

Transport for London

Projects and Planning Panel

Subject: Project Monitoring – Project Approvals

Date: 11 July 2012

1 Purpose and Decision Required

- 1.1 To inform the Panel of project authority given by the Commissioner and the Managing Director (MD) Finance in accordance with delegated authority under TfL's Standing Orders.

2 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 not reported here.
- 2.3 The governance arrangements put in place following the acquisition of Tube Lines (Holdings) Limited require that the project authority on projects over £5m and up to £50m is granted by the Tube Lines (Holdings) Limited Board.

3 Project Approvals by the Tube Lines (Holdings) Limited Board

- 3.1 No project authorities have been approved since the meeting of the Tube Lines (Holdings) Limited Board held on 5 January 2012.

4 Project Approvals by the Commissioner

- 4.1 Since the meeting of the Projects and Planning Panel held on 31 May 2012, the Commissioner has approved project authority on two projects. Further details of these projects are set out in Appendix 1.

5 Project Approvals by the MD Finance

- 5.1 Since the meeting of the Projects and Planning Panel held on 31 May 2012, the MD Finance has approved project authority on four projects. Further details of these projects are set out in Appendix 2.

6 Conclusion and Next Steps

- 6.1 Planned future requests, over the next 12 months, for project authority for projects with a value in excess of £5m are listed in Appendix 3. 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 Projects and Planning Panel.

7 Recommendation

- 7.1 The Panel is asked to note the paper.

8 Contact

- 8.1 Contact: Stephen Critchley, Chief Finance Officer
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Summary of projects approved by the Commissioner

Tottenham Hale Gyratory Improvements			
Financial Authority in Business Plan £35,100k	Previous Project Authority Granted £11,840k	Total Project Authority Granted £29,310k	Estimated Final Cost £29,310k
Authority Approval	Additional authority of £17,470k was granted.		
Outputs and Schedule	<ul style="list-style-type: none"> • Removal of the gyratory system and the introduction of two-way working, including the removal of the southbound contra-flow bus lane on Tottenham High Road. • Redesigned junctions – less cluttered, more streamlined junctions providing additional capacity within the existing highway boundary where possible. • Enhancement of the public realm along the gyratory and at Tottenham Hale station forecourt, including the provision of additional crossing facilities. • An improved bus station at Tottenham Hale, improved bus stops along the route, and the reintroduction of the southbound bus stop closer to Seven Sisters station. • Enhanced cycling facilities on the network, including cycle lanes linking with existing cycle routes and coordination with Cycle Super Highway Route 1. • New street lighting around the gyratory, at the bus station and public square. <p>The work is due to be completed by March 2014.</p>		

A4 Hammersmith Flyover Strengthening – Phase 1			
Financial Authority in Business Plan £17,700k	Previous Project Authority Granted £4,935k	Total Project Authority Granted £17,740k	Estimated Final Cost £ 17,740k
Authority Approval	Additional authority of £12,805k was granted to complete phase 1 remedial works.		
Outputs and Schedule	<p>Phase 1 works were targeted to repair the five sections that showed the highest levels of deterioration of the cables within the structure to enable the bridge to carry traffic during the Games period.</p> <p>Phase 2 will complete the refurbishment of the flyover and will be the subject of a separate authority request later in 2012, once the single design option has been selected (Corporate Gate B).</p>		

Summary of projects approved by the MD Finance

LU-PJNew/ UIPNew Farringdon Train Shed Roof Refurbishment - Design and Enabling Works			
Financial Authority in Business Plan	Previous Project Authority Granted	Total Project Authority Granted	Estimated Final Cost
£18,000k	N/A	£7,603k	£18,000k
Authority Approval	New project authority of £7,603k was approved to undertake design, investigation and enabling works to the original train shed roof at Farringdon Station, following a Corporate Gate review.		
Outputs and Schedule	<p>Project authority has been granted to undertake design, investigation and enabling works to the original train shed roof at Farringdon Station on the Hammersmith and City, Circle and Metropolitan Lines. A protection deck will be installed and continue in place to enable restoration work to take place.</p> <p>Once completed the works will make the roof and associated assets structurally secure, waterproof and maintainable. New secure access routes will be provided to allow regular routine inspections of the structure without the need for major possessions, blockades or isolation of the overhead line equipment.</p> <p>The project is due to complete by August 2015.</p>		

SS-PJ113C/ PSEA0485 Baker Street Station Improvements			
Financial Authority in Business Plan	Previous Project Authority Granted	Total Project Authority Granted	Estimated Final Cost
£31,542k	£3,708k	£4,099k	£26,818k
Authority Approval	Additional project authority of £391k was granted to complete concept design and undertake procurement activities to CGAP Gate D, following a Corporate Gate B review.		
Outputs and Schedule	<p>Baker Street is the first project in the Stations Improvements Programme, covering the 74 stations that were not improved under the PPP. The principal aim is to ensure that station assets remain in a stable condition for a minimum period of ten years.</p> <p>Scope to be delivered under this authority is:</p> <ul style="list-style-type: none"> • Concept design for all disciplines (fire, communications, premises, mechanical and electrical). • Detailed design for all disciplines. • Procurement activities for detailed design and implementation associated with all disciplines. <p>The project is due to complete by October 2015.</p>		

Road Bridges, Tunnels and Structures Programme			
Financial Authority in Business Plan £116,900k	Previous Project Authority Granted £780k	Total Project Authority Granted £3,797k	Estimated Final Cost £ 116,739k
Authority Approval	Project authority totalling £3,797k was granted at Gate A to commence designs and proceed with early contractor involvement for the repair or renewal of seven road structures on the TLRN.		
Outputs and Schedule	<p>Seven road bridges, tunnels and structures on the Transport for London Road Network require capital investment to bring them back to a state of good repair. Specifically:</p> <ul style="list-style-type: none"> • A127 Ardleigh Green Railway Bridge reconstruction • A1 Upper Holloway Roads Bridge reconstruction • A1 Highbury Corner Bridge deck replacement • A406 Power Road Bridge reconstruction • A316 Chiswick Bridge refurbishment • A406 Woodlands Retaining Wall reconstruction • A406 Fore Street Tunnel refurbishment and remediation works to primary structure <p>Each structure is delivered as a separate project with its own business case. For efficiency, these will be delivered by an integrated team within a programme structure. The programme intends to use the early contractor involvement model for the procurement of the main works contractors.</p> <p>Initial programmes of work for each structure will be developed as part of the feasibility study. The programme intends to seek Gate B approval for each project in December 2012.</p>		

FP-PJ34 Operational Support System (OSS)			
Financial Authority in Business Plan £4,326k	Previous Project Authority Granted N/A	Total Project Authority Granted £5,517k	Estimated Final Cost £5,517k
Authority Approval	Full project authority of £5,517k was granted for design, development and installation of a system to allow central control of the ticketing estate, following a Corporate Gate B review.		
Outputs and Schedule	<p>As part of the Future Ticketing Project, TfL is implementing an enhanced ticketing system on the TfL estate which leverages new technologies to accept the use of Contactless Payment Cards (CPC) across the TfL and London Train Operating Companies network. To minimise the risk of revenue loss once CPC acceptance is implemented, it is critical that data capture is accurate, timely, complete and reader availability is as near as 100 per cent as possible.</p> <p>The OSS fulfils the requirement for a device monitoring system to replace the existing Cubic product when the Future Ticketing Agreement ends. This would provide TfL with the ability to monitor device status and performance.</p> <p>The project is due for completion in November 2013.</p>		

Forward Approval Programme – July 2012 to June 2013

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

Projects with a total value greater than £2m (unbudgeted) or £5m (budgeted) require authorisation by the MD Finance. The Corporate Gateway Approval Process (CGAP) sets the requirements for the review of these 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 Gate 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 – Project commencement (compulsory gate);
- Gate B – Single option selection*;
- Gate C – Pre-tender;
- Gate D – Contract award*;
- Gate E – Project close (compulsory gate); and
- Gate P – Programme review for annualised programmes of minor schemes.

All figures shown in the following tables 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+.

Projects to be submitted to the TfL Board over £100M

Project Title	Current Project Authority £m	Expected Cumulative Authority Sought £m	Estimated Final Cost £m	CGAP Gate	Proposed Board Date
Rail and Underground					
Earls Court Development	0.0	TBC	140.0	A	Feb-13
Deep Tube Programme	23.0	TBC	7,602	B	Jun-13
Bank Station Upgrade	13.6	TBC	625.0	C	Jul-13
Corporate					
Crossrail 2	0.0	TBC	TBC	A	Nov-12
Northern Line Extension	2.4	TBC	307.0	A+/B	Sep-12

Notes

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

Projects to be submitted to the Finance and Policy Committee (FPC) between £50M and £100M

Project Title	Current Project Authority £m	Expected Cumulative Authority Sought £m	Estimated Final Cost £m	CGAP Gate	Proposed FPC Date
Rail and Underground					
Deep Tube Programme	5.5	23.0	TBC	A+	Jul-12
Bank Station new control room and Walbrook Square	58.2	TBC	73.7	C	Oct-12
SUP – Neasden Heavy Maintenance Facilities	2.5	TBC	52.0	B	Jan-13
Surface					
A4 Hammersmith Flyover Phase 2	0.0	1.5	77.7	A	Jul-12
Cycle Hire Phases 2 and 3	20.0	60.0	60.0	D+/D	Sep-12
Corporate					
Future ticketing phases 3,4 and 5	66.0	TBC	TBC	B	Oct-12

Notes

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

Projects to be approved by the Commissioner between £25M and £50M

Project Title	Current Project Authority £m	Expected Cumulative Authority Sought £m	Estimated Final Cost £m	CGAP Gate	Proposed Approval Date
Rail and Underground					
Vauxhall Station Capacity and Step Free Access	0.3	40.0	40.0	B	Jul-12
SSR Major Power Works (Signalling) (Package 1)	48.0	N/A	48.0	D	Sep-12
SSR Major Power Works Package 3b	49.9	N/A	49.9	D	Jan-13
Track Plant Programme	0.0	TBC	49.3	P	Mar-13
SSR Major Power Works (Signalling) (Package 2)	48.0	N/A	48.0	D	Jun-13
Surface Transport					
Safety Camera Replacement Programme	27.2	N/A	27.2	B/C	Jul-12

Notes

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

N/A: Not Applicable, as no further authority is to be sought.

Projects to be approved by the MD Finance under £25M

Project Title	Current Project Authority £m	Expected Cumulative Authority Sought £m	Estimated Final Cost £m	CGAP Gate	Proposed Approval Date
Rail and Underground					
Power Supervisory Control and Data Acquisition	0.2	TBC	24.8	A	Jul-12
Finsbury Park Capacity and step-free access	12.8	N/A	12.8	B	Jul-12
Chancery Lane Station Refurbishment	0.0	6.6	6.6	B	Jul-12
Embankment Station Refurbishment	0.0	10.6	10.6	B	Jul-12
Power Sourcing	0.0	7.0	7.0	B	Sep-12
SUP – Piccadilly Line GAP signalling	0.0	8.5	8.5	A-D	Oct-12
Wide Aisle Gates Phase 4	0.0	TBC	TBC	B-D	Oct-12
Additional Advance Fare Machines	0.0	TBC	TBC	B-D	Oct-12
Passenger Operated Machines Upgrade	0.0	TBC	TBC	B-D	Oct-12
Central Line Depot Track Works Phase 1 and 2	0.0	7.0	7.0	B-D	Nov-12
SUP – Neasden Maintenance Enhancement works	2.9	12.0	12.0	B	Nov-12
SSR Major Power Works Package 7 (a and c)	20.6	N/A	20.6	D	Dec-12
SSR Major Power Works Package 7 (b)	20.6	N/A	20.6	C	Jun-13

Project Title	Current Project Authority £m	Expected Cumulative Authority Sought £m	Estimated Final Cost £m	CGAP Gate	Proposed Approval Date
Surface Transport					
Systems Relocation	24.2	N/A	24.1	D+	Jul-12
Split Cycle Offset Optimisation Technique (SCOOT)	27.4	N/A	21.9	D+	Jul-12
21 st Century Traffic Signal Communications	16.0	TBC	TBC	Var	Jul-12
Euston Circus	0.4	5.4	5.4	D	Nov-12
10 Cycle Super Highways – Tranche 2*	105.6	N/A	105.6	C	Mar-13
Corporate					
Service Stabilisation High Value	8.0	N/A	20.0	P	Feb-13
Local Control Panel (LCP) Installation	0.0	TBC	TBC	B-D	Oct-12

Notes

* The full cost of the projects (£145m) was authorised by the Board in October 2009. Approval of individual phases is being provided by the MD Finance through the Corporate Gateway Approval Process (CGAP). Figures shown are cumulative authorities for all routes.

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

N/A: Not Applicable, as no further authority is to be sought.

Interim Gate (D+/P) Project Close reviews to be submitted to the PPP

Project Title	Current Project Authority £m	Expected Cumulative Authority Sought £m	Estimated Final Cost £m	CGAP Gate	Proposed Approval Date
Rail and Underground					
Track BCV/SSR programme 2011/12	124.1	N/A	124.1	P	Jul-12
Victoria Station Upgrade	661.2	N/A	598.5	D+	Oct-12
Tottenham Court Road Station Upgrade		500		D+	Oct-12
Bond Street Station Upgrade	293.4	N/A	285.2	D+	Oct-12
SUP-S7 Infrastructure	TBC	N/A	TBC	D+	Dec-12
SUP-Rolling Stock*	1,837.0	N/A	1,828.0	D+	Nov-12
Paddington Station Upgrade	62.9	N/A	62.9	D+	Dec-12
Victoria Line Upgrade	990.7	N/A	973.9	D+	Jan-13
SUP-ATC*	981.7	N/A	981.7	D+	Mar-13
Track BCV/SSR programme 2012/13	124.1	N/A	124.1	P	Apr-13
Victoria Station Upgrade	661.2	N/A	598.5	D+	Apr-13
Bond Street Station Upgrade	293.4	N/A	285.2	D+	Apr-13
Corporate					
Future ticketing phase 2	72.7	N/A	72.7	D+	Oct-12

Notes

* Subject to coordination with IIPAG interim review programme.

N/A: Not Applicable, as no further authority is to be sought.

Gate E Project Close reviews to be submitted to the PPP over £100M

Project Title	Current Project Authority (£m)	Estimated Final Cost (£m)	Proposed Approval Date
Rail and Underground			
Major Power Works (Victoria Line Upgrade)	142.8	141.7	Oct-12
SSR Upgrade Programme Extra Low Loss Composite Conductor Rail	»	»	Oct-12
East London Line Extension	1,044.3	1,018.9	Oct-12
Connect Enabling	260.0	260.0	Nov-12
SUP-S8 Infrastructure	»	»	Jan-13
Stratford International DLR Extension	188.9	180.5	Feb-13
North London Railway Infrastructure Project	252.0	252.0	TBC
Tube Lines			
Jubilee Line Upgrade	»	»	Oct-12

Notes

» Costs are excluded for reasons of commercial confidentiality.

Gate E Project Close reviews to be approved by the MD Finance

Project Title	Current Project Authority (£m)	Estimated Final Cost (£m)	Proposed Approval Date
Rail and Underground			
DLR 3 Car New Vehicles	43.8	43.8	Nov-12
Green Park Station Upgrade	80.8	47.9	Oct-12
Beckton Depot Offices	21.2	21.2	Oct-12
Earl's Court Lifts 3 and 4 Replacement	5.0	5.0	Oct-12
Future ticketing phase 1	72.7	72.7	Oct-12
92TS Bogie Replacement and Gearbox Repair	64.7	64.7	Oct-12
Interlocking Machine Room (IMR) Wire Degradation	13.5	13.5	Oct-12
Cable Car	62.6	62.6	Jan-13
Paddington Station Upgrade	62.9	62.9	Apr-13
Silverlink Stations Upgrade	28.4	27.4	Jun-13
Surface Transport			
Olympic Cycle and Walking Routes	9.9	9.3	Jun-12
A406 Bounds Green	52.7	52.7	Sep-12
Dial a Ride Renewal	10.0	10.0	Oct-12
Hydrogen Transport Programme	19.7	19.7	Sep-12
Energy Efficient Lighting – Central Management	7.6	7.6	Sep-12
10 Cycle Super Highways – Phase 1	21.4	21.4	Nov-12
New Bus for London	11.1	11.1	Nov-12
Transport Coordination Centre	5.8	5.8	Nov-12
Countdown II Project	26.0	26.0	Dec-12