

**Appendix Two:**  
Transport for London  
Investment Programme Report  
Second Quarter, 2007/08



# Investment Programme Report

## Second quarter, 2007/08

**Cover Image:** The 540-tonne boring machine which broke through the earth south of the Thames on Monday 23 July as part of the £180 million, 2.5km DLR extension which will link Woolwich with DLR station, King George V, in North Woolwich.

# Transport for London

## Investment Programme Report

Second quarter, 2007/08 (24 June 2007 – 15 September 2007)

### 1 Programme Highlights

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- 1.1 TfL's Investment Programme this quarter generally continued to progress as planned with key milestones being met, including the start of construction works on the DLR 3-car project, completion of the first garage application on the i-Bus project, completion of detailed design for the East London Transit Phase 1a and the successful 'Go-Live' for payments for the Low Emission Zone project. However, given a number of key events and announcements during and after the quarter, the status of a number of projects is under review. These include:
- Ernst & Young LLP were appointed as Joint Administrators of Metronet on 18 July 2007. The companies have not ceased to operate and Metronet are continuing to maintain and renew London Underground's trains, stations and infrastructure. TfL continues to work with the administrators to ensure that works continue to ensure the safe running of the network.
  - The Prime Minister gave the formal go-ahead for Crossrail. This was announced at a meeting involving the Mayor, the Secretary of State for Transport, the Commissioner and senior colleagues from TfL, the Crossrail team and representatives of London business. Crossrail will be Europe's largest civil engineering project, providing a state-of-the art modern, quick and reliable railway passing through central London. Scheduled to open in 2017, Crossrail will provide a significant increase of ten per cent in London's public transport capacity. Crossrail will build on TfL's record of delivery over the past seven years, including significant improvements to bus and Tube services, extension of the DLR and more rail capacity through TfL's new London Overground services.
  - The review of a number of projects in the Planning directorate continued this quarter, including tram and bus transit schemes. The outputs of these reviews are expected to be made available at the end of the year.
  - The Secretary of State deferred a decision and called for the inquiry to be reopened on the planning permission for the Thames Gateway Bridge. TfL will respond to the Secretary of State regarding the Inspector's report.
- 1.2 Other highlights from the second quarter of 2007/08 were:
- The DLR awarded the main construction contract to build the £238m DLR Stratford International extension to a Skanska and GrantRail joint venture on 29 June 2007.
  - The transfer of the Stratford Regional Station project to the ODA was completed on 30 June 2007.
  - TfL placed a £36m order for an extra 36 rail carriages for the London Overground network on 4 July 2007.
  - Trial operations began on 18 July 2007 on the new Piccadilly line service to Heathrow Terminal 5, ahead of the first passenger services when T5 opens on 27 March 2008.
  - On 19 July 2007 a TWA Order was approved for the DLR 3-Car North Route and DLR 3-Car Poplar Woolwich projects enabling the DLR to plan upgrades and introduce longer trains.

- The second tunnel extending the DLR under the River Thames to Woolwich Arsenal broke through on 23 July 2007.

1.3 Post quarter events include:

- TfL's formal bid to take control of Metronet which was submitted on 26 October 2007.
- The Congestion Charging and Low Emission Zone service provider contract was awarded to IBM United Kingdom Ltd on 26 October 2007.
- The Lea Bridge Roundabout bus stand in Hackney was officially opened on 24 October 2007.




## 2 Projects (over £100m)

- 2.1 TfL's Investment Programme contains a range of programmes and projects over £100m in addition to a range of smaller activities which are delivered by TfL directly, through our partners in the London Boroughs or through long-term partnerships with the private sector such as the PPP on London Underground and Private Finance Initiatives (PFI).

TfL has established an 'Oversight' function, the purpose for which is to provide assurance on the delivery of the Investment Programme. Oversight has determined a risk based list of 'top 10' and 'top 60' projects which forms the basis of programmes and projects within the Investment Programme Report. These are reviewed every six months.


This section reports on discrete projects with a total cost greater than £100m. Projects identified from the latest 'Oversight' risk categorisation process as being included in the top 10 are identified by an asterisk (\*).

For each project, key milestones are given with a forecast date against the current planned date for the current year, and if appropriate, additional milestones from the 2007/08 Budget Deliverables document. The Red Amber or Green (RAG) status signifies the following:

	Delivery on schedule
	Delivery < 3 months behind schedule
	Delivery > 3 months behind schedule

### London Underground

- 2.2 Channel Tunnel Rail Link (CTRL) at King's Cross (\*)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Phase 1 final completion	31-12-2006	10-12-2006	Completed
Commencement of Bomb Gap Civils	31-08-2007	17-07-2007	Completed
Phase 2 completion	31-12-2010	31-12-2010	

King's Cross Congestion Relief (Channel Tunnel Rail Link) will provide increased capacity at King's Cross St Pancras. Phase 1 included an expanded Tube ticket hall and new Western Ticket Hall. Phase 2 includes a new Northern Ticket Hall, step-free access to the Metropolitan & Circle lines and links to the new CTRL Terminal. The King's Cross project is funded by the Department for Transport (DfT) and contracted by London Underground to Metronet. Once the new Channel Tunnel Rail Link is opened, King's Cross St Pancras Station is forecast to be one of the busiest on the Underground network, serving 92,000 passengers in the morning peak by 2011.

Phase 1, including refurbishment of the Metropolitan and Circle line platforms was completed on 10 December 2006 and all public areas are now in use.

Phase 2, including the Northern Ticket Hall, is continuing on site. The first bulk slab was poured according to programme. There are, however, delays to the tunnelling work due to complexity of the works and delays in gaining assurances. A recovery schedule has been developed and includes increasing the number of shifts (now three shift working) and levels of

supervision and the Phase 2 completion date is not yet at risk. The project remains on target for completion in December 2010.

### 2.3 Victoria Station Upgrade (\*)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Transport Works Act (TWA) Submission	30-11-2007	30-11-2007	●

With 80 million people passing through it each year, Victoria is one of the most congested stations on the Underground network. Temporary station closures are regularly used to manage access to, and congestion within, the station, particularly during the morning peak. 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.

The Mayor approved the submission of the TWA Order for November 2007. Asbestos removal was completed for the District and Circle ticket hall with asbestos removal for the Victoria Ticket Hall programmed for over the Christmas period during a 16 day closure. Stakeholder consultation in relation to the closure has started and is ongoing. The Temporary Ticket Office is currently being installed and is expected to be operational by the end of October 2007.

A review of the proposed temporary ceiling finishes and water management system has been prepared for October 2007. The Corner Site Development application has been validated by the City of Westminster and LU is seeking approval by 6 December 2007.

The interface with the Land Securities development, Victoria Transport Interchange (VTI), continues to be monitored. The schemes are to remain de-coupled to ensure that a delay to one does not affect the other.

The project completion date is planned for Quarter 3 2016 from Quarter 4 2014 reported last time.

### 2.4 Tottenham Court Road Congestion Relief (\*)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Design tenders returned	15-01-2007	05-02-2007	Completed
Completion of Stage E design	28-02-2008	31-05-2008	▲

Tottenham Court Road station is at the heart of London's West End, and is currently operating in excess of its capacity. It therefore suffers from significant congestion. Demand at the station is forecast to increase, and access to the station would need to be severely restricted to avoid unsafe levels of congestion and operation. The scheme will provide a significantly enlarged ticket hall with improved and additional entrances to the station, additional escalator access to the Northern Line platforms, and improved circulation space and step-free access throughout the station. It will also provide a link into the proposed Crossrail scheme.

The delay in appointing the multi-disciplinary consultant Halcrow due to an extended tendering process has led to a delay in the completion of the Stage E design. Halcrow has now started RIBA Stage E design and is currently co-located with the LU project team for better coordination and improved communications. The first stage of utility diversions including sewers, telecommunications, gas, electric and water pipes is continuing. These works will take 18 months (due to be completed by February 2009) and will be phased to reduce potential impact, so not all areas will be affected at the same time.

The Powers for the new ticket hall are included within the provisions for the Crossrail Hybrid Bill.

## 2.5 Tunnel Cooling(\*)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Victoria ground water cooling trials complete	31-07-2007	22-04-2008	■
Portable Fans Trial at Piccadilly Completed	31-05-2007	10-06-2007	Completed
Victoria Line RIBA C Design Packages 1-4 (excl. King's Cross, Oxford Circus & Victoria) Completed	30-06-2007	17-07-2007	Completed
Victoria Line Tunnel Model Stage 5 Completion	31-10-2007	18-12-2007	▲
Air Handling Unit Factory Test and Commission Completed	31-01-2008	31-01-2008	●

This is a long term programme to reduce ambient temperatures in a number of ways including increased ventilation, improved energy efficiency, and train-based measures. An accelerated design programme has commenced to provide solutions in time for the line upgrade programmes.

The roll-out of quick wins over the summer was successfully completed, including the portable fan trial. These are now currently being installed in other stations. The Liverpool Street Fan was also installed and brought into service. The Oxford Circus Ticket Hall cooling is now in operation. Designs for the Victoria Line & Northern Line are now proceeding to RIBA Stage D, those for the Jubilee Line RIBA Stage C have been received and those for the Central Line RIBA Stage C are being awarded.

For the Victoria Ground water trial, the system was commissioned in August 2006 with the trial due to last a year. Although the trial has been successful, certain elements were not actually commissioned until Spring 2007. Consequently the trial end date has been extended but the trial life of the running of the whole system remains the same. It is anticipated that the cooling system will remain in place and in operational use after the completion of the trial.

## 2.6 LU Line Upgrade – PPP BCV

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Waterloo & City line upgrade complete	March 2007	July 2007	Completed
Victoria Line – 1 train accepted to run in LU traffic hours	January 2009	January 2009	●
Victoria Line – Commence rolling stock full production	May 2010	May 2010	●

The Waterloo and City line was reopened on 11 September 2006 with the full 5-train running service now in operation. The service is now formally approved for use by the HMRI and is now delivering 22-23 trains per hour during the peak hours exceeding the Journey Time Capability. Final documentation is due next quarter.

For the BCV network, the first major line upgrade is the Victoria Line. The works include new rolling stock, signalling, control equipment, depot and track.

Train 1 continued testing on the Victoria Line during non-traffic hours and is still due to be accepted in LU traffic in January 2009. Train 2 is subject to ongoing testing although additional facilities are being incorporated during this process. Delivery is still forecast for April 2008.

A four-company Programme Steering Group and Leadership Team (consisting of LU, Metronet, Bombardier and Westinghouse) has been established to direct programme delivery by clearing blockers and seeking more direct resolution of issues.



The productivity in the track programme has improved with the approval of lengthened engineering hours from 23:00 Monday to Thursday, from 23 July to 22 November 2007. The track programme has been accelerated to finish in summer 2009.

The revised completion date of February 2012 for the Journey Time Capability (JTC) is now under pressure from rolling stock delivery and signalling implementation issues. The contractual date remains August 2013.

## 2.7 LU Line Upgrade – PPP JNP

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Jubilee Line – Delivery of last train	April 2008	August 2008	■
Jubilee Line – LU acceptance of first section	June 2008	May 2008	●
Jubilee Line – LU acceptance of entire line	November 2009	November 2009	●

Work is underway on both the Jubilee and Northern Line Upgrades which comprise signal and train control replacement. Completion is due in 2009 for the Jubilee Line, with the Northern Line to follow in 2011.

On the Jubilee Line programme, the Transmission Based Train Control (TBTC) and Rolling Stock elements are critical path activities with the schedules for these under pressure against the accelerated 'early finish' programme. Despite multi-train working, the rolling stock progress remains a concern with the full conversion of the Jubilee Line fleet now planned for August 2008, two months earlier than previously reported but still four months later than the accelerated plan. For the completion of Jubilee Line Stage J2 (Stratford to Canning Town) in June 2008 to be successful, conversion of 59 trains must be completed. This is a challenging programme milestone. Overall, completion of the Jubilee Line is still forecast before the contract date of December 2009.

On the Northern Line upgrade, Train 1 commissioning has started and is due to return to service in the next quarter. The delivery of Signal Equipment Rooms is behind programme but this is not on the critical path. Final completion remains on schedule for 2011.

For the Piccadilly line upgrade Tube Line's programme of work anticipates the first Piccadilly Line trains by 2011. Some scope issues remain to be settled. Initial surveys have commenced on the Line and Signal Equipment Rooms. The completion date for the upgrade is in 2014.

## 2.8 LU Line Upgrade – PPP Sub-Surface Line (SSL)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
New rolling stock – Preliminary vehicle design complete	28-02-2007	28-02-2007	Completed
Vehicle design complete	31-07-2007	14-09-2007	Completed
D78 Stock – 66% of rolling stock refurbished and in service	31-08-2007	31-06-2007	Completed
Signalling system – preliminary design freeze	31-12-2008	31-12-2008	●

The SSL network (consisting of the Circle, District, Hammersmith & City and Metropolitan lines) upgrades will provide new and refurbished rolling stock, new signalling and a new control centre.

58 D-Stock trains were available for service by 28 September 2007, which is ahead of target. The manufacture of S-Stock Train 1 shell has slipped due to material delays, however this should not affect the delivery date of January 2009 to LU for testing and for passenger service by December 2009. Detailed design has been completed ahead of the planned completion date of December 2007.

The interfaces and interoperability of the signalling systems between the SSL network and Network Rail continue to be an issue. Solution proposals are expected in October 2007. The programme is on track to complete by 2018.

## 2.9 7-Car Circle Line

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Surveys/design for platform extensions begin	31-03-2007	31-03-2007	Completed
7 Car C Stock Specified Right – Major Stations RIBA D Design Submitted	30-11-2007	30-11-2007	●
Work begins on 12 minor stations	31-03-2008	31-03-2008	●

This project provides for all the work associated with enabling 7-car operation at the minority of stations (16 in total) where trains are currently restricted to 6-car running. The project also provides an additional new S-stock car to that already being supplied under the SSL Upgrade Programme.

The feasibility study for platform extensions at the four major stations has identified affordability issues, which are being addressed by the design contractors. Prices for the works have been submitted by the Infracore which are currently being re-assessed in parallel with the design proceeding to RIBA Stage D (up to TWA Powers). The Stage D report has been completed although there has been a delay in this being issued to LU. Intrusive surveys have begun at these stations and alternative solutions including Selective Door Opening are under investigation and are waiting for the Stage D report.

## London Rail

### 2.10 East London Line Extension (\*)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Award Main Works Contract	31-05-2007	20-10-2006	Completed
Close Existing East London Line	31-12-2007	22-12-2007	●
Commence Bridge GE19 Demolition	31-12-2007	25-12-2007	●
Main Contractor Takes Occupancy of ELL Trackway & Stations	31-03-2008	01-03-2008	●
Test Running	31-01-2010	14-05-2009	●
Completion	29-06-2010	19-10-2009	●

The upgraded and extended East London Line (ELL) is planned to open in 2010 with TfL as the passenger service operator through a joint ELL/North London Rail concession. The Overground concession contract was awarded to LOROL (London Overground Rail Operator Ltd, which is the trading company of MTR Laing) in June 2007, ready for the transfer of operation of the North London Line to TfL in November 2007. LU will be the infrastructure controller and network operator for the East London Line north of New Cross Gate, with Network Rail the infrastructure controller for the remainder.

The critical path for the project is the design and construction of Dalston Junction Station, the installation of the track and rail related systems, followed by the commissioning and test running. The main works contractor has continued to achieve on time a succession of short

term critical milestones; however the rate of production of the design submissions by the design sub-contractor, Scott Wilson, although improving, remains a concern.

The project remains on track for the ELL to re-open by the scheduled date of June 2010.

### 2.11 London Rail Concession Rolling Stock

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Award Contract	31-08-2006	31-08-2006	Completed
First Car Delivered	05-06-2008	07-04-2008	●
Trains in Service - NLR	31-12-2008	31-12-2008	●
Trains in Service - ELL	30-06-2010	30-06-2010	●

The London Rail Concession Rolling Stock project will provide 216 new vehicles in three-car and four-car formation to be utilised on the North London Railway and the East London Line. The first of the new London Overground branded trains is expected to be in operation by the end of 2008.

An order for the first tranche of additional vehicles to support the North London Line service commitment (SLC2k) was placed in June, and a second tranche will be ordered in November.

The project is currently in detailed design, with the first unit body-shell now on the production line. The first NLR unit is due to start Network Rail on-track testing in June 2008.

### 2.12 DLR Bank-Lewisham 3 Car Infrastructure

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Beckton Depot (Phase 1) completion	20-10-2006	31-10-2007	■
Tender documents to be returned	30-11-2006	21-12-2006	Completed
Construction work starts	30-04-2007	04-06-2007	Completed
Construction/trackwork/signalling complete	31-01-2010	30-09-2009	●
Service operational	31-01-2010	31-10-2009	●

This project will deliver the structural works necessary for 3 car operation on the DLR from Bank and Tower Gateway to Lewisham.

The main contract was let in May 2007 to Taylor Woodrow and the first planned possession successfully completed at Canning Town in October. Pre-construction surveys and testing are being undertaken at a number of sites and design submissions have now begun. Completion of the Phase 1 works on the Beckton Depot expansion under a separate contract continues to be delayed, but does not impact on operations or the rest of the project.

### 2.13 DLR Woolwich Arsenal Extension

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Complete up-tunnel	06-09-2006	19-12-2006	Completed
Completion of Thames Intervention Shaft	31-07-2007	27-09-2007	Completed
Completion of tunnelling	31-08-2007	22-07-2007	Completed
Completion of track works	31-03-2008	05-02-2008	●
Project completion	31-01-2009	28-02-2009	▲

This project delivers the extension of the DLR from King George V station to Woolwich Arsenal through a PFI contract.

The boring of both tunnels and the cross-passages have been completed and the up-track tunnel now has rail and sleepers along the majority of its length. The completion of the trackwork is forecast for early February, ahead of programme. The base slab of the DLR station at Woolwich has now been completed.

#### 2.14 DLR Stratford International Station

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Contract Package 8 award	01-12-2006	10-01-2007	Completed
TWA powers granted	31-12-2006	25-10-2006	Completed
Contract Package 7 award	29-01-2007	03-05-2007	Completed
Contract Package 6 award	28-05-2007	29-06-2007	Completed
Commence Works – Package 7	31-05-2007	31-05-2007	Completed
Commence Works – Package 6	30-06-2007	02-07-2007	Completed
Complete Works	30-06-2010	30-06-2010	●

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

All the main contracts have now been placed. On Package 8 (Stratford Network Rail works) the first major Network Rail possession was successfully completed and handed back on time. Cable diversion works are ongoing and expected to be completed during the October possession. Good progress is being made on Package 6 (conversion of NLL to DLR) with work ahead of schedule and the enabling works completed.

#### 2.15 North London Railway Infrastructure Project(\*)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
All design completed to GRIP 2	18-05-2007	08-06-2007	Completed
All design completed to GRIP 3	24-08-2007	12-10-2007	Completed
Project Completion	31-01-2011	31-01-2011	●

The North London Railway Infrastructure Project (NLRIP) covers a programme of improvements to stations, permanent way, signalling and civil infrastructure enhancements to facilitate the operation of the SLC2k schedule which is to be introduced in January 2011.

The GRIP 3 (single option development) design submissions on the original core work packages are complete and reviews are underway. The outstanding work on the authorised variations is on target to be completed before the Stage gate 3 Review in October. Based on the GRIP 3 estimate the funding gap is now below £20m for the SLC2k service pattern. Discussions are ongoing with Network Rail to further reduce this gap. The decision on whether to proceed with SLC2k service pattern (rather than the revised operating pattern “Harmony”) will be made in October. Proposals are being developed with Network Rail to form an integrated project team to take the project to GRIP5 (detailed design).

## Planning

### 2.16 Cross River Tram(\*)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Complete Stakeholder consultation on route options	15-11-2006	30-10-2006	Completed
Complete review of options post consultation	28-02-2007	28-02-2007	Completed
Complete public consultation on route options	30-03-2007	28-03-2007	Completed
Issue of preferred route recommendation report	30-09-2007	30-09-2007	Completed
Approval of Option Refinement (achieve Design Freeze 2)	30-11-2007	31-08-2008	■

Cross River Tram is a 16km tram scheme with a core route proposed between Euston and Waterloo, with branches to Camden and King's Cross in the north and Peckham and Brixton in the south. The project is to undertake option development, technical feasibility and submit a Transport and Works Order application to obtain powers for the scheme.

Although the design and business case continue to be progressed, this project along with the other Planning tram and transit schemes is the subject of an internal and Independent Engineer review to identify the highest priority schemes and their fundability. Future milestones on the project are dependent on the outcome of the review due to be completed by the end of the financial year.

### 2.17 Croydon Tramlink Crystal Palace Extension

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Commence public consultation	31-10-2006	19-10-2006	Completed
Commence investigation of options	31-10-2006	31-10-2006	Completed
Agree governance and handover strategy with London Trams and Surface Transport	01-10-2006	28-02-2007	Completed
Issue report on 1 <sup>st</sup> route option public consultation	31-05-2007	31-05-2007	Completed
Appoint designers for development of single option to acquisition of Powers	31-07-2007	tbc	▲
Preferred Single Option approved by SRO	31-10-2007	tbc	▲
Agree transition arrangements with Surface Transport (London Trams)	30-11-2007	tbc	▲

The project is to undertake option development and technical feasibility of extending the Croydon Tramlink to Crystal Palace and submit a Transport and Works Order application to obtain powers for the scheme.

Network Rail has now published its draft southern Route Utilisation Strategy, which includes provision for the Tramlink extension. The TfL response to this has been submitted though London Rail. The LDA planning application for Crystal Palace will be submitted on 24 October and the plan will show the proposed area dedicated to the tram and bus /tram interchange.

The identification and approval of the preferred route option for the scheme and the subsequent start of transition to Surface are subject to the Major Projects Review.

## 2.18 Thames Gateway Bridge (\*)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Obtain HM Treasury and PRG approval of outline Business Case	31-12-2006	21-11-2006	Completed
Issue of OJEU Notice and Pre-Qualification Questionnaire for Concession Contract	31-12-2006	08-05-2007	Completed
Approval/Decision by Secretary of State	30-03-2007	30-07-2007	Completed
Release ITT and commence procurement	31-08-2007	30-06-2010	■
TGB handed over to Surface Transport	30-11-2007	tbc	■

This project is part of the Mayor of London's transport strategy for a new fixed link between Beckton in the borough of Newham and Thamesmead in the borough of Greenwich to stimulate the regeneration of the Thames Gateway area.

The Secretary of State deferred a decision and called for the inquiry to be re-opened on the planning permission for the TGB on the basis of needing further evidence as to the regeneration benefits of the bridge and to address issues raised by the objectors.

A review of the findings has been undertaken and the view is taken that the Inspector's conclusions did not take account of four critical findings, referred to in his report as follows:

- The scheme is in accordance with Newham and Greenwich's Unitary Development Plans and integrates with local and strategic land use planning policies.
- It accorded with sustainability in that it encouraged the containment of development within London's boundaries.
- TGB would improve conditions for public transport.
- TGB would improve conditions for business.

These will be communicated to the Secretary of State in a letter from the Mayor that will also confirm TfL's commitment to the TGB project. The October Board approved the proposal to make a new Toll Order, the examination of the public transport provisions of the project and proposes returning to the public inquiry with a stronger case and the use of higher toll charges.

## 2.19 West London Tram(\*)

The scope of project is to undertake feasibility work, and prepare and submit a Transport & Works Act (TWA) Order application to obtain powers for the tram scheme linking Uxbridge with Shepherd's Bush.

The Mayor announced on 2 August 2007 that TfL will not make an application for a Transport and Works Act for the West London Tram at this time based on a positive announcement on Crossrail and the development of an effective bus based alternative with the relevant boroughs. Ealing has now drafted a proposed scope of work which looks at the wider transport requirements of the area including Crossrail. The tram scheme is being archived in

such a way as to be accessible for future use. The draft business case is being finalised during October so that it can be used a reference for any alternative scheme.

### 3. Other projects

- 3.1 This section reports on the remainder of the top 10 projects identified from the latest Oversight risk categorisation process which have a value below £100m and are therefore not included in section 2. It also includes other noteworthy projects in the quarter as identified through the Investment Management Review (IMR) process.

#### London Underground

##### 3.2 Olympic Works (station accessibility)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Southfields Design Complete	30-09-2007	30-09-2008	■
Green Park Design Complete	30-06-2008	31-03-2009	■
Baker Street Design Complete	30-06-2009	30-03-2009	●

This programme provides step-free access at three Games-critical stations; Southfields, Green Park and Baker Street (SSL only).

Southfields is progressing with a minor delay on Intrusive surveys which have not started as yet. This will, however, not affect the final delivery date of the project which is March 2010. For Green Park, a review of the design is ongoing to understand impact of the current scheme to construct lifts in close proximity to existing Victoria Line escalators. The full assessment will be completed soon.

Baker Street is progressing to complete RIBA D (scheme design) in November 2007. Essential enabling works are being brought forward into the design phase following internal funding approval.

The programme is currently on target to meet the Olympic delivery date.

##### 3.3 Connect Airwave

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Contract award	30-06-2006	20-01-2007	Completed
Commissioning of 5 lines complete	31-10-2007	31-12-2007	▲

This project enhances the emergency services' communication system on the Underground by expanding coverage and capacity. The contract was awarded in January 2007 and work is now progressing as planned with all 117 Enhanced Base Transceiver Systems swapped out. There is a delay with regard to the GPS installation with 12 completed out 16 planned to date. A proposed recovery plan has been produced by Thales to install GPS at 75 sites by 20 December 2007.

## Surface Transport

### 3.4 iBus

Milestones	Current Plan Date	Actual / F'cast Date	RAG
System Acceptance	08-12-2006	19-01-2007	Completed
First Garage Application	04-05-2007	14-09-2007	Completed
Final Acceptance	21-01-2009	21-01-2009	●

The iBus project is to procure and implement a radio communication and Automatic Vehicle Location solution. This will improve quality of information to customers, both on-bus and at bus stops, and reduce the current risk of a system failure.

The vehicle installation quality of iBus has improved considerably, reaching a first time fit success rate of near 100% per week. Rollout is continuing with more than 300 vehicles with iBus operating on the network.

### 3.5 A406 Bounds Green

Milestones	Current Plan Date	Actual / F'cast Date	RAG
MD Sign off of CPO and Side Road Orders	31-05-2007	29-08-2007	Completed
Public Inquiry	21-04-2008	19-04-2008	●
Commence Construction	30-06-2009	30-06-2009	●
Complete Construction	30-04-2011	09-04-2011	●

The project will make a number of safety and environmental improvements along Telford Rd, Bowes Rd and the North Circular Rd between the A109 Bounds Green Rd/Station Rd and Chequers Way.

LB Haringey has granted planning permission and LB Enfield has resolved to do so, subject to the signing of an appropriate Section 106 agreement, which is in development. Compulsory Purchase and Side Road Orders have been published and the objection period runs until 26 October 2007.

### 3.6 Bus Priority – TLRN Schemes

Milestones	Current Plan Date	Actual / F'cast Date	RAG
8 Bus Lane Schemes Completed	31-03-2008	31-03-2008	●
200 bus lane kilometre hours per week	31-03-2008	31-03-2008	●

This annualised programme has moved into delivery stage and is forecast to meet all its targets for the year. Two out of eight bus lane schemes had been completed by the end of this quarter.

### 3.7 Dial-a-Ride Scheduling System

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Complete migration of depots to new system	30-04-06	30-03-08	■

The implementation of a scheduling and booking system is intended to make more efficient use of vehicles and drivers. This is expected to lead to a reduction in refusal rates, better scheduling leading to increased travel opportunities, improved call answering and same day booking.



The transfer of localised bookings and scheduling from Orpington to the centralised Management Control Centre is on schedule for 22 October, subject to satisfactory resolution of network infrastructure issues. The final depot, Woodford, is due to transfer in early 2008.

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

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Mayoral decision on Scheme Order	04-05-2007	04-05-2007	Completed
Go-Live for Vehicle Registration	30-07-2007	30-07-2007	Completed
Go-Live for Payments	29-10-2007	29-10-2007	Completed
Scheme Go-Live for HGVs (Euro III std for PM10)	31-01-2008	04-02-2008	▲

The LEZ is being introduced to cut harmful emissions from lorries, coaches and buses to improve air quality across London by quickly reducing pollutants that are harmful to human health.

The end-to-end integration testing between Capita and Siemens was completed successfully on 18 September 2007. Camera installation at all of the Tranche 1 sites is being completed. Consultation on the Variation Order started on 29 August and was completed on 3 October 2007. The Go-Live for payments is forecast to complete by the end of October 2007.

### 3.9 East London Transit (Phase 1a)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Public Consultation Report complete	25-07-2006	27-08-2007	Completed
Detailed design complete	29-09-2006	27-08-2007	Completed
Invitation to Tender	23-03-2007	04-01-2008	■
Service starts	16-02-2008	13-10-2009	■

The East London Transit (Phase 1a) project is to establish a 9km route between Ilford, Barking and Dagenham Dock with new dedicated access through Barking Town Centre and a package of highway measures including signal-based bus priority and enhanced enforcement due to be completed in 2009. Delays for the approval of the route through the town centre and additional requirements have led to the procurement activity starting later than originally planned and has impacted on the start date for the service.

The revised business case reflecting the impact of delays and additional timescales on costs and project plan was approved in September 2007. Constructive discussions have begun with stakeholders on the revised schemes. The Planning Application for Dagenham Dock bus terminus as well as work for invitation to tender of suppliers is progressing.

### 3.10 Greenwich Waterfront Transit (Phase 1)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Public Consultation	30-08-2007	17-12-2007	■
Detailed Design	29-09-2007	12-08-2008	■
Complete construction	29-06-2010	10-06-2011	■
Services commence	29-06-2010	22-07-2011	■

This project is to establish a 13km bus transit route from Abbey Wood to North Greenwich via Woolwich, part of which will be a segregated busway, to be completed by 2011. Following a detailed review of the delivery stage of this project, additional time for consents, consultation and the construction phase has been included in the programme.

Public consultation material is being completed with a public consultation launch planned for 31 October 2007. Positive feedback has been received on the concept designs that were produced by TfL. A Preliminary Design Alignment report is being produced to ensure that the GWT scheme footprint is accurate. The detailed design will not be finalised until later next year.

## London Rail

### 3.11 DLR Dagenham Dock Extension

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Submit TWA Order Application	31-01-2008	31-03-2008	▲
TWA Powers Granted	31-01-2009	31-01-2009	●

This project covers the future extension of the DLR from Gallions Reach through the Barking Riverside development area involving 4.5km of new railway and up to 5 new stations. Currently funding covers only ongoing feasibility and development work to TWA application and milestones are dependent on further funding approval.

Work continued in preparing the TWA which is now due to be submitted in March 2008 subject to Board and Mayoral approval. The second phase of public consultation has commenced during the quarter end with 60,000 leaflets having been distributed to local residents, organisations and groups to seek opinion on route options. Three public consultation forums also took place in Dagenham, Beckton and Rainham. The appraisal work on various route options has been completed and a preferred option selected.

## 4. PPP/PFI Investment

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This section reports on performance and contractual issues relating to Indirectly Managed expenditure.

### 4.1 London Underground

The PPP requires Metronet and Tube Lines to provide a high level of renewal and upgrade of track, signals and stations in the first half of the 30 year contract. Set out below is the performance for each Infraco.

#### Tube Lines

- Track – completed 2.8km against the 5.9km planned year to date to Quarter 2.
- Lifts and escalators – 3 escalators have been refurbished to Quarter with 6 out of 6 escalators completed year to date.
- Stations – 16 stations have been declared by Tube Lines as being practically complete.

#### Metronet SSL

- Track – completed 6.7km of the 9.5km planned to Quarter 2.
- Lifts and escalators – two escalators have been refurbished in accordance to the plan by the end of Quarter 2.
- Stations – No stations have been completed to date but 6 stations have been declared this year.

#### Metronet BCV

- Track – 2.9km of the 3.2km year to date planned to Quarter 2 have been completed.
- Lifts and escalators – a further 2 escalators and 1 lift have been refurbished according to plan. A total of 5 escalators and lifts have been done year to date.
- Stations – One station has been completed to date and 8 stations have been declared this year.

Metronet's station programme is severely delayed with all 13 SSL and 10 BCV stations not completed on schedule to date, with some more than 13 periods late.

### 4.2 Connect Works (\*)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
District Line go live	23-10-2006	11-10-2006	Completed
Circle, Hammersmith & City line go live	31-12-2006	08-11-2006	Completed
Metropolitan Line go live	31-12-2006	11-12-2006	Completed
Connect – 4 Lines Radio Systems Go-Live	29-02-2008	29-02-2008	●

Connect is a 20-year PFI contract to upgrade and maintain the radio and transmission system used through the network.

In this quarter the Bakerloo Line and the Piccadilly Line train radio go live dates have slipped further to November 2007 (from July 2007) and October 2007 (from June 2007) respectively due to software development issues experienced with the One Person Operated Train (OPOT) Alarm. An interim solution is in place. A permanent final solution will take 6 months to implement and will ensure that the full benefits are realised.

#### 4.3 Power Works

Milestones	Current Plan Date	Actual / F'cast Date	RAG
VLU Power Upgrade – award construction contract	30-06-2006	20-03-2007	Completed
SSL – Issue first S&D Package include LU Approval	30-11-2007	30-11-2007	●
VLU – Manor House DC protection Upgrade Complete	31-03-2008	31-03-2008	●
VLU Power Upgrade – Bulk supply points delivered into service	09-03-2009	09-03-2009	●

This programme provides the power required for the line upgrades. The Victoria Line Power upgrade completion remains at December 2009, later than the PPP obligation date of 16 June 2009. The actual 'power on' date will still be in line with the PPP obligations on LU.

For the power upgrades on the SSL lines (Circle and District Lines), tender documents for the scoping and development work were issued at the end of July 2007 and are currently undergoing tender review. Contract award still remains on target for November 2007.

For the Central Line Power Upgrade, the outline design is complete and under review.

For the Northern Line Power Upgrade, optimisation studies have delivered conceptual design options and the final Conceptual Design Report was received in September 2007. The choice of which solution to use is complicated by technical (ability to install Extra Low Loss Composite Conductor Rail) and commercial (which party funds) issues.

For the Jubilee Line Power Upgrade, a review has led to a scope reduction reflecting the significantly fewer upgrades required than had been thought. The ITT is on target to be issued by 16 November 2007.

For the Piccadilly Line Power Upgrade, feasibility studies are planned to commence next quarter.

## 5. Olympics

Progress on TfL's contribution to the London 2012 Olympic Games is reported each period to the Olympic Delivery Authority (ODA). The latest report is attached in **Annex 1**.

## 6. People

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- 6.1 TfL has developed Project PYRAMID to mitigate two strategic risks. These are:
- Insufficient Project and Programme Management (PPM) capability or capacity to deliver its publicised programme of capital projects and
  - Failure to maximise the development of internal PPM staff to deliver the 5-year Investment Programme (5IP) and other major projects.
- 6.2 PYRAMID's overall vision is **“to enhance the capability of TfL’s Project and Programme Management (PPM) community to deliver world-class programmes and projects for London”**.
- 6.3 The project has successfully delivered a competency framework, on-line development needs assessment tool and a portfolio of development opportunities. To date nearly 888 individuals have commenced or completed their assessment, 789 individuals have attended PYRAMID courses and over 155 individuals are booked on future courses.
- 6.4 Further to managing a needs analysis process with input from a wide variety of stakeholders from across the business, the team have managed the design and development of the opportunities for the Senior Project and Programme Managers (Levels 4 and 5) across TfL. These include Sponsorship, Advanced Project Management and Advanced Programme Management activities which commenced in September 2007. Nominations have been received from across the business and bookings are in the process of being confirmed.
- 6.5 On 20 September, PYRAMID successfully launched the first of the series of knowledge-sharing seminars, focusing on risk management within TfL and the application thereof in large and small projects alike. PPM members attended from across all modes within TfL and the seminar included contributions from various TfL risk managers.
- 6.6 Feedback received was very positive, with over 95% of attendees agreeing that they found the seminar enjoyable, informative and found the content relevant to their daily role. 100% of attendees indicated that they would like to attend future knowledge sharing seminars hosted by PYRAMID. The next seminar will take place on 20 November 2007 with the focus on Earned Value within TfL.

## 7 Investment Programme – Financial Progress

Total Investment Programme Expenditure £ millions	Year to Date		Full Year		
	Actual	Variance to Budget	Forecast	Budget	Variance to Budget
Capital Expenditure					
LUL (after overprogramming) <sup>1</sup>	165	(32)	418	419	(1)
Surface (after overprogramming)	78	(49)	219	296	(77)
London Rail	142	0	415	427	(12)
Group Directorates	13	(19)	54	74	(20)
Overprogramming (group level only)		32	(11)	(70)	58
<i>Total Capital Expenditure (after overprogramming)</i>	<b>397</b>	<b>(68)</b>	<b>1,095</b>	<b>1,146</b>	<b>(52)</b>
Development & Borough Expenditure	82	2	242	253	(11)
<i>Directly Managed Expenditure</i>	<b>479</b>	<b>(66)</b>	<b>1,337</b>	<b>1,399</b>	<b>(62)</b>
<i>Indirectly Managed Expenditure</i>	703	131	1,454	1,229	225
<b>Total Gross Investment Expenditure</b>	<b>1,182</b>	<b>65</b>	<b>2,791</b>	<b>2,628</b>	<b>163</b>

Tables may be subject to rounding errors

### Total Investment Expenditure<sup>2</sup>

#### Directly Managed (Including Capital Expenditure)

- 7.1 Total directly managed expenditure (including capital expenditure) for the quarter was £479m, £66m below budget. The year end forecast is £1,095m, £52m less than budget.
- 7.2 On the Underground, capital expenditure was £32 million below budget (after delegated overprogramming) for the year to date but is forecast to accelerate, thereby ending the year £1 million under budget. This reflects re-phasing of expenditure on stations (congestion relief and accessibility), operational accommodation, power and information technology projects.
- 7.3 Surface Transport spent £49 million less than budget (after delegated overprogramming) in the first half of the year with the most significant variances in iBus (real time bus service information), road network capital renewal and the West Ham Bus Garage. Full year capital expenditure is forecast to be £77 million below budget largely due to programme slippage on

<sup>1</sup> In a programme as complex as the Investment Programme, TfL recognises that there will be circumstances largely outside of its control which will lend to unforeseen delays and other changes. Overprogramming recognises this fact and enables TfL to mitigate this risk.

<sup>2</sup> Investment expenditure includes expenditure of a capital nature but which is delivered through PPP, PFI, through the London Boroughs or other contractual arrangements and therefore is treated as operating expenditure in TfL's Statutory Accounts and development work up to Transport Works Act Order.

Blackwall Tunnel Northbound (following a review of scope and procurement strategy taking in to consideration timing of events in the area), East London Transit (due to delay in consents for the approval of the route), London Hydrogen Partnership (following a requirement to retender the contract) and the West Ham Bus Garage (due to delay in securing planning consents).

- 7.4 For London Rail, capital expenditure for the year to date was in line with budget. There was lower expenditure on Stratford International and higher expenditure on the East London line. The rephasing of expenditure into next year including £4.1million for Olympic Railcars, £4.1million for 3-car Bank-Lewisham works due to a revised programme of works and £2.1m on Stratford International due to delayed acquisition of NR land corridor accounts for the majority of the full year forecast at £12 million lower than budget by the year end.
- 7.5 Capital expenditure in the Group Directorates was £19 million below budget for the year to date largely due to a delay in the Marketing and Communications Customer Services Integration Project (CSIP) project, and, the deferral of the Integrated Transport Smartcard Organisation (ITSO) project in the Finance directorate (offset by lower capital re-imburements as the project is fully funded by the Department for Transport). The forecast full year variance is just £1 million lower at £20 million lower than budget. Although the expenditure shortfalls due to ITSO and CSIP increase further, expenditure by Group Services is forecast at more than budget due to additional works on the new Palestra building, although this is funded partly by the climate change fund and the use of group contingency.
- 7.6 The capital income full year forecast is £15 million higher than budget mainly due to London Underground Hammersmith property sales brought forward from 2008/09, partly offset by deferrals of Harrow Pinner Road and St Johns Wood Underground property sales.

#### **Indirectly Managed**

- 7.7 The majority of the capital expenditure which is being indirectly managed is undertaken by Tube Lines and Metronet Rail under the PPP contract and is financed as part of the Infrastructure Service Charge.
- 7.8 It should be noted that the budget against which Metronet performance is measured reflects the latest approved Annual Asset Management Plan (AAMP) for the Infracos. However, agreement of the most recent AAMP was not achieved and the budgets are therefore based on their 2005/06 plan.
- 7.9 At quarter 2, the £225 million forecast variance against budget is largely accounted for by accelerated spend on rolling stock and signalling design for upgrades by Metronet, station modernisation and refurbishment costs for all Infracos reflecting Metronet activity to close out late stations and high levels of site activity and for Metronet BCV track to reflect the current run rate of activity and catch up of work. This forecast looks optimistic in the light of Metronet entering administration. LU is working with Metronet to gain an improved forecast data for Metronet in the next quarter.
- 7.10 The annual forecast for Tube Lines has been increased by £40 million as the December 2006 AAMP submission figures have been used. These show an increase in spend by Tube Lines on station works and signalling compared to their previous plans.