were 1.3 per cent fewer journeys than target in the quarter, there was an acceleration of growth towards quarter end which has continued into Quarter Two, with the full year forecast being in line with target.
- 1.1 LU operated 97.3 per cent of scheduled services in the quarter, which was better than target and in line with last year. Jubilee line performance has improved between Stratford and Willesden Green following the introduction of transmission based train control (TBTC) in December such that, on average, overall train journey times are 33 seconds faster than between April and December 2010. From the start of Quarter Two 2011/12, TBTC was introduced across the entire Jubilee line.
- 1.2 Excess journey time (EJT) in Quarter One averaged 5.90 minutes. This was slightly higher than last year but 0.30 minutes better than target, representing an improvement of 0.46 minutes compared to the previous quarter - largely due to a reduction in the impact of planned weekend engineering works. However, the improvement in EJT was not reflected in the customer satisfaction score for train service, which is an indication of passenger perception.
- 1.3 The LU Customer Satisfaction Survey scored 79 at Quarter One, the same score as the previous quarter, but one point lower than Quarter One last year. Overall improvements compared to the previous quarter were seen in cleanliness, station staff helpfulness and availability, but there was a decline in the passenger perception of personal safety, despite crime statistics indicating a lower level of crime.
- 1.4 In Quarter One, there were 10.9 recorded crimes per million passenger journeys on the LU and DLR networks. This was significantly lower than the same quarter last year and lower than the target. This is due to continued improvements in safety and security on trains and stations, as well as TfL's ongoing collaborative work with the British Transport Police.
- 1.5 FTE staff numbers in LU were 449 lower than budget at the end of Quarter One. This is mainly due to reductions in Operations and Asset Performance, partly offset by an increase in staff engaged on capital projects.

Financial Performance

London Underground Financials £m	Quarter One 2011/2012				Full Year 2011/2012			
	Actual	Budget	Variance	Status	Forecast at Q1	Budget	Variance	Status
Operating Income	(476)	(471)	(5)	○	(2,078)	(2,055)	(23)	○
Operating Expenditure (net of third party contributions)	402	415	(13)	○	1,818	1,867	(49)	○
Net Operating Expenditure	(74)	(55)	(19)	○	(261)	(188)	(73)	○
Net Capital Expenditure	245	262	(18)	○	1,032	1,087	(55)	○
Net Service Expenditure	171	207	(36)	○	771	899	(128)	○

(Underspend)/(Higher income) or equal to budget = ○ Overspend/Lower income by 5% or less = ◐ Overspend/Lower income by more than 5% = ●
Tables may be subject to rounding errors.

- I.6 Operating income in the first quarter varied by one per cent, driven partly by Travelcard apportionment factors. This is reflected in the forecast for operating income for the full year, along with updated forecasts for RPI and GLA economic indicators and advertising revenue.
- I.7 Operating expenditure in the quarter, net of third party contributions, was £13 million lower than budget. This was mainly due to savings in operational staff costs, overheads and bus replacement services. It also reflects changes to non-capital elements of the Investment Programme, including Track, Asset Stabilisation and the decommissioning of old Victoria line rolling stock.
- I.8 Operating expenditure in the full year is forecast to be £49 million lower than budget, reflecting lower staff costs, electricity savings and other cost efficiencies, insurance cost savings following the integration of Tube Lines, removal of the TfL IM recharges and a reduction in unplanned maintenance.
- I.9 Net capital expenditure in Quarter One was £18 million lower than budget. The most significant variances were in the SSR Upgrade, due to re-phasing of rolling stock expenditure, reflecting slower production by Bombardier, and in BCV/SSL track works.
- I.10 Net capital expenditure in the full year is forecast to be £55 million lower than budget, reflecting re-phasing of Neasden Phase B power works and SSR signalling power works, and savings in SSR Traction power works following a revised Contractor's programme. There were also efficiencies and lower than budgeted requirements in Asset Stabilisation, more robust cost estimates in BCV/SSL track projects and re-phasing of Paddington congestion relief following project delays. These will be partly offset by increased compulsory purchase property costs for the Bond Street congestion relief project.

Tube Lines

Tube Lines £m	Quarter One 2011/2012				Full Year 2011/2012			
	Actual	Budget	Variance	Status	Forecast at Q1	Budget	Variance	Status
Operating Income	(3)	(3)	1	●	(11)	(14)	3	●
Operating Expenditure (net of third party contributions)	87	100	(12)	○	421	411	10	▶
Net Operating Expenditure	85	96	(11)	○	410	397	13	▶
Net Capital Expenditure	40	98	(58)	○	212	372	(160)	○
Net Service Expenditure	125	194	(70)	○	621	768	(147)	○

(Underspend)/(Higher income) or equal to budget = ○ Overspend/Lower income by 5% or less = ▶ Overspend/Lower income by more than 5% = ●
Tables may be subject to rounding

- 2.0 Net operating expenditure in Quarter One was £11 million lower than budget, mainly due to the delayed start of Jubilee line rolling stock overhaul works, deferred to Quarter Three, and work on the Piccadilly line. Full year operating expenditure is forecast to be £10 million over budget, mainly due to track activity work being higher than anticipated.
- 2.1 In the quarter, net capital expenditure was £58 million lower than budget, mainly due to slippage on the Northern line upgrade, re-phasing of the track work programme and a re-phased civils work profile. In the full year, net capital expenditure is forecast to be £160 million lower than budget, mainly reflecting the deferral of the Northern line upgrade, as well as infrastructure cost savings and deferrals - such as the joint approach to the Piccadilly and Bakerloo line upgrades as part of the Deep Tube Tunnel programme.
- 2.2 At the end of Quarter One, Tube Lines had 32 more FTE staff than budget. This was mainly due to post-budget negotiations with Alstom in relation to maintenance, which resulted in the transfer of staff from Alstom to Tube Lines; these were partially offset by a reduction in permanent staff due to a reorganisation within Operations.

London Rail

Operational Performance

London Rail Performance	Units	Quarter One			Full Year		
		Actual	Vs target	Vs Last Year	Forecast	Vs target	Vs Last Year
DLR							
Passenger Journeys	m	18.8	0.8 ○	1.0	83.9	1.8 ○	5.6
% Scheduled Services Operated	%	97.7	(0.3) ▶	(0.2)	97.9	(0.1) ▶	0.4
On-time performance	%	97.5	0.5 ○	(0.2)	97.1	0.1 ○	(0.3)
Overall CSS Q1 2012	Score	82.0	1.0 ○	(0.6)	81.3	0.3 ○	0.3
London Overground							
Passenger Journeys	m	18.9	N/A		83.6	N/A	
PPM London Overground (MAA)	%	95.2	1.2 ○	1.6	94.2	0.2 ○	(0.7)
Overall CSS Q1 2012	Score	82.0	4.0 ○	4.0	79.0	1.0 ○	(1.0)
Trams							
Passenger Journeys	m	6.6	0.1 ○	-	28.6	0.5 ○	0.7
% Scheduled Services Operated	%	99.4	1.4 ○	(0.1)	98.3	0.3 ○	(0.9)
Overall CSS Q1 2012	Score	86.0	- ○	(2.0)	86.0	- ○	-

○: better than or equal to target; ▶: within 5% of target; ●: 5% or more worse than target

Tables may be subject to rounding errors. CSS: Customer Satisfaction Survey PPM (MAA): Passenger Performance Measure (Moving Annual Average)

Note: There are no targets shown for London Overground passenger journeys because, until recently, journey data was derived from the revenue settlement process and proved to be inaccurate. The new train fleet has been equipped with 'loadweigh', which measures the weight of the train when loaded and from which the number of passengers can be directly derived. This has been used to estimate journeys from period one and will be used to set targets going forward.

- 3.0 DLR passengers made 4.6 per cent more journeys than target in Quarter One, 5.4 per cent more than the same quarter last year. The growth in passenger demand was largely due to the conclusion of most of the major upgrade works, with three-car trains now in operation on the route from Tower Gateway to Beckton. This marks the completion of the three-car upgrade project, enabling the operation of three-car services on all DLR routes.
- 3.1 Overall, DLR delivered a lower percentage of scheduled services in the quarter compared to both target and the previous year. There were several reasons for this, including issues with rolling stock reliability, signal and points failures, a lightning strike at Crossharbour station, conductor rail damage and a lorry striking a bridge. These factors also contributed to the slight decline in on-time departures compared to last year. However, compared to target, more DLR services operated on time in the quarter. The DLR improvement plan, in place with Serco, is on track to address the infrastructure and performance issues that have been identified.
- 3.2 The DLR customer satisfaction score for Quarter One was better than target, but slightly worse than the same quarter last year. DLR focussed efforts on cleanliness this quarter, which was reflected in significantly improved scores for cleanliness measures.
- 3.3 Passenger journey data for London Overground is now shown based on loadweigh data collected by the new train fleet. Demand has been increasing on all routes and in Period 3, on the North London routes, was the highest since the data began being collected in October 2010. On 22 May 2011, a new timetable was introduced on London Overground, made possible by the recently completed North London Line infrastructure improvement works. The timetable has delivered increased capacity on a key Olympic rail route, providing eight trains per hour at peak times between Stratford and Willesden, with four trains per hour to Richmond and four trains per hour to Clapham Junction. Recent passenger counts undertaken on the Overground route between Gospel Oak and Barking

show a demand increase of 19 per cent compared to Autumn 2010 (loadweigh data not being available for this route), following frequency improvements and the introduction of new trains.

- 3.4 The London Overground passenger performance measure (PPM) is the percentage of trains arriving at their destination within five minutes of the time stated in the timetable. In Quarter One, the PPM moving annual average continued to improve, being 1.2 percentage points better than target and 1.6 percentage points better than the same period last year. In each period of the quarter, London Overground stood at the top of the national railway PPM league.
- 3.5 The London Overground customer satisfaction survey was 4.0 points higher than both target and the same period last year. This can be attributed to the opening of the East London Line extension to Highbury & Islington, an increase in train frequency on the Gospel Oak to Barking route, new class 378 trains, and the continuing good operational performance.
- 3.6 The percentage of Tram services operated remained higher than target, due to improved rolling stock performance. At the end of May the frequency of weekday evening services on the Wimbledon line was doubled from four to eight trams per hour in each direction; while passenger journeys in the quarter are in line with those last year, demand is expected to exceed target by the year end.
- 3.7 Trams achieved target in the Quarter One customer satisfaction survey, which was two points lower than the same quarter last year. The condition of tram interiors and exteriors were scored lower than last year. There have been issues with the performance of the tram wash and litter collection, and action has since been taken to address these.
- 3.8 FTE staff numbers in London Rail were 11 lower than budget at the end of Quarter One. There were fewer permanent staff than budget due to unfilled vacancies, but the number of temporary contractors was in line with the budget.

Financial Performance

London Rail Financials £m	Quarter One 2011/2012				Full Year 2011/2012			
	Actual	Budget	Variance	Status	Forecast at Q1	Budget	Variance	Status
Operating Income	(49)	(43)	(6)	○	(214)	(205)	(9)	○
Operating Expenditure (net of third party contributions)	74	82	(9)	○	336	336	-	○
Net Operating Expenditure	25	39	(14)	○	121	131	(9)	○
Net Capital Expenditure	41	43	(3)	○	231	186	45	●
Net Service Expenditure	66	83	(17)	○	352	317	36	●

(Underspend)/(Higher income) or equal to budget = ○ Overspend/Lower income by 5% or less = ◐ Overspend/Lower income by more than 5% = ●
Tables may be subject to rounding errors.

- 3.9 Operating income in the quarter was £6 million higher than budget, driven by greater passenger demand on the North London Railway and on the DLR, following capacity enhancement work. This is also reflected in the full year forecast. In the first quarter, operating expenditure, net of third party contributions, was £9 million lower than budget. This mainly relates to lower rolling stock lease costs on London Overground, due to favourable interest rates, and station upgrade delays on the North London Railway, partly offset by additional DLR maintenance requirements.

- 3.10 Net capital expenditure in the first quarter was £3 million lower than budget, mainly due to phasing variances on the DLR Three-Car East Route and delays to the Stratford International extension, partly offset by overall cost and phasing adjustments for the Cable Car scheme. In the full year, net capital expenditure is forecast to be £45 million higher than budget. This reflects the inclusion of revised costs and phasing for the Cable Car scheme, the purchase rather than lease of new trams and funding changes to Phase 2b of the East London Line, whereby the expenditure is to be initially funded by TfL and received from Network Rail at a later date.

Crossrail

Crossrail Financials £m	Quarter One 2011/2012				Full Year 2011/2012			
	Actual	Budget	Variance	Status	Forecast at Q1	Budget	Variance	Status
Net Capital Expenditure	158	190	(33)	○	982	1,089	(107)	○

(Underspend)/(Higher income) or equal to budget = ○ Overspend/Lower income by 5% or less = ◐ Overspend/Lower income by more than 5% = ●
Tables may be subject to rounding errors.

- 4.0 Crossrail expenditure in the first quarter was £33 million lower than budget. This was mainly due to re-phasing of works in the Western Tunnels area and lower land and property settlement valuations. In the full year, net capital expenditure is forecast to be £107 million lower than budget, mainly reflecting deferral of project expenditure in tunnelling and stations to future years, due to the project end date being put back by one year.
- 4.1 In Quarter One, Crossrail announced the shortlist for the remaining central London stations and launched its first joint procurement process with TfL. This covered one of the UK's biggest ever orders for the provision of escalators for both the Tube network and the new Crossrail stations in central London.

Surface Transport

Operational Performance

Surface Transport Performance	Units	Quarter One			Full Year		
		Actual	Vs target	Vs Last Year	Forecast	Vs target	Vs Last Year
London Buses							
Passenger Journeys	m	549.3	6.8 ○	3.6	2,310.9	6.9 ○	21.9
% Scheduled Services Operated	%	97.7	- ○	(0.2)	97.4	- ○	-
Excess Wait Time	Mins	1.0	- ○	-	1.1	- ○	0.1
Overall CSS Q1 2012	Score	80.0	1.0 ○	(2.0)	79.0	- ○	(1.0)
Recorded Crime London Buses Q1 2012	#	9.9	(0.4) ○	(0.5)	10.2	- ○	(0.3)
Performance - Other Areas							
Passenger Journeys - Dial a Ride	m	0.32	- ○	-	1.40	- ○	0.05
Cycling levels on the TLRN	Index	298	11 ○	35	287	25 ○	37
TLRN Journey Time Reliability (am peak)	%	88.7	0.1 ○	(0.8)	89.0	- ○	0.2
Overall CSS - Dial a Ride Q1 2012	Score	91.0	(2.0) ●	(2.0)	93.0	- ○	2.0
Overall CSS - TLRN road users Q4 2012	Score	N/A			72.0	- ○	-
Overall CSS - Congestion Charging Q2 2012	Score	N/A			84.0	- ○	7.0
KSI Londonwide - Jan/Feb 2011	#	355	- ○	(30)	2,311	- ○	(575)

○: better than or equal to target; ●: within 5% of target; ●: 5% or more worse than target
 Tables may be subject to rounding errors. CSS: Customer Satisfaction Survey KSI: Killed and seriously injured

Note: Londonwide KSI targets are being reviewed for Quarter Two. Targets are being updated in line with the National Strategic Framework for Road Safety which was published in May 2011.

- 5.0 Bus passengers made more journeys than target and last year. Since the January 2011 fares revision, passengers have switched from cash fares to cheaper ticket types, reducing the assumed impact of the fares increase on demand.
- 5.1 In Quarter One, the proportion of scheduled services operated by London Buses was on target. This was despite significant disruption caused by roadworks in the Piccadilly Circus area and at the junction of Kings Road and Beaufort Street. London Buses continues to work with the Bus Operators to improve control of services during periods of disruption due to roadworks, including more resilient schedules where necessary.
- 5.2 Bus excess wait time (EWT) was on target in Quarter One.
- 5.3 In Quarter One, the London Buses Customer Satisfaction Survey (CSS) score was 80, which was one point higher than target, but two points lower than Quarter One last year. Due to sample size, variances are only statistically significant for differences of two points quarter on quarter or one point year on year. The result for Quarter One last year appears above trend, as it was two points higher than the overall CSS score for 2010/11 and three points above Quarter One in 2009/10.
- 5.4 Incidents of recorded crime on London buses per million journeys were 0.4 lower than target and 0.5 lower than Quarter One in the prior year. The reduction in overall bus crime has been largely down to the work done by the TfL funded Safer Transport Teams in each of the Capital's boroughs working closely with TfL. This was achieved through working with community groups and schools, conducting intelligence-led operations and having a more visible presence on the network.
- 5.5 The number of Dial-a-Ride passenger journeys is on target for the quarter and on track to deliver 1.4 million trips for the year, as the service continues to achieve further improvements in driver productivity per duty. Comparisons with Quarter One last year are not meaningful due to the

additional public holiday and the instances of social clubs closing for the intervening days between Easter and the Royal Wedding.

- 5.6 Whilst the overall customer satisfaction score for Dial-a-Ride is high at 91 out of 100, the challenge of improving last year's level by two points has not yet been achieved. The service is committed to continuous improvement in CSS and is forecast to achieve the target of 93 by the year end.
- 5.7 In Quarter One, the average index of cycle flows on the TfL Road Network (TLRN) exceeded target and continued to show steady year-on-year growth, partly due to the good weather conditions at the start of the quarter. The full year forecast of 286.7 has been reassessed and a 9.4 per cent increase compared to budget has been reflected in the revised forecast outturn.
- 5.8 Journey time reliability on the TLRN is defined as the percentage of journeys completed within an allowable excess of five minutes for a standard 30 minute journey during the a.m. peak. In Quarter One journey time reliability on the TLRN of 88.7 per cent was better than target.
- 5.9 Customer Satisfaction with the Transport for London Road Network (TLRN) is measured annually and will be reported at the year end.
- 5.10 355 people were killed or seriously injured on London's roads in January and February 2011, 7.8 per cent fewer than the total recorded for the same period last year. While this appears to be an encouraging trend, the data is highly variable and subject to upward revision because the current data is still provisional. A year-on-year comparison of road safety casualties with respect to causal factors can only be made once the full year of data collection has been completed and finalised and the results analysed in depth.
- 5.11 Customer satisfaction with the Congestion Charge is measured twice a year and will be reported at Quarter Two.
- 5.12 Staff numbers in Surface Transport were 349 lower than budget at the end of Quarter One. The variance to budget is primarily due to Olympic posts which are in the process of being filled, departmental organisational change programmes and the recruitment approvals process, which challenges all headcount requests and approves only essential recruitment.

Financial Performance

Surface Transport Financials £m	Quarter One 2011/2012				Full Year 2011/2012			
	Actual	Budget	Variance	Status	Forecast at Q1	Budget	Variance	Status
Operating Income	(388)	(390)	2	▶	(1,708)	(1,715)	6	▶
Operating Expenditure (net of third party contributions)	560	581	(21)	○	2,649	2,644	5	▶
Net Operating Expenditure	172	190	(18)	○	940	929	11	▶
Net Capital Expenditure	42	58	(16)	○	215	220	(6)	○
Net Service Expenditure	213	248	(35)	○	1,155	1,150	5	▶

(Underspend)/(Higher income) or equal to budget = ○ Overspend/Lower income by 5% or less = ▶ Overspend/Lower income by more than 5% = ●
Tables may be subject to rounding errors.

- 5.13 Operating income in both the quarter and full year was slightly below budget. This is mainly due to reduced bus network income, from passengers switching to cheaper ticket types. This shortfall is partially offset by higher Congestion Charge income due to higher overall volumes than assumed.
- 5.14 Operating expenditure in the first quarter was lower than budget. This is mainly explained by re-phasing of planned expenditure on Cycle Superhighways, Better Routes and Places schemes and the expansion of the Low Emission Zone to a wider range of vehicle types, with the delivery dates for these schemes remaining unchanged. Savings have also been made by reducing the cost of Traffic Enforcement.
- 5.15 The increase in the full year forecast compared to budget is due to £16.5 million additional costs relating to the Games, to be funded by the ODA with the funding held at a TfL Group level, partially offset by the continuation of the savings mentioned above for the quarter.
- 5.16 Net capital expenditure in the quarter was lower than budget. This is due to re-phasing of expenditure on Cycle Hire, Countdown II, Cycle Superhighways and Better Routes and Places schemes. The full-year forecast is below budget, mainly due to savings made on the Blackwall Tunnel northbound refurbishment and A406 Bounds Green safety and environmental improvements.

Corporate Directorates

Corporate Directorates Financials £m	Quarter One 2011/2012				Full Year 2011/2012			
	Actual	Budget	Variance	Status	Forecast at Q1	Budget	Variance	Status
Operating Income	(11)	(8)	(3)	○	(46)	(43)	(3)	○
Operating Expenditure (net of third party contributions)	72	85	(14)	○	438	405	33	●
Net Operating Expenditure	61	78	(17)	○	392	362	30	●
Net Capital Expenditure	(10)	(2)	(8)	○	(2)	29	(31)	○
Net Service Expenditure	51	76	(25)	○	390	391	(1)	○

(Underspend)/(Higher income) or equal to budget = ○ Overspend/Lower income by 5% or less = ◐ Overspend/Lower income by more than 5% = ●
Tables may be subject to rounding

- 6.0 In the first quarter, net operating expenditure was £17 million lower than budget. This was due to budget phasing in the Future Ticketing Project, phasing variances in core IM projects, re-profiling of River Crossings work to future years and the delayed start of London-wide modelling procurement work. These were partly offset by lower IM management fee recoveries. In the full year, net operating expenditure is forecast to be £30 million higher than budget, mainly due to a reduction in IM management fees re-charged. This follows a decision to simplify internal recharging processes in TfL and is balanced by reduced expenditure in the operating businesses.
- 6.1 In the quarter, net capital expenditure was £8 million lower than budget, mainly due to reprofiling of the Future Ticketing Project and the Group IM Capital Programme. In the full year, net capital expenditure of £31 million less than budget is largely due to property income brought forward from 2012/13 and reprofiling of expenditure on the Future Ticketing Project.
- 6.2 There were 194 less FTE staff in the Corporate Directorates than budget at the end of Quarter One. This reflected fewer permanent staff in all areas, partly offset by more temporary contractor FTEs than budget, pending the outcome of Project Horizon.

Group Items

Group Items £m	Quarter One 2011/2012				Full Year 2011/2012			
	Actual	Budget	Variance	Status	Forecast at Q1	Budget	Variance	Status
Interest Income	(3)	(4)	1	●	(12)	(15)	3	●
Debt Servicing	67	70	(3)	○	300	304	(4)	○
Contingency/Other Group Items	1	12	(11)	○	40	54	(13)	○
Total Group Items	66	79	(13)	○	328	342	(14)	○

(Underspend)/(Higher income) or equal to budget = ○ Overspend/Lower income by 5% or less = ◐ Overspend/Lower income by more than 5% = ●
Tables may be subject to rounding errors.

- 6.3 Total Group Items were £13 million lower than budget in the first quarter. This was mainly due to the release of unused contingency, but also reflects slightly lower debt servicing costs. Unused contingency is reflected in the full year forecast too.

Savings

Savings £m	Actual YTD	Forecast at Q1	Target	Variance
Corporate and Group Wide	38	173	173	(1)
London Rail	3	13	14	(1)
London Underground	97	423	423	-
Surface Transport	14	231	226	5
Gross	152	840	837	3
Implementation Costs	(1)	(40)	(46)	6
Net	151	800	792	9

Numbers may not sum due to rounding

Highlights

- 7.0 On a gross basis £840 million of savings are forecast for the full year, £3 million more than target. This increase in forecast is mainly due to Surface Transport reducing the cost of traffic enforcement.
- 7.1 London Rail is forecasting full year savings of £13 million, some £1 million below target. This shortfall is due to operating savings from the DLR Stratford International service starting later than planned due to a delay in the opening of the new service.
- 7.2 LU's savings delivered in the quarter of £97 million are £17 million more than planned, with the additional savings reflecting earlier delivery of benefits planned for later in the year. £4 million of the early savings in the quarter relate to the Automatic Train Control contract for the Sub-Surface line upgrade. The remaining £13 million is made up of earlier delivery across many areas, including Station Upgrade projects and the Track programme. LU's full year forecast remains in line with the Business Plan.
- 7.3 Implementation costs are forecast to be £6 million less than target, mainly due to lower than planned implementation costs for the Accommodation Strategy.
- 7.4 Net savings are currently forecast to be £800 million for the year, £9 million above target. By the end of Quarter One, net savings of £151 million had been delivered.

Balance Sheet

Transport for London Group Balance Sheet at end of Quarter 1 £m	Actual	Variance to Budget
Fixed Assets – (higher) / lower than budget	24,165	155
Stocks, Debtors and Payments in Advance – (higher) / lower than budget	610	9
Cash – (higher) / lower than budget	2,012	(150)
Creditors and Receipts in Advance-higher / (lower) than budget	(3,245)	(56)
External Borrowings – higher / (lower) than budget	(6,387)	-
Provisions – higher / (lower) than budget	(1,957)	(48)
Total Net Assets – (higher) / lower than budget	15,198	(90)

- 8.0 Fixed assets are £155 million lower than budget mainly due to lower activity expenditure of £136 million, higher depreciation of £24 million (due to IFRS changes not yet being included in the budget), offset by net book value of disposals being £5 million lower than budget.
- 8.1 Stock, debtors, payments in advance and accrued income are £9 million below budgeted levels which is within normal expected trading tolerances.
- 8.2 Cash is £150 million above budget as a result of the lower capital spend of £136 million and lower revenue activity of £93 million, offset by working capital and other changes of £79 million.
- 8.3 Creditors are £56 million lower than budget, spread across all companies and reflecting the lower than planned activity levels to date.
- 8.4 Provisions are £48 million below budget, mainly due to accelerated payments for property purchases in respect of the Crossrail project (£34 million) and the release of severance and other provisions in London Underground (£10 million).

Forecast

Transport for London Group Balance Sheet Forecast for the Year End £m	Forecast at Q1	Variance to Budget
Fixed Assets – (higher) / lower than budget	25,589	301
Stocks, Debtors and Payments in Advance – (higher) / lower than budget	374	-
Cash – (higher) / lower than budget	2,428	(218)
Creditors and Receipts in Advance-higher / (lower) than budget	(3,262)	(73)
External Borrowings – higher / (lower) than budget	(6,750)	-
Provisions – higher / (lower) than budget	(1,802)	(107)
Total Net Assets – (higher) / lower than budget	16,577	(97)

- 8.5 The forecast for fixed assets is £301 million below budget, mainly due to lower fixed asset additions of £286 million (see Appendix 2). The remaining £15 million variance arises from minor changes to depreciation and disposal forecasts across the Group.
- 8.6 At the Group level, stock, debtors and pre-payments are forecast to be on budget at the year end.
- 8.7 Cash is forecast to be above budget by £218 million. This is due to lower net service expenditure (including Crossrail) of £355 million and higher grant receipts from the ODA of £23 million, offset by working capital and reserve movements of £160 million.
- 8.8 Creditors and receipts in advance are expected to be £73 million lower than budgeted at year end, reflecting the reduced levels of activity in the forecast.
- 8.9 TfL's forecast borrowing activity remains on budget, with assumed additional borrowings of £425 million and repayment of existing Tube Lines debt of £62 million.
- 8.10 Provisions are forecast to be £107 million below budget due to revised assumptions on Crossrail related property purchases, whereby payments are now expected to be accelerated in the year compared to the budgeted position.

Appendix One: Operational Summary

2011/12		Quarter One			Full Year		
Key Performance Indicator	Units	Actual	Vs target	Vs Last Year	Forecast	Vs target	Vs Last Year
Service Demand							
Passenger Journeys - London Underground	m	262.3	(3.6) ●	2.4	1,133.0	- ○	25.7
Passenger Journeys - DLR	m	18.8	0.8 ○	1.0	83.9	1.8 ○	5.6
Passenger Journeys - Trams	m	6.6	0.1 ○	-	28.6	0.5 ○	0.7
Passenger Journeys - London Overground	m	18.9	N/A		83.6	N/A	
Passenger Journeys - Buses	m	549.3	6.8 ○	3.6	2,310.9	6.9 ○	21.9
Passenger Journeys - Dial a Ride	m	0.32	- ○	-	1.40	- ○	0.05
Cycling levels on the TLRN	Index	298	11 ○	35	287	25 ○	37
Supporting Development and Growth							
% Scheduled Services Operated - LU	%	97.3	0.6 ○	-	96.7	- ○	1.1
% Scheduled Services Operated - DLR	%	97.7	(0.3) ●	(0.2)	97.9	(0.1) ●	0.4
% Scheduled Services Operated - Trams	%	99.4	1.4 ○	(0.1)	98.3	0.3 ○	(0.9)
% Scheduled Services Operated - Buses	%	97.7	- ○	(0.2)	97.4	- ○	-
Excess Journey Time (Weighted) - LU	Mins	5.90	(0.30) ○	0.08	6.11	(0.09) ○	(0.39)
On-time performance - DLR	%	97.5	0.5 ○	(0.2)	97.1	0.1 ○	(0.3)
PPM London Overground (MAA)	%	95.2	1.2 ○	1.6	94.2	0.2 ○	(0.7)
Excess Wait Time - Buses	Mins	1.0	- ○	-	1.1	- ○	0.1
TLRN Journey Time Reliability (am peak)	%	88.7	0.1 ○	(0.8)	89.0	- ○	0.2
Quality of Life							
Overall CSS - London Underground Q1 2012	Score	79.0	- ○	(1.0)	80.0	1.0 ○	1.0
Overall CSS - DLR Q1 2012	Score	82.0	1.0 ○	(0.6)	81.3	0.3 ○	0.3
Overall CSS - Trams Q1 2012	Score	86.0	- ○	(2.0)	86.0	- ○	-
Overall CSS - London Overground Q1 2012	Score	82.0	4.0 ○	4.0	79.0	1.0 ○	(1.0)
Overall CSS - Buses Q1 2012	Score	80.0	1.0 ○	(2.0)	79.0	- ○	(1.0)
Overall CSS - Dial a Ride Q1 2012	Score	91.0	(2.0) ●	(2.0)	93.0	- ○	2.0
Overall CSS - TLRN road users Q4 2012	Score	N/A			72.0	- ○	-
Overall CSS - Congestion Charging Scheme Q2 2012	Score	N/A			84.0	- ○	7.0
Ensuring Safety and Security							
KSI Londonwide - Jan/Feb 2011	#	355	- ○	(30)	2,311	- ○	(575)
LU and DLR: recorded crime per million passenger journeys Q1 2012	#	10.9	(0.6) ○	(1.1)	11.3	(0.2) ○	(0.3)
London Buses: recorded crime per million passenger journeys Q1 2012	#	9.9	(0.4) ○	(0.5)	10.2	- ○	(0.3)

○: better than or equal to target; ●: within 5% of target; ●: 5% or more worse than target

Tables may be subject to rounding errors.

CSS: Customer Satisfaction Survey

PPM (MAA): Passenger Performance Measure (Moving Annual Average)

KSI: Killed and seriously injured

Appendix Two: Financial Summary

£m	Quarter One				Full Year			
	Actual	Budget	Variance	Status	Forecast at Q1	Budget	Variance	Status
Fares income	(793)	(788)	(5)	○	(3,490)	(3,460)	(30)	○
Other income	(133)	(127)	(6)	○	(568)	(572)	4	◐
Total operating income	(926)	(915)	(11)	○	(4,058)	(4,032)	(26)	○
Operating expenditure (net of third party contributions)	1,194	1,263	(69)	○	5,660	5,662	(2)	○
Operating margin	269	349	(80)	○	1,602	1,630	(28)	○
Interest income and debt payments	64	66	(2)	○	288	289	(1)	○
Contingency/Other Group items	1	12	(11)	○	40	54	(13)	○
Total Group items	66	79	(13)	○	328	342	(14)	○
Margin	334	427	(93)	○	1,931	1,973	(42)	○
Capital income (including property sales)	(16)	(15)	(1)	○	(62)	(44)	(18)	○
Capital expenditure	389	492	(103)	○	1,833	2,012	(179)	○
Third party contributions	(16)	(18)	2	●	(84)	(74)	(10)	○
Net capital expenditure (excl Crossrail)	357	460	(102)	○	1,688	1,894	(206)	○
Net service expenditure (excl Crossrail)	692	887	(195)	○	3,618	3,867	(248)	○
Capital expenditure: Crossrail	158	190	(33)	○	982	1,089	(107)	○
Net service expenditure: TfL	849	1,077	(228)	○	4,600	4,956	(355)	○

(Underspend)/(Higher income) or equal to budget = ○ Overspend/Lower income by 5% or less = ◐ Overspend/Lower income by more than 5% = ●
Tables may be subject to rounding

Operating income

Q1 2010/2011	Operating income £m	Quarter One 2011/2012				Full Year 2011/2012			
		Actual	Budget	Variance	Status	Forecast at Q1	Budget	Variance	Status
(434)	London Underground	(476)	(471)	(5)	○	(2,078)	(2,055)	(23)	○
-	Tube Lines	(3)	(3)	1	●	(11)	(14)	3	●
(391)	Surface Transport	(388)	(390)	2	▶	(1,708)	(1,715)	6	▶
(36)	London Rail	(49)	(43)	(6)	○	(214)	(205)	(9)	○
(24)	Group Directorates	(11)	(8)	(3)	○	(46)	(43)	(3)	○
(885)	Total operating income	(926)	(915)	(11)	○	(4,058)	(4,032)	(26)	○

(Underspend)/(Higher income) or equal to budget = ○ Overspend/Lower income by 5% or less = ▶ Overspend/Lower income by more than 5% = ●
Tables may be subject to rounding

Operating expenditure

Q1 2010/2011	Operating expenditure - Net of third Party £m	Quarter One 2011/2012				Full Year 2011/2012			
		Actual	Budget	Variance	Status	Forecast at Q1	Budget	Variance	Status
575	London Underground	402	415	(13)	○	1,818	1,867	(49)	○
-	Tube Lines	87	100	(12)	○	421	411	10	▶
569	Surface Transport	560	581	(21)	○	2,649	2,644	5	▶
71	London Rail	74	82	(9)	○	336	336	-	○
68	Group Directorates	72	85	(14)	○	438	405	33	●
1,284	Total operating expenditure	1,194	1,263	(69)	○	5,660	5,662	(2)	○

(Underspend)/(Higher income) or equal to budget = ○ Overspend/Lower income by 5% or less = ▶ Overspend/Lower income by more than 5% = ●
Tables may be subject to rounding

Capital expenditure

Q1 2010/2011	Net capital expenditure £m	Quarter One 2011/2012				Full Year 2011/2012			
		Actual	Budget	Variance	Status	Forecast at Q1	Budget	Variance	Status
264	London Underground	245	262	(18)	○	1,032	1,087	(55)	○
-	Tube Lines	40	98	(58)	○	212	372	(160)	○
50	Surface Transport	42	58	(16)	○	215	220	(6)	○
43	London Rail	41	43	(3)	○	231	186	45	●
6	Group Directorates	(10)	(2)	(8)	○	(2)	29	(31)	○
363	Net capital expenditure (Exc Crossrail)	357	460	(102)	○	1,688	1,894	(206)	○
104	Crossrail	158	190	(33)	○	982	1,089	(107)	○
468	Net capital expenditure (TfL)	515	650	(135)	○	2,670	2,983	(313)	○

(Underspend)/(Higher income) or equal to budget = ○ Overspend/Lower income by 5% or less = ▶ Overspend/Lower income by more than 5% = ●
Tables may be subject to rounding

Appendix Three: Balance Sheet

Balance Sheet £m	Year to Date			Full Year		
	Actual	Budget	Variance	Forecast at Q1	Budget	Variance
Non Current Assets	24,165	24,320	155	25,589	25,890	301
Current Assets						
Stocks	39	37	(2)	37	37	-
Revenue and Capital Debtors	218	237	19	241	215	(26)
Prepayments and Accrued income	353	345	(8)	96	122	26
Cash and Investments	2,012	1,862	(150)	2,428	2,210	(218)
Current Liabilities						
Trade Creditors and Accruals	(1,115)	(1,219)	(104)	(1,162)	(1,273)	(111)
Receipts in Advance	(302)	(290)	12	(339)	(327)	12
Capital	(387)	(351)	36	(370)	(344)	26
Finance Lease Creditors	(35)	(35)	-	-	-	-
Long Term Liabilities						
Creditors	(56)	(56)	-	(56)	(56)	-
Finance Lease Creditors	(1,350)	(1,350)	-	(1,335)	(1,335)	-
External Borrowings	(6,387)	(6,387)	-	(6,750)	(6,750)	-
Other Provisions	(340)	(388)	(48)	(198)	(300)	(102)
Pension Provision	(1,617)	(1,617)	-	(1,604)	(1,609)	(5)
Total Net Assets	15,198	15,108	(90)	16,577	16,480	(97)
Capital and Reserves						
Earmarked Reserves	1,581	1,459	(122)	1,787	1,620	(167)
Pension Reserves	(1,547)	(1,547)	-	(1,547)	(1,547)	-
General Fund	154	154	-	154	154	-
Capital Adjustment Account	13,061	13,160	99	14,526	14,709	183
Other Reserves	1,949	1,882	(67)	1,657	1,544	(113)
Total Capital Employed	15,198	15,108	(90)	16,577	16,480	(97)
Cash and Investments:						
CRL Sponsor funding account	1,099	1,046	(53)	1,077	1,123	46
Other cash	913	816	(97)	1,351	1,087	(264)
Total as above	2,012	1,862	(150)	2,428	2,210	(218)

Appendix Four: Cash summary

Cash Summary In / (Out) Flow £m	Year to Date			Full Year		
	Actual	Budget	Variance	Forecast at Q1	Budget	Variance
Margin (from Appendix 2)	(334)	(427)	(93)	(1,931)	(1,973)	(42)
Working Capital Movements	(2)	77	79	77	246	169
Cash Spend on Operating Activities	(336)	(350)	(14)	(1,854)	(1,727)	114
Net Capital Expenditure (from Appendix 2)	(357)	(460)	(103)	(1,688)	(1,894)	(206)
Crossrail (from Appendix 2)	(158)	(190)	(32)	(982)	(1,089)	(107)
Working Capital Movements	(173)	(195)	(22)	(191)	(200)	(9)
Cash Spend on Capital Activities	(688)	(845)	(157)	(2,861)	(3,183)	(322)
Funded by:						
Grants and Precept	969	990	21	4,713	4,690	(23)
Borrowings Raised	-	-	-	425	425	-
Borrowings Repaid	-	-	-	(62)	(62)	-
Total Funding	969	990	21	5,076	5,053	(23)
Net Movement in Cash	(55)	(205)	(150)	361	143	(218)

Appendix five: Fares avoidance and impact on revenue

Background

The calculation of fare evasion figures is based on a large number of factors, including estimates of potential lost revenue based on the types of tickets and journeys undertaken by passengers, the records of revenue enforcement officers, the number of penalty charges issued, patronage figures and levels of detected evasion.

Differences in definition, data collection methodology and transport-system characteristics mean that the figures in the tables below do not provide a like-for-like comparison between the transport modes.

1. London Underground

	Quarter One 2011/12	Quarter Four 2010/11	Variance
London Underground Passenger Ticket Irregularity	2.58	2.25	0.33

Surveys of Passenger Ticket Irregularity are conducted three times a year (February, May and November). The survey is carried out by revenue control staff and is designed to provide a representative sample of all lines, locations and times.

The last survey was conducted in May 2011 on the tickets of approximately 45,000 passengers, with 2.58 per cent indicating some ticket irregularity (on a weighted basis). This was 0.33 per cent higher than in February 2011 (and 0.24 per cent higher than in November 2010). The net revenue loss from ticket irregularity was calculated at 1.30 per cent (after subtracting fares collected, penalty fares receipts and Oyster revenue collected at the gates). The average percentage of revenue loss, between November 2010 and May 2011, was 1.10 per cent.

2. Bus Network

	Quarter One 2011/12	Quarter Four 2010/11	Variance
Bus Fare Evasion	1.7	1.8	(0.1)

Bus Enforcement carry out regular independent fare evasion surveys on the London bus network. These surveys are conducted by a third-party contractor quarterly – in February, May, August and November – on all articulated routes, and on 32 randomly selected one-person operated routes. The results for May 2011 show that, on a 12-month rolling average basis, the overall Bus Network fare evasion rate was 1.7 per cent. This level is amongst the lowest experienced in recent years on London Buses and demonstrates a significant reduction from peak levels of 3.5 per cent in 2007. After a small increase in fare evasion during the 2010 calendar year, the initial surveys for 2011 appear to show levels returning towards 2009 levels.

3. London Overground

	Quarter One 2011/12	Quarter Four 2010/11	Variance
London Overground Ticketless Travel	2.30	1.64	0.66

A ticketless travel survey is carried out on a quarterly basis - in March, June, September and November, by a market research company. The latest results for June 2011 show an overall evasion rate of 2.30 per cent. The evasion rate for the previous quarter was 1.64 per cent. The increase in the latest quarter is due to a rise in the proportion of invalid tickets and a small rise in the number of passengers without tickets. To help address this issue, contractual agreement has now been reached to extend gateline operational hours at many stations from 21:00 to 23:30. Calculated using the average result from the last four surveys, the evasion rate for the last 12 months was 2.01 per cent.

4. DLR

	Quarter One 2011/12	Quarter Four 2010/11	Variance
DLR Ticketless Travel	0.7	1.8	(1.1)

Ticketless travel is measured each period using data collected by revenue protection inspectors during station blocks at a representative sample of locations. The most recent data available is for period 3 (May 29 - June 25 2011), when ticketless travel was measured as 0.7 per cent of total ridership. Ticketless travel in the previous period was measured as 0.9 per cent. The recent decrease in the level of ticketless travel has been driven by an increased focus on this area by the franchise operator Serco.

5. Tramlink

	Quarter One 2011/12	Quarter Four 2010/11	Variance
Tramlink Ticketless Travel	1.18	1.16	0.02

Ticketless travel is measured each period using data collected by revenue protection inspectors boarding a sample of services. In period 3 the number of passengers detected without a ticket was measured as 1.18 per cent of total ridership, an improvement from the 1.34 per cent measured in period 2.



Investment Programme Report

First Quarter 2011/12

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Transport for London

Investment Programme Report

First Quarter, 2011/12 (1 April 2011 – 25 June 2011)

I. Programme Highlights

The key highlights from the first quarter of 2011/12 were:

- North London Railway Infrastructure Project – project completion
- DLR Three-Car East Route – operational capacity available
- Jubilee Line Upgrade – J5 section commissioned and revenue service commenced
- Track Renewal Programme – Bakerloo, Central and Victoria lines 1,500 metres of track reballast and replacement achieved
- Sub Surface Railway Upgrade, Automatic Train Control – contractor appointed
- Sub Surface Railway Upgrade – Metropolitan line enabled for use by new S-Stock
- Bank Walbrook Square – concept design approved
- Cable Car – main contract awarded

Post quarter events include:

- DLR Stratford International extension – service operational
- Cycle Hire – phase I construction (400 docking stations) complete
- Ten Cycle Superhighways – phase I (additional two routes) completed

Cover picture:

In Quarter I the capacity to operate three-car services on the DLR East Route was delivered into service. The project included upgrade works to stations and infrastructure along the length of the East Route to enable three-car operation.

2. Projects (over £50m) and Programmes (over £10m per annum)

TfL's Investment Programme contains a range of programmes and projects over £50m, in addition to a multitude of smaller activities. These are delivered by TfL directly, through partners in the London boroughs, or through long-term partnerships with the private sector such as Private Finance Initiatives (PFI).

This main body of this report covers discrete projects with a total cost greater than £50m and programmes spending over £10m per annum. For each project, key milestones are listed with a forecast date compared against the March 2011 baseline. If appropriate, milestones listed as deliverables for the year in the 2011/12 Budget document are included.

Committed schemes and milestones listed in Annex B of the 2010 Spending Review funding settlement letter are included in this report. The Deep Tube Upgrade programme will be included after feasibility works are completed.

The milestones contained in Annex B are identified in the project pages with the note '(Annex B: date)' listed after the description.

Key to RAG status:

Status	Discrete Projects	Annualised Programmes
●	On time or early	100 per cent of target achieved
▲	Between 1 and 89 days late	>75 per cent of target achieved
■	Greater than 90 days late	<75 per cent of target achieved

This report focuses on the delivery of investment projects. For discussion on wider financial performance, see the Quarter 1 Operational and Financial Report.

The estimated final cost (EFC) of some of the projects are not included (marked as *) for reasons of commercial confidentiality.

London Underground

Sub-Surface Railway Upgrade

Spend to end Q1 2011/12 £m	EFC £m
1477.8	4225.2

Rolling Stock	Current Plan Date	Actual/Forecast Date	RAG
Trains - 42 S8 trains available for passenger service	31/03/2012	31/03/2012	●
Roll out of new air-conditioned trains on Metropolitan line complete (Annex B:2013)	31/12/2013	31/12/2013	●
Roll out of new air-conditioned trains on Circle and Hammersmith & City lines complete (Annex B:2014)	31/12/2014	31/12/2014	●
Roll out of new air-conditioned trains on District lines complete (Annex B:2016)	31/12/2016	31/12/2016	●
Automatic Train Control (ATC)	Current Plan Date	Actual/Forecast Date	RAG
Complete Service Control Centre Building	23/07/2011	23/07/2011	Completed
ATC – Service Control Centre building available for ATC contractor	12/11/2011	12/11/2011	●
ATC - Programme baseline complete	12/11/2011	12/11/2011	●
ATC - Concept design approved (Gate A)	12/11/2011	12/11/2011	●
ATC - Old Dalby Test Track and S8 Train Available	10/12/2011	10/12/2011	●
ATC - Completion of End State Track Layout	31/12/2018	31/12/2018	●
Depots	Current Plan Date	Actual/Forecast Date	RAG
Neasden: New Lifting and Maintenance Facility Piling complete	17/09/2011	17/09/2011	●
Neasden: Signalling main commissioning complete	15/10/2011	15/10/2011	●
Ealing Common and Upminster Depots - Approval to issue design and build contracts	12/11/2011	12/11/2011	●

London Underground

Hammersmith Depot - Phase C1.3 to support Timetable and Stabling Requirement complete	20/08/2011	20/08/2011	●
Hammersmith Depot – Phase C1.4 to support Timetable and Stabling Requirement complete	11/12/2011	11/12/2011	●
Neasden Depot Phase A complete	14/11/2012	14/11/2012	●
Infrastructure	Current Plan Date	Actual/Forecast Date	RAG
Metropolitan line enabled for use by S8 Stock	31/03/2011	23/05/2011	Completed
Infrastructure Ready for Route Clearance – Edgware Road – Notting Hill Gate	25/06/2011	15/06/2011	Completed
Infrastructure Ready for Route Clearance - Paddington - Hammersmith	25/06/2011	15/06/2011	Completed
Infrastructure Ready for Route Clearance - Baker Street-Aldgate	23/07/2011	20/05/2011	Completed
Infrastructure Ready for Integration Testing - Baker Street-Aldgate	03/03/2012	03/03/2012	●
Infrastructure Ready for Route Clearance - Whitechapel - Barking	20/08/2011	20/08/2011	●
Infrastructure Ready for Integration Testing – Edgware Road – Notting Hill Gate	03/03/2012	03/03/2012	●
Infrastructure Ready for Integration Testing - Paddington - Hammersmith	31/03/2012	31/03/2012	●
All Metropolitan line Assets Handed Over to Maintenance (excluding Depots, Sidings and Power)	08/01/2011	31/05/2012	■
Edgware Road Signalling Mods for S7 Complete	04/02/2012	04/02/2012	●
Management	Current Plan Date	Actual/Forecast Date	RAG
Full signalling upgrade across the SSR network complete	31/12/2018	31/12/2018	●
SSR lines power works complete; SSR upgrade complete delivering 33% capacity increase	31/12/2018	31/12/2018	●

London Underground

The Sub-Surface Railway network (consisting of the Circle, District, Hammersmith & City and Metropolitan lines) upgrades will provide new air-conditioned rolling stock, signalling and a new control centre, to increase capacity and reduce journey times. The programme is scheduled to complete by 2018.

Rolling Stock

The removal of 'A' Stock trains from service commenced during the quarter.

At the time of writing, 10 eight-carriage S-Stock trains are available for service in London, providing peak and off-peak services along the full length of the Metropolitan line. Further S-Stock trains are undergoing testing, including demonstration of 1,000km of fault-free running at the test track. The Hammersmith train simulator is available for use for operator training.

Automatic Train Control

Following a rigorous tendering process, the ATC Contract was awarded to Bombardier Transportation UK (BTUK) and its submitted contractual schedule has been accepted by the ATC programme. The ATC team and BTUK have relocated to Sub-Surface Upgrade Programme (SUP) offices to aid efficiency and collaboration.

The survey and correlation framework contract has also been awarded.

Depots

The Neasden Depot Upgrade contract Deed of Variation has been agreed for the construction of the new lifting and maintenance facility.

The Ealing and Upminster tender evaluations have been completed.

The Upminster simulator ground works are now complete ready for receipt of modular buildings (which have been delivered post quarter end).

Infrastructure

A wide variety of infrastructure works are underway on the Hammersmith & City, Circle and District lines to support the introduction of the new longer trains. In preparation for the migration of trains, Lillie Bridge Depot has been modified to provide train stabling.

The original plan included all Metropolitan line Assets to be handed over to the Asset Performance Directorate (into maintenance) prior to commencement of the running of the new S stock trains. This was amended to ensure all essential assets were handed over, which was achieved. The remaining non-essential assets have been de-prioritised and, as a result, the milestone is currently forecast to be completed in May 2012.

Post quarter update:

Hammersmith Depot - Phase C1.3 to support Timetable and Stabling – achieved 9 July 2011

Infrastructure Ready for Route Clearance - Whitechapel – Barking – achieved 20 August 2011

SSR Major Power Works (Signalling)

Spend to end Q1 2011/12 £m	EFC £m
1.2	48.1

This project will provide the main power supplies for the Sub-Surface Railway signalling (local distribution of signalling power is covered elsewhere).

The first joint meeting with Bombardier and the SUP team has provided much greater clarity of early requirements and much better value for money solutions for two out of five early sites.

London Underground

This will lead to a re-phasing of the original draft programme, but power will be available well in advance of the "need by" dates.

SSR Major Power Works (Traction)

Spend to end Q1 2011/12 £m	EFC £m
213.5	*

Milestones	Current Plan Date	Actual/Forecast Date	RAG
SSR Power Upgrade Work Package 4 - delivery of switchgear to site Edgware Road	20/08/2011	03/08/2011	●
Package 1 - Hammersmith Depot Power capacity to commence stabling available	01/11/2011	16/09/2011	●
Power to support 53 S8 and three S7C trains in service available	25/01/2012	16/12/2011	●
SSR Power Upgrade Work Package 2 - first sub-station in beneficial use	04/02/2012	06/01/2012	●
Package 1 - Metropolitan line Power capacity to support full S8 train fleet in service available	29/02/2012	13/02/2012	●
SSR Power Upgrade Work Package 1 - all Metropolitan line sub-stations required to support the introduction of S8 trains in beneficial use	31/03/2012	01/03/2012	●
SSR Power Upgrade Package 6- 132kv feed from St Johns Wood to Lisson Street, completion of excavation	31/03/2012	23/12/2011	●
SSR Power Upgrade Work - package 3 contract award	31/03/2012	07/02/2012	●

The power system upgrade programme will deliver the additional power capacity that is required to support the line upgrades.

Good or satisfactory progress is being made on all work packages. All key preparations are in place for the planned capacity increase to 32xS8 trains in late July. All power-on dates for the SSR Power Upgrade are currently forecasted to be achieved. Good progress is being made towards resolving the cost challenges on Package 1A (sites on Metropolitan line North of Baker Street).

Post quarter update: Power Upgrade Work Package 4 - Delivery of switchgear to site Edgware Road achieved 1 August 2011.

London Underground

Victoria line Upgrade Programme

Spend to end Q1 2011/12 £m	EFC £m
940.5	1027.5

Milestones	Current Plan Date	Actual/Forecast Date	RAG
Start to control Victoria line operations from the new service control centre (VD)	20/08/2011	19/04/2011	Completed
40 production trains accepted for service	20/08/2011	26/06/2011	Completed
Asset replacement migration start	20/08/2011	27/05/2011	Completed
Full service 09TS operational under DTG-R and new SCC (V4.0 - JTC1)	15/10/2011	23/09/2011	●
All production trains accepted for service	07/01/2012	20/09/2011	●
Asset replacement migration stages complete	03/03/2012	03/03/2012	●
Demonstration of line upgrade capability (V5.0 - JTC2)	26/04/2012	26/04/2012	●
Victoria line upgrade programme completion (V6.0) (Annex B:2013)	07/04/2013	07/04/2013	●

The Victoria line upgrade includes new rolling stock, signalling, control equipment, depot and track works. The programme remains on target and budget to complete ahead of the contractual completion date of August 2013. Fleet production and system reliability remain the primary focus.

Rolling Stock

A further seven 09 Stock trains were accepted for service on the Victoria line in the quarter. The milestone to have 40 production trains accepted into service was achieved ahead of plan on 26 June 2011. Delivery of the final new train remains on schedule for September 2011.

Signals and Operations

System reliability continues to meet targets in line with fleet roll out. Signalling Control system Release 2 and Distance To Go radio software Release 8 were commissioned into use in the quarter.

The two final level access platform humps will be installed early in the next quarter to achieve full compliance with Rail Vehicle Accessibility Regulations.

London Underground

Underground General Renewals

Spend to end Q1 2011/12 £m	EFC £m
113.0	291.1

Milestones	Current Plan Date	Actual/Forecast Date	RAG
Central line Train Refresh - start on site	23/07/2011	17/05/2011	Completed
Tunnel Cleaning Train - concept approval for Tunnel Cleaning Train	12/11/2011	17/10/2011	●
Tranche 2 - Depot Security Enhancement (Central line) - contract award (Triangle and Parsons Green)	08/11/2011	13/09/2011	●

The Central line Bogie Modifications project was instigated following the Chancery Lane incident, to address the issues identified and comprises the re-design, manufacture and fitting of 1,420 new bogie assemblies to the entire Central line fleet.

Bogie Modifications

The manufacture and delivery of the new bogie frames is complete. The train lift programme is ongoing to complete the fitting.

92 Tube Stock Refresh

The 92 tube stock (Central line trains) train refresh commenced on target and saw the first two trains complete to plan.

New Tunnel Cleaning Train

The new Tunnel Cleaning Train Motor Power Unit tenders have been returned and the evaluation complete with contract award due next quarter.

Battery Locomotives

The Battery locomotive life extension project continues on schedule and work has commenced on the first two prototype locomotives.

London Underground

Victoria Station Upgrade

Spend to end Q1 2011/12 £m	EFC £m
130.1	582.0

Milestones	Current Plan Date	Actual/Forecast Date	RAG
Primary Traffic Management stage 1 commences [Allington Street (East link) closed]	23/07/2011	03/05/2011	Completed
Elliott House demolition starts	20/08/2011	16/05/2011	Completed
Commence widening of Network Rail to LUL Ticket Hall stairs (Sussex Stairs)	31/03/2012	09/01/2012	●
Ground Treatment Complete	11/11/2014	19/08/2014	●
Hand back North Ticket Hall worksites to Land Securities	23/10/2016	29/07/2016	●
Commence South Ticket Hall main works	12/11/2012	17/09/2012	●
Complete North Ticket Hall piling	06/12/2013	11/10/2013	●
Delivery into service (Annex B: 2018)	04/06/2018	12/02/2018	●

This project will provide a significant increase in passenger circulation space in key congested areas of the station, and step-free access from street to platform for the Victoria line and District and Circle lines.

The Traffic Management milestone was achieved ahead of target during the quarter. The design continues to programme. The site hoardings for the north demolition site have been erected as planned, and jet grouting preparation works have commenced. A significant amount of asbestos has been discovered in Elliott House (the building is to be demolished) which could lead to programme delay or increased cost. The project team is working closely with the contractor to minimise programme impact and cost escalation. Sub-contracts have been awarded to Schindler (Lifts and escalators), Atkins (communications), and Kellers (jet grouting) by the main contractor Vinci Bam Nuttall. Tenders have been returned for the switch room civils works.

London Underground

Green Park Station Upgrade

Spend to end Q1 2011/12 £m	EFC £m
45.0	47.9

Milestones	Current Plan Date	Actual/Forecast Date	RAG
On-site station staff training commences (Train020)	21/05/2011	19/05/2011	Completed
Bring into use step-free access works	12/11/2011	01/09/2011	●
West Head House - re-open stair 1607	16/12/2011	17/11/2011	●
Site works complete - south demobilisation completed	31/03/2012	23/02/2012	●
Finish on site snagging complete	22/05/2012	23/04/2012	●

This project provides step-free access at Green Park station, to provide a key interchange for mobility impaired passengers travelling to 2012 Games events using the Underground. The programme is ahead of the targeted Games delivery date of December 2011.

The project is forecast to be brought into use early in September. Hard landscaping of the site has commenced. The hoardings have been removed along Queens Walk, temporary generators have been removed and the cabins repositioned. The sixth lift training session for station staff has been completed and lifts 1 and 2 have been returned to service on plan. Street level paving is proceeding ahead of plan. The cladding of West Head House has been completed and the scaffold has been struck.

London Underground

Paddington Station Upgrade

Spend to end Q1 2011/12 £m	EFC £m
19.9	*

Milestones	Current Plan Date	Actual/Forecast Date	RAG
Issue Invitation to Tender for final fit out	17/09/2011	21/07/2011	●
Prestige gateline Installed	03/03/2012	13/02/2012	●
LU Start on Site - station fit out final scheme	28/05/2012	05/04/2012	●
Final fit out brought into use (practical completion)	28/05/2013	22/03/2013	●
Acceptance of Mandatory Asset Information deliverables by LU	06/08/2013	06/06/2013	●
LU fit out work complete (Annex B:2014)	01/11/2014	23/04/2013	●

Paddington (Hammersmith & City line) station is one of LU's top priorities for congestion relief because of demand growth associated with local area redevelopment and the Sub-Surface Railway upgrade. The project seeks to deliver congestion relief and step-free access benefits to ensure the continued safe operation of the station.

Carrillion has submitted an accelerated (recovery) programme which focuses on achieving the critical Crossrail taxi-ramp opening date, but with limited effect on the programme for LU works.

London Underground

Tottenham Court Road Station Upgrade

Spend to end Q1 2011/12 £m	EFC £m
181.3	478.2

Milestones	Current Plan Date	Actual/Forecast Date	RAG
Commence Northern line platforms and passageways closure	23/07/2011	02/04/2011	Completed
Complete construction of diaphragm walling for Goslett Yard main box	20/08/2011	06/05/2011	Completed
Completion of jacking works to Escalator 3	12/11/2011	30/06/2011	●
Completion of Goslett Yard box	30/09/2013	28/06/2013	●
Completion of Phase 1 (partial opening of the new plaza ticket hall)	31/03/2015	09/02/2015	●
Completion of the project (Annex B:2016)	31/12/2016	29/12/2016	●

The congestion relief scheme includes an upgraded and enlarged ticket hall, three new entrances, additional escalator access to the Northern line platforms, improved circulation space, step-free access throughout and an interchange with Crossrail.

From 2 April 2011 for a period of eight months, Northern line services will not stop at Tottenham Court Road to allow essential preparatory and major structural works to be completed at the station.

40 per cent of the Northern line platform tunnel rings have been completed. The Falconberg Court Shaft has been excavated to its full depth and the base slab completed. The Northern line Escalator box excavation is down to the sixth layer of propping. Escalator 3 has now been returned to service. At Goslett Yard, the first six of eleven plunge columns (the largest installed in the UK) and hard piling for the escalator decline have been completed on plan.

Post quarter update: Completion of Jacking works to Escalator 3 achieved 30 June 2011.

London Underground

Bond Street Station Upgrade

Spend to end Q1 2011/12 £m	EFC £m
79.7	282.2

Milestones	Current Plan Date	Actual/Forecast Date	RAG
Contract access milestone Escalators 1 and 2	20/08/2011	03/06/2011	Completed
Start structural demolition	04/02/2012	15/11/2011	●
Complete Oxford Street water main diversion works	04/02/2012	09/12/2011	●
Demolition complete	25/09/2012	24/07/2012	●
Start of main tunnelling operations (Annex B: 2013)	15/07/2013	02/04/2013	●
Tunnelling set up decommissioned	28/09/2015	12/06/2015	●
Practical completion (Annex B: 2017)	28/04/2017	03/03/2017	●

Bond Street station is a key interchange between the Jubilee and Central lines. Long term demand and congestion are forecast to increase further as a result of growth in employment and leisure travel and the completion of Crossrail in 2018. The scheme provides:

- two additional escalators from the interchange level to the Jubilee line;
- a low-level interchange route between the Central and Jubilee lines;
- a new step-free entrance and ticket hall on Marylebone Lane;
- four new lifts, allowing step-free access to both Central and Jubilee line platforms, interchange and street levels; and
- a step-free route to Crossrail.

Escalator 1 and 2 removal works have commenced in line with programme. The 21 inch water main on Oxford Street has been successfully re-lined and returned to service. Exit C has now been closed until delivery of the station upgrade, where it will form part of the access route into the new Marylebone Lane ticket hall. The reduced level dig of 2 Stratford Place has been completed.

London Underground

Bank Walbrook Square

Spend to end Q1 2011/12 £m	EFC £m
12.4	*

Milestones	Current Plan Date	Actual/Forecast Date	RAG
Design concept approved	30/04/2011	04/04/2011	Completed
Delivery into service (Annex B: 2015)#	31/12/2015	23/12/2015	●

The original Annex B milestone stated 2014 in error, this has now been replaced by a 2015 plan date

The Bank Walbrook Square project will provide easier access to streets south and south-west of the station, reduce congestion on the Waterloo & City line platforms, and provide step-free access to the Waterloo & City line. LU is making a fixed contribution to the funding of the construction of the station box shell, which will be delivered by the developer. LU will fit out the station box to complete the new entrance.

The original developer, Legal and General, has entered into an agreement with a new developer for the site. The Deed of Covenant for the substitution of Bloomberg (previously referred to as Walbrook Square Limited) as parent guarantor is being engrossed.

The Bloomberg over-site development is undergoing further re-design and LU's station box design will be reviewed in tandem. While this is likely to have a programme impact, the impact on the project end date remains uncertain as LU does not yet have visibility of Bloomberg's detailed construction schedule.

London Underground

Bank Station Upgrade

Spend to end Q1 2011/12 £m	EFC £m
8.2	*

Milestones	Current Plan Date	Actual/Forecast Date	RAG
RIBA Stage D general arrangement scheme layout freeze	04/02/2012	12/12/2011	●
RIBA D Design Accepted - phase complete	04/10/2012	08/08/2012	●
Transport Works Act Order - grant of powers	12/11/2014	20/08/2014	●
Start on site	21/07/2015	27/04/2015	●
Ticket hall delivery into service	14/09/2021	22/06/2021	●
Beneficial use (Annex B: 2021)	31/12/2021	20/12/2021	●

The Bank Northern line congestion relief project will relieve current and expected congestion in Bank station. By mitigating increasingly frequent congestion of the Northern line/DLR area, station closures will be reduced.

Parliamentary Agents have been appointed for the Transport Works Act (TWA) process and fortnightly TWA and Consents Strategy progress meetings are now underway, providing a strategic forum for all key delivery stakeholders. The Corporation of London has advised of their intention to issue a letter to the Commissioner confirming their support for the scheme. The scheme design progresses to plan with detailed consideration of working areas and construction logistics in progress.

London Underground

Station Condition Renewal

Spend to end Q1 2011/12 £m	EFC £m
522.4	825.3

Planned funding for Finsbury Park, Highbury & Islington, Vauxhall and a general provision for Congestion Relief schemes are now included in this programme.

Milestones	Current Plan Date	Actual/Forecast Date	RAG
Notting Hill Gate station modernisation – Project Management Framework (PMF) Stage 5 Gate Review	05/05/2011	05/05/2011	Completed
Marble Arch station modernisation - PMF Stage 5 Gate Review	17/07/2011	26/06/2011	●
Highbury & Islington Event Mitigation Project - start on site	07/05/2012	07/10/2011	●
Highbury & Islington Event Mitigation Project - beneficial use practical completion	15/11/2012	18/04/2012	●
Highbury & Islington Event Mitigation Project - finish on site (snagging complete)	06/12/2012	10/05/2012	●
Highbury & Islington Event Mitigation Project - mandatory asset information deliverables accepted by LU	03/01/2013	08/06/2012	●
Former Silverlink Stations Upgrade - project close out	21/12/2012	23/11/2012	●
Former Silverlink Stations Upgrade - close out (PMF Stage 7)	30/11/2012	02/11/2012	●

This programme comprises a portfolio of third party funded works, legacy station upgrade works and budgetary provisions for future station capacity schemes.

On the Cannon Street Station works, the Compliance documents have now achieved 'no objection' status. Cables have been re-routed around suspected asbestos. At Marble Arch station, snagging is now completed and the Wet Main Concession Request to the LU Fire Engineer has been approved. At Notting Hill Gate station, snagging is now completed.

The Planning Approval Submission has been made by Capital & Counties (developer) for the Earl's Court development and LU is reviewing.

London Underground

Post quarter update: Marble Arch Project Management Framework Stage 5 (Project completion & handover) Gate Review achieved 15/07/2011.

Cooling the Tube Programme

Spend to end Q1 2011/12 £m	EFC £m
163.5	235.1

Milestones	Current Plan Date	Actual/Forecast Date	RAG
Mid Tunnel Vents Tranche 3 - all fans and associated equipment available	06/07/2011	20/04/2011	Completed
Out of Service Fans - Phase 4 Clapham sub-station/Weston Rise - approved detailed design	25/07/2011	25/07/2011	●
Tranche 2 - All Victoria line mid tunnel vents sites handed over to maintenance	20/08/2011	28/06/2011	●
Out of Service Fans - Phase 4 - first start on site	19/01/2012	19/01/2012	●
All Victoria line Tranche 3 mid tunnel vents sites beneficial use	04/02/2012	29/11/2011	●
Out of Service Fans - Phase 4 - all fans available for beneficial use	19/09/2012	19/09/2012	●

This is a long term programme to control ambient temperatures on the Underground. Without intervention, temperatures will rise as more energy is dissipated within the tunnels due to increased train service capability delivered by the deep-tube line upgrades. Planned mitigation measures include improved energy efficiency, increased ventilation and selected station-based tunnel cooling systems.

Mid-tunnel vents:

The Rita Road Mid-Tunnel Vent Shaft, the first of the final tranche on the Victoria line, passed its 48 hour capacity and sound level test successfully; final adjustments are now being made to optimise the balance between capacity and sound levels.

Restoration of out-of-service fans:

Steady progress has been made on the Detailed Designs for restoration of the two long-term out of service fans on the Northern line (at Weston Rise and Clapham Substation Shaft).

London Underground

Crossrail and Third Parties

Spend to end Q1 2011/12 £m	EFC £m
114.4	242.1

Milestones	Current Plan Date	Actual/Forecast Date	RAG
Barbican Interlocking Machine Room - deliver into service	22/05/2011	22/01/2011	Completed
CER Equipment ready for installation into new location at Liverpool Street to be provided by CRL	25/06/2011	25/04/2011	Completed
Complete LU enabling works for shield removal at Blackfriars	25/06/2011	13/04/2011	Completed
Support Hertfordshire County Council in the submission of its best and final bid to DfT for Croxley Rail Link	30/09/2011	30/08/2011	●
Thameslink Blackfriars OPO (One Person Operation) works start on site	11/10/2011	06/09/2011	●
Support Hertfordshire County Council in the submission of its TWAO for Croxley Rail Link	26/11/2011	26/10/2011	●
LU acceptance of Staged Design Compliance Certificate for Whitechapel main station fit out prior to contract award	31/12/2011	02/12/2011	●
Thameslink Farringdon - LU works complete including Connect and Prestige	06/01/2012	09/12/2011	●
Thameslink Blackfriars - LU ready to bring station back into operation	10/01/2012	13/12/2011	●
LU acceptance of Staged Design Compliance Certificate for Liverpool Street main station fit out prior to contract award	31/01/2012	06/01/2012	●
Submission of TWAO (jointly with Treasury Holdings)	02/02/2012	02/01/2012	●

The Infrastructure Manager role for the Crossrail Central Section Routeway has been transferred to London Rail from Network Rail. Work Packages have been received by LU to relocate the Station Operations Room and the sprinkler valve chamber and to construct a switch room at Liverpool Street.

London Underground

Agreement was reached with Crossrail on an approach to incentivise contractors to reduce the required closures of LU assets prior to contract Invitation To Tender. The reduction in closure will be 30 per cent for some stations.

Public consultation exercises were held for Croxley Link and the Northern line Extension.

Post quarter update:

- Thameslink Blackfriars OPO (One Person Operation) works start on site – achieved 11 August 2011.
- Support Hertfordshire County Council in the Submission of its Best and Final Bid to DfT for Croxley Rail Link – achieved 16 August 2011.
- Support Hertfordshire County Council in the submission of its TWAO for Croxley Rail Link – achieved 16 August 2011.

Track Renewal (BCV/SSR)

Spend to end Q1 2011/12 £m	EFC 2010/11 £m
21.0	124.1

Milestones	Current Plan Date	Actual/Forecast Date	RAG
Ballasted Track Replacement and Re-ballast Metres - 9,976m achieved	02/10/2011	02/10/2011	●
Points and Crossings - 14 units achieved	02/10/2011	02/10/2011	●
Track Drainage - 5,369m replaced	02/10/2011	02/10/2011	●
Deep Tube Class 1 Renewal (Expected trackform life of 40 years) - 1,268m achieved	02/10/2011	02/10/2011	●
Ballasted Track Replacement and Re-ballast Metres - 15,456m achieved	31/03/2012	31/03/2012	●
Points and Crossings - 18 units achieved	31/03/2012	31/03/2012	●
Track Drainage - 8,874m replaced	31/03/2012	31/03/2012	●
Deep Tube Class 1 Renewal (expected trackform life of 40 years) - 2,457m achieved	31/03/2012	31/03/2012	●

Good planning allowed an exceptional amount of work to be achieved in the quarter. Delivery of first Track Partnership sites included an 885m Ballasted Track Replacement site. Points and Crossings units were completed at White City and Queens Park. The Track Delivery Unit delivered their busiest and most successful quarter since formation.

London Underground

Civils (BCV/SSR)

Spend to end Q1 2011/12 £m	EFC to 2010/11 £m
4.6	23.8

Milestones	Current Plan Date	Actual/Forecast Date	RAG
Chiswick Park to Acton Town - practical completion	25/06/2011	24/06/2011	Completed
Chiswick Park to Turnham Green - practical completion	20/08/2011	18/07/2011	●
Chalfont - practical completion	17/09/2011	12/08/2011	●
Civils Pumps Programme 2011 to 2013 - start on site – first of five internal work sites (West Ruislip)	11/10/2011	05/10/2011	●
Amersham to Chalfont and Latimer - practical completion	28/11/2011	11/11/2011	●
Civils Pumps Programme 2011 to 2013 - six station pump renewals completed	30/11/2011	30/11/2011	●
Civils Pumps Programme 2011 to 2013 - practical completion - last of eight sites	07/11/2012	24/10/2012	●

The Civils programme is ahead of plan. Two earth structures (ES) projects were completed in the quarter (between Chiswick Park and Acton Town and between Upney and Beacontree) against a plan of one. One small bridges and structures project has been completed and another started on site, both ahead of plan. Two new, five-year ES framework contracts have been signed.

Post quarter update: Chiswick Park to Turnham Green Practical Completion achieved 18 July 2011.

London Underground

Deep Tube Upgrade

Spend to end Q1 2011/12 £m	EFC £m
0.4	*

This is the initial stage of works to provide a co-ordinated line upgrade and asset renewal programme for the Deep Tube lines (Bakerloo, Piccadilly, Central and Waterloo & City).

Progress has been made toward delivery of a detailed scope and set of requirements with which to launch the initial implementation stage of the Deep Tube Programme. The process has been agreed and review material distributed for the first Scope Definition Review, the output of which, will be available for consultation with stakeholders, for estimating purposes and risk reviews.

Tube Lines

Tube Lines Station Upgrades

Spend to end Q1 2010/11 £m	EFC to 2014/15 £m
5.2	59.4

Milestones	Current Plan Date	Actual/Forecast Date	RAG
Stratford ODA – delivery into service	24/11/2010	28/02/2011	Completed
Finsbury Park – delivery into service	08/02/2011	08/02/2011	Completed
Heathrow T 1, 2 and 3 – delivery into service	20/12/2011	20/12/2011	●

Heathrow T123 Station Modernisation Enhancement Project (SMEP): practical completion and delivery into service dates have now been aligned with Step-Free Access (SFA) works due to numerous interface works that can not be completed until the SFA project has been completed. Works on the Signal Equipment Rooms Programme was completed in the quarter.

Work is currently in progress to determine the delivery schedule for Rail Vehicle Accessibility Regulation works in 2011/12.

Tube Lines

Tube Lines Lifts and Escalators (L&E)

Spend to end Q1 2010/11 £m	EFC to 2014/15 £m
7.9	18.0

Milestones	Current Plan Date	Actual/Forecast Date	RAG
Bounds Green E3 Refurbishment – Return to Service (BIU)	28/05/2011	03/05/2011	Completed
Leicester Square E3 Refurbishment – Return To Service (BIU)	28/05/2011	13/05/2011	Completed
North Greenwich E2 Refurbishment – Return To Service (BIU)	28/05/2011	13/05/2011	Completed
West Ham E1 Refurbishment – Return To Service (BIU)	25/06/2011	27/05/2011	Completed
Southwark E6 Refurbishment – Return To Service (BIU)	17/09/2011	12/08/2011	●
Leicester Square E2 Refurbishment – Return To Service (BIU)	15/10/2011	27/09/2011	●
West Ham E3 Refurbishment – Return To Service (BIU)	15/10/2011	04/10/2011	●
Stratford E1 Replacement – Return To Service (BIU)	12/11/2011	06/12/2011	▲
Stratford E2 Like For Like Refurbishment – Return To Service (BIU)	07/01/2012	13/12/2011	●
Southwark E4 Refurbishment – Return To Service (BIU)	07/01/2012	19/12/2011	●
Leicester Square E1 Refurbishment – Return To Service (BIU)	03/03/2012	01/02/2012	●
North Greenwich E8 Refurbishment – Return To Service (BIU)	03/03/2012	11/02/2012	●

There is now an opportunity to replace both escalators 1 and 2 at Stratford concurrently instead of sequentially. The impact of this change is that escalator 1 start on site and bring into use (BIU) milestones will be re-phased to a later date. The revised schedule on escalator 2 will reduce the overall site duration, making this option more economic and efficient for both time and cost, plus it reflects the views of LU Station operations. The revised dates and closures have been agreed with LU.

In Quarter 1, refurbishment works were completed at Bounds Green (escalator 3), Leicester Square (escalator 3), North Greenwich (escalator 2) and West Ham (escalator 1) with all escalators returned to service. Refurbishment works commenced at Leicester Square (escalator 2).

Tube Lines

Tube Lines Track

Spend to end Q1 2010/11 £m	EFC to 2014/15 £m
12.8	176.5

Milestones	Current Plan Date	Actual/Forecast Date	RAG
JNP Track replacement, install 1,500m	17/09/2011	17/09/2011	●
JNP Enhanced Track replacement, install 983m	17/09/2011	30/03/2012	■
JNP Tube reconditioning, complete 850m	10/12/2011	10/12/2011	●

A planned Enhanced Track Replacement (ETR) closure for August was cancelled, the current planned closure date is now December 2011. The impact of this change is that the milestone date has changed to period 13 pending formal closure approval.

In Quarter 1, the 2011/12 targets were set. Productivity levels were broadly on target for all works in the track programme, with the following totals completed in the quarter:

- 1,390m of re rail
- 157m of tube reconditioning
- 29 pit block renewals
- 427 sleeper interventions
- 707m of scrap rail removal

Tube Lines

Tube Lines Civils

Spend to end Q1 2010/11 £m	EFC to 2014/15 £m
2.3	90.2

Milestones	Current Plan Date	Actual/Forecast Date	RAG
JNP drainage renewal, complete 1,000m	17/09/2011	17/09/2011	●
JNP drainage renewal, complete 2,400m	31/03/2012	31/03/2012	●
JNP earth structure renewal, complete 300m	17/09/2011	17/09/2011	●
JNP earth structure renewal, complete 600m	31/03/2012	31/03/2012	●

Earth Structure Remediation (ESR) works at site 40a and 40d Canons Park to Queensbury: construction works were delayed due to site access issues with Barnet football club. Agreement has been reached and construction will commence in period 5.

On the Bond Street to Baker Street tunnel project, an independent expert has been appointed to review engineering options.

Tube Lines

Tube Lines Jubilee and Northern Line Upgrade Works

Spend to end Q1 2011/12 £m	EFC £m
172.5	734.5

Milestones	Current Plan Date	Actual/Forecast Date	RAG
Northern line – complete negotiations with Thales to enable placing of new Supplemental Agreement or Propose new strategy	30/04/2011	30/04/2011	Completed
Jubilee line – J5 section commissioned and revenue service started	15/04/2010	25/06/2011	Completed
Ready for Revenue Service (High Barnet area)	15/10/2013	15/10/2013	●
Ready for Revenue Service (Camden Junction area)	30/6/2014	30/6/2014	●
Northern Line Upgrade complete, delivering 20% increase in capacity (Annex B: 2014)	31/12/2014	31/12/2014	●

This project will provide a significant increase in passenger capacity, faster journey times and reduced waiting time at platforms for the Jubilee and Northern lines.

Jubilee line

On 26 June 2011, the first Jubilee line Train-Based Transmission Control (TBTC) train in passenger service left Stanmore for Stratford. This was a significant milestone in the Jubilee line upgrade, with the successful commissioning of TBTC passenger service end-to-end from Stratford to Stanmore.

The strengthening plan works continued to support the planned introduction of Working Time Table (WTT) 11 on 31 July 2011. The plan includes further software improvements that are designed to remove underlying problems and improve TBTC reliability.

The critical issues list and reporting was updated to incorporate J5, with J5 issues now discussed and progressed on a daily basis by the “One Team” made up of Tube Lines, Thales and LU staff.

Northern line

Signage design items were agreed in principle, subject to final document submissions. Updates to the Works Information were progressed with meetings held with Thales to agree the changes for the removal of redundant equipment on both Northern line and Jubilee line.

Thales progressed the bookwiring deliverables and installed enabling scope, such as cable loops and axle counters.

Tube Lines

The critical technical area for the delivery strategy remains systems testing in engineering hours and operation of performance monitoring. The high level strategy is established and the next level of detail is being worked through by Tube Lines and Thales in Canada.

London Rail

East London Line Phase 2

Spend to end Q1 2011/12 £m	EFC £m
14.3	72.6

Milestones	Current Plan Date	Actual/Forecast Date	RAG
Network Rail Work Package 2 track modifications	24/09/2011	24/09/2011	●
Commence permanent way construction	15/01/2012	15/01/2012	●
Commence passenger services	09/12/2012	09/12/2012	●

East London Line (ELL) Phase 2 will provide an additional four trains per hour on the core ELL. These trains will run to Clapham Junction via a new chord that leaves the ELL Phase 1 route to the south of Surrey Quays and joins the South London Line to the north of Queens Road (Peckham).

During the quarter, the main civils contractor Birse Metro mobilised and has commenced work on site. Network Rail delivered part of the works, a track slew was carried out and surveys of Clapham Junction are being carried out ahead of mobilisation at that site.

Three four-car 378 units have been ordered and are due for delivery at the end of 2011. There is an opportunity that this rolling stock will be used for increased service provision on the core route and in the future for additional Games services, prior to being used on Phase 2.

London Rail

North London Railway Infrastructure Project

Spend to end Q1 2011/12 £m	EFC £m
252.2	252.2

Milestones	Current Plan Date	Actual/Forecast Date	RAG
Project completion	26/04/2011	26/04/2011	Completed

The project is substantially complete, with all major scope items delivered. Network Rail has applied for practical completion and no objections have been submitted by London Rail. The works are in service and delivering a timetable in excess of ODA requirements. Some minor items remain, such as removal of insulated block joints and small communications works at Latchmere.

This project will be removed from the report in Quarter 2.

DLR Three-Car Infrastructure

Spend to end Q1 2011/12 £m	EFC £m
290.2	290.7

Milestones	Current Plan Date	Actual/Forecast Date	RAG
East route – service operational for Olympic test	30/05/2011	09/05/2011	Completed
East route – three-car operational capacity available	31/05/2011	09/05/2011	Completed

This project delivers the structural works necessary for three-car operation on the Docklands Light Railway (DLR). This includes platform extensions, track realignment and viaduct strengthening. The project includes three-car works on the Bank to Lewisham section, Delta Junction, the Poplar to Stratford Route, Poplar to Woolwich, Tower Gateway, Games station capacity (East route) and West route resilience.

All construction work is complete on the Three Car project, including the East route and the new infrastructure is fully operational. The final account has been agreed with the contractor. This project will be removed from the report in Quarter 2.

London Rail

DLR Stratford International Extension

Spend to end Q1 2011/12 £m	EFC £m
173.7	180.5

Milestones	Current Plan Date	Actual/Forecast Date	RAG
Complete conversion of North London line to DLR	22/06/2011	31/07/2011	▲
Service operational	04/07/2011	31/08/2011	▲

This project covers the extension of the DLR from Canning Town to Stratford International, using the existing North London Line alignment as far as Stratford.

Package 8 (Network Rail platforms at Stratford) is complete. On Package 6 (conversion of NLL to DLR) work is ongoing to clear a large number of snags following practical completion. A significant number of snags are likely to remain to be cleared after opening.

The project went into trial operations in early August 2011, with full revenue service commencing on 31 August 2011.

London Rail

Cable Car

Spend to end Q1 2011/12 £m	EFC £m
10.7	62.6

Milestones	Current Plan Date	Actual/Forecast Date	RAG
Award contract	30/04/2011	18/04/2011	Completed
Guide rope install via helicopter	10/03/2012	03/03/2012	●
Commence trial operations	01/05/2012	01/05/2012	●
Revenue operation commences	01/06/2012	01/06/2012	●

The cable car will stretch 1.1 km across the Thames between North Greenwich and Royal Victoria; the 34 gondola cabins will carry up to 2,500 people per hour.

Piling works have commenced at the station and tower locations. The design of the structures and the design and manufacture of the cabins are underway and progressing well.

Surface Transport

Congestion Charging Re-Let

Spend to end Q1 2010/11 £m	EFC £m
94.0	94.0

Milestones	Current Plan Date	Actual/Forecast Date	RAG
IBM functionality complete	31/08/2010	06/11/2010	Completed
Release 2 – go live of automated payment account charging	31/12/2010	29/12/2010	Completed
Project close approved	30/06/2011	12/07/2011	▲

The Congestion Charging Re-Let project is to deliver new, more effective contracts to operate and manage the Congestion Charging and Low Emission Zone. The Re-Let will also incorporate more flexible and varied charging options.

The Congestion Charging 'Auto Pay' automated payment account charging functionality went live successfully on 29 December 2010, with the service launched to the public on 4 January 2011 as planned. Changes to the Congestion Charge fee and to some discounts and exemptions also came into effect on 4 January 2011. The Auto Pay public information campaign completed March 2011.

To date, 140,000 customers have registered for the new payment channel with over 2.4m journeys assigned to Auto Pay accounts since the service was launched.

The project is continuing to close, handing over operations into business-as-usual activities. Formal authority to close the project was approved on 12 July 2011, the project will be removed from the report Quarter 2.

Surface Transport

TLRN Capital Renewals Programme

The annual budget for the Transport for London Road Network (TLRN) Capital Renewals Programme is based on long-term asset investment modelling and an objective, risk-based assessment of the renewals required to deliver a safe and serviceable network.

Spend to end Q1 2011/12 £m	2011/12 EFC £m
8.4	49.0

Description of works	Units	2011/12 annual target	2011/12 achieved to date
Area of carriageway resurfaced	m ²	470,000	79,436
Area of footways resurfaced	m ²	45,000	2,248
Number of lighting units replaced	No.	950	20

Capital Renewals is an annualised programme of schemes that maintain the physical infrastructure of the TLRN, including carriageways, footways, structures, tunnels, lighting, drainage, green estate and street furniture. The programme consists of schemes that lengthen the useful life of an asset, either by replacing it with a new one, or by some other intervention such as reconstruction or refurbishment.

Schemes are identified, prioritised and programmed (assigned to an appropriate year) using a risk-based approach. Typically an additional ten per cent of schemes are identified to act as reserves. The reserves creates flexibility that caters for unplanned scheme deferrals, caused by factors such as severe winter weather, refusal of permits on congestion grounds and other events.

The budget approved for the Capital Renewals 2011/12 is £47.2m, which comprises £24.9m for carriageways, £4.5m for footways and £3.4m for lighting, £9.2m for Structures and £6.2m for others.

Carriageway resurfacing

By the end of Quarter 1, 79,436m² of carriageway was resurfaced against a forecast output of 82,936m² for the year to date. The variance was due to a delay caused by a cycle lane being introduced on the A243 Hook Road, Kingston-upon-Thames in 2010/11 and a current evaluation of additional works requirements. This scheme is being deferred to 2012/13 to coordinate with any future works identified by the cycle lane monitoring.

Footways resurfacing

By the end of Quarter 1, 2,248m² of footway was resurfaced against a forecast output of 4,888m² for the year to date. The variance was due to three schemes not completing as forecast: A10 Bishopsgate, A205 Christchurch Road, and A23, Addington Street.

Surface Transport

Lighting column replacements

By the end of Quarter 1, 20 lighting columns were replaced against a forecast output of 42 for the year to date. The variance was due to the non-completion of the A3 Kingston Road scheme.

Surface Transport

A406 Bounds Green

Spend to end Q1 2011/12 £m	EFC £m
38.6	52.7

Milestones	Current Plan Date	Actual/Forecast Date	RAG
Completion of advance statutory works	19/04/2010	19/04/2010	Completed
Commence main works	31/05/2010	19/04/2010	Completed
Complete protection structure for LUL bridge	31/03/2011	21/03/2011	Completed
Wilmer Way junction opening	07/08/2011	15/06/2011	Completed
Completion of main works	05/06/2012	28/02/2012	●

The section of the A406 between Bounds Green Road and Green Lanes suffers from congestion and has a poor accident record. The project will create a predominantly two-lane dual carriageway with improved traffic flows at junctions, improved pedestrian crossing facilities, a dedicated cycleway, improved bus journey reliability, and improvements to the local street scene.

Wilmer Way was successfully opened on 15 June 2011, following completion and opening of the new footbridge in the previous quarter. The majority of utility diversion works have now been completed. Construction works are 60 per cent complete and structural works are 85 per cent complete.

The Powys Lane junction, which has been closed for 12 weeks, is expected to be completed next quarter, allowing more capacity on the network and reducing congestion through the works. Completion of main works remains on schedule for February 2012.

Surface Transport

Blackwall Tunnel Northbound Refurbishment

Spend to end Q1 2011/12 £m	EFC £m
60.2	65.8

Milestones	Current Plan Date	Actual/Forecast Date	RAG
Mobilisation Period complete	03/05/2010	03/05/2010	Completed
Shaft 2 complete	18/03/2011	16/02/2011	Completed
Construction complete	31/12/2012	31/12/2011	●

This project will bring the Northbound tunnel to European best practice standards. Work includes: shaft alterations, ventilation upgrades, lighting, drainage, signage and public address system works and upgrades to the emergency points and fire detection and fighting systems. The project is being delivered during night time and occasional weekend possessions.

New roofs at shafts 1 and 4 have now been completed, with installation work in the tunnel continuing to progress to plan. Commissioning of new equipment has now commenced. The final two weekend closures have been cancelled and confirmation received that no further weekend closures will be required.

The project remains on schedule to complete construction by 31 December 2011, following earlier acceleration and excellent progress, ensuring completion in advance of the London 2012 Games.

Surface Transport

Cycle Hire

Spend to end Q1 2011/12 £m	EFC £m
76.6	108.6

Milestones	Current Plan Date	Actual/Forecast Date	RAG
Phase 1: go live #1 – website	Summer 2010	30/07/2010	Completed
Phase 1: on street construction completed	30/06/2011	31/07/2011	▲
Phase 1: systems integration end to end testing	28/07/2010	31/12/2010	Completed
Phase 1: go live #2 – on street	Summer 2010	30/07/2010	Completed
Phase 2: expansion sites identified	28/02/2011	28/02/2011	Completed
Phase 2: go live #4 – expansion area on street	02/03/2012	02/03/2012	●
Phase 2: construction complete	05/09/2012	05/09/2012	●

The Barclays Cycle Hire scheme launched successfully on 29 July 2010, to registered members. 54 per cent of registered users have opted for annual membership, which means they get access for 12 pence per day, and as the vast majority of trips are under 30 minutes, this is a low cost as well as convenient alternative for many travellers.

Barclays Cycle Hire will expand to the east of the city in 2012. When complete, the expanded scheme will cover 65km² of the Capital and around 8,000 hire bikes will be available from 14,400 docking points at hundreds of locations across central and eastern London.

Installation of the initial planned 400 docking stations was completed within the quarter with circa 6,000 cycles now available for hire. The phase one construction works were completed post quarter on 28 July 2011.

On Phase 2, existing docking stations suitable for expansion with additional docking points as part of Phase 2 have now been identified. Discussions continue with Serco to ensure the supply chain for cycles and docking points can support the planned delivery schedules, and the operations can be scaled to support the increased demand when Phase 2 launches.

Phase 2 launch remains on schedule for March 2012.

Surface Transport

Ten Cycle Superhighways

Spend to end Q1 2011/12 £m	EFC £m
16.0	105.7

Milestones	Current Plan Date	Actual/Forecast Date	RAG
Phase 1 detailed design completed	28/02/2011	25/02/2011	Completed
Phase 1 complete (two routes total)	17/06/2011	04/07/2011	▲
Phase 2 complete (four routes total)	31/05/2013	31/05/2013	●
Phase 3 complete (six routes total)	30/09/2013	30/09/2013	●
Phase 4 complete (eight routes total)	30/04/2014	30/04/2014	●
Phase 5 complete (ten routes total)	30/01/2015	30/01/2015	●

The Ten Cycle Superhighways scheme will deliver a further ten radial routes into central London following the pilot project. The ten routes will be delivered in five phases of two routes, annually from June 2011. The last route is expected to be delivered by January 2015.

On Phase 1 (Route 2 – Ilford to Aldgate, Route 8 – Wandsworth to Westminster), construction works were completed post quarter on 18 July 2011 and launched successfully on 19 July 2011.

On Phase 2 (Route 5 and Route 12), modelling design and consultation are all progressing to plan with detailed design on schedule to complete by the end of 2011. Construction is now planned to commence after the 2012 Games with completion expected by May 2013.

On Phase 3 (Route 9 and Route 11), the feasibility studies were completed in May 2011 with preliminary design in progress.

Surface Transport

Split Cycle Offset Optimisation Technique (SCOOT)

Spend to end Q1 2011/12 £m	EFC £m
7.8	24.1

Milestones	Current Plan Date	Actual/Forecast Date	RAG
634 sites installed	31/03/2011	04/03/2011	Completed
885 sites installed	31/03/2012	31/03/2012	●
1,000 sites installed (Annex B: 2015)	31/03/2013	31/03/2013	●

The SCOOT programme will upgrade traffic signal technology to help meet the Mayoral objective of smoothing traffic flow. The programme has been added to this report to ensure that all milestones listed in Annex B of the Spending Review 2010 settlement letter are monitored on an ongoing basis. Costs shown are for the New SCOOT Investment project, which will deliver 528 sites of a planned 1,000 sites. The remaining sites are funded and delivered by business-as-usual activities across Surface Transport.

Under the New SCOOT Investment project, 240 sites are planned to be installed in the 2011/12 financial year, bringing the total to 413 sites of the 528 the project will contribute towards the planned 1,000 total.

In this quarter, civil works and installation of SCOOT detection loops have been completed at 32 sites with 4 sites commissioned. Detailed design work has been completed on 158 sites.

Future Ticketing

Spend to end Q1 2011/12 £m	EFC £m
3.7	*

Milestones	Current Plan Date	Actual/Forecast Date	RAG
Phase 1 – initial bus launch to be implemented, payment of the bus single fare by contactless bank card	Early 2012	Early 2012	●
Phase 2a – multi-modal daily travel and daily capping with contactless bank card to be implemented (Annex B: 2012)	31/12/2012	31/12/2012	●
Phase 2b – seven day capping to be implemented	31/12/2013	31/12/2013	●

The Future Ticketing Programme enables the acceptance as payment for travel of contactless cards issued on an EMV (Eurocard, Mastercard, Visa) platform both by banks and by TfL. To enable cost savings and acceptance of contactless cards, changes to the existing ticketing system and back office processes will be made.

On Phase 1, the supplier Cubic has started integration testing and the plan continues on target for delivery in Quarter 1 2012.

On Phase 2, Cubic and TfL have frozen the Concept of Operation document so that they can deliver a fixed price by the end of September 2011. Internal software developments continue, in addition to the build of a pre-production back office platform.

Corporate

ITSO

Spend to end Q1 2011/12 £m	EFC £m
42.3	58.3

Milestones	Current Plan Date	Actual/Forecast Date	RAG
Head office processing system operational	19/06/2012	12/06/2012	●
3G communications software development complete	15/08/2011	9/09/2011	▲
Completion of changes to back-office systems	10/08/2011	5/12/2011	▲
Completion of project	31/12/2012	24/12/2012	●

ITSO (Integrated Transport Smartcard Organisation) is the name of the smartcard specification being mandated by the Department for Transport (DfT) for rail franchises and for the national bus concessionary scheme. Enabling the acceptance of ITSO specified tickets requires changes to TfL's ticketing systems, including a card reader capable of reading both Oyster and ITSO tickets, establishment of a head office processing system, new or upgraded communications links and other system changes. The project is being funded by the DfT, under an agreement with TfL dated 28 May 2009.

In Quarter 1, the main rollout of tri-card readers was started on the bus fleet. Testing was extended to cover all gate types and Passenger Operated Machines and Ticket Office Machines; performance continues to be monitored.

Over-the-Air communications development continues to schedule; early assurance activities have been undertaken and a testing deployment plan agreed.