

# Agenda

**Meeting: Board**

**Date: Wednesday 22 January 2020**

**Time: 10.00am**

**Place: Chamber - City Hall, 110 The Queen's Walk, London, SE1 2AA**

## Members

Sadiq Khan (Chair)

Heidi Alexander (Deputy Chair)

Kay Carberry CBE

Prof Greg Clark CBE

Bronwen Handyside

Ron Kalifa OBE

Dr Alice Maynard CBE

Anne McMeel

Dr Mee Ling Ng OBE

Dr Nelson Ogunshakin OBE

Mark Phillips

Dr Nina Skorupska CBE

Dr Lynn Sloman

Ben Story

Copies of the papers and any attachments are available on [tfl.gov.uk How We Are Governed](https://www.tfl.gov.uk/How-We-Are-Governed).

This meeting will be open to the public, except for where exempt information is being discussed as noted on the agenda. There is access for disabled people and induction loops are available. A guide for the press and public on attending and reporting meetings of local government bodies, including the use of film, photography, social media and other means is available on [www.london.gov.uk/sites/default/files/Openness-in-Meetings.pdf](https://www.london.gov.uk/sites/default/files/Openness-in-Meetings.pdf).

## Further Information

If you have questions, would like further information about the meeting or require special facilities please contact: Shamus Kenny, Head of Secretariat; telephone: 020 7983 4913; email: [ShamusKenny@tfl.gov.uk](mailto:ShamusKenny@tfl.gov.uk).

For media enquiries please contact the TfL Press Office; telephone: 0343 222 4141; email: [PressOffice@tfl.gov.uk](mailto:PressOffice@tfl.gov.uk)

Howard Carter, General Counsel  
Tuesday 14 January 2020

**Agenda  
Board  
Wednesday 22 January 2020**

**1 Apologies for Absence and Chair's Announcements**

**2 Declarations of Interests**

General Counsel

**Members are reminded that any interests in a matter under discussion must be declared at the start of the meeting, or at the commencement of the item of business.**

**Members must not take part in any discussion or decision on such a matter and, depending on the nature of the interest, may be asked to leave the room during the discussion.**

**3 Minutes of the Meeting of the Board held on 20 November 2019  
(Pages 1 - 18)**

General Counsel

**The Board is asked to approve the minutes of the meeting of the Board held on 20 November 2019 and authorise the Chair to sign them.**

**4 Matters Arising, Actions List and Use of Delegated Authority  
(Pages 19 - 24)**

General Counsel

**The Board is asked to note the updated actions list and the use of authority delegated by the Board.**

**5 Commissioner's Report (Pages 25 - 84)**

Commissioner

**The Board is asked to note the Commissioner's Report, which provides an overview of major issues and developments since the report to the meeting on 20 November 2019 and updates Members on significant projects and initiatives.**

**6 Crossrail Update** (Pages 85 - 88)

Commissioner

**The Board is asked to note the paper.**

**7 Quarterly Performance Report - Quarter 3, 2019/20** (Pages 89 - 132)

Chief Finance Officer

**The Board is asked to note the Quarterly Performance Report.**

**8 TfL Viewpoint Survey Results 2019** (Pages 133 - 154)

Chief People Officer

**The Board is asked to note the report on the staff survey results.**

**9 Report of the meeting of the Customer Service and Operational Performance Panel held on 27 November 2019** (Pages 155 - 158)

Panel Chair, Mee Ling Ng OBE

**The Board is asked to note the summary report.**

**10 Report of the meeting of the Audit and Assurance Committee held on 3 December 2019** (Pages 159 - 162)

Committee Chair, Anne McMeel

**The Board is asked to note the summary report.**

**11 Report of the meeting of the Finance Committee held on 18 December 2019** (Pages 163 - 168)

Committee Chair, Ron Kalifa OBE

**The Board is asked to note the summary report.**

**12 Report of the meeting of the Programmes and Investment Committee held on 18 December 2019** (Pages 169 - 176)

Committee Chair, Prof. Greg Clark CBE

**The Board is asked to note the summary report.**

**13 Any Other Business the Chair Considers Urgent**

**The Chair will state the reason for urgency of any item taken.**

**14 Date of Next Meeting**

**Wednesday 18 March 2020 at 10am.**

## Transport for London

### Minutes of the Meeting

**City Hall, The Queen's Walk, London, SE1 2AA  
10.00am-1.22pm, Wednesday 20 November 2019**

#### **Members**

Sadiq Khan (Chair)  
Heidi Alexander (Deputy Chair)  
Kay Carberry CBE  
Prof Greg Clark CBE  
Bronwen Handyside  
Ron Kalifa OBE  
Dr Alice Maynard CBE  
Anne McMeel  
Dr Mee Ling Ng OBE  
Dr Nelson Ogunshakin OBE  
Mark Phillips  
Dr Nina Skorupska CBE  
Dr Lynn Sloman

#### **Executive Committee**

Mike Brown MVO	Commissioner
Howard Carter	General Counsel
Graeme Craig	Director of Commercial Development
Vernon Everitt	Managing Director, Customers, Communication and Technology
Stuart Harvey	Director of Major Projects
Simon Kilonback	Chief Finance Officer
Tony King	Interim Group Finance Director and Statutory Chief Finance Officer
Andy Lord	Managing Director, London Underground and TfL Engineering
Lilli Matson	Chief Safety, Health and Environment Officer
Gareth Powell	Managing Director, Surface Transport
Alex Williams	Director of City Planning
Tricia Wright	Chief People Officer

#### **Also in attendance**

Tony Meggs	Chair, Crossrail Limited
Mark Wild	CEO, Crossrail Limited

#### **Staff**

Andy Brown	Head of Corporate and Public Affairs
Tanya Coff	Finance Director, London Underground
Patrick Doig	Finance Director, Surface Transport
Sarah Gasson	Interim Chief of Staff to the Commissioner
Jackie Gavigan	Secretariat Manager
Shamus Kenny	Head of Secretariat
Dili Origbo	Head of Internal Audit
Clive Walker	Director of Risk and Assurance

## **85/11/19 Apologies for Absence and Chair's Announcements**

No apologies for absence had been received from Members.

The Chair welcomed everyone to the meeting, including the press and the public. He also welcomed Andy Lord, who was attending his first meeting since his appointment as the Managing Director, London Underground and TfL Engineering. Andy had a wealth of experience in delivering safe and reliable transport services and was also a Non-Executive Director for Defence Equipment and Support, Ministry of Defence.

The Chair had agreed that the meeting should go ahead as scheduled despite the pre-election period to enable the Board to continue to be informed, transparent and accountable for TfL's activities. The Chair asked Members to be mindful of the pre-election restrictions and to avoid any debate that could be construed as affecting support for any political party or candidate.

As Members were aware, Crossrail Limited had confirmed to its Board on 7 November 2019 that additional funds were needed beyond the funding envelope agreed with the Government back in December 2018. The latest assessment was that the central section between Paddington and Abbey Wood would not open in 2020, but later in 2021. The additional delay and further cost overrun were disappointing news but the Chair welcomed the open and transparent approach being taken by the new management about the scale of the challenge that remained around the project.

The Chair had attended the recent Crossrail Board meeting, and it was clear that enormous progress was being made and the team now had a far better grip on the project. With strengthened governance and scrutiny in place, TfL and the Department for Transport, as joint sponsors, would continue to ensure everything was being done to open the Elizabeth line safely and as soon as possible.

Saturday 9 November 2019 marked the third anniversary of the tram overturning at Sandilands, Croydon. A private ceremony for the families was held on the day followed by a short public ceremony at the memorial in New Addington, at which TfL was represented. The Board and staff's thoughts remained with all those affected by the tragedy and TfL would continue to do all it could to support them. The Board considered a detailed report at its last meeting on the action taken to-date and the further actions proposed. TfL was determined to learn every lesson from the incident and apply them as appropriate across all its services, and to share those lessons with other operators.

The Chair extended his deepest condolences to the family and friends of the bus operator who had lost his life following a collision involving two buses and a car in Orpington on 31 October 2019. TfL had provided full support to the police and the bus operator, Metrobus GoAhead, in supporting those affected and in the investigation now underway. The Sarah Hope Line remained available to offer help, advice and counselling to anyone involved, including our staff.

There had been recent changes to some key posts. Mike Brown had announced that he would be leaving TfL in May 2020 to take up a new role as Chair of the Delivery Authority for the Restoration and Renewal of the Palace of Westminster. The Chair expressed his huge thanks for the exceptional job he had done as TfL Commissioner and in his London Underground roles but also for his wider contribution, for example on the Homes for Londoners Board. Work had started on the process to identify and appoint a successor and the Deputy Chair would engage with the Board on how it would contribute to the

process.

On behalf of the Board, the Chair expressed his thanks to David Hughes, Director Investment Delivery Planning, Andrew Pollins, Director Transformation and Andy Brown, Head of Corporate and Public Affairs, who were all leaving TfL shortly to take up excellent positions elsewhere.

The Chair paid tribute to Tony West, who served on the Board from 3 July 2000 to 17 June 2012, who passed away on 12 October 2019. Tony had a long involvement in the transport industry before joining TfL and was also a parliamentary candidate, a borough councillor and a trustee director of the Railway Pension Scheme. He was an active Member of the Board and was particularly engaged in the work of the Rail and Underground Panel and the Safety, Health and Environment Committee, becoming its Chair in 2009. TfL was represented at his funeral by the Commissioner and General Counsel, along with former staff.

The Chair invited Members to raise any issue of safety or security at the Board meeting, either under a specific agenda item or with the appropriate member of the Executive Committee after the meeting.

## **86/11/19 Declarations of Interests**

Howard Carter reminded the Board that Members' individual register of interests were published on the website at [www.tfl.gov.uk](http://www.tfl.gov.uk).

Since the last meeting, Dr Alice Maynard CBE had been appointed to the Board of the Financial Conduct Authority and Dr Lynn Sloman had been appointed as a Commissioner of the South East Wales Transport Commission. Vernon Everitt had also been appointed to the Board of Transport for Wales.

As TfL nominee non-executive directors of Crossrail Limited, Anne McMeel and Dr Nelson Ogunshakin OBE would not take part in the discussion or decision on the re-appointment of one of the other non-executive directors (see Minute 91/11/19).

There were no other interests to declare that related specifically to items on the agenda.

## **87/11/19 Minutes of the Meeting of the Board held on 18 September 2019**

**The minutes of the meeting of the Board held on 18 September 2019 were approved as a correct record and the Chair was authorised to sign them.**

## **88/11/19 Matters Arising, Actions List and Use of Delegated Authority**

Howard Carter introduced the item. There had been no use of Chair's Action on Board matters since the last meeting.

All of the actions in the action list were either completed or being addressed, with updates provided in the appendix to the report. The following actions were agreed in response to questions from Members:

Minute 76/09/19(2) Pedestrian Crossing Call Cancelling Camera Positioning: There was a mechanism in place on the website to report issues or concerns with camera positioning. Gareth Powell would check how visible this reporting mechanism was to the public and circulate the website link to all Members. **[Action: Gareth Powell]**

Minute 76/09/19(3) Consultation with Trade Unions on Transformation: Tricia Wright would meet with Heidi Alexander and Bronwen Handyside to talk through the progress that had been made with the unions on developing a plan to address the issues in relation to the need to update and renegotiate the union recognition agreement in light of the transferring of staff into teams where different unions were not recognised but were representative of the majority of the new team. **[Action: Tricia Wright]**

Minute 57/07/19(6) High Speed 2: Updates for Members on High Speed 2 would be brought forward. **[Action: Alex Williams]**

**The Board noted the actions list.**

## **89/11/19 Commissioner's Report**

Mike Brown introduced the report, which provided an overview of major issues and developments since the meeting of the Board held on 18 September 2019 and updated the Board on significant projects and initiatives.

The key issues arising from the overview and discussion were:

- 1 **TfL Scorecard 2019/20, Period 7 (15 September to 12 October 2019):** TfL had met its four week safety target for reducing the number of people killed and seriously injured on London's roads but remained behind its overall year-to-date target. TfL had reviewed how it categorised serious injuries to its customers and workforce and the revised approach was considered by the Safety, Sustainability and Human Resources Panel on 13 November 2019; TfL would continue to report against the current target while looking to adjust its serious injury definition in 2020/21.
- 2 Reliability on London Underground continued to be behind target this period and was impacted by the recent issues experienced on the Jubilee and Metropolitan lines, which TfL was working extremely hard to address. The work by the maintenance teams to inspect the trains and fix the faults identified had been first class and London Underground continued to work towards providing a "good service" while the issues were addressed.
- 3 The Commissioner thanked all the operational and customer service staff, who have been keeping the service running as best they could, despite the shortage of available trains. Andy Lord sought to get these issues resolved as quickly as possible.



- 4 TfL was ahead of its customer care metric, having delivered all its key investment milestones so far this year, with 55 per cent of the homes in its planning applications as affordable units.
- 5 TfL had agreed its 2019/20 key milestone for the Elizabeth line, which was on target to begin rail services out of Paddington to Reading in December 2019.
- 6 The annual Viewpoint employee engagement survey closed on 27 September 2019. TfL had improved its overall scores and met its two Scorecard measures for total engagement and inclusion.
- 7 TfL showed very good performance in meeting financial targets despite the uncertain economic climate. Halfway through the year, fare revenues were marginally above the forecasts for the year-to-date.
- 8 **Safety and security:** The report provided an update on the latest work in response to the tram overturning at Sandilands in 2016, which marked its third anniversary on 9 November 2019. The memorial services for the anniversary itself were led by the London Borough of Croydon, and TfL was represented along with the operator, FirstGroup.
- 9 TfL aimed to complete the installation of a system to physically prevent trams from overspeeding on the network shortly, the first of its kind in the UK. The Crown Prosecution Service had recently confirmed its decision not to prosecute the driver, or to bring forward other criminal charges.
- 10 As reported at the last meeting, a TfL contractor, Christian Tuvi, had died on 18 September 2019 as a result of an injury he sustained while working at Waterloo station. The safety of customers, staff and those who worked on TfL's network was its number one priority, and immediate action was taken to suspend similar maintenance work across the network and on the Crossrail project, in order to understand what had happened and check that processes were safe. TfL was working closely with the British Transport Police and the Office of Rail and Road to support their investigations and make sure it did not happen again.
- 11 On 31 October 2019, a road traffic collision in Orpington involving two buses and a car had resulted in the death of Kenneth Matcham, who was driving one of the buses. TfL was assisting the Metropolitan Police with its investigation and was offering support to Mr Matcham's family and colleagues.
- 12 TfL continued to work closely with its policing partners to keep weapons off the network. In order to deter people from travelling and carrying weapons, targeted high visibility patrols had been conducted and weapon detection arches used.
- 13 A total of 1,471 weapon sweeps were carried out in September 2019, which resulted in 5,737 stop and searches. Twenty seven people were arrested for carrying weapons and 366 were arrested for drug offences.
- 14 Since the last meeting, TfL had launched the new Direct Vision Standard permitting scheme, announced it would be introducing 20mph speed limits on its roads across central London, and launched a new hard-hitting campaign to get people to reduce their speeds. It had also launched this year's Safer Travel at Night campaign, aimed at identifying, disrupting and deterring illegal minicab operators. A link to the Watch

your Speed campaign video, showing the impact of drivers going too fast on all passengers, would be circulated to Members. **[Action: Howard Carter]**

- 15 Following the vicious attacks on three members of staff at West Ham station in September 2019, TfL provided additional uniformed officers for six weeks on the end of the District line to help support and reassure station staff. British Transport Police also carried out enhanced local patrols and additional knife crime and revenue protection operations.
- 16 As the safety of staff was paramount, a new set of proposals had been announced to tackle anti-social and threatening behaviour against staff. TfL was recruiting 60 new revenue control officers in London Underground and roughly 150 further staff to prevent work-related violence, aggression and anti-social behaviour, as well as doubling the size of its central Workplace Violence team. TfL would also fund 50 additional British Transport Police officers to tackle work-related violence against staff, and make body worn videos available to all staff on stations. Conversations with trade unions had already started and TfL would continue to work with them to shape the proposals, as part of a phased rollout from spring 2020.
- 17 In response to a Member's question around the Overground consultation on proposals for ticket office opening times and the potential for staff working out on the station to be more exposed to work place violence, Gareth Powell confirmed that every station would be staffed 15 minutes before the first train until 15 minutes after the last train each day. Ticket offices would be open at peak times when most needed by customers to meet demand but were not proposed to close. The wider TfL Work-related Violence and Aggression Strategy would apply equally to support staff on Overground and Underground stations and was being developed in full consultation with the unions. An update would be provided to members of the Customer Service and Operational Performance Panel on 27 November 2019.  
**[Action: Gareth Powell]**
- 18 There were now 45 buses operating on TfL's network with enhanced safety features, such as better visibility mirrors, anti-slip floors and early warning sounds for unintended acceleration. TfL was working with bus operators on the remaining elements of the safety standard, such as camera monitoring systems and the development of a new alert sound for quiet running buses. TfL's target was for no one to be killed or seriously injured on or by a bus by 2030, and no one to be killed or seriously injured on its network by 2041.
- 19 **Healthy streets:** Work continued to accelerate the delivery of cycling schemes across London, including cycleways, future routes, mini-Hollands, Quietways and the central London grid.
- 20 On Cycleway 4, between Tower Bridge and Greenwich, works were progressing well along Jamaica Road and Rotherhithe Roundabout and was anticipated to be completed by May 2020. The London Borough of Hounslow approved its section of the Cycleway 9 scheme on 3 September 2019 and the London Borough of Hammersmith and Fulham's decision was expected in December 2019. On 3 October 2019, TfL published the results of the consultation for the Hackney and Westferry cycleway route with main construction work starting later in the winter.
- 21 The next steps for proposed improvements between Wood Lane and Notting Hill Gate had been set out and initial discussions started with the borough regarding

these improvements. TfL was collaborating with cyclist campaign groups on improving the timing of traffic signals after the success of its pedestrian scheme launched earlier in 2019, in partnership with Living Streets.

- 22 TfL was undertaking a programme of work to improve London's air quality and reduce emissions across a range of different transport modes. Latest figures for air quality improvement from the Ultra Low Emission Zone (ULEZ) were very encouraging, with a 36 per cent reduction in nitrogen dioxide levels within the zone and a four per cent reduction in carbon emissions. The £25m ULEZ car and motorcycle scrappage scheme had launched on 23 October 2019 at the World Air Quality Conference.
- 23 Good progress continued to be made in building rapid charging points for electric vehicles across London, with 213 charging points in place. TfL was on track to deliver its target of 300 points by December 2020. Of these 213 chargers, 73 were dedicated to taxi use with a total of 2,625 zero emission taxis licenced in London. The Safety, Sustainability and Human Resources Panel update paper on usage and publicity of locations of rapid charging points would be circulated to Members.  
**[Action: Alex Williams]**
- 24 On 1 November 2019, TfL mandated the maximum taxi age so that no taxi would be licenced to operate over its relevant age limit. This applied to all licenced taxis and from 1 November 2020 to 1 November 2022, the age limit of Euro 3, 4 and 5 taxis would be reduced by one year for each year. For zero emission capable and Euro 6 vehicles and taxis that had been newly converted to run on liquid petroleum gas, the age limit would remain at 15 years throughout this period.
- 25 TfL used weekly bulletins and publications such as OnRoute magazine to make sure that licensees were aware of the upcoming changes. It also launched a taxi age calculator that let taxi drivers know when the last date was that they could renew their vehicle based on the DVLA date of registration.
- 26 TfL had worked with the London Borough of Hammersmith and Fulham to agree a way forward on Hammersmith Bridge. The Borough had confirmed that it would restore the bridge for general traffic, with a 7.5 tonne weight limit. TfL had committed £25m to progress with the concept and detailed design phases, together with the early works that needed to be carried out. TfL was keeping a close eye on traffic flow in and around the area, and using its network data to make comprehensive changes to road traffic, traffic light timings and bus services.
- 27 To help minimise disruption to the network, the Road and Transport Policing Command and the British Transport Police had deployed staff to help support TfL during the two weeks of action from climate activists Extinction Rebellion, from 5 to 19 October 2019. There were three separate incidents on the network which were reported in the media. Eight arrests were made and TfL was able to quickly restore services thanks to its staff and policing colleagues.
- 28 On 24 September 2019, TfL had granted Uber London Limited a two month licence extension on the same conditions that were attached to the previous licence granted in June 2018. It had requested further information from Uber London Limited, which would form part of any re-licencing decision.

- 29 Allegations had been made that vocational qualifications, which allowed people who wanted to be Private Hire Vehicle drivers to be exempt from taking the topographical test and provided evidence that they met the English language requirement, were being sold at some colleges without the candidate passing the assessment. There were approximately 3,700 licenced Private Hire Vehicle drivers (three per cent of a total of 108,000) who had been licenced with the relevant vocational qualifications and there were currently over 1,600 applications pending, based on having the relevant vocational qualifications. In light of the claims, TfL had suspended all current licence applications that used this third-party qualification route, while it investigated further and the Customer Service and Operational Performance Panel would be kept informed. No concerns had been raised with TfL's own assessment centres and applicants could still carry out an assessment directly through that route.
- 30 **A good public transport experience:** An update on the Elizabeth line was included on the agenda later in the meeting.
- 31 TfL had announced that for the first time it would run services on Boxing Day on the north London and east London lines of the London Overground. As a result of this change, TfL was now operating 364 days of the year (excluding Christmas Day) on London Overground, London Underground, London Trams, DLR, Emirates Airline and buses.
- 32 During the period of free travel on London Overground's Gospel Oak to Barking line for customers, which ended on 1 October 2019, 225,517 customers were refunded a total of £827,713.
- 33 Work continued on the Northern line extension and progress continued to be made in taking the project forward, ready for service in autumn 2021. This ground-breaking work had also been shortlisted in two categories for the New Civil Engineer's Tunnelling Awards, with the results due next month.
- 34 Elsewhere on the network, work continued on the Four Lines Modernisation project, which was replacing the signalling system on the Circle, District, Hammersmith & City and Metropolitan lines. On 2 September 2019, a section of new, digital signalling was introduced from Latimer Road, Finchley Road, Euston Square and Paddington, with trains now operating automatically on that section of the route. This was a huge step forward in overhauling the signalling system on some of the oldest and busiest parts of the network. Since the launch, the Metropolitan line had run more than 40,000 trains between Finchley Road and Euston Square in both directions.
- 35 TfL was working closely with its supplier, Thales, to deliver a robust package of measures and solutions to tackle some of the teething problems it had encountered, and to ensure all lessons were learned as it rolled out successive new sections of signalling on the remaining parts of the sub-surface network.
- 36 On 14 October 2019, a public consultation on the Bakerloo line extension was launched to seek feedback on the proposals, which included a new combined Northern and Bakerloo line station at Elephant & Castle and new stations on Old Kent Road and New Cross Gate. TfL was also consulting on a potential further extension to Hayes and Beckenham Junction. Around 6,200 responses had already been received, with the consultation due to close on 22 December 2019.

- 37 In response to a query, the Secretariat would send Members details of the number of parking spaces available at Cockfosters and Amersham stations in order to encourage more use of these step-free access stations. **[Action: Secretariat]**
- 38 The World Car Free Day event on 22 September 2019 was attended by around 70,000 people, making it the largest ever car free day in the capital. Over 27km of roads were closed around Tower Bridge, London Bridge and the City of London. There was a wide selection of free activities including free bike rides and guided walks, pop up playgrounds and yoga on Tower Bridge, which was attended by 600 people. There were a number of pop up stages across the area, which hosted performances by 137 different groups.
- 39 The London Air Quality Network noted a 32 per cent reduction in nitrogen oxides in the area, and early polling also suggested that around 65 per cent of attendees said they would be inspired to use their car less frequently. Such events helped people realise how easy it was to move quickly and efficiently around London by walking or cycling.
- 40 Work continued on the strategic improvement of the bus network to ensure it efficiently served central and inner London, while expanding in outer London to support economic growth and encourage more people to travel using sustainable modes. Alongside these changes, new 'on demand' bus services, which could be booked using an App or by phone, were being trialled. The first trial had been running since May 2019 in Sutton, and a second trial in Ealing was announced on 13 November 2019. The services would run seven days a week between 6am and 1am for the next 12 months. The results of both research trials would be used to understand whether and how these on-demand services could form part of the future of London's public transport system.
- 41 On 5 November 2019, TfL updated its Journey Planner tool to more accurately reflect the time it took to travel through its stations during peak periods and timings for journeys involving 55 of its stations. This work was made possible following the analysis of over 2.7 billion pieces of data collected from over 260 London Underground stations on the network. These changes were part of a wider programme of work that would be delivered over the next 12 months.
- 42 All the data collected as part of this project was immediately depersonalised to ensure individuals could not be identified. Any customer who did not wish to have their data collected could opt out by switching off their Wi-Fi whilst travelling. The team worked closely with stakeholders including the Information Commissioner's Office, and the project was a good example of what could be achieved with 'big data' when privacy and transparency concerns were properly taken into account. A note on the technical protections applied to the Wi-Fi data that TfL collected would be circulated to Members. **[Action: Vernon Everitt]**
- 43 **New homes and jobs:** On Crossrail 2, following the submission of the Strategic Outline Business Case to Government in June 2019, a Crossrail 2 Project Assurance Review was undertaken in September 2019 on behalf of the Cabinet Office and HM Treasury and its findings would inform the Government's decision.

- 44 The masterplan for Canada Water was approved by the London Borough of Southwark on 30 September 2019. This would support the development of over 3,000 new homes and 20,000 new jobs in this important growth area. In October 2019, TfL launched a consultation on its plans for development over the station at Southwark. At Beechwood Avenue, construction had started on 97 new homes, 50 per cent of which were affordable.
- 45 **Our people:** On 15 October 2019, the Press Office was recognised as the best public sector in-house team of the year at the prestigious PR Week UK's annual awards. The following day, TfL won the PinkNews Advertising Campaign of the year for its annual Pride campaign. On 25 October 2019, TfL was recognised as an Excellent employer, under the Mayor's new initiative: the Good Work Standard.
- 46 Special mention was given to Customer Service Manager Brendan Gallagher, who was recently recognised with an Honorary British Empire medal for services to young people. The Commissioner thanked staff for their continuous hard work on all fronts, as they kept London moving every day.
- 47 The annual employee engagement survey, Viewpoint, had received a response rate of 64 per cent, with over 17,600 people responding to the survey. Results showed that total engagement had improved this year by one per cent, which meant that TfL had met its annual Scorecard target. The inclusion index also increased by four per cent to 47 per cent, exceeding its target of 46 per cent. The results were shared with staff on 12 November 2019, and a full update and the proposed response to the feedback given would be on the agenda for the meeting on 22 January 2020.
- 48 In response to a Member's question, information on the activities being undertaken to celebrate Disability History Month would be included in the next Commissioner's Report to the Board in January 2020. **[Action: Tricia Wright]**
- 49 **Securing value:** TfL's Transformation programme continued with consultation with trade unions progressing in a further four business areas.
- 50 Earl's Court was one of the capital's most important development opportunities and TfL, like the Mayor, was very keen to see development progress there. TfL welcomed Capco's announcement on 15 November 2019 that it had selected an entity established by Delancey as its chosen bidder in regards to the interests it held at Earl's Court. The Commissioner's team had early positive engagement with Delancey and would continue to engage with all stakeholders to see development progress at this site.
- 51 The creation of a new single Safety, Health and Environment team, led by Lilli Matson, would enable faster progress to be made on reducing road death and achieving TfL's Vision Zero ambitions.
- 52 TfL was delivering a concerted drive to tackle fare evasion on its network. It had introduced front-door only boarding on bus routes 8 and N8, which was expected to reduce fare evasion but also give a better service to customers who needed to use the accessibility ramp at the middle doors. TfL intended to roll out this change across its fleet. This was part of a renewed focus on tackling fare evasion which was estimated to cost more than £100m per year, money which could be reinvested into services.

- 53 On fare evasion more broadly, the recent four-part documentary on Channel 5, “Fare Dodgers: At War with the Law”, had successfully highlighted the problem of fare evasion on the network, the tools available to tackle it and the work of the revenue protection staff in catching the people involved.

**The Board noted the Commissioner’s Report.**

**90/11/19 Crossrail Update**

Mike Brown introduced the item, which reported on the latest information provided by Crossrail Limited (CRL) and the subsequent announcement on its progress to complete the Elizabeth line, including an overview of the independent cost review. An update on the status of the Crossrail project was provided, including the readiness of the Infrastructure Managers for the operations and maintenance of the railway after handover from the project.

The latest assessment from CRL was that more funding would be needed to complete the project including the complex testing of trains and managing the handover of the railway safely and reliably into passenger service. The opening of the central section would not now occur in 2020 and the Elizabeth line would open as soon as practically possible in 2021. Detailed cost forecasts showed that the project’s costs would increase due to programme risks and uncertainties, in the range of £400m to £650m more than the revised funding agreed.

While this news was disappointing, over the last year the new CRL leadership had established the full complexity of finishing the software development and signalling systems, and ensured the necessary safety approvals to complete the railway.

Tony Meggs explained how far the project had progressed over the last year. CRL’s Board and governance processes had been refreshed, with considerable expertise and energy brought in where needed to instil confidence and provide a greater level of challenge. There had been extensive collaboration with the Tier 1 supply chain, and understanding of the novelty and complexity of the project continued to evolve. The handover was being planned in detail and would take several months longer to implement, as more software trial running was needed. He agreed that the completion delays and additional costs were disappointing but added that shortcuts could not be taken, and that good progress was being made.

Mark Wild said that safety remained CRL’s highest priority and activities were being stepped up over the extensive estate to raise safety awareness. He also reflected on the solid year of progress made, despite productivity being a challenge. Portals and tunnel fit outs were completed. With the exception of Bond Street and Whitechapel, the stations were close to completion with clear plans for the remaining two to open. Static testing would be completed by March 2020. Software had been converged and a viable solution had been identified for integration.

Trial running would start in summer 2020 and would take 9 to 12 months to complete. There would be 2.5 million elements to test and integrate, alongside the need to keep customers safe and deliver a reliable railway.

Simon Kilonback provided an update on the financial impacts that the additional costs and schedule delays would have from both a capital and operating perspective. Discussions were being held with the Department for Transport and the Greater London Authority on how funding these additional costs would be resolved.

In response to questions from Members around why the schedule delays and additional costs were not anticipated sooner, Mark Wild told the Board that assumptions made at the beginning of the project had been flawed and that self-assessment of contractors and systems engineering requirements models that were used all over the world could not account for the scale of the project. New challenges were being uncovered and lessons learnt as the project progressed due to its novelty, complexity and the immense amount of work involved whilst delivering reliability and operating safely.

The Board thanked Tony Meggs and Mark Wild for the update and welcomed their focus on safety and delivery, whilst acknowledging the challenges being faced.

**The Board noted the paper.**

### **91/11/19 Crossrail Limited – Re-appointment of Non-executive Director**

As TfL nominee non-executive directors of Crossrail Limited, Anne McMeel and Dr Nelson Ogunshakin OBE declared their interest in this item and took no part in the discussion or decision.

The report sought approval for a re-appointment of a non-executive director to the Crossrail Limited Board. No Member indicated that they wished to discuss the item or the details on Part 2 of the agenda, and the Board moved to consider the recommendation on Part 1 of the agenda.

**The Board approved the re-appointment of Phil Gaffney to the Board of Crossrail Limited from 1 January until 31 December 2020.**

### **92/11/19 2019/20 Scorecard Update**

Simon Kilonback introduced the paper, which sought to update some of the approved targets for 2019/20 following the release of the 2018/19 year end results. The approved targets were based on a forecast year end position, and in certain areas where the actual result differed significantly from the forecast, it was necessary to revise the targets for this year. The changes were noted by the Finance Committee at its meeting on 9 October 2019 and recommended to the Board for approval.

The new milestone for the Elizabeth line, which was to start the TfL Rail / Elizabeth line services between Paddington and Reading in December 2019 and was currently on track, was approved by the Finance Committee under delegated authority in October 2019. The Board was requested to note the approved milestone, which was agreed following the revised delivery programme as reported to the Board on 18 September 2019, and continued following the latest assessment as advised by Crossrail Limited in November 2019.



A revision to the target and floor target for the Customer Care metric was sought in light of a new, more robust methodology being applied. The changes had resulted in the new survey return figures which were several points higher. It was recommended to maintain the same rationale and level of challenge as the current target, and apply an uplift to the target, taking it from 50 per cent to 53 per cent, and an uplift to the floor target from 48 per cent to 50 per cent.\*

The target for the Healthy Street Check for Designers measure was 10 per cent, and the floor target was that performance should be no worse than last year. The final results from last year were confirmed as an uplift of 11 percentage points, so last year's outturn exceeded this year's target. However, the current target was considered to present the right level of challenge, as the criteria for the checks had been broadened this year to include smaller value schemes. This improvement meant more checks would be reported but it impacted the overall average uplift, as the smaller schemes would likely produce a smaller uplift. Therefore, a floor target of nine per cent was recommended, with the target maintained at 10 per cent.

When the floor target for the average kilometres cycled per day was set at 513,000km, five per cent below the target of 540,000km, it was a new measure and without an historical comparator at the time. Since then, the final outturn for 2018/19 was 529,000km, which was 16,000km higher than the current floor. To drive improved performance, it was recommended the floor target be lifted to 529,000km, with a rationale that results should be no worse than last year.

Due to significant variances to the 2019/20 budget, a revised target was recommended for the net operating surplus to £625m, an improvement of £434m to the current budget of £191m. A revision to the investment programme target to £1,679m was also recommended, which was an improvement of £209m to the current budget of £1,888m, and applied a three per cent tolerance range.

There were some presentational changes to the reduction in people killed and seriously injured measure, but no changes to agreed targets.

A paper on the reduction in customer and workforce killed and seriously injured measure had been considered by the Safety, Sustainability and Human Resource Panel on 13 November 2019, which detailed the way forward for reporting.

**The Board noted the paper and:**

- 1 noted the approval of the 2019/20 Elizabeth line milestone and target by the Finance Committee, in accordance with authority delegated by the Board on 27 March 2019; and**
- 2 approved the revised 2019/20 Scorecard targets set out in the paper.**

**93/11/19 Quarterly Performance Report – Quarter 2, 2019/20**

Simon Kilonback introduced the report, which set out TfL's financial results for Quarter 2, 2019/20, the period ending 14 September 2019. The report presented year-to-date performance against budget, as well as year-on-year and four year trend analysis. The presentation slides at Appendix 2 provided a summary and additional analysis of the

financial information contained in the report, as well as a review of key budgetary assumptions and the revised financial targets for 2019/20.

TfL's half year financial performance results were strong with income up on last year, driven by both Underground journeys and new Ultra Low Emission Zone (ULEZ) income. Like-for-like operating costs were lower than 2018/19 and the net cost of operations, which would achieve breakeven by 2022/23, had improved.

Key highlights in the capital investment programme included the commissioning of the signalling upgrade from Latimer Road to Euston Square, and the opening of a more accessible and larger Overground station at White Hart Lane, both in August 2019.

TfL was performing well against Budget, with some variances suggesting it had been overly cautious in some budgeting assumptions. For instance, it had planned on the basis of zero growth on passenger revenue, which was reasonable given the current level of economic uncertainty. However, journeys were at the upper end of the budgeted range across the Underground and buses.

TfL was currently producing its Business Plan for the next five years, and priority had been given to improving financial forecasts, with the right balance of risks and opportunities. A more directive approach had been taken, including top-down target setting based on actual performance, which marked a step change in achieving much closer results, and enabled the organisation to plan and make critical decisions based on more accurate financial forecasts.

**The Board noted the report.**

## **94/11/19 Delegations to the Finance Committee**

Simon Kilonback introduced the paper, which sought delegation of authority from the Board to the Finance Committee to approve changes to the Treasury Management Strategy – Liquidity Policy (minimum cash), the Business Plan and the Capital Strategy.

The proposed amendment to the current Liquidity Policy to hold a more prudent cash minimum of 60 days' worth of operating costs for financial planning purposes was a decision that impacted on the Business Plan and was recommended to be delegated to the Finance Committee.

The Business Plan 2019 was being updated to focus on maintaining financial sustainability, safety and the continuation of the delivery of TfL's investment programmes in alignment with the Mayor's Transport Strategy.

The Capital Strategy set out TfL's view of the capital costs necessary to deliver the Mayor's Transport Strategy for the next 20 years and would focus this year on building a more granular understanding of the cost of maintaining current levels of performance in terms of safety, reliability, capacity and asset condition.

A decision to approve the Business Plan 2019 and the Capital Strategy was required in December 2019, in accordance with the GLA budget process requirements, which was before the next Board meeting in January 2020. It was proposed that they be submitted to the Finance Committee for approval in December 2019.

**The Board delegated to the Finance Committee authority to approve those matters reserved to the Board in relation to the approval of:**

- 1 changes to the Treasury Management Policies – Liquidity Policy;**
- 2 the TfL Business Plan 2019; and**
- 3 the TfL Capital Strategy.**

## **95/11/19 Board Effectiveness Review**

At the previous meeting, Deloitte had presented the outcome of its independent review of Board effectiveness. Howard Carter introduced the paper, which set out the proposed response to the discussion points raised in the review.

The review recognised that there had been a number of significant improvements in the operation and culture of the Board since the last independent review in 2015 including composition, level of challenge and relationships with senior managers. The review was very positive overall in relation to the Board's effectiveness. The outcome of the review had been discussed with Members and the recommendations had been considered. Appendix 1 to the paper addressed areas for improvement that the Board was asked to consider and the proposed actions to address them.

Members considered the draft response to the discussion points which included additional briefing time to discuss strategic issues and horizon scanning; more information on stakeholder engagement; appointment of a London Councils representative; and enabling a greater balance at meetings between providing an overview of progress and achievements alongside time for debate and insights to be shared.

In response to a Member's question around why there was no reference to seeking and responding to workforce, as opposed to stakeholder, views in the proposed response on page 162 of the paper, it was clarified that this was an omission only and that workforce views would be considered.

In response to a Member's query on whether more informal time together was being considered to enable Members to help the Board to deliver more effective outcomes, it was confirmed that this was being factored into the calendar for next year, with time not focussed around particular issues.

**The Board agreed TfL's response to the discussion points raised by the Board Effectiveness Review 2019.**

## **96/11/19 Report of the meeting of the Audit and Assurance Committee held on 26 September 2019**

The Chair of the Committee, Anne McMeel, introduced the item. The fare evasion work item considered by the Committee had already been discussed at this meeting.

The Committee was pleased to note that there was an in-house facility to deal with counter-fraud and anti-corruption and that a zero tolerance approach was being taken, as these instances took away investment from services.

The Committee commended Richard Bevins and his Information Governance team for their work in responding to 99.2 per cent of freedom of information requests within the 20 days deadline, despite a seven per cent increase in volume. All responses were also published on the TfL website as part of its transparency policy.

**The Board noted the report.**

### **97/11/19 Report of the meeting of the Finance Committee held on 9 October 2019**

In the absence of the Committee Chair and Vice Chair, Anne McMeel, introduced the item. A large number of the matters considered by the Committee had been dealt with under delegated authority and so had already been seen by most Members through the normal process.

**The Board noted the report.**

### **98/11/19 Report of the meeting of the Programmes and Investment Committee held on 23 October 2019**

The Chair of the Committee, Prof Greg Clark CBE, introduced the item. The Committee had considered Crossrail at length, which was prior to the recent Crossrail Limited Board meeting.

The Committee had commended the excellent progress made on the Investment Programme in delivering projects and achieving savings. It had supported the annual review of renewals, particularly around assets and infrastructure.

The Committee was pleased to note the savings achieved and outcomes delivered on the air quality and growth fund agendas.

Informal briefings were being set up on a range of issues including Four Lines Modernisation, Bakerloo line extension, Air Quality and the Energy Strategy, demonstrating the Committee's active engagement in broader agenda issues.

**The Board noted the report.**

### **99/11/19 Report of the meeting of the Remuneration Committee held on 6 November 2019**

In the absence of the Committee Chair, Kay Carberry CBE, introduced the item.

The main items considered by the Committee had been the use of Chair's action to approve salaries for 28 roles and one exit payment, and Talent Management and Succession Planning.

**The Board noted the report.**

### **100/11/19 Report of the meeting of the Safety, Sustainability and Human Resources Panel held on 13 November 2019**

The Chair of the Panel, Kay Carberry CBE, introduced the item. The main items considered by the Panel had already been discussed at this meeting.

The Panel was looking forward to the completion of the data reporting methodology review in order to get a clear and true picture of the progress made, particularly around measuring serious injuries on the network against the baseline figures.

**The Board noted the report.**

### **101/11/19 Any Other Business the Chair Considers Urgent**

There was no urgent business.

### **102/11/19 Date of Next Meeting**

The date of the next meeting was scheduled for Wednesday 22 January 2020 at 10.00am.

The meeting closed at 1.22pm.

Chair: \_\_\_\_\_

Date: \_\_\_\_\_

[page left intentionally blank]

**Board**



**Date:** 22 January 2020

**Item:** **Matters Arising, Actions List and Use of Delegated Authority**

---

**This paper will be considered in public**

## **1 Summary**

- 1.1 This paper informs the Board of any use of delegated authority, issuance of Mayoral Directions to TfL and progress against actions agreed at previous meetings, since the last meeting of the Board on 20 November 2019.
- 1.2 Since the last meeting of the Board on 20 November 2019, there have been:
  - (a) three decisions taken by the Finance Committee, under authority delegated by the Board, in relation to approval of the Business Plan 2019, Capital Strategy and Treasury Management Policies; and
  - (b) one Mayoral Direction in relation to incurring expenditure promoting the goals of Pride.
- 1.3 Appendix 1 provides an update on the actions, all of which are completed or being addressed.

## **2 Recommendation**

- 2.1 **The Board is asked to note the use of delegated authority, the Mayoral direction and the updated Actions List.**

## **3 Use of authority delegated by the Board**

- 3.1 On 18 December 2019, the Finance Committee exercised authority delegated by the Board on 20 November 2019 to approve the TfL Business Plan 2019, the TfL Capital Strategy and Treasury Management Policies – Liquidity Policy Update. Details are provided in the Report of the meeting of the Finance Committee held on 18 December 2019, elsewhere on the agenda.

## **4 Mayoral Directions to TfL**

- 4.1 The Greater London Authority Act 1999 (as amended), permits the Mayor to issue to TfL general directions as to the manner in which TfL is to exercise its functions or specific directions as to the exercise of its functions (or not to exercise a power specified in the direction). Directions are also often made in

relation to the implementation of matters in respect of which the Mayor delegates statutory powers to TfL.

- 4.2 The Mayor makes Mayoral Directions through Mayoral Decisions. Papers for Mayoral Directions set out the financial and other implications. If those implications change over time, that will be reported to the GLA.
- 4.3 All Mayoral Decisions are issued in writing, with the information that is not exempt from publication included on the GLA's Decisions Database on its website: <https://www.london.gov.uk/about-us/governance-and-spending/good-governance/decisions?order=DESC>.
- 4.4 Mayoral Directions fall into three broad categories: those addressing technical issues relating to statutory powers; those related to commercial development activities; and those related to projects and programmes. Mayoral Directions relating to TfL are reported to the Board's Committees for discussion as soon as possible after they are received by TfL or published. Regular reports will list the relevant Directions for as long as they are applicable.
- 4.5 Annually the Audit and Assurance Committee considers the list as part of its consideration of the annual audit plan to ensure that appropriate audit resource is applied to assurance on TfL's work in implementing Mayoral Directions. This will also be kept under review at each quarterly meeting of that Committee.
- 4.6 A summary of current Mayoral Directions to TfL is maintained on the "How we are governed" page on our website, with links to the relevant Mayoral Decisions: <https://tfl.gov.uk/corporate/about-tfl/how-we-work/how-we-are-governed>. That page will be updated as and when further Directions are made.
- 4.7 On 17 December 2019, under Mayoral Decision MD2554, the Mayor directed TfL to incur expenditure (securing third party funding where possible) for the purpose of a series of activities to disseminate a message promoting the goals of Pride, and other related activities on the TfL estate to promote the goals of Pride.

**List of appendices to this report:**

Appendix 1: Board Actions List

**List of Background Papers:**

Minutes of previous meetings

Contact Officer: Howard Carter, General Counsel  
Number: 020 3054 7832  
Email: [HowardCarter@tfl.gov.uk](mailto:HowardCarter@tfl.gov.uk)



## Board Actions List (reported to the meeting on 22 January 2020)

## Actions from the meeting held on 20 November 2019

Minute No.	Item/Description	Action By	Target Date	Status/Note
88/11/19 (1)	<b>Matters Arising – Minute 76/09/19(2) Pedestrian Crossing Call Cancelling Camera Positioning:</b> There was a mechanism in place on the website to report issues or concerns with camera positioning. Gareth Powell would check how visible this reporting mechanism was to the public and circulate the website link to all Members.	Gareth Powell	January 2020	All pedestrian crossing issues can be reported to: <a href="https://streetcare.tfl.gov.uk/">https://streetcare.tfl.gov.uk/</a>
88/11/19 (2)	<b>Matters Arising – Minute 76/09/19(3) Consultation with Trade Unions on Transformation:</b> Tricia Wright would meet with Heidi Alexander and Bronwen Handyside to talk through the progress that had been made with the unions on developing a plan to address the issues in relation to the need to update and renegotiate the union recognition agreement in light of the transferring of staff into teams where different unions were not recognised but were representative of the majority of the new team.	Tricia Wright	December 2019	Completed.
88/11/19 (3)	<b>Matters Arising – Minute 57/07/19(6) High Speed 2:</b> Updates for Members on High Speed 2 would be brought forward.	Alex Williams	February 2020	A briefing is scheduled for February 2020.
89/11/19 (1)	<b>Commissioner's Report – Direct Vision Standard</b> A link to the Watch your speed campaign video, showing the impact of drivers going too fast on all passengers, would be circulated to Members.	Howard Carter	November 2019	Completed.
89/11/19 (2)	<b>Commissioner's Report – London Overground Ticket Office Proposals</b> An update would be provided to members of the Customer Service and Operational Performance Panel on 27 November 2019.	Gareth Powell	November 2019	Completed.

<b>89/11/19 (3)</b>	<b>Commissioner's Report – Rapid Charging Points</b> The Safety, Sustainability and Human Resources Panel update paper on usage and publicity of locations of rapid charging points would be circulated to Members.	Alex Williams	November 2019	Completed. <a href="http://content.tfl.gov.uk/ss-hrp-13-november-2019-agenda-and-papers-web-version.pdf">http://content.tfl.gov.uk/ss-hrp-13-november-2019-agenda-and-papers-web-version.pdf</a>
<b>89/11/19 (4)</b>	<b>Commissioner's Report – Parking at step-free stations</b> Members would be provided with details of the number of parking spaces available at Cockfosters and Amersham stations in order to encourage more use of these step-free access stations.	Secretariat	January 2020	The Chiltern operated car park at Amersham has 30 disabled parking bays. The TfL car park at Cockfosters (managed by NCP) has 12 disabled bays (though two are out of use due to construction works).
<b>89/11/19 (5)</b>	<b>Commissioner's Report – WiFi data technical protection</b> A note on the technical protections applied to the Wi-Fi data that TfL collected would be circulated to Members.	Vernon Everitt	December 2019	Completed.
<b>89/11/19 (6)</b>	<b>Commissioner's Report – Disability History Month</b> Information on the activities being undertaken to celebrate Disability History Month would be included in the next Commissioner's Report to the Board in January 2020.	Tricia Wright	January 2020	Details are included in the January Report on the series of events held to mark International Day of Persons with Disabilities.

**Actions from previous meetings:**

<b>Minute No.</b>	<b>Item/Description</b>	<b>Action By</b>	<b>Target Date</b>	<b>Status/Note</b>
<b>07/01/19 (1)</b>	<b>HSE Annual Report – Reducing Road Injuries</b> Members suggested that the Safety, Sustainability and Human Resources (SSHR) Panel look at how local borough strategies were performing against the Mayor's Transport Strategy.	Gareth Powell	June 2020	On the forward plan for the SSHR Panel.

07/01/19 (2)	<b>HSE Annual Report – Waste Strategy</b> Members recommended that TfL consider developing a waste strategy so that it was a leader in reducing green house emissions in its operations and also in the work it was doing to support housing. TfL would look at how it captured that information and report back to the Safety, Sustainability and Human Resources (SSHR) Panel.	Lilli Matson	June 2020	The waste strategy is being developed as part of the Corporate Environment Strategy which will be presented to the SSHR Panel.
57/07/19 (2)	<b>Commissioner’s Report – ULEZ monitoring information</b> Monitoring information on the effects and benefits of the ULEZ would be included in the annual Travel in London report.	Alex Williams	January 2020	Completed.
57/07/19 (6)	<b>Commissioner’s Report – High Speed 2</b> An update on High Speed 2 would be provided for members at a future Programmes and Investment Committee meeting.	Alex Williams	February 2020	A briefing will be provided to Members in February 2020 (see 88/11/19 (3) above).
61/07/19 (2)	<b>HSE Annual Report – Carbon Reduction Initiatives</b> Future reports would contain information on carbon reduction initiatives, including work with TfL’s contractors.	Marian Kelly	June 2020	To be addressed in the 2020 report.
79/09/19 (1)	<b>Tram Overturning at Sandilands, Croydon on 9 November 2016 - Update – pan-TfL Lessons Learnt</b> Members also agreed that a report would be considered by the Safety, Sustainability and Human Resources (SSHR) Panel on pan-TfL lessons learnt and changes to processes arising from the information from the Bus Fatigue study, which brought together the relevant parts of the operating business.	Lilli Matson	June 2020	On the forward plan for the SSHR Panel.
79/09/19 (2)	<b>Tram Overturning at Sandilands, Croydon on 9 November 2016 - Update – Audit of Fatigue Management</b> The Board agreed that a report be taken to the Audit and Assurance Committee on any lessons to be learnt for the audit process and assurance that there was integrity in the process, including explanations of what the safeguards were, how they operated and the lessons learnt.	Howard Carter	December 2019	Completed. A paper was considered by the Audit and Assurance Committee on 3 December 2019.

[page left intentionally blank]

**Board**



**Date:** 22 January 2020

**Item:** Commissioner's Report

---

**This paper will be considered in public**

## **1 Summary**

- 1.1 The Commissioner's Report provides an overview of major issues and developments since the meeting of the Board held on 20 November 2019 and updates the Board on significant projects and initiatives.

## **2 Recommendation**

- 2.1 **The Board is asked to note the report.**

**List of appendices to this report:**

Commissioner's Report – January 2020

**List of Background Papers:**

None

**Mike Brown MVO  
Commissioner  
Transport for London  
January 2020**

[page left intentionally blank]

# Commissioner's Report

22 January 2020

# About Transport for London (TfL)

Part of the Greater London Authority family led by Mayor of London Sadiq Khan, we are the integrated transport authority responsible for delivering the Mayor's aims for transport.

We have a key role in shaping what life is like in London, helping to realise the Mayor's vision for a 'City for All Londoners'. We are committed to creating a fairer, greener, healthier and more prosperous city. The Mayor's Transport Strategy sets a target for 80 per cent of all journeys to be made on foot, by cycle or using public transport by 2041. To make this a reality, we prioritise health and the quality of people's experience in everything we do.

We manage the city's red route strategic roads and, through collaboration with the London boroughs, can help shape the character of all London's streets. These are the places where Londoners travel, work, shop and socialise. Making them places for people to walk, cycle and spend time will reduce car dependency and improve air quality, revitalise town centres, boost businesses and connect communities.

We run most of London's public transport services, including the London Underground, London Buses, the DLR, London Overground, TfL Rail, London Trams, London River Services, London Dial-a-Ride, Victoria Coach Station, Santander Cycles and the Emirates Air Line. The quality and accessibility of these services is fundamental to Londoners' quality of life. By improving and expanding public transport, we can make people's lives easier and increase the appeal of sustainable travel over private car use.

We are moving ahead with many of London's most significant infrastructure projects, using transport to unlock growth. We are working with partners on major projects like Crossrail 2 and the Bakerloo Line Extension that will deliver the new homes and jobs London and the UK need. We are in the final phases of completing the Elizabeth line which, when open, will add 10 per cent to central London's rail capacity.

Supporting the delivery of high-density, mixed-use developments that are planned around active and sustainable travel will ensure that London's growth is good growth. We also use our own land to provide thousands of new affordable homes and our own supply chain creates tens of thousands of jobs and apprenticeships across the country.

We are committed to being an employer that is fully representative of the community we serve, where everyone can realise their potential. Our aim is to be a fully inclusive employer, valuing and celebrating the diversity of our workforce to improve services for all Londoners.

We are constantly working to improve the city for everyone. This means freezing TfL fares so everyone can afford to use public transport, using data and technology to make services intuitive and easy to use, and doing all we can to make streets and transport services accessible to all. We reinvest every penny of our income

None of this would be possible without the support of boroughs, communities and other partners who we work with to improve our services. We all need to pull together to deliver the Mayor's Transport Strategy; by doing so we can create a better city as London grows.



1	Introduction	6
2	Scorecard	7
3	Safety and security	11
4	Healthy Streets and healthy people	19
5	A good public transport experience	36
6	New homes and jobs	48
7	Our people	52
8	Securing value and generating income	57

This paper will be considered in public

# I Introduction

This report provides a review of major issues and developments since the Board meeting of 20 November.

# 2 TfL Scorecard

## Period 9

### Breakdown of scorecard measures categories:

Safety and Operations: **25%**    Customer: **25%**    People: **25%**    Financial: **25%**

■ Achieved    ■ Partially achieved    ■ Not achieved

Long-term objectives	2019/20 scorecard	Period 9		Year to date	
Outcome	Measure	Actual	Target	Actual	Target
<b>Healthy Streets and healthy people (12.5%)</b>					
London's transport system will be safe and secure	Reduction in people killed or seriously injured on the roads from 2005-09 baseline <sup>1</sup>	42.0% (13 fewer people than in Nov 2018) ■	42.1% (13 fewer people than in Nov 2018)	39.7% (179 fewer people than YTD 2018) ■	42.1% (324 fewer people than YTD 2018)
	Reduction in people killed or seriously injured involving buses from 2005-09 baseline <sup>1</sup>	71.9% (6 fewer people than in Nov 2018) ■	54.7% (no more than in Nov 2018)	64.0% (25 fewer people than YTD 2018) ■	60.0% (3 fewer people than YTD 2018)
London's streets will be clean and green	Number of London buses that are Euro VI compliant <sup>2</sup>	100 ■	n/a	8,000 ■	8,000
London's streets will be used more efficiently and have less traffic	Traffic signal changes to support healthy streets (person hours per day)	1,646 ■	1,500	13,433 ■	11,500
More people will travel actively in London	Health Streets check for designers <sup>3</sup> (average % uplift)	n/a	n/a	13 ■	10

Safety and operations (25%)

1. Measured in calendar years and a month in arrears. Period 9 shows November 2019. YTD is January-November 2019. In November, 335 people were killed or seriously injured on roads, compared to 348 in November 2018. Between January to November 2019, 3,564 people were killed or seriously injured on roads compared to 3,743 between January to November 2018. In November, 15 people were killed or seriously injured in collisions involving buses, compared to 21 in November 2018. Between January to November 2019, 198 people were killed or seriously injured in collisions involving buses compared to 223 between January to November 2019

2. The full year target for this measure is 8,350 buses. There are no periodic targets due to the unpredictability of when operators will offer new buses. The retrofitting programme is on track

3. This is a cumulative measure, so period targets are not set

Long-term objectives	2019/20 scorecard	Period 9		Year to date		
Outcome	Measure	Actual	Target	Actual	Target	
<b>A good public transport experience (30%)</b>						
Public transport will be accessible to all	Reduction in customer and workforce killed or seriously injured <sup>1</sup> (compared to 2018/19) <sup>4</sup>	8 fewer people ■	9 fewer people (2.4% reduction)	87 more people ■	74 fewer people (2.4% reduction)	Safety and operations (continued)
	Additional time to make step-free journeys (minutes)	9.0 ■	8.5	9.0 ■	8.5	
Journeys by public transport will be fast and reliable	Tube excess journey time (minutes)	6.48 ■	5.18	5.08 ■	4.57	Safety and operations (continued)
	Weighted bus customer journey time (minutes)	34.2 ■	34.9	32.3 ■	33.6	
	Customer satisfaction (percentage of Londoners who agree we care about our customers <sup>5</sup> )	n/a	n/a	53 ■	53	
The public transport network will meet the needs of a growing London	Deliver key investment milestones (%)	100 ■	90	98 ■	90	Customer (25%)
	Key Elizabeth line delivery milestone: start of TfL Rail/ Elizabeth line service between Paddington and Reading	Dec-19 ■	Dec-19 ■	Dec-19 ■	Dec-19 ■	

4. In November 2019, 178 customers and workforce were killed or seriously injured, compared to 186 in November 2018. Between April to November 2019, 1,678 customers and workforce were killed or seriously injured compared to 1,591 between April to November 2018

5. YTD results are as at Quarter 2. Quarter 3 results are available on 15 January, which falls after the publication of Board papers

Long-term objectives	2019/20 scorecard	Period 9		Year to date		
Outcome	Measure	Actual	Target	Actual	Target	
<b>New homes and jobs (2.5%)</b>						
Transport investment will unlock the delivery of new homes and jobs	The cumulative percentage of affordable homes on TfL land with planning applications submitted – post May 2016 (%)	n/a	n/a	55 <span style="color: green;">■</span>	50	Customers (continued)
<b>Mode share (15%)</b>						
80% of journeys will be made by sustainable modes in 2041	Public transport tips (millions)	328 <span style="color: green;">■</span>	328	2,785 <span style="color: green;">■</span>	2,747	
	Average kilometres cycled per day <sup>6</sup> (thousands)	596 <span style="color: green;">■</span>	591	546 <span style="color: orange;">■</span>	549	
<b>People (25%)</b>						
A capable and engaged workforce representative of London	Workforce representativeness – all staff (%)	70.8 <span style="color: green;">■</span>	70.7	70.8 <span style="color: green;">■</span>	70.7	People (25%)
	– director/band 5 (%)	38.3 <span style="color: green;">■</span>	38.2	38.3 <span style="color: green;">■</span>	38.2	
	Inclusion index (%) <sup>6</sup>	n/a	n/a	47 <span style="color: green;">■</span>	46	
	Total engagement (%) <sup>6</sup>	n/a	n/a	57 <span style="color: green;">■</span>	57	
<b>Financial (25%)</b>						
We cover our costs and we are prudent	Net operating surplus (£m)	93 <span style="color: green;">■</span>	78	514 <span style="color: green;">■</span>	507	Financial (25%)
	Investment programme (£m) <sup>1</sup>	69 <span style="color: red;">■</span>	101	942 <span style="color: red;">■</span>	1,007	

## 6. Final results

<sup>1</sup> The RAG status for the year to date result for the investment programme was corrected to red following the publication of papers on 14 January 2020. The red status indicates that the year to date actuals are more than 3 per cent below the budget. The 3 per cent floor target was approved by Board on 20 November 2019. Prior to this, there was no floor for this measure and spend below budget would have been shown as green.

Our Period 9 scorecard covers 10 November to 7 December 2019.

### **Safety and Operations**

This period we met our overall target for reducing the number of people killed and seriously injured on London's roads. We also met our target for people killed or seriously injured in incidents involving buses. However, we just missed our target for deaths and serious injuries to our customers and workforce on our public transport network. We remain focused on these for the remaining periods to ensure we do everything we can to achieve and in some cases exceed our targets.

Reliability continues to be behind target on London Underground. Action plans are in place to improve train operator attendance and overall rolling stock availability. This target has however been more recently impacted from faults identified on a number of Jubilee line trains, all of which have now been rectified.

We remain on target so far this year for our other Safety and Operations measures.

### **Customer**

All of the key investment milestones have been delivered, and we remain on track for more than half of the homes in the planning applications we bring forward to be affordable.

As planned, we started operating services from Paddington mainline station to Reading under the TfL Rail brand in December which was a key milestone in our ongoing delivery of Elizabeth line services.

Public transport trips also remain on target, and more than 2.8 billion journeys have now been made on public transport since 1 April.

### **People**

We now know the final results of our annual Viewpoint survey with total engagement at 57 which meets our end of year target.

Our latest workforce diversity results were measured in Period 9. We have made good progress on overall workforce diversity having slightly exceeded both our 'all staff' and senior management representativeness.

### **Financial<sup>2</sup>**

Our strong financial performance has continued. However, we did not meet our investment target this period. We will continue to monitor this closely over the coming periods.

---

<sup>2</sup> The text in this paragraph was updated following the publication of papers on 14 January 2020. The update reflects the correction to the RAG status on the Investment Programme measure on the previous page.

# 3 Safety and security

## **Croydon tram overturning**

On 31 October, the Crown Prosecution Service (CPS) announced that the driver of the tram would not face a criminal prosecution in relation to the incident on 9 November 2016. The CPS also concluded that no corporate manslaughter prosecutions would be brought against Tram Operations Limited or Transport for London.

The Coroner held a pre-inquest hearing on 11 December 2019 with a second pre-inquest hearing due on 29 January. The inquest is expected to commence on 14 September 2020. The victims and all others affected by this incident remain in our thoughts. We continue to offer support to those people directly affected as well as the wider community.

The Rail Accident Investigation Branch (RAIB) conducted an independent investigation and published its report in December 2017. It included 15 recommendations to address safety on London's tram network as well as other networks across the country. We have made significant progress to implement these recommendations. The vast majority have been completed, with the remaining in the late stages of implementation. We are in the final stages of introducing new system on all 35 trams that will automatically apply the brakes and bring a moving tram to a controlled

stop if it exceeds the speed limit at designated locations.

We continue to work closely with the Office of Rail and Road (ORR) to ensure they remain satisfied with our progress. We are implementing the recommendations by working closely with all parties concerned, including the RAIB, ORR, Light Rail Safety and Standards Board and the wider UK tram industry.

## **Bus crash in Orpington**

Our sympathies go out to the family and friends of our colleague Kenneth Matcham, a bus driver working for Metroline (part of Go Ahead), who tragically died in a traffic collision involving a car and two buses on 31 October 2019, after a car failed to stop at a junction. We continue to work with Go Ahead and the Metropolitan Police Service (MPS) to find out what happened and will continue to assist with the police investigation.

A visit took place on 4 November to look again at the incident location and consider whether any infrastructure changes could prevent future incidents of this nature. In addition, our Bus Operations team will be commissioning a study into bus cabs under crash conditions to see whether the integrity of these vehicles can be enhanced in future design to improve their safety.

### **Terror attack on London Bridge**

On 29 November 2019, Jack Merritt and Saskia Jones were murdered in a terror attack at a prisoner rehabilitation conference at Fishmongers' Hall, which spilled out onto London Bridge. While this incident did not happen on our network, we are working closely with various agencies including the police, Home Office and the wider Government and London boroughs to help protect London from the threat of terrorism. We have published new security guidance for marauding attacks that start away from London Underground stations but have the potential to move towards them. This guidance includes a requirement for station teams to build links with other neighbouring crowded places so that they can effectively communicate should these incidents happen in future. The guidance also provides advice on the options of evacuating stations prior to a marauding attack or evacuating if the threat is close by.

### **Crime and antisocial behaviour on public transport**

While our public transport networks remain a low crime environment, we have seen an upturn in the number of criminal incidents reported this year, largely driven by increases in reports of theft and pickpocketing. In December, our partners in the British Transport Police (BTP) and the MPS worked together in a significant

joint operation to take action against theft on our network. Between 9-13 December 2019, hundreds of officers worked with our staff at our busiest stations to give advice to customers on how to protect their belongings and avoid becoming a victim of theft.

From 2 December 2019 to 5 January 2020, the MPS also increased activities to help keep people safe over the Christmas period. Officers from across the force were involved in a number of preventative and engagement activities across London. These included increased patrols of both highly visible and covert officers, knife arches at busy events and locations, local and centrally co-ordinated operations and automatic number plate recognition patrols. These activities are part of our ongoing work to help deter criminals and identify those who demonstrate anti-social behaviour.

### **Tackling hate crime**

On 20 November, the Roads and Transport Policing Command (RTPC) and the BTP held a combined total of 45 engagement events at mosques and Islamic centres to raise awareness of islamophobia and how to report it. A second day of engagement was held on 23 December.

The RTPC and BTP held 32 engagement events, which included visits to community centres and local branches of



The BTP and the RTPC held engagement events over the months of November and December to help raise awareness of tackling hate crime.



charities for disabled people, such as Mencap and Dimensions.

Following the horrific homophobic attack on a lesbian couple who were traveling on a night bus in Camden on 30 May, three teenage boys were found guilty of Section 4a of the Public Order Act 1986 and other offences at Highbury Corner Youth Court on 28 November. One teenager was sentenced to an eight-month youth referral order and fined £100 on 19 December 2019, while a 17-year-old has been given a four-month youth rehabilitation order and supervision. A third boy, 15, was also sentenced to an eight-month referral order, along with community service on 23 December 2019.

A Jewish family were subjected to a torrent of anti-Semitic abuse on the Underground on 22 November and two young men assaulted a rabbi at Stamford Hill London Overground station on 30 November. The two men have since been

arrested for the assault on the rabbi with the trial date set for 17 March, and a suspect was arrested by the BTP in Birmingham in relation to the anti-Semitic abuse on the Northern line and is currently on bail pending a court appearance.

#### **Police activity to support Vision Zero**

The MPS continues to support the Mayor's Vision Zero target to eliminate death and reduce serious injury on London's roads by 2041, through a number of initiatives aimed at making London's roads safer.

The RTPC continues to run an intensified operation along the A10 in response to community concern about an increase in anti-social behaviour and speeding in the area. In just one evening in Enfield in November, officers arrested two drink drivers and a disqualified driver, enforced more than 25 offences, including 13 speeding drivers, and seized three

vehicles. They also disrupted and dispersed around 80 vehicles gathered in a local car park. No fatalities have been recorded since the targeted blitz began last year and more than 50 vehicles have been seized.

On 27 November, the RTPC spent a successful 24 hours targeting uninsured drivers as part of Operation Cubo. A total of 65 vehicles were seized and 245 Traffic Offence Reports were issued. In addition, officers made 19 arrests for drink and drug driving, burglary, theft and other offences and conducted 34 stop and searches. This work is vital to making London's roads safer, as uninsured drivers are six to seven times more likely to be involved in a fatal collision.

The RTPC has also been using automatic number plate recognition to identify and stop vehicles involved in crime or featured on their high-harm hotlist. Operation Sparta was carried out on 22 November, and resulted in 26 arrests, 16 seizures, 57 stop and searches and 17 Traffic Offence Reports.

### **Safer Travel at Night**

From 2 December 2019, our Safer Travel at Night (STaN) campaign returned for three weeks to help keep London safe over the Christmas and New Year period. This project delivers targeted police enforcement and engagement activity to identify, disrupt and deter illegal cab

activity and keep Londoners informed on how best to travel safely at night. Our Taxi and Private Hire Compliance officers were deployed to support the STaN campaign objectives, engaging with the public and taking enforcement action against illegal drivers. Our policing partners in the MPS and City of London Police (CoLP) carried out intelligence led patrols, stopping and checking vehicles and drivers through the night, to keep our customers safe. MPS officers promoted the campaign in all 32 boroughs. The operation saw 11,777 leaflets distributed and 285 discrete deployments which involved 9,660 vehicle checks and resulted in a 17 per cent non compliance rate (1647 vehicles).

### **Alcohol campaign**

A new campaign ran during November and December 2019 to help tackle aggressive incidents and accidents linked to alcohol consumption on the London Underground. The campaign aimed to address both passenger safety and abusive behaviour towards our staff, with posters encouraging people to sober up and travel safe, and making it clear that abusive behaviour of any kind will not be tolerated. We will always press for the strongest sanctions against anyone who physically or verbally abuses a member of our team.

### **Workforce safety**

Work-related violence and aggression is a growing concern among our frontline people and our customers and we are looking at what more we can do to protect and support them. On 13 November, we held our third joint work-related violence steering group with our trade unions. We announced a series of proposals for discussion to strengthen support for frontline staff, as well as tackle the common triggers of work-related violence and aggression, such as antisocial behaviour and fare evasion.

These proposals include recruiting a new team of approximately 150 directly employed Transport Support and Enforcement Officers (TSEOs) to prevent work-related violence, aggression and anti-social behaviour and help ensure our customers and our people feel safe across our network. Recruitment is currently underway and we expect the first of our trained officers to be out on the network in spring 2020.

We will also fund 50 additional BTP officers who will form a dedicated work-related violence taskforce to provide visibility, reassurance and enforcement at our priority stations. Plans are underway to ensure these new officers are established to coincide with the first rollout of TSEOs.

The size of our workplace-violence team will also be doubled. This will help provide additional focus on activity to prevent work-related violence and aggression, better support our people when they experience it and increased focus on investigations and prosecutions.

We are also consulting on increasing the size of the London Underground Revenue Control team to tackle fare evasion, which can sometimes trigger violence and aggression towards our frontline staff.

Body worn video cameras will be rolled out to frontline staff, in line with operational requirements, from May 2020 to reduce the risk of them being physically or verbally abused. This technology has been proven to reduce assaults on staff and is already being used successfully in other parts of our organisation, such as Revenue Protection Inspectors. Evidence recorded can also be used to take action against those who harm or abuse our people.

We are currently seeking feedback on these proposals from our people and trade unions. Our fourth joint work-related violence steering group will take place with our trade unions in January to discuss the next steps in taking this important work forward.

On 7 November, we held our third Zero Harm forum for our staff and supply chain colleagues who work on our capital programmes. This forum had our best attendance to date with good representation from TfL and across our tier one, two and three suppliers. The day was hosted by our Director of Projects and Programmes, Nick Fairholme, and focused on the theme of making safety personal.

### **Road Safety Week**

We were proud to help support this year's Road Safety Week, which is the UK's biggest road safety event, and ran from 18 to 24 November. This year's theme was 'Step up for Safe Streets' and we used it as a platform to raise awareness of Vision Zero and to highlight the importance of introducing safer junctions and 20mph speed limits.

We also launched new trial projects, including Travel Safe Priority Areas in Shoreditch and Camden. These are designed to tackle community road safety issues in local areas over a short period of time. Action includes higher visibility and covert policing, Community and Junior Roadwatch sessions. This is where members of the public work with the police to educate drivers about the dangers of speeding, and communicating more information about speeding and road safety to the public. The trial took place at Hawley School in

Camden on 21 November following engagement with local residents. On Shoreditch Inner Road, measures are now in place to tackle a large number of collisions involving motorcycle and moped riders, as well as a higher than average number of people cycling injured at junctions.

Work to reduce road danger includes lowering speed limits to 20mph in central London, with speeds recently lowered on London Road, St George's Circus, Westminster Bridge Road and Newington Butts in Elephant and Castle. Overall, around nine kilometres of roads in the Congestion Charge zone will have their speed limits lowered by March 2020. Work will be completed overnight to minimise the impact on road users and we will use single lane closures to avoid any roads being fully closed.

### **Bus Safety Summit**

We held our third Bus Safety Summit at the Wellcome Collection venue in Euston on 27 November 2019.

The event, sponsored by bus operator Go Ahead London, focused on specific technologies we have been developing and how, with the help of manufacturers, operators and technical assistance, we can get the most out of them.

We are changing our approach around the risks we face on London's congested road

network and how we collaboratively manage these to get the most out of the industry's knowledge and expertise. This change will help us do everything possible to reduce the high rates of casualties. At the event we looked in detail at the introduction of Intelligent Speed Assistance (ISA) to around 1,000 vehicles in the bus fleet. Around 11 per cent of our fleet is now fitted with ISA to reinforce compliance with a digital speed map of London. Vehicle performance can be monitored using data and analysis from the iBus system, which helps us target areas for average speed reduction.

### **Acoustic Vehicle Alerting Systems**

An innovative new bus sound will be trialled on the route 100 from the end of this month, and on other routes across London in the months to follow. It will be played through special speakers inside the front of the bus, to ensure that all road users are aware of electric and hybrid buses when they are moving at slow speeds. Without this sound, these vehicles are almost silent which could pose a safety risk, particularly for people who are blind or are partially sighted.

The trial on the 100 bus route comes ahead of an artificial sound becoming a regulatory requirement for all new 'quiet' running vehicles in 2021. The sound has been developed with input from London TravelWatch and other walking and cycling groups including:

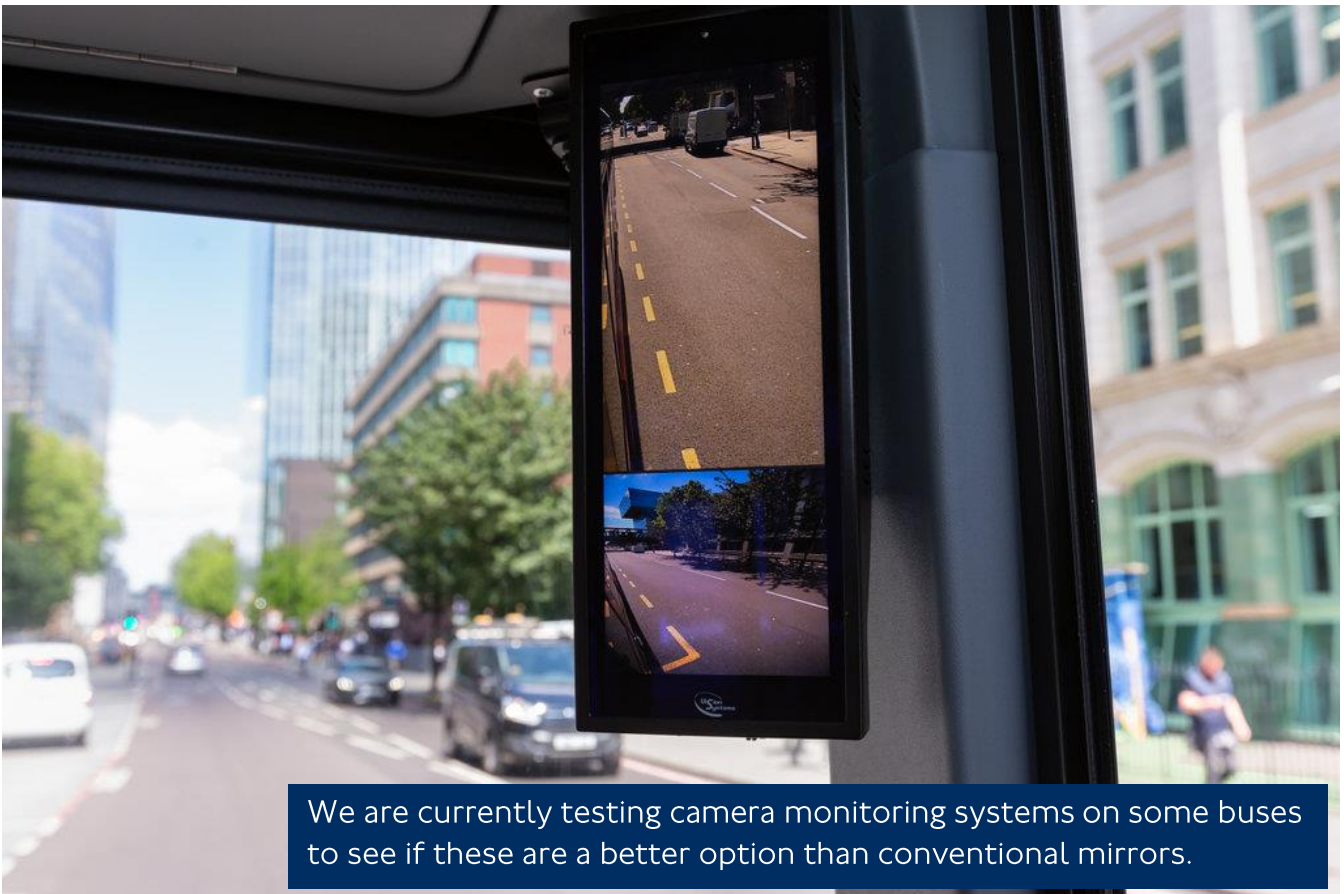
- Guide dogs for the blind
- Royal National Institute for Blind People
- Bus Operators and their drivers
- Union representatives

This has helped ensure that it accommodates the needs of all road users, including pedestrians and cyclists, children and disabled people. Feedback from road users, residents, passengers and drivers will be collected to help develop the most effective future system for all road users.

### **Bus Safety Standard**

There are now 45 buses in the fleet that meet all the requirements of the new Bus Safety Standard – several months earlier than expected. These vehicles are fitted with better visibility mirrors, enhanced anti-slip floors, ISA, early warning of unintended acceleration and acoustic alerting systems for quiet running (mainly electric and hybrid buses) to raise awareness of their presence.

We have also introduced camera monitoring systems to some buses. These are being tested in operation to see if they can supersede conventional mirrors ahead of their planned introduction from 2021. Cameras protrude far less than side mirrors and do not hang down, as well as providing drivers with an enhanced digital view.



We are currently testing camera monitoring systems on some buses to see if these are a better option than conventional mirrors.

The Bus Safety Standard is our most important single measure to help reduce both the severity and number of casualties, and over time will evolve to reflect the more advanced technologies that become available for adoption by the bus industry. This will contribute significantly to helping us reach our target of no-one being killed on or by a bus by 2030, and no-one killed or seriously injured on our road network by 2041.

Almost 5,000 of London’s 24,700 bus drivers have attended our innovative bus driver training course, Destination Zero. The learning material and virtual-reality headsets give a drivers’ eye view of potential highway risks and invite attendees to select the best course of action under the circumstances.

**Bus driver fatigue management**

We are working with our bus operators to develop fatigue risk management systems following the publication of independent

research by Loughborough University and the Swedish National Road and Transport Institute. We are launching a £500,000 Bus Fatigue Innovation Fund in early 2020 so operator-led initiatives can attract financial support and we can incentivise more advances in this area.

To provide advice to drivers and operational staff at garages, we jointly launched a wellbeing bus at Metroline’s Perivale Garage on 4 November. This was a joint project involving us, the Unite trade union and bus operators to support wider work on health and fatigue management.

The vehicle stays at garages and is staffed by occupational health service provider Medigold Health. These specialist staff offer guidance and health screenings to our people to help them identify issues or risk factors that could contribute to poor health and fatigue.

# 4 Healthy streets and healthy people

## Walking and cycling Cycleways

We continue to make good progress on the development of the wider Cycleway network, with a focus on completing and opening whole or significant sections of these routes. We have constructed more than 140km of cycle routes since 2016 and have a further five kilometres under construction through inner and outer London.

Design work is also progressing well to rebrand existing high-quality cycling routes to Cycleways, with 50 per cent of the designs finished at the end of December 2019. Cycleway 6 is now extended from Elephant and Castle to Kentish Town. The rebranding of C28 along Portsmouth Road in Kingston also started in December 2019, with completion forecast by the end of March 2020.

### Cycleway 4 – Tower Bridge to Greenwich

Cycleway 4 construction is making good progress along the A200 Jamaica Road and at Rotherhithe Roundabout, with a section of the cycle route along Tooley Street already open. Work for these sections are on track to be completed by spring 2020. The Greenwich section of the route along Creek Road commenced on 20 November and is due to be completed by summer 2020. We are also preparing plans with a view to starting construction for the remaining section

along Evelyn Street in May 2020.

Southwark Council has completed the consultation for the Lower Road section of the route, which also includes its proposals to transform the area. The council is reviewing the issues raised from the consultation responses and will publish a summary of the consultation results in early 2020.

### Cycleway 9 – Olympia to Brentford

Following the completion of the detailed design for the Kew Bridge section in November 2019, advanced work at Kew junction commenced on 12 December, ahead of the main works that started on 22 December. This enabled the most disruptive work to take place over the Christmas period where traffic flows at this location were at their lowest. The London Borough of Hammersmith & Fulham Cabinet approval to construct the scheme within their borough was granted on 2 December 2019. Advanced works at the Hammersmith Gyrotory is planned to start in early 2020 by the borough. Construction along Kew Bridge Road, within London Borough of Hounslow's highway, is planned to start in February 2020 following the completion of its traffic order process.

### Cycleway between Hackney and Westferry

Following publication of the public consultation for this route on 3 October 2019, advanced works started in late

November 2019 with the relocation of a cycle hire station, bus shelters and utility diversions. The main construction works are due to start in early 2020.

We are continuing to work closely with the London Borough of Tower Hamlets to coordinate the Grove Road proposals with its planned Liveable Neighbourhood scheme in the same area. The northern section of the route is being led by the London Borough of Hackney, which is finalising plans for the first section, which runs through Frampton Park Road, Ainsworth Road and Skipworth Road, and discussing next steps within the council. Further work on options for the Isle of Dogs section is being led by Tower Hamlets Council and they are currently investigating alternative alignment options. We will continue working with Tower Hamlets Council to develop plans for an improved cross-river ferry service to consider how cyclists can quickly and conveniently travel between Rotherhithe, Canary Wharf and beyond. This route will now finish at West India Dock Road, connecting to CS3.

#### **Cycleway between Camden and Tottenham Hale**

We are continuing design and modelling assessments for the route that is planned to run between Camden and Tottenham Hale. This review has enabled us to further refine the proposals and to engage with key stakeholders including

the relevant local councils. These activities aim to ensure the scheme that goes out to public consultation in 2020 is the best that can be achieved for the local communities and road users along this route and surrounding areas.

#### **Future Cycleway routes**

Design work continues on several major new cycle routes. In addition to the public consultation for the first route between Hackney and the Isle of Dogs, other public consultations that have recently closed include the proposed Cycleway between Ilford and Barking Riverside and the Cycleway between Lea Bridge and Dalston, the second phase of which finished consultation in mid-December.

On 6 January, we also launched a public consultation for a Cycleway between Woolwich and Charlton. This is the next phase of work to create a route that will connect with Cycleway 4, currently under construction, and the Greenwich Town centre scheme that we are working on with Greenwich Council.

#### **Walking and cycling improvements**

The works are progressing well to deliver 3.5km of upgraded shared-use facility for pedestrians and cyclists and a new off-carriageway, bi-directional cycle track along the A40 between Wood Lane and Acton.



Works to install the new cycle track and footway are complete between Savoy Circus and Gibbon Road and are progressing well between Leamington Park and Kathleen Avenue, including installation of new signalised cycle crossings at junctions. Upgrades to the existing shared-use facility between Wood Lane and Savoy Circus are now complete and work has commenced on improvements to pedestrian and cycle crossings at Savoy Circus.

The consultation report for the proposed improvements between Wood Land and Notting Hill Gate was published on 5 November 2019. We continue to work with the London Borough of Hammersmith & Fulham to finalise plans for their section of the route, while developing a series of improvements for the section in the Royal Borough of Kensington and Chelsea to address concerns raised during the consultation. We are engaging with the borough and key local stakeholder groups to discuss these changes.

### Mini-Hollands

The Mini-Hollands programme involves 98 infrastructure schemes and five behaviour change schemes across three outer London boroughs – Waltham Forest, Enfield and Kingston. Of the 103 Mini-Hollands schemes, 32 are now complete, including the A105 Green Lanes scheme – a five-kilometre protected cycle route

linking Enfield Town to Palmers Green and the Kingston station plaza, which sees improved accessibility for both pedestrians and cyclists. At the end of this financial year, Waltham Forest will complete their Mini-Hollands funded programme. Schemes currently under construction include protected cycle routes on Wheatfield Way in Kingston and on the A1010 in Enfield. Further schemes are progressing through design and consultation, including several cycle links and Enfield's Quieter Neighbourhoods.

### Santander Cycles

We installed 105 new Santander Cycles docking points around Network Rail stations in central London by the end of December 2019, boosting connectivity between different transport modes and enabling commuters and visitors arriving into London to pick up a cycle easily.

New docking stations were installed around Paddington, Blackfriars and Victoria stations, as well as near Queensway Tube station. Customers who use the docking station along Tooley Street near London Bridge station will also benefit from an expansion of ten extra docking points for cycles. Having more docking stations around key transport hubs will make it easier for people to make cycling a part of their everyday routine.



We also encouraged people to get active during the Christmas and New Year period, by offering everyone 24-hours of free 30-minute journeys on Santander Cycles. This offer was promoted to customers through posters, emails and social media and more than 7,000 journeys were made in December using the code.

#### **Walking and cycling grants**

On 19 November, we awarded more than £400,000 of grants to 60 community and not-for-profit groups that encourage local people to walk and cycle more. The winning projects target a range of traditionally underrepresented groups, such as people with physical disabilities and refugees and asylum seekers, enabling them to feel confident while walking and cycling in London. This is the first year the grant has included walking projects, with more than a third of projects focusing on walking. These

schemes help people to connect with their local communities, learn new skills, get active and improve their physical and mental health.

#### **Sustainable Travel: Active, Responsible, Safe (STARS) programme**

On 13 January 2019, we launched a campaign among teachers and parents to raise awareness of the STARS accreditation scheme for schools. This programme makes a real difference to the lives of young people in London by helping them travel in safer and more sustainable ways. Growth in the programme will help increase active and sustainable journeys to school and reduce car use. On average a STARS school achieves a six per cent decrease in car usage each year.

#### **Air quality and the environment Ultra Low Emission Zone**

The Ultra Low Emission Zone (ULEZ) expansion project enlarges the existing

central London ULEZ up to the North and South Circular Roads. The Mayor announced the scheme on 8 June 2018, for delivery in October 2021. The project is now well into the design phase with work progressing to define the system, infrastructure and operational changes needed to expand the scheme. Work is also underway with the supply chain commercial agreements that are required. Survey work has commenced on the camera and signage infrastructure and the signage designs have been completed and submitted to Department for Transport (DfT) for approval.

The first phase of updated traffic modelling has been completed and engagement with affected boroughs is underway. Work continues to develop a largescale marketing and communications plan to ensure there is broad awareness of the scheme well in advance of the expansion.

### Low Emission Zone 2020

The existing Low Emission Zone (LEZ) standards will be made tighter from October 2020. The emissions standards for lorries, vans and other specialist heavy vehicles over 3.5 tonnes as well as for buses, minibuses and coaches more than five tonnes will change from Euro IV to Euro VI. Owners of vehicles not meeting the tougher emissions standards will need to pay a daily charge to drive within the LEZ. To ensure a successful launch we are

making updates to our website and business and enforcement operations systems. These changes will also be supported by a comprehensive communications campaign. A joint marketing campaign for both LEZ 2020 and the HGV Safety Permit Scheme, including the Direct Vision Standard to reduce blind spots, was launched in October 2019. This was also supported by the successful launch of a joint Vehicle Registration checker, targeted at HGV drivers for both LEZ 2020 and the HGV Safety Permit Scheme.

### London Underground

Every year, we carry out routine monitoring for respirable airborne dust exposure on the London Underground network. London Underground's air quality is safe and within the Workplace Concentration Exposure Limit of 4 mg/m<sup>3</sup>, but to improve air quality further and to increase our understanding, we are doing more research and trialling innovative solutions. These include encapsulating dust with suppressants, deep cleaning the dustiest station platforms and 50 metres of the tunnel either side of these stations, track trolley and vacuum cleaning on sections of the Piccadilly line, investigating whether rail grinding dust can be captured at source, and assessing the impact of capturing more foot trodden dirt at station entrances. In addition, we are undertaking

initial trials of air purification and filtration systems and assessing the feasibility of using electrostatic precipitators on our deep Tube lines. We are in the process of purchasing a Local Exhaust Ventilation plant to capture welding fumes at their source and we aim to have this in use by the end of January 2020. The next round of routine monitoring will take place in February 2020 and will include even more locations to improve our understanding of dust levels across the network.

We continue to work to minimise noise and vibration levels whilst running a safe and reliable service for our passengers. We currently spend approximately £150m each year on track improvements, including a dedicated annual budget of £1m to develop rail noise technology.

#### **Rapid electric vehicle charging**

To support the growing number of Zero Emission Capable (ZEC) taxis and the wider take-up of electric vehicles, we are spending £18m and working with the boroughs and other organisations to build a network of rapid charge points across London. The total number of charge points installed is currently 232 and we are on track to achieve 250 by March 2020, which will be a significant step towards our target of having installed or supported the installation of 300 rapid charge points by December 2020.

On 28 December 2019, a brand-new charging hub opened in Stratford, allowing six vehicles at a time to rapid charge. The six 50kW rapid chargers provide connectors that are fully accessible to all electric vehicle drivers, including taxis, allowing them to pay for charging with a simple tap of a contactless card or smartphone, with no registration or membership required.

At present, there are more than 3,072 ZEC taxis licensed in London. Of the rapid charge points that have been installed under this scheme, 73 are dedicated to taxi use. We are working with the taxi trade to identify the most favourable locations and are focusing on the central charging zone for taxi-dedicated sites following feedback from the taxi trade. We are also developing designs for two hub sites, one in Greenwich and another in the City of London, which will be complete in summer 2020. The hubs will consist of a cluster of rapid charge points to support both taxi and public electric vehicle users. We are also in discussion with several third parties about supporting their potential hub sites across London.

#### **Making our bus fleet greener**

The ultra-clean proportion of the bus fleet now stands at 87 per cent following the continuation of our programme to retrofit mid-life buses and replace older vehicles. We expect to raise all remaining

vehicles to this standard or better by autumn 2020. We now have more than 200 electric vehicles and have progressively introduced double-deck electric buses into the fleet on routes 43 and 134, which operate between Hallwick Park and London Bridge Station and North Finchley Bus Station and University College Hospital/Euston Road respectively.

By summer 2020, we expect the total electric fleet to rise to around 300 buses, which will continue to give London one of the largest zero-emission fleets in Europe. The new buses have been welcomed by many customers for being quieter, cleaner and for having new features like USB charging points – helping us raise customer satisfaction too.

### **Direct Vision Standard**

We have opened the application process for permits under the Direct Vision Standard. This requires all HGVs of more than 12 tonnes to hold a safety permit to enter London from 26 October 2020. HGVs meeting the Direct Vision requirements will be granted a permit on application. Operators of vehicles that do not meet the Direct Vision Standard will be required to demonstrate that other safe system improvements have been fitted to the vehicle.

### **Safer Junctions**

In April 2017, the Safer Junctions list highlighted the 73 most dangerous junctions on our road network, which are defined as those with the highest vulnerable road user collision rates between 2013 and 2015. Following completion of Highbury Corner in September 2019, we have now completed 31 of these junctions and mitigation measures have been introduced to reduce road danger. Construction of Camberwell town centre Safer Junction began in October, and work continues on the Rotherhithe Tunnel junction as part of Cycle Route 4. The programme is on target to complete 41 junctions by May 2020, in line with the Mayor's Vision Zero commitment.

Public consultation reports have recently been published on the following Safer Junction projects:

- Kingsland Road/Balls Pond Road
- Kennington Park Road/Braganza Street
- East India Dock Road/Birchfield Street
- Edgware Road/Harrow Road
- Clapham Road/Union Road
- Holloway Road/Drayton Park/Palmer Place
- Camden Street/Camden Road

Detailed designs for these projects have been completed and construction is expected to commence early in 2020.

### **Lowering speed limits**

Implementation on the first phase of the central London 20mph speed limit, installing 20mph signs and carriageway roundels, was completed in December 2019. Detailed design work has now been completed on the second phase of the project, to install seven raised traffic calming features on our road network. In March 2020, we will launch the 20mph zone in central London. Marketing communications will take place ahead of the launch of the scheme to help raise awareness.

### **Dial-a-Ride vehicles**

The roll out of 166 new ultra-clean Dial-a-Ride minibuses is underway with 40 of the latest specification vehicles now in service. These have been ordered to allow the service to run in the enlarged ULEZ from 2021. This follows an earlier order for 90 vehicles to comply with the ULEZ area from 8 April 2019.

The most recent vehicles have enhancements like autonomous braking at low speed, enhanced CCTV, improved heating and air conditioning to improve comfort and more tinted windows to reduce glare. They have also been modified to make them easier to access for passengers with new handrails at the

front door and saloon area, and an easier to deploy and stow away ramp at the front door. We are currently in the process of retrofitting the first 90 buses with these modifications.

### **Old Street**

Construction is progressing at Old Street Roundabout, where a new design will bring safety improvements to cyclists and pedestrians by providing new and improved crossings, fully segregated cycle lanes, and a new public space with an accessible main entrance to the Underground station and the shopping arcade.

Following the temporary traffic switch in May 2019, which closed the southeast arm of the roundabout, the main works have been underway with construction of the new station entrance to Old Street Underground station near to Cowper Street, which will be completed later this spring. Utility diversions have all been completed, including a difficult and complex diversion of a 24ft high-pressure water main by Thames Water, which was completed on 18 November 2019.

Other associated highways and drainage works in the southeast arm of the roundabout have also progressed. Within the roundabout peninsula area, site clearance and station roof strengthening works are underway, including installation of a temporary goods lift for the retail

users within the sub-surface shopping arcade area. This has enabled removal of the existing goods lift and works to commence on the substructure elements for the new main entrance to Old Street Underground station situated on the roundabout peninsula.

From 10 to 12 April 2020, a second temporary traffic switch will take place to reopen the southeast arm of the roundabout and close the northeast arm. This will enable completion of the station roof strengthening works and creation of the opening in the peninsula for the superstructure elements for the new main station entrance. A final traffic management switch will take place in the summer to reopen the northeast arm of the roundabout and permanently close the northwest arm facilitating the construction of the public space, new passenger lift and new main station entrance in the peninsula area.

#### **Hammersmith Bridge closure**

We have committed £25m to progress the concept design, together with advanced works on Hammersmith Bridge, which are progressing to plan. While this activity continues, we will work with the borough on the likely final cost and a full funding status. We are also working up the feasibility of building a temporary foot and cycle bridge alongside the main bridge. The intention is that pedestrians and cyclists can be moved off the main

bridge to speed up the repairs to the structure.

#### **Rotherhithe to Canary Wharf crossing**

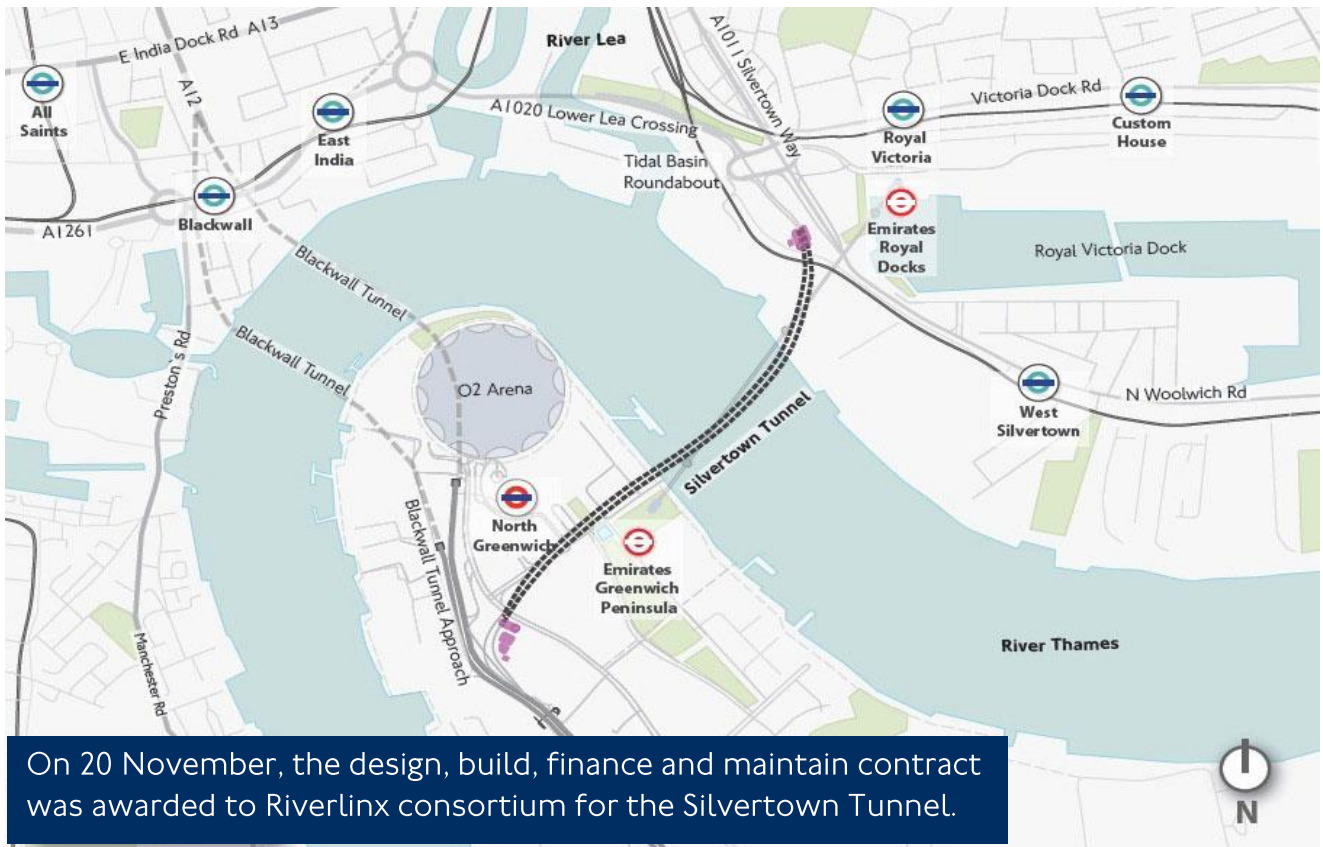
We are investigating the feasibility of providing a new pedestrian and cycling ferry crossing between Rotherhithe and Canary Wharf to improve cross-river connectivity and drive access and growth in the area. We are currently nearing completion of the options analysis, which is looking at our preferred pier locations, ferry type and delivery and operating model. These activities will better inform our forward programme ahead of starting work on concept design, procurement preparation and planning and consents preparation with the view to starting a procurement exercise in the summer.

#### **Rotherhithe Tunnel**

A concept design for the refurbishment of the Rotherhithe Tunnel is progressing to plan and is due to be completed in the summer. A separate work stream to install additional protective measures at the tunnel entrances and prevent over-height vehicles entering the tunnel has commenced and is planned to be operational by the summer.

#### **Silvertown Tunnel**

Silvertown Tunnel will also provide significant crossover, increased public transport capacity in east London and help reduce traffic congestion at the Blackwall Tunnel.



The new twin-bore tunnel, within the extended ULEZ, will help eliminate congestion and the problem of standstill traffic to deliver an overall improvement in air quality. The tunnel will improve cross-river public transport connections, with around 37 buses an hour during peak periods in each direction using the tunnel, including the current six single-deck buses per hour that run through the Blackwall Tunnel. All of the new double-deck buses that use the Silvertown Tunnel are expected to be zero-emission from launch. These routes will link places such as Stratford and Canary Wharf to Eltham, Grove Park and Charlton, unlocking new journey options and supporting wider regeneration across the Greenwich Peninsula and Royal Docks.

Following an extensive tender process, the design, build, finance and maintain contract was awarded to the Riverlinx consortium on 20 November 2019. Pre-build activities to facilitate a smooth start

to construction are well underway. Design for the replacement of North Greenwich car parks is complete and work is ongoing with utility companies to agree how to progress early service diversions. Monitoring of both existing structures and noise continue ahead of the start of construction.

Arrangements have been agreed with the Greater London Authority and Silvertown Homes and discussions are ongoing with third parties to put these in place, including negotiating land access. During the tunnel's construction, we will work to ensure that any disruption to local residents and businesses is kept to an absolute minimum.

### **Liveable Neighbourhoods**

Liveable Neighbourhoods are a key part of how we work with boroughs to deliver the Mayor's Transport Strategy, by creating locally led, attractive, healthy and safe neighbourhoods that encourage



walking, cycling and public transport use and reduce car journeys.

Progress continues on the current 18 Liveable Neighbourhood projects. Public consultation commenced on the Deptford Parks project in the London Borough of Lewisham on 4 November 2019. Also, on 19 November 2019, and as part of the third bidding round, we received 19 new bids from across the capital. The boroughs that submitted bids were:

- Barking & Dagenham
- Bexley
- Brent
- Ealing
- Enfield
- Hammersmith & Fulham
- Haringey
- Harrow
- Hillingdon
- Hounslow
- Islington
- Kingston
- Richmond
- Sutton
- Tower Hamlets
- Waltham Forest
- Wandsworth

The bids will be assessed over the next few months and we intend to announce the winning bids in March 2020.

### **Demand-responsive bus trial**

Our second 12-month demand-responsive bus trial – SlideEaling – launched on 13 November 2019 in the London Borough of Ealing where up to 40 per cent of residents and commuters make their journeys by private car or taxi. It is operated by public transport group RATP which already operates many bus routes in London, and the Volkswagen mobility subsidiary, MOIA, which specialises in ridesharing in Hannover and Hamburg.

We are now exploring whether this more flexible, personalised option can complement our existing bus network, and what role it can play in moving people from private vehicles onto public transport. It can be booked for a flat-rate fare of £3.50, and £2.00 for each additional passenger, and operates from 06:00 to 01:00, seven-days-a-week, covering an area from Southall in the west to the North Circular, and the A40 to Boston Manor in the south of Ealing.

Trips can be booked on a downloadable app or by phone, enabling people to travel immediately or within the next 30 minutes. Freedom Passes and the English National Concessionary pass are accepted. The customer inserts their virtual pick-up point and destination, and the app advises when, where and what bus will be arriving. The bus calls at pre-determined safe stopping points within the service area.

We continue to run another 12-month demand-responsive bus trial, GoSutton, which is due to end on 27 May 2020. The recently expanded service area now includes most of the Sutton borough. Operated by Go-Ahead, with technology from ViaVan, patronage has consistently risen since the launch on 28 May 2019 and customer feedback is very positive. It also focuses on a high car use area and connects people to local destinations including hospitals and rail stations.

#### **Bus priority**

We have completed two schemes on our road network so far this year at the A503 Seven Sisters Road, and the A10 Kingsland Road in Hackney. A further project on Madeley Road, Ealing and another four projects, A21 Tweedy Road, A23 Brixton town centre, A2 Old Kent Road and the A40 Greenford Roundabout are currently programmed for delivery by the end of the financial year.

We have completed the delivery of 67 traffic signal technology projects throughout London to help further improve efficiency. We continue to work with the boroughs to progress delivery of over 100 bus priority schemes on their road network this financial year.

#### **Bus driver facilities**

Good progress has been made since the Mayor announced increased funding for bus driver facilities in February 2018. We

are now working towards the final target of having permanent facilities on all 42 priority bus routes by the end of March 2020. To date, we have installed 30 permanent facilities across London, leaving 12 temporary sites to be made permanent before the end of March 2020. Where possible we are adapting existing infrastructure to ensure integration with the local environment.

#### **Tackling the climate emergency – zero carbon infrastructure**

We are part of the Net Zero Infrastructure Coalition with Mott MacDonald, Skanska and other groups. The aim of this coalition is to drive the transition of the UK's economic infrastructure to support a net-zero carbon economy.

In December, Mott MacDonald facilitated a workshop focused on how we could best manage and reduce lifecycle carbon emissions across our infrastructure and major projects. The business case for reducing carbon is compelling and helps with our sustainable finance agenda as well as supporting our ongoing action to tackle the climate emergency.

December also saw the Piccadilly Line Upgrade programme hold a carbon baselining workshop. We mapped out the operational and capital carbon requirements for the programme with the aim of developing a proof of concept of how carbon can be modelled at a

programme level and roll out the methodologies across the organisation.

### **Water fountains**

We have been working to install water refill points at London Underground and Overground stations. We have two refill fountains operational at Highbury & Islington and West Hampstead and a third was switched on at Imperial Wharf Overground station at the end of November 2019. A further eight stations are close to completing installation subject to planning and approvals and further locations have been identified if additional funding is made available. We are developing standards and specifications for refill fountains in all future station upgrade works.

### **Operational safety and compliance**

We are developing a consolidated compliance and enforcement programme to support a more versatile policing and on-street services operation. This will contribute toward making greater efficiencies and supporting safe, secure and reliable journeys. We are currently in the process of defining the project scope, with a view to confirming a delivery strategy next year.

This programme includes procuring systems and services to support us licensing taxi and private hire vehicles (PHV), drivers and operators. We will ensure that business continuity is

maintained; protecting customers and ensuring vehicles are safe, accessible and meet strict environmental standards. The new system aims to provide an efficient service to taxi and PHV owners, drivers and operators.

### **Events, protests and incidents**

Through late November into December and January, we traditionally see a slowdown in largescale events across London. This is replaced with many local Christmas focused festivals and markets, as well as an increase in people attending the major shopping hubs in and around the Greater London area, which are monitored closely to provide bus and transport services.

On 4 December 2019, NATO leaders attended a conference at The Grove Hotel in Watford, Hertfordshire. In advance of this, all delegates were invited to attend events held in London on 3 December. Road closures were implemented to allow for critical vehicle movements. Some planned protest activity took place in the Trafalgar Square and Buckingham Palace areas in the evening.

The year ended with the annual New Year's Eve 'Marking of Midnight' celebration where more than 100,000 spectators visited central London to view the fireworks display.



More than 100,000 people turned up to watch the New Year's eve fireworks in central London.

Extensive road closures in central London were phased in throughout the afternoon to create safe viewing areas and once again the display played its part in showcasing London as a global city.

Extensive work took place to make the event a success and manage the disruption to the bus and road network. This was followed by the New Year's Day Parade, with some road closures staying in place. The parade followed its traditional route from Piccadilly to Parliament Square.

#### **Collaborative Christmas roadworks**

We delivered several collaborative works over the festive period, taking advantage of this quieter time to reduce the impact on sensitive areas of the bus network. The first was a blockade on Bishopsgate/Norton Folgate for two major crane operations, works by UK Power Networks (UKPN) and Thames Water, as well as the build of a bus driver

welfare facility, saving weeks of potential disruption. We also had major gas works on Upper Thames Street on Cycle Superhighway 3 for works to reduce the impact on commuting cyclists at a time of heavily reduced usage. This is just a small sample of the huge amount of collaborative works we have carried out this year at 2,668 works sites to date.

#### **Uber private hire licensing decision**

On 25 November 2019, we informed Uber London Limited (ULL) that we would not renew its private hire vehicles (PHV) operator's licence as we had concluded that it was not "fit and proper" at this time.

As the regulator of taxi and private hire services in London, we are required to make a decision on Uber's fitness and propriety. Uber has made a number of positive changes and improvements to its culture, leadership and systems in the period since the Chief Magistrate granted

it a licence in June 2018. However, we have identified a pattern of failures by the company, including several breaches that placed passengers and their safety at risk. Despite addressing some of these issues, we do not have confidence that similar issues will not reoccur in the future, which led us to conclude that the company is not fit and proper at this time.

A key issue identified was that a change to Uber's systems allowed unauthorised drivers to upload their photos to other Uber driver accounts. This allowed them to pick up passengers as though they were the booked driver, which occurred in at least 14,000 trips – putting passenger safety and security at risk. This means all the journeys were uninsured and some passenger journeys took place with unlicensed drivers, one of which had previously had their licence revoked by us.

Another failure allowed dismissed or suspended drivers to create an Uber account and carry passengers, again compromising passenger safety and security. Other serious breaches have also occurred, including several insurance-related issues. Some of these led us to prosecute Uber last year for causing and permitting the use of vehicles without the correct hire or reward insurance in place. While Uber has worked to address these issues, they highlight the potential safety

risk to passengers of weak systems and processes.

This pattern of regulatory breaches led us to commission an independent assessment of Uber's ability to prevent incidents of this nature happening again. Following this work, we concluded that we do not currently have confidence that Uber has a robust system for protecting passenger safety, while managing changes to its app.

ULL submitted an appeal to Westminster Magistrates' Court on 13 December 2019. Pending the outcome of the appeal, ULL may continue to operate and we will continue to closely scrutinise them, including the need for ULL to meet the 20 conditions set by us in September 2019. Particular attention will be paid to ensuring that the management have robust controls in place to manage changes to the Uber app so that passenger safety is not put at risk. An initial procedural hearing for the appeal process will take place on 13 February 2020.

Judicial review proceedings have been issued against TfL by the United Trade Action Group Limited challenging whether ULL is entitled to continue to operate pending the outcome of the appeal. We do not consider there is any basis for the claim and have responded to the Court that permission for judicial

review should not be granted and a decision is awaited.

### **Topographical tests for PHV drivers**

There is a statutory requirement for PHV drivers to satisfy us that they have an appropriate level of general topographical skills. As part of their licence application process, applicants are required to take a TfL topographical skills assessment at a centre approved by us. Of the 108,000 licensed private hire drivers in London, the vast majority take our own robust topographical skills assessment. However, we currently allow a small number of concessions for applicants who can demonstrate that they already satisfy the topographical skills requirement, such as providing evidence of a relevant vocational qualification.

Vista Training Solutions, which provides some of these vocational qualifications, has been identified as carrying out fraudulent activity by presenting certificates to candidates who have not completed the required training. While issues around the qualifications are a matter for the relevant examination board, Pearson, and the qualifications regulator, Ofqual, we were extremely concerned to learn that certificates could be obtained in this manner and used as part of an application to become a private hire driver in London.

### **Knowledge of London and Topographical testing move to Baker Street**

On 23 December 2019, the Knowledge of London, our examination process for prospective taxi drivers and our private hire applicant topographical skills assessments moved to TfL's premises at 210–212 Baker Street. This new location provides us with the opportunity to expand our capacity for topographical skills assessments.

We have completed a full investigation and have now revoked the licences previously issued to 143 licensed private hire drivers who obtained their qualification from Vista Training Solutions. Similarly, all new applications received with a certificate issued by Vista Training Solutions have been refused. We have not been provided with any evidence about other colleges providing a similar service. However, should any further instances be brought to our attention we will consider the appropriate licensing action. In addition, from 1 February 2020, the relevant vocational qualification concession will be removed, and all new applicants will need to carry out a TfL topographical skills assessment at a TfL centre.

### **Taxi and Private Hire Health and Wellbeing Forum**

In early December, we hosted a Taxi and Private Hire Health and Wellbeing Forum, where we invited experts to speak to trade representatives and licensees about a range of health and wellbeing topics. I opened the forum which helped to raise awareness of the importance of health and wellbeing within the taxi and private hire industries by bringing together a range of specialist organisations that showcased the advice, support and help that is available to drivers. The forum was well received and provided a valuable opportunity to discuss how we and industry groups can continue to work together to help reach a wide audience in the trade and ensure they have access to the tools they need to support their health and wellbeing.

# 5 A good public transport experience

## **Elizabeth line**

On 10 January, Crossrail Limited issued its latest update on progress to complete the Elizabeth line and confirmed that it plans to open the central section between Paddington and Abbey Wood in summer 2021.

This latest forecast is based on the current progress with completing software development for the signalling and train systems along with safety assurance for the railway so that intensive operational testing can begin in 2020.

Following the opening of the central section, full services across the Elizabeth line route from Reading and Heathrow in the west to Abbey Wood and Shenfield in the east will commence by mid-2022. This will connect the eastern and western sections straight through central London.

Health and safety remains CRL's number one priority and overall performance remains under scrutiny. With every incident and high potential near miss, CRL will establish the root causes of the incident and will share the learning across the programme and with the wider industry.

The central section remains on schedule to be substantially complete by the end of the first quarter this year except for Bond Street and Whitechapel stations where work will continue until the end of

2020. Fit-out is nearing completion at many stations with all physical works complete in the tunnels, shafts and portals. CRL has increasing confidence that Bond Street will be ready to open with the rest of the central section.

Good progress continues to be made with completing software development for the signalling and train systems along with the safety assurance for the railway. CRL expects to transition into intensive operational testing of the central section, known as Trial Running, in Autumn 2020.

After Trial Running, a final phase known as Trial Operations is required before the Elizabeth line can open for passenger service. Trial Operations involves people being invited onto trains and stations to test real-time service scenarios.

## **TfL Rail services to Reading**

We successfully launched full services to Reading on 15 December. Passengers on the route can now use contactless pay as you go between London Paddington and Reading. TfL Rail fares are aligned with National Rail fares. Daily and weekly capping are expected to be introduced in spring 2020 and will make some journeys cheaper.

During peak times, services to and from Reading will run every 15 minutes, and two trains an hour will run during off-peak times.



## **London Overground** **Frequency increases**

London Overground services increased from four to five trains per hour during peak periods on both the Richmond and Clapham Junction branches on Sunday 15 December, providing a more frequent ten train per hour service on the busiest part of the route between Willesden Junction and Stratford. The introduction of these additional trains will also enable a more even service to operate on both branches throughout the day. This change will help contribute to the Mayor's objective of a good public transport experience due to the improved journey times and reduced crowding on this important transport link.

## **Earlier services on the Gospel Oak to Barking route**

On Monday 16 December 2019, two additional early morning London Overground services were introduced on the Gospel Oak to Barking route to meet growing customer demand. The new weekday services depart Barking at 05:39 and 05:54. This builds on the introduction of the new electric trains earlier last year.

## **London Underground** **Northern Line Extension**

The Northern Line Extension project includes a twin-tunnelled extension from Kennington to a new terminus at Battersea Power Station, via a new station at Nine Elms. It is expected to be completed in autumn 2021.

Over Christmas Day and Boxing Day we commissioned the points connecting the extension to the existing Northern line in the Kennington loop. The new points mean a reduction in the number of Northern line trains that can wait in the loop from three to two. We have introduced a new interim timetable to handle this.

At Nine Elms station, we have completed the entrance glazing, and are constructing the canopy frame above the station entrance. Transformers have now been delivered, enabling UKPN to carry out electrical works in the street, installing the wires to connect mains electricity to both Nine Elms and Battersea stations.

At Battersea station, we handed the west end of the site to Battersea Power Station Delivery Company on Friday 1 November 2019 as planned, for construction of the over-station development. Tunnel vent fans have been delivered to site and lowered into the fan room while installation of the third escalator bank has started. The connection into the existing combined Thames Water sewer has been made and the installation of a new drainage pipe is in progress.

For the first time, the UKPN transformer rooms have been energised at Kennington Green and Kennington Park. Achieving UKPN power-on is a key step towards getting the new extension operational.

Public health and station vent works are going well at Kennington Green. In the basement areas at Kennington Park, we continue to install key cabling and bracket work. Signal sighting trains are running in the Kennington Loop to ensure that signals and signal-related signage are in the correct position for drivers.

#### Modernising the Circle, District, Hammersmith & City and Metropolitan lines

We are installing a new digital signalling system on the Circle, District, Hammersmith & City and Metropolitan lines. The first section was successfully introduced in early 2019 between Hammersmith and Latimer Road. In September 2019, we extended operation of the new signalling system to Euston Square on the Circle and Hammersmith & City lines, and from there to Finchley Road on the Metropolitan line, and to Paddington on the District and Circle lines. This section includes the major junctions at Baker Street and Edgware Road, with the latter enabling the closure of a signal cabin that had routed trains manually for 94 years.

As with any project of this scale, some disruption was planned for. However, despite extensive testing of the new signalling outside operating hours, we have had issues with software reliability on Metropolitan line trains. This has been causing disruption and delays to some

journeys. We are working with our signalling supplier to find robust fixes and have already taken a number of steps that have resulted in gradual improvements to reliability. These include:

- Installing a software upgrade for all mobile radio units on the 192 trains that were not communicating reliably
- Investigating the key locations where incidents took place, and replacing assets, infrastructure and radio equipment to further improve connectivity
- Placing dedicated extra staff, technical experts and response managers, on duty at key points to enable us to respond to incidents immediately
- Making further software upgrades to the system

This is a move in the right direction, and there is more work to be delivered to further improve and offer a more consistent service. We continue to update customers on this work.

Once the modernisation of the four lines is complete, the benefits will include a one third increase in capacity, hugely improved frequency from 28 to 32 trains per hour, and quicker journey times. This is one of the most important upgrades in the history of the Tube network.

### Bank station

We continue to make significant progress, with the project now nearly two thirds complete. The work on the new station entrance on Cannon Street is progressing ahead of programme. We are creating dividing walls for the operational rooms that are spread across 11 floors. This is in preparation for the fit-out stage that will equip the rooms, which will start in the spring next year.

We have completed the excavation of the last two new connection cross passages from the new escalator barrel to the Central line. These will reduce journey times from the Central line to the Northern line and DLR. Secondary lining works to the new southbound Northern line platform tunnel are now completed, and the structural works that will house the two new moving walkways are also nearing completion. Secondary lining works to the escalator barrel from the new ticket hall down to the Northern line have also begun.

### Victoria station

At Victoria, we have built a new north ticket hall and 300 metres of subways. We have increased the size of the south ticket hall by 50 per cent. Step-free access to all platforms is now meeting the needs of the 83 million customers who use the station each year.

The overall station and the surrounding buildings are largely complete. A design study is underway to identify how best to use the space at ground level formerly occupied by retail units on 175-179 Victoria Street.

### Marble Arch station

At Marble Arch station, we worked with the Marble Arch Business Improvement District to unveil a series of panels celebrating the history of the local area, including information about the station, Hyde Park, and the arch itself.

The installation consists of 43 panels installed along what was formerly a hallway, making use of disused advertisement panels. It appeared immediately before the popular Winter Wonderland festival that draws visitors to the park and is the station's busiest time.

### Waterloo station

Lambeth Council has approved an application from HB Reavis to redevelop the site of Elizabeth House at Waterloo. As part of the scheme, the developer will help to provide step-free access to the Northern line and make a financial contribution towards it.



HB Reavis will work on the lift shaft in tandem with its own works. Providing step-free access to the Northern line at Waterloo is technically possible only while the site above is clear for the construction of the lift shaft. The redevelopment of Elizabeth House provides us with an opportunity to achieve this. It is currently estimated to complete in 2025.

### **Finsbury Park**

The new entrance to Finsbury Park station opened on 17 December. The new, larger entrance creates a step-free route and will ease congestion for customers using the station.

The upgrade has provided lifts to the Piccadilly and Victoria lines, as well as to the Network Rail platforms at the station, making it easier for customers with mobility needs, buggies or heavy luggage to use the Underground. The new entrance features six new ticket gates,

including two new wide-aisle gates, as well as two new ticket machines and a new station control room.

Finsbury Park is the third-busiest station outside central London, with more than 30 million customers using the station in 2018. It links north London to vital stations such as Leicester Square, Green Park and Piccadilly Circus, as well as to National Rail services at King's Cross St Pancras, Euston and Victoria.

Two lift shafts were excavated using traditional mining techniques to provide step-free access at the station. This produced 7,500 tonnes of spoil – equivalent to around 600 New Routemaster buses.

The improvements at Finsbury Park are the result of collaborative work between us and the developer of an adjacent site, City North Finsbury Park. The new site will feature a mix of commercial

properties, including Cineworld, Marks & Spencer and GymBox, and more than 300 new homes.

### Victoria line

A new timetable, introduced at the beginning of November 2019, means Victoria line trains now arrive every 100 seconds for three hours during the morning and evening peak. These high-frequency services previously operated on the Victoria line for one and a half hours every day.

The Victoria line is already one of the most frequent metro services in Europe. The new timetable increases capacity by a further five per cent – helping reduce crowding and congestion along the line.

The Victoria line is used by 250 million customers each year and serves Oxford Circus, King's Cross St Pancras and Victoria, which are among the busiest stations on the network.

### Jubilee line

On 8 December 2019, we completed a four-year, £26m refurbishment of our fleet of 63 Jubilee line trains.

These mid-life refurbishments are an essential programme of works to extend the life of the fleet, refresh the carriage interiors and exteriors and ensure the trains are in line with the Rail Vehicle Accessibility Requirements legislation that came into force on 1 January 2020.

Through careful planning, we also managed to achieve savings of £5.5m on this project, which provides us with money to invest in other areas of our transport network.

We recently identified mechanical defects on some Jubilee line trains which resulted in trains being taken out of service for repair. As a result, passengers suffered from delays to service during the morning and evening peaks. Our team worked extremely hard to return these trains to service and I am glad to report that since 2 January, a full service was reinstated on the Jubilee line.

### Bakerloo Line Extension consultation

Our consultation on proposals to extend the Bakerloo line to Lewisham and potentially beyond closed on 22 December 2019. We asked for views on more detailed proposals on the tunnel route, location of tunnelling worksites as well as a further extension of the line to Hayes and Beckenham Junction. Just under 9,000 responses to the consultation were received. We will analyse these responses and report the feedback later this year. If a decision is made to go ahead with the scheme, we could apply for powers to build and operate the extension in 2023 with the earliest services running from mid-2030s.

### Crane trains

We have taken delivery of two Kirow crane trains and eight tilting wagons for lifting and transporting track. The new equipment was built to our own specifications and transported 1,400km (870 miles) from the Kirow manufacturing site in Germany.

The tilting wagon mechanism enables us to pre-fabricate track and transport through our sub-surface network and tunnels for installation, instead of constructing it onsite. This is a quicker and more cost-effective approach, but to transport them the wagons need to tilt the panels to an upright position to get them through our sub-surface tunnels.

Each crane can lift 25 tonnes and together they can lift close to 50 tonnes. These cranes are uniquely designed to lift with their booms parallel to the ground, which makes them well-suited for use on our network.

Both the cranes and the tilting wagons are certified to run on both Network Rail and London Underground tracks, meaning panels can be collected directly from the manufacturers dotted around the UK and delivered directly to an Underground site to be installed.

Having the Kirow crane trains in our fleet will reduce the number of closures for complex track installation, improve track

installation quality and reduce the need for costly maintenance. It will also mean fewer construction vehicles on London's congested roads as everything will be transported by rail.

### Tunnel cleaning

We have been cleaning some of our deeper Tube tunnels. After a successful trial on a section of the Piccadilly line earlier this year, we have now started work on the Bakerloo line between Kilburn Park and Elephant & Castle.

While the air quality on our network is well within the Health and Safety Executive specified limits, we are determined to make air quality on the Underground as clean as possible.

The Bakerloo line cleaning involves vacuuming the tunnel walls, cables, track and fixtures, followed by treating the area with a dust suppressant, which reduces airborne dust. This cleaning programme is due to be completed by the end of the year, when we will re-test the air quality to measure the improvement.

Alongside this work, we have started cleaning works on the entire Victoria line, using a similar vacuuming method to clean inside tunnels.

We are also trialling a new piece of cleaning equipment on the Waterloo & City line.

### 4G pilot on the Underground

We are preparing to run the first extended public pilot of 4G services on London Underground from March 2020. The pilot will run on the eastern section of the Jubilee line from Westminster to where the line emerges above ground near Canning Town. Mobile services will be available to Jubilee line customers on trains, all platforms and in most station areas, except for Waterloo and London Bridge. Work to install the required pilot infrastructure is underway and we are working closely with four mobile operators, Vodafone, O2, EE and 3, to enable them to provide 4G over this infrastructure from March 2020. This pilot is the first step towards making mobile services available across the entire London Underground network over the next few years.

### High Speed 2

Our interface with High Speed 2 (HS2), the new high-speed railway connecting London to the West Midlands and the North of England, includes new assets, infrastructure and operational facilities at Euston and Old Oak Common.

The Oakervee Review, commissioned by the Government in August, was due to be completed before the end of October 2019, but its publication was delayed as a result of the general election. We are supportive of the benefits that HS2 can deliver for London and the UK, and

stressed to the Oakervee panel that the options being considered must include both Euston and Old Oak Common stations as part of the solution.

In the meantime, we continue to work with HS2 Ltd in supporting the early works to minimise disruption at Euston. For example, to minimise the impact on traffic, we are working on alternatives for diverting utilities on Euston Road and Hampstead Road in 2020.

In October, HS2 Ltd appointed Balfour Beatty Vinci Systra JV as the construction partner for Old Oak Common. Introductory meetings took place between us and the new contractor in December.

In November 2019, we completed a review of the designs for elements of the new HS2 Euston station. We will continue to work with HS2 to ensure the designs achieve the best outcomes for London.

### Highbury Corner

Construction is substantially complete for the major reconfiguration of the road network and removal of the gyratory at Highbury Corner. The remaining urban realm and tree planting was completed in November 2019. Installation of new hostile vehicle measures outside Highbury & Islington station will follow this year once approval has been obtained from Network Rail.

### **Vauxhall Gyrotory**

The project continues to finalise a concept design so we can deliver a new bus station and remove the Vauxhall Gyrotory to improve conditions for bus users, pedestrians and cyclists. The project is awaiting a decision on an interfacing developer's planning application, which was called in by the Secretary of State for Housing, Communities and Local Government in May 2019. The Secretary of State's decision is anticipated in summer 2020. Assuming there is a positive outcome from the planning decision, we will continue to progress the scheme, appoint a contractor to complete the design to build the new bus station and remove the gyrotory.

### **King's Cross**

Safety, cycling and pedestrian improvements are being delivered in phases in the King's Cross and Euston Road area, with phase one advanced works completed on 15 December 2019. Main works will follow in February 2020.

Safety improvements for the Duke's Road and Churchway junction on Euston Road will be the first phase. Proposals include a 'green man' pedestrian crossing across both Churchway and Duke's Road and provision of safer north-south movements for cyclists. The sequencing and scope of other phases of work at Kings Cross have been reviewed, taking

the outputs from recent design workshops. We are discussing these changes with the boroughs of Camden and Islington.

### **Lambeth Bridge**

The scheme provides a significant upgrade for the safety and comfort of pedestrians and cyclists, by removing the current roundabouts on both sides of the river and replacing them with signal-controlled junctions. The proposal includes segregated approaches for cyclists, with dedicated cycle phases at the junction, and new signal-controlled pedestrian crossing facilities.

The shared space has been reviewed with small changes being introduced to separate pedestrians and cyclists where possible. Survey and design continue to detail the work required to replace the waterproofing, drainage and expansion joints on the bridge deck. The design for the permanent protective security measures on the bridge is progressing well.

We have concluded our discussions with key stakeholder about their responses to the 2017 public consultation. The design amendments and proposed way forward will be published in spring 2020 as part of the consultation report.



### **Wandsworth Gyrotory**

The purchase of properties from landowners on Putney Bridge Road is progressing, with the purchase of the remaining three properties expected to complete in early 2020. The revised scheme layout in Armoury Way has been completed with the design refinements requested by the London Borough of Wandsworth. Agreement for the amended layout has passed committee and gained leaders approval on 7 October 2019. The intention is to procure a detailed design and build contractor via the Civils Project Framework. Detailed design remains on track to run in parallel with the Compulsory Purchase Order process to follow this. We plan to start construction at the end of 2021.

### **Fiveways**

We are working in partnership with Croydon Council to determine how best to transform the area, improve cycling and pedestrian facilities and unlock capacity at the Fiveways Corner junction. A review of the Fiveways project, to consider its strategic fit with wider Croydon Growth Zone objectives, is almost complete and a decision will be made in Spring 2020 on the best way forward.

### **Waterloo City Hub**

The scheme provides a significant upgrade for the safety and comfort of pedestrians, cyclists and public transport users. The

scheme will provide a new pedestrian walking route to the river, improved road crossings, segregated cycling facilities and improved bus waiting and boarding areas. The detailed design continues to progress well. We aim to commence with construction in early summer 2020, subject to securing the necessary consents. We continue to work closely with the London Borough of Lambeth and developers in the area, to ensure delivery is coordinated with the future for the Waterloo area.

### **Barking Riverside Extension**

We are delivering a new rail link to serve the 10,800 new homes that are planned for the Barking Riverside development area. The link is a spur from the Tilbury Loop east of Barking, to extend our London Overground service from Gospel Oak to Barking Riverside. Our main works contractor has successfully completed piling works during the Network Rail blockade in July and August. This was an important milestone for the project, maximising the opportunity for works while the mainline was temporarily closed for public use.

Despite extensive searches during early stages of the project, the amount of underground utilities over such a large 1.5km long site present an ongoing challenge to the programme. Notably, previously undiscovered utilities at piers 14 and 15 of the viaduct require either a

redesign of the piers or diversion of the utilities. This is putting considerable pressure on the programme to complete works for opening in December 2021 and was the subject of a report to the Programmes and Investment Committee on 18 December 2019.

### **Enhanced bus services**

Four new bus routes were introduced in the north-west and west London on 7 December 2019. This includes two services giving improved links between Heathrow, Hillingdon and Harrow (278 and X140), with two additional routes giving improved links between Acton, Hammersmith and Fulham (218 and 306). Three other routes were extended, with the H9 and H10 now serving more parts of Northwick Park Hospital and the 440 extended to Wembley Eastern Lands and rerouted between Acton and North Acton. Nine further routes, including the 140, 224, 226 and 391 underwent changes following the introduction of the new bus services.

### **Improved security on our Oyster online and contactless account web pages**

In August and October 2019, a small number of customers had their Oyster online account accessed after their login credentials were compromised when using non-TfL websites. While no customer payment details were accessed, we asked our Oyster and contactless customers to reset their passwords

as a precautionary measure to help keep their accounts secure.

Since 28 November 2019, all Oyster and contactless accounts have been locked and will only be unlocked once customers request a reset for their password, which will be sent to their registered email. Customers will still be able to travel using their Oyster or contactless card, as well as top up their cards at a ticket machine or an Oyster Ticket Stop while the account is locked.

In line with official guidelines, we also made the Information Commissioner's Office aware. No enforcement action was taken.

### **Extensions to contactless**

We have extended pay as you go for contactless customers on two routes as an alternative to printed single and return tickets. On 26 November 2019, pay as you go was introduced on the Go-Ahead Thameslink Railway route to Welwyn Garden City and on 2 January 2020, it was introduced on both our services and Great Western Railway services between West Drayton and Reading.

### **World Children's Day partnership with Unicef UK**

To coincide with World Children's Day, on 20 November 2019 we worked with Unicef UK to give children a voice on the transport themes that matter to them most. Children from our STARS schools

and Unicef UK Rights Respecting Schools, submitted competition entries to redesign our roundel and developed one-off 'Thought of the Day' whiteboard posters. Each roundel came with an explanation, written by the child who designed them, outlining why transport is important to them. There were also special tannoy announcements by children on bus routes and at some of our busiest stations, including King's Cross St Pancras, Waterloo and Green Park. More than 300 London schools took part in this project.

### **Art on the Underground in Brixton**

Art on the Underground celebrates its 20th anniversary in 2020, a key milestone in its history of working with prominent contemporary artists as a leading commissioner of public art. In 2020, Art on the Underground will present major site-specific commissions by Lucy McKenzie, Vivian Suter, and Helen Johnson, alongside two Pocket Tube map covers by Elisabeth Wild and Phyllida Barlow.

The 2020 programme will seek to create space for quiet contemplation, reflection and solitude. The programme reimagines how we interact not just with each other but the world around us.

Bringing leading international artists to London, we invite the public to step out of their daily routine and observe our civic spaces in a new light.

For her first UK public commission, Lucy McKenzie will take over the Art Deco Sudbury Town station and will create a suite of artworks that interact with the station's history. Vivian Suter will create her first public commission in the UK, comprising more than 120 new paintings at Stratford station. Helen Johnson's intricate painting marks the fourth commission in the Brixton series, using local murals from the 1980s as inspiration.

For the spring pocket Tube map, Elisabeth Wild will create a new collage inspired by London Underground architecture, in colours that recall the landscape of her home in Guatemala. Phyllida Barlow will use her daily practice of drawing to create a composition for the autumn pocket Tube map.

# 6 New homes and jobs

## Crossrail 2

The Crossrail 2 Strategic Outline Business Case (SOBC) was submitted to Government in June. In late October, the DfT's Board Investment and Commercial Committee met to review and consider it. The DfT has confirmed that the SOBC satisfies Her Majesty's Treasury's Green Book guidance in terms of making a case for change and exploring a preferred way forward. Additionally, it was confirmed that the SOBC is technically robust at this stage of development, no further work is required on the SOBC at this time, and it could therefore be used to support a decision on the project at the next Spending Review.

The project team continues to work on the latest cost estimate for the scheme. The team is working closely with DfT colleagues to ensure that variable factors are applied in a consistent manner and are using benchmarking data from Crossrail and other major infrastructure projects to inform the estimating process. The estimating process itself is the subject of an assurance process and has been assessed as appropriate.

Alongside this, we have been learning lessons from industry experts on the pros and cons of various consent processes; in particular we have received legal advice and outline costs and benefits for each consent mechanism.

## Affordable homes

### Kidbrooke

We received planning permission for our site in Kidbrooke and are hoping to start construction in 2020. The development will provide 619 well-designed new homes, built to high environmental standards, which cater to a wide range of needs. Of these homes, 50 per cent will be affordable, with the first phase consisting entirely of affordable homes. Overall, the development will provide new landscaped areas, green spaces and play areas to residents and the public.

### Build to Rent

Our Connected Living London partnership with Grainger plc. will see more than 3,000 homes built, with 40 per cent of homes made affordable, as well as new commercial space, cycling facilities and improved public space being delivered across seven sites. We have run an extensive programme of engagement with nine events and pop-ups, five meetings with stakeholders and community groups and 3,486 people have given us their feedback through our online engagement platform. We are submitting Arnos Grove and Southall planning applications in early 2020, with more to come before the end of the financial year.



Prairie Fire is the first business to open at our newly transformed arches beneath Wood Lane Tube station

### Earl's Court

As one of London's most important development opportunities, we welcomed the announcement that an entity established by Delancey, on behalf of its client fund and APG, has acquired the controlling interest in Earls Court Properties Limited which is responsible for developing the 26-acre site in west London. Delancey's first step was to return the two adjoining estates to Hammersmith and Fulham Council, and confirm that they want to create a new London Plan compliant masterplan for the site, with much higher levels of affordable housing.

### Harrow car parks

In Harrow, we are progressing planning applications for more than 500 new affordable homes at our car park sites in Stanmore, Rayners Lane and Canons Park with our development partner Catalyst. All three sites will also provide improved access to the stations and better environments for walking and cycling.

In Stanmore, we are proposing a mix of apartment buildings and townhouses ranging from three to eleven storeys, providing around 280 new affordable homes within easy access to public transport. The plans also include a lift to provide improved step-free access to the station and platforms, a cycle hub, commercial units and new public realm. Rain gardens and tree planting will also be introduced. There will also be pocket community gardens in between the buildings at street level incorporating play space provision for all ages.

At Rayners Lane, we want to build 128 new homes as well as a new station cycle parking hub and new landscaping and at Canons Park, we are proposing to create three, seven-storey mansion blocks providing around 118 affordable homes with easy access to public transport. We will provide a new station cycle parking hub and significantly improve the natural landscape and public realm around the site, providing a safer and more attractive environment.

### **Bollo Lane, Ealing**

We recently consulted on our proposals for 800 new homes for rent and sale at Bollo Lane near Acton Town station, half of which will be affordable. Our proposals include a mix of tenures and sizes to help meet the growing local demand for new housing. All new homes will be of a high-quality design and will be designed to be sensitive to the important heritage of the surrounding area. Access to green space is an important part of Acton's identity. The site benefits from being a short walk from both South Acton Park and Gunnersbury Park, as well as having a number of trees already on site. The site's location provides the opportunity to create new public spaces and enhanced public realm along Bollo Lane. The initial consultation was an opportunity to present the early concepts for the site to the community. A more detailed consultation will follow in January 2020, ahead of a planning application being submitted in early 2020.

### **Hounslow West**

We have invited members of the London Development Framework 2 to compete for the site at Hounslow West and we are now in the process of selecting a partner. The proposals will transform the site into more than 350 affordable homes, and 10,000 square feet of retail and commercial space. We are keen to improve the heritage setting, including the

existing listed station buildings, and improve accessibility at the station.

Once a development partner is appointed, we will start working with the local community, ahead of submitting an application during 2020/21.

### **Wembley Park**

We have selected Barratt London as our joint venture partner for Wembley Park. This site, located in in the London Borough of Brent, could provide around 400 homes, half of which will be affordable. Located next to Wembley Stadium, the site is designated within the Wembley Growth Area, which seeks to deliver at least 11,500 new homes by 2026.

Along with our partners Barratt, we will start engaging with the borough and local community ahead of submitting a planning application later this year. Construction is due to start in 2021.

### **Finchley Central**

Working with Taylor Wimpey, we are bringing forward more than 400 new homes in Finchley Central. Currently at the last stage of consultation before we finalise the design, we are asking the local community and stakeholders for their thoughts on our proposals for new homes, which include 40 per cent affordable housing.

Our development will also provide new public areas and improved routes to the station from the high street, as well as new commercial space to encourage people to use the town centre. Alongside the station development, we are working to improve walking and cycling facilities, and public transport connections.

Elsewhere in Barnet we are developing proposals for High Barnet station. Following detailed public consultation in 2019, we will submit a planning application for up to 300 new homes (including 40 per cent affordable) by spring 2020.

#### **Tottenham Court Road over station development**

We continued our successful programme of 12 major developments above and around new Elizabeth line stations and Crossrail construction sites. We exchanged contracts with Galliard for the over station development above the new Tottenham Court Road Elizabeth line western entrance, generating more than £43m to reinvest in our transport network. The site has planning consent for 92 residential units and construction is due to start in spring 2020, with completion expected in summer 2022.

#### **Commercial Opportunities**

##### **Southwark over-station development**

We will provide around 200,000 square feet of commercial office space, together with extensive landscaping and local

benefits through our over station development, which is currently in its last stages of design. We hope to submit a planning application before the end of the financial year. Working closely with the local community, we continue to meet with local residents to agree details of a landscaped area between our development and the adjacent residential estate. This space will be shared between the residents of Styles House and the occupants of the commercial building, but maintained by us, as part of the land swap deal that was agreed with the London Borough of Southwark.

##### **Wood Lane**

We were pleased to see the opening of the first of our arches in Wood Lane, which as the first of our arches on the Hammersmith & City line railway viaduct to be transformed. A BBQ restaurant and Tap Room, Prairie Fire, opened its doors on 2 December 2019. We have planning permission to convert 31 arches into commercial units, which could become cafés, restaurants or shops. We expect to see more businesses moving in over the coming months.

# 7 Our people

## **Top Industry Award for Sustainability**

Helen Woolston, from our Safety, Health and Environment team has been awarded the Director's Individual Award from Civil Engineering Environment and Quality (CEEQUAL).

Helen was recognised for her work in leading the environment team, and for embedding the sustainability rating method at TfL so project teams can understand, assess and report on sustainability issues. As a result of Helen's work, virtually all our major projects in the past five years have CEEQUAL assessments and will continue to do so. This award recognises the work that we have done to embed sustainable design and delivery in our work.

## **Best Diversity & Inclusion Strategy Award**

On 5 December 2019, our Skills and Employability Early Years team won the award for the best Diversity & Inclusion Strategy at the In-house Recruitment awards.

This team is responsible for apprentice and graduate recruitment, along with our employability programmes, which aim to support those with barriers to work gaining work experience and employment opportunities.

The team beat stiff competition from Accenture, Expedia Group, Paddle and Version 1 and demonstrated the huge

amount of work that takes place to ensure we achieve a diverse talent pipeline now and in the future.

## **Public Building Energy Project of the Year**

On 21 November 2019, Environmental Manager Quinten Babcock and his team were awarded the Public Building Energy Project of the Year award.

The team completed a major energy efficiency programme with E.ON, which enabled significant carbon and cost savings within our head office building in Southwark. Energy management upgrades were carried out under the RE:FIT scheme to help achieve the Mayor's aim for London to be a zero-carbon city by 2050. RE:FIT is jointly funded by the GLA and the European Union European Regional Development Fund.

At the end of May 2019, results showed the two-year project did even better than expected, with £442,000 saved in the past 12 months, and £684,000 total savings since December 2017. Energy efficiency is 22 per cent better, with CO2 emissions down seven per cent from 2017.

The project is an example of the work we are doing to save carbon emissions and cost as part of our drive to improve our offices from a financial, environmental and wellbeing perspective.



### **Queen's New Year Honours**

Natalie Gordon has been recognised as a Member of the British Empire (MBE) in the New Year Honours for services to transport in London and the community.

Natalie, who works in our contact centre, has been recognised for her dedication to providing outstanding customer service and working collaboratively with other organisations in the aftermath of the tragic Grenfell Tower fire in 2017. Natalie went above and beyond to ensure we were able to give the best travel support to those affected by the fire in the days, weeks and months that followed.

Soon after the incident, Natalie went to the Westway Centre, which was set up to support those affected and provided residents with Oyster cards and travel passes so they could travel between work, school, hospitals or their temporary accommodation.

Natalie's relentless efforts made sure there was a seamless link with the many other organisations who were providing support. Working alongside the Driver and Vehicle Licensing Agency, she formed and led a team of TfL volunteers, who provided face-to-face support, and set up a dedicated helpline to provide assistance with any travel related enquiries.

### **International Day of Persons with Disabilities**

To mark the International Day of Persons with Disabilities, we held a series of events across the organisation. These aimed to raise awareness of the benefits to society that including persons with disabilities in every aspect of political, social, economic and cultural life brings.

To mark the occasion on 3 December 2019, there was a flag raising ceremony at 55 Broadway, led by the chair of our Disability Staff Network Group.

Other events to celebrate the day included a photography exhibition, which ran in the reception of Palestra from 29 November to 3 December 2019. The exhibition aimed to showcase diversity in the workplace by capturing the various disabilities of our employees, what they feel are their greatest achievements and the ways that they have faced both positive and negative challenges in the work environment.

We continued our 'Living With' series, which provides a first-hand account of living with different disabilities with a presentation from Winnie Lam, who leads our Disability Staff Network Group.



On 11 December, eleven students successfully completed their Steps into Work training and received their BTEC Level I WorkSkills qualification.

We also worked alongside disability charity and advocacy group, Transport for All, to host a Step-Free Tube Challenge, where two wheelchair users visited all of our step-free stations in one day to see who could get across our network in the quickest time. Dr Jon Rey-Hastie, CEO of DMD Pathfinders and Alan Benson, Chair of Transport for All, visited all 78 step-free Tube stations over a combined time of 21 hours and 23 minutes. They both followed a different route and finished in Uxbridge. This was a fantastic learning experience, which provided us with invaluable feedback that we will use to improve how we cater to our customers with disabilities.

**Steps into Work**

On 11 December 2019, we celebrated the students who successfully completed their Steps into Work programme and their BTEC Level I Work Skills qualification.

The Steps into Work programme is a partnership between us, disability specialist employment agency Remploy, and Barnet and Southgate College. This one-year programme is designed to help people with mild to moderate learning disabilities to gain valuable knowledge and skills to aid their development towards paid employment.

The national employment average of people with learning difficulties is just six per cent full or part time. Of last year’s group, 67 per cent are now in paid work, which demonstrates the positive impact this scheme can have and the outstanding contribution of those involved.

Building on this success from this scheme, last September we increased the number of students on the programme from 12 to 24.

### **Our Ethnicity Pay Gap Report**

On 20 December, we published our 2019 Ethnicity Pay Gap Report, which showed our median ethnicity gap has reduced slightly from 9.3 per cent in 2018 to 9.2 per cent in 2019. This is encouraging, but there is still more work to do, particularly when it comes to representation of black, Asian and minority ethnic staff in our operational areas and senior roles.

We are committed to becoming an organisation that welcomes people from diverse backgrounds and actively supports their professional development. Our focus is on sustainable change with long-lasting impact, developing scalable initiatives to ensure women and black, Asian and minority ethnic colleagues successfully progress in their careers.

This includes proactively diversifying our talent pipeline through apprenticeships and work placements to maximise opportunities to retain talented black, Asian and minority ethnic staff through mentoring, secondments and our leadership programmes.

### **Our Women in Tech network**

Members of our Women in Tech network, a sub-group of the Women's Staff Network Group, were honoured on 3 December 2019, as the group was named Network of the Year 2019 in the TechWomen100 Awards.

Our Women in Tech network works hard to raise awareness of technology as a viable career for women and helps women to build the confidence to develop technology skills and encourages them to put themselves forward for roles in this area.

The network launched in 2017, and helps provide coding workshops, advice, mentoring, shadowing, sponsorship, tech career talks and networking opportunities for women who are interested and curious about technology.

The team also raise awareness to the wider external community of the technology skills needed for the future, and the role women need to play in designing and developing our products in order to meet the needs of the growing population we serve. The team meet regularly with underrepresented groups and host events and networking opportunities to encourage more women to see this as a viable career, and hopefully consider us as their next employer of choice.

### **Employee health and wellbeing initiatives**

To support our focus as an organisation on improved health and wellbeing, there have been a number of employee health and wellbeing initiatives including 'Think Diabetes' and 'Menopause Matters'.

The Think Diabetes NHS Educational Programme sees us partner with the South London Health Innovation Network to offer employees diagnosed with Type 2 diabetes a choice of courses, both online and face-to-face.

Menopause Matters is delivered via the health and wellbeing programme and has put together an awareness campaign to produce frequently asked questions, information leaflets, videos and talks for colleagues.

# 8 Securing value and generating income

## **Transformation**

Our ongoing programme to improve the efficiency and effectiveness of our organisation continues. We are reducing our operating costs and ensuring we are focused on delivering our core Mayoral priorities, including safety. In October 2019, we launched further change in four business areas.

In our Contact Centre Operations, a new structure reflects the final stage of an outsourcing strategy, roster changes and the reduction in the use of non-permanent labour. Our Performance Analysis and Improvement team is evolving to support London Underground to continuously improve reliability and performance through analysis and insight.

Our new Safety, Health and Environment directorate will enable us to make faster progress on reducing road death and meeting our Vision Zero ambitions. It will also work to improve the health and wellbeing of our staff and our corporate environmental performance.

We are taking a new organisational approach to tackling workplace violence and aggression and are developing the first pan-TfL strategy to eradicate it, supported by a single point of accountability and an integrated framework.

## **Connect Private Finance Initiative**

The Connect radio system provides critical telecommunication services for London Underground, including all radio communications between control centres, train drivers and station staff. The 20-year private finance initiative under which the system was originally implemented and operated, expired on 21 November 2019, and was replaced by a new contract with Thales for an initial period of four years. The new contract brings savings of more than £40m per annum to London Underground and will deliver a major upgrade to the radio system next year.

## **Revenue protection**

We have introduced a Revenue Protection Programme to improve the way we tackle fare evasion and ticket fraud across all our public transport modes. We have set ourselves the ambitious targets of reducing revenue loss by £10m in 2019/20 and halving ticket irregularity rates by 2024. By the end of Period 7, the programme achieved an estimated £3.7m in revenue gains and further loss avoidance of £1.9m – resulting in a total benefit of £5.6m. The programme remains on track to achieve the £10m target and work is underway to identify new innovations, which can be used to enhance the integrity of our systems,

policies, processes and station infrastructure.

One item on the programme is the Irregular Travel Analysis Platform (ITAP), which uses existing data to remotely identify suspicious journey patterns, target enforcement activity and engage with those who may be evading their fare. Following successful prototyping, ITAP is now being prepared for full operational roll out on London Underground.

In November 2019, we concluded the first series of Fare Dodgers: At War with the Law on Channel 5, which brought the work our revenue staff are doing to tackle fare evaders to national attention. The series averaged more than 1.5 million viewers per episode and was the highest performing show on Channel 5 during its running time. Given these positive viewing numbers, Channel 5 has asked us to for second series of ten episodes, which we will consider. The series, which was watched by a predominantly young demographic, clearly amplified our message on the significance of fare evasion and will hopefully have a deterrent effect as a result.

### **Recover and Reuse approach**

The redesigned cafeteria at the London Transport Museum in Covent Garden highlights the effectiveness of our Recover and Reuse approach in delivering the Mayor's Circular Economy ambition.

As part of the update, we used tiles recovered from works at Sloane Square, benches from Gloucester Road and heritage lights from Embankment station.

Recovery and reuse helps to prevent wastage of unused assets and materials, as well as recovering old assets. For example, £150,000 of unused materials and spares were recovered from the Bond Street Station Upgrade and close to £65,000 worth of unused fixtures and fittings from previous projects have been utilised at an upgrade project at Finsbury Park.

### **The Story of the London Underground**

We have collaborated with publishers Bloomsbury, author David Long and illustrator Sarah McMenemy to create 'The Story of the London Underground', a new book for children and adults.

Recognised by booksellers Waterstones as one of the best books of 2019, it highlights the breadth of activities on the Underground, from busking and ghost stations, to wildlife on the Tube and the Lost Property Office.

This partnership with Bloomsbury is an example of how we create innovative and creative products for the UK and international markets that excite interest in our organisation, protect our brand and generate licensing income that we reinvest back into the network.

Working with Sky in a similar way, we recently earned more than £150,000 from licensing and filming the London Underground brand for the television drama Temple, which starred Mark Strong. Licensing partnerships and collaborations will help us earn more than £800,000 in revenue this year, a growth of more than 25 per cent year on year.

### **Refillable water bottles**

We are giving refillable water bottles to colleagues in our track teams and reducing single use plastic waste by at least 5.6 tonnes every year.

Previously, we provided our colleagues with drinking water in disposable plastic bottles, which amounted to almost 600,000 bottles last year alone at a cost of £94,000. The track teams routinely work in temperatures of 32 degrees, amplified by the protective clothing they wear, so reliable access to clean drinking water is essential.

Having tested a variety of approaches, including hydro-packs for people to wear on their backs, we decided on the new bottles, which are strong and open easily with gloved hands. They come in bags that can be hung on 'hydration stations' with a space for people to write their names.

We are also giving reusable drinking flasks to our colleagues in customer services, which will further reduce use of plastic cups and save an estimated £67,000 a year.

© Transport for London  
January 2020  
[tfl.gov.uk](http://tfl.gov.uk)



**Board**



**Date: 22 January 2020**

**Item: Crossrail Update**

---

## **This paper will be considered in public**

### **1 Summary**

- 1.1 Crossrail Limited (CRL) announced on 10 January 2020 that Elizabeth line services through central London are expected to commence in summer 2021. This is positive progress as the Crossrail team works towards intensive operational testing later this year and we will support them to ensure the railway is handed over safely and reliably for passenger service.
- 1.2 TfL and MTR-Elizabeth Line started operating the stopping services from Paddington mainline station to Reading on 15 December 2019 under the TfL Rail brand (referred to by the project as Stage 5A). This brings valuable customer benefits including the extension of under 11's travelling free and the London Freedom pass being valid to Reading.
- 1.3 This paper provides an update on the status of the Crossrail project including the readiness of the Infrastructure Managers (IM) for the operations and maintenance of the railway after handover from the Crossrail project.
- 1.4 It also provides an overview of the independent cost review commissioned with the Department for Transport (DfT) as joint sponsors.
- 1.5 On 18 December 2019, the Programmes and Investment Committee was provided with an update on the periodic reports from the Project Representative (P-Rep) that included the latest P-Rep reports (see Background Paper). The reports are published on our website<sup>1</sup> and the views of the Committee are included in its summary report, elsewhere on the agenda.

### **2 Recommendation**

- 2.1 **The Board is asked to note the paper.**

### **3 Recent Crossrail Announcement**

- 3.1 CRL issued on 10 January 2020 its latest update on progress to complete the Elizabeth line and confirmed that it plans to open the central section between Paddington and Abbey Wood in summer 2021.

---

<sup>1</sup> <https://tfl.gov.uk/corporate/publications-and-reports/crossrail-project-updates>

- 3.2 This latest forecast is based on the current progress with completing software development for the signalling and train systems along with safety assurance for the railway so that intensive operational testing (Trial Running) can begin in 2020.
- 3.3 Following the opening of the central section, CRL forecasts that full services across the Elizabeth line route from Reading and Heathrow in the west to Abbey Wood and Shenfield in the east will commence by mid-2022. This will connect the eastern and western sections straight through central London.
- 3.4 This latest assessment by CRL of the opening dates is within the range of modelling scenarios assumed in our 2019 Business Plan. As announced on 20 November 2019, the approximate reduction in forecast revenues compared to our 2018 Business Plan is still expected to be between £500m and £750m spread across the next four financial years, with most of the impact forecast in 2021/22 and 2022/23. Our prudent financial planning assumption was that the central section, Stage 3, would open in autumn 2021; with Stage 4 in May 2022 and Stage 5 in December 2022. There has been some media reporting since our appearance on 6 January 2020 at the London Assembly's Budget and Performance Committee Assembly session covering these dates, but we have made clear that these are our prudent financial planning assumptions and not confirmed opening dates for the Elizabeth line.

## **4 Crossrail update**

- 4.1 Health and safety remains CRL's number one priority and overall performance remains under scrutiny. With every incident and high potential near miss, CRL will establish the root causes of the incident and will share the learning across the programme and, where appropriate with the wider industry.
- 4.2 Two 'Stepping up Weeks' were held in 2019 (June and November) that focus on particular activities for health and safety across the whole of the Crossrail programme. These events will continue in 2020 and are an opportunity to refresh messages on the controls for working safely on live systems, live railway operations and construction risks.
- 4.3 The central section remains on schedule to be substantially complete by the end of the first quarter this year, except for Bond Street and Whitechapel stations where work will continue until the end of 2020. Fit-out is nearing completion at many stations with all physical works very nearly complete in the tunnels, shafts and portals. CRL has increasing confidence that Bond Street will be ready to open with the rest of the central section.
- 4.4 Good progress continues to be made with completing software development for the signalling and train systems along with the safety assurance for the railway. CRL expects to transition into intensive operational testing of the central section, known as Trial Running, in autumn 2020. Testing of the train and signalling software is ongoing and the next software version (PD+11) has now been loaded for testing in the central section.
- 4.5 After Trial Running, a final phase known as Trial Operations is required before the Elizabeth line can open for passenger service. Trial Operations involves people being invited onto trains and stations to test real-time service scenarios.

- 4.6 The Commissioner and the CRL Chief Executive Officer visited the Siemens facilities in Germany late last year to get an update on the testing, software development and assurance. The day was an opportunity to see first-hand some of the complex works being undertaken to deliver the signalling system for the central section.

## **5 Operational Readiness**

- 5.1 To achieve the necessary levels of competence in maintenance delivery ahead of further handovers in the central section, the maintenance and training teams are using the sites that have been handed over. The maintenance team is also providing track inspection support to the Crossrail contractors to become familiar with the assets and locations prior to becoming the Infrastructure Manager. We are also preparing to provide maintenance support on the systemwide elements ahead of handover. This will enable the maintenance team to gain valuable hands-on experience, familiarisation and readiness.
- 5.2 Further training is being carried out for Traffic Managers to increase skill development and provide additional flexibility to operate the railway. In addition, training updates are planned to cover any agreed changes to functionality of the railway.
- 5.3 Network Rail station enhancement works continue at Southall, Hayes & Harlington, West Drayton, West Ealing, Ealing Broadway and Acton Main Line and are on track for completion in late 2020. Key construction work was undertaken over the Christmas period as part of the Station Enhancement works on the west of the route. These works included the installation of platform structures and link bridges at Acton Main Line and West Ealing, and access structures on Platform 4 at Ealing Broadway.
- 5.4 At Ilford and Romford, station enhancement works are ongoing and currently forecast for completion in early 2021.

## **6 Funding discussions**

- 6.1 As confirmed on 10 January 2020, CRL's detailed cost forecasts continue to show that the project will be delivered within the additional funding range announced in November 2019 of between £400m to £650m more than the revised funding we agreed with the Mayor and Government in December 2018<sup>2</sup>.
- 6.2 The DfT and TfL, as joint sponsors, commissioned KPMG to provide an updated view of their previous cost scenarios, taking into account the cost and schedule analysis that CRL presented to its Board on 7 November 2019. As part of this work, KPMG considered more pessimistic scenarios that sit beyond CRL's current cost forecast.
- 6.3 Discussions are progressing well with the DfT and GLA regarding how funding of these additional costs will be resolved.

---

<sup>2</sup> <https://tfl.gov.uk/info-for/media/press-releases/2018/december/new-financing-agreement-confirmed-for-crossrail-proje>

**List of Appendices:**

None

**List of Background Papers:**

Papers submitted to the 18 December 2019 meeting of the Programmes and Investment Committee paper, relating to Crossrail Update

Contact Officer: Howard Smith, Chief Operating Officer - Elizabeth line  
Number: 020 3197 5976  
Email: [HowardSmith@tfl.gov.uk](mailto:HowardSmith@tfl.gov.uk)

**Board**

**Date:** 22 January 2020

**Item:** Quarterly Performance Report – Quarter 3, 2019/20

---

**This paper will be considered in public**

## **1 Summary**

- 1.1 The Quarterly Performance Report (QPR) sets out TfL's financial results for Quarter 3, 2019/20 – the period ending 7 December 2019.

## **2 Recommendation**

- 2.1 **The Board is asked to note the Quarterly Performance Report.**

## **3 Revised financial targets**

- 3.1 In November 2019, the Board reviewed and approved a revised set of financial targets for 2019/20 that reflect our improved financial performance. These replace those set in our original Budget published in March 2019 and from Quarter 3 we started reporting against these revised targets as reflected in this report.

## **4 Financial Reporting to the Board**

### **Quarterly Performance Report**

- 4.1 The QPR presents year-to-date performance against Budget, as well as year-on-year and four year trend analysis.

### **Quarterly results presentation**

- 4.2 Accompanying the QPR is a quarterly results presentation, which contains the same financial information and provides additional analysis.

### **List of appendices to this report:**

- Appendix 1: Quarterly Performance Report, Quarter 3 2019/20  
Appendix 2: Quarterly results presentation, Quarter 3 2019/20

### **List of Background Papers:**

None

Contact Officer: Simon Kilonback, Chief Finance Officer  
Number: 020 3054 8941  
Email: [simonkilonback@tfl.gov.uk](mailto:simonkilonback@tfl.gov.uk)

[page left intentionally blank]



# Transport for London quarterly performance report

Quarter 3 2019/20  
(1 April-7 December 2019)

Page 91

# Contents

---

3 Introduction

---

4 Business at a glance

---

5 Financial summary

---

6 Financial trends

---

8 Debt and cash

---

9 Passenger journeys

---

---

10 Underground

---

11 Elizabeth line

---

12 Buses

---

13 Streets

---

14 Rail

---

15 Other operations

---

---

16 Major projects

---

17 Property

---

18 Media

---

19 Appendices

---



# Introduction

In November 2019, the Board reviewed and approved a revised set of financial targets for 2019/20, that reflect our improved financial performance. These replace those set in our original Budget published in March 2019 and from Q3 we started reporting against these revised targets as reflected in this report.

Demand growth on London Underground slowed significantly in Q3 compared to the previous two quarters. Underlying growth by the end of this quarter was 1.6 per cent compared to 2.2 per cent reported at the end of Q2. Underlying demand on buses at the end of Q3 was 1.6 per cent lower than the same period of last year, an acceleration in decline compared to the previous two quarters when we reported a reduction of 1.2 per cent.

We continued our focus on cost control, with operating costs £16m or 0.4 per cent ahead of the revised target, offsetting the adverse variance from passenger income.

Our net cost of operations, which is our net deficit after taking into account financing and capital renewals cost, was £16m better than our revised targets.

Capital expenditure at the end of the quarter was £942m, £65m behind the revised target. All areas continue to underspend, however, we forecast this will not materially impact our budget delivery milestones. The current forecast is that we will deliver 90 per cent of project milestones on time, however, we remain behind on station accessibility.

Key highlights for the capital programme in Q3 include completion of works at the Upminster Depot in readiness for a more frequent District line service and start of signal fit out works at Nine Elms and Battersea station and along the railway tunnels on the Northern Line Extension.

Despite the slowing of demand this quarter, we are confident we will achieve our revised net operating surplus target of £625 million for 2019/20 and will work with the delivery teams to review our capital plans to ensure we continue improving forecast accuracy in the capital delivery areas.

**Simon Kilonback**  
Chief Finance Officer

**Tony King**  
Interim Group Finance Director



# Business at a glance

Keeping London moving, working and growing to make life in our city better

## How we report on our business

### Underground

London Underground

### Elizabeth line

Currently operating as TfL Rail

### Buses

London Buses

### Streets

TfL Road Network

### Rail

DLR, London Overground and London Trams

### Other operations

London Dial-a-Ride, London River Services, London Taxi and Private Hire, Santander Cycles, Victoria Coach Station and Emirates Air Line, Crossrail 2, Planning and other Group Items

### Major projects

Responsible for our largest and most complex projects

### Property

Our commercial and residential estate and building portfolio

### Media

Advertising estate and digital marketing infrastructure

## Facts and figures

**945** Trains on the TfL network



**580km**

TfL-operated highways



**720km**

TfL-operated Rail and London Underground routes



**9,330**

Buses on the TfL network

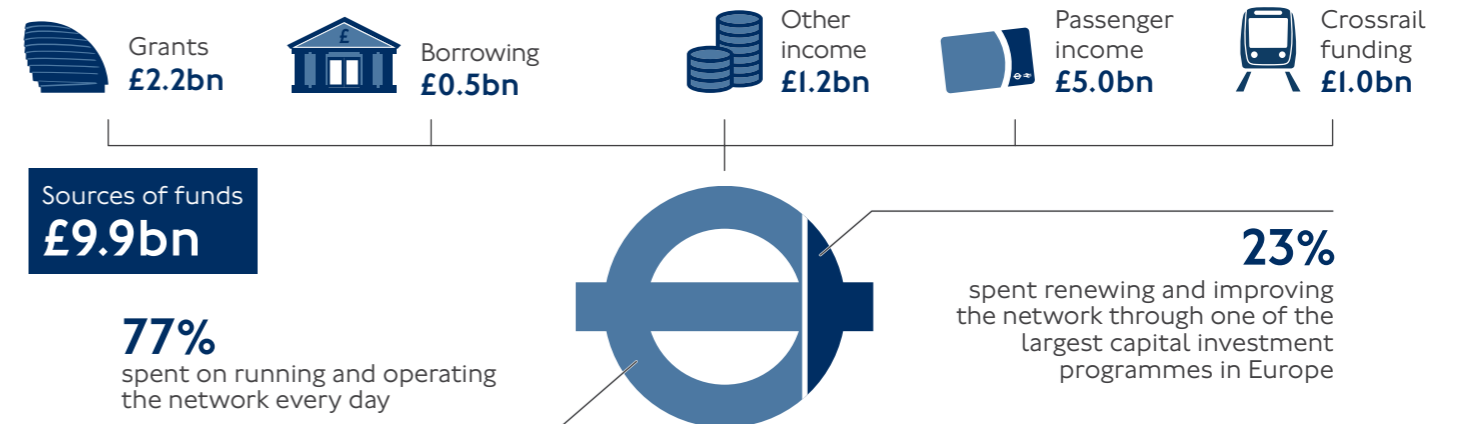


**6,365**

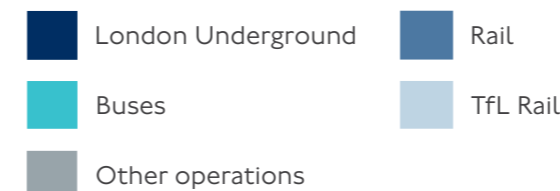
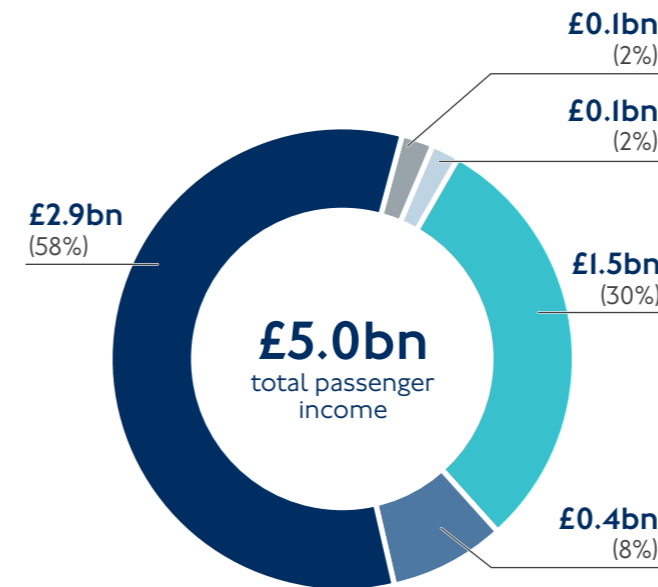
Traffic signals operated by TfL



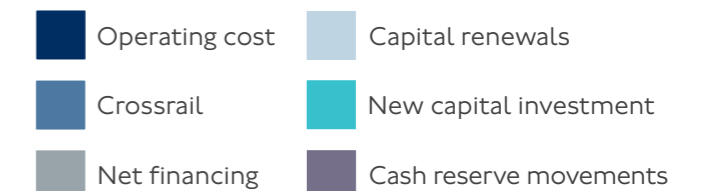
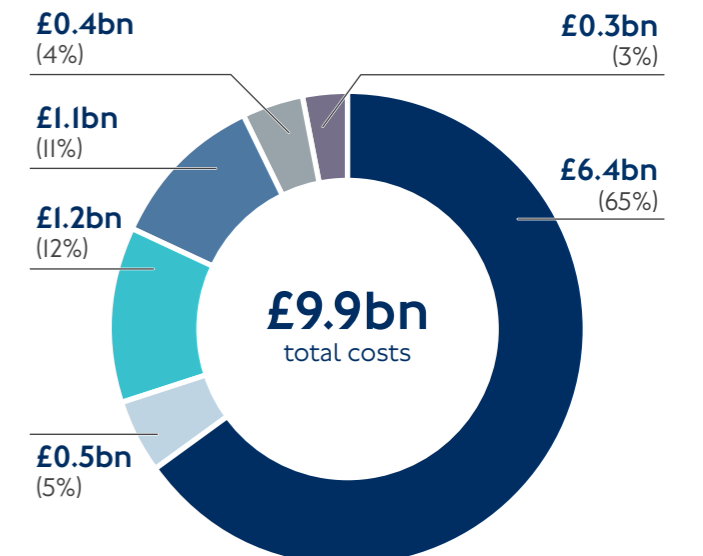
## Revised target at a glance



## Total passenger income



## Total costs



# Financial summary

## Performance in the year to date

### Operating account

TfL Group (£m)	Q3 2019/20	Q3 revised target	Variance	Q3 2018/19	Variance
Passenger income	3,416	3,427	(11)	3,337	79
Other operating income	709	708	1	562	147
<b>Total operating income</b>	<b>4,125</b>	<b>4,135</b>	<b>(10)</b>	<b>3,899</b>	<b>226</b>
Business Rates Retention	649	649	-	644	5
Other revenue grants	58	58	-	40	18
<b>Total income</b>	<b>4,832</b>	<b>4,842</b>	<b>(10)</b>	<b>4,583</b>	<b>249</b>
Operating cost	(4,318)	(4,334)	16	(4,192)	(126)
<b>Net operating surplus</b>	<b>514</b>	<b>508</b>	<b>6</b>	<b>391</b>	<b>123</b>
Capital renewals	(292)	(302)	10	(255)	(37)
<b>Net cost of operations before financing</b>	<b>222</b>	<b>206</b>	<b>16</b>	<b>136</b>	<b>86</b>
Net financing costs	(309)	(309)	-	(310)	1
<b>Net cost of operations</b>	<b>(87)</b>	<b>(103)</b>	<b>16</b>	<b>(174)</b>	<b>87</b>

### Capital account

TfL Group (£m)	Q3 2019/20	Q3 revised target	Variance	Q3 2018/19	Variance
New capital investment	(650)	(705)	55	(952)	302
Crossrail	(733)	(738)	5	(1,009)	276
<b>Total capital expenditure</b>	<b>(1,383)</b>	<b>(1,443)</b>	<b>60</b>	<b>(1,961)</b>	<b>578</b>
<b>Financed by:</b>					
Investment grant	607	607	-	664	(57)
Property and asset receipts	149	158	(9)	5	144
Borrowing	269	300	(31)	669	(400)
Crossrail funding sources	609	633	(24)	345	264
Other capital grants	127	128	(1)	129	(2)
<b>Total</b>	<b>1,761</b>	<b>1,826</b>	<b>(65)</b>	<b>1,812</b>	<b>(51)</b>
<b>Net capital account</b>	<b>378</b>	<b>383</b>	<b>(5)</b>	<b>(149)</b>	<b>527</b>

### Cash flow summary

TfL Group (£m)	Q3 2019/20	Q3 revised target	Variance	Q3 2018/19	Variance
Net cost of operations	(87)	(103)	16	(174)	87
Net capital account	378	383	(5)	(149)	527
Working capital movements	(103)	(231)	128	(333)	230
<b>Increase/(decrease) in cash balances</b>	<b>188</b>	<b>49</b>	<b>139</b>	<b>(656)</b>	<b>844</b>

### Passenger journey analysis

TfL Group (£m)	Q3 2019/20	Q3 revised target	Variance	Q3 2018/19	Variance
Number of passenger journeys (millions)	2,767	2,792	(25)	2,788	(21)
Average yield per passenger journey (£)	1.23	1.23	-	1.20	0.03
Operating cost per journey (£)	(1.56)	(1.55)	(0.01)	(1.50)	(0.06)

The Q3 net operating surplus is £514m, £123m better than last year, and £6m, or one per cent, better than our revised target.

Total income to the end of Q3 is £4,832m, £249m higher than last year. Passenger income is £79m higher, mainly owing to London Underground journeys. Other operating income is £147m up on last year, with new Ultra Low Emission Zone (ULEZ) income of £105m following the introduction of the scheme in April 2019.

Passenger income is £11m lower than the revised target. London Underground underlying journeys remain up on last year, but are no longer growing at the rates seen in the first half of the year. Underlying bus journeys declined in the first half of the year. However, in Q3 this trend worsened,

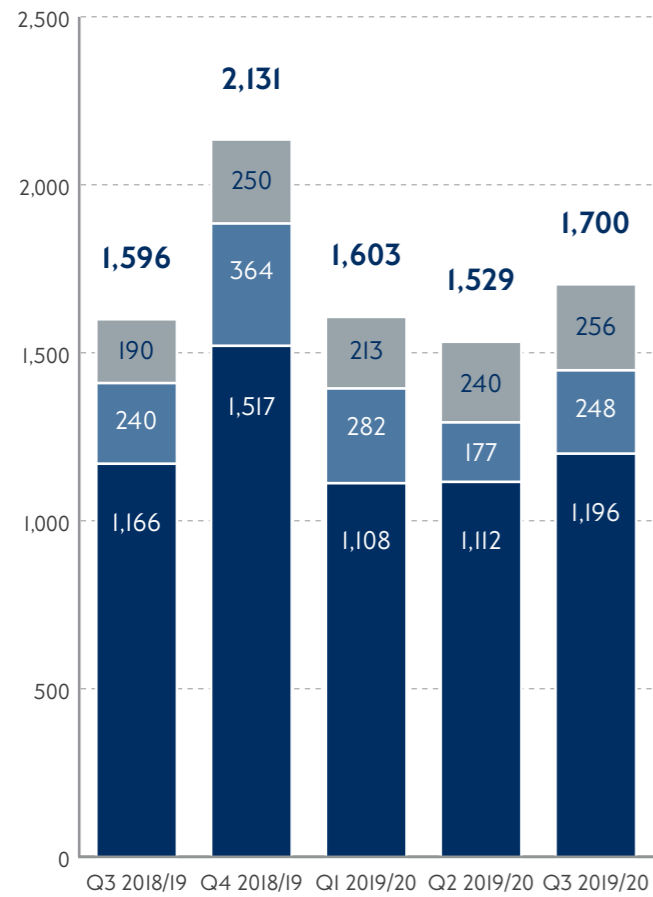
underlying demand decline compared to last year now stands at -1.6 per cent, after being -1.2 per cent at the end of Q2.

Operating costs are £4,318m, £126m higher than last year, driven by growth in Elizabeth line costs (£102m), increased London Overground costs (following the introduction of new trains), and bus operators' contract costs, which are linked to inflation. Costs are broadly in line with the revised target (£16m lower).

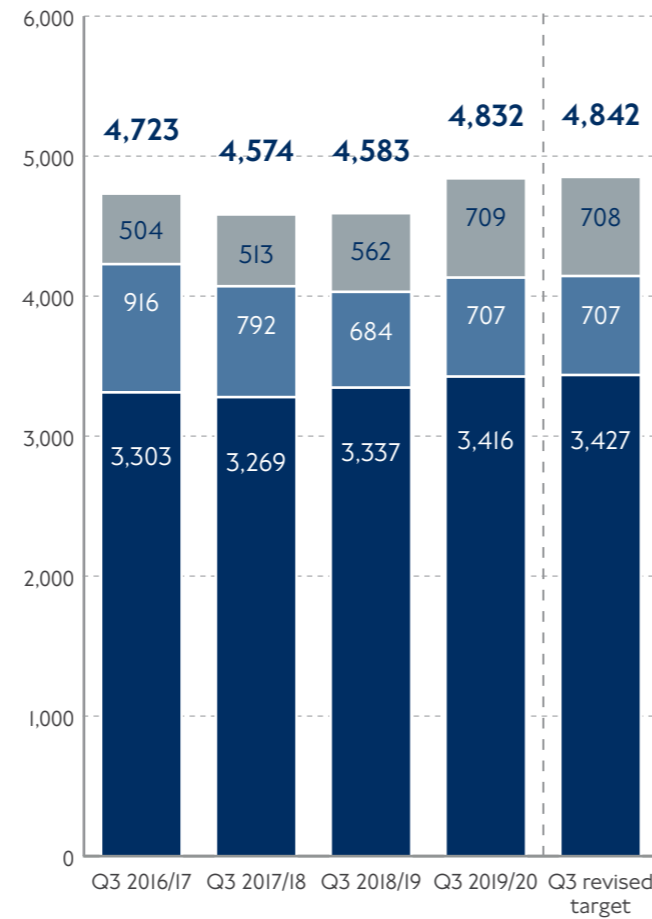
Total capital expenditure (excluding Crossrail) is £942m, £65m behind the revised target. Costs are lower on a number of programmes and it is now unlikely we will meet our revised spend target for the year. For project milestones, we expect to deliver 90 per cent on time this year.

# Financial trends

**Total income**  
Quarterly (£m)\*



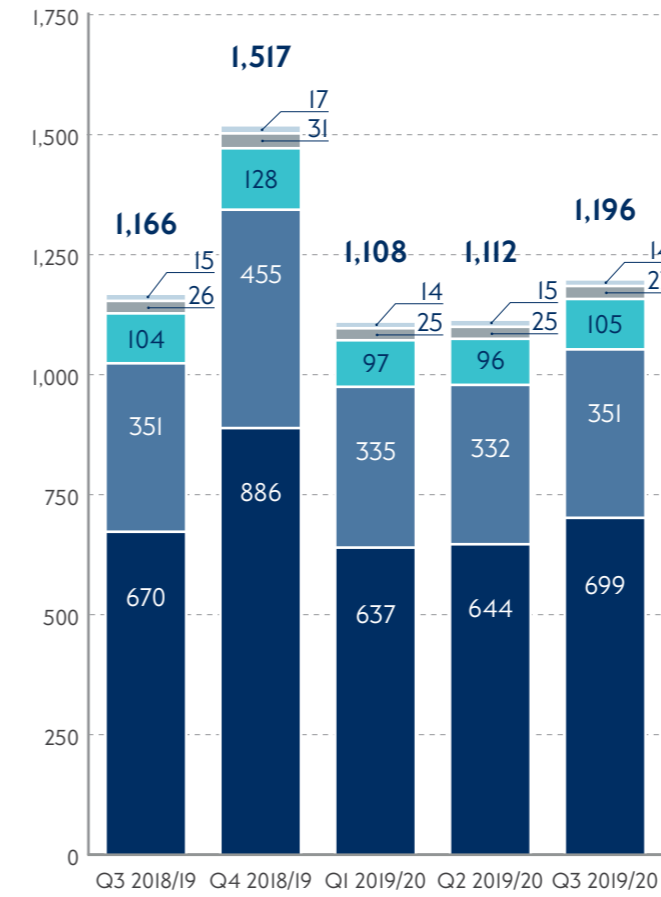
Year to date (£m)



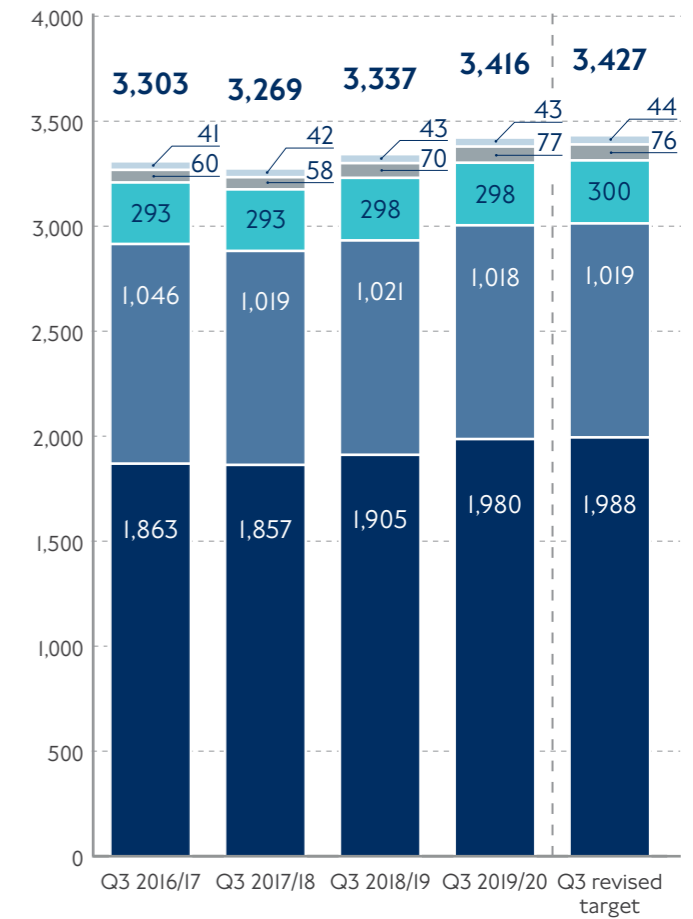
Passenger income Grants Other income

Passenger income Grants Other income

**Total passenger income**  
Quarterly (£m)\*



Year to date (£m)



London Underground Buses Rail TfL Rail Other operations

London Underground Buses Rail TfL Rail Other operations

**£10m** below revised targets

**5%**▲ year on year

Total income is tracking slightly below the revised target as passenger income growth has stalled. The launch of the ULEZ in April 2019 has contributed to the year-on-year increase.

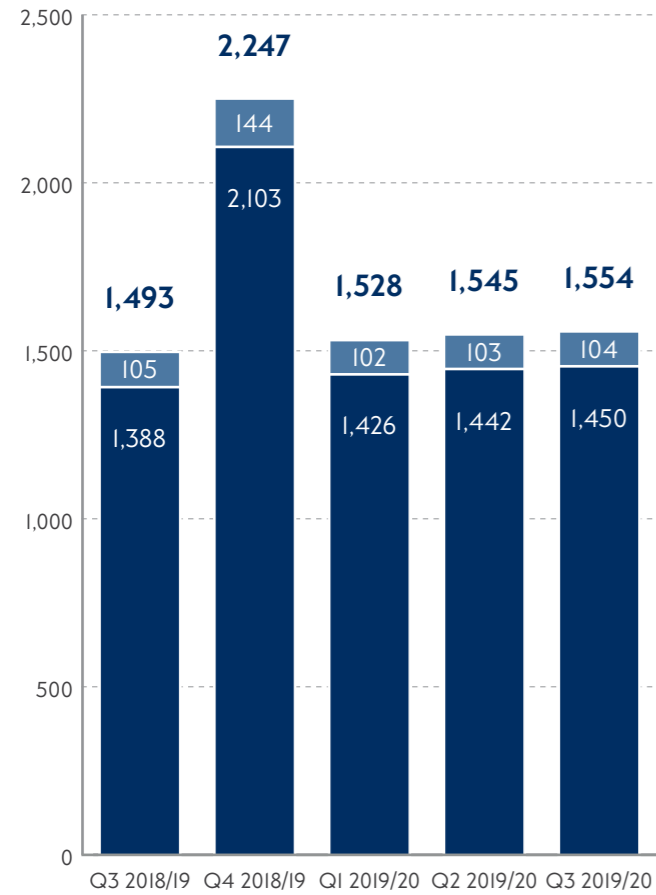
**£11m** below revised targets

**2%**▲ year on year

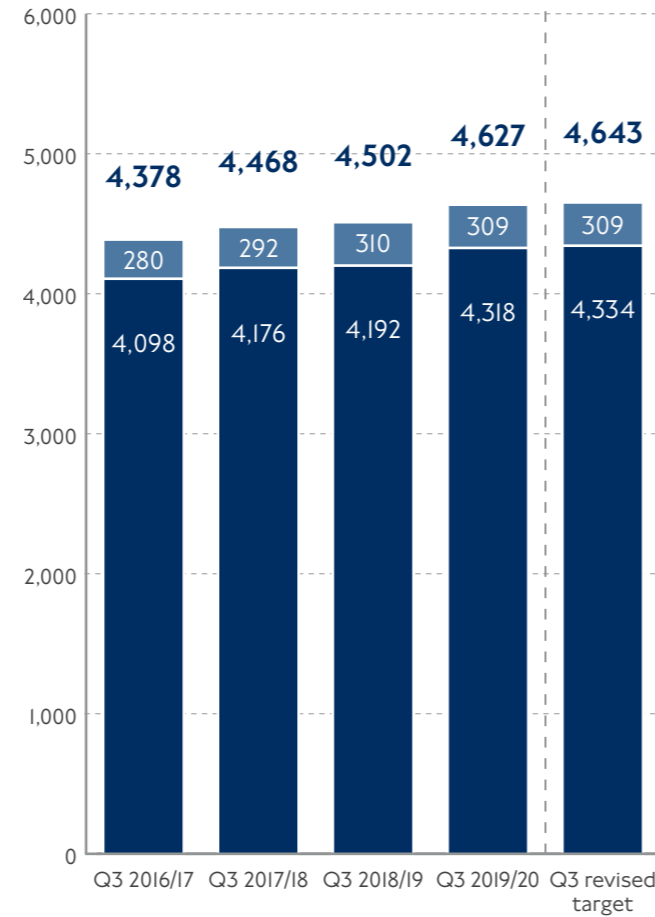
Despite a slow down in Tube and buses demand, Friday 29 November 2019 saw the busiest day ever on the Underground with more than five million passenger journeys in a single day.

\* Q4 is longer than quarters 1 to 3 (16 weeks and one day vs 12 weeks)

**Total cost**  
Quarterly (£m)\*



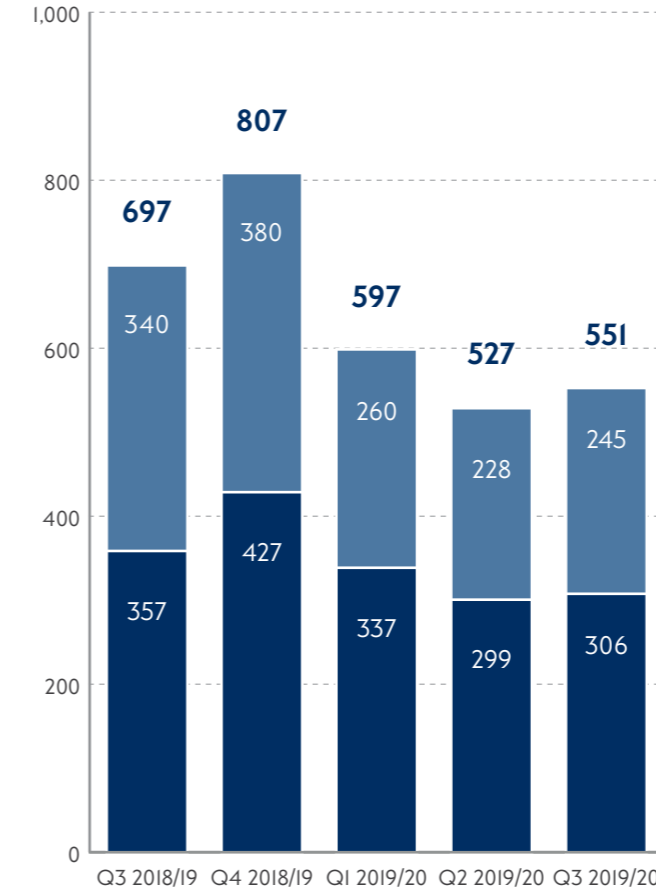
Year to date (£m)



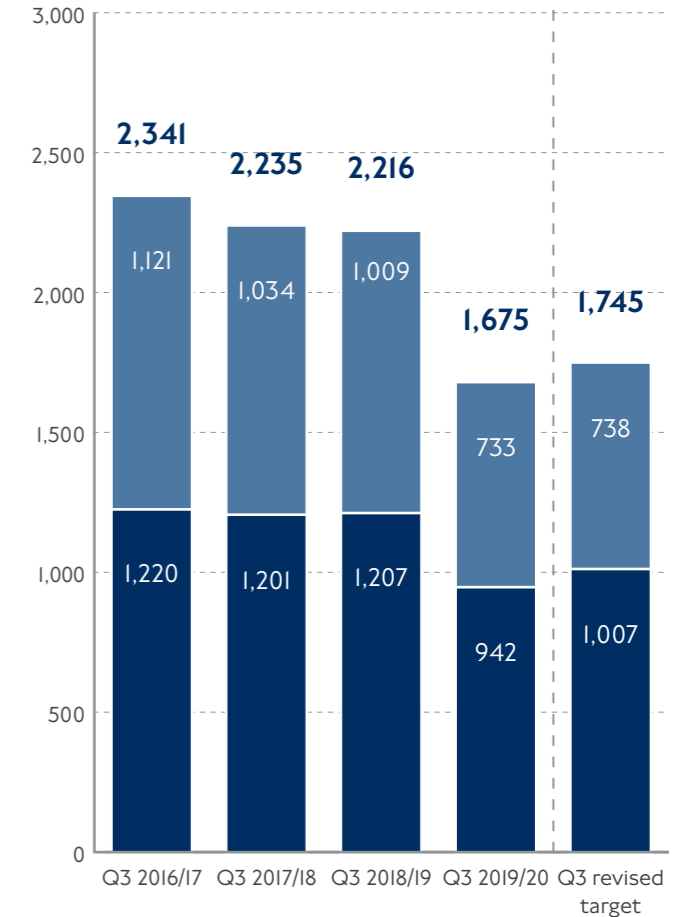
Operating costs Net financing costs

Operating costs Net financing costs

**Total capital expenditure (including Crossrail)**  
Quarterly (£m)\*



Year to date (£m)



Capital investment and renewals Crossrail

Capital investment and renewals Crossrail

**£16m** below revised targets

**3%**▲ year on year

Costs are broadly in line with our revised target. The year-on-year increase is driven by growth in Elizabeth line costs, increased London Overground costs following the introduction of new trains and bus operators' contract costs, which are linked to inflation.

**£2.7bn** full year target

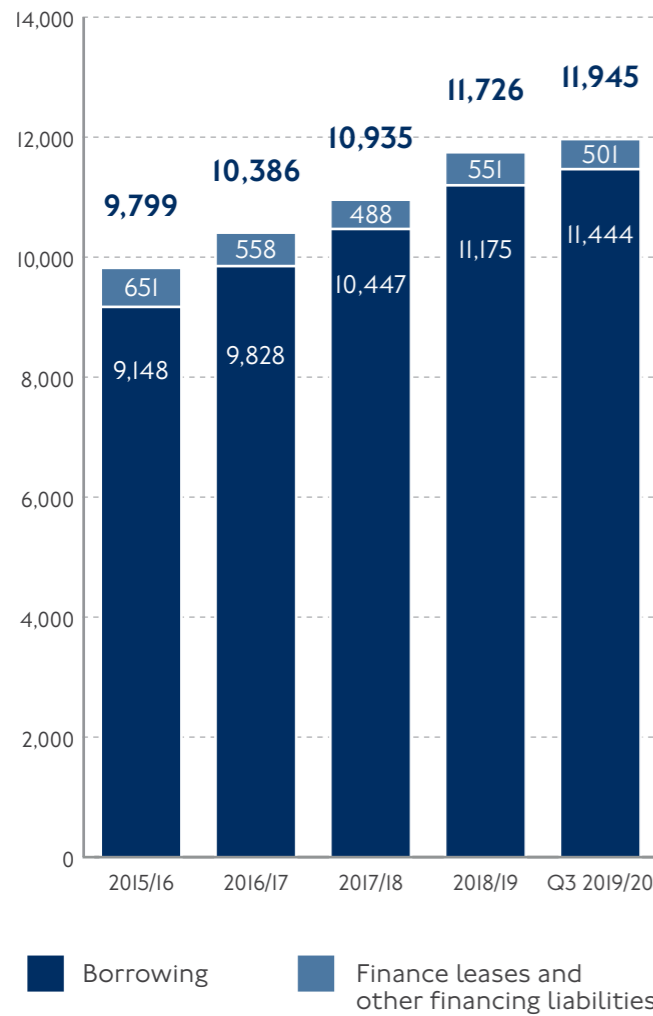
**24%**▼ year on year

Capital spend continues to track below the revised target. We expect to achieve 90 per cent of project milestones on time this year, but remain behind on station accessibility.

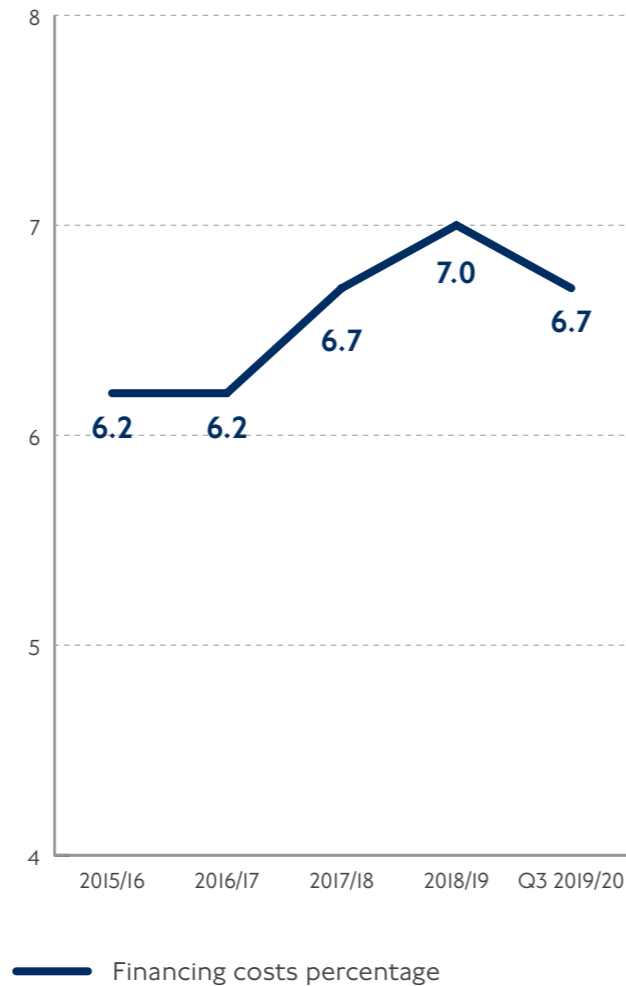
\* Q4 is longer than quarters 1 to 3 (16 weeks and one day vs 12 weeks)

# Debt and cash

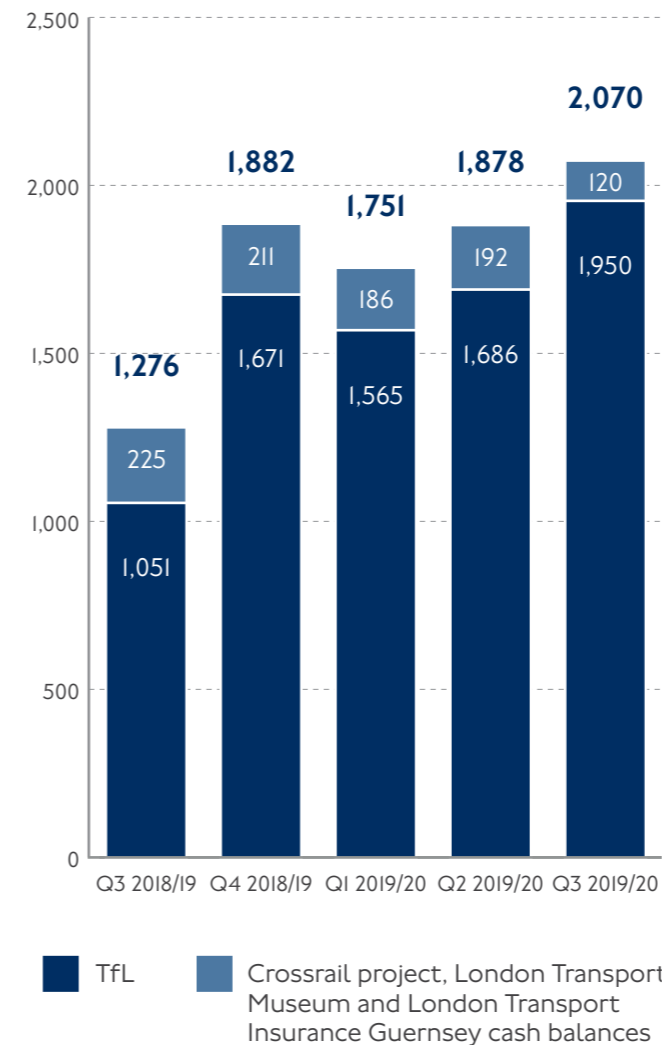
Total nominal value of debt (£m)



Financing costs (% of total income)\*



Cash balances (£m)



Cash balances at the end of Q3 were £2,070m, an increase of £188m since the end of 2018/19. This increase is primarily driven by slippage on capital spend planned for 2019/20. Of the total cash balance, £120m is held for the Crossrail project, the London Transport Museum and London Transport Insurance Guernsey.

On 18 December 2019, our liquidity policy was updated to increase the minimum level of cash reserves required to 60 day's worth of forecast annual operating expenditure. This more prudent approach was in light of the challenging economic and operating environment and other external developments. Above this we aim to hold a further £600m for unexpected risks, giving us sufficient financial flexibility to adjust and respond as appropriate.

**£188m** **10%▲**  
increase in cash over the year to date

Our recently published Business Plan 2019 assumes that our borrowing will grow by £545m by 31 March 2020, within the limits agreed with the Government. At the end of Q3, our borrowing had increased by £269m, reflecting an increase of £320m in long-term and short-term borrowing, partially offset by long-term borrowing repayments.

The total nominal value of borrowing outstanding at the end of the quarter was £11,444m, of which £10,539m was long term.

The ratio of financing costs to total income, including operating grants, helps us monitor the affordability of our debt.

Financing costs and income (£m)

Year to date	Q3 2019/20	Q3 revised target	Variance (%)
Interest income	14	14	-
Financing costs	(323)	(323)	-

\* Financing costs include interest costs for borrowing, finance leases and other financing liabilities

## Credit ratings

At the end of Q3 our rating with Fitch was on Rating Watch Negative, reflecting the rating on the UK Government at that time. On 23 December 2019, Fitch affirmed our AA- credit rating and removed it from Rating Watch Negative, following similar action on the rating of the UK Sovereign. Fitch have assigned a Stable outlook to our credit rating.

Credit ratings	
Moody's	Aa3 stable outlook
Standard & Poor's	AA- negative outlook
Fitch	AA- stable outlook

# Passenger journeys

Q3 year to date

**2,767m**  
total journeys

**2,792m**  
revised target

**2,788m**  
prior year



**London Underground**  
**972m** 1.3%▼ revised target 1.2%▲ prior year



**London Buses**  
**1,519m** 0.7%▼ revised target 2.0%▼ prior year



**DLR**  
**85m** 1.0%▼ revised target 0.7%▼ prior year



**London Overground**  
**131m** 0.1%▲ revised target 1.4%▼ prior year

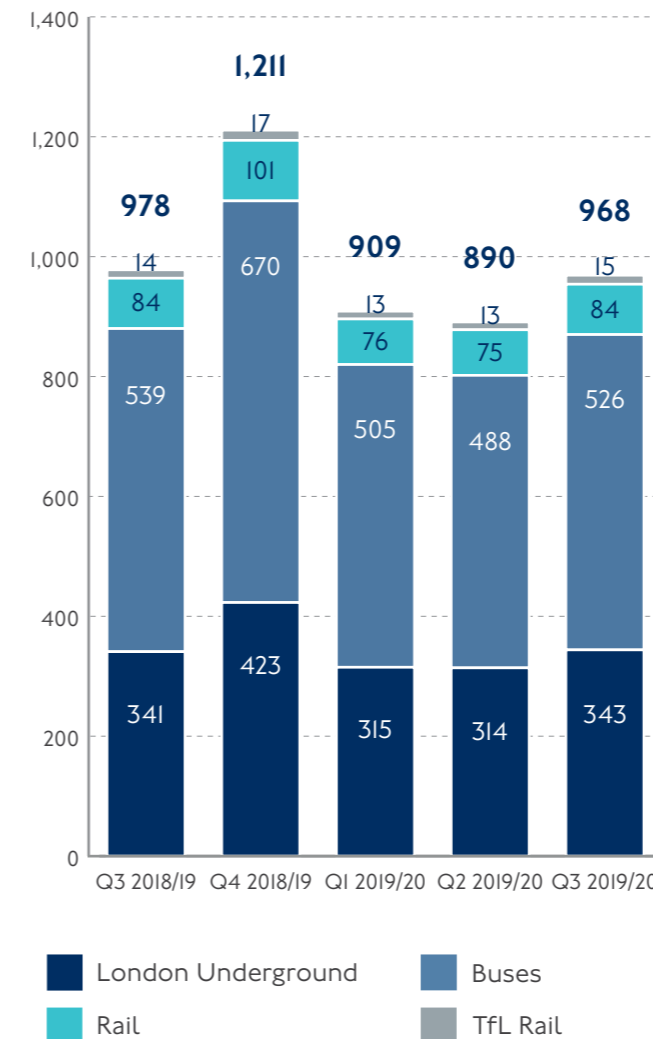


**London Trams**  
**19m** 2.0%▼ revised target 5.5%▼ prior year

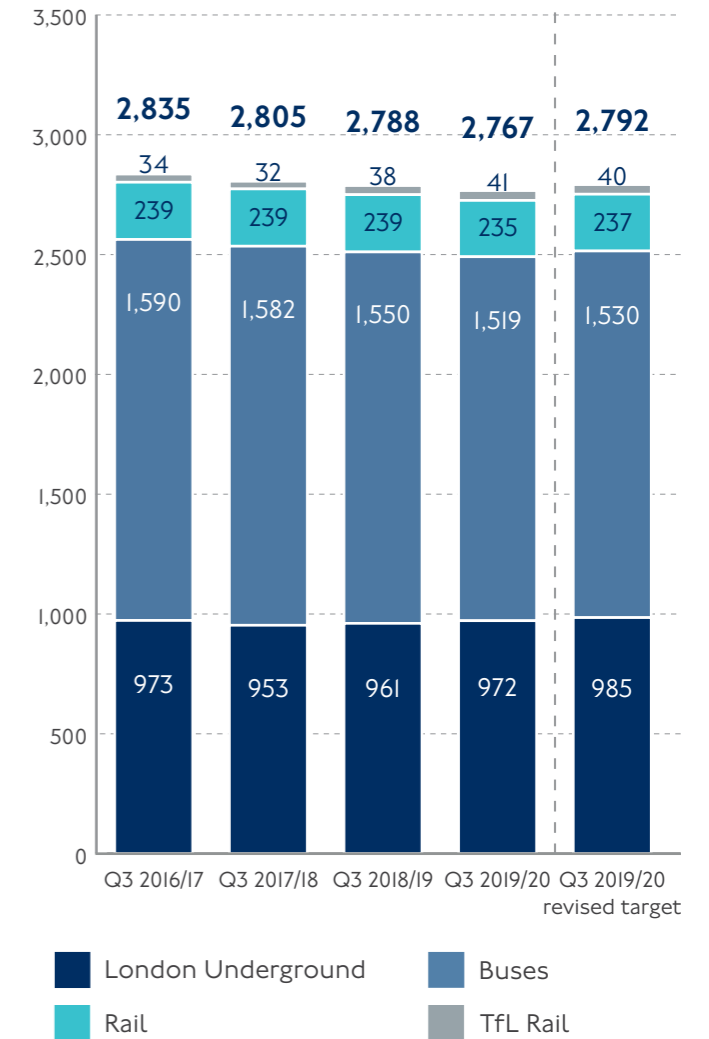


**TfL Rail**  
**41m** 1.0%▲ revised target 6.5%▲ prior year

Quarterly (millions)\*



Year to date with revised target (millions)



Underlying demand on London Underground remains up on last year. The first week of December was the busiest week of the year, with almost 30 million journeys.

The decline in year-on-year bus demand is returning to previous trends after being affected by the Extinction Rebellion protests and half term.

Rail passenger journeys are lower than anticipated, affected by fewer journeys on DLR and unplanned service disruptions on London Trams.

\* Q4 is longer than quarters 1 to 3 (16 weeks and one day vs 12 weeks)

# Underground

## Financial summary

London Underground has benefited from increased passenger demand and lower costs compared to last year, although passenger demand has decreased and costs have increased compared to the revised target.

London Underground (£m)	Q3 2019/20	Q3 revised target	Variance	Q3 2018/19	Variance
Passenger income	1,980	1,988	(8)	1,905	75
Other operating income	23	25	(2)	20	3
<b>Total operating income</b>	<b>2,003</b>	<b>2,013</b>	<b>(10)</b>	<b>1,925</b>	<b>78</b>
Direct operating cost	(1,351)	(1,343)	(8)	(1,382)	31
<b>Direct operating surplus</b>	<b>652</b>	<b>670</b>	<b>(18)</b>	<b>543</b>	<b>109</b>
Indirect operating cost	(235)	(258)	23	(237)	2
<b>Net operating surplus</b>	<b>417</b>	<b>412</b>	<b>5</b>	<b>306</b>	<b>111</b>
Capital renewals	(207)	(217)	10	(166)	(41)
New capital investment	(33)	(39)	6	(28)	(5)
<b>Total capital expenditure</b>	<b>(240)</b>	<b>(256)</b>	<b>16</b>	<b>(194)</b>	<b>(46)</b>

Total operating income is £10m below the revised target and £78m better than last year. Customer demand in the quarter was 0.5 per cent lower than the revised target. Year-to-date underlying journeys remain up on last year at 1.6 per cent, however, demand is not growing at the rates seen in the first half of the year. In Q3 we have been measured against tougher comparatives as demand growth started to pick up in Q3 last year.

Direct operating costs are £8m higher than the revised target and £31m lower than last year. The adverse variance against target relates to the delivery of the London Underground modernisation programme.

The favourable variance against last year relates to the fact that a higher proportion of project costs have been capitalised.

Capital expenditure is £16m under the revised target but £46m more than last year. The underspend is mainly because we have continued to experience unexpected operational delays to the planned completion of the Track Maintenance Unit Workshop, which has a knock-on impact on Central line and Bakerloo line works. The increase in spend against last year relates to an increase in the proportion of project costs capitalised.

## Passenger journeys analysis

	Q3 2019/20	Q3 revised target	Variance	Q3 2018/19	Variance
Number of passenger journeys (millions)	972	985	(13)	961	11
Average yield per passenger journey (£)	2.04	2.02	0.02	1.98	0.06
Operating cost per journey (£)	(1.63)	(1.63)	-	(1.69)	0.06

### Passenger journeys

Passenger journeys are 13 million lower than the revised target and 11 million higher than last year.

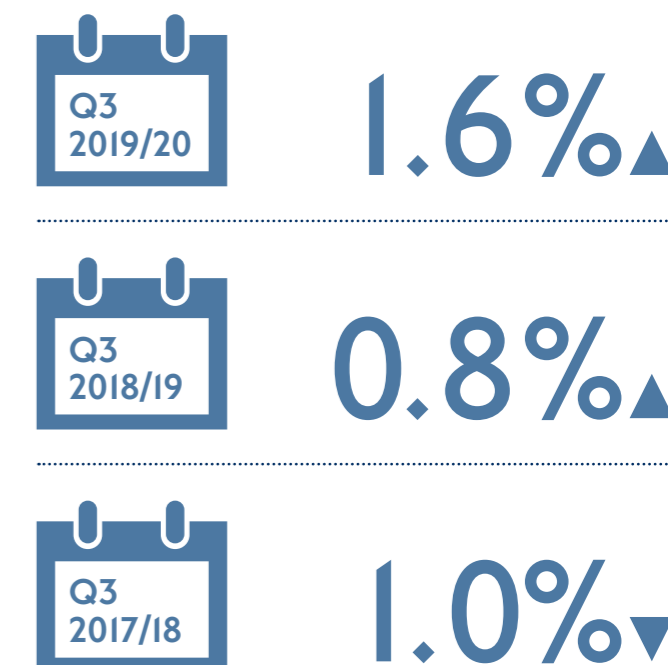
### Average yield per passenger journey

Underlying fare income per journey has increased compared to last year. This is partly because of the increase in National Rail average fares in January 2019, which has an impact on a proportion of TfL tickets, for example Travelcards.

### Operating cost per journey

Operating cost per journey is below last year because of increased passenger journeys and savings delivered while maintaining a safe and reliable network.

### Underlying passenger journeys year-on-year change (%)



Compares underlying year-to-date passenger journey numbers with those in the previous year. Actual journey numbers are adjusted for one-off events (such as strike days), timing of Easter holidays and the number of days in each quarter.



# Elizabeth line

## Financial summary

The focus is on successfully introducing Elizabeth line services.

Elizabeth line (£m)	Q3 2019/20	Q3 revised target	Variance	Q3 2018/19	Variance
Passenger income	77	76	1	70	7
Other operating income	7	7	-	15	(8)
<b>Total operating income</b>	<b>84</b>	<b>83</b>	<b>1</b>	<b>85</b>	<b>(1)</b>
Direct operating cost	(237)	(239)	2	(135)	(102)
<b>Direct operating deficit</b>	<b>(153)</b>	<b>(156)</b>	<b>3</b>	<b>(50)</b>	<b>(103)</b>
Indirect operating cost	(7)	(8)	1	(7)	-
<b>Net operating deficit</b>	<b>(160)</b>	<b>(164)</b>	<b>4</b>	<b>(57)</b>	<b>(103)</b>
New capital investment	(13)	(13)	-	(242)	229
Crossrail construction cost	(733)	(738)	5	(1,009)	276
<b>Total capital expenditure</b>	<b>(746)</b>	<b>(751)</b>	<b>5</b>	<b>(1,251)</b>	<b>505</b>

An increase in passenger journeys has resulted in passenger income being £1m higher than the revised target and £7m higher than last year. The increase compared to last year is impacted by the full-year effect of the Paddington to Hayes & Harlington and Heathrow services.

The £8m reduction in other operating income compared to last year relates to one-off third party income that was received in 2018/19.

Operating costs are £2m lower than the revised target, mainly owing to a reduction in train maintenance and concession costs. Operating costs are £102m higher compared

to last year, owing to the introduction of train leasing costs following the sale and leaseback of the rolling stock fleet, charges paid to Network Rail and concession costs.

New capital investment is in line with the revised target. In 2018/19, rolling stock production costs were included prior to the sale of the fleet.

## Passenger journeys analysis

	Q3 2019/20	Q3 revised target	Variance	Q3 2018/19	Variance
Number of passenger journeys (millions)	40.6	40.2	0.4	38.1	2.5
Average yield per passenger journey (£)	1.90	1.89	0.01	1.83	0.07
Operating cost per journey (£)	(6.01)	(6.14)	0.13	(3.72)	(2.29)

### Passenger journeys

Passenger demand is one per cent better than revised target, owing to underlying demand growth. This year had a full Q1 of the Paddington to Hayes & Harlington and Heathrow services as well as one extra Easter bank holiday compared to last year.

### Average yield per passenger journey

Passenger income per journey is broadly in line with the revised target and four per cent better than last year. This increase is mainly driven by a higher yield from the Paddington to Hayes & Harlington and Heathrow services.

### Operating cost per journey

Operating cost per journey is two per cent lower than the revised target, mainly owing to train maintenance and concession savings. The increase from last year is mainly owing to Class 345 train lease costs and Network Rail charges.

### Underlying passenger journeys year-on-year change (%)



Compares underlying year-to-date passenger journey numbers with those in the previous year. Actual journey numbers are adjusted for one-off events (such as strike days), timing of Easter holidays and the number of days in each quarter.

# Buses

## Financial summary

The net operating deficit is in line with the revised target. Total operating costs are increasing compared to last year, owing to the annual contract price inflation in our bus contracts.

Buses (£m)	Q3 2019/20	Q3 revised target	Variance	Q3 2018/19	Variance
Passenger income	1,018	1,019	(1)	1,021	(3)
Other operating income	7	7	-	9	(2)
<b>Total operating income</b>	<b>1,025</b>	<b>1,026</b>	<b>(1)</b>	<b>1,030</b>	<b>(5)</b>
Direct operating cost	(1,483)	(1,484)	1	(1,455)	(28)
<b>Direct operating deficit</b>	<b>(458)</b>	<b>(458)</b>	<b>-</b>	<b>(425)</b>	<b>(33)</b>
Indirect operating cost	(16)	(17)	1	(17)	1
<b>Net operating deficit</b>	<b>(474)</b>	<b>(475)</b>	<b>1</b>	<b>(442)</b>	<b>(32)</b>
Capital renewals	(3)	(3)	-	(1)	(2)
New capital investment	(9)	(11)	2	(14)	5
<b>Total capital expenditure</b>	<b>(12)</b>	<b>(14)</b>	<b>2</b>	<b>(15)</b>	<b>3</b>

Passenger income is slightly lower than the revised target, primarily as a result of a higher year-on-year reduction in demand than the trend we saw in the first half of the year. Underlying year-on-year demand shows around a 2.6 per cent decline in fare paying journeys in the quarter, 0.9 per cent below the revised target.

Direct operating cost is slightly better than the revised target, but is £28m adverse

year on year. This is primarily owing to the annual contracted price inflation within the bus operators' contracts, which we estimate will drive a cost increase of £57m in the full year. We are working hard to offset this by continuing to deliver savings in our contracting activities.

Capital expenditure is £2m under the revised target as we have rescheduled some of our capital works to next financial year.

## Passenger journeys analysis

	Q3 2019/20	Q3 revised target	Variance	Q3 2018/19	Variance
Number of passenger journeys (millions)	1,519	1,530	(11)	1,550	(31)
Average yield per passenger journey (£)	0.67	0.67	-	0.66	0.01
Operating cost per journey (£)	(0.99)	(0.98)	(0.01)	(0.95)	(0.04)

### Passenger journeys

Total passenger journeys are one per cent lower than the revised target and two per cent lower than the previous year. This was partly because Q1 was one day shorter than the previous year. On a normalised basis, passenger journeys were 1.6 per cent lower.

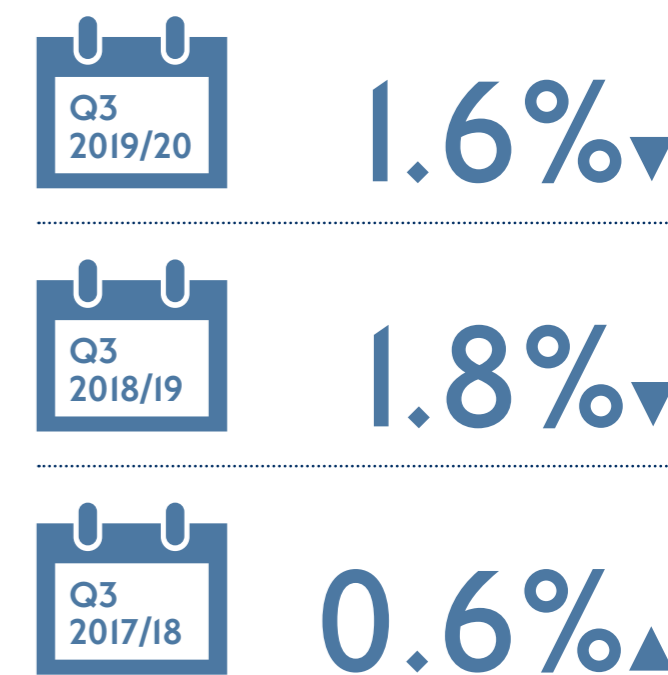
### Average yield per passenger journey

The average yield per passenger journey is as per the revised target. Compared to the same period last year, average yield has increased by one penny. This is primarily because of a fares increase on Travelcards in January 2019.

### Operating cost per journey

Operating cost per journey is one penny higher than the revised target owing to lower passenger journeys. It is four pence greater than last year because of a decrease in passenger journeys and an increase in operating costs, primarily owing to annual contract price inflation within the bus operators' contracts.

### Underlying passenger journeys year-on-year change (%)



Compares underlying year-to-date passenger journey numbers with those in the previous year. Actual journey numbers are adjusted for one-off events (such as strike days), timing of Easter holidays and the number of days in each quarter.

# Streets

## Financial summary

Operating performance is broadly in line with the revised target.

Streets (£m)	Q3 2019/20	Q3 revised target	Variance	Q3 2018/19	Variance
Passenger income	-	-	-	-	-
Other operating income	255	258	(3)	229	26
<b>Total operating income</b>	<b>255</b>	<b>258</b>	<b>(3)</b>	<b>229</b>	<b>26</b>
Direct operating cost	(316)	(314)	(2)	(320)	4
<b>Direct operating deficit</b>	<b>(61)</b>	<b>(56)</b>	<b>(5)</b>	<b>(91)</b>	<b>30</b>
Indirect operating cost	(51)	(54)	3	(53)	2
<b>Net operating deficit</b>	<b>(112)</b>	<b>(110)</b>	<b>2</b>	<b>(144)</b>	<b>32</b>
Capital renewals	(21)	(25)	4	(24)	3
New capital investment	(71)	(88)	17	(57)	(14)
<b>Total capital expenditure</b>	<b>(92)</b>	<b>(113)</b>	<b>21</b>	<b>(81)</b>	<b>(11)</b>

Our operating income and costs are broadly in line with our revised target, however operating income is £26m higher than 2018/19. This is because of changes made to the Congestion Charge scheme, to encourage a reduction in the use of cars in central London, and the removal of the private hire vehicle exemption. Continuation of our improved efficiency in road network compliance is also increasing our income.

Capital costs have increased compared to last year, owing to the delivery of cycling and other road schemes. The focus is on reducing the number of people killed or seriously injured while using London's roads and promoting healthy travel choices, such as walking and cycling.

## Volume analysis

	Q3 2019/20	Q3 revised target	Variance	Q3 2018/19	Variance
Congestion Charge volumes (thousands)	11,402	11,456	(54)	9,015	2,387
Congestion Charge and enforcement income (£m)	180.3	183.8	(3.5)	164.5	15.8
Traffic volumes – all London (index)	96.6	-	-	97.1	(0.5)
Cycling growth in Congestion Charge zone (%)*	2.0	2.5	-	5.4	-

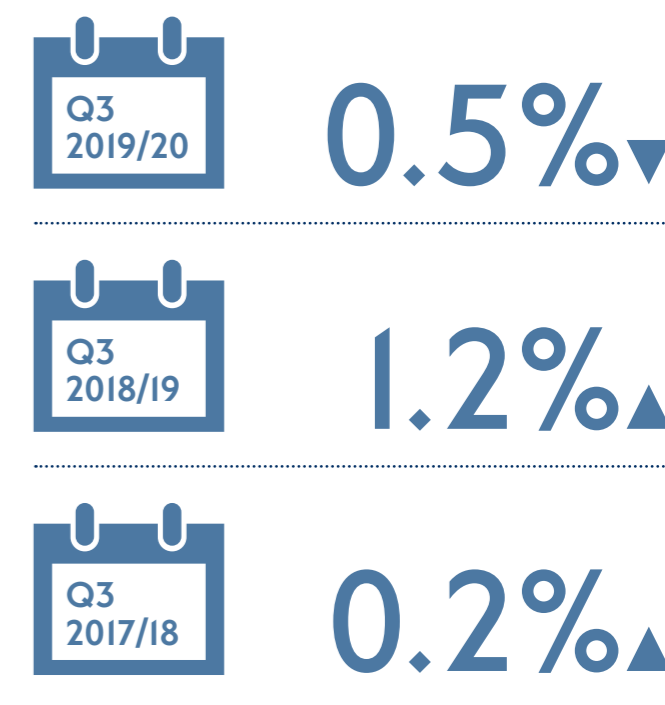
### Cycling

Between July and September 2019, the average daily kilometres cycled in the Congestion Charging zone (596,276) was 3.9 per cent higher than in 2018. However, the year-to-date figure (546,064) falls short of the target because of poor performance in the previous quarter. The year-to-date growth appears much lower than last year's because the latter was affected by particularly poor performance in 2017.

### Traffic flow

London-wide flows are slightly below those of last year. Flows in central London continue to remain subdued, owing to the introduction of the ULEZ, which has particularly dampened demand outside of Congestion Charging zone hours. Traffic flows in outer London, which had shown 18 months of growth, dropped over the last quarter, meaning in the year to date, they are now similar to last year.

### Traffic flow (volume) year-on-year change



Compares year-to-date traffic flow volumes with the corresponding quarters in the previous year.

\* Cycling data is reported one quarter in arrears. The Q3 year-to-date figures above represent three quarters from January. It is presented as a percentage change from the previous year

# Rail

## Financial summary

Total operating income is in line with the revised target, but lower than last year.

Rail (£m)	Q3 2019/20	Q3 revised target	Variance	Q3 2018/19	Variance
Passenger income	298	300	(2)	298	-
Other operating income	19	17	2	22	(3)
<b>Total operating income</b>	<b>317</b>	<b>317</b>	<b>-</b>	<b>320</b>	<b>(3)</b>
Direct operating cost	(321)	(322)	1	(298)	(23)
<b>Direct operating (deficit)/surplus</b>	<b>(4)</b>	<b>(5)</b>	<b>1</b>	<b>22</b>	<b>(26)</b>
Indirect operating cost	(14)	(14)	-	(14)	-
<b>Net operating (deficit)/surplus</b>	<b>(18)</b>	<b>(19)</b>	<b>1</b>	<b>8</b>	<b>(26)</b>
Capital renewals	(28)	(23)	(5)	(15)	(13)
New capital investment	(25)	(36)	11	(23)	(2)
<b>Total capital expenditure</b>	<b>(53)</b>	<b>(59)</b>	<b>6</b>	<b>(38)</b>	<b>(15)</b>

Passenger income is £2m below the revised target, partly owing to fewer passenger journeys on the DLR and unplanned service disruptions on trams.

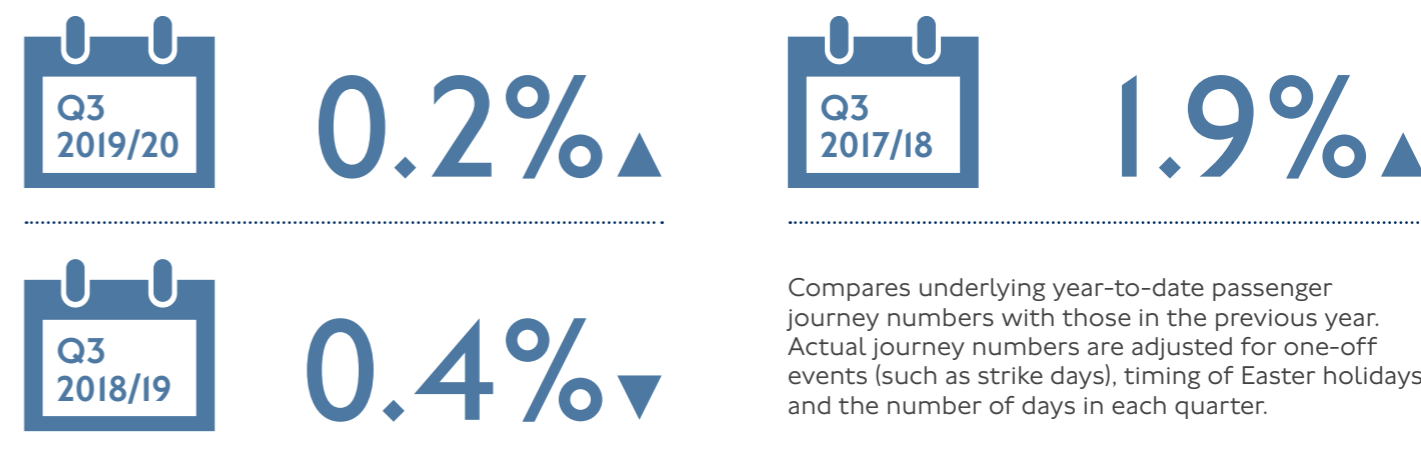
Direct operating cost is £1m under the target, mainly owing to planned tram maintenance being re-scheduled to later in the year because of contractor availability.

During the quarter, the introduction of new electric trains on the Watford Junction to Euston London Overground route has increased services to approximately every 15 minutes throughout the day. With each train carrying 700 passengers, this gives the service a much-needed increase in capacity, supporting our efforts to boost public transport journeys and improve London's air quality.

## Passenger journeys analysis

	Q3 2019/20	Q3 revised target	Variance	Q3 2018/19	Variance
<b>London Overground</b>					
Number of passenger journeys (millions)	131.6	131.4	0.2	133.4	(1.8)
Average yield per passenger journey (£)	1.21	1.21	-	1.21	-
Operating cost per journey (£)	(1.63)	(1.62)	(0.01)	(1.46)	(0.17)
<b>DLR</b>					
Number of passenger journeys (millions)	84.7	85.6	(0.9)	85.3	(0.6)
Average yield per passenger journey (£)	1.44	1.45	(0.01)	1.40	0.04
Operating cost per journey (£)	(1.10)	(1.10)	-	(1.04)	(0.06)
<b>London Trams</b>					
Number of passenger journeys (millions)	19.1	19.5	(0.4)	20.2	(1.1)
Average yield per passenger journey (£)	0.84	0.84	-	0.82	0.02
Operating cost per journey (£)	(1.32)	(1.33)	0.01	(1.23)	(0.09)

## Underlying passenger journeys year-on-year change (%)



# Other operations

## Financial summary

As well as the operations listed opposite, we include the costs of the Crossrail 2 project team and the Planning team, together with certain group items, in this category.

Other operations (£m)	Q3 2019/20	Q3 revised target	Variance	Q3 2018/19	Variance
Passenger income	43	44	(1)	43	-
Other operating income	207	203	4	99	108
<b>Total operating income</b>	<b>250</b>	<b>247</b>	<b>3</b>	<b>142</b>	<b>108</b>
Direct operating cost	(190)	(183)	(7)	(171)	(19)
<b>Direct operating (deficit)/surplus</b>	<b>60</b>	<b>64</b>	<b>(4)</b>	<b>(29)</b>	<b>89</b>
Indirect operating cost	(36)	(36)	-	(36)	-
<b>Net operating (deficit)/surplus</b>	<b>24</b>	<b>28</b>	<b>(4)</b>	<b>(65)</b>	<b>89</b>
Capital renewals	(18)	(18)	-	(32)	14
New capital investment	(71)	(66)	(5)	(58)	(14)
<b>Total capital expenditure</b>	<b>(89)</b>	<b>(84)</b>	<b>(5)</b>	<b>(90)</b>	<b>-</b>

Other operating income is significantly higher than last year, owing to the introduction of the ULEZ.

The increase in direct operating costs, compared to the revised target, is driven by an increase in bad debts. As people adjust to the 24/7 ULEZ scheme and the removal of the private hire vehicle discount, we have seen an increase in the level of bad debts.

Within capital investment, work continues on the Emergency Services Network project, the mobile network project and other technology work streams.

\* Operating costs exclude depreciation and the management fee, which are also charged to the licence fee

\*\* Costs of Emirates Air Line are shown net of sponsorship income

## Volume analysis

	Q3 2019/20	Q3 revised target	Variance	Q3 2018/19	Variance
<b>Santander Cycles</b>					
Number of hires (millions)	7.8	8.3	(0.5)	8.3	(0.5)
Average income per hire (£)	1.26	1.15	0.11	1.17	0.09
Operating cost per hire (£)	(2.40)	(2.26)	(0.14)	(2.15)	(0.25)
<b>Victoria Coach Station</b>					
Number of coach departures (thousands)	155.5	157.1	(1.6)	157.1	(1.6)
Average income per departure (£)	37.90	37.42	0.48	35.72	2.18
Operating cost per departure (£)	(37.30)	(37.96)	0.66	(37.94)	0.64
<b>London River Services</b>					
Number of passenger journeys (millions)	7.9	8.1	(0.2)	7.8	0.1
Average yield per journey (£)	0.26	0.27	(0.01)	0.26	-
Operating cost per journey (£)	(1.02)	(1.02)	-	(1.58)	0.56
<b>London Dial-a-Ride</b>					
Number of passenger journeys (thousands)	662.0	707.0	(45.0)	710.4	(48.4)
Operating cost per trip (£)	(47.46)	(45.59)	(1.87)	(48.51)	1.05
<b>Taxi and Private Hire</b>					
Number of private hire vehicle drivers	108,513	n/a	n/a	108,072	441
Taxi drivers	22,764	n/a	n/a	23,422	(658)
Total income (£m)	24.5	24.0	0.5	23.1	1.4
Total costs (£m)*	(21.0)	(21.1)	0.1	(23.2)	2.2
<b>Emirates Air Line</b>					
Number of passenger journeys (thousands)	979.2	1,053.4	(74.2)	1,028.9	(49.7)
Average income per journey (£)	4.54	4.46	0.08	4.40	0.14
Operating cost per journey (£)**	(2.51)	(2.42)	(0.09)	(2.42)	(0.09)

# Major projects

## Financial summary

Major projects is responsible for our largest and most complex projects, including line upgrades, network extensions and major stations.

Major projects (£m)	Q3 2019/20	Q3 revised target	Variance	Q3 2018/19	Variance
Passenger income	-	-	-	-	-
Other operating income	15	14	1	-	15
<b>Total operating income</b>	<b>15</b>	<b>14</b>	<b>1</b>	<b>-</b>	<b>15</b>
Direct operating cost	(7)	(7)	-	(12)	5
<b>Direct operating surplus/(deficit)</b>	<b>8</b>	<b>7</b>	<b>1</b>	<b>(12)</b>	<b>20</b>
Indirect operating cost	(26)	(27)	1	(26)	-
<b>Net operating deficit</b>	<b>(18)</b>	<b>(20)</b>	<b>2</b>	<b>(38)</b>	<b>20</b>
Capital renewals	(15)	(16)	1	(17)	2
New capital investment	(388)	(401)	13	(477)	89
<b>Total capital expenditure</b>	<b>(403)</b>	<b>(417)</b>	<b>14</b>	<b>(494)</b>	<b>91</b>

## Four Lines Modernisation

The new automatic train control signalling system will enable more frequent and reliable services on the Circle, Hammersmith & City, District and Metropolitan lines.

In Q3, works at Upminster and Ealing Common depots were completed to prepare for a more frequent service on the District line.

The year-to-date underspend of £7m, relates to the contractor's latest view and has been rephased into later years.

## Northern Line Extension

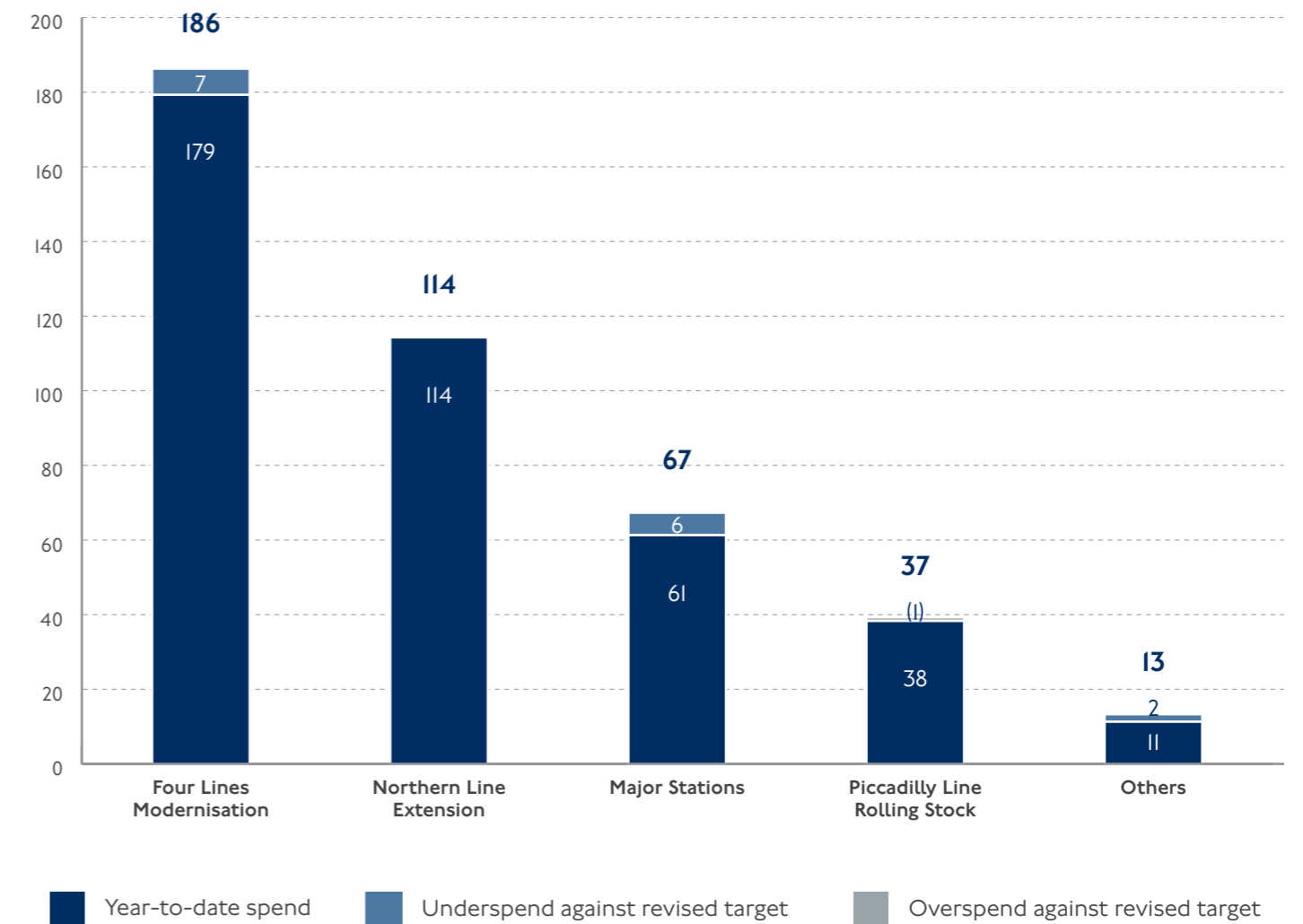
Signal fit out work has commenced at Nine Elms and Battersea stations' signal equipment rooms, and along the railway tunnels on the Northern Line Extension.

## Major stations

A new electrical switch room was completed at Bank station in Q3. This important upgrade is on track to be delivered by 2022.

Elsewhere within the Station portfolio, there is a £6m underspend following a deferred property purchase for the potential Camden Station upgrade and a later close out on Victoria Station.

## Year-to-date capital spend by programme (£m)



## Piccadilly line rolling stock

Following the award of the Piccadilly line trains contract, Siemens has completed the concept design and presented a first-look walkthrough of the 94 air-cooled trains.

## Silvertown Tunnel

The Silvertown Tunnel will tackle the significant issues of traffic congestion and unreliability at Blackwall Tunnel. On 21 November 2019, the contract to design, build, finance and maintain the tunnel was awarded to the Riverlinx consortium.

# Property

## Financial summary

Net operating surplus is broadly in line with the revised target, higher than last year.

Property (£m)	Q3 2019/20	Q3 revised target	Variance	Q3 2018/19	Variance
Passenger income	-	-	-	-	-
Other operating income	69	70	(1)	67	2
<b>Total operating income</b>	<b>69</b>	<b>70</b>	<b>(1)</b>	<b>67</b>	<b>2</b>
Direct operating cost	(20)	(19)	(1)	(21)	1
<b>Direct operating surplus</b>	<b>49</b>	<b>51</b>	<b>(2)</b>	<b>46</b>	<b>3</b>
Indirect operating cost	(5)	(6)	1	(5)	-
<b>Net operating surplus</b>	<b>44</b>	<b>45</b>	<b>(1)</b>	<b>41</b>	<b>3</b>
New capital investment	(35)	(44)	9	(27)	(8)
Property receipts	149	158	(9)	5	144
Crossrail over site development	2	1	1	120	(118)
<b>Net capital expenditure</b>	<b>116</b>	<b>115</b>	<b>1</b>	<b>98</b>	<b>18</b>

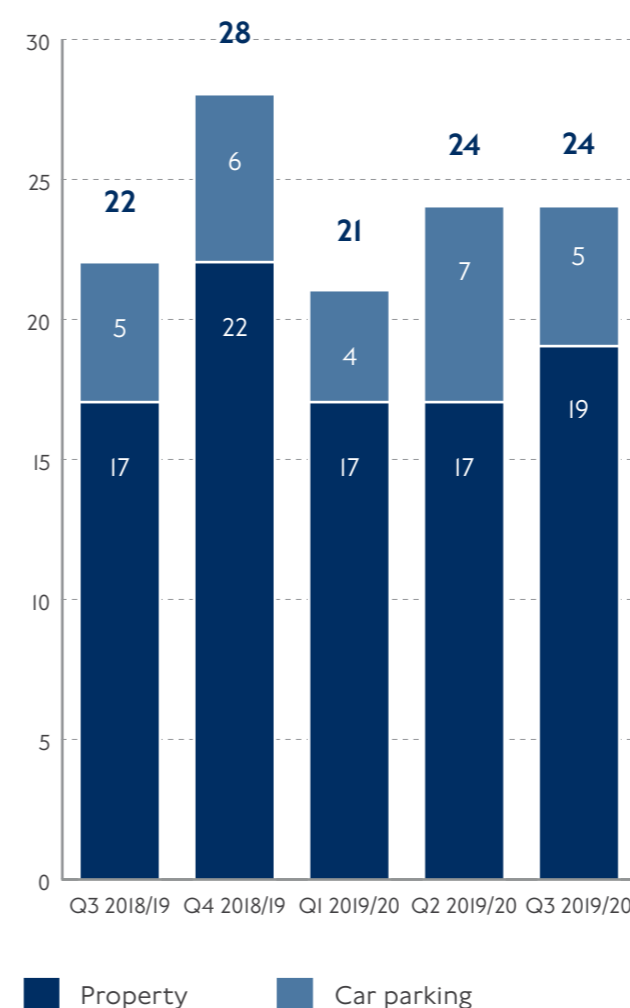
Other operating income is lower than expected this year, primarily due to growth being lower than target assumptions and a slow start to a training scheme initiative. Growth is still evident year on year.

Operating costs are up against the revised target, however overall costs are within expectations. Some cost recoveries have not yet occurred, which is partly offset by reduced scheme feasibility activity. Compared to last year, the decrease in operating expenses is owing to reduced property maintenance as we change our strategy from reactive works to planned capital projects to improve the quality of our property portfolio.

Capital receipts are lower than the revised target because of the delayed disposals of Charterhouse Square, East Finchley and Colliers Wood.

Capital investment is lower than the revised target. This is owing to Build to Rent, in-station retail projects and other project delays.

## Property income (£m) Quarterly\*



Car parking income is in line with Q3 last year as 2018 tariff increases are now in both periods. Property income shows an increase against Q3 last year, with income losses owing to the disposal of Kingsbourne House being offset by rent increases, new lettings and improved turnover rents.

\* Q4 is longer than quarters 1 to 3 (16 weeks and one day vs 12 weeks)

## Building homes on our land

In Q3, we started building new homes on our small site at Beechwood Avenue in Barnet with our partner Kuropatwa Ltd. This site was released through the Mayor's Small Sites, Small Builders programme and will be transformed into 97 new homes, half of which will be affordable.

We also received planning permission for our site in Kidbrooke, where we are partnered with Notting Hill Genesis and are hoping to start construction in early 2020. The development will provide 619 well-designed new homes, built to the highest environmental standards and half of the homes will be affordable. Overall, the development will provide new landscaped areas, green spaces and play areas, which will be available to residents and the public, and improved bus facilities.

Alongside our partner Catalyst, we held a large-scale consultation and engagement programme on our plans for more than 500 affordable homes across three sites in Harrow. Nearly 700 people attended consultation events to learn more and have their say on our proposals.

Through our partnership with Grainger plc and Connected Living London, we continued to engage with local communities at Arnos Grove for 150 new homes and around 450 new homes at Southall. We expect to submit planning applications for both these sites in Q4.

# Media

## Financial summary

Overall performance is in line with target and £6m ahead of last year.

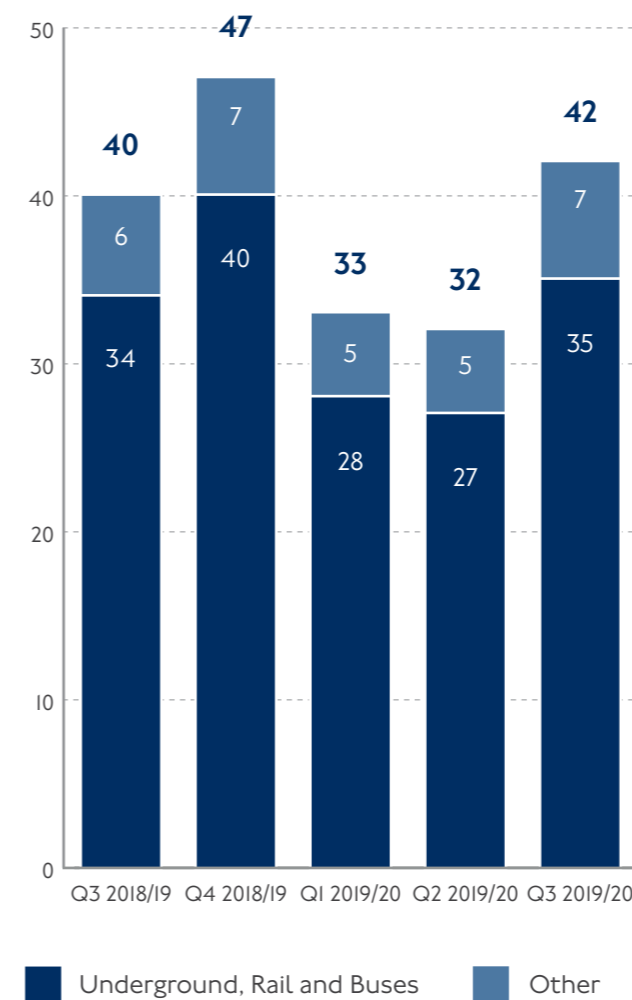
Media (£m)	Q3 2019/20	Q3 revised target	Variance	Q3 2018/19	Variance
Passenger income	-	-	-	-	-
Other operating income	107	107	-	101	6
<b>Total operating income</b>	<b>107</b>	<b>107</b>	<b>-</b>	<b>101</b>	<b>6</b>
Direct operating cost	(2)	(2)	-	(2)	-
<b>Direct operating surplus</b>	<b>105</b>	<b>105</b>	<b>-</b>	<b>99</b>	<b>6</b>
Indirect operating cost	(1)	(1)	-	(1)	-
<b>Net operating surplus</b>	<b>104</b>	<b>104</b>	<b>-</b>	<b>98</b>	<b>6</b>
Capital renewals	-	-	-	-	-
New capital investment	(4)	(7)	3	(26)	22
<b>Total capital expenditure</b>	<b>(4)</b>	<b>(7)</b>	<b>3</b>	<b>(26)</b>	<b>22</b>

Operating income is on target with a continued strong performance on the rail estate following the deployment of higher-quality, higher-impact digital advertising and growing income from bus advertising and other media activities.

Capital investment in new assets for the rail estate continues, with the programme scheduled for conclusion in mid-2020. The programme remains on target, but is currently being carried out at a slightly slower rate than planned, owing to design and access issues at some of our most complex sites on the DLR, London Overground and Crossrail.

## Advertising income (£m)

Quarterly\*



Advertising income is following the expected seasonal trend, being higher in Q3 owing to Christmas trading and in Q4 because of the extra weeks in the period.

Performance during Q3 of 2019/20 was steady across the estate as the roll out of high-quality digital assets on the rail network continued. There were marginal improvements in income from our rail and bus shelter advertising. Strong performance in the Film Office and experiential marketing generated an extra £2m of income in the quarter, compared to 2018/19.

\* Q4 is longer than quarters 1 to 3 (16 weeks and one day vs 12 weeks)



# Appendices

## TfL Group balance sheet

Balance Sheet (£m)	7 December 2019	31 March 2019	Variance
Intangible assets	102	113	(11)
Property, plant and equipment	41,891	40,815	1,076
Investment property	492	492	-
Investment in associate entities	217	233	(16)
Long-term derivatives	2	7	(5)
Long-term finance lease receivables	38	39	(1)
Long-term debtors	91	113	(22)
<b>Long-term assets</b>	<b>42,833</b>	<b>41,812</b>	<b>1,021</b>
Stocks	59	61	(2)
Short-term debtors	670	697	(27)
Assets held for sale	119	122	(3)
Short-term derivatives	21	12	9
Short-term finance lease receivables	15	13	2
Cash and short-term investments	2,070	1,882	188
<b>Current assets</b>	<b>2,954</b>	<b>2,787</b>	<b>167</b>
Short-term creditors	(2,144)	(2,167)	23
Short-term borrowings	(903)	(746)	(157)
Short-term finance lease liabilities	(39)	(70)	31
Short-term derivatives	(6)	(3)	(3)
Short-term provisions	(229)	(346)	117
<b>Current liabilities</b>	<b>(3,321)</b>	<b>(3,332)</b>	<b>11</b>
Long-term creditors	(109)	(61)	(48)
Long-term borrowings	(10,510)	(10,399)	(111)
Long-term finance lease liabilities	(327)	(348)	21
Long-term financing liabilities	(135)	(133)	(2)
Long-term derivatives	(64)	(46)	(18)
Long-term provisions	(55)	(55)	-
Pension provision	(5,367)	(5,371)	4
<b>Long-term liabilities</b>	<b>(16,567)</b>	<b>(16,413)</b>	<b>(154)</b>
<b>Net assets</b>	<b>25,899</b>	<b>24,854</b>	<b>1,045</b>
<b>Reserves</b>			
Usable reserves	1,776	1,627	149
Unusable reserves	24,123	23,227	896
<b>Total reserves</b>	<b>25,899</b>	<b>24,854</b>	<b>1,045</b>



# Headcount

## Full-time equivalents, including non-permanent labour

	31 March 2019 actual	Year-to-date net (leavers)/joiners	End of Q3 actual
Underground	18,442	106	18,548
Elizabeth line	263	5	268
Buses	465	17	482
Rail	274	(5)	269
Streets	1,307	97	1,404
Other operations	1,380	(98)	1,282
Professional services*	3,825	(26)	3,799
Property	140	13	153
Crossrail	541	152	693
Major projects	614	35	649
Media	29	-	29
<b>Total</b>	<b>27,280</b>	<b>296</b>	<b>27,576</b>

Our organisational change programme is central to reducing costs and raising more revenue to hit the target of achieving a surplus on net cost of operations by 2022/23. The next phase of savings will come from delivering efficiencies, including reducing the cost of back and middle office activities by 30 per cent.

\* Professional services comprises functions within TfL including Legal, Finance, Human Resources, Ticketing, Procurement and Customer, and Communications & Technology where services are provided on a shared basis across all TfL divisions

## Non-permanent labour

It is important that we continue to make use of the flexibility offered by non-permanent labour (NPL), particularly in this time of change and temporary peaks in

demand, such as recruitment resulting from our transformation programme. It is equally important that we do not limit our ability to hire talent in areas where skills are scarce.

## NPL cost reductions

Date	Number of NPL	Weekly cost (£)	Reduction since December 2015	
			Number of NPL	Weekly saving (£)
15 December 2015	3,092	5,249,002		
31 March 2017	1,742	2,544,009	1,350	2,704,993
31 March 2018	1,422	1,874,029	1,670	3,374,973
31 March 2019	1,192	1,688,494	1,900	3,560,509
7 December 2019	1,312	1,815,873	1,780	3,433,130

The weekly cost assumes seven hours a day and five days a week worked.

## NPL by length of service

Length of service	31 March 2019 Actual	Year-to-date net (leavers)/joiners	End of Q3 Actual
0-6 months	342	60	402
6-12 months	183	95	278
1-2 years	282	(68)	214
2-3 years	220	(61)	159
3-5 years	100	42	142
5+ years	65	52	117
<b>Total</b>	<b>1,192</b>	<b>120</b>	<b>1,312</b>

There remain a large number of non-permanent contractors who have been working at TfL for more than two years. Many of these are working on large construction projects, but we continue to seek to reduce reliance on these resources where possible.

---

## About Transport for London (TfL)

Part of the Greater London Authority family led by Mayor of London Sadiq Khan, we are the integrated transport authority responsible for delivering the Mayor's aims for transport.

We have a key role in shaping what life is like in London, helping to realise the Mayor's vision for a 'City for All Londoners'. We are committed to creating a fairer, greener, healthier and more prosperous city. The Mayor's Transport Strategy sets a target for 80 per cent of all journeys to be made on foot, by cycle or using public transport by 2041. To make this a reality, we prioritise health and the quality of people's experience in everything we do.

We manage the city's red route strategic roads and, through collaboration with the London boroughs, can help shape the character of all London's streets. These are the places where Londoners travel, work, shop and socialise. Making them places for people to walk, cycle and spend time will reduce car dependency and improve air quality, revitalise town centres, boost businesses and connect communities.

We run most of London's public transport services, including the London Underground, London Buses, the DLR, London Overground, TfL Rail, London Trams, London River Services, London Dial-a-Ride, Victoria Coach Station, Santander Cycles and the Emirates Air Line. The quality and accessibility of these services is fundamental to Londoners' quality of life. By improving and expanding public transport, we can make people's lives easier and increase the appeal of sustainable travel over private car use.

We are moving ahead with many of London's most significant infrastructure projects, using transport to unlock growth. We are working with partners on major projects like Crossrail 2 and the Bakerloo Line Extension that will deliver the new homes and jobs London and the UK need. We are in the final phases of completing the Elizabeth line which, when open, will add 10 per cent to central London's rail capacity.

Supporting the delivery of high-density, mixed-use developments that are planned around active and sustainable travel will ensure that London's growth is good growth. We also use our own land to provide thousands of new affordable homes and our own supply chain creates tens of thousands of jobs and apprenticeships across the country.

We are committed to being an employer that is fully representative of the community we serve, where everyone can realise their potential. Our aim is to be a fully inclusive employer, valuing and celebrating the diversity of our workforce to improve services for all Londoners.

We are constantly working to improve the city for everyone. This means freezing TfL fares so everyone can afford to use public transport, using data and technology to make services intuitive and easy to use, and doing all we can to make streets and transport services accessible to all. We reinvest every penny of our income to continually improve transport networks for the people who use them every day.

None of this would be possible without the support of boroughs, communities and other partners who we work with to improve our services. We all need to pull together to deliver the Mayor's Transport Strategy; by doing so we can create a better city as London grows.





# TfL Board Finance report Quarter 3, 2019/20

Management results to 7 December 2019

## 22 January 2020



# Section I

## New targets for 2019/20

Page 114

New targets for 2019/20 1

Quarter 3 financial performance 2

Business Unit Review 3



# Revised financial targets for 2019/20

In November 2019, the Board reviewed and approved a revised set of financial targets for 2019/20, that reflect our improved financial performance . These replace those set in our original Budget published in March 2019 and from Q3 we started reporting against these revised targets as reflected in this report.

TfL Scorecard		Measure	2019/20 revised target	2019/20 Budget	2018/19 results	Weighting to overall TfL Scorecard
Financial	We cover our costs and we are prudent	<i>Net operating surplus / (deficit)</i> which measures our progress in delivering a net surplus of operations by 2022/23	£625m	£191m	£421m	17.5%
		<i>Investment programme</i> which measures the delivery of our investment programme to Budget	£1,679m Range +/- 3%	£1,888m	22% under budget	7.5%

\* Investment programme target is 7.5% of total TfL Scorecard, which will only be achieved if within +/- 3% of above target

The revised targets were approved by the Board in November 2019

# Section 2

## Quarter 3

### financial performance

Page 116

New targets for 2019/20 1

Quarter 3 financial performance 2

Business Unit Review 3





# Net operating surplus broadly on target

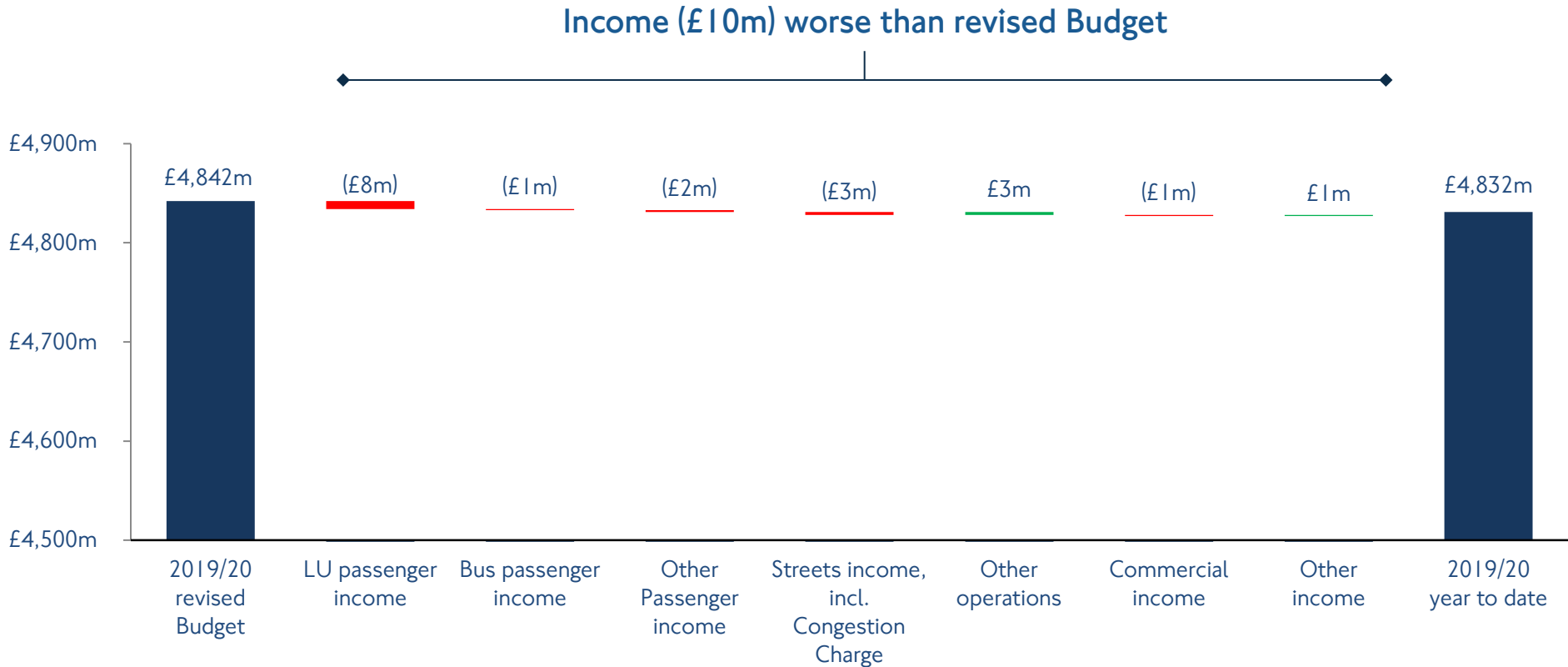
Page 117

Net cost of operations £16m ahead driven by further slippage on renewal spend

£m	2019/20 YTD				2018/19 YTD		
	Actuals	Revised Budget	Variance	% variance	Last year actuals	Variance	% variance
Operating account							
Passenger income	3,416	3,427	(11)	0%	3,337	79	2%
Other operating income	709	708	1	0%	562	147	26%
<b>Total operating income</b>	<b>4,125</b>	<b>4,135</b>	<b>(10)</b>	<b>0%</b>	<b>3,899</b>	<b>226</b>	<b>6%</b>
Business Rates Retention	649	649	-	0%	644	5	1%
Revenue grant	58	58	-	0%	40	18	45%
<b>Total income</b>	<b>4,832</b>	<b>4,842</b>	<b>(10)</b>	<b>0%</b>	<b>4,583</b>	<b>249</b>	<b>5%</b>
Operating costs	(4,318)	(4,334)	16	0%	(4,192)	(126)	-3%
<b>Net operating surplus</b>	<b>514</b>	<b>508</b>	<b>6</b>	<b>1%</b>	<b>391</b>	<b>123</b>	<b>31%</b>
Capital renewals	(292)	(302)	10	3%	(255)	(37)	-15%
<b>Net cost of operations before financing</b>	<b>222</b>	<b>206</b>	<b>16</b>	<b>8%</b>	<b>136</b>	<b>86</b>	<b>63%</b>
Net financing costs	(309)	(309)	-	0%	(310)	1	0%
<b>Net cost of operations</b>	<b>(87)</b>	<b>(103)</b>	<b>16</b>	<b>16%</b>	<b>(174)</b>	<b>87</b>	<b>50%</b>

# Income behind target

## Total income



Tube demand growth stalls in Q3, whilst the demand reduction trend worsens in Buses. Passenger income still 2% up compared to last year

- Quarter 3 has seen a deterioration in trend for both the Tube and buses, see slide 7
- ULEZ compliance levels in Quarter 3 broadly in line with expectations.

ULEZ performance	2019/20	Variance to revised Budget	% variance
Income (£m)	104.6	0.6	1%
Vehicles in zone (millions)	28.1	0.0	0%
Non-compliant vehicles (millions)	6.7	(0.1)	-1%
Compliance rates (%)	76%	0%	0%

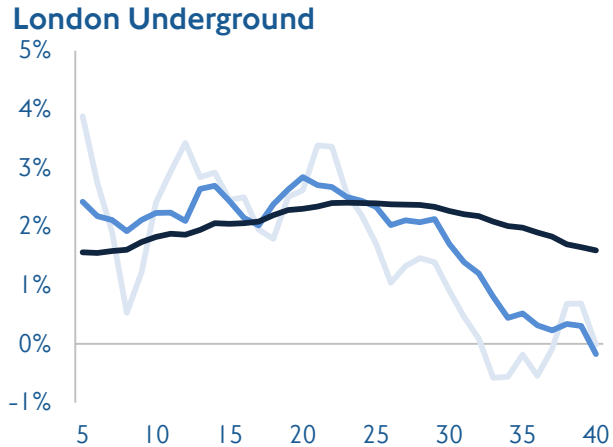
# Passenger income growth from earlier in the year has stalled

Page 119

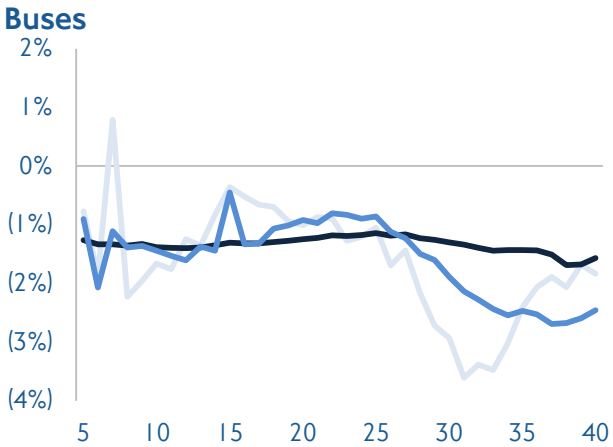
Recent periods have seen reduced growth in LU and greater decline on buses

## Passenger journey trends

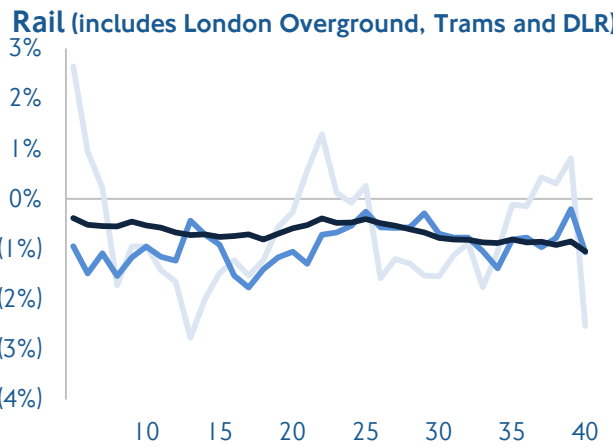
Latest trends to end of Period 10, 4 January 2020



<b>52 week</b>	<b>12 week</b>	<b>4 week</b>
1.6%	(0.2%)	(0.0%)



<b>52 week</b>	<b>12 week</b>	<b>4 week</b>
(1.6%)	(2.5%)	(1.8%)



<b>52 week</b>	<b>12 week</b>	<b>4 week</b>
(1.0%)	(1.1%)	(2.5%)

- LU underlying journeys grew at 2.2% in the previous two quarters;
- However mid October we started to see growth rates reducing
- Demand growth for the past 4 weeks now stands at 0% and the 12 weeks trend is a reduction of (0.2%)

- Bus demand had been declining this year, the rate of decline averaging 1.2% at the end of Q2
- Underlying demand in Q3 was much weaker with the 4 week trend now (1.8%) a slight improvement from the 12 weeks trend of (2.5%)
- Recent softness in journey demand appears to be driven from discretionary travel at weekends and evening

- Rail journeys have been 1% lower than last year this year and in Quarter 3
- The 4 week worsening trend is driven by lower DLR journeys

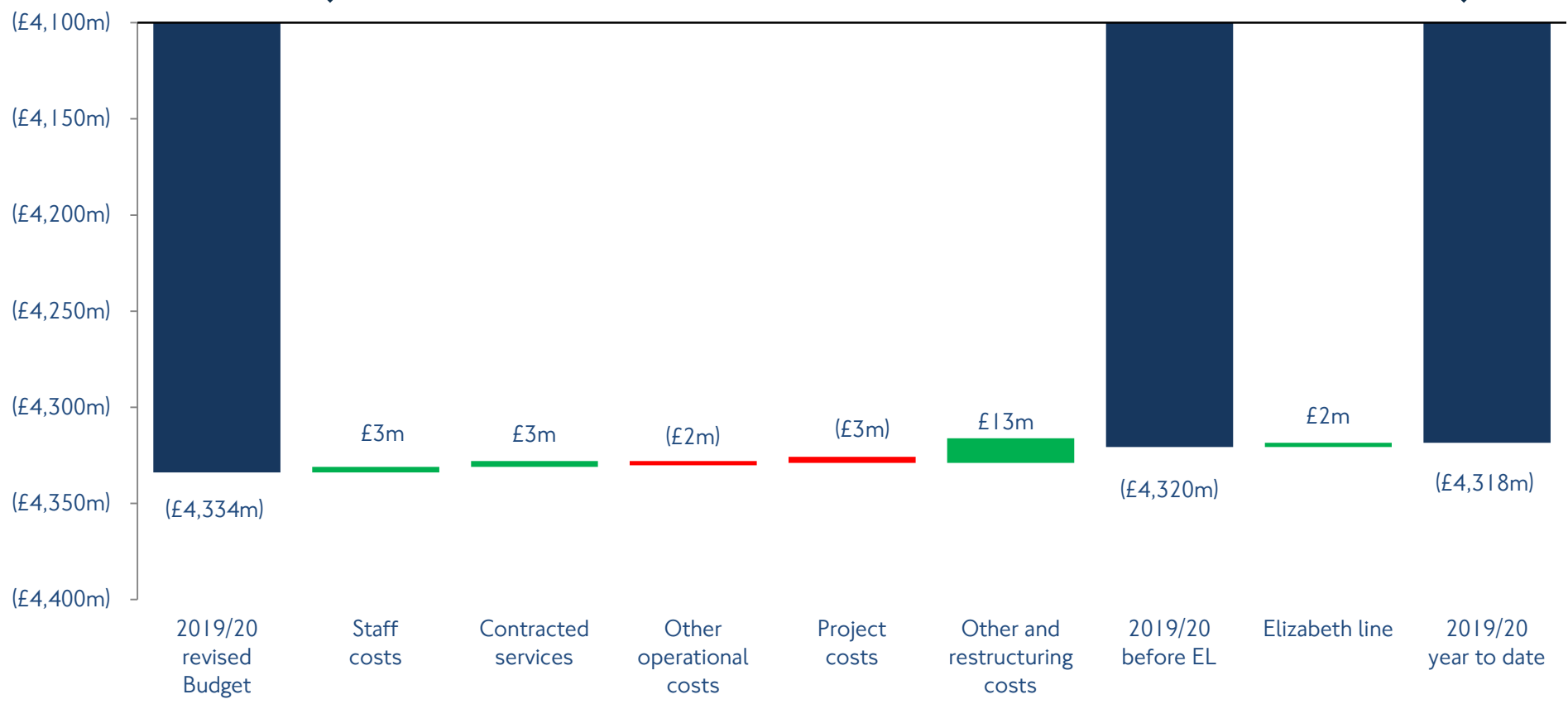
Note: Journey numbers are very volatile during the holiday period therefore care should be taken when extrapolating these trends. New TfL Rail services started on 15th December from Reading to Paddington. Demand actuals were not available when this analysis was produced and are not included in the Rail demand numbers

# We continue to deliver ahead of Budget

Operating costs are lower than the revised Budget, driven by underlying cost reductions and release of revenue contingency

## Operating costs

Operating costs £16m better than revised Budget



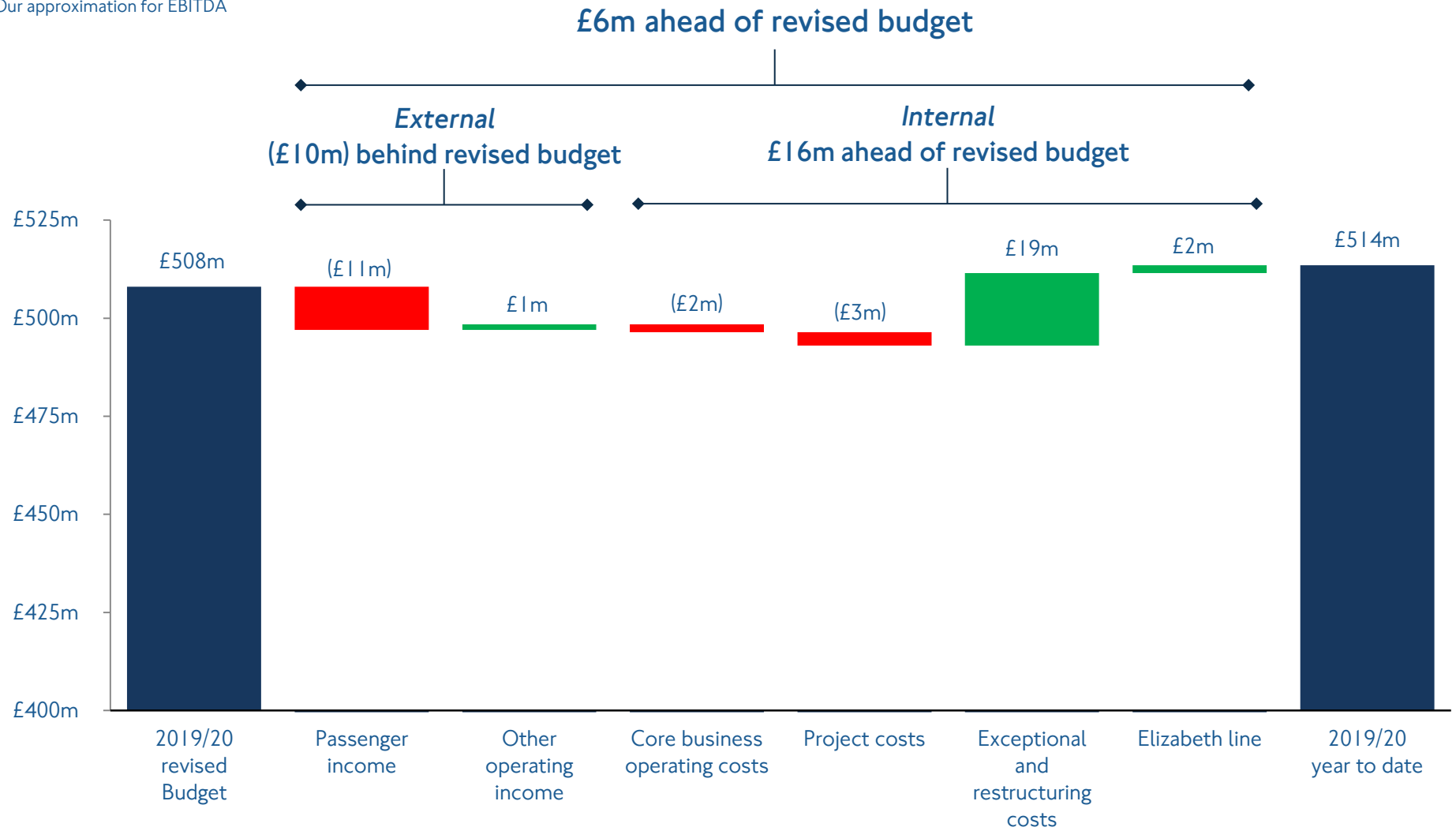
# Summary: underlying performance ahead of last year

Page 121

Adverse variance from  
passenger income is  
offset by favourability in  
operating costs

## Net operating surplus

Our approximation for EBITDA



# Capital spend continues to track below Budget

Page 122

We do not expect the final delivery dates to be impacted

£m	2019/20 YTD				2018/19 YTD		
	Actuals	Revised Budget	Variance	% variance	Last year actuals	Variance	% variance
<b>Capital account</b>							
New capital investment	(650)	(705)	55	8%	(952)	302	32%
Crossrail	(733)	(738)	5	1%	(1,009)	276	27%
<b>Total capital expenditure</b>	<b>(1,383)</b>	<b>(1,443)</b>	<b>60</b>	<b>4%</b>	<b>(1,961)</b>	<b>578</b>	<b>29%</b>
<i>Financed by:</i>							
Investment grant	607	607	-	0%	664	(57)	-9%
Property and asset receipts	149	158	(9)	-6%	5	144	2880%
Borrowing	269	300	(31)	-10%	669	(400)	-60%
Crossrail funding sources	609	633	(24)	-4%	345	264	77%
Other capital grants	127	128	(1)	-1%	129	(2)	-2%
<b>Total</b>	<b>1,761</b>	<b>1,826</b>	<b>(65)</b>	<b>-4%</b>	<b>1,812</b>	<b>(51)</b>	<b>-3%</b>
<b>Net capital account</b>	<b>378</b>	<b>383</b>	<b>(5)</b>	<b>-1%</b>	<b>(149)</b>	<b>527</b>	<b>-354%</b>
<b>TfL capital expenditure</b>							
Capital renewals	(292)	(302)	10	3%	(255)	(37)	-15%
New capital investment	(650)	(705)	55	8%	(952)	302	32%
<b>Total capital expenditure</b>	<b>(942)</b>	<b>(1,007)</b>	<b>65</b>	<b>6%</b>	<b>(1,207)</b>	<b>265</b>	<b>22%</b>



# Some costs pressures, but outweighed by opportunities in the long term

Key programme spend below the revised Budget is from a combination of timing, rephasing, as well as some savings

£m

Capital account variance by key programme

*Capital renewals and new capital investment*

## Major projects

	Actuals	Variance to revised Budget	% variance
Northern Line Extension	(114)	(0)	0%
Four Lines Modernisation	(179)	7	4%
Major Stations *	(61)	6	9%
Railway Systems Enhancements	(10)	0	4%
Piccadilly line trains	(38)	(1)	-3%
DLR Rolling Stock	(14)	1	8%
Barking Riverside	(27)	(0)	-1%
Silvertown Tunnel **	39	3	-9%
Other Major projects	-	(3)	100%
Elizabeth line – infrastructure	(13)	(0)	-1%

## Other programmes

Healthy Streets	(64)	10	14%
LU capital	(240)	17	7%
Surface - assets	(27)	3	10%
Public Transport	(56)	6	9%
Air quality schemes	(31)	2	6%
Other Surface	(6)	4	-2%

## Corporate programmes

Tech & Data projects	(64)	0	0%
Growth engines – property	(32)	10	23%
Other Corporate projects	(5)	2	25%

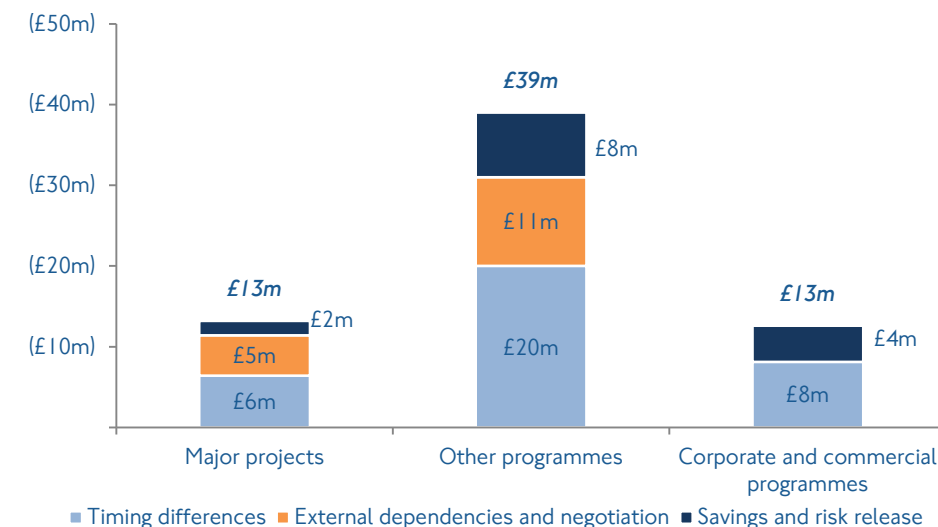
**Total capital expenditure** (942) 65 6%

## 2019/20 YTD

## Full programme costs

	Total spend to date	Costs to go	Estimated final cost (EFC)	EFC variance to 2018 Business Plan	
	(795)	(285)	(1,080)	93	8%
	(4,848)	(512)	(5,360)	(80)	-2%
	(505)	(189)	(694)	(7)	-1%
	(121)	(74)	(195)	11	5%
	(141)	(2,815)	(2,956)	171	5%
	(28)	(571)	(599)	30	5%
	(39)	(64)	(103)	12	10%

Variance to revised Budget by programme and cause



\* Bank station estimated final cost

\*\* Costs for 2019/20 include reimbursement of costs incurred in prior years EFC removed for commercial reasons



90% of the investment programme milestones are forecast to be achieved on time

Page 124

## Budget milestones



- Delivered/forecast to schedule
- Delivered/forecast < 90 days late
- Delivered/forecast >90 days late





# Section 3

## Business Unit Review

Page 125

New targets for 2019/20 1

Quarter 3 financial performance 2

Business Unit Review 3



# London Underground: 1% ahead of target owing to strong cost management

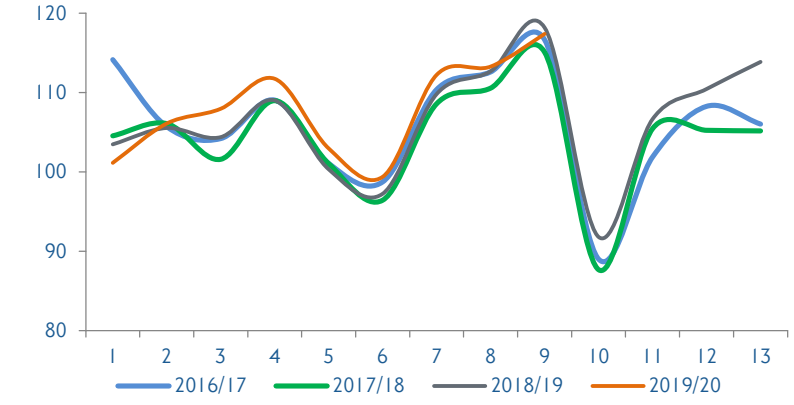
Passenger income down. Direct operating cost higher than the revised target.



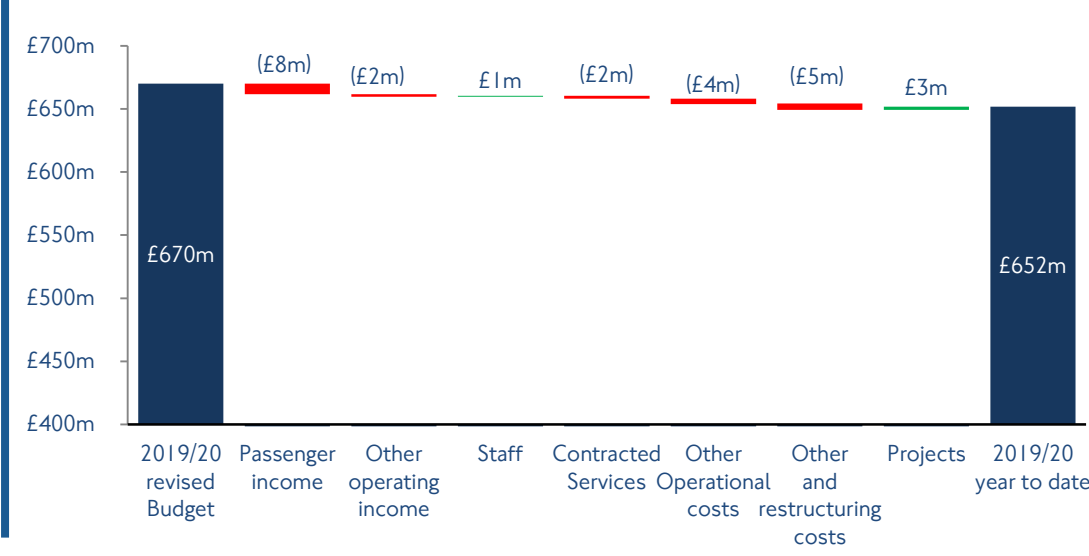
£m	2019/20 YTD				2018/19 YTD		
	Actuals	Revised Budget	Variance	% variance	Last year actuals	Variance	% variance
Operating account							
Passenger income	1,980	1,988	(8)	0%	1,905	75	4%
Other operating income	23	25	(2)	-8%	20	3	15%
<b>Total operating income</b>	<b>2,003</b>	<b>2,013</b>	<b>(10)</b>	<b>0%</b>	<b>1,925</b>	<b>78</b>	<b>4%</b>
Direct operating cost	(1,351)	(1,343)	(8)	-1%	(1,382)	31	2%
<b>Direct operating surplus</b>	<b>652</b>	<b>670</b>	<b>(18)</b>	<b>-3%</b>	<b>543</b>	<b>109</b>	<b>20%</b>
Indirect operating cost	(235)	(258)	23	9%	(237)	2	1%
<b>Net operating surplus</b>	<b>417</b>	<b>412</b>	<b>5</b>	<b>1%</b>	<b>306</b>	<b>111</b>	<b>36%</b>
Capital renewals	(207)	(217)	10	5%	(166)	(41)	-25%
New capital investment	(33)	(39)	6	15%	(28)	(5)	-18%
<b>Total capital expenditure</b>	<b>(240)</b>	<b>(256)</b>	<b>16</b>	<b>6%</b>	<b>(194)</b>	<b>(46)</b>	<b>-24%</b>

### Passenger demand

LU passenger journeys are 13million lower than the revised Budget, which was based on trends up to the end of Quarter 2. Underlying journeys are 1.6% up on last year; the last 12 weeks has seen a year-on-year decline of 0.2%.



### Direct operating surplus



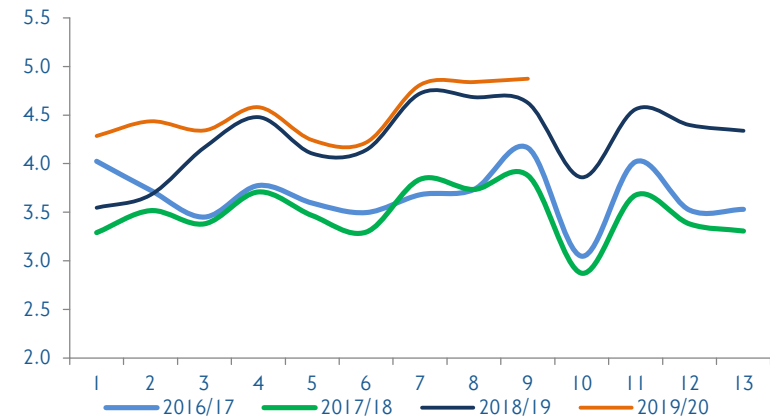
# Elizabeth line: focus on opening of central section

New services from  
Reading to Paddington  
began in mid-December

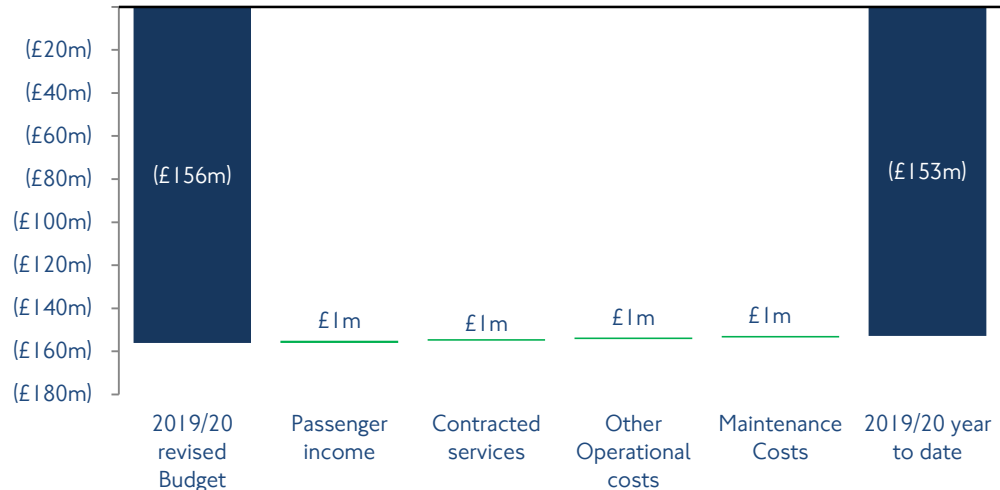
£m	2019/20 YTD				2018/19 YTD		
	Actuals	Revised Budget	Variance	% variance	Last year actuals	Variance	% variance
Operating account							
Passenger income	77	76	1	1%	70	7	10%
Other operating income	7	7	-	0%	15	(8)	-53%
<b>Total operating income</b>	<b>84</b>	<b>83</b>	<b>1</b>	<b>1%</b>	<b>85</b>	<b>(1)</b>	<b>-1%</b>
Direct operating cost	(237)	(239)	2	1%	(135)	(102)	-76%
<b>Direct operating deficit</b>	<b>(153)</b>	<b>(156)</b>	<b>3</b>	<b>2%</b>	<b>(50)</b>	<b>(103)</b>	<b>-206%</b>
Indirect operating cost	(7)	(8)	1	13%	(7)	-	0%
<b>Net operating deficit</b>	<b>(160)</b>	<b>(164)</b>	<b>4</b>	<b>2%</b>	<b>(57)</b>	<b>(103)</b>	<b>-181%</b>
Capital renewals	(13)	(13)	-	0%	(242)	229	95%
New capital investment	(733)	(738)	5	1%	(1,009)	276	27%
<b>Total capital expenditure</b>	<b>(746)</b>	<b>(751)</b>	<b>5</b>	<b>1%</b>	<b>(1,251)</b>	<b>505</b>	<b>40%</b>

### Passenger demand

Underlying demand is 6.2% up on last year and one per cent better than the revised target. Since the end of Q3, new services have opened from Reading to Paddington.



### Direct operating deficit



# Buses: performing in line with target

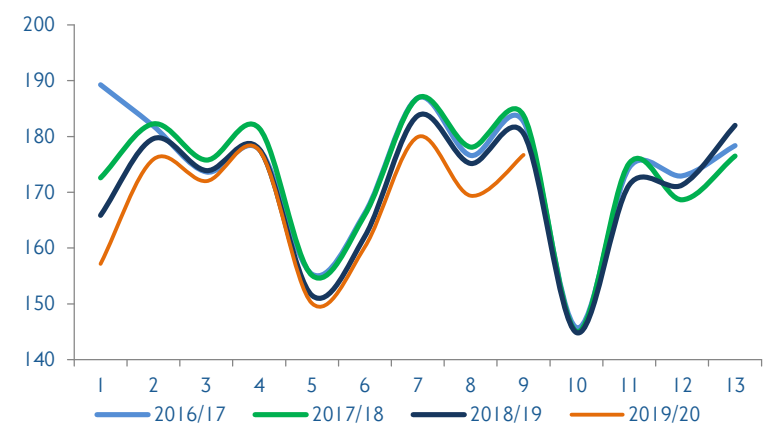
Underlying passenger  
journeys 1.6 % behind  
last year.

Direct operating costs  
up on last year, driven  
by operating contracts  
inflation

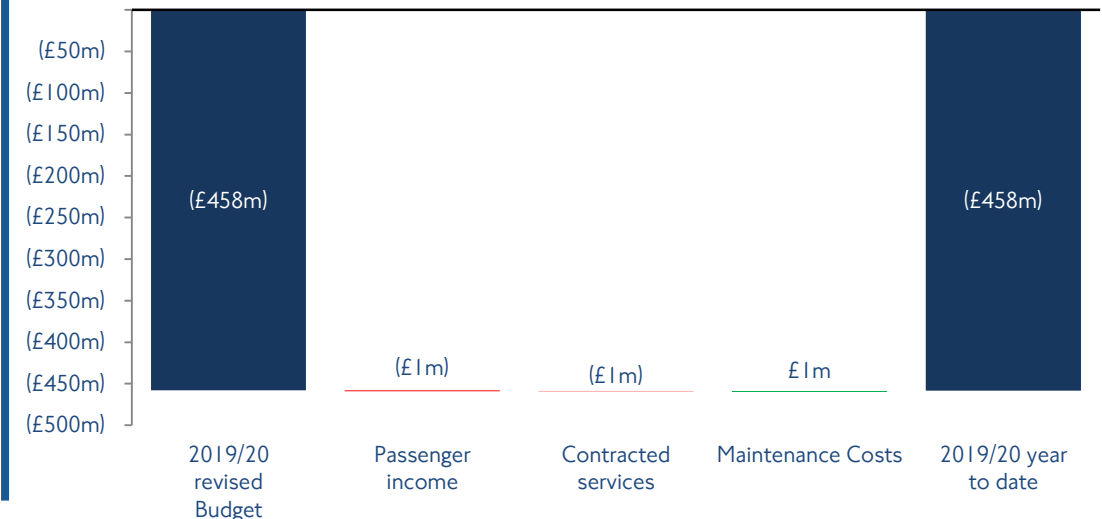
£m	2019/20 YTD				2018/19 YTD		
	Actuals	Revised Budget	Variance	% variance	Last year actuals	Variance	% variance
Operating account							
Passenger income	1,018	1,019	(1)	0%	1,021	(3)	0%
Other operating income	7	7	-	0%	9	(2)	-22%
<b>Total operating income</b>	<b>1,025</b>	<b>1,026</b>	<b>(1)</b>	<b>0%</b>	<b>1,030</b>	<b>(5)</b>	<b>0%</b>
Direct operating cost	(1,483)	(1,484)	1	0%	(1,455)	(28)	-2%
<b>Direct operating deficit</b>	<b>(458)</b>	<b>(458)</b>	<b>-</b>	<b>0%</b>	<b>(425)</b>	<b>(33)</b>	<b>-8%</b>
Indirect operating cost	(16)	(17)	1	6%	(17)	1	6%
<b>Net operating deficit</b>	<b>(474)</b>	<b>(475)</b>	<b>1</b>	<b>0%</b>	<b>(442)</b>	<b>(32)</b>	<b>-7%</b>
Capital renewals *	(3)	(3)	-	0%	(1)	(2)	-200%
New capital investment *	(9)	(11)	2	18%	(14)	5	36%
<b>Total capital expenditure *</b>	<b>(12)</b>	<b>(14)</b>	<b>2</b>	<b>14%</b>	<b>(15)</b>	<b>3</b>	<b>20%</b>

### Passenger demand

Year-to-date bus journeys are 11 million lower than revised target and 31 million lower than last year. Underlying journeys are 1.6% down on last year, but have dipped by 2.5% over the last 12 weeks.



### Direct operating deficit



\* The figures in these lines were corrected, following the publication of the papers on 14 January 2020.

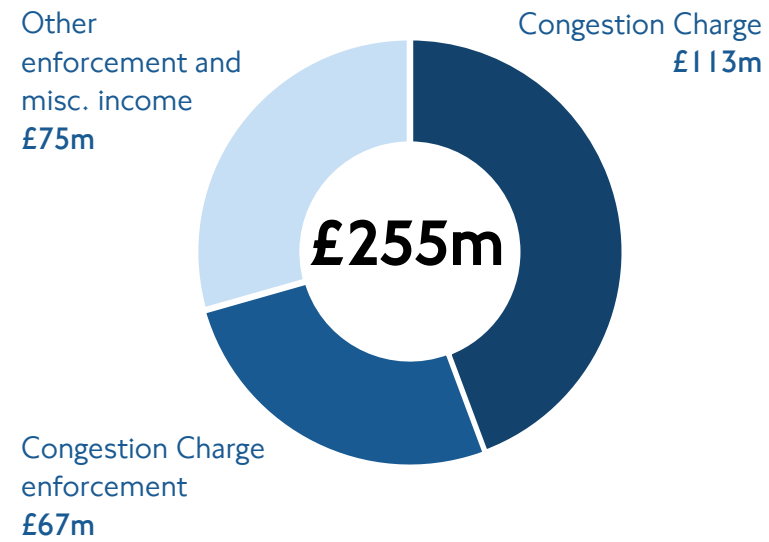
# Streets: improved year- on-year performance

Page 129

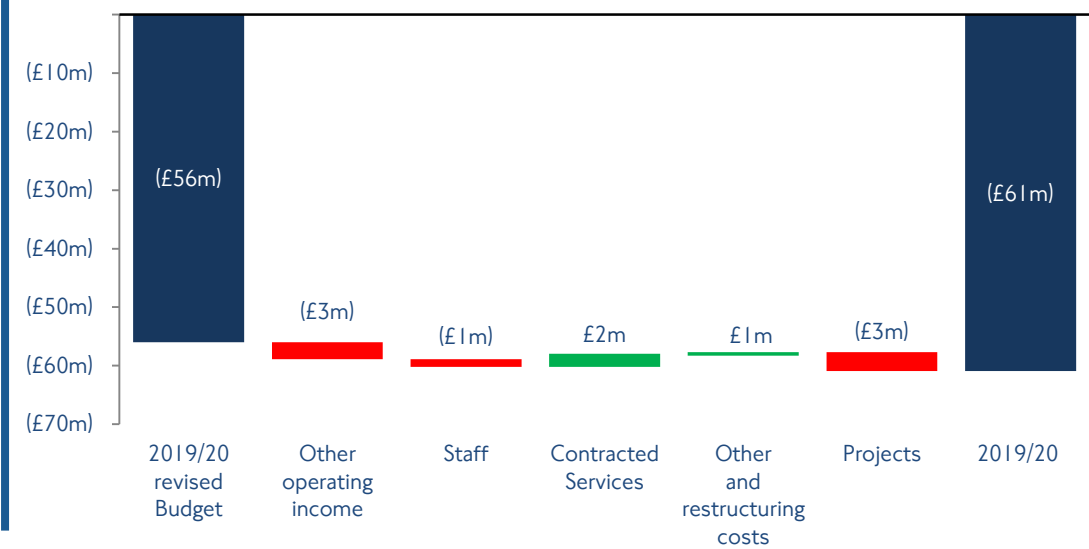
Income better than last year. Costs broadly in line with Budget

£m	2019/20 YTD				2018/19 YTD		
	Actuals	Revised Budget	Variance	% variance	Last year actuals	Variance	% variance
Operating account							
Other operating income	255	258	(3)	-1%	229	26	11%
<b>Total operating income</b>	<b>255</b>	<b>258</b>	<b>(3)</b>	<b>-1%</b>	<b>229</b>	<b>26</b>	<b>11%</b>
Direct operating cost	(316)	(314)	(2)	-1%	(320)	4	1%
<b>Direct operating deficit</b>	<b>(61)</b>	<b>(56)</b>	<b>(5)</b>	<b>-9%</b>	<b>(91)</b>	<b>30</b>	<b>33%</b>
Indirect operating cost	(51)	(54)	3	6%	(53)	2	4%
<b>Net operating deficit</b>	<b>(112)</b>	<b>(110)</b>	<b>(2)</b>	<b>-2%</b>	<b>(144)</b>	<b>32</b>	<b>22%</b>
Capital renewals	(21)	(25)	4	16%	(24)	3	13%
New capital investment	(71)	(88)	17	19%	(57)	(14)	-25%
<b>Total capital expenditure</b>	<b>(92)</b>	<b>(113)</b>	<b>21</b>	<b>18%</b>	<b>(81)</b>	<b>(11)</b>	<b>-15%</b>

### Other operating income



### Direct operating deficit



# Rail: performance on target

Page 150  
Broadly in line with revised target; lower DLR passenger income mitigated through higher other income and cost control

£m	2019/20 YTD				2018/19 YTD		
	Actuals	Revised Budget	Variance	% variance	Last year actuals	Variance	% variance
Operating account							
Passenger income	298	300	(2)	-1%	298	-	0%
Other operating income	19	17	2	12%	22	(3)	-14%
<b>Total operating income</b>	<b>317</b>	<b>317</b>	<b>-</b>	<b>0%</b>	<b>320</b>	<b>(3)</b>	<b>-1%</b>
Direct operating cost	(321)	(322)	1	0%	(298)	(23)	-8%
<b>Direct operating deficit</b>	<b>(4)</b>	<b>(5)</b>	<b>1</b>	<b>20%</b>	<b>22</b>	<b>(26)</b>	<b>-118%</b>
Indirect operating cost	(14)	(14)	-	0%	(14)	-	0%
<b>Net operating deficit</b>	<b>(18)</b>	<b>(19)</b>	<b>1</b>	<b>5%</b>	<b>8</b>	<b>(26)</b>	<b>-325%</b>
Capital renewals	(28)	(23)	(5)	-22%	(15)	(12)	-80%
New capital investment	(25)	(36)	11	31%	(23)	(4)	-17%
<b>Total capital expenditure</b>	<b>(53)</b>	<b>(59)</b>	<b>6</b>	<b>11%</b>	<b>(38)</b>	<b>(16)</b>	<b>-41%</b>

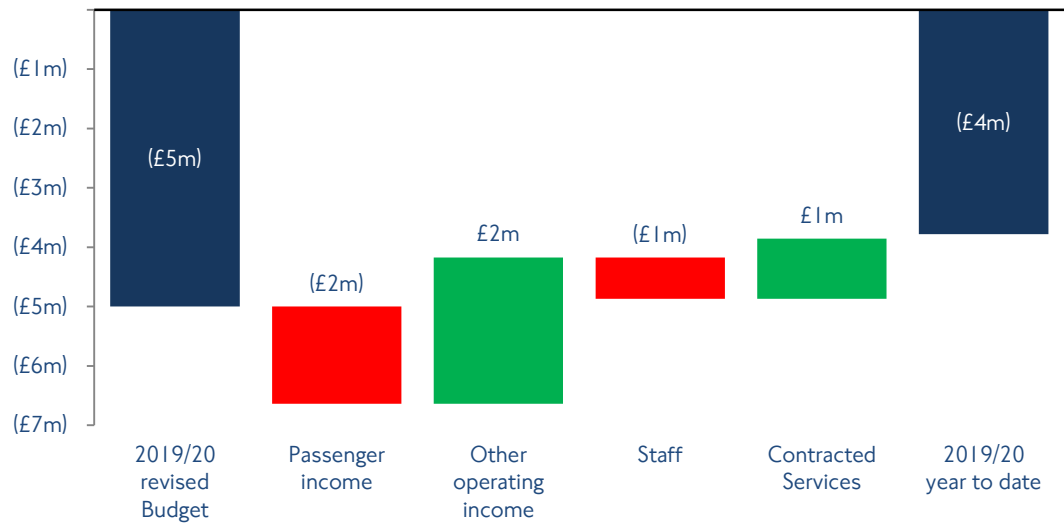
### Passenger journeys

Millions	2019/20 YTD	Revised Budget	Variance
London Overground	131.6	131.4	0.2
DLR	84.7	85.6	(0.9)
London Trams	19.1	19.5	(0.4)

Millions	2019/20 YTD	2018/19 YTD	Year-on-year variance
London Overground	131.6	133.4	(1.8)
DLR	84.7	85.3	(0.6)
London Trams	19.1	20.2	(1.1)

### Direct operating deficit



# Other operations: behind revised target

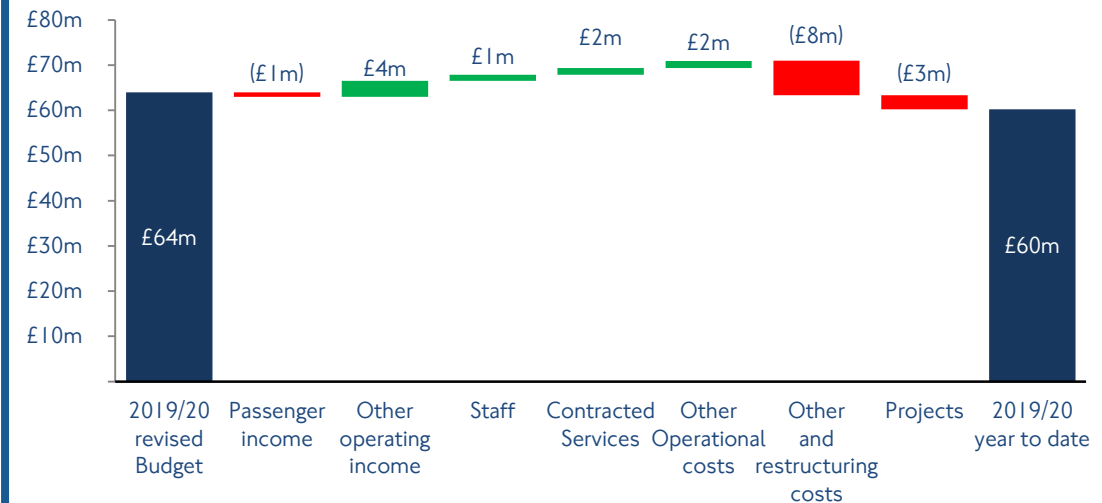
Operating cost higher than expected owing to increased bad debt as people adjust to the introduction of ULEZ and the removal of CC Private Hire Vehicle discount.

£m	2019/20 YTD				2018/19 YTD		
	Actuals	Revised Budget	Variance	% variance	Last year actuals	Variance	% variance
Operating account							
Passenger income	43	44	(1)	-2%	42	1	2%
Other operating income	207	203	4	2%	100	107	107%
<b>Total operating income</b>	<b>250</b>	<b>247</b>	<b>3</b>	<b>1%</b>	<b>142</b>	<b>108</b>	<b>76%</b>
Direct operating cost	(190)	(183)	(7)	-4%	(171)	(18)	-11%
<b>Direct operating surplus</b>	<b>60</b>	<b>64</b>	<b>(4)</b>	<b>-6%</b>	<b>(29)</b>	<b>90</b>	<b>310%</b>
Indirect operating cost	(36)	(38)	2	5%	(36)	-	0%
<b>Net operating surplus</b>	<b>24</b>	<b>26</b>	<b>(2)</b>	<b>-8%</b>	<b>(65)</b>	<b>90</b>	<b>138%</b>
Capital renewals	(18)	(18)	-	0%	(33)	15	45%
New capital investment	(71)	(67)	(4)	-6%	(57)	(14)	-25%
<b>Total capital expenditure</b>	<b>(89)</b>	<b>(85)</b>	<b>(4)</b>	<b>-5%</b>	<b>(90)</b>	<b>1</b>	<b>1%</b>

## ULEZ income and compliance

ULEZ performance	2019/20	Variance	% variance
Income (£m)	104.6	0.6	1%
Vehicles in zone (millions)	28.1	0.0	0%
Non-compliant vehicles (millions)	6.7	(0.1)	-1%
Compliance rates (%)	76%	0%	0%

## Direct operating surplus



[page left intentionally blank]



**Board**



**Date:** 22 January 2020

**Item:** TfL Viewpoint Survey Results 2019

---

**This paper will be considered in public**

## **1 Summary**

- 1.1 This paper provides an update on the key findings from our annual Viewpoint survey in 2019 and our proposed next steps.

## **2 Recommendation**

- 2.1 **The Board is asked to note the paper.**

## **3 Background**

- 3.1 Our annual Viewpoint survey took place between 9 September and 2 October 2019, providing all employees with the opportunity to give us their views on what working at TfL is like. The Total Engagement, Inclusion and Wellbeing indices are measured from this survey.
- 3.2 Our Total Engagement score for 2019 was 57 per cent, which is up from 56 per cent recorded in 2018, meeting our scorecard target for 2019/20. This is calculated by averaging the total number of positive responses received to the questions which make up the index.
- 3.3 Employee engagement matters, as an engaged workforce directly correlates with improved performance in safety, reliability and customer service for our customers, along with increased productivity and retention of our employees.
- 3.4 The inclusion index was ahead of target for 2019, with a score of 47 per cent, up from 43 per cent from 2018. Our wellbeing at work index also increased by one percentage point over the year. These measures differ slightly from our Total Engagement index, as they focus on questions within the survey which help to identify the culture of the organisation and the wellbeing of our employees.
- 3.5 The response rate to this survey was 64 per cent, with 17,689 employees completing the survey. Whilst this is two percentage points lower than the 66 per cent response in 2018, this is still seven percentage points higher than the response rate in 2017, providing a comprehensive and representative sample of our employees across the organisation.

## **4 Stakeholder Engagement**

- 4.1 In July 2019 we engaged with our Trade Union Company Councils about our actions to improve engagement to date and preparing for the 2019 survey.

- 4.2 We invited our Trade Union representatives, Staff Network group chairs and our top Yammer Influencers to Engine's offices (the company that runs the survey for us) to hear how they protect our data and keep their responses confidential.
- 4.3 On 11 November 2019, we shared the Viewpoint results with our employees, with over 700 individual team reports created and shared with our senior managers. We cascaded our results to all employees and they are all available online.
- 4.4 We presented the survey results to both company councils at the beginning of December 2019. Local level survey results will also be discussed with each of our Local Company Councils.

## **5 Current Status and Next Steps**

- 5.1 Following the Viewpoint results in 2018, each business area developed local action plans to improve employee engagement within their teams. Progress against these plans has been shared at Managing Director level, highlighting successes and best practice over the previous year.
- 5.2 Each business area is now in the process of establishing focus groups to review the 2019 Viewpoint results in more detail repeating this process and defining interventions to drive increased employee engagement in 2020.
- 5.3 Our guidance this year is for managers to focus on two or three key drivers of employee engagement specific to their area, these are included within the local area viewpoint reports already circulated. These key drivers are those themes or issues which will make the biggest difference to employee engagement if improvements are made.
- 5.4 Our key drivers of engagement, along with more detailed results from the survey are included in the Appendix 1.
- 5.5 Centrally we are coordinating a pool of case studies which demonstrate best practice, and areas which have seen the biggest improvements in a particular area of employee engagement, for example engagement with change and leadership. This will enable managers who are focusing on a particular key driver to readily access examples of what worked well elsewhere and best practice.
- 5.6 New for this year is a dedicated employee engagement chapter to be included within our People Plans, at a pan-TfL level and business area level People Plans. These will be created from January 2020 and will include the two or three key drivers identified, but also more localised, discrete interventions such as facilities for operational areas.
- 5.7 Improving employee engagement is a continuous process, and whilst the results are captured on an annual basis, the activity underpinning engagement continues often across multiple years. What worked well in 2019 will be continued over the next year as we seek to drive further improvements to our employee engagement.

**List of appendices to this report:**

Appendix 1: Viewpoint results TfL overall PowerPoint presentation

**List of Background Papers:**

Annual Viewpoint Survey

Contact Officer: Tricia Wright, Chief People Officer  
Number: 020 3054 7265  
Email: [triciawright@tfl.gov.uk](mailto:triciawright@tfl.gov.uk)

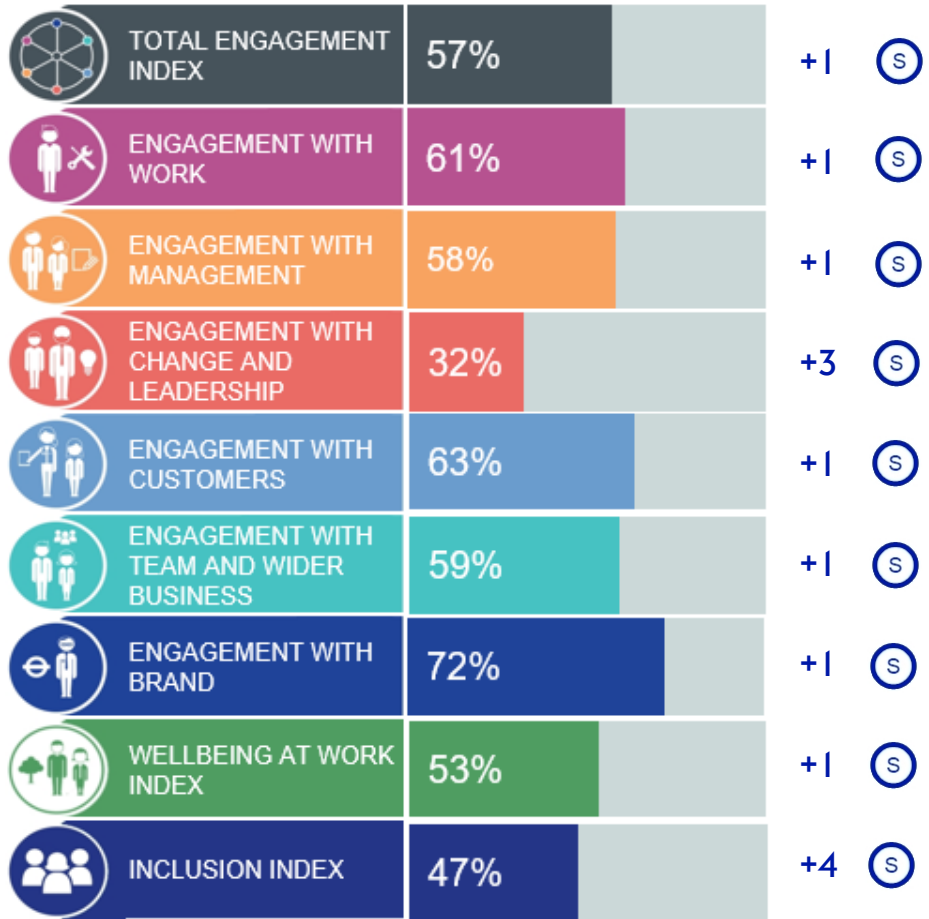
[page left intentionally blank]

# Viewpoint results TfL Board Meeting

22 January 2020



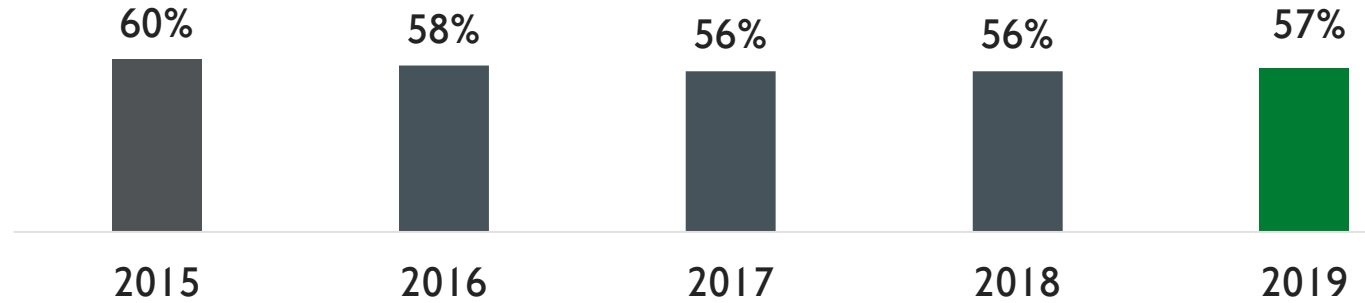
# We've seen improvements across the board



Indicates significant difference

2018 variance

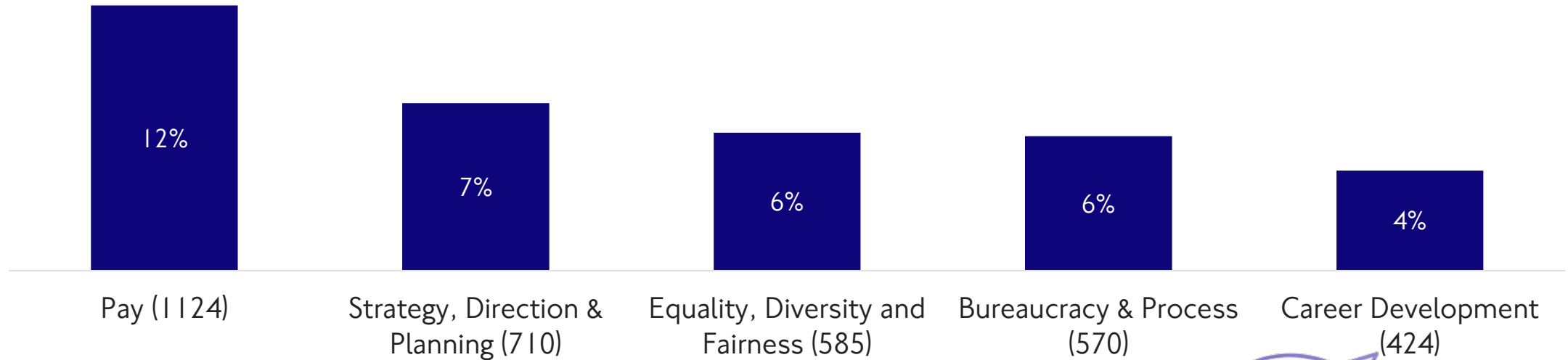
**Total Engagement 57% +1  
Achieved target of 57%**



**64% (-2) of our people told us how they feel about working here**

**54% of those who responded left comments too**

## What the comments tell us: top five themes











- Pay dominates the open feedback
- A desire for a clearer vision and direction
- A more diverse workforce and greater fairness




# How engaged are different business areas?

## Comparisons to TfL Overall and Viewpoint 2018

Business area and % of TfL	 Total Engagement	 Work	 Management	 Change and leadership	 Customers	 Team and wider business	 Brand
TfL Overall	57% (+1)	61% (+1)	58% (+1)	32% (+3)	63% (+1)	59% (+1)	72% (+1)
London Underground (64.3%)	55% (+1)	59% (+1)	55% (+1)	31% (+3)	60% (+1)	55% (+1)	73% (+1)
Professional Services (17.6%)	62% (-1)	63% (-2)	65% (-1)	36% (0)	69% (-2)	67% (0)	72% (-2)
Surface Transport (10.5%)	58% (+1)	61% (+2)	60% (+1)	34% (+3)	66% (+1)	63% (+3)	70% (-1)
Engineering (5.3%)	52% (+7)	58% (+7)	52% (+7)	23% (+7)	59% (+5)	62% (+3)	60% (+9)
MPD (2.2%)	65% (+4)	67% (+2)	67% (+8)	42% (+7)	71% (+2)	69% (+1)	76% (+3)

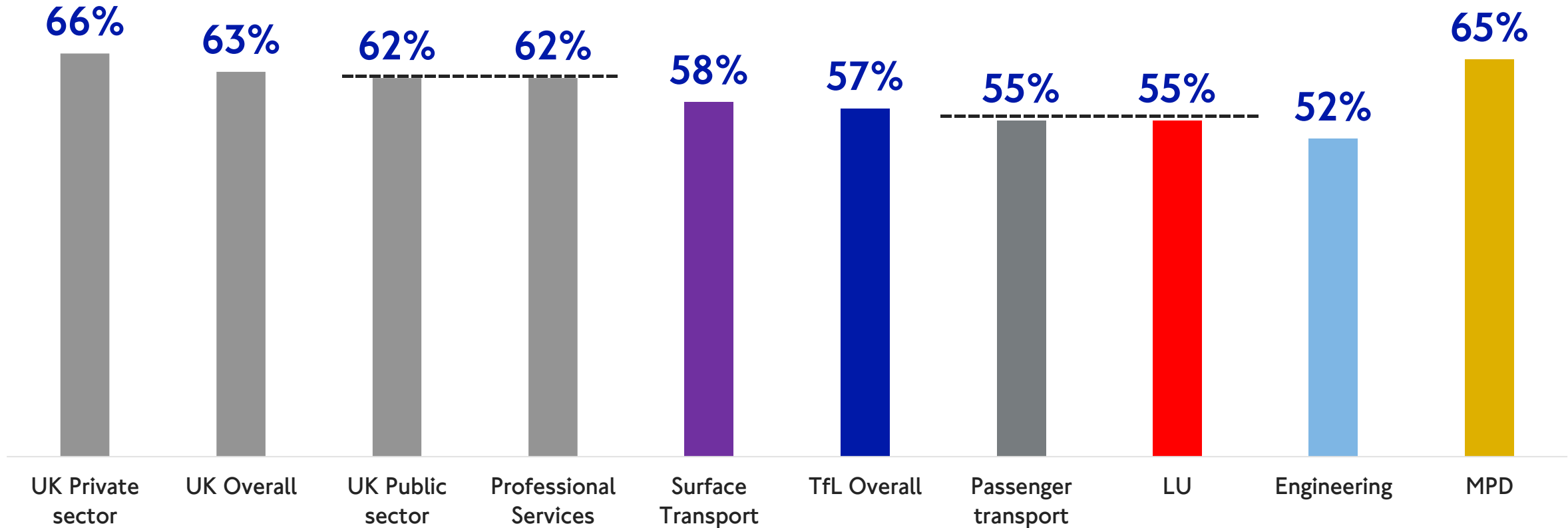
 Above TfL by 5 percentage points or more

 Below TfL by 5 percentage points or more

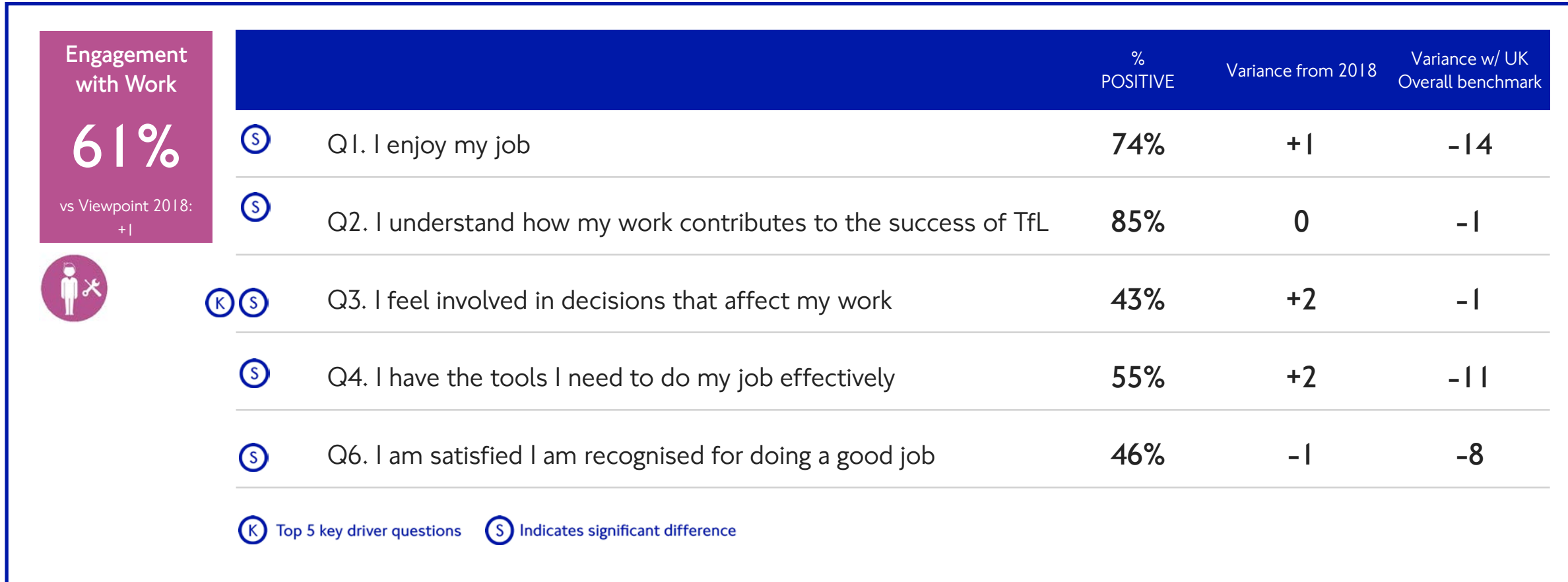


## We are in line or above with passenger transport norm

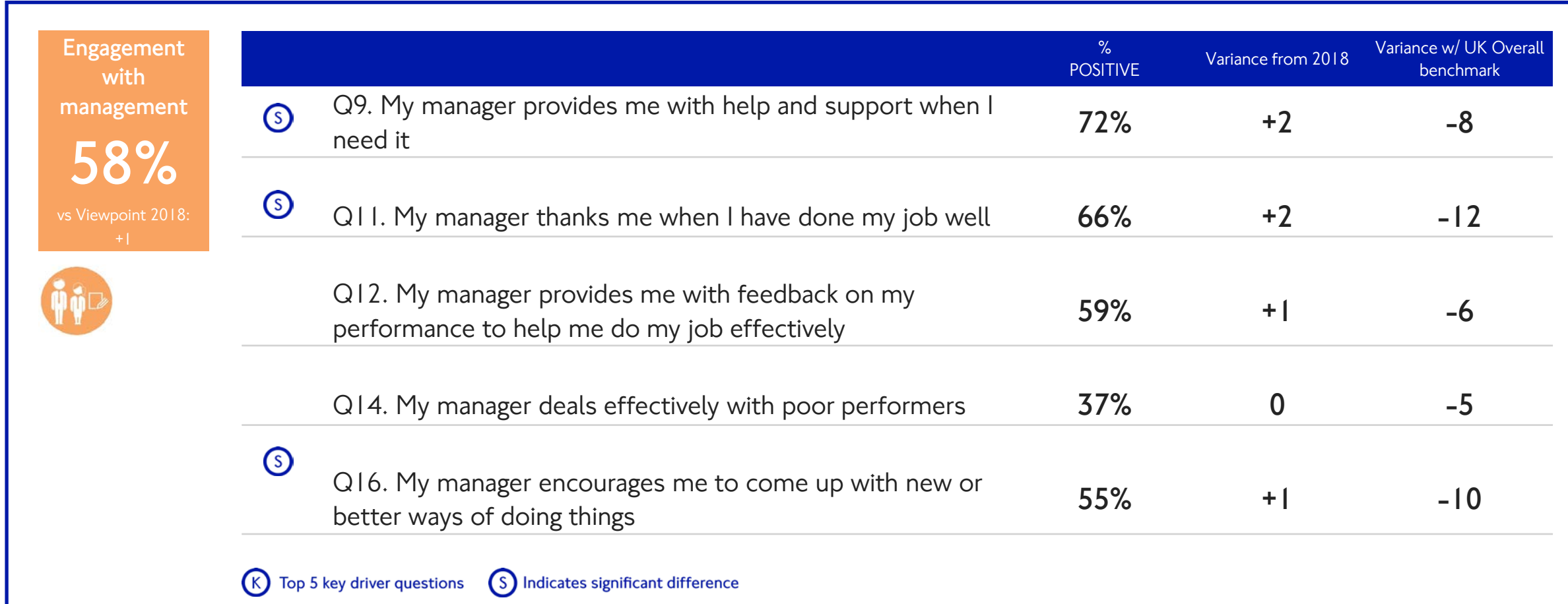
Page 141



# Engagement with work is the top driver; the greatest scope for growth is with involvement in decisions and recognition



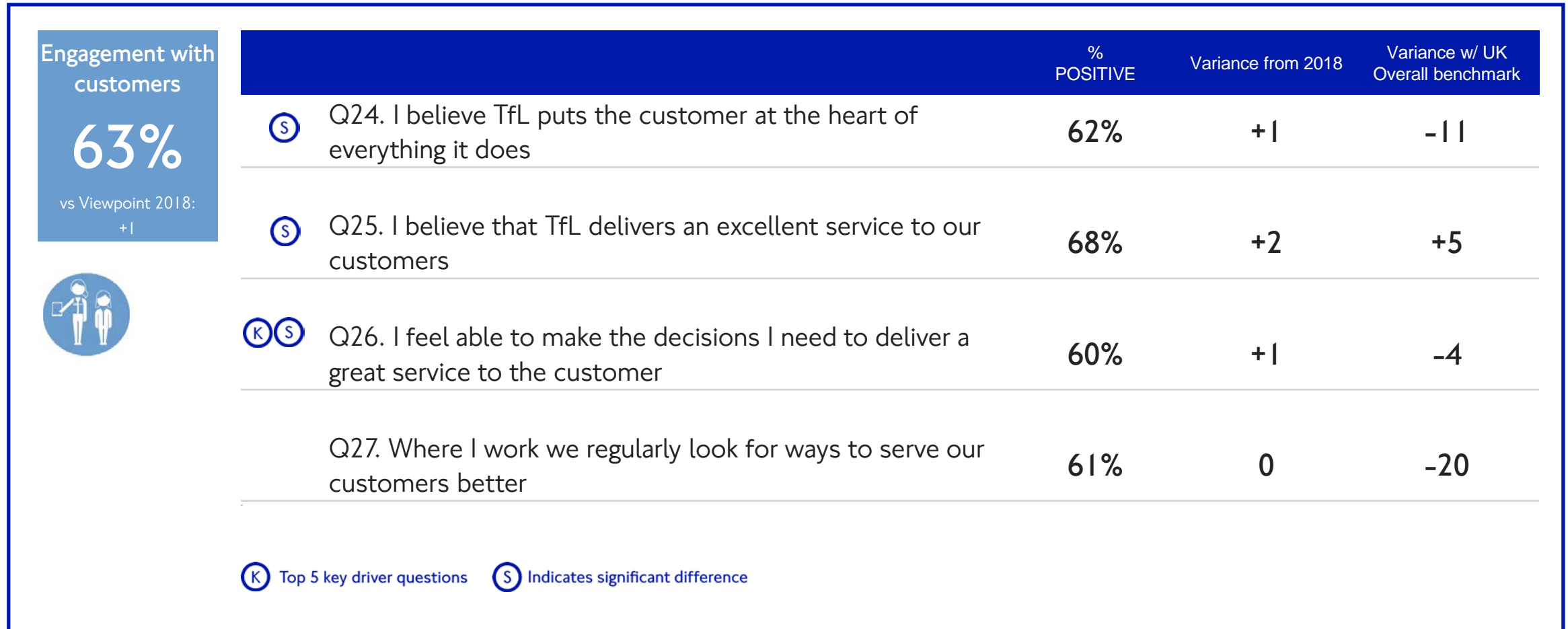
# Our managers are supportive but performance management continues to be our biggest area of opportunity



# Honest senior managers is the biggest driver within this theme - improving this will also drive a sense of involvement in decisions

Engagement with Change and Leadership		% POSITIVE	Variance from 2018	Variance w/ UK Overall benchmark
<b>32%</b> vs Viewpoint 2018: +3				
	Q18. I have confidence that there is a clear vision for the future of this organisation	33%	0	-18
(K)	Q19. Senior managers are open and honest in their communications with me	32%	0	-18
(S)	Q21. This organisation is good at learning from its mistakes	20%	+1	-30
(S)	Q22. I think it is safe to challenge the way things are done where I work	42%	+2	-9
T (S)	Q23. Change is well managed <i>in my team</i>	34%	+9	-
(K)	Top 5 key driver questions			
(S)	Indicates significant difference			
T	Indicates a text change since the previous survey following feedback to make the question clearer and more actionable			

# People want to feel empowered to deliver a great service, but feel restricted to do so



# Two thirds of people are encouraged to collaborate but most don't sense good collaboration across TfL

Engagement with  
Team and Wider  
Business

59%

vs Viewpoint 2018:  
+1



	% POSITIVE	Variance from 2018	Variance w/ UK Overall benchmark
<span>(S)</span> Q28. The people in my team can be relied upon when I need support	78%	+2	-6
<span>(K)</span> <span>(S)</span> Q29. I am encouraged to collaborate with others outside my team	63%	+1	-
<span>(S)</span> Q30. I believe there is good collaboration between different parts of TfL	37%	+2	-22

(K) Top 5 key driver questions    (S) Indicates significant difference

# People continue to be proud to work here and would recommend us to our customers

Engagement with  
Brand

72%

vs Viewpoint 2018:  
+1




	% POSITIVE	Variance from 2018	Variance w/ UK Overall benchmark
<span>(K)</span> <span>(S)</span> Q31. I am proud to be part of this organisation	77%	+1	+5
Q32. I would recommend this organisation as a great place to work	69%	0	+5
<span>(S)</span> Q33. I would recommend TfL's services to customers	80%	+2	+6
Q34. I feel a strong sense of commitment to this organisation	69%	0	-10
Q35. Working for this organisation inspires me to do the best I can in my job	63%	0	-4

(K) Top 5 key driver questions

(S) Indicates significant difference

## Wellbeing has improved overall but there's still plenty of potential for further growth in order to hit 'Good' levels


	Wellbeing at Work Index	Variance from 2018
Business area and % of TfL		
TfL	53%	+1
London Underground (64.3%)	50%	+1
Professional Services (17.6%)	58%	0
Surface Transport (10.5%)	54%	+2
Engineering (5.3%)	49%	+7
MPD (2.2%)	61%	+5

**53% + 1**  
increase since 2018

The wellbeing index is calculated from 30 questions in Viewpoint



## Our inclusion index has improved overall and across all areas

 <b>INCLUSION INDEX</b>	Inclusion Index	Variance from 2018
Business area and % of TfL		
TfL	47%	+4
London Underground (64.3%)	44%	+3
Professional Services (17.6%)	54%	+2
Surface Transport (10.5%)	48%	+5
Engineering (5.3%)	44%	+9
MPD (2.2%)	58%	+6

# 47% +4

## Achieved target of 46%

The inclusion index is calculated from six questions in Viewpoint

## What we've done so far

- To improve transparency, more than 700 results reports have been cascaded and published on SharePoint. Publicised the availability of these reports across all our channels (informal and formal).
- Reports of themed verbatim comments shared with the leadership team to add context to the results.
- All staff briefed on the 2019 Viewpoint results.
- Significant analysis conducted to delve further in to problem areas to identify the root cause.
- Shared and discussed results at senior manager forums and managers have shared at local meetings/comms.
- Presented results at stakeholder meetings, including company council.
- Created a film on how to use the reports and next steps, along with supporting slides.



## Next steps...

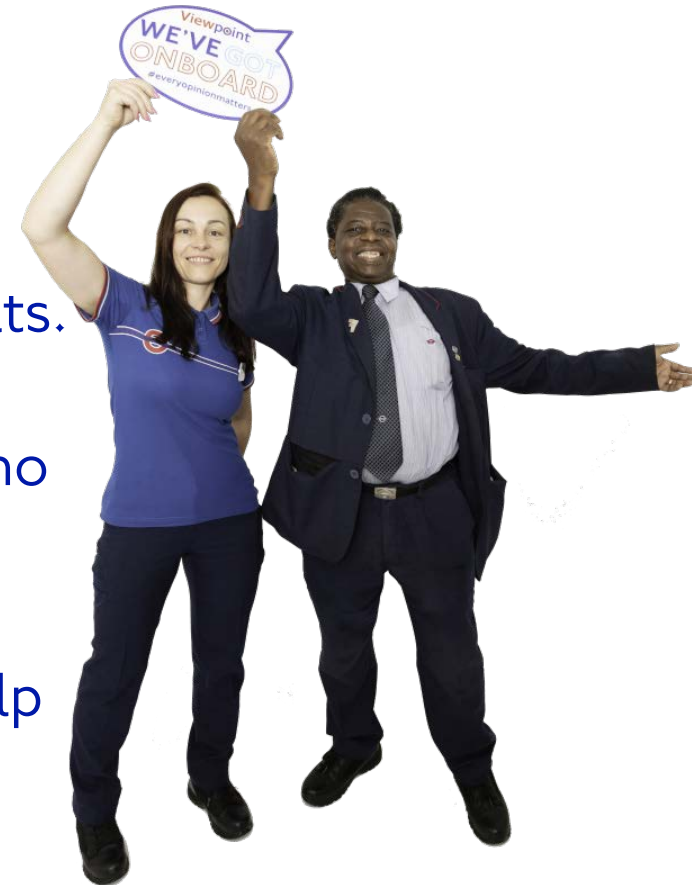
Each Executive Committee member and director to review their People Plans to reflect latest results.

At a local level, managers will focus on 2-3 local key drivers and complete and own a local engagement plan.

A deep dive into the change and leadership comments and results.

Gather a pool of case studies to show examples of managers who have improved engagement to help others learn from them.


Make better use of Yammer, our online collaboration tool, to help senior managers connect with the frontline and other people.



# Appendix



# Wellbeing has improved overall but there's still plenty of potential for further growth in order to hit 'Good' levels

 <b>WELLBENG AT WORK INDEX</b> Business area and % of TfL	Wellbeing at Work Index	Variance from 2018	Support The encouragement and resources your line manager, colleagues and the organisation		Demands Your workload, work patterns and work environment		Role Your understanding of what's expected of you in your role		Control How much say you have in the way you do your work		Relationships How you interact with your colleagues and deal with conflict		Change How change (large or small) is managed and communicated	
			Score	Change	Score	Change	Score	Change	Score	Change	Score	Change		
TfL	53%	+1	63%	+2	55%	-1	58%	+1	53%	+1	48%	+3	35%	+3
London Underground (64.3%)	50%	+1	61%	+1	54%	-1	57%	+1	49%	0	45%	+2	33%	+3
Professional Services (17.6%)	58%	0	68%	0	57%	-3	61%	-2	61%	-2	55%	+2	41%	0
Surface Transport (10.5%)	54%	+2	63%	+1	53%	-1	59%	+1	58%	+3	50%	+4	37%	+3
Engineering (5.3%)	49%	+7	59%	+8	54%	+4	55%	+6	52%	+7	45%	+6	25%	+7
MPD (2.2%)	61%	+5	70%	+5	64%	+3	67%	+3	64%	+4	57%	+7	43%	+7


## Guide to wellbeing scores

79% or above	Very good	Best practice performance
73-78%	Good	Above average performance
56-72%	Average	Average performance
55% or below	Low	Below average performance

Indicates significant positive variance from 2018

Indicates significant negative variance from 2018

# Our inclusion index has improved overall and across all areas

 <b>INCLUSION INDEX</b> Business area and % of TfL	Inclusion Index	Variance from 2018	I feel involved in decisions		Senior managers are open and honest in their communications		I think it is safe to challenge the way things are done where I work		I believe my team is free from bullying / harassment / discrimination		A raised issue of bullying / harassment / discrimination would be dealt with		I believe actions will be taken on the results of this survey	
			T	T	T	T	T	T	T	T	T	T		
TfL	47%	<b>+4</b>	43%	+2	32%	0	42%	+2	65%	+12	64%	+5	34%	+1
London Underground (64.3%)	44%	<b>+3</b>	38%	+1	27%	0	41%	+2	63%	+9	64%	+5	30%	+2
Professional Services (17.6%)	54%	<b>+2</b>	51%	-1	44%	<b>-4</b>	46%	-1	72%	+16	68%	+6	42%	<b>-3</b>
Surface (10.5%)	48%	<b>+5</b>	48%	+6	40%	+1	41%	+2	63%	+13	60%	+4	39%	+2
Engineering (5.3%)	44%	<b>+9</b>	46%	+10	24%	+7	40%	+11	65%	+15	61%	+10	26%	+4
MPD (2.2%)	58%	<b>+6</b>	56%	0	51%	+5	55%	+7	72%	+17	70%	+6	45%	0

## Inclusion Index

74% or above	Very good	Best practice performance
65-73%	Good	Above average performance
45-64%	Average	Average performance
44% or below	Low	Below average performance

Indicates significant positive variance from 2018

Indicates significant negative variance from 2018

T Indicates a text change since the previous survey

**Board**



**Date:** 22 January 2020

**Item:** Report of the Meeting of the Customer Service and Operational Performance Panel held on 27 November 2019

---

**This paper will be considered in public**

## **1 Summary**

- 1.1 This paper provides a short summary of the items considered by the Customer Service and Operational Performance Panel at its meeting on 27 November 2019.

## **2 Recommendation**

- 2.1 **The Board is asked to note the report.**

## **3 Panel Agenda and Summary**

- 3.1 The papers for the meeting of the Panel held on 27 November 2019 were published on 19 November 2019 and are available on the TfL website: <https://tfl.gov.uk/corporate/publications-and-reports/customer-service-op-performance>
- 3.2 The main matters considered by the Committee were:
- (a) Quarterly Customer Service and Operational Performance Report – Quarter 2, 2019/20;
  - (b) Tackling Theft Offences on TfL Networks;
  - (c) River Operations; and
  - (d) Assisted Transport Services;
- 3.3 A summary of the items discussed is provided below. The more detailed minutes of the meeting will be published ahead of the meeting of the Panel on 27 February 2020.

## **4 Issues Discussed**

### **Quarterly Customer Service and Operational Performance Report – Quarter 2, 2019/20**

- 4.1 The Panel noted the quarterly report.

- 4.2 There had been two fatalities on London Underground, as a result of criminal activity, at Elephant and Castle and Hillingdon stations. A fatality had also occurred as a result of a customer falling down stairs at Waterloo station. TfL's thoughts were with the family and friends of the deceased. At Oxford Circus station, a medical incident had caused a customer to fall onto the track. Overcrowding was not believed to be an issue.
- 4.3 The escalator programme continued and lessons from accidents at London Bridge and Waterloo stations would be incorporated into ongoing work. A trial of safety enhancements to the train/platform interface would take place before potentially being installed at Baker Street station. Members were invited to view the enhancements.
- 4.4 Three unrelated payment processing issues had caused an increase in the number of customers querying their journey and refund information. A further increase was caused by customers contacting TfL following attempts to access Oyster online accounts, after their login details were compromised on a non-TfL website. A small number of those accounts accessed saw fraudulent activity. No customer payment details were accessed. A note would be provided to the Audit and Assurance Committee.
- 4.5 Automatic speed controls had been fitted on 35 trams, which amounted to close to 50 per cent of trams, and all trams were planned to be fitted with the speed controls by the end of 2019.
- 4.6 The number of customer slips, trips and falls was reviewed on a weekly basis and there was a specific focus on near miss reporting and minor trends. This would particularly be the case in the run up to Christmas, when more customers used TfL and Network Rail interchanges.
- 4.7 The anti-Semitic abuse that had been videoed on an Underground train had led to an arrest by the British Transport Police (BTP). It was noted that the incident had not been reported to station staff.
- 4.8 Violence against the person on TfL Rail had increased by 40.5 per cent from Quarter 2 2018/19 to Quarter 2 2019/20. While violence against the person was a relatively broad category and a lot of the cases were low level and without injury, the vast majority of the increase was as a result of public order offences, including verbal offences.
- 4.9 The Panel discussed the performance data for the taxi and private hire contact centre. Members asked if the key performance indicators reflected what was important for the customer.

#### **Tackling Theft on TfL Networks**

- 4.10 The Panel noted the paper, which provided a summary of the work undertaken by TfL and policing partners to reduce theft on TfL's network.
- 4.11 Lisa Garrett and Andy Wright from the BTP were present at the meeting.



- 4.12 TfL had a strong relationship with the BTP and extra funding had been given for additional policing on the network. The approach to policing would continue to focus on the highest harm crimes, such as knife crime, hate crime or sexual crimes.
- 4.13 The increase in crime was largely driven by theft, which was incredibly organised and not restricted to London; rather it was an international operation that moved from city to city.
- 4.14 Tackling theft was very resource intensive and, once a crime hotspot had been identified and policing partners moved to the location, the criminals would move elsewhere. Operation Farrier was a multi-faceted approach to tackling theft, which had involved early morning raids, tactics to drive criminals onto certain lines and crime prevention techniques. It was an addition to the effort to tackle the high harm crimes as a priority.
- 4.15 From October 2018, there was an increase in the report of thefts on the Underground. This was largely attributed to the introduction of a new online system for reporting thefts. Since June 2019, there had been consistent decreases in the number of reported thefts on the Underground.

### **River Operations**

- 4.16 The Committee noted the paper, which provided an update on the work to develop river services and encourage greater use of the river by passengers.
- 4.17 The river had not previously been a priority for TfL, which was reflected in the passenger numbers of five to ten million customers a year. Work was ongoing to determine how TfL could move river operations away from a loss making service to a service that broke even.
- 4.18 The London Passenger Pier Strategy (LPPS) had been published on 7 November 2019, in collaboration with the Port of London Authority. The LPPS set out the strategy for maximising the use of the river, in line with Proposal 72 of the Mayor's Transport Strategy.
- 4.19 Since its opening in January 2019, the Woolwich Ferry had experienced intermittent issues with its power and communications technology. Nevertheless, the new vessels had made a positive impact on cleaner air in the area.
- 4.20 A technical advisor was due to be appointed to work on the feasibility of the Rotherhithe to Canary Wharf Crossing. There were options on which piers to use, on each side of the crossing, and on the method of propulsion.

### **Assisted Transport Services**

- 4.21 The Committee noted the paper, which provided an update on the progress made since June 2019 in delivering against the actions in the Assisted Transport Services (ATS) roadmap.

- 4.22 Recent figures for answer times on the Dial-a-Ride telephone line had shown positive changes. An upgrade to the operating system used to book journeys and the rescheduling of staff's peak working hours had had a positive impact on the time taken to answer calls. The introduction of a new booking and scheduling system for ATS was targeted for implementation in July 2021 and was expected to decrease answer times further.
- 4.23 TfL remained diligent in recording any injury. Dial-a-Ride services had an increase in minor customer injuries due to accidents while boarding and alighting vehicles. This was being mitigated by new vehicles having a guard rail added to the ramp and TfL was looking at how it could work with social services' fall prevention teams.
- 4.24 The Panel requested that the biannual update paper on Assisted Transport Services include: what TfL was doing on accessibility in the context of London's wider development; status updates on ongoing projects; what provisions were in place for when things did not go to plan, whether the issue was with TfL or the customer; and what was being done on buses and taxis not stopping for customers.
- 4.25 The Panel requested that the annual paper on 'Bus Services to London's Hospitals' include the links between buses, assisted transport services and hospitals, with analysis on how people use the services and where there were gaps. The paper would also address how TfL might improve the experience for customers that tried to book services but the booking system would not allow them to book if incorrect information had been accidentally input.

**List of appendices to this report:**

None

**List of Background Papers:**

Papers submitted to the Customer Service and Operational Performance Panel on 27 November 2019

Contact Officer: Howard Carter, General Counsel  
Number: 020 3054 7832  
Email: [HowardCarter@tfl.gov.uk](mailto:HowardCarter@tfl.gov.uk)

**Board**



**Date:** 22 January 2020

**Item:** Report of the Meeting of the Audit and Assurance Committee held on 3 December 2019

---

**This paper will be considered in public**

## **1 Summary**

- 1.1 This paper provides a short summary of the items considered by the Audit and Assurance Committee at its meeting on 3 December 2019.

## **2 Recommendation**

- 2.1 **The Board is asked to note the report.**

## **3 Committee Agenda and Summary**

- 3.1 The papers for the meeting of the Committee held on 3 December 2019 were published on 25 November 2019 and are available on the TfL website: <https://tfl.gov.uk/corporate/publications-and-reports/audit-and-assurance-committee>

- 3.2 The main matters considered by the Committee were:

- (a) Independent Investment Programme Advisory Group Quarterly Report;
- (b) External Audit Plan for TfL, TTL and Subsidiaries – Year Ending 31 March 2020;
- (c) EY Report on Non-Audit Fees for Six Months Ended 30 September 2019;
- (d) Risk and Assurance Quarter 2 Report 2019/20;
- (e) Audit of Tram Operations Limited Fatigue Management;
- (f) Procurement and Supply Chain – Addressing the Findings of Internal Audit and Ernst and Young;
- (g) Critical Accounting Policies;
- (h) Cyber Security Update;
- (i) Strategic Risk Update – Significant Technology Failure (SR11);
- (j) Strategic Risk Update – Transformation (SR18);

(k) Register of Gifts and Hospitality for Members and Senior Staff; and

(l) Legal Compliance Report (1 April – 30 September 2019).

- 3.3 A summary of the items discussed and decisions taken at the meeting is provided below. The more detailed minutes of the meeting will be published ahead of the meeting of the Committee on 18 March 2020.

## **4 Issues Discussed**

### **Independent Investment Programme Advisory Group Quarterly Report**

- 4.1 The Committee noted the quarterly update on work undertaken since the last report on 26 September 2019 and the Management progress.

### **External Audit Plan for TfL, TTL and Subsidiaries – Year Ending 31 March 2020**

- 4.2 The Committee noted the EY Plan for the audit of the financial statements of TfL, TTL and its subsidiaries for the year ending 31 March 2020.
- 4.3 The Committee requested that a review of the Transformation programme in the Plan for 2019/20 be included as part of the Value for Money assessment.

### **EY Report on Non-Audit Fees for Six Months Ended 30 September 2019**

- 4.4 There were no fees billed for this period.

### **Risk and Assurance Quarter 2 Report 2019/20**

- 4.5 The Committee noted the report, which provided details of the work completed by the Risk and Assurance Directorate in Quarter 2 of 2019/20, the work in progress and planned to start, and other information about the Directorate's activities.
- 4.6 The Chair welcomed the work by the TfL Enterprise Risk team in sharing good practice across the GLA Group.
- 4.7 The Committee requested further information on recent trends in the conclusions from Internal Audit reports.
- 4.8 It was agreed that second and third line assurance teams at TfL and Network Rail should participate in assurance and risk workshops with Crossrail to ensure an aligned understanding of the Crossrail delivery programme and its risks.

### **Audit of Tram Operations Limited Fatigue Management**

- 4.9 The Committee noted the paper regarding two audit reports on Tram Operations Limited: 17 780: Management of Fatigue in Tram Operations Limited (TOL), which was issued in 2017; and 13 744: Competence and

Fitness of TOL Tram Operators, issued in 2014. Both of these audit reports had recently been the subject of questions raised by the London Assembly.

- 4.10 It was agreed that in future audit reports of third parties, TfL should ensure that the report clearly identified the client for the audit. It was also agreed that some benchmarking would be carried out to see how comparator organisations dealt with this. The appropriateness of using TfL Internal Audit conclusions for audits of external parties would also be considered on a case by case basis.

#### **Procurement and Supply Chain – Addressing the Findings of Internal Audit and Ernst and Young**

- 4.11 The Committee noted the update on key actions being taken by the Procurement and Supply Chain team.

#### **Critical Accounting Policies**

- 4.12 The Committee noted the update on the TfL Group's critical accounting policies.

#### **Cyber Security Update**

- 4.13 The Committee noted the update on cyber security.
- 4.14 A number of organisational changes had been made with a change in the approach to the issue of cyber security based on the recent introduction of the Network and Information Systems (NIS) Regulations.
- 4.15 The complexity of TfL as an organisation in terms of operational as well as information technology, combined with third party supply chain operators, made the provision of safe and secure cyber systems particularly challenging.
- 4.16 An update report with a roadmap and clear timeline would be reported to a future meeting.

#### **Strategic Risk Update – Significant Technology Failure (SR11)**

- 4.17 Members discussed the update on the management of the Strategic Risk of Significant Technology Failure (SR11).
- 4.18 Staff would review the overall effectiveness rating.

#### **Strategic Risk Update – Transformation (SR18)**

- 4.19 The Committee noted the update on the management of the Strategic Risk of Transformation (SR18).
- 4.20 The Chair thanked Andrew Pollins for his contribution to the work of the Committee as he was due to leave TfL.

## **Register of Gifts and Hospitality for Members and Senior Staff**

- 4.21 The Committee noted the standing item on details of the gifts and hospitality declared by the Board and senior staff.

## **Legal Compliance Report (1 April – 30 September 2019)**

- 4.22 The Committee received the summary report provided by each TfL Directorate for the period 1 April-30 September 2019.
- 4.23 Since the publication of the report, TfL had received notification of dates for the appeal relating to the judicial review of the decision to remove the exemption for Private Hire Vehicles from the Congestion Charge and a pre-inquest hearing for the Sandilands tragedy.

### **List of appendices to this report:**

None

### **List of Background Papers:**

Papers submitted to the Audit and Assurance Committee on 3 December 2019

Contact Officer: Howard Carter, General Counsel  
Number: 020 3054 7832  
Email: [HowardCarter@tfl.gov.uk](mailto:HowardCarter@tfl.gov.uk)

**Board**



**Date:** 22 January 2020

**Item:** Report of the Meeting of the Finance Committee held on 18 December 2019

---

**This paper will be considered in public**

## **1 Summary**

- 1.1 This paper provides a short summary of the items considered by the Finance Committee at its meeting on 18 December 2019.

## **2 Recommendation**

- 2.1 **The Board is asked to note the report.**

## **3 Committee Agenda and Summary.**

- 3.1 The papers for the meeting of the Committee held on 18 December 2019 were published on 10, 13 and 16 December 2019 and are available on the TfL website: <https://tfl.gov.uk/corporate/publications-and-reports/finance-committee>
- 3.2 The main matters considered by the Committee were:
- (a) Use of Delegated Authority;
  - (b) Finance Report – Period 8, 2019/20;
  - (c) TfL Business Plan 2019;
  - (d) TfL Capital Strategy;
  - (e) Treasury Management Policies – Liquidity Policy Update;
  - (f) Strategic Risk Update – Inability to Deliver Predicted Revenue Growth (SR8); and
  - (g) Debt Management and Enforcement Services.
- 3.3 A summary of the items discussed and decisions taken at the meeting is provided below. The more detailed minutes of the meeting will be published ahead of the meeting of the Committee on 11 March 2020.

## **4 Issues Discussed**

### **Use of Delegated Authority**

- 4.1 The Committee noted the paper, which set out the use of delegated authority since the previous meeting.
- 4.2 There had been four uses of Chair's Action since the last meeting of the Committee, relating to: the Deep Tube Rolling Stock project; the sale of Earls Court Partnership PLC, in which TfL had an interest; Taxi Fares and Tariffs; and Energy Purchasing 2022-2023.
- 4.3 There had been one Mayoral Direction to TfL since the last meeting of the Committee, relating to implementing a freeze on all TfL fares under the Mayor's control with effect from 2 January 2020.

### **Finance Report – Period 8, 2019/20**

- 4.4 The Committee noted the report, which set out TfL's financial results to the end of Period 8, 2019/20 – the year-to-date period ending 9 November 2019.
- 4.5 Passenger income was £6m lower than the revised target in the year to date. Passenger journeys were significantly lower than the revised budget, although the financial impact had been partly offset by increases in ticket yield in the period. These trends had now been evident for a few periods showing a significant softening in demand.
- 4.6 It was too early to say whether these trends would continue. Revised targets for 2019/20 included a level of contingency to cover any shortfall in passenger income this year. Planning assumptions remained cautious and the current trends were broadly in line with the Business Plan assumptions.
- 4.7 Operating costs were £6m higher than the revised budget at the end of the period. Core business costs were £3m and projects costs were slightly higher at £4m. These costs were broadly split 50/50 in terms of timing and underlying cost pressures but underlying costs were expected to be broadly in line with the revised Budget at year end, with pressures mitigated through savings made elsewhere before looking to cover through contingency.
- 4.8 Total capital expenditure was £36m lower than the revised Budget, which was based on increases in capital expenditure over the remaining periods of 2019/20. Costs including both capital renewals and new capital expenditure were £36m lower than expected at the end of the period.

### **TfL Business Plan 2019**

- 4.9 Under the authority delegated by the Board on 20 November 2019, the Committee noted the paper and approved the TfL Business Plan 2019, which set out its plans for the five years from 2020/21 to 2024/25.



- 4.10 The Business Plan was a continuation of the plan presented last year. Despite the recent Crossrail announcements, the rating agencies had recently affirmed TfL's credit rating. The decision to not downgrade the rating was underpinned by the commitment to deliver a surplus by 2022/23.
- 4.11 TfL remained cautious in the projects it committed to until Crossrail was completed. It was moving away from a business plan traditionally being a five year budget, to a plan which set the financial envelope for the five year period, prioritised investment according to key principles and was agile in enhancement spend.
- 4.12 Since the announcement that had indicated that Crossrail required an additional £400m-£650m capital cost, TfL had remodelled the equivalent revenue impact, which was absorbable due to the resilience built over the last year and would not impact on the investment programme.
- 4.13 All of the core elements of the previous plan remained protected, such as Local Implementation Plans funding to the Boroughs, Bus operated kilometres on the basis that passenger revenue returns to growth, Healthy Streets projects and cycle networks, bus electrification and Ultra Low Emission Zone expansion.
- 4.14 It was agreed that it would be helpful going forward to show more granular understanding of external spend requirements for projects, and how the right amount of quality was ensured.

### **TfL Capital Strategy**

- 4.15 Under the authority delegated by the Board on 20 November 2019, the Committee noted the paper and approved the TfL Capital Strategy 2019. The Strategy set out TfL's longer term investment requirements to deliver service objectives. It also identified future anticipated funding, and the shortfall between investment required and funding identified.
- 4.16 The 2019 Capital Strategy was an evolution of the previous Strategy. The approach applied for this year's Business Plan of building up from the baseline was also applied across 20 years to understand the core requirements and the funding gaps for the enhancements to support a growing London.
- 4.17 The funding gap identified through this work over 20 years was £48bn outturn, or c.£28bn in today's prices. As a consequence, the 2019 Capital Strategy showed the baseline including the replacement of trains and signalling, with other enhancements layered on. As with 2018, this left an affordability gap with severe constraints in which enhancements TfL could afford.
- 4.18 Part of the benefit of long-term funding certainty would allow TfL to plan for necessary investments on the network in a logical way with proper consideration of whole-life cost. The latest Capital Strategy was for around £3bn a year of enhancements, on top of the baseline. This included Crossrail

2 which represented £1-£1.5bn per year. The National Infrastructure Assessment recognised that this investment was vital for London and for regional and national UK growth, housing and environment.

- 4.19 A disruptive Brexit in 2020 was not the largest financial risk TfL faced but it would be the most pressing. It expected any financial impact to be primarily the result of lower revenue due to a weaker economy, with a smaller impact on costs driven by inflation and currency fluctuation. TfL was monitoring and managing risks across the business to ensure its operations continued undisrupted in all circumstances.

#### **Treasury Management Policies – Liquidity Policy Update**

- 4.20 Under the authority delegated by the Board on 20 November 2019, the Committee noted the paper and approved the changes to the Treasury Management Policies – Liquidity Policy.
- 4.21 The existing Liquidity Policy had been reviewed in response to a number of recent developments and external factors, including potential credit rating methodology changes and the current economic and operating environment, and against the liquidity positions of international peers.
- 4.22 It was proposed to maintain a minimum level of cash and short-term investments of, on average, at least 60 days' worth of forecast annual operating expenditure, up from a minimum of 30 days. This policy ensured there was sufficient cash to meet payment obligations as they became due and provided sufficient headroom to deal with emergencies, such as loss of income or large unforeseen expenditure. It was also proposed to provide more information on different purposes of the cash balances and to update processes to include monitoring of the proposed policy.
- 4.23 An immediate impact was not expected from the increase, as 60-90 days was already used for financial planning purposes. As TfL's credit rating was based on its actual and planned cash balances, rather than the minimum stated in the policy, immediate changes to its credit rating were not expected.

#### **Strategic Risk Update – Inability to Deliver Predicted Revenue Growth (SR8)**

- 4.24 The Committee noted the paper, which provided an update on Strategic Risk 8 (SR8), the inability to deliver the predicted revenue growth. It explained the status of the risk and detailed the controls and mitigation measures being undertaken to manage the risk going forward, in relation to property and commercial media.
- 4.25 Causes that could potentially threaten predicted growth in revenue included economic conditions, lack of capital investment and poor performance of commercial partners. Control measures to reduce risk included use of external advisors, performance reporting and investment scrutiny and approval.

- 4.26 The status of the risk was considered as adequately controlled, based on the control measures in place and actions taken to manage the risk. The control measures would be enhanced over the coming months, with the creation of a property focussed function to drive additional income alongside more affordable housing from TfL's land holdings.
- 4.27 In response to a suggestion that individual Members be encouraged to adopt a project to enable deep understanding of its challenges, risks and solutions, it was agreed that a list of projects that were suitable for Board Member involvement would be circulated to Members in order to assess interest.

### **Debt Management and Enforcement Services**

- 4.28 The Committee noted the paper and granted Procurement Authority for debt management and enforcement services to be let to the three suppliers.
- 4.29 Debt management and enforcement services played a key role in supporting the delivery of TfL's Road User Charging and Traffic Enforcement schemes. The current suppliers had performed well and their contracts expired in April 2020. Winning bidders for the new contracts would start in May 2020, for an initial five year term.
- 4.30 These contracts generated revenue for TfL and collection rates were anticipated to improve during the life of the new contracts. Supplier performance would be measured and monitored via performance indicators and service level agreements.

### **List of appendices to this report:**

None

### **List of Background Papers:**

Papers submitted to the Finance Committee on 18 December 2019

Contact Officer: Howard Carter, General Counsel  
Number: 020 3054 7832  
Email: [HowardCarter@tfl.gov.uk](mailto:HowardCarter@tfl.gov.uk)

[page left intentionally blank]

**Board**



**Date:** 22 January 2020

**Item:** Report of the Meeting of the Programmes and Investment Committee held on 18 December 2019

---

**This paper will be considered in public**

## **1 Summary**

- 1.1 This paper provides a short summary of the items considered by the Programmes and Investment Committee at its meeting on 18 December 2019.

## **2 Recommendation**

- 2.1 **The Board is asked to note the report.**

## **3 Committee Agenda and Summary**

- 3.1 The papers for the meeting of the Committee held on 18 December 2019 were published on 10 December 2019 and are available on the TfL website: <https://tfl.gov.uk/corporate/publications-and-reports/programmes-and-investment-committee>

- 3.2 The main matters considered by the Committee were:

- (a) Crossrail Update;
- (b) Strategic Risk Update – Opening of the Elizabeth line (SR16);
- (c) Investment Programme Report – Quarter 2 2019/20;
- (d) Independent Investment Programme Advisory Group Quarterly Report;
- (e) TfL Project Assurance Update;
- (f) Use of Delegated Authority;
- (g) Air Quality Programme;
- (h) Emergency Services Network, 4G Pilot and Telecommunications Commercialisation Projects;
- (i) Barking Riverside Extension Update;
- (j) London Underground Power, Cooling and Energy; and

(k) London Underground Four Lines Modernisation Programme.

- 3.3 A summary of the items discussed and decisions taken at the meeting is provided below. The more detailed minutes of the meeting will be published ahead of the meeting of the Committee on 5 March 2020.

## **4 Issues Discussed**

### **Crossrail Update**

- 4.1 The Committee noted the paper, which provided an update on the status of the Crossrail project, and approved the changes proposed by Crossrail Limited (CRL) to the current Final Incentive Scheme.
- 4.2 Safety remained a high priority and the headline numbers on injuries was broadly similar to other high performing programmes, such as the 2012 Olympic and Paralympic Games. The number of high potential near misses would be closely monitored. There would also be a focus on ensuring that the move from engineering to operations did not affect CRL's efforts to pursue zero injuries, which would require clarity from all parties involved in the handover.
- 4.3 The Committee asked that TfL readiness for the Elizabeth line be included on the agenda for a future meeting.
- 4.4 The year had ended strongly and work on the tunnels was scheduled to be completed in early 2020. Pudding Mill Lane had been reenergised, which had meant the whole of the project was electrified. Paddington was scheduled to be personal protective equipment free at the end of January 2020.
- 4.5 The early part of the opening window was now not viable as the latest version of software would require further tweaks to ensure trial running could be undertaken safely.

### **Strategic Risk Update – Opening of the Elizabeth line (SR16)**

- 4.6 The Committee noted the paper, which provided an update on TfL's governance arrangements for the management of the pan-TfL Strategic Risk relating to opening the Elizabeth line.
- 4.7 The risk to the timely opening of the Elizabeth line (SR16) had been assessed against four impact categories: Health, Safety and Environment; Customers and Stakeholders; Finances; and Stakeholder Confidence.
- 4.8 Challenges had been identified in the handover process and in maintaining production across the programme as the projects complete the remaining work in parallel: finishing construction activities, completing testing and assurance requirements, and preparing for handover to the Infrastructure Managers.

- 4.9 The controls currently in place and the additional activities were considered adequate for the management and oversight of the risk of further delays to the opening of Elizabeth line services. Although challenges remained on the programme, the increased transparency and enhanced engagement between organisations would help TfL to plan and mitigate the effects of these events.

#### **Investment Programme Report – Quarter 2, 2019/20**

- 4.10 The Committee noted the paper, which set out the progress and performance in Quarter 2, 2019/20, on the major projects and sub-programmes.
- 4.11 The London Underground stations strategic milestone was red against its RAG (red, amber or green) status owing to the construction of the new station entrance and concourse at Tottenham Hale station; a new approach had been agreed and was reflected in the latest forecast.
- 4.12 Where the report referred to accessibility, greater clarity would be provided on what was meant, for example if it specifically referred to those with physical disabilities, neurological disorders or anything else that required accessible travel arrangements.
- 4.13 A note would be provided to Members on what protection was used to ensure the data that TfL held was secure, such as data encryption, in addition to security measures like firewalls.

#### **Independent Investment Programme Advisory Group Quarterly Report**

- 4.14 The Committee noted the paper, which provided an update on the work undertaken by the Independent Investment Programme Advisory Group (IIPAG) since the last meeting of the Committee.
- 4.15 There were no new recommendations since IIPAG's last report. IIPAG considered that TfL Project Assurance should define the minimum documentation requirements for Project Assurance Reviews and ensure that reviews only took place when these requirements were met. TfL was revising the terms of reference for Project Assurance Reviews to further clarify the documents which were to be made available.
- 4.16 There were a number of reoccurring issues found in the reviews undertaken: capability and resources; programme and portfolio management; cost and risk; schedule pressure; governance; and value for money, but it was noted that resource pressures had eased in some areas.
- 4.17 Work on the effectiveness of the first and second lines of defence project was nearly complete and a report was expected to be ready in 2020. The Fieldwork for Benchmarking review was nearing completion and the report was in preparation.

## **TfL Project Assurance Update**

- 4.18 The Committee noted the paper, which provided an update on project assurance work undertaken between 15 September 2019 and 29 November 2019.
- 4.19 The number of IIPAG recommendations that were overdue had increased at the time the paper was published but had since reduced to 30, as in the previous quarter, and most of the oldest recommendations had been closed out.
- 4.20 The number of critical issues agreed with project teams was likely to increase as the level of consistency of reporting had been increased and Project Assurance was working with Finance to ensure proper portfolio management.
- 4.21 Members stated that it was important business plans be updated to ensure they remained relevant and, where they changed substantially, approval be sought from the Committee.

## **Use of Delegated Authority**

- 4.22 The Committee noted the paper, which provided an update on the use of delegated authority by the Committee, through the use of Chair's Actions or of Procurement Authority and Programme and Project Authority, in respect of matters within the Committee's remit, granted by the Commissioner and the Chief Finance Officer.
- 4.23 Since the last meeting of the Committee, there had been no decisions taken by Chair's Action and no Mayoral Directions within the Committee's remit.
- 4.24 The Commissioner had approved Procurement Authority for one project, relating to Tottenham Hale Station Upgrade Programme Project, and the Chief Finance Office had approved Procurement Authority for three projects, relating to: Pitta cladding and saloon lighting for Crossrail stations; saloon lighting for 92TS for central line improvement programme (this had been incorrectly referred to as Crossrail stations in the cover paper but correct in the appendix); and Finsbury Park Step Free Access and Development works.

## **Air Quality Programme**

- 4.25 The Committee noted the paper and approved additional Programme and Project Authority for the period of 2019/20-2023/24 to continue to the delivery of the Air Quality Programme.
- 4.26 Members congratulated the project team for delivering against key milestones in 2019 and stated that, as air quality and lowering emissions moved higher up the social agenda, it was important that TfL be ambitious and lead the way globally.



- 4.27 New systems to enhance modelling of Ultra Low Emission Zone (ULEZ) compliance had been developed, which showed that the ULEZ area was now mostly compliant. Around 11 hotspots had been identified, which could now be targeted to ensure they were also compliant.

### **Emergency Services Network, 4G Pilot and Telecommunications Commercialisation Projects**

- 4.28 The Committee noted the paper, which provided an update on progress of: the Home Office funded Emergency Services Network (ESN) project; the Telecommunications Commercialisation Project (TCP); and the Public Cellular Network (PCN) Pilot and related enabling works.
- 4.29 Subject to Financial Authority being granted following approval of the Business Plan, the Committee approved Programme and Project Authority for a further extension of the ESN Phase 1 infrastructure installation works (subject to full grant funding from the Home Office being agreed for that additional scope through to the end of 2020/21) and an extension of the PCN enabling works.
- 4.30 As of November 2019, the extended ESN Phase 1 project has installed 325km of fibre optic cable and 370km of leaky feeder in the in-scope tunnels, which amounted to 421km of tunnels. The infrastructure for 4G had continued to be trialled.
- 4.31 A contract for the delivery and management of the PCN pilot service was signed in June 2019. The detailed design work for the PCN pilot, which covered all stations, platforms and tunnels between Westminster and the portal before Canning Town station, had been completed. TfL was working closely with all four mobile network operators to design and install their equipment at Canada Water.
- 4.32 On the TCP, TfL released an Invitation to Participate in Dialogue, in June 2019, to the four shortlisted tenderers. In July TfL reached agreement with the Home Office to formally align the ESN project with the TCP through dialogue to the next checkpoint in January 2020.

### **Barking Riverside Extension Update**

- 4.33 The Committee noted the paper, which provided an update on progress and issues associated with the Barking Riverside Extension (BRE) project.
- 4.34 A 16 day Network Rail blockade was completed in summer 2019, which had allowed the construction of a new ramp, piling for a new pier to support the viaduct to the new Barking Riverside station, and signalling and telecommunications work. Three hundred and thirty hours of consecutive work was completed during the blockade.
- 4.35 The Joint Venture's Social Value team was engaging regularly with local businesses, the community and Barking Riverside Limited (the developer) and TfL's Local Communities and Partnerships team.

- 4.36 The project had been challenged by the discovery of previously unidentified buried utility services, which required investigation and the diversion or removal of the conflict.
- 4.37 TfL was working with Barking Power Limited to ensure that their plans to migrate and consolidate their sites to the site adjacent to the BRE project did not pose a risk to the BRE Programme.

#### **London Underground Power, Cooling and Energy**

- 4.38 The Committee noted the paper, which provided an update on the Programmes achievements and planned delivery in 2020/21 and 2021/22, and approved additional Programme and Project Authority.
- 4.39 Since July 2018, 11 power projects had been delivered on the power asset renewals work bank, which had improved safety, legislative compliance and reliability.
- 4.40 Installation of a new fan at Bond Street station had been completed and feasibility studies for a new fan at Notting Hill Gate station had been concluded.
- 4.41 A feasibility assessment of a depot building at Acton had found the structure to be economically unsuitable for solar panel installation. Croydon Tramlink depot had been selected as the first site to progress with solar panel installation.
- 4.42 In 2020/21, the power asset renewals work bank would continue to prioritise the delivery of projects to ensure assets remain safe and compliant. The contract award for Supervisory Control and Data Acquisition (SCADA) systems would be completed. Design work for the replacement of the fan at Shepherd's Bush station would commence.

#### **London Underground Four Lines Modernisation**

- 4.43 The Committee noted the paper, which provided an update on progress of the delivery the London Underground Four Lines Modernisation Programme (4LM).
- 4.44 The Programme was on track to deliver journey time improvements in the central area in May 2021, however delivery and performance challenges meant that there was little spare margin in the Programme to achieve the original target dates.
- 4.45 In March 2019, the first section of the new signalling system was successfully implemented on the Circle and Hammersmith & City lines, and was extended in September 2019, with trains operating automatically on those sections of the route. There had since been a number of lengthy disruptions, which had been fewer in number of disruptions expected but longer in their duration.

- 4.46 Members stated that it was important that communication, particularly with front line staff, was effective, and customers received accurate and meaningful information.
- 4.47 Further Platform Train Interface improvements were planned at Baker Street. The feasibility of introducing a longer-term solution to reduce the gap between the train and platform had been accelerated.

**List of appendices to this report:**

None

**List of Background Papers:**

Papers submitted to the Programmes and Investment Committee on 18 December 2019

Contact Officer: Howard Carter, General Counsel  
Number: 020 3054 7832  
Email: [HowardCarter@tfl.gov.uk](mailto:HowardCarter@tfl.gov.uk)

[page left intentionally blank]