Transport for London

Projects and Planning Panel

Subject: Project Monitoring – Project Approvals

Date: 13 November 2013

1 Purpose

- 1.1 To present to the Panel the forward approval programme for projects with a value in excess of £50m, from November 2013 April 2015, and to inform the Panel of Project Authority granted by the Commissioner and the Managing Director (MD) Finance in accordance with delegated authority under TfL's Standing Orders.
- 1.2 The Panel is asked to note the paper.

2 Project Approvals

Background

- 2.1 The Commissioner (and in his absence, the MD Finance) has delegated authority to approve Project Authority on projects up to a value of £50m that contain less than £25m of unbudgeted expenditure.
- 2.2 The MD Finance approves Project Authority for projects under £25m that contain less than £10m of unbudgeted expenditure. Approval of authority for projects of less than £5m that contain less than £2m of unbudgeted expenditure is delegated to Chief Officers and is not reported here.

Forward Approval Programme

- 2.3 To enable an appropriate level of governance, processes are in place for the authorisation, control and reporting of projects. The forward approval programme for November 2013 to April 2015, for projects with a value in excess of £50m, is set out in Appendix 1.
- 2.4 Where the projects have a value in excess of £50m and have not already received full approval from the Finance and Policy Committee, these requests will be submitted to the Finance and Policy Committee for consideration. The approval of projects with an estimated final cost below £50m will be reported to subsequent meetings of the Panel.

Project Approvals by the Commissioner

2.5 Since the meeting of the Panel on 3 October 2013, the Commissioner has approved Project Authority on one project. Further details are set out in Appendix 2.

Project Approvals by the MD Finance

2.6 Since the meeting of the Panel on 3 October 2013, the MD Finance has approved Project Authority on two projects. Further details of these projects are set out in Appendix 3.

3 Recommendation

3.1 The Panel is asked to NOTE the paper.

4 Contact

4.1 Contact: Andy Eastaugh, Head of Programme Management Office Number: 020 7918 0055 Email: <u>Andy.Eastaugh@tube.tfl.gov.uk</u>

Forward Approval Programme – November 2013 to April 2015

To enable an appropriate level of governance, processes are in place for the authorisation, control and reporting of projects.

The Pathway Integrated Assurance Review Process (IAR) sets the requirements for the review of projects prior to approval.

Each gate applies 'challenges' to the project to assess whether it is in a suitable state to move through the gate. The Integrated Assurance Review provides assurance that a project or programme is:

- deliverable it is likely to deliver the expected benefits within the declared cost/time/performance envelope;
- affordable the level of expenditure and financial risk involved is acceptable in light of TfL's overall financial position when set against other priorities; and
- value for money it provides the optimum combination of whole-life cost and quality (or fitness for purpose) to meet users' requirements.

Corporate Gates normally apply to a project at the following stages of their project lifecycles:

- Gate A Initiation* (compulsory gate);
- Gate B Option Selection*;
- Gate C Pre-Tender;
- Gate D Contract Award*;
- Gate E Project Close (compulsory gate); and
- Gate P Programme review (for ongoing programmes).

All figures shown in the following table are in accordance with the approved TfL Business Plan unless otherwise indicated.

* If there is more than two years between gates, projects will be reviewed again at an interim point, e.g. Gate B+ or Gate D+.

Forward Schedule of Project Approvals/Gates

					2013											014						
				PPP	FPC	Board	PPP	FPC	Board	PPP	FPC	Board	PPP	FPC	Board	I PPP	FPC	Board	PPP	FPC	Board	PPP
Project	Programme / Asset Group	Estimated Final Cost £m	Note	No	v-13No	/-13De	c-13Jar	n-14Ja	n-14Fel	o-14Fel	b-14Ma	ar-14Ma	r-14Ma	ay-14Ma	ay-14 _{Ju}	m-14 _၂ լ	ul-14 Ju	_{ıl+14} S€	ep-1 <i>4</i> Oo	x-14O	_{ct-14} No	v-1 4 No
Corporate																						
Future Ticketing Project - Phase 1 to 4	Customer Experience	110	3	1			E & C	С				1	Α									
Crossrail 2	Planning	TBC																	В	В	В	
Gallions Reach Project	Planning	150											В	В	В							
Silvertown River Crossing	Planning	700	2																			
Rail & Underground		-																				
Cable Car	DLR	63		1			Е					1										
BCV/SSL Track Programme	Infrastructure	623														Р						
Baker to Bond Street Tunnel	Infrastructure	34																	D+			
JNP Civils	Infrastructure	54																	Р			
JNPTrack Programme	Infrastructure	144														Р						
Croxley Rail Link	Overground	TBC					D	D	D													
London Overground Capacity Improvement Programme	Overground	175																	D+			
Bank Bloomberg Place	Stations	58	4																			
Paddington Station Upgrade	Stations	63																	Е			
Stations Stabilisation Programme	Stations	363								Р	Р	Р										
Victoria Station Upgrade (District and Circle Lines Improvement Works)	Stations	590											D+	D+								
Future Stations Programme	Stations	TBC														В						
92TS Bogie Replacement & Gearbox Repair	Trains	65																	D+			
New Tube for London (Formerly Deep Tube Programme)	Upgrades	16,500					В	в	В													С
Jubilee Line Upgrade	Upgrades	>>					E															
Jubilee Line World Class Capacity	Upgrades	251														в	В	В				
Northern Line Extension to Battersea	Upgrades	TBC								D	D	D										
SUP - Neasden Heavy Maintenance Facilities	Upgrades	56											В	в								
Victoria Line Upgrade	Upgrades	1,029											E									
Surface			1																			
Hammersmith Flyover Phase 2	Assets	77										1			Γ				D+			
TLRN Capital Renewals Programme	Assets	60								Р	Р											
New Bus for London	Buses	220																	D+			
London Road User Charging Contract Relet	Congestion Charging	>>		D	D	D																
Cycling Vision Portfolio	Cycling	913		A/B	A/B	A/B																D+
Cycle Hire Transition	Cycling	>>											A/B	A/B	A/B							
Cycle Hire Expansion and Intensification	Cycling	37														Е						
A23/A232 Fiveways Road Improvement Scheme	Highways Enhancements	s TBC																	A/B	A/B		
A406 Bounds Green	Highways Enhancements	-		E																		
Vauxhall	Highways Enhancements															A/B	A/B					
Wandsworth	Highways Enhancements																			A/B		
RSM SCOOT	Network Performance	58																	D+			\vdash
Network Instrumentation Programme	Network Performance	TBC	1	I				1	1					1	1	A/B	A/B		1	1	1	1

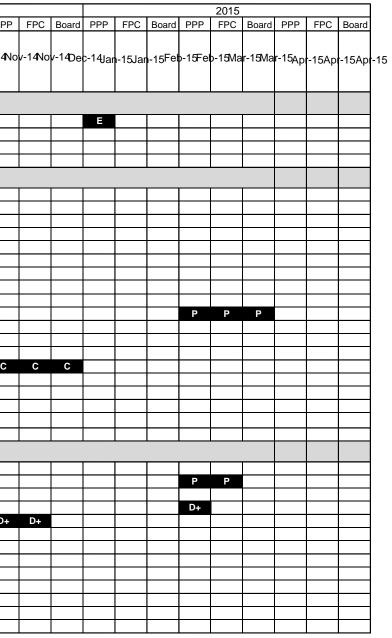
TBC: The amount to be approved at the gate will be confirmed closer to the approval date.

>>: Costs are excluded for reasons of commercial confidentiality.

UB: Unbudgeted

Notes:

A number of Surface Transport programmes including major road schemes, structures and tunnels, and cycling, have not yet been timetabled for review and approval.
 Timing of Silvertown River Crossing Gate B (Single Option) to be confirmed.
 Future Ticketing Phase 1 Close (E) and Phase 3 Pre-Award (C) Jan 2014; Phase 4 Initiation (A) May 2014; Phase 3 Close (E) Jan 2015.
 Timing of Bank Bloomberg to be confirmed. Contractor delays impact on TfL LU programme.



Summary of projects approved by the Commissioner

PVEA3083	Primary Means of Vertical Transport (PMVT) Lifts Refurbishment Programme										
Financial Autho Business Plan £47,033K	ority in	Previous Project Authority Granted £0k	Total Project Authority Granted £38,013k	Estimated Final Cost £47,033k							
Authority Approval	follo Rev Proo Pan	 Project Authority of £38,013k was granted in October 2013, following an Option (formerly Gate B) Integrated Assurance Review (IAR). Procurement Authority of £47,033k was granted, to extend the Pan-TfL contract which includes routine and reactive revenue maintenance costs. 									
Outputs and Schedule	stati At b and lifts year	The programme will maintain the 21 PMVT lifts at BCV/SSL stations in a state of good repair for minimum whole life cost. At between 20 and 30 years old, 15 of the 21 lifts are life expired and will be replaced. Kone will be responsible for managing all 21 lifts under the performance based Pan-TfL Lift Contract for up to 22 years for an agreed whole life cost. The replacement programme is due for completion January 2018.									

Summary of projects approved by the MD Finance

ST-PJ350C 21 st Century Traffic Signal Communications Project									
Financial Author in Business Plan £17,886k		Previous Project Authority Granted £2,229k	Total Project Authority Granted £17,886k	Estimated Final Cost £17,886k					
Authority Approval									
Outputs and Schedule	The project will replace the obsolete analogue data communications component of the traffic signal infrastructure with a modern digital equivalent. A solution has now been developed that will be deployed at all 2,600 centrally controlled sites, serving a total of 3,800 signals.								
	The main items of scope are:								
	 Development and testing of a digital communications solution for centralised control of traffic signals; and 								
	 Roll out of the solution to all 2,600 centrally controlled traffic signal sites. 								
	The project will complete by April 2018.								

LR-PJ313C London Overground Station Capacity Programme (LOSTAT)										
Financial Auth in Business Pl £17,200k		Previous Project Authority Granted £845k	Total Project Authority Granted £17,200k	Estimated Final Cost £17,200k						
Authority Approval										
Outputs and Schedule										
	The programme only addresses the eight stations in most urgent need. The authority granted relates to the first tranche of work which consists of the four most critical stations for which funding has been secured, specifically:									
	•	West Hampstead;								
	•	 Dalston Kingsland; 								
	Hackney Central; and									
	 Finchley Road & Frognal. 									
	For the remaining four stations which are less critical, a separate request for Project Authority will be made at a later date when funding (principally third party) has been secured. These are:									
	Willesden Junction;									
	•	Brondesbury;								
	•									
	Clapham High Street.									
	Delivery of the first tranche will complete by November 2015.									