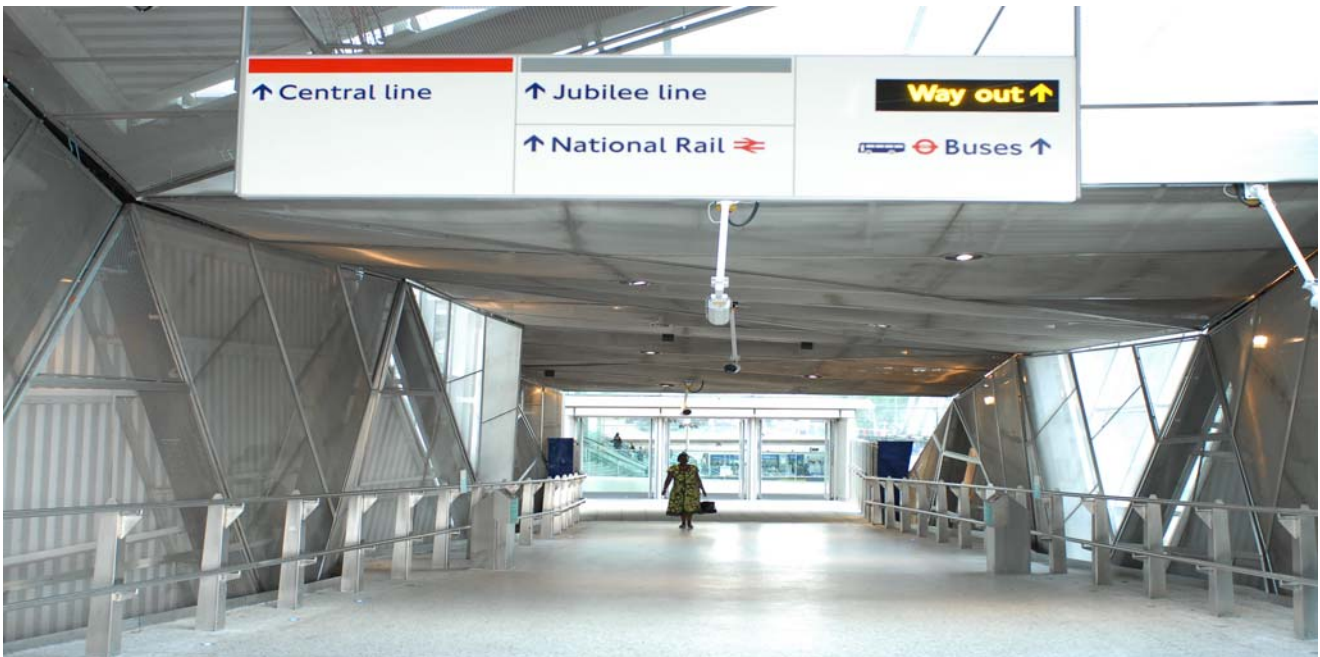




**Cover Image:** The new DLR platform situated on the mezzanine level of Stratford station connecting directly into the Jubilee Line station building and providing improved passenger waiting facilities, CCTV, information services and seating. The first platform opened on 18 June and will facilitate the increase in passengers at Stratford over the next few years as a result of the opening of the Stratford International station, ongoing development of Stratford City and the London 2012 Olympic and Paralympic Games. Further images are shown below.



## Transport for London

### Investment Programme Report

#### First quarter, 2007/08 (1 April 2007 –23 June 2007)

## 1 Programme Highlights

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- 1.1 TfL's Investment Programme this quarter generally continued to progress as planned. A number of key milestones detailed in this report were met in the period, as well as seven from the second quarter. The majority of the top 10 key projects are achieving key milestones with three (Tottenham Court Road Congestion Relief, Thames Gateway Bridge and West London Tram) showing slippage against milestones.
- 1.2 The key highlights from the first quarter of 2007/08 were:
- On 25 April 2007, LU appointed Mott MacDonald to be lead consultant for the detailed design through to construction of the Victoria Station upgrade.
  - Taylor Woodrow was appointed as contractor on 3 May 2007 for the £200m DLR infrastructure works to enhance capacity on the DLR network from two to three cars.
  - On 9 May 2007, following the Mayor's approval for the implementation of the proposed London-wide Low Emission Zone (LEZ) in February 2008, a major public information campaign commenced. LEZ registration went live on 30 July 2007.
  - The public consultation on route options for East London Transit phase 1b started on 24 May 2007 and finished on 13 July 2007.
  - The Docklands Light Railway (DLR) opened the first of the two new platforms at Stratford station on 18 June 2007.
- 1.2 Post quarter events include:
- 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.
  - On 26 July 2007, the Secretary of State called for further review of TfL's planning application for the Thames Gateway Bridge.

The appointment of an Administrator for both Metronet Rail BCV and SSL on 18 July 2007 is not expected to have an immediate impact on the delivery of the investment programme and its impact has not been assessed on relevant forecast milestone delivery dates given in this report.




## 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) covers 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.

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 with only snagging and assurance closeout ongoing.

Phase 2, including the Northern Ticket Hall, is continuing on site. There are delays to the tunnelling work due to complexity of the works and delays in gaining assurances. A recovery schedule is being developed including increasing the number of shifts 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.

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.

### 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 TfL Board agreed that the TWA Order would be submitted in November 2007. Asbestos removal is ahead of programme in four of the five work packages. The multi-disciplinary consultant has completed submission of the TWA Reference drawings ready for the submission and will commence the Stage E design in Quarter 2. The LU project team held two Pre-TWA public exhibitions. The main construction works are still planned to start on site in October 2009.

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 4 2014.

### 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	31-07-2008	■

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.

Halcrow Group was appointed to undertake the detail design works on 21 May 2007 which was delayed due to an extended tendering process. Consequently, Halcrow's design programme indicates that the completion of stage E design will be completed later than originally envisaged although this does not affect their overall design programme. They have completed their review of the stage D report. Diversions of sewers, telecommunications, gas, electric and water pipes are continuing. These works will take 18 months 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. The expected Royal Assent date has now been delayed to May 2008 from December 2007.

## 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	31-10-2007	●
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.

For the Victoria Ground water trial, the system was commissioned in August 2006 with the trial due to last a year. However, as certain elements were not commissioned until Spring 2007, the trial end date has been extended but the trial life 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	■
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 upgrade now due for completion in Quarter 2. The slippage is due to various activities including the training of service operators and assurance issues.

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.

The first train, Train 1, was delivered to London in May, three months later than the accelerated baseline programme. Testing is underway on the Victoria Line during non-traffic hours. Production of Train 2 has slipped further, with delivery now forecast for April 2008 (from September 2007).

The System Control Centre (SCC) building was handed over in July to Metronet for the installation of signalling equipment. Tenders for the service control line management are being assessed and two companies will proceed to the next stage.

The productivity in the track programme is expected to improve with the approval of lengthened engineering hours to 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 these rolling stock and signalling 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	October 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 October 2008, six months later than planned. Overall, completion of the Jubilee Line is still forecast before the contract date of December 2009.

On the Northern Line upgrade, Train 1 commissioning is due in the second 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.

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	31-12-2007	■
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.

50 D-Stock trains were available for service on 30 June 2007, 66% complete and ahead of target. Trains 51 & 52 were returned to service at the end of July 2007. S-Stock detailed design is near completion with the completion date scheduled for December 2007.

The interfaces and interoperability of the signalling systems between the SSL network and Network Rail continues 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 re-assessment will be completed by September 2007. Intrusive surveys have begun at these stations. Alternative solutions including Selective Door Opening are under investigation.

## 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	31-12-2007	●
Commence Bridge GE19 Demolition	31-12-2007	31-12-2007	●
Main Contractor Takes Occupancy of ELL Track way & Stations	31-03-2008	31-03-2008	●
Test Running	31-01-2010	05-06-2009	●
Completion	29-06-2010	07-11-2009	●

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, termed 'London Overground'. The Overground concession contract was awarded to 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 Office of Rail Regulation and Network Rail have now agreed in principle to a 20 year track access option for the line south of New Cross Gate.

The main works contractor has now been awarded the contract for the rolling stock maintenance facility at New Cross Gate and has successfully achieved five short term critical milestones, with a sixth on programme for completion later this summer. The rate of production of the design submissions by the design sub-contractor, Scott Wilson, has been disappointing and senior management meetings have been held with the relevant parties to agree corrective action. A detailed monitoring regime has also been put in place to measure the effectiveness of these measures.

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	05-06-2008	●
Trains in Service - NLR	31-12-2008	24-10-2008	●
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, providing for three additional 4-car dual voltage units and 24 cars to lengthen the North London Line 3-car fleet to 4-car.

The project is currently in design stage, with the concept design reviews now being effectively complete and the next stage of reviews well under way. The first unit body-shell is due on the production line in September 2007.

## 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	31-08-2007	■
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 contract was let in May 2007 to Taylor Woodrow, which delayed the planned start on site. The first planned possession is in October 2007 at Canning Town. Completion of the Phase 1 works on the Beckton Depot expansion has been delayed, but does not impact on operations or the rest of the project. Due to the poor performance of the contractor, Carillion, the second stage of the depot expansion has been awarded to a different contractor, Serco, who have started to establish a presence on site.

## 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	▲
Completion of tunnelling	31-08-2007	23-07-2007	Completed
Completion of track works	31-03-2008	31-03-2008	●
Project completion	31-01-2009	31-01-2009	●

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

Boring on the second tunnel started on 14 March 2007 and good progress was made in the quarter such that the time lost on the first tunnel was recovered and the breakthrough was made ahead of schedule on 23 July 2007 attracting widespread media coverage. Work on the Thames Intervention Shaft is continuing but is progressing slower than planned due to unexpected ground conditions, but this is not expected to impact the scheduled completion date. Good progress is also being made on Woolwich Arsenal station.

This project was subject to an Independent Engineer review. The overall view was that the construction of the transport infrastructure is proceeding well and that the project is likely to prove successful overall.

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.

The contract for Package 6 (conversion of the North London Line south of Stratford to DLR) was awarded in June 2007, so all the main contracts have now been placed. There have so far been three successful Network Rail possessions to divert cabling.

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	24-08-2007	●

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 SLC2k which is to be introduced in January 2011.

The GRIP 2 (pre-feasibility design options) deliverables have now all been completed. The output of this identified significant affordability issues, which are being addressed through value engineering. GRIP 3 (single option development) is underway and it is anticipated that cost estimates will be available by the end of the second quarter. The ODA funding agreement for the project is conditional on completion of GRIP 4 by August 2008.

## 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	tbc	
Approval of Option Refinement (achieve Design Freeze 2)	30-11-2007	tbc	

The public consultation on the route options was successfully completed at the start of 2007. Further road shows and exhibitions of the proposals were held in the first quarter of 2007/08. Technical assessments of the different strategic route options have been provided, which the project team is reviewing ahead of wider stakeholder engagement to achieve adoption of the preferred route.

Post quarter, the route alignment design and assessment and update of the business case continues and the results of the public consultation on route options are due to be published shortly. However, as funding to seek powers and implement the scheme has yet to be identified, conclusion on the preferred route alignment will follow an assessment of funding, relative priority and review of options.

The future programme and milestones are subject to the outcome of the SR2007.

### 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.

Extensive assessment has been undertaken to determine the best value for money option for the extension and the results of the public consultation published. The project team is

developing the business case in preparation for making a preferred route recommendation to TfL senior management.

The LDA planning application for Crystal Palace Park is due to be submitted in October 2007. TfL has been working very closely with the LDA in developing a scheme that is compatible with the Tramlink Extension. Within the application the LDA will show the area dedicated for the tram and bus/tram interchange.

As funding for this proposal has yet to be identified, conclusions on the preferred route and timetable for delivery will follow a wider review of funding and relative priority.

## 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 (based on 3 months after SoS approval)	tbc -following the recent SOS decision to re-open the public inquiry a revised programme is being compiled.	■
TGB handed over to Surface Transport	30-11-2007	tbc – this will not occur until completion of the re-opened inquiry	■

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. TfL is examining in detail the recommendations made by the Inspector and will provide an update on the decision and next steps at the October meeting of the TfL Board.

## 2.19 West London Tram(\*)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
TfL Board submission for approval to deposit (TWO) Application	30-11-2006	n/a	■
Deposit (TWO) Application	31-03-2007	n/a	■
End of objection period	18-05-2007	n/a	■

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 project team are finalising the business case and scheme documentation to seek Board authorisation to make the TWA application.

Following the end of the quarter, 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

subject to a positive announcement on Crossrail and the development of an effective bus based alternative with the relevant boroughs.

### 2.20 Stratford Regional Station Upgrade

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Obtain Planning Consent and Powers	31-08-2006	14-11-2006	Completed
Complete Scheme definition and programme	30-03-2007	30-03-2007	Completed

This project is to undertake the scheme definition for the Stratford Regional Station upgrade. Stratford Station is an Olympic Critical Interchange Station which is surrounded by a major property development, the Stratford City Development. Overall completion to meet the Olympics programme is Quarter 4 2010.

The project was handed over to the ODA on 30 June 2007, which is taking over responsibility for the implementation of the scheme. LU continues to act as sub-contractor.

## 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).

Following operational input, the scope of Southfields has been increased to incorporate the ticket hall reconfiguration. An integrated step-free access and station refurbishment Concept Design (Phase 2) commenced in April 2007. The Local Authority has confirmed that step-free access works can be undertaken as Permitted Development, which means LU is not required go through standard planning requirements.

Baker Street is in Concept Design (Phase 2) stage as an integrated scheme with the PPP Modernisation. The programme is currently on target to meet the Olympic delivery date.

The Concept Design stage (Phase 2) has commenced for Green Park.

This project was subject to an Independent Engineer review which concluded that the stations should be delivered in time for the Olympics, with risks to the schedule mitigated by compressing and overlapping key activities.

### 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	31-10-2007	●

This project enhances the emergency services' communication system on the Underground by expanding coverage and capacity. The contract was awarded in January 2007 and all work is now progressing as planned with a total of 113 from 117 Enhanced Base Transceiver Systems swapped out. The East London Line is complete and has been accepted by the National Policing Improvement Agency.

## 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	31-08-2007	■
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.

There have been issues with the vehicle installation quality at the First Garage resulting in delays to the completion of the First Garage Acceptance. Siemens has recognised the need for a different approach to the delivery of services and a recovery plan is being discussed.

### 3.5 A406 Bounds Green

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Compulsory Purchase and Side Road Orders	31-05-2007	29-08-2007	Completed
Public Inquiry	21-04-2008	21-04-2008	●
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.

After some delays, the London Borough of Enfield approved the planning application and London Borough of Haringey has advised that they too will be approving TfL's proposed scheme. It is not yet clear if the London Borough of Barnet will be taking their objection further.

### 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 investment programme is currently in the preliminary and detailed design and consultation phase of the project. Implementation of physical bus priority measures on the

TLRN remain on target for 8 Bus Lane Schemes to be completed by the end of the financial year. The completion of the bus lanes this year, are forecast to provide the additional target bus lane kilometre hours per week.

### 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	31-12-07	■

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.

Palmers Green is the fourth depot to migrate and the transition was effectively accomplished at the beginning of June 2007. Plans to migrate bookings and scheduling are currently being undertaken locally at Orpington and Woodford and have incorporated previous lessons learned. A final order for hardware has been placed.

### 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	●
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.

With all key approvals for Scheme Order granted, a large scale public and operator information campaign started in June 2007 and enquiries have been increasing since. Vehicles are now able to register with TfL prior to the commencement of operations on 4 February 2008.

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

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Public Consultation Report complete	25-07-2006	31-08-2007	■
Detailed design complete	29-09-2006	31-08-2007	■
Invitation to Tender	23-03-2007	13-08-2007	■
Service starts	16-02-2008	17-10-2009	■

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 has led to the procurement activity starting later than originally planned and has impacted on the start date for the service. Further delays have been incurred with the modelling work have resulted in the business case now being submitted to the PRG in September (it was scheduled to be presented in August). An agreement is to be drafted tying in the assignment of the

Barking town centre route to the provision of funding for a market square. Positive discussions are ongoing to resolve a range of lower level issues.

### 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.

The delay to service commencement reflects additional time that has been included in the programme arising from the complexity of the implementation which became apparent through detailed planning. Land ownership issues are being clarified along the route to start the Compulsory Purchase Order process. A Strategic Urban Realm Plan has been produced to address urban realm issues. TfL is now in discussions with the LDA and Berkley Homes over accountability for delivering improvements to the Royal Arsenal Development.

### 3.11 DLR Dagenham Dock Extension

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Submit TWA Order Application	31-01-2008	31-01-2008	●
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 preparation for submitting the TWA in January 2008. The second phase of public consultation has commenced after 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 have also been planned to take place in Dagenham, Beckton and Rainham.

## 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 2.2km against the 1.3km planned in Quarter 1.
- Lifts and escalators – 3 escalators have been refurbished in Quarter 1 out of 3 escalators for the current plan.
- Stations – 16 stations have been declared by Tube Lines as being practically complete. LU has agreed ten of these stations.

#### Metronet SSL

- Track – completed 3.8km of the 4.7km planned in Quarter 1
- Lifts and escalators – in Quarter 1, one escalator has been refurbished in accordance to the plan.
- Stations – Zero stations have been completed to date but 4 stations have been declared this year.

#### Metronet BCV

- Track – 1.6km of the 1.6km planned in Quarter 1 have been completed.
- Lifts and escalators – two escalators have been refurbished according to plan.
- Stations – One station has been completed to date and two stations have been declared this year.

Metronet's station programme is severely delayed with all 14 SSL and 11 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 to October 2007 (from July 07) and September 2007 (from June 07) respectively due to software development issues experienced with the One Person Operated Train (OPOT) Alarm. This however should not affect the end date of April 2008 for all systems go-live.

#### 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 on 2 August.

For the Central Line Power Upgrade, the outline design is underway with this stage due to be completed by September 2007.

For the Northern and Jubilee Line Power Upgrades, the conceptual design work is now complete. Work is underway on scoping and development with the report due next quarter. Early indications are a major reduction in the scope for both lines.

## 5. Olympics

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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 800 individuals have commenced or completed their assessment, 696 individuals have attended PYRAMID courses and over 100 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 interventions which are commencing in September 2007. Nominations have been received from across the business and bookings are in the process of being confirmed.
- 6.5 The PPM Event was held on 15 May 2007. The event was held at the new Arsenal Emirates Football Stadium and nearly 400 people attended from across the PPM community. The event included contributions from a range of TfL's senior project managers, as well as the Commissioner, Peter Hendy, and the Chief Executive of the ODA, David Higgins.
- 6.6 Feedback received was very good with more than 99% of attendees agreeing that they: found the event enjoyable, found it valuable to learn about projects in other areas of TfL and would like to attend future events held by PYRAMID. As a result PYRAMID is now developing a programme of lunchtime seminars over the next 12 months as well as another PPM event next year.

## 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>	79	(22)	409	423	(14)
Surface (after overprogramming)	36	(15)	259	318	(59)
London Rail	52	(12)	424	427	(3)
Group Directorates	4	(10)	73	70	3
Overprogramming (group level only)		16	(20)	(70)	50
<i>Total Capital Expenditure (after overprogramming)</i>	<b>171</b>	<b>(43)</b>	<b>1,145</b>	<b>1,168</b>	<b>(23)</b>
Development & Borough Expenditure	28	(7)	248	237	11
<i>Directly Managed Expenditure</i>	<b>199</b>	<b>(50)</b>	<b>1,393</b>	<b>1,405</b>	<b>(12)</b>
<i>Indirectly Managed Expenditure</i>	421	135	1,226	1,229	(2)
<b>Total Gross Investment Expenditure</b>	<b>620</b>	<b>85</b>	<b>2,619</b>	<b>2,634</b>	<b>(14)</b>

Tables may be subject to rounding errors

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

Total gross investment expenditure for the period was £85m over budget with a £50m under spend in directly managed expenditure offset by an overspend in indirectly managed expenditure.

### Directly Managed (Including Capital Expenditure)

Year-to date capital expenditure (after overprogramming) was £43m below budget due to the following reasons:

On the Underground, capital expenditure was £22 million below budget in the first quarter due to the re-phasing of accommodation, station congestion relief, accessibility and

<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 lead 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.

communications projects. The full year end capital expenditure forecast demonstrates a partial recovery, to £14 million below budget, as work on congestion relief and accessibility projects will accelerate to deliver on schedule.

Surface Transport capital expenditure in quarter one was £15 million below budget as a result of the deferred West Ham Bus Garage scheme, delayed bus infrastructure projects and programme slippage on East London Transit and Greenwich Waterfront Transit. Full year capital expenditure is forecast to be £59 million below budget largely due to programme slippage on West Ham Bus Garage (and the consequential reduction in third-party funding), East London Transit, Greenwich Waterfront Transit, Ticket Technology, Blackwall Tunnel and A316 Country Way. A re-classification of £16.8 million of the full year Surface Transport capital expenditure budget, to operating expenditure, will be processed for reporting next quarter.

For London Rail, capital expenditure for the year to date was £12 million below budget, due to budget phasing issues associated with Stratford Regional and International stations. However this variance is forecast to reduce to £3 million lower than budget by the year end.

Capital expenditure in the Group Directorates was £10 million below budget in quarter one, largely as a result of lower than budgeted expenditure of £2.8 million on the Group Marketing and Communications customer services project and lower than budgeted expenditure on IT projects in Finance of £5.9 million. The year end position for Group Directorate capital expenditure is forecast to exceed budget by £1 million.

### **Indirectly Managed**

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.

At quarter 1, the £135m variance against budget is accounted for by accelerated spend on rolling stock and signalling design for upgrades by Metronet of £49m, station modernisation and refurbishment costs of £65m for all Infracos reflecting Metronet activity to close out late stations and high levels of site activity and £21m for Metronet BCV track to reflect the current run rate of activity and catch up of work. It should be noted that the budget against which 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.