

TRANSPORT FOR LONDON

BOARD

SUBJECT: THE COMMISSIONER'S REPORT

DATE: 6 FEBRUARY 2008

1. PURPOSE

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

2. MODAL OPERATIONS

2.1 Surface Transport

Prince Michael International Road Safety Awards

The London Road Safety Unit (LRSU) attended the Prince Michael International Road Safety Awards Ceremony on 11 December, at the Savoy Hotel, to receive the award for the Mayor's 'outstandingly successful programme delivered since 2003.' In addition to this award it was also announced at the ceremony that LRSU had won the coveted Premier Prince Michael International Road Safety Award for 2007, chosen from a number of projects from around the world. HRH Prince Michael paid tribute to an organisation that allocated appropriate funding, enjoyed political support and had used both to excellent effect in delivering an integrated programme that had achieved considerable success in a difficult environment.

Independent Living Award

Breakthrough UK, a national disabled rights organisation, presented TfL with the Independent Living Award for work to make transport accessible for all Londoners. TfL won the award for its commitment to providing accessible public transport in the Capital. In particular judges gave praise to the introduction of low-floor, wheelchair accessible buses across the entire London bus fleet, a full ten years ahead of legal requirements. The judges were also impressed by our ongoing consultation with both disabled staff and our independent Disability Advisory Group.

Visit London Sports Tourism Award

Transport for London has won the Visit London Sports Tourism Award for its delivery of the Grand Départ of the 2007 Tour de France. The Tour de France began in the UK for the first time in its 100 year history on 6,7 and 8

July 2007. An estimated two million spectators from London, the UK and overseas lined the Capital's streets during the Grand Départ weekend. London has also seen a 10.5% increase in the number of people cycling on London's major roads in the six months from April to September compared with the same period last year - an estimated 48,000 more cycle journeys everyday.

Very Important Pedestrians Day

On Saturday 1 December, as part of Shop West End VIP (Very Important Pedestrians) Day, Oxford Street, Regent Street and Bond Street, were closed to all traffic between 12pm and 8pm, to give Christmas shoppers a safer and more comfortable experience. Bands, street artists and carol singers performed to give the day a festive feel. TfL's Walking and Cycling Exhibition Unit was on hand during the afternoon, near Tottenham Court Road station, offering information on walking and cycling. In Bond Street pedestrians were able to try out the new Legible London pedestrian signage system. The highest flow recorded was 46,000 pedestrians per hour during the day, which compares to 39,000 during VIP day in 2006. There were no serious traffic problems observed on the day. It was also a success for businesses with the New West End Company reporting that one million shoppers spent over £100 million.

Free Dial a Ride

From 1 January Dial a Ride journeys became free for registered users. Dial a Ride carried 1.2 million passengers last year and provides vital transport for those who are unable to utilise the mainstream public transport system.

Hydrogen Transport Action Plan

First Group has been awarded the contract to operate hydrogen vehicles, and a contract has been finalised with vehicle manufacturer ISE to provide 10 hydrogen-technology buses on London routes. Of the ten buses, five will use hydrogen fuel cells. The other five buses will use a specialist internal combustion engine (ICE) which is powered directly by hydrogen. The Mayor officially announced placement of the contracts on 13 November.

2.2 London Underground

Metronet

Work continues to enable the transfer to take place as soon as possible, once all the necessary arrangements have been finalised. These include the timing of the court application to enable the Put Option, details of the transfer documents and confirmation of State Aid clearance from Government. Negotiations on the remaining supply contracts with the shareholders continue, although TfL does not intend to hold up the transfer if these are not concluded in time.

Following negotiations on the Metronet Put Option Price with Metronet's senior lenders, agreement has been reached with lenders (and agreed by the TfL Board on 18 December for payment by TfL of 95% of Metronet's break

costs and outstanding senior debt principal. The calculation of the Put Option Price as agreed with the Metronet lenders took place on 18 January and resulted in a price of £1.742 billion including £253 million of debt breakage costs.

LU continues to monitor the staff turnover within Metronet and a number of LU secondments to Metronet are being planned in order to prevent deterioration of Metronet's output.

The Joint Steering Committee with DfT/Treasury which has been set up to develop proposals for the long term structure has now met several times and the aggressive programme of work targets a proposal in the summer.

Andie Harper has been appointed by Metronet as Managing Director. Most recently he was Project Director for the Edinburgh tram. Prior to that he worked for a major US contractor in UK and Europe. He is specially suited to his current position because he was once Project Management and Engineering Director for London Underground, and he was Managing Director for JNP in shadow running.

Shepherd's Bush

From 2 February the Central line station at Shepherd's Bush will close for eight months. This will enable the replacement of the two escalators serving the station and help to speed up the delivery of transport improvements ahead of the increase in usage of the station as a result of the Westfield development opening in late 2008. The two escalators at the station were already scheduled for replacement in the next few years, and due to the station's layout this could only be achieved during a closure. Westfield and LU have consequently agreed a station closure so that escalator works can be accelerated and completed before the retail development opens. During the closure other modernisation works will be carried out, including demolition of the existing ticket hall and replacing it with a more modern facility, fitment of a new digital CCTV system and installation of Help Points.

A replacement bus service will be provided for passengers to travel between White City station and Shepherd's Bush; the number of buses on the 148 route are also being increased, including an extension of service to Marble Arch in the morning peak. Additional buses will also operate in the evening peak between Shepherd's Bush and Notting Hill Gate. Staff numbers at other nearby alternative stations will be increased to deal with additional passengers. When the station reopens, the existing Shepherd's Bush (Hammersmith & City line) station will be renamed Shepherd's Bush Market to avoid confusion. The new Hammersmith and City line station at Wood Lane is on target to open by October this year.

Passenger numbers

New records continue to be set. In the four week period ended on 8 December over 90 million journeys were made on the Underground and on 7 December a new daily record of an estimated 4.17 million passenger journeys was established, breaking the previous record set a year ago. For the year to

March 2008 the forecast is roundly 1.1 billion journeys, up by more than 8% from 2006/07.

Piccadilly Line Extension to Heathrow Terminal 5

From Sunday 13 January a new service pattern to Heathrow Airport was introduced on the Piccadilly line in preparation for the opening of Heathrow Terminal 5. From Hatton Cross, 6 trains per hour run direct to Heathrow Terminals 1,2,3 station where each train is detrained and runs empty to Terminal 5, and 6 trains per hour run via the loop serving Terminal 4 station and then back towards central London via Terminals 1,2,3. From Thursday 27 March 2008 when the new terminal opens, trains will run in customer service to the new Terminal 5 station.

Victoria Station Upgrade

In preparation for the Victoria Station Upgrade, work to remove asbestos from above the escalators in the Victoria line ticket hall was carried out between Saturday 22 December and Sunday 6 January. During this period Victoria line trains did not stop at the station although District and Circle line services continued to stop as normal. A rail replacement shuttle bus service ran between Victoria and Pimlico stations to provide access to the Victoria line. The work was completed on time enabling Victoria line services from the station to resume as planned from Monday 7 January.

Accessibility Information Service

In my May 2007 report I described the launch of London Underground's new detailed interactive service, available through the Directenquiries.com website, which allows passengers to understand the access available at every station across the network, particularly the routes between street and platforms, and to find details of the facilities available at each station, including car parking, toilets, and services for visually impaired people, induction loops and other access facilities. The success of this service has been recognised by the Visit London Bronze Award for 'Best Visitor Information Initiative'.

2.3 London Rail

London Overground

The transition to London Overground Rail Operations Limited (LOROL) from Silverlink Metro following the launch by the Mayor on 12 November has been successful. Oyster ticketing and additional staffing were in place from day one with the same broad level of service operated as inherited from Silverlink. Minor enhancements to the timetable took place from 9 December, designed to enhance late evening and weekend services, although peak capacity is limited by the size of the inherited train fleet, pending the introduction of new trains from the end of this year. Initial surveys of ticketless travel show a very significant reduction in fare evasion in the first few weeks of the Overground.

The operating company, LOROL, have set up a new headquarters at Swiss Cottage, integrated, as at DLR, with the London Rail client team. To provide for the significant number of new staff recruited for stations and train operations they have also set up a training centre at Swiss Cottage. Deutsche Bahn (DB) has been announced as the preferred bidder to take over 50% of the venture previously held by Laing which was put up for sale by the current owners, Henderson. The existing management team and structure will remain, and DB will sign up to the commitments made by LOROL during the bidding process.

LOROL have now placed the order of 8 new 2-car 'green' Class 172 trains for the Gospel Oak to Barking line, to be delivered by the end of 2009. These will be the first trains on the National Rail network utilising a Euro Stage III engine, so contributing to the Mayor's initiatives on emissions. The new Class 378 electric trains are now under construction and will be introduced on the North London line at the end of 2008.

A review of the first three months of operation is in preparation and a summary will be presented to the next TfL Board.

Shepherd's Bus

A new station at Shepherd's Bush on the West London Line (WLL) has been constructed by Westfield together with Network Rail, prior to TfL taking over responsibility for Overground services. It was hoped that this would be opened in time for the start of London Overground services, launched by the Mayor on the 12 November. However, the north-bound platform has insufficient width, given projected passenger levels. Dialogue has taken place with Westfield and Network Rail with a view to rectifying this situation by moving the platform retaining wall and widening access to the platform. It is hoped to provide an opening date once the project plan has been completed. It is estimated that the work will take 4 months following agreement to provide.

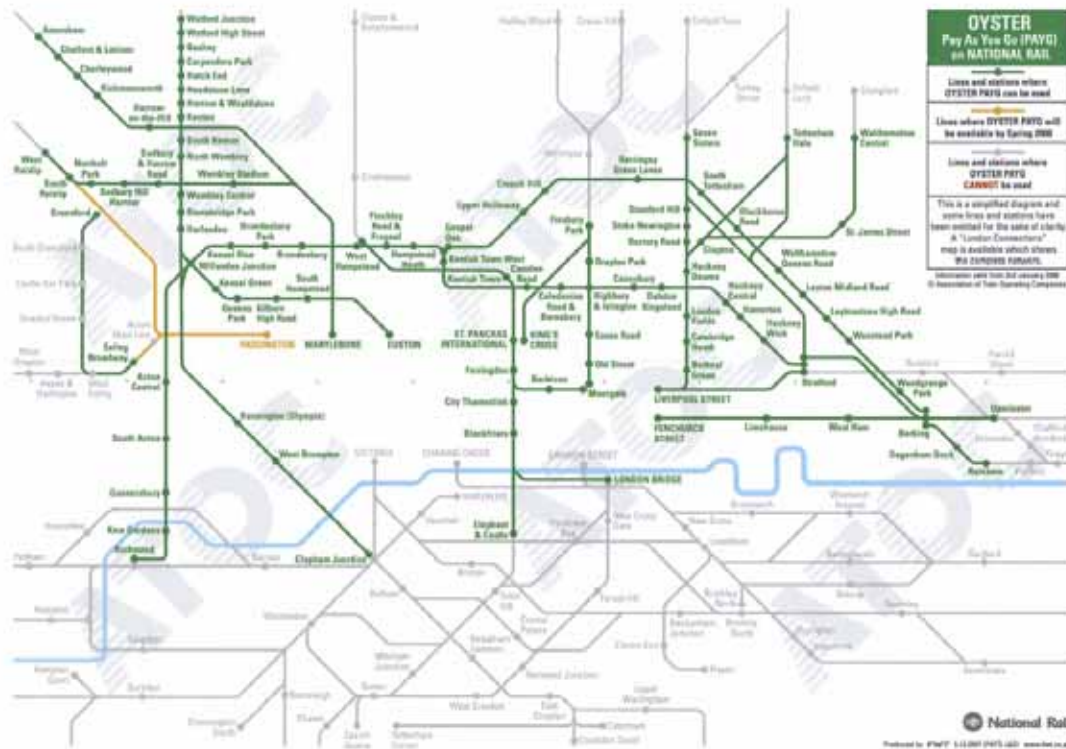
DLR Performance

DLR has continued to meet all targets on train performance and exceeded the vast majority of targets relating to station facilities and equipment. The challenge going forward is to maintain this very high level of operational performance whilst undertaking and commissioning the upgrades and extensions now underway.

Oyster on National Rail

Following the successful launch of Oyster PAYG on Overground services on 11 November, a further wave of stations were introduced on 2 January in three areas. These are: additional stations between Liverpool Street and Stanford Hill and St. James Street on the Enfield Town and Chingford lines; completion of C2C in London by the addition of Dagenham Dock and Rainham; and in north west London, Chiltern stations between Wembley Stadium and West Ruislip plus the Greenford branch for intermediate journeys to Ealing Broadway.

Discussions with the passenger train operator companies (TOCS) continue in the effort to reach contractual agreement to extend Oyster PAYG acceptance across the remainder of the suburban rail network in London. Most of north London is now included but PAYG only applies to five Network Rail stations south of the Thames (Elephant & Castle, London Bridge on Thameslink and Richmond, Kew Gardens and Clapham Junction on London Overground), see network plan below. The programme of installation is expected to take 12 months to complete with a target implementation date of January 2009.



Access for All

TfL has been actively lobbying the DfT for a material share of its grant support for lifts at Network Rail stations. For the third tranche of Access for All, London Rail submitted 15 schemes with feasibility designs and business cases to the DfT. The DfT have written to confirm that of those 15 stations proposed, 13 have been identified and will receive DfT grants to make them fully accessible. A public announcement is expected shortly. Therefore, by 2011, there will be 141 (43%) step-free access Network Rail stations within the GLA boundary compared to the 95 currently. TfL has now successfully campaigned for a additional 39 stations to be made step-free by the DfT in the spending period 2007- 2015. Based on footfall, well over half the number of passengers using Network Rail stations in the London area will then benefit from step free access.

DfT Station Improvement Project

The DfT has provisionally set aside up to £150m within its High Level Output Specification (HLOS) to improve station facilities at 150 stations. TfL is working with the DfT to ensure that stations in London other than

Overground stations are appropriately represented. The grant funding is aimed at enhancing rather than repairing stations.

Southern TOC Franchise

The Mayor and the Secretary of State have discussed the opportunity presented by the expiry of the Southern TOC franchise in 18-months time for TfL to take a greater role in its future. TfL and the DfT will now work on the extent to which the inner suburban services, trains and stations can be enhanced to the standard of Overground and how TfL can be given a greater role in the running of the future franchise. From the start of the new Overground services from West Croydon and Crystal Palace in June 2010, stations between these stations and New Cross Gate will be staffed and managed by London Overground. The South London Line (SLL) stations could also transfer when Overground services commence upon completion of East London Line Phase 2b to Clapham Junction, subject to agreement on funding.

2.4 Review of Christmas and New Year Period

Traffic conditions over the Christmas period were lighter than normal with no severe incidents and only 7 serious incidents reported between 24 to 30 December. The road closures for the New Year's Eve celebrations were extended this year and traffic conditions were reported as similar to last years event. Weather conditions remain good throughout this period and generally traffic conditions throughout the network were slightly quieter than last year.

On the bus network, a Sunday service was provided on Boxing Day and New Years Day (except that services started a little later than normal on Boxing Day). There was no service on Christmas Day. Between Christmas and New Year a Saturday service ran, which was well-matched to demand. On New Year's Eve night services were provided on 48 suburban bus routes which do not normally run all night, in addition to the usual night service on 108 routes. This gave connections from all-night trains for those attending events in central London, and also reflects the increase in activity in suburban centres. There were no major issues as a consequence of the closure of Victoria station to Victoria Line services between 22 December and 6 January.

Over the Christmas and New Year period, Underground services performed well. In particular, there were only two significant incidents. The first was a series of graffiti attacks at 11 locations over Christmas, with 2 people arrested. The second was the closure for an extended period of a platform at Baker Street due to flooding from a broken water main in the street above. At New Year, the enhanced LU services through to 05:00 coped well with the handling of the return traffic. The post event de-briefs have shown that there was an overall reduction in incidents caused by alcohol/anti-social behaviour incidents across the network, with a significantly lower number of staff assaults after 04:00.

DLR services ran normally over the festive season without any unusual incidents or notable failures. Services ran through the night on New Years Eve without anything other than the expected rate of overindulged and overcarried passengers.

London Overground Rail Operations Limited (LOROL) were unable to provide the specified Saturday service over the Christmas and New Year period because of their lack of available train crew, apparently due to under-recruitment by Silverlink and legacy annual leave arrangements. LOROL raised these concerns to TfL in early December and it was agreed that a slightly reduced service would be provided (one train per hour less). LOROL considers this to be a unique occurrence and does not expect similar issues to arise in the future. This year the result was a less than specified service between Christmas and New Year. No trains ran on Boxing day as Network Rail did not resource this part of the network on that day.

3. MAJOR PROJECTS AND INITIATIVES

Crossrail

The Crossrail Bill received its third reading in the Commons and its first in the Lords on 13 December 2007, and its Second Reading in the Lords on 9 January, without opposition. A Select Committee has been appointed for the Lords, scheduled to sit from 19 February to mid May. Petitioning to the Lords has begun, and ends on 30 January. Roughly 100 petitions are anticipated, and the Bill remains on track to secure Assent by end of July. Drafting of the key legal documents by DfT, TfL and CLRL continues, in order to implement the agreed governance structure and the Heads of Terms signed last November.

Four non-executive directorships to the new CLRL Board have been advertised (closing on 31 January) and have attracted strong interest thus far. The London Business Board was briefed on the process on 11 January.

CLRL's proposed Delivery and Procurement Strategy for the Crossrail Project was presented to sponsors in December and a series of CLRL workshops will now take place with key sponsor personnel to pave the way for consideration by the TfL Finance Committee and full Board in March.

A Pre-agreement Sponsors Board has been set up with DfT, chaired alternately by TfL and DfT, to ensure all legal contracts are in place for Crossrail, thus meeting the requirements of the Heads of Terms. In support of this, a Project Control Group is being set-up jointly with DfT, which will ensure that the sponsor's requirement for Crossrail is fleshed out and the functional specification clearly meets the sponsor's needs. A series of working groups will be formed to specify rolling stock, operations, station design etc. with the close involvement of London Underground and Network Rail.

North London Railway Infrastructure Update

The specification for the North London Railway (predominantly on the Richmond to Stratford line) upgrade, which includes signalling and core route track works, within the cost ceiling of £326m (including contributions from ODA of £82m and £78m from Network Rail) has been agreed with Network Rail. The timeframe is to issue the Invitation To Tender for the main works in February 2008 to allow TfL Board approval in the summer prior to the award of the contract. As with other projects, a co-located London Rail / Network Rail project team is envisaged and will be implemented in time for commencement of works. Intensive discussions continue with Network Rail with a view to agreeing a satisfactory maintenance regime following the infrastructure upgrade, allowing for the enhanced level of Overground train service and freight on the route. A submission for a Track Access Option has been drafted and submitted to Network Rail for agreement and onward transmittal to Office of the Rail Regulator.

East London Railway

Services on the existing East London Line ceased on 22 December 2007 and bus services to connect with other Tube, DLR or rail services are now in place. The railway was handed over to the contractor, Balfour Beatty Carillon Joint Venture (BBCJV) on 22 January 2008 following decommissioning works by the Underground. The Main Works Contract to construct the extended East London Railway is well underway with detailed design and approval work progressing. The first fifteen key implementation milestones which were set by the project team have all been achieved to programme by BBCJV. Christmas saw the very successful demolition of the major bridge 'GE19' across the main line tracks outside Liverpool Street station. The TfL demolition works were completed 36 hours ahead of schedule although well publicised problems surrounding the Network Rail works at the same location caused significant delay to passengers. The new bridge, with an 80m span, which will carry the Overground across the tracks will be launched in May this year. The extension remains on schedule for public opening in June 2010. TfL Board Members have been invited to attend an on site briefing on 26 February.

East London Line Phase 2 in respect of Thameslink Phasing at London Bridge

The Thameslink Programme will result in fewer terminating platforms being available at London Bridge from the start of construction works in 2012. As a result, London Bridge will have less capacity. The current South London Line (SLL) service, which runs between London Bridge and Victoria, is very likely to be removed from London Bridge; this is most unsatisfactory and requires mitigation. ELL Phase 2b will provide a 4tph service along the SLL between Clapham Junction and Dalston Junction assisting delivery of the Thameslink Programme as a link to the Docklands (via Canada Water) and City (via Shoreditch High Street Station) is retained. A report detailing the benefits of ELL Phase 2 for the Thameslink Programme has been prepared and funding discussions have commenced with the DfT.

DLR Projects

Major DLR projects (Woolwich Arsenal, Stratford International Extensions and the 3-car upgrade) all remain on budget and on programme as set out in the Olympic Plan for opening in 2009 and 2010. Major progress on the Stratford International Project was made over Christmas with the extension of the subways at Stratford towards the new North London Line platforms being built by DLR. The first new Olympic Train was delivered from the manufacturer in Bautzen (Germany) on 22 December and following delivery of trains two and three it is hoped to exhibit a 3-car train to the public this month. Langdon Park station was formally opened by the Mayor on 10 December, initial ridership is approx. 6,000 passengers per day. The second platform at the new Alsop-designed DLR platforms at Stratford Regional station was also opened on 13 December. An application to the Board to submit a Transport & Works Act Order application to extend the DLR to a new interchange at Dagenham Dock is on the Board Agenda as a separate item.

4. CORPORATE ACTIVITIES

4.1 Policy and Strategy

Strategic Objectives Framework

Work is continuing across TfL to take forward the development of the strategic goals and objectives to be used in policy development, business planning and monitoring.

London Travel Plan

TfL Planning published the London Travel Report 2007 in December, an annual compendium of travel and transport-related statistics for London. The information is drawn from TfL's own data collection programmes, and others including the Department for Transport and the Office for National Statistics. The latest edition includes results for the year 2006 or 2006/07. Findings show a continuation of the upward trend in public transport usage.

Strategy Consultation

TfL Planning is co-ordinating TfL's response across the organisation to the Mayor's draft strategies, ensuring input from the relevant parts of the organisation. Recently two draft strategies have been reviewed and commented upon - Housing and Skills. TfL Planning is also leading on TfL's strategic review of the DfT's New Approach to Appraisal (NATA) and coordinating TfL's response to this consultation.

TfL's Accessibility Plan

Development of TfL's Accessibility Plan across all modes was to have been considered at a Board meeting early this year. This has been deferred so that it can be considered in the context of the Business Plan and Budget discussions and other work being done by the Planning Directorate. The plan will be brought to the Board in July.

Local Area Agreements

The Government is changing the way it deals with local authorities, which, for the boroughs, will mean less central government control, greater flexibility over planning, delivery and resources, with a focus on outcomes. The vehicle for this change is the new Local Area Agreement (LAA). These will require boroughs to define strategic priorities and performance targets. TfL wrote to all London Chief Executives in December asking them to see the draft LAAs at a formative stage. There is a requirement for TfL to be consulted and TfL would want to ensure that transport is properly featured in all boroughs' LAAs. This could be with the inclusion of specific transport performance indicators or other indicators where transport has a role to play (e.g. tackling climate change or reducing child obesity). The engagement in the formation of the LAAs also provides an opportunity for TfL to have meaningful engagement on strategic policy issues not just with boroughs but also other local partners who are responsible for delivering services, such as those in the health and education sector. From a transport perspective, TfL will seek to secure compatibility between these, the LIPs process and the Mayor's Transport Strategy.

Borough Local Implementation Plans (LIPs) and funding

The Mayor approved Barnet's LIP on 10 January 2008. All 33 London boroughs now have approved LIPs and this is a significant achievement by the boroughs and TfL working together.

Congestion Charging

Public consultation on the CO₂ charging proposals for Congestion Charging closed on 19 October. TfL's report to the Mayor will be provided by the end of January with a decision expected in February.

4.2 Travel Demand Management

Workplace Travel Planning

Workplaces with a total of 394,000 employees have now signed up to the TfL Corporate Package, significantly exceeding the target of 200,000 employees. The Corporate package is available for companies with in excess of 250 employees. For companies with less than 250 employees TfL also offers the Enterprise Package. To date 161 SMEs have engaged in the process with 21 fully committed to the development of a workplace travel plan.

Personal Travel Planning

A new research project has been launched focused on engaging with new home movers in Sutton regarding sustainable transport choices immediately after their move. To date three estate agents have signed up giving a total of five estate agency offices participating in Sutton.

Integrated Area Programmes

TfL is currently going through the selection process for a second location for a smarter travel project based on the experiences in Sutton. A two-stage selection process has been used and from the initial stage three boroughs

have been short listed - Hounslow, Croydon and Richmond. The three boroughs are currently putting together detailed bids which are due to be submitted to TfL by 8 February 2008. The Mayor is expected to make the final decision by 29 February.

4.3 Group Services

Equality & Inclusion

Stonewall, Britain's leading gay equalities organisation, has rated TfL sixth in the top 100 employers for lesbian, gay and bisexual staff in the country. This year, over 240 organisations from both the private and public sector were surveyed. TfL's position in the 2008 ratings is up two from last year's ranking of eighth.

Property & Facilities

The Developer has, as expected, now obtained significant funding to build phase 1 of the Shard of Glass, and work has commenced on site with the demolition of the existing PWC building. Work also commenced on 14 January at the North Greenwich site, in accordance with the agreed programme in the Agreement for Lease agreed between Meridian Delta Ltd and TfL.

Human Resources

Results from HR Effectiveness and 'YourSay' employee engagement survey have now been compiled and have been presented to Chief Officers. Results will be presented at the next Corporate and Equalities Advisory Panel that meets on 14 February 2008.

4.4 Finance

Overground Train lease deal

On 20 December the operating lease for the new rolling stock fleet for the London Overground was completed. The transaction, approved by the TfL Board in June 2007, removes the assets from TfL's balance sheet. As a consequence, the lease frees up £250 million of balance sheet capacity for reinvestment on other projects. Additionally, the effective cost of finance (approximately at London Interbank Offer Rate, LIBOR) compares favourably with other sources of funding used by TfL in the past – e.g. borrowings from the European Investment Bank or a capital markets bond issue. The lease runs to 2027. On expiry, TfL has the option to acquire the trains, to enter into a follow-on lease or to hand back the trains to the lessor (without any exposure to the residual value of the trains at that point). This provides TfL with additional flexibility that did not exist prior to signature of the lease - if TfL had wished to sell the trains at that point it would have been exposed to risk of the market value at that time.

Business Plan

TfL's Business Plan, as well as the Investment Programme and TfL's Olympic Games Plans document were published on the TfL website on 3 January.

Operating Cost Review

Following mobilisation of the Operating Cost Review in December, work is underway to understand cost saving opportunities through a review of spend, process efficiency and initiatives. An extensive programme of interviews with Directors and senior managers to understand cost reduction opportunities within individual business areas started on 14 January and will run until 5 February.

Use of resources assessment

The Use of Resources report by KPGM found that TfL has maintained an overall top score of 4, the highest score possible. Areas where TfL improved on the previous assessment were: Financial Reporting - Preparation of Annual Report; Financial Management - Performance against budget; and Value for Money - Achieving value for money. The findings from the report have been put to the Audit Commission and will inform part of their overall assessment Comprehensive Performance Assessment (CPA) for TfL.

2008 Fares Revision

The 2008 fares revision was implemented on 2 January. With the exception of minor problems on Trams and on the Overground all fares were correctly implemented. On trams, the daily cap was set incorrectly on 2 January at £1 rather than £3 - this was corrected on 3 January. Around 4000 travellers were affected (beneficially) on the day. On the Overground, there have been issues with the National Rail fares that have been implemented via the National Rail process. This is affecting a few customers, beneficially and adversely, at National Rail stations (e.g. those that want to travel between Harold and Wealdstone and Bushy) that want to buy a paper ticket. Those customers who were adversely affected have been compensated. This issue is not affecting any Oyster products.

Fares Policy

The 'Zip' Card, the Oyster photocard for those 11-18 year olds eligible for free bus and tram travel, was launched by the Mayor on 6 January. Oyster Pay as You Go (PAYG) continues to increase, and in period 10 reached 19% of all bus and 30% of all Underground/rail journeys, a rise from the figures of the same period of last year of 16% and 24% respectively. PAYG bus journeys are now exceeding 1 million per day.

LU Advanced Fare Machines

Over 200 Advanced Fare Machines have now been installed at London Underground stations. Stations fitted in the last period included Earls Court, Victoria and Hammersmith. Although the full effect of the new machines may not yet be showing up in the figures, the ticket purchase time measured by London Underground improved for the fourth successive period and, at 0.28 minutes, is the best performance on record.

4.5 Marketing and Communications

BAME Media

The series of Commissioner-led briefings with media representing London's ethnic communities that began in November with the Bangla Press Club continued with a Polish media briefing on 17 January. The event went well, with a number of follow-up requests including further briefings on Oyster (a key concern of the Polish community is the purpose for which their personal details will be used if they register their Oystercard), a site visit to see the LU Investment Programme being delivered, and cycling in London. Further events are also planned with the Gujarati, Somali and Afro-Caribbean media.

London Transport Museum

Since re-opening in November, the Museum has received 62,000 visitors some 55% above the target of 44,000. Entry is now free for Freedom Pass Holders and 3,200 visitors have taken advantage of this. The re-opening has received glowing press coverage in both local and national media.

Local Implementation Plan (LIP) Funding

The Press Office has worked closely with the Mayor's Press Office and Borough Funding and Borough Partnerships to implement a successful media strategy supporting LIP funding. The 2007 LIP announcement can be deemed a success in terms of media coverage with articles published in some of London's larger local/regional titles, as well as some of the diverse media that was targeted. In summary, there were 156 articles published, a 70% increase on the previous year of which 89% were favourable or balanced compared to 85% the previous year. BAME coverage was hugely increased on previous years.

New "Together for London" campaign

Work continued in throughout the period to prepare for the launch of a new campaign, "Together for London" which aims to promote more considerate passenger behaviour on public transport. The objective of the campaign is to encourage those travelling by public transport to consider how their behaviour can have a negative impact on others, even if this is unintentional. The campaign which is being run on cinema, posters, press, on buses and on-line was launched on 29 January prior to the campaign starting on 1 February.

Teens Road Safety

The latest Teenage Road safety campaign received 100% positive coverage in the local and BAME media.

4.6 General Counsel

Thames Water Prosecution

Thames Water has pleaded guilty to 8 offences relating to the execution of street works prosecuted by TfL. The offences under the New Roads and Street Works Act 1991 included failure to serve notices before executing street

works and unsafe working practices. Thames Water was fined on 20 December a total of £8,500 and agreed to pay £6,500 towards TfL's costs in bringing the case. Thames Water apologised in court for their conduct during the execution of these works and provided assurances that their works practices have improved and will continue to improve to avoid further prosecutions.

Information Access & Compliance Team

The Information Commissioner issued a Decision Notice on 2 January 2008 approving TfL's decision not to disclose personal information relating to compensation payments made by TfL to local residents affected by the M11 Link Road. The Decision related to an FOI request made in 2006 and the Information Commissioner found that TfL had complied with the requirements of the Act.

Public Law

A date for a Committee in the House of Commons to consider the Transport for London Bill has been requested. There is only one Committee stage in the House of Commons and the Committee will consider all provisions in the Bill. Discussions in relation to the two outstanding petitions are continuing and are expected to be finalised shortly. The first reading of the London Local Authorities and Transport for London (No.2) Bill took place on 22 January 2008 in the House of Lords.

Peter Hendy
Commissioner of Transport
Transport for London
January 2008