

TRANSPORT FOR LONDON

BOARD

SUBJECT: THE COMMISSIONER'S REPORT

DATE: 12 MARCH 2008

1. PURPOSE

This report provides an overview of major issues and developments since the Board meeting on 6 February and updates the Board on significant projects and initiatives.

2. PERFORMANCE REVIEW: 2000 / 2004 / 2008

At its last meeting the Board requested a summary of passenger numbers and service statistics showing comparisons from 2000 to 2004 and from 2004 to 2008. The headline passenger and service statistics have been set out as an appendix to this report.

In terms of numbers of passengers, bus journeys have grown by over 53 per cent since 1999/2000, from 1.3 billion a year to nearly 2 billion. Bus kilometres operated have risen by a third in the last eight years and excess wait time has been reduced by nearly 50 per cent. The average number of passengers per bus has also increased by 25 per cent since 1999/2000 (based on the 07/08 Period 11 forecast and using a new methodology).

Tube journeys since 2000 have increased by nearly 20 per cent and are forecast to be over 1 billion for this financial year. On 7 December 2007 a new daily record of an estimated 4.17 million passenger journeys was established for the Underground. Underground kilometres operated have increased by 13 per cent in the last eight years.

Between 2000 and 2008 DLR journeys have more than doubled and are forecast to be 66 million this year. DLR train kilometres have increased by 73 per cent. The DLR continues to surpass performance targets for both train punctuality and reliability. Customer satisfaction surveys reflect this with recent scores at the end of 2007 seeing a record return of 97.9 per cent of passengers giving a very high, high or satisfied response to the overall performance of the railway. Although London Overground has only been running services since November 2007, the latest Public Performance Measure (percentage of trains that arrived within 5 minutes of their timetabled

arrival time) was 92.24 per cent compared to 90.12 per cent for the same period a year ago.

The introduction of Oyster means that cash fares now comprise 1.6 per cent of all bus journeys and 3.5 per cent of Tube journeys. This compares with 17.9 per cent for buses and 18.8 per cent for the Tube in 2003/04, and 25.5 per cent for buses and 20.7 per cent for the Tube in 1999/00. Pay as you go journeys now account for 16.8 per cent of bus journeys and 29.7 per cent of Tube journeys. PAYG was introduced in January 2004 on the Tube and May 2004 on buses; users were initially drawn from cash fare payers but have increasingly come from day ticket users and, to a lesser extent, from season ticket users.

The latest MPS/TfL crime figures show that crime on London's buses is 11 per cent lower than a year ago. The reduction in crime, now just 15.3 crimes per million passenger journeys, has been delivered while bus passenger numbers continue to rise (up approximately 7 per cent over the same period). Crime on LU/DLR was also down by 2 per cent in 2006/7 compared with previous year and, in terms of crimes per passenger, 17 crimes were recorded for every million passenger journeys on the LU/DLR networks in 2006/7, a 7 per cent improvement on the previous year. For the first three months since London Overground started in November 2007, reported crimes were down 40 per cent on the same period last year, and revenue is an average of 17 per cent up on the same period last year.

The level of traffic within the congestion charge zone is down 21 per cent since its introduction, while congestion has fallen by overall by 8 per cent, with road works by statutory authorities contributing to a recent increase in this figure. Traffic in the western extension of the scheme, which was introduced in February 2007, has fallen by 10-15 per cent compared with 2006.

Growth per year in the average number of people cycling on the TLRN increased between 2000/01 and 2003/04 by 17 per cent, and by a further 64 per cent to 2007/08. Overall in this period cycling on the TLRN increased by over 90 per cent.

In terms of TfL's work with the boroughs, the funds distributed to the boroughs have nearly doubled from the Government Office for London's last allocation of £82m in 1999/2000 to TfL's latest grant of £161m in 2007/08.

In the period between 1999 and 2006 there was an increase in the proportion of trips using public transport by just over 5 per cent. No other major city in the world has achieved this change in modal share.

Finally, no account of progress and change since 2004 should omit reference to the terrible and tragic events on 7 July 2005, when 52 people died in the concerted attacks on London's transport system. That the bus system was able to carry Londoners home, and that the transport systems were up and running the following day, demonstrates the remarkable resilience of London's

transport workers and the resilience and inherent performance of the networks under our control.

3. MODAL OPERATIONS

3.1 Surface Transport

Low Emission Zone

On 4 February, phase one of the Low Emission Zone project (HGVs over 12 tonnes) was launched successfully. London now has the world's largest Low Emission Zone. All core entry signs are in place and the scheme is fully enforceable. Vehicle compliance with the LEZ emissions standards has been higher than forecast, with an average daily non-compliance rate of 7 per cent in the week commencing 4 February. This is down from 25 per cent non-compliance when monitoring first began in May 2007. The launch achieved coverage across a wide range of media including national, local, London regional and BAME. A two week campaign programme publicising the LEZ scheme achieved high levels of pre-launch coverage across national, local, London regional and BAME media with 79 per cent being positive. The launch itself also achieved wide media coverage and nearly 60 per cent of coverage during the reporting period remained positive.

Walking & Cycling Strategy

On 11 February, the Mayor announced a package of measures to create a new network of quick, simple and safer routes for cyclists and pedestrians that will change the profile and priority of walking and cycling on London's streets. There are three programmes for cycling: bike hire to make short hops in central London; cycle corridors to concentrate and grow commuter flows; and bike zones to help people cycle local trips in inner and outer London. There are two programmes for walking: Legible London to make walking easier in central London; and Streets of Gold, to get more people walking in inner and outer London. The launch received 84 per cent positive coverage across a wide range of media.

Hammersmith Bus Station

On 16 February, the new extension to Hammersmith bus station opened. The extension has been built to relieve overcrowding, improve accessibility and provide more room for both passengers and buses. The bus station is now split over two levels. The new extension is on the lower level and is connected to the existing bus station by a walkway, escalators and lifts.

International Benchmarking for Traffic and Asset Management

TfL is to establish an international benchmarking club of cities, to identify worldwide best practice in traffic and highway asset management. The club will benchmark investment cases and methods, asset management cycles, data management, communications systems, measurement of asset and network performance and key performance indicators. The knowledge gained will benchmark TfL's capabilities against comparable world cities.

An initial study carried out in spring 2007 and a TfL organised forum at the ITS World Congress in Beijing in 2007, revealed several cities with an interest in a benchmarking approach. Further to this, TfL and the cities of Brussels, Istanbul, Rome and Paris, submitted a proposal to the EC for funding to progress this benchmarking initiative. The proposal passed the required evaluation threshold and the EC has agreed to fund the initiative, providing €190,000 to TfL over a 2 year period, from June 2008 to June 2010. The total award for the initiative is €950,000.

5th Anniversary of the Congestion Charge

On 17 February the Congestion Charge marked its fifth anniversary. Introduced in 2003, the scheme has helped London become the only major city in the world to see a significant shift from private car use to public transport, walking and cycling. The charge has also paved the way for other ground-breaking initiatives such as the Low Emission Zone.

Bus, Tram and Dial-a-Ride Awards

On 5 February, the annual Bus, Tram and Dial-a-Ride Awards were held at the Gherkin building. Mel Tricker, previously of TfL Revenue Protection, received an award for his Contribution to the London Bus Industry and the Dial-a-Ride Travel Assistance Team picked up the award for Contribution to the London Dial-a-Ride service.

Bridge Strike - Route 24 Bus

On 11 February a route 24 bus travelling southbound struck a railway bridge on Prince of Wales Road resulting in six passengers being taken to hospital. All have since been discharged. The bus was on diversion due to the Camden fire investigation. The bridge on Prince of Wales Road is arched and is 16 foot 6 inches high in the middle, and can be used safely by double deck buses (which require a clearance of 14 foot 9 inches) when they stay in the correct position in the road. The operator, London General, and the Police are investigating the incident.

3.2 London Underground

Metronet

The plan to pay the Put Option that I described in my report to the last meeting went smoothly. The Put Option was paid on 12 February and the security was transferred to London Underground by the Administrators following a court direction issued on 5 February.

TfL and LU are now dealing with the last remaining points that need to be finalised in order to have a final transfer scheme for approval by the Finance Committee and the Mayor. Once the scheme is finalised and full agreement has been reached with the Administrators, a period of several weeks for consultation with creditors is expected. There will need to be at least one subsequent court hearing, and it is hoped that transfer to the TfL nominee companies can be implemented immediately after this takes place. I remain unable to give a precise date for transfer at this time as there are still a

number of factors outside of TfL's control that may influence precise timing, but remain hopeful that this will happen early in the new financial year.

Jubilee Line Detrainment Incident

On Tuesday and Wednesday 5 and 6 February the Jubilee line suffered two days of service interruption affecting 3 peaks. The Wednesday morning peak incident stranded nine trains at around 07:30. All but one of these trains was recovered to platform swiftly. The remaining train was unable to release its brakes as its air supply required to achieve this had leaked off. The train was approximately 300 metres north of Bond Street platform and was stalled for an hour and a half. In that time, efforts were made to move the train including coupling it with another train assisting from the rear but without success. Consequently the decision was taken to detrain to track and some 440 people were walked the 300 metres to Bond Street station. There were no injuries and all were in good spirits although massively inconvenienced. The root cause was later found to be a steel earthing strap on a recently modified train. This was swinging free and creating a positive earth, causing trains in the area to detect a problem in the power supply system and shut down. Tube Lines have reviewed their work systems to prevent this happening again.

Employee Relations

The RMT and TSSA have declared that they are in dispute with LU over a series of issues despite all of these being addressed through the normal ongoing consultation process. Amongst nine common issues, the following have been put into dispute, with both RMT and TSSA demanding: a halt to the review of Ticket Offices; adoption of the same operating model at the ex-Silverlink stations as applies at other LU stations; and that LU staffs the new Heathrow Terminal 5 station (which is owned and managed by Heathrow Express). Both Unions have threatened strike action and TSSA has commenced balloting its members, a process that will conclude on 11 March. At the time of writing, similar notice had not been received from RMT. In an attempt to resolve these issues and avoid potential industrial action, all parties have agreed to further discussions in early March. An oral update on these will be given at the meeting.

3.3 London Overground

I visited London Overground Rail Operations Limited's headquarters at Swiss Cottage on 15 February and it was clear that LOROL had set up an integrated HQ and a comprehensive training facility, designed to facilitate the recruitment process currently underway. The integrated control room is still under construction, but when completed, will provide extensive passenger information across the Overground network from the centre of operations.

Improvements are being made to customer services at stations with all staff wearing a new London Overground uniform and station painting and repairs underway. There is, however, still considerable scope for improvement to be made in the areas of information provision on service disruption.

To date, a total of five Class 313 units have received the fleet refreshment package and LOROL is progressing the development of a number of other schemes to improve train comfort. The lease for the eight Class 172 diesel units for the Gospel Oak-Barking service was signed during Period 11.

The Change of Control resulting from the impending purchase of Laing Rail by Deutsche Bahn is progressing.

Performance

The performance of the London Overground continues to show a positive trend. In Period 9, the start of the concession, the Public Performance Measure (PPM) was 88.4 per cent and during the latest complete period, Period 11, the PPM was 92.24 per cent. However, excellent performance continues to be frustrated by the old, unreliable fleet, high level of peak crowding and delays caused by 'out of path' freight on to the North London Line. Recently problems have been compounded by infrastructure failures including cable theft from a section of track in the Gunnersbury area and power failure in the Willesden Area. The major fire at Camden Market impacted operations for four days although once the fire had been extinguished, the contingency plans put in place worked well.

LOROL is undertaking a full review of their contingency plans and updating their processes to implement better dwell time management by train conductors and station staff, and through the agreement of Network Rail, a restructuring of Network Rail's operational focus on London Overground services, although the latter is yet to be introduced.

Shepherd's Bush

Network Rail and Westfield are making good progress towards a technical solution to the 'narrow' north-bound platform at Shepherd's Bush. This will provide for the platform to be increased to a minimum width of 4m along a 4-car length, including the former pinch point at the bridge pier. The parties are seeking to open the station at least 4 weeks in advance of the opening of the shopping centre.

DLR Performance

DLR performance in the first quarter of 2008 was in line with expectations, although lower than recent levels. Unfortunately, performance was also affected by the heavy demand generated from the spike in Jubilee Line failures around Canary Wharf. The opening of Langdon Park station has resulted in a significant growth in passenger numbers with an additional 80,000 journeys during the last period.

Oyster on National Rail

The project to roll out Oyster PAYG ticketing to all of London's National Rail services is being taken forward in two phases. Phase 1 involving 3 TOCs (One, C2C and Chiltern) was completed to schedule on 2 January 2008. Phase 2 work is continuing with the finalisation of the agreements with the other TOCs and the ongoing development of the central systems software.

Wherever possible, the opportunity will be taken to introduce additions to the PAYG network on a TOC by TOC basis in advance of a wider rollout in 2009. The DfT are now participating in TOC/TfL discussions to agree fare changes so that PAYG retains its best value proposition.

4. MAJOR PROJECTS AND INITIATIVES

Crossrail

On 7 February there was a major cable strike accident on a Crossrail geotechnical site, the works being undertaken by Fugro Ltd and supervised by GCG. This resulted in a member of Fugro staff receiving severe burn injuries. The casualty is stable but still in a critical condition. Work has been suspended and the H&SE, the Metropolitan Police, EDF and CLRL are each conducting investigation as to the cause.

The Crossrail Bill continues to make good progress. The petitioning period for the House of Lords Select Committee closed on 30 January with 113 petitions being received. This is a lower number than had initially been expected. Committee sittings began on 19 February with opening submissions. The first petitions hearings started on Monday 25 February.

The Access Option hearing with the Office of Rail Regulation took place on 1 February and a decision is now awaited. The access option provides the ability for future Crossrail services to run on the National Network. Although the indications are positive it is thought some further work may be required on the control of change.

The key project agreements are scheduled to be concluded in July. The Pre-Agreement Sponsor Board workshops on 13 and 15 February provided useful clarification of a number of principles in particular with respect to CLRL's role as programme manager, delivery agent and nominated undertaker.

North London Railway Infrastructure Project (NLRIP)

The Invitation to Tender for the main works was issued in February 2008 to four interested parties. This will allow for TfL Board approval prior to the award of the contract later this Spring. The joint project team of London Rail and Network Rail will co-locate in mid March 2008. The Track Access Option has been drafted and submitted to Network Rail for agreement. However, Network Rail still have a few concerns regarding a satisfactory maintenance regime post completion of the upgrade work, discussions are still continuing. Onward transmittal to the Office of the Rail Regulation by Network Rail is planned for the end of February 2008.

London Overground Rolling Stock

Manufacture of the first unit commenced on 11 February 2008, 35 days behind programme following delays to material supply. A recovery programme has been received from Bombardier which shows completion of this unit in time for track testing on 23 June 2008. However, a full buy-in from

Bombardier's suppliers is required before this programme is accepted by the project.

East London Line Extension

The main works contract to construct the extended East London Railway is well underway with detailed design and approval work progressing. The first two implementation milestones for 2008 have been completed ahead of schedule. A revised baseline programme was submitted by Balfour Beatty Carillon (BBC JV) and accepted by the project. This programme incorporates a 13-day extension to the completion of works by BBC JV, reflecting the inclusion of the Whitechapel route protection works designed to facilitate Crossrail through Whitechapel without further closure of the East London Line when the Crossrail main works commence. The assembly of the bridge steelwork for the structure at Shoreditch High Street which is scheduled to be erected by 29 March 2008, has commenced in Bishopsgate Goods Yard. The steelwork for the new GE19 Bridge (across the main line at Liverpool Street Station) and New Cross Gate flyover is being assembled on site in preparation for the launch of both structures during May 2008. Steelframe erection of the New Cross Gate Rolling Stock Maintenance Facility is progressing. A letter of approval for the Track Access Option for East London Line train services from the ORR has been received.

East London Line Phase 2

Discussions continued with DfT on the value of completing ELL Phase 2 by 2012 to provide an alternative service for passengers displaced by the Thameslink blockade at London Bridge from 2012.

Docklands Light Railway

The 3-car and Stratford International projects have both entered a period where passengers will see extensive planned weekend disruption – the plan has been carefully crafted to fit with LUL closures; an extensive communication plan has commenced. The three initial vehicles required for operational testing have now been delivered to London from Bombardier's German depot and a public launch is planned.

Progress continued to be good on the Woolwich Arsenal Extension with the installation of the track work is now complete. Trackwork has also progressed well in preparation for the tie-in at King George V. Fit-out of the station remains on plan and the opening date remains as 28 February 2009.

Following the Board's endorsement for the Dagenham Dock Transport and Works Act application, a submission to the Secretary of State is projected for late April 2008.

Stratford Station Upgrade

The station upgrade project gives cause for some concern given Network Rail's unilateral decision to close the footbridge linking DLR's new £20m station to the suburban lines at Stratford. Following high level intervention, Network Rail are giving consideration as to how the footbridge might be reopened sooner than the 2009 scheduled date.

5. CORPORATE ACTIVITIES

5.1 Planning

CO2 Charge (Emissions Related Congestion Charging)

On 12 February, the Mayor announced the introduction of Emissions Related Congestion Charging, due to commence on 27 October. From this date, cars with the highest greenhouse gas emissions (Band G) will pay a daily charge of £25 to drive into the central London Congestion Charge Zone. Cars with the lowest CO₂ emissions (Bands A and B) will receive a 100 per cent discount. This follows consultation with stakeholders and the public between August and October 2007, and the submission of a report from TfL to the Mayor in January 2008.

The car manufacturer, Porsche, has indicated that, unless the Mayor reconsiders this decision to introduce CO₂ charging, they will formally apply to the High Court for a Judicial Review. TfL is currently considering the letter from Porsche which sets out its proposed claim.

Borough Chief Executives' meeting

I met the Chief Executives' London Committee on 1 February and had a useful dialogue on the implications of CSR2007, Crossrail, HLOS and Metronet. The scope for working together on sub-regional planning, the next Mayor's Transport Strategy and Local Implementation Plans and Local Area Agreements was also discussed. Other issues included links between transport and land use planning, the British Transport Police and seeking the Chief Executives' support for publicising the half price bus and tram fare scheme for Londoners on income support. This is clearly a useful forum and I have suggested to the Chief Executives that in future I meet them on an annual basis.

TfL response to Healthcare for London NHS consultation

TfL is responding to the NHS consultation on implementing Lord Darzi's proposals for reconfiguring health services in London. The response highlights the potential travel implications of relocating health facilities and recommends that TfL works in partnership with the NHS to develop agreed criteria for the location of services which reflect the need for good accessibility. This work will be further informed by the ongoing joint NHS/TfL health-facility travel modelling work.

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

The 'NATA Refresh' is aimed at refining the current DfT's guidance for transport appraisals in order to align it with the new DfT's objective and include the recommendations of the Eddington and Stern reports (i.e. mode neutrality, wider economic impacts and impacts on environment). TfL's response to this consultation is being co-ordinated.

5.2 Smarter Travel Unit

Smarter Travel

As part of a wider review of the functions and structure of the Travel Demand Management team, the team has adopted a new approach to presenting and describing its programmes. Building from the successful positioning of the Smarter Travel Sutton project, the new approach entails using the idea of “smarter travel” rather than “travel demand management” and the team’s name is now the Smarter Travel Unit. These changes are mainly aimed at improving communications with audiences within TfL but they should also help communications with external stakeholders, for whom the idea of making “smarter” travel decisions is likely to be easier to understand than the idea of managing travel demand.

Personal Travel Planning (PTP)

A research project is underway in LB Sutton focussed on encouraging leisure centre users to incorporate active travel to and from their leisure centres as part of their workout. Five leisure centres are now participating in the project: Cheam Leisure centre, Phoenix, Cannons Cheam, David Lloyd and Spirit Health Club. From these 77 gym members are now actively engaged with the project.

Integrated Area Programmes

The final bids have been received and interviews have been held with the three shortlisted boroughs – Hounslow, Richmond and Croydon. A decision will be announced by mid-March 2008.

Smarter Driving

This campaign designed to promote the adoption of smarter driving techniques was launched on 25 February with a mix of outdoor and radio advertising, PR and web-based activity, and media interviews. The campaign will consist of four waves of activity through to January 2009 with monitoring and evaluation taking place throughout.

5.3 TfL Climate Change Fund

TfL, as a part of its contribution to the Mayor’s Climate Change Action Plan, set up a Climate Change Fund in 2007. The Fund, £25m over three years, principally ‘pump primes’ TfL projects and transport operations that are not yet sufficiently developed to warrant inclusion in Business Plans. To date, £18.2m has been allocated to seven projects. These are: procuring diesel-electric hybrid buses, which deliver a 30-40 per cent CO₂ saving, for which the Fund has allocated £3.9m to cover the trial of between 40 and 50 hybrid buses by the end of 2008; a smarter driving marketing campaign with £2.2m funding to promote a range of tips to car drivers which aims to reduce CO₂ emissions by 5-10 per cent; the installation of a fuel cell trigeneration plant, which will be operating this summer at the Palestra building in Southwark (£2.6m); a low carbon taxi development programme (£1.2m); a London Underground project for developing a low carbon station specification (£3.2m); the procurement of

20 hydrogen cars and vans and the associated refuelling infrastructure (£4m); and £1m for the transport elements of the London Development Agency's Green Homes and Green 500 programmes. Promotion is under way to attract bids for the remaining £6.8m.

5.4 Group Services

IDAG

Since the Independent Disability Advisory Group's (IDAG) inaugural launch in March 2007, the group has made positive interventions in the development of key functions and policies pan TfL. The early work of IDAG consisted of developing a work plan in collaboration with project managers that fitted alongside the delivery of TfL Business Plan, and the Disability Equality Scheme Action plan. The work broadly consisted of influencing major consultations, advising on policies, trialling products and giving general advice outside the scope of the work plan. An annual review of IDAG's work will be produced in March 2008 setting out the achievements to date and the action plan for 2008/09. TfL is committed to furthering its work around accessibility and inclusivity in transport.

Everywoman in Transport & Logistics Awards

TfL is supporting the forthcoming everywoman Transport & Logistics Awards. These inaugural awards aim to highlight the contributions of women in transport and to encourage more women to pursue a career in the sector. There are seven award categories ranging from Newcomer of the Year Award, for the woman who has excelled in an apprenticeship or graduate trainee programme to a Woman of the Year Award for the woman who serves as an outstanding role model, encouraging more women to choose a career in transport and logistics. Closing date for awards nominations is 31 March. The awards ceremony will be held on 12 June. Valerie Todd, Managing Director, TfL Group Services is one of the panel of nine judges. Information about the awards is being disseminated through TfL internal communications channels and through the Women's Transportation Seminar (WTS London). Founded in 1999, Everywoman Ltd is the UK's leading provider of training and support services for women in business. The awards are being run in association with the company Skills for Logistics.

Chartered Institute of Building Services Engineers (CIBSE) Awards

TfL was highly commended within the Best Multi-site Campaign, Best Carbon Performance and Champion of Carbon Savings categories at the first CIBSE Low Carbon Performance Awards that took place on 6 February 2008.

Greening London's Public Buildings

The Mayor announced on 28 February the start of a groundbreaking programme to cut carbon emissions from London's buildings. Led by TfL the world leading energy service company Honeywell has been selected to help cut energy use in Greater London Authority buildings by 25 per cent. The Mayor will now launch a procurement process to let every public sector organisation in London benefit from the same deal. London is the first city in

the world to have completed the municipal tender process and appointed a company following a deal developed by the Clinton Climate Initiative for the C40 group of cities at the New York Large Cities Climate Summit in May 2007. The Mayor will also be working with the Clinton Climate Initiative to sign up private sector businesses to green their buildings.

Responsible Procurement

Following the establishment of the Central Responsible Procurement team hosted by TfL in 2007, the first pan-GLA Responsible Procurement report was launched in February 2008. This report was used to launch the change in the Programme's name from Sustainable Procurement to Responsible Procurement (RP). This reflects the Mayor's desire to ensure the balance between social, economic and environmental benefits. Highlighted in the report were a number of TfL achievements in this area including: the inclusion of RP contract clauses in over £2bn of contracts let, over £150m spent with diverse suppliers, and a number of specific case studies including the flagship East London Line project.

5.5 Finance

Operating Cost Review (OCR)

The OCR team has now completed approximately 70 interview sessions with Directors and Senior Managers from across the organisation to understand the cost pressures within their areas and identify cost reduction opportunities. While the interviews have highlighted that there are significant potential opportunities to address cost, realising reductions will in many cases require a 'step change' in the way TfL operates and complete buy-in and commitment from all management across the organisation. There is also recognition that successful implementation of cost reduction initiatives will need to be underpinned by developing a culture which continues to focus on cost reduction. With consolidation of emerging themes, the team will be commencing more detailed analysis and assessment of opportunities.

Actuarial Valuation of Pension Fund

The actuarial valuation of the TfL Pension Fund is now complete following signing of the documentation for the inclusion of the Metronet sections. Notification and formal documentation for these outstanding sections has been submitted to the Pensions Regulator and action taken to implement the new schedules of contributions. Summary Funding Statements have been prepared and will be issued to members of the Metronet sections shortly following liaison with LUL and Metronet.

Olympics

On 31 January the Olympic Delivery Authority (ODA) issued their Transport Security Strategy for the 2012 Olympic and Paralympic Games. The responsibilities of TfL and the ODA regarding how transport will be operated during the Olympics has been covered in meetings between myself and John Armitt on 15 January and on 15 February. It has been agreed that the responsibility for the Olympic Family Transport Service will be transferred

from ODA to LOCOG. LOCOG will look after transporting the Olympic Family and will be the client for all bus/coach and vehicle operations.

TfL are linking with partners in Europe (UITP, POLIS, IMPACTS and ERTICO) to participate in the recent EU Commission call for a research programme on large events in major cities costing up to 4 million Euros. A proposal needs to be compiled by May 2008. The EU are using this call to demonstrate their global co-operation and therefore have named South Africa (World Cup – 2010), Delhi (Commonwealth Games 2010) and London (Olympic Games 2012) in the call.

Focus is now on the Olympic Torch Relay event on 6 April 2008 which is being organised for the Beijing Olympic Organising Committee.

National Express commences sales of Visitor Oyster Cards

TfL and National Express, the UK's largest coach operator, have joined forces so passengers travelling into London can enjoy the benefits of Oyster cards. Oyster cards are now available from National Express ticket offices throughout the UK including major airports such as Heathrow, Gatwick, Stansted and Luton. National Express is the first coach company to offer TfL's Visitor Oyster cards to its customers. The Visitor Oyster Card is a TfL branded card, pre-loaded with Pay As You Go, and ready for passengers to use as soon as they arrive in central London. In the first few days of sale, the card is proving extremely popular especially with people travelling to London from Stansted, Luton and Heathrow. The announcement is part of TfL's strategy to ensure that visitors to London have access to the cheaper options available on Oyster.

Fitch and Standard & Poor's affirm TfL's 'AA' stable credit rating

Fitch (report published 21 February) and Standard & Poor's (report published on 22 February) have both affirmed TfL's 'AA' stable credit rating. Both reported that the stable outlook reflects TfL's strengthening relationship with the U.K. government, as shown by the new 10-year funding settlement, and its central role in restructuring the Metronet contracts and delivering the Crossrail project. TfL also continues to maintain a strong cash position and enjoys a certain degree of flexibility over its investment programmes.

5.6 Communications

New "Together for London" campaign

The campaign was launched on 1 February at 800 cinema screens across London, on system posters, posters at leisure and shopping centres and on-line advertising. The aim is to encourage those travelling by public transport to consider how their behaviour can unintentionally impact on others and is based around three key messages: respect your fellow travellers and your transport system; we all commit thoughtless behaviour without meaning it, and we all get annoyed by others when they are guilty of it; and a little thought from each of us, a big difference for all of us. The launch was extremely successful and was captured across all media – to date, 71 per cent of media

coverage has positive. Evaluation of the marketing campaign will be completed in early May.

London Assembly report “Tackling crime and disorder on London’s buses”

The report welcomed “many of the recent initiatives introduced by TfL to increase the uniformed presence on buses, and the use of technology to prevent and solve crime”. However, the report was misleading in a number of respects not least it claimed the rate of crime on buses remains higher than two years ago, and that passengers report feeling less safe on buses than other modes of transport. The press office worked closely with Transport Policing Enforcement Directorate (Surface Transport) to issue a press statement clarifying that the crime rate on London buses is in fact the lowest since 2004 – not higher than two years ago as stated. Figures show that there has been an 11 per cent reduction in bus related crime.

Customer Service Strategy

Group Marketing and Communications are working with colleagues on the development of a pan-TfL customer service strategy. The aim is to establish for the first time a clear strategy as to how TfL wishes to interact with its customers in the provision of ‘off-system’ information (e.g. calls to our various contact centres) and how this meshes effectively with the ‘on-system’ services provided at LU stations, bus stops etc.

US Congressional Delegation visited TfL on 20 February 2008

Congressman Peter DeFazio led a delegation of US Congressional Representatives from the US House Committee on Transportation and Infrastructure to look at Congestion Charging, Safety Contingency Planning and the PPP.

Local and BAME media reception

A joint TfL and GLA media reception for local and BAME media was held at City Hall on 20 February to strengthen relationships and to generate interest in future transport related media stories. The evening started with a series of short speeches including by the Mayor followed by a networking event for the media attended by senior representatives from the GLA, TfL, Olympics Delivery Authority, London Development Agency and LOCOG.

5.7 General Counsel

TfL's Legislative Programme

The Transport for London Bill is due to be considered by a Committee of the House of Commons shortly and a date for the Committee is currently awaited. The London Local Authorities and Transport for London (No.2) Bill had its second reading in the House of Lords on 20 February 2008. Three petitions were deposited opposing provisions in the Bill before the petitioning period closed. TfL and the London Boroughs will seek to meet with the petitioners to discuss their concerns.

TfL Guidance on Conduct leading up to the elections on 1 May 2008

TfL has provided staff with Guidance in relation to conduct of the TfL Group leading up to the Mayoral and Assembly elections on 1 May 2008. The Guidance outlines the standard of conduct expected with particular focus on the pre-election period which commences on 18 March 2008. The Guidance has been widely communicated within TfL and is available on the intranet.

6. CORPORATE ISSUES

London Transport Awards

The annual awards recognise excellence in transport in London and were held on 27 February. This year I am very pleased to report that TfL received the following awards:

Public Transport Operator of the Year - London Underground for increased patronage and customer satisfaction

Most Innovative Transport Project – Westminster Bridge Fascia Replacement

Special Award - Outstanding Project - Transport for London – Tour de France London Grand Depart 2007

LUL Customer Service Team of the Year - King's Cross St. Pancras Station
Transport Team / Partnership of the Year – Transport for London – Safer Transport Teams

Travel Information and Marketing – Direct Enquiries Limited, London Underground

Outstanding Contribution to Transport across London – Doug Oakervee at Cross London Rail Links Limited

In addition, the Tactile Maps project developed by LU with the Royal National Institute for the Blind (RNIB) was Highly Commended in the Most Innovative Transport Project category.

Peter Hendy
Commissioner of Transport
Transport for London
March 2008

Passenger and Service Statistics: 1999/00, 2003/4, 2007/8

Appendix to Commissioner's Report

Measure	1999/00	2003/04	2007/08*	99/00 - 03/4 Growth %	03/04 - 07/08 Growth %	99/00 – 07/08* Growth %
Bus						
Bus passenger journeys (millions)	1296	1703	1982**	32%	16%	53%
Bus kms operated (millions)	348	437	469	26%	7%	35%
Bus % of scheduled kms operated	95.7	97.2	97.6	1.5%	0.4%	1.9%
Bus excess wait time (high freq routes) (min)	2.07	1.38	1.10	-33%	-20%	-47%
Underground						
Underground passenger journeys (millions)	927	948	1100	2%	11%	19%
Underground kms operated (millions)	63.1	67.7	71.3	7%	5%	13%
Underground % scheduled kms operated	94.3	93.1	94.7	-1.2%	1.6%	0.4%
DLR						
DLR passenger journey stages (millions)	30.9	48.5	65.9	57%	36%	113%
DLR train kms (millions)	2.6	3.4	4.5	31%	32%	73%
DLR % of scheduled services operated	97.8	98.2	98	0.4%	-0.2%	0.2%
River services						
River services passenger journeys (millions)	1.61	2.01	2.86	25%	42%	78%

Source: London Travel Report 2007

*2007/08 represents the P11 full year forecast figure

**based on old methodology for consistency with earlier years. 07/08 bus journeys using new methodology based on Oyster clicks with be 2180m