

**TRANSPORT FOR LONDON**  
**BOARD MEETING – OPEN SESSION**



**WEDNESDAY 24 OCTOBER 2007 AT 10.00am**

**COMMITTEE ROOMS 4-5, CITY HALL, THE QUEEN'S WALK, LONDON**

**AGENDA**

<b>Item</b>	<b>Sponsor</b>
1. Apologies for Absence and Declarations of Interest	-
2. Minutes of the Open Meeting held on 27 June 2007	-
3. Matters Arising and Actions List	-
<b>Business Items</b>	
4. The Commissioner's Report	Peter Hendy
5. Business Plan 2008/09 [TO FOLLOW]	Steve Allen
6. TfL Operational and Financial and Investment Programme Reports – First Quarter 2007/08	Steve Allen
7. Thames Gateway Bridge	Michèle Dix/ Malcolm Murray-Clark
8. Update on the Implementation of Section 17 of the Crime and Disorder Act	David Brown
9. Sustainable Freight Distribution – A Plan for London	David Brown
10. Proposed London Local Authorities and Transport for London Bill	Howard Carter
<b>Information Items</b>	
11. Reports from the Safety, Health and Environment Committees – 5 July 2007 and 6 September 2007	Dave Wetzel
12. Report from the Audit Committee – 12 September 2007	Judith Hunt
13. Reports from the Finance Committees – 14 September 2007 and 11 October 2007	Sir Mike Hodgkinson
14. Mayoral Direction – Public Information Campaigns	Howard Carter

- |     |   |               |
|-----|---|---------------|
| 15. | Mayoral Direction - Changes to Schemes Relating to Discounted and Free Travel | Howard Carter |
| 16. | Mayoral Direction - Reduction of Fares  | Howard Carter |
| 17. | London Overground Penalty Fares Order 2007                                    | Howard Carter |
| 18. | Any Other Business  | -             |

Date of Next Meeting: Thursday 6 December 2007

# Transport for London

## Minutes of the Open Board

Committee Rooms 4-5, City Hall, The Queen's Walk, London  
Wednesday, 27 June 2007, 10.00am

### Present

Ken Livingstone	Chair, Board Member
Dave Wetzel	Board Member
Stephen Glaister	Board Member
Kirsten Hearn	Board Member
Sir Mike Hodgkinson	Board Member
Judith Hunt	Board Member
Paul Moore	Board Member
Sir Gulam Noon	Board Member
Patrick O'Keeffe	Board Member
Dr Rana Roy	Board Member
Dabinderjit Singh Sidhu	Board Member

### In attendance

Peter Anderson	Board Adviser
Lord Toby Harris	Board Adviser
Bryan Heiser	Board Adviser
Murziline Parchment	Board Adviser
Lynn Sloman	Board Adviser

David Morris	Mayor's Senior Policy Adviser (Disability Issues) (42/06/07 to 49/06/07)
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### Staff

Steve Allen	MD, Finance
Maria Antoniou	Director, Group HR
David Brown	MD, Surface Transport
Ian Brown	MD, London Rail
Howard Carter	General Counsel
Stephen Critchley	Chief Finance Officer
Dick Hallé	Director of Strategy, Surface Transport
Mary Hardy	Director of Internal Audit
Peter Hendy	Commissioner
Ellen Howard	Director of Corporate Governance
Gareth John	Director of Legal and Compliance
Peter Lynch	Project Director, Victoria Station Upgrade Project, LUL
Nigel Marson	Interim MD, Marketing and Communications
Malcolm Murray-Clark	MD, Planning
Simon Nunn	Head of Project Development, LUL
Tim O'Toole	MD, London Underground
Peter Regan	Director of Corporate Finance
Sam Richards	Commissioner's Chief of Staff
Len Simkins	Head of Strategy and Planning, Public Carriage Office (42/06/07 to 51/06/07)

Ed Thompson  
Valerie Todd

Director, Public Carriage Office (42/06/07 to 51/06/07)  
MD, Group Services

**Secretariat**

Horatio Chishimba  
Jade Serafin  
James Varley

TfL Secretariat  
TfL Secretariat  
TfL Secretariat

**42/06/07 Apologies for Absence and Declaration of Interests**

Apologies for absence were received from Honor Chapman, Christopher Garnett, Shiria Khatun, Eva Lindholm and Tony West. No interests were declared.

**43/06/07 Minutes of the Previous Meeting held on 30 May 2007**

**The minutes of the previous meeting were approved and signed by the Chair as a correct record, subject to the following amendment being made:**

33/05/07: Operational, Financial and Investment Programme Reports: Last sentence under sub-heading 'London Rail' to read – "All but one of the contracts for the Olympics involving DLR including extensions and upgrades *have been let.*"

**44/06/07 Matters Arising and Actions List**

There were no other matters arising from the minutes of the previous meeting.

**The Board noted the table setting out the current status for each of the actions.**

**45/06/07 The Commissioner's Report**

The Commissioner introduced his report. He noted the success of the transport arrangements at both Wembley Stadium and at the O2 venue which dealt well with large numbers of late-night concert goers. This further demonstrates TfL's ability to facilitate large events as London prepares to host the Olympics.

He also reported that on 21 June Metronet had requested an Extraordinary Review of the BCV PPP contract.

The Commissioner said that the Mayor had announced a reduction in Oyster Pay-As-You-Go and the weekly bus pass. He confirmed that the cost of a weekly bus pass was being reduced from £14 to £13.

He said that a powered two-wheeler safety advertisement had won a Lion Award at the 2007 Cannes International Advertising Festival and that the TfL website had also won an award for the best central government website. He also informed the Board that Vernon Everitt had been appointed Managing Director, Marketing and Communications and will start with TfL in the autumn.

The Commissioner reported on his technical visit to Caracas and said that the cost of this trip had been very modest particularly given the value of the half price bus travel concession to Londoners on income support.

He also said that the RMT was proposing to ballot in relation to ill-health pension arrangements. The relevant decisions were matters for the Trustees of the Pension Fund not TfL

**The Board noted the Commissioner's report.**

#### **46/06/07 Annual Report and Accounts**

Stephen Critchley introduced the report which sought Board approval for the publication of TfL's 2006/07 Annual Report.

He proposed one change to reflect developments since the accounts were presented to the Audit Committee on 15 June 2007. The figure for '*Claims for Compensation*' under '*Provisions for liabilities and charges*' would be reduced. This, and any other change to reflect subsequent events, would be made prior to the Auditors signing their Audit Opinion.

**[Action: Stephen Critchley]**

Board members discussed the need for the Annual Report to refer to TfL's achievements on equality issues and the need for a short highlights document to be made available to stakeholders. Nigel Marson confirmed that he was producing a summary eight-page version. It was agreed that the numbers of copies requested and accessed via the website will be monitored.

**[Action: Nigel Marson]**

**The Board:**

- 1. Approved the 2006/07 Annual Report;**
- 2. Noted that the foreword from the Mayor would be added prior to publication;**
- 3. Delegated authority to the Managing Director of Marketing and Communications to make final changes to the Annual Report; and**
- 4. Approved the Statement of Accounts and Agreed that the Chief Finance Officer would make any final adjustments prior to the auditors signing their opinion. Should any changes be required to the Statement of Accounts which, in the opinion of the Chief Finance Officer, are material, he would seek the approval of the Board to these changes.**

#### **47/06/07 Victoria Station Upgrade**

Tim O'Toole introduced the report and presentation which sought Board approval for London Underground to submit an application for a Transport and Works Act Order for the proposed upgrade of Victoria Station. This project was essential to relieve congestion at the station and is separate from the Victoria Transport Interchange project which was a commercially led scheme promoted by Land Securities.

It was noted that the matter had been discussed at the Finance Committee and that a paper identifying possible mechanisms for TfL to obtain financial contributions for its projects would be taken to that Committee.

[Action: Steve Allen]

**The Board:**

1. **Noted the content of the paper and presentation;**
2. **Approved the submission by LUL of an application for a Transport and Works Act Order in respect of the proposed upgrade of Victoria station, subject to:**
  - a) **the Managing Director, London Underground agreeing the details of the final scheme; and**
  - b) **the consent of the Mayor, and**
3. **Delegated authority to the Managing Director, London Underground to:**
  - a) **agree the final terms of the application for an Order under the Transport and Works Act for the Scheme; and**
  - b) **do all such further things as may be required in order to submit the application and achieve an Order under the Transport and Works Act and any related planning direction (including, without limitation, entering into agreements with objectors and acquiring third party land or interests in land).**

**48/06/07 Archway Station Upgrade**

Tim O'Toole introduced the report and presentation which sought Board approval for London Underground to submit an application for a Transport and Works Act Order in respect of the proposed step-free access project at Archway station.

The Board discussed the public realm around the station and noted that the area was subject to a wider regeneration proposal by the London Borough of Islington. Tim O'Toole undertook to provide a copy of the wider proposal to Lord Toby Harris.

[Action: Tim O'Toole]

**The Board:**

1. **Noted the content of the paper and presentation;**
2. **Approved the submission by LUL of an application under the Transport and Works Act for powers, including compulsory acquisition of land and other property rights, to undertake a scheme for provision of step-free access at Archway station, subject to the consent of the Mayor;**
3. **Delegated authority to the Managing Director London Underground to:**
  - a) **agree the final terms of the application (including the land and interests to be subject to compulsory purchase) for the Order under the Transport and Works Act for the scheme;**

- b) **do all such further things and sign and/or seal such further documents, agreements or notices as are required in connection with the submission of the application for an Order under the Transport and Works Act for the scheme;**
- c) **do all such further things and take all relevant action thereon to promote the making of the Order for the scheme, including responding to any objections to the scheme or in connection with responding to any public inquiry that may be held in relation to the scheme; and**
- d) **do all such further things necessary to implement the powers and to undertake the step-free access scheme at Archway station, in the event that the Order is made.**

#### **49/06/07 Door to Door Review**

David Brown withdrew the proposed paper and instead focused on the key principles of the Door to Door strategy. He said that the overall aim was to create an integrated London-wide service with consistent minimum service standards in terms of, for instance, eligibility, entitlement and access across London. The proposed new service would use a combination of taxi, private hire vehicle and multi-occupancy vehicles and would be organised by Transport for London.

The existing Dial-a-Ride operation would be changed to ensure that the service can effectively meet the needs and aspirations of those people who wish to travel in multi-occupancy vehicles on regular journeys, journeys booked in advance and group bookings. This will require reviewing the Dial-a-Ride operation; a process which will begin now in advance of the full package of changes to deliver other improvements. There would be no compulsory redundancies of staff.

David Brown said that TfL proposes that greater access will be provided, where appropriate, to private hire or taxi trips in order to provide a better quality of service for those areas of London which are poorly served by Taxicard and Dial-a-Ride.

He proposed that fares for journeys on assisted public transport would be equivalent to, and based on, the structure of mainstream public transport fares, and future fare changes linked to those for mainstream public transport fares. Consideration would also be given to discounted fares for pre-booked journeys. He proposed that there would be no increases in current average fares for users as a result of the changes – the average door-to-door passenger would benefit from more trips, on a more flexible service, for no more than the same average cost as now.

He proposed that individual travel budgets and numbers of trips will mirror existing usage. However, entitlement would be kept under review and adjusted as the service budget allows. Individual travel budgets would be allocated in a way that provides flexibility to service users.

Proposals for a new travel advice and support service would be developed in partnership with disabled and deaf Londoners, with the aim of maximising disabled and older people's travel options. The service should also deliver an effective way of supporting people in using accessible mainstream public transport where possible.

This concept would be developed through an early pilot project.

In discussion, it was noted that there had been considerable investment in Door to Door services under the auspices of the Mayor. The budget in 2001 was £14m and there is now funding for up to £48m. Similarly, TfL's investment in the London Council's Taxicard scheme has risen from £1m in 2001 to £12m in 2007/8 whilst the London Council's contribution had remained static. It is proposed that the TfL element would be used in the new TfL service. It was also noted that the net costs of the service would need to be managed within the context of the overall Budget and Business Planning framework, which the Board will be discussing in the autumn.

David Morris informed the Board that disabled people in London will welcome these principles and after five years of review there is an expectation of some immediate improvement in the service. Bryan Heiser expressed a strong view that there should be no increase in fares for any user. Paul Moore objected to the concept of rationing the service and Dave Wetzel said that ultimately the aim should be for free travel for those with Freedom passes.

The Board discussed the opportunity for some immediate improvement in the service including arrangements with PHV companies, the proposed fares structure, TfL's budget and planning process and the possibility of a staged introduction.

The Chair said that he hoped that revisions to the service could be operational by summer 2008. He noted that improvements in technology will facilitate private hire vehicles providing a quick, cost effective service to Londoners who need it. This could not be achieved on a borough by borough basis.

TfL will now consult key stakeholders on the detail of these proposals and report back to the Board as soon as possible. The Chair informed the Board that London Councils, who had requested that its views be brought to the Board's attention and to speak to the meeting, will be further consulted as part of this process.

**The Board agreed the principles for the provision of the Door to Door service.**

#### **50/06/07 Taxi and Private Hire Vehicle Licensing Inspections**

David Brown introduced the paper which reported on the scheduled and ad hoc inspections of taxis and private hire vehicles licensed by the Public Carriage Office. He noted that the standards were set to ensure the safety of passengers and that equipment such as wheelchair ramps were operating correctly. The introduction of mid year inspections should improve the pass rates.

The Commissioner said that the failure rates of vehicles outlined in the paper needed to be compared with that of buses where over 98 percent passed their first inspection.

The Chair asked about the priorities of the Transport Operational Command Unit and requested a paper on the work of that Unit. **[Action: David Brown]**

**The Board:**

- 1. Noted the strategic approach that the PCO is taking in respect of taxi and**



**private hire compliance; and**

- 2. Noted the contribution that this will have towards maintaining safe taxi and private hire services for the travelling public in line with legal requirements.**

#### **51/06/07 Taxi and Private Hire Vehicle Licensing Fees**

David Brown introduced the report which sought approval from the Board for changes in July 2007 to taxi and private hire licence fees.

The principle behind the fee setting was to reflect the cost in carrying out each activity by the PCO, without cross subsidisation from one licensed activity to another. The Board confirmed its support of this principle but asked for greater transparency in relation to the costs of each activity in the future. Board Members also requested details as to what steps were being taken to ensure that the impact of such costs on particular groups was being mitigated so that the fees did not operate to dissuade them from entering the industry. It was agreed that this information, and the licensing fees and taxi fares proposals, would in future be provided to the Surface Advisory Panel at the appropriate time prior to it coming to the Board for approval.

The Chair requested further information about the difference between the licence fee for a taxi driver and that of a PHV driver. This would be provided at the Surface Advisory Panel.

**[Action: David Brown]**

The Board discussed the fees that were proposed for Private Hire Operators and in particular the definition of a Small Operator. The Chair instructed that these proposals be revisited and brought to a future Board meeting.

**[Action: David Brown]**

#### **The Board:**

- 1. Approved the intended changes to taxi and taxi driver licence fees, items 1-14 in paragraph 4.1.1 of the report, with effect from Monday 2 July 2007; and**
- 2. Noted that further proposals in relation to Private Hire Operator fees, items 15-19 in paragraph 4.1.1 of the report, would be brought to a future board meeting.**

#### **52/06/07 Best Value Performance Plan**

Stephen Critchley introduced the report and Performance Plan which TfL is required to publish by 30 June each year. He said that it had been considered by the Finance Committee and that this would be the last year of Best Value Performance Indicators as they were being replaced by a smaller list of government-set performance indicators.

#### **The Board:**

- 1. Approved the contents of the Annex to the 2007/08 – 2009/10 business plan**

to form the overall 2006/07 BVPP; and

2. **Delegated authority to the Managing Director, Finance to make any changes prior to publication.**

**53/06/07    Direction in relation to Bus Fares**

Howard Carter introduced the report which informed the Board of a Direction from the Mayor to TfL regarding the reduction of Oyster Pay-As-You-Go single fares on buses and trams and the cost of weekly bus passes from 30 September 2007.

**The Board noted the receipt of the Direction from the Mayor.**

**54/06/07    Report from the Finance Committee**

Sir Mike Hodgkinson introduced the paper which reported on matters discussed at the Finance Committee meeting held on 7 June 2007.

**The Board noted the content of the report.**

**55/06/07    Report from the Audit Committee**

Judith Hunt introduced the paper which reported on matters discussed at the Audit Committee meeting held on 15 June 2007.

The Board was informed that a training session for Audit Committee members would be held on 12 September after the scheduled Audit Committee meeting. An invitation to this session had been extended to all Board Members and Advisers.

Judith Hunt also reported that she had that day been advised by TfL's auditors that audit work in relation to the accounts had been concluded and that they intend to issue an unqualified audit report.

**The Board noted the content of the report.**

**56/06/07    Any Other Business**

There being no further business the meeting closed.

Signed by the Chair: \_\_\_\_\_

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

**BOARD MEETING - 24 OCTOBER 2007  
OPEN SESSION ACTIONS LIST**

**Actions from the Last Meeting**

<b>Minute No.</b>	<b>Item/Description</b>	<b>Action By</b>	<b>Target Date</b>	<b>Status/ note</b>
46/06/07	<u>Annual Report and Accounts</u> Take account of any subsequent events in the accounts to be signed off by the Auditors.	Stephen Critchley	-	Completed. Accounts signed on 9/7/07.
46/06/07	<u>Annual Report and Accounts</u> Numbers of annual reports ordered and accessed via web site to be monitored.	Vernon Everitt	-	Since the 2006/07 report was published on the TfL website in July, 1,337 copies have been downloaded. If this progress continues over the rest of the year, we would expect to see around 5,000 downloads of the report. This would be a considerable increase on the 3,516 downloads in 2005/06.
47/06/07	<u>Victoria Station Upgrade:</u> Paper identifying possible mechanisms for TfL to obtain financial contributions for projects to go to the Finance Committee.	Steve Allen	-	Completed – went to 11 October Finance Committee.
48/06/07	<u>Archway Station Upgrade</u> Copy of the wider regeneration proposals for the area to be forwarded to Lord Toby Harris.	Tim O'Toole	-	Completed.
50/06/07	<u>Taxi and Private Hire Vehicle Licensing Inspections</u> Briefing to be provided for the Mayor on the work and priorities of TOCU.	David Brown	-	To be prepared.
51/06/07	<u>Taxi and Private Hire Vehicle Licensing Fees</u> Information on the differences between the fees for taxi and PHV drivers to be provided to the Surface Advisory Panel.	David Brown	6/11/07	Scheduled for next Surface Advisory Panel.

51/06/07	<u>Taxi and Private Hire Vehicle Licensing Fees</u> Fees for private hire operators, and in particular the definition of a small operator, to be considered at a future meeting.	David Brown	Feb 08	Scheduled for February 2008 Board.
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### **Actions from Previous Meetings**

<b>Minute No.</b>	<b>Item/Description</b>	<b>Action By:</b>	<b>Target Date</b>	<b>Status/ note:</b>
32/05/07	<u>Commissioner's Report</u> Annual document on travel statistics to be made available to Board members.	Michèle Dix	-	Completed
35/05/07	<u>TfL's Community Safety Plan</u> A report to be presented to a future Board on the issue of the perception of crime.	David Brown	-	To be scheduled.

**TRANSPORT FOR LONDON**

**BOARD**

**SUBJECT: THE COMMISSIONER'S REPORT**

**MEETING DATE: 24 OCTOBER 2007**

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**1. PURPOSE**

This report provides an overview of major issues and developments since the Board meeting on 27 June and updates the Board on significant projects and initiatives.

**2. CROSSRAIL**

The Prime Minister gave the formal go-ahead for Crossrail on the morning of 5 October. This was announced at a meeting involving the Mayor, the Secretary of State for Transport, the Commissioner and senior colleagues from TfL, the Crossrail team and representatives of London business. TfL's Transport 2025 report published last year highlighted Crossrail as the single most important project required by London to increase capacity and help meet the future demand for transport. Crossrail will be Europe's largest civil engineering project, providing a state-of-the-art, modern, quick and reliable railway passing through central London. Scheduled to open in 2017, Crossrail will provide an increase of ten per cent in London's public transport capacity. Cross London Rail Links, the Crossrail delivery company, will become a wholly-owned subsidiary of TfL following Royal Assent of the Crossrail Hybrid Bill. Once it is built, Crossrail will be a TfL service, under a TfL-let concession.

**3. MODAL OPERATIONS**

**3.1 Surface Transport**

**Tour de France – Le Grand Depart**

TfL coordinated the start of the 2007 Tour de France in London over the weekend of 6 to 8 July. The event produced the largest ever audience for a sporting event in the Capital, with over 2 million people on each of the two days lining the streets. The event was hailed as a massive success by the media, spectators, the race organisers and the Mayor. Media coverage was unprecedented and overwhelmingly positive towards the Tour, the UK and London as the host of the event. There was much recognition of London's ability to hold a successful event, and a strong presence of messages relating to TfL's promotion of cycling. The Mayor has indicated his desire for the Tour to return to London. The race organisers also look likely to agree to a stage or more before 2012 and another Grand Depart after the Olympics.

### **Westminster Bridge**

On 23 August, the last of 14 restored cast iron fascias was lifted back onto Westminster Bridge, marking the end of a significant phase in the refurbishment and restoration of the bridge. The restoration of the fascias, including the spandrels and shields, began in 2003 and was part of TfL's Investment Programme. TfL, its contractor, designer and consultant, were awarded a Highly Commended at the Institute of Civil Engineers (ICE) London Region Merit Awards on 11 October. Throughout the work the bridge and river remained open for all users and work was conducted from a 35 metre floating crane from the river. This ground breaking method of working was one of the elements of the project recognised at the ICE Merit Awards.

### **Bus and Light Rail Statistics Great Britain: April – June 2007**

The Department for Transport (DfT) index for bus and light rail journeys in England has shown an increase in journeys within London during the 1st quarter. This compares to a drop in journeys outside London. In addition TfL achieved an increase in overall passenger satisfaction over the last quarter and achieved the highest ever index score for satisfaction with bus stop information. The index shows the continued growth in bus use in England, driven by the increases in London.

### **Private Hire Vehicle Signs**

TfL has been working on legislation to allow private hire vehicles to pickup and drop off pre-booked passengers on the Transport for London Road Network, the 'Red Routes'. The TfL Board passed, by written resolution, amendments allowing additional signs, to be approved by TfL, for display on private hire vehicles. The additional signs are required to allow identification of private hire vehicles by enforcement officers and CCTV cameras when stopping on Red Routes. Amendments to the traffic orders to allow private hire vehicles to stop on Red Routes have also been made.

### **GreenFleet Awards**

TfL won the GreenFleet public sector innovation award for tackling climate change, local air pollution and noise through the rapid introduction of cleaner and quieter hybrid buses. Colin Boyton, GreenFleet Events Manager, said: "This award recognises the significant steps London Buses has made towards reducing carbon emissions from the Capital's bus fleet - no other EU public transport authority has announced such an ambitious hybrid bus programme." As the vehicles use an electric motor to assist the engine and can capture energy from the braking action, they use 30-40% less diesel, reducing the CO2 emissions compared to a conventional vehicle. The award which pioneers advances in environmental transport and green fleet management was presented on 6 September.

### **Bus Network Accessibility – Comparison Paris/London**

In response to a previous question at the Board, TfL is committed to providing disabled access to public transport in London, and continues to lead world cities, such as Paris. The London bus fleet became 100% low-floor wheelchair accessible at the end of December 2005. The bus fleet in Paris is currently made up of 80 to 90% low-floor wheelchair-accessible vehicles. The RATP anticipates achieving 100% accessibility in the calendar years of 2008/2009 - up to three years later. A survey is currently being carried out into the degree of accessibility of London's bus

stops, which will allow comparison to those on some routes in Central Paris, which are accessible, and those on other routes in the suburbs, which are not. This will be reported to the Board when it is complete and analysed. Meanwhile the MD Surface Transport is meeting with Board members to discuss the issue.

### **Highways Maintenance and Works (HMW) Contract Report**

The Board requested feedback on first quarter performance of the new term contractors. Initial mobilisation culminated in a seamless and incident-free handover from the outgoing contractors and stewards to the incoming three new contractors on the night of 31 March/1 April 2007. Some concerns had been expressed as to the quality of the tender submission of one contractor. However, to date, performance is both comparable and satisfactory across the three contract areas with a good level of compliance by all contractors against most targets. Performance has been measured by contractual Service Performance Indicators (SPI) and evaluated through independent audit and reviews by Senior Management Contract Boards.

The immediate focus has been on the development of an effective maintenance service, ensuring the operational safety of the network. Nevertheless, all contractors now also have well-developed action plans to implement Equality and Diversity, and Environmental and Sustainability agenda objectives and good progress is being made. A formal review of this activity will form part of the first bi-annual Service Delivery Audit due to report in the Autumn. All three HMW contractors are operating a number of hybrid and electric powered vehicles, reducing their carbon emissions and contributing to a greener, cleaner capital city.

### **Tramlink – Phipps Bridge Incident**

The Rail Accident Investigation Branch published its report on the second derailment at Phipps Bridge on 8 August 2007. The derailment was caused by a driver not observing the 'points not correctly set' on the points position indicator and driving over the points in this condition. The points reset themselves to the correct position when the tram had travelled part way over them resulting in sections of the tram going in two different directions and derailing. This is similar to the derailment of 21 October 2005. The recommendations from the report are that: Tramtrack Croydon Limited (TCL) should demonstrate they have overhauled the arrangements for investigating and rectifying faults on the points mechanisms; and that Tram Operations Limited should review the driver training programme. The report highlights management deficiencies within the PFI organisation which mirror concerns raised by both TfL and the Mayor in the past. TCL's management will need to address these issues and to ensure that the risk of further incidents such as this is minimised.

### **Traffic Radio Service Launch**

The London Traffic Radio Service went live on digital radio and online on 21 August 2007. The service is a joint collaboration between the Highways Agency and TfL. It will provide real time details of road works, streetworks, public events, accidents and incidents that may affect road journeys, allowing road users to make informed decisions about their mode of travel and routes they choose. The service is available online at [www.trafficradio.org.uk](http://www.trafficradio.org.uk) or on 'Traffic Radio' on Digital Audio Broadcast.

## **Door to Door**

On 8 October 2007 the Mayor announced that fares for older and disabled Londoners using the Dial-a-Ride door-to-door service would be scrapped. The move will benefit around 50,000 Londoners who currently pay to take 1.2 million journeys a year. This initiative was launched at the Disability Capital event where TfL displayed the mock up of the new Victoria line rolling stock that will come into service in 2008. Additional, interactive stands provided further insight into services by TfL for older and disabled customers.

Following a series of discussions with key stakeholder (including GLA and TfL Board disability policy advisors), progress on the review of Door to Door services is focused on completing plans for the transition from current state to full implementation of the new door to door service, and the funding requirement for this phased approach. The review will continue to actively engage with stakeholders over the next few months as these plans are finalised.

## **Freewheel**

On Sunday, 23 September, in excess of 38,000 cyclists took part in Hovis London Freewheel on a 14km route free of other traffic. Many riders cycled in from across London from six 'Freewheel Hubs' – local gathering points - being guided by more experienced cyclists. It is hoped that the Hovis London Freewheel will encourage more Londoners to cycle in the capital especially those who have a bike but use it infrequently. The number of cyclists on London's major roads has grown by 83% over the past seven years. It is estimated that 40% of Londoners have access to a bike, but only five per cent use one regularly.

## **Capital Roads Traffic Enforcement**

Transport for London has published its second annual report on the impact of parking and traffic enforcement on the capital's Red Route network. The report shows that the combination of traffic wardens and CCTV enforcement has been particularly effective in reducing the number of motorists willing to break the rules. Compliance with parking and traffic regulations has improved by up to 35%. Illegal parking, the blocking of yellow box junctions and the making of banned turns on the Transport for London Road Network have all reduced over the past year.

## **Road Casualty Figures**

The road safety figures for 2006 have been released and show that road casualties in London are at their lowest level since records began in 1980. The number of people slightly injured on London's roads in 2006 fell by 34% compared with similar injuries in the mid to late 1990s. This means London's road casualty reductions have now exceeded both the Government's national target of a 10% reduction in such injuries by 2010 and the Mayor of London's higher target of a 25 per cent reduction during the same period.

The figures, released by the London Road Safety Unit, also show that, although there was a disappointing increase from the 2005 level, in 2006 there was a 41% reduction in the number of people killed or seriously injured on the Capital's roads, compared with the Government's road safety baseline (the average yearly number of people killed or seriously injured between 1994 and 1998). The number of children killed or seriously injured has been cut by 58% below the baseline, the number of cyclists



killed or seriously injured has been reduced by 31% and the number of pedestrians killed or seriously injured has fallen by 39%.

### **Bus safety**

The recent death in east London in an incident involving an articulated buses has raised bus safety issues. Articulated buses are no less safe than other bus types. Variations between incident rates across the network are related to the type of route rather than the type of bus. Accident rates for passengers are in fact lower on Artics than equivalent double-deck routes in Central London, and there have been no fatalities involving cyclists. Rates for collisions with other vehicles are related to the nature of the route not the vehicle type. Of the 25 routes with the highest rate of collisions per mile operated, only four use articulated buses.

### **Reduction in Oyster Pay As You Go and Weekly Oyster Pay As You Go Bus Fares**

The Mayor announced that from 1 October Oyster pay as you go bus and tram fares would be cut to 90 pence, and a weekly pass would be reduced from £14 to £13. This means that passengers that use Oyster will now have some of the lowest bus fares in the country. The full cost of the fares reductions is estimated to be just under £20 million in the current financial year, up to the beginning of April 2008, and approximately £36 million in a full financial year. 1.3 million people will benefit from the reduction in pay as you go fares and 300,000 from the reduction in the weekly bus pass.

### **Blackwall Tunnel Traffic Flow**

Since the cessation, on safety grounds, directed by the Metropolitan Police Service, of the tidal flow arrangements in the Blackwall Tunnel, TfL has been continuing traffic analysis. The most recent analysis of the traffic data for Blackwall Tunnel and the surrounding area indicates that journey times are now very similar to those experienced when the tidal flow was under operation. The lengths of queues however remain slightly longer.

### **TfL's First ASBO Order**

On 12 September 2007 Transport for London was successful in securing its first Anti-Social Behaviour Order (ASBO) against a persistent bus graffiti vandal. The offender is now banned from the top deck of any public transport bus in England and Wales. The ASBO is valid for three years and any breach of its terms could be punishable by imprisonment of up to five years. The key message from the Transport Policing Enforcement Directorate (TPED), who lead on all ASBO cases in TfL is the importance of partnership working. Great care is taken when selecting potential Orders. Full consultation with partners, such as the Local Authority and the Police, is vital regarding the suitability and the options which could be considered to reduce the anti-social behaviour.

### **Bus Related Crime**

Crime continues to fall on the bus network both in real terms and in the rate per passenger. In 2006/7 crime on and around the bus network reduced 2.8% compared to the previous year, and the rate of crime per million passengers reduced by 6.5%. In 2006/7 there were only 19 crimes per million passenger journeys. This compares to 17 crimes per million passengers on the London Underground and Docklands

Light Rail network which also saw a 2.1% reduction in crime levels between 2005/6 and 2006/7. The first quarter results for 2007/8 show that this reduction is being sustained and that crime is continuing to fall on the network.

### **Hybrid Buses**

There are six single-deck hybrid vehicles on route 360, running from Elephant and Castle to Kensington, and one double-deck hybrid bus running on Route 141 from Palmers Green to London Bridge Station. The new hybrid programme will see 56 hybrid buses in service by December 2008 from a variety of manufacturers, which will be evaluated for operational and environmental performance. Commercial proposals have been received for batches of single and double-deck vehicles, and 3 contracts have now been finalised. Discussions continue with all other major bus suppliers to encourage further batches of trial vehicles. A hybrid bus evaluation committee has been established with the bus operators to assess vehicle performance and best practice during the programme.

## **3.2 London Underground**

### **Metronet**

LU continues to monitor the activities of Metronet. Engineers are stepping up their monitoring activities, as confidence levels need to be maintained. Ernst & Young have introduced additional scrutiny over financial control. A separate Finance Committee meeting will be held before on 23 October to go through the proposed bid to take Metronet out of administration.

The loan to the Administrator was made under the State Aid regime for companies in difficulty and a "restructuring plan" now has to be provided to the European Commission which describes how TfL will reorganise the contracts, introduce competition and make them more efficient. Work is under way with DfT to prepare papers to submit to the Commission, starting with a "non-paper" next week to elicit the Commission's early views.

The Arbiter issued his "initial thoughts on Metronet Extraordinary Review" as expected on 21 September. The report stated that the Arbiter considered that there would be a range of between £140m and £470m of net adverse effects for Metronet BCV (out of a total of £992m claimed) and for Metronet SSL, a range of between £230m and £600m out of a total of £1150m shown in their latest financial model. He recognised that there was no Extraordinary Review in process for Metronet SSL. The revised timetable for the Metronet BCV Extraordinary Review is that draft directions on net adverse effects will be published on 12 November and a final direction on Infrastructure Service Charge changes will be issued on 18 January. TfL does not believe that pursuit of the Extraordinary Review is of any benefit at this time, given that the company is now in Administration. The priority of management should be on ensuring that there is a swift exit from Administration in order to stabilise the operational maintenance and move forward on the investment programme. The Arbiter has been advised of this but in the meantime his questions are being responded to so that this exercise can be completed as soon as practicable.

### **Customer Demand**

High year-on-year growth has continued. A new record demand for a Saturday of more than 3 million journeys was established on 7 July when large crowds were attracted to London by the Tour de France Prologue and the Live Earth concert at Wembley. Fares revenue for the week ended on that day was also a new record, exceeding £31 million for the first time.

### **Central Line Derailment**

Shortly after 09:00 hrs on the morning of Thursday 5 July a westbound Central line train struck an obstruction in the tunnel between Mile End and Bethnal Green stations. The three leading bogies were derailed. Of a total of 520 customers who were detrained from the incident train, 20 suffered injuries including 8 who were sent to hospital. The train, track and signalling equipment all suffered damage and services on the line remained suspended between Leytonstone and Liverpool Street until the morning of Saturday 7 July. The incident was caused by material that had become dislodged from its licensed storage position in a tunnel cross passage. There is no evidence that the driving of the train, the state of the train, the signalling system or the track contributed to the derailment. An Emergency Direction and an Engineering Regulatory Notice have been served on Metronet BCV in relation to storage of materials on site. This follows repeated demands by LU over the past year for greater vigilance on the part of all three infracos with regard to storage practices.

### **Piccadilly Line Extension to Heathrow Terminal 5**

On 18 July the Piccadilly line extension to Heathrow Terminal 5 was handed over by BAA to London Underground to start trial operations, on time and on budget. Train running trial operations have been completed successfully, and station trial operations are planned for December. The next key project deliverable is the start of timetable operations in January 2008 in preparation for station opening in March.

### **Flooding**

Extreme weather on Friday 20 July saw parts of London receive in one day more than the average monthly July rainfall. This caused numerous station closures due to back flooding from the London main drainage system affecting the network at a number of locations, and some train service suspensions as waterlogged tracks affected the operation of signalling systems.

### **Accessibility**

At the beginning of August London Underground launched its 'Towards an Accessible Tube' consultation document, describing progress that has been made so far towards becoming fully accessible, and setting out plans and priorities for the future. The document specifically invites comments on LU's proposals for an expanded step-free programme beyond the existing plans to have one third of the network step free by 2013, and on what kind of stations LU should concentrate. It is available in a range of alternative formats, either in hardcopy from the Underground Customer Service Centre or from the TfL website. The consultation runs until 31 December. Following commissioning of two new lifts at Morden station in June there are now 48 stations served by LU that provide step-free access from street to platform.

## **Customer Safety and Security**

Figures released by the British Transport Police (BTP) show that in 2006/07 crimes on the Underground and Docklands Light Railway went down by 2.1% despite passenger numbers rising by some 5%. There were fewer robberies and fewer violent crimes on the network, as well as a substantial reduction in anti-social behaviour. LU continues to invest in measures to improve customer safety and security. The number of CCTV cameras on the Underground will rise to some 12,000 over the next four to five years as part of the ongoing station modernisation programme, and facilities will be upgraded to permit recording of high quality digital images to hard drive. In addition, information points are being installed at every station as it undergoes refurbishment, giving passengers and staff contact with the station supervisor's office at the touch of a button. If there is no member of staff in the station control room the information point will automatically connect to the 999 emergency services help line.

## **Metronet Strike**

RMT members employed by Metronet commenced what was initially planned to be a 72-hour strike from 18:00 on Monday 3 September, despite having been given assurances by the Mayor and the Administrator and management of Metronet there will be no job cuts or transfers as a result of the collapse of Metronet and no loss of pensions now or at any time in the future. Services on the 9 lines for which Metronet are responsible began to be gradually reduced from around 15:00 and were all advertised as suspended by 18:10. No services ran on these lines on Tuesday 4 September. There was also some disruption to the Piccadilly line which runs over Metronet infrastructure between Rayners Lane and Uxbridge and between Barons Court and Acton Town.

Following lengthy talks the union suspended its strike action late on Tuesday night, but disruption continued through Wednesday 5 September as the maintenance and safety checks necessary to guarantee passenger safety meant that services could not be restored immediately. The BCV lines were able to begin limited operations in time for the morning peak but it was not until midday that restoration of services to the Sub Surface lines was able to commence.

The strike is estimated to have added 1½ minutes to excess journey time for the 4-week period 6 and to have caused the loss of some 244,000 train kilometres, equivalent to 4.3% of the period's schedule. Lost Customer Hours (LCH) due to the strike over the three affected days totalled some 2.8 million and if Metronet accept contractual attribution for the full amount then the Infrastructure Service Charge payments that LU make to them will be reduced by approximately £25 million.

## **Advanced Fare Machines**

The upgrade of 350 Few Fare Machines (FFM) into Advanced Fare Machines (AFM) began on Sunday 7 October. Since the introduction of Oyster and the simplification of the fare structure, FFM usage has been reduced considerably. AFMs work like small multi-fare machines, offering both Oyster and magnetic tickets. They accept credit/debit cards and coins only, but do not give change. AFM is seen as key to increasing oyster availability on machines, thus mitigating queuing and supporting LU's ticketing strategy. To meet Accessibility requirements, the coin slot, ticket bowl, screen, and bankcard key pad have all been lowered, making the AFM LU's first

wholly inclusive Passenger Operated Machine. Roll-out of the new machines has been prioritised to stations with high queue demand and those where there are restricted or no ticket offices. The first 100 AFMs are planned to be installed by the end of January 2008 with the rest of the programme completed by the end of April.

### **Customer Satisfaction**

Although one point down from the previous quarter, LU's overall Customer Satisfaction Score for the second quarter of 2007-08 was much better than in the second quarter of last year when there was a larger than usual seasonal decline. There have been particularly encouraging year on year improvements in scores for public address and train driver announcements, and for station staff availability. Following a good quarter 1 result the overall evaluation for the year to date remains on target at 78.

## **3.3 London Rail**

### **DLR Performance**

Service performance on the DLR remains good with all performance and asset availability KPI's at or above contracted targets. The first major possession for the 3-car upgrade, one of over 50 during the next three years, is due in mid October 2007 and marks the start of a period which will challenge continued achievement of these high standards.

### **London City Airport Extension Monitoring Report Year One**

DLR has undertaken research into the first full year of operation of the City Airport extension as part of a 3-year monitoring programme. It has highlighted that DLR is carrying in the order of 48% of airport passengers with the main shift from car, taxi and shuttle bus leading to significant savings in CO2 emissions.

### **National Rail in London - High Level Output Specification (HLOS) and Regulatory Review for Control Period 4 (CP4)**

The 2007 Railway White Paper sets out the Government's strategic requirements for the next 30 years and specific measurable industry outputs for the rail industry which it intends to fund in the next control period 2009-2014. TfL London Rail has worked closely with DfT and Network Rail and has provided much of the case for enhancing the capacity of London's rail network to meet the London Plan forecast increases in population and employment.

The estimated expenditure of £5.5 billion investment for London will deliver: capacity sufficient to meet forecast demand in 2014 (30% more than now); a reliability of 93% (currently around 90%) plus a 20% improvement in significant lateness; and a 3% reduction in safety risk.

The DfT proposed options for London for Network Rail to deliver within the financial settlement are:

- Thameslink 2000 (funding committed in full but Phase 1 only in CP4)
- South Eastern platforms lengthened to 12 car
- Southern suburban platforms lengthened to 10 car on some routes
- South West Train suburban platforms lengthened to 10 car

- C2C Tilbury loop platforms extended to 12 cars
- First Great Western suburban services to be 7 cars from Reading 6 cars from Slough
- Chingford, Enfield and Cheshunt services extended to 9 car
- Seven additional peak services to Southend and Colchester
- More 12 car trains on Great Northern, West Anglia and Silverlink County services
- 1300 more rail carriages of which 80% will serve London

The White Paper includes discussion on greater devolution to urban regions, a “Strategic Freight Network”, fare simplification, travel planning and sustainability.

The next step in the regulatory review will be the submission of Network Rail’s Strategic Business Plan to the Office of Rail Regulation (ORR) for consideration and assessment against funds available. The submission is scheduled for 31 October and TfL will expect to see not only those outputs for London that the DfT has already indicated that it will purchase from the rail industry as part of HLOS, but also reference to the emerging North London Railway infrastructure programme. TfL will be preparing a response to the ORR’s planned consultation on this plan.

The ORR has already indicated that it intends to strengthen Network Rail’s output targets for CP4 and these will be closely aligned to the HLOS requirements i.e. safety; reliability of performance; capacity delivery (including HLOS deliverables such as Thameslink and peak period capacity into London terminals to meet 2014 demand, an increase of 30% on current levels); capability; network availability (the target of a 7-day railway); asset serviceability and sustainability; stations (including how the £150m earmarked for stations is to be spent; TfL is working with Network Rail on a London specific programme to access this funding); and depots.

### **Step-free access**

Assessment work has now been completed on a total of 33 London national rail stations to provide a longer term plan for delivering improved step-free access not only for the 2009 –14 period but beyond the present DfT planning horizons. London Rail is now analysing the work to formally set out its priorities to DfT.

### **Overground Fares and Revenue**

New gates, ticket vending machines and Oyster validators are being installed on the North London Railway in preparation for the transfer to the Concession in November 2007, at which point PAYG will be both accepted and retailed.

Difficulties have now been resolved with South West Trains for the sale of Oyster pay as you go at Clapham Junction station. Oyster enabled ticket vending machines will now be installed at both entrances to the station as soon as possible. The problem arose from South West Trains’ franchise commitment to the DfT to retail only ITSO products but to accept ITSO and Oyster tickets.

### **London Overground**

The 7-year concession contract to operate London Overground services was approved by the Commissioner (the TfL Board meeting held on 30 May approved the necessary finance to award and delegated the decision to the Commissioner to allow

further negotiations with the parties concerned) and the Concession Agreement was signed by MTR / Laing on 2 July 2007. MTR/Laing are a joint venture between MTR Corporation, the world class Hong Kong metro operator, and Laing Rail who run the very successful Chiltern Railway in the UK. A pre-prepared mobilisation programme was activated immediately and this is progressing according to plan and is expected to deliver a successful transfer of operator responsibilities from Silverlink to MTR / Laing (now re-named London Overground Rail Operations Limited – LOROL) on 11 November 2007.

### **Integrated Management Approach to Consultants**

Traditionally Network Rail have employed staff (and consultants) to develop and supervise projects and the funder (TfL in the case of the North London Line) has separately employed people to manage Network Rail. With Network Rail's agreement, it is proposed that the North London Railway Infrastructure Project is delivered by an integrated team drawn from both Network Rail and London Rail working together with posts filled on the basis of the best person for the job. This saves significant cost and will also lead to quicker decision making. It requires agreement with Network Rail, which is believed to be achievable, as to who populates some of the key higher level commercial roles so that there is a guaranteed mix and not an imbalance towards one party or the other. This is a model which could be used for Crossrail as a way of saving spending on consultants.

## **4. MAJOR PROJECTS AND INITIATIVES**

### **North London Railway Infrastructure Upgrade**

Work progresses on the specification of infrastructure on the North London Rail routes to allow increases in train frequencies consistent with TfL policy and to deliver the needs of the Olympic Delivery Agency. It is expected that agreement with Network Rail, who will undertake the upgrade, can be reached during October 2007 allowing the necessary development to progress so that works can be completed by 2010/11.

### **East London Railway Extension**

The Main Works Contract to construct the extended East London Railway is well underway with detailed design and approval work progressing. The six key implementation milestones which were set by the East London Line project, have all been achieved by the contractor Balfour Beatty / Carillon to programme - start of work at Shoreditch, Dalston, Bishopsgate and Haggerston and cablework at New Cross Gate.

A further nine agreed milestones have been set, and the first of these was successfully completed on time: the submission of the 'Technical Case' for a cable crossing at New Cross Gate (this was significant because there are many examples in UK railway projects of building work proceeding on time but the necessary related paperwork being seen as of low priority and causing delay); the approval of the design for the superstructure of the bridge at Liverpool St; and the placing of orders for all traction power substations. The East London Railway programme is on schedule for public opening in June 2010.

### **New Trains For Overground**

On 20 September, representatives of the TfL Board visited Derby to mark the start of production of the new trains for the North London and East London Lines. The first trains of the new dual voltage electric trains (Class 378's) will enter service on the Overground late next year. They feature airconditioning, full width passenger gangways between cars which improve security, better CCTV and lighting, and clear areas around the doors to make boarding and alighting easier. They will also be capable of environmentally friendly regenerative braking.

### **DLR Projects**

A key overall DLR milestone was achieved during June when the agreement for the DLR works of the Stratford International extension was signed with Skanska / Grant Rail. This meant the last piece of the procurement jigsaw fitted into place so that all DLR's Olympic projects are under contract.

On 23 July 2007 the tunnel boring machine broke through into the reception chamber at Woolwich Arsenal marking the successful completion of one of the key milestones in the Woolwich Arsenal extension project. The event was attended by myself, Nicky Gavron, Deputy Mayor, and Hugh Sumner from the ODA.

Progress on the 3-car capacity enhancement project, awarded to Taylor Woodrow earlier in the year, is encouraging with early project milestones, principally design submissions, being satisfactorily achieved. Taylor Woodrow's merger with Wimpey has had little identifiable effect on their rail business.

The first of the new 55 DLR light rail vehicles being built by Bombardier in Germany is due to be delivered in mid December 2007. Although this is slightly behind the contract schedule, the first vehicles are moving under their own power in testing in the factory complex and much of the internal fitting out and testing issues have been resolved.

### **Thames Gateway Bridge**

On 26 July 2007 the Secretary of State for Communities and Local Government wrote to TfL and other interested parties deferring decisions on the TGB until after a re-opening of the Public Inquiry. A report updating the Board on the decisions, TfL's consideration of them and recommendations for the way forward is contained in a concurrent report to the Board.

### **West London Tram**

The tram project was put on hold in August pending a positive government decision on the construction of Crossrail and TfL and the local boroughs working together to address the problem of improving public transport on the Uxbridge Road, via an effective bus-based solution rather than the tram. In the light of this and the recent decision to progress Crossrail, the WLT project team have been winding down the tram work and ensuring all relevant documentation is completed, filed and archived for possible future use including for other current tram projects and the development of the bus alternative. In parallel with this, discussions are underway with Ealing and other local Boroughs to agree a common brief to develop the bus-based alternative and to consider wider transport issues in West London including planning for improved public transport links to Crossrail stations.



## **5. CORPORATE ACTIVITIES**

### **5.1 Policy and Strategy**

#### **Revision of Mayor's Transport Strategy (MTS) and T2025**

The period of strategic policy development required for the revised MTS has been extended to enable the decisions on Crossrail and Comprehensive Spending Review (CSR) decisions to be reflected. The agreed timescales for the revised MTS are now:

- To early summer 2008: Further strategic policy development, modelling and analysis reflecting Crossrail, HLOS and CSR decisions and to take account of updated forecasts for growth and targets for carbon reduction.
- Summer 2008: Preliminary engagement on key policy areas.
- By end 2008: Start the Assembly and Functional Body consultation.
- By Spring 2009: Start Public and Stakeholder consultation.
- By end 2009: Publish the final revised MTS.

#### **Emerging Policy and Legislation National**

TfL comments on the Planning White Paper were submitted in August as part of the agreed GLA response. TfL and DfT officials have also met to discuss the potential for devolving decisions on non-national transport infrastructure schemes in the wake of the White Paper. Similarly, TfL is working with GLA on a joint response to the Housing Green Paper. However, consultation on the options put forward in the Green Paper as variations or alternatives to the proposed Planning Gain Supplement were pre-empted by a statement by the Minister for Housing on 9 October when she announced that the planning gain supplement (PGS) would not be pursued. Instead the government intends to introduce a statutory planning charge to finance investment in local and strategic infrastructure on top of section 106 agreements for site-specific issues. This is very much in line with the views expressed by the Mayor on infrastructure funding.

#### **Regional - Health Inequalities Strategy**

TfL has responded to the Mayor's long term draft Strategy on addressing health inequalities. A further draft is due to be presented to the Assembly and Functional Bodies before year end. The work currently being undertaken on a new measure of accessibility to essential services (including health facilities) was highlighted in TfL's response.

#### **Darzi report into hospital services**

Following Professor Darzi's report on healthcare for London, which recommended a way forward in the provision of healthcare services across London, TfL met with NHS London, a new strategic health authority, to agree how to better influence decisions on the location of healthcare services and advise on the provision of transport services. A constructive ongoing dialogue has been established.

#### **Borough Local Implementation Plans (LIPS) and funding**

All boroughs have finalised and submitted their LIPs, with 32 approved to date. The remaining borough LIP, Barnet, has been assessed by TfL and suggested

changes have been sent to Barnet for consideration. For 2006/07, boroughs delivered nearly 97% of their budgeted programmes. This is consistent with the excellent delivery record of 95% or more maintained for several years. Annual applications from boroughs and partnerships for TfL LIP funding were supplied in June and the total value of the bids for 2008/9 is £293 million. All of the bids have been assessed and TfL is currently prioritising these bids and finalising recommended allocations for boroughs and partnerships. This will lead to a Mayoral announcement on 2008/9 funding levels later this autumn.

### **Emissions related congestion charging consultation**

Public and stakeholder consultation on introducing variable levels of the Congestion Charge relating to the amount of carbon dioxide (CO<sub>2</sub>) emitted by cars began on 10 August and closed on 19 October. Under the proposals, cars emitting the lowest levels of CO<sub>2</sub> (up to 120 grammes/km) would be eligible to register for a 100% discount, provided they also met the Euro 4 standard for air quality emissions. It is proposed that cars with the highest levels of CO<sub>2</sub> emissions would be subject to a higher daily charge of £25. Under the proposals, residents who continue to drive cars liable for the higher charge would no longer be entitled to the current 90% residents' discount but would be required to pay the full daily higher charge of £25. The Low CO<sub>2</sub> discount would replace the current Alternative Fuel Discount and is proposed for introduction in February 2008, with the higher charge beginning operation in October 2008.

## **5.2 Travel Demand Management**

### **School Travel Planning (STP)**

The first annual STP Accreditation Scheme awards ceremony was held on 14 June at City Hall. Jenny Jones presented the awards to schools that had achieved the 'Higher' or 'Outstanding' level of accreditation. These schools have shown a higher level of pupil involvement resulting in significant decreases in car usage. Of the 5 outstanding schools, New City Primary School in Newham was awarded 'School of the Year' at the Sustainable Transport Awards held on the 28 June. A primary factor in this decision was the result of their latest travel survey which reported that 100% of staff and pupils were travelling to school by sustainable modes; on foot, by bike, using public transport or car sharing.

### **Workplace Travel Planning (WTP)**

An initial discussion with the Royal Mail regarding the implementation of workplace travel plans has resulted in 36 sites selected for travel plans. This represents 10% of their total UK workforce and surveys are now due to commence at these sites. Workplaces with a total of 350,000 employees have now signed up to the Corporate package compared to a target of 200,000 employees. The Corporate package is available for companies with in excess of 250 employees.

### **Personal Travel Planning (PTP)**

Two geographical areas are benefiting from this year's PTP programme in the London Boroughs of Sutton and Camden. The Smarter Travel Sutton programme, targeting 76,000 households is progressing well with 52,389 households complete.

The Camden scheme was launched under the name of Travel Camden on 20 June. To date 23,222 of the total 30,000 households have been contacted.

### **5.3 Group Services**

#### **TfL's Mentoring Scheme**

As part of the continuing drive to have more joined-up working across the GLA Group, the TfL mentoring scheme has been extended to include the MPA. Discussions are underway with the LDA regarding their entry to the Programme. To conclude phase 1 of the Programme, a Recognition Event was held on 9 October 2007 for all participants. TfL Board member, Kirsten Hearn, provided the keynote speech and commended TfL for its progressive approach to mentoring. 350 participants (including 20 from the MPA) have enrolled for phase 2 of the programme.

#### **Breakthrough**

Group HR working with modes and corporate departments have instituted a 'Breakthrough' programme. The purpose of Breakthrough is to develop new ways of working that will increase the number of BAME, women and other minority groups within TfL and in particular to increase representation of these groups at senior levels within the organisation. Breakthrough was discussed briefly at the Corporate and Equalities Advisory Panel on 25 September 2007. A further report on the impact of Breakthrough will be presented to CEAP at its next meeting.

#### **Sustainable Procurement**

TfL have supported three 'meet the buyers events' including an event hosted by the London Chamber of Commerce. TfL has spent around £74m with diverse suppliers in the first 6 periods of the financial year and anticipates that this will rise to £165m by the end of the year. (Diverse suppliers comprise: Small and Medium Enterprises (SMEs); Black, Asian and Minority Ethnic (BAME) businesses; suppliers from other under-represented or protected groups; and suppliers demonstrating a diverse workforce composition).

#### **Smokefree**

On 1 July 2007, England introduced a new law to make virtually all enclosed public places and workplaces in England smokefree. The NHS was particularly grateful for the contribution made by TfL to the campaign in London. Of particular note was the coordination across all modes of transport both within and outside TfL and the assistance with marketing opportunities to ensure the campaign retained momentum.

#### **Delivering More Together (Convergence)**

In June 2007, the GLA Convergence Programme (incorporating GLA, TfL, LDA, MPA/MPS and LFEPA) was re-titled Delivering More Together and stewardship was passed to TfL. HR workstreams have been prioritised and a Group secondment policy has been agreed. Leadership development, Graduate programmes and a redeployment policy for use across the functional bodies are nearing completion.

## **TfL Graduate Scheme**

TfL is this year supporting over 100 new graduate trainees to build careers in their chosen professions in 13 different, company wide disciplines. It is expected that some of these graduates will eventually move into management of London Underground's train and station services, others will work across TfL as civil, electronic or mechanical engineers, or transport planners. TfL has already been nominated as the Times' Graduate Employer of Choice in Transport and Logistics, and has now been voted by Graduates across the UK one of the Top 100 employers.

## **5.4 Finance**

### **Comprehensive Spending Review 2007**

The Comprehensive Spending Review announced on 9 October sets a ten year grant and borrowing envelope for TfL including the London Underground PPP and Crossrail.

### **Borrowing**

In light of the developments with Metronet and financial market conditions, the decision was made not to proceed with a bond issue in favour of a loan from the Public Works and Loans Board (PWLB). TfL has used its delegated authority to arrange £288m of long-dated borrowing from the PWLB. This was approved by the Finance Committee in Period 4 and has since been fully drawn.

### **Metronet and Pensions**

The TfL Pension Fund Trustee Board unanimously agreed to the scheme rescue proposal in respect of Metronet Rail SSL Limited and Metronet Rail BCV Limited sections of the fund on 5 September. This enabled a scheme rescue to be effected with the agreement of TfL and the PPP Administrator. The Pension Protection Fund gave formal approval to this the same day; the arrangement is now formally binding.

### **Service excellence in TfL's Financial Shared Services Centre (FSC)**

The FSC has reached the final of the Public Sector Finance Team of the Year Award organised by Accountancy Age. Over the last year, the FSC has hosted a number of visits from other public sector organisations (e.g. Birmingham city council, NHS) who have come to learn from TfL's successful implementation of Financial Shared Services.

### **New accounting standards**

The Chartered Institute of Public Finance and Accountancy have issued a statement indicating that TfL will be required to prepare two sets of accounts for the year ending 31 March 2009. This is necessary in order to comply with HM Treasury's decision for the Whole of Government Accounts returns for the same period to be based upon International Financial Reporting Standards (IFRS). The usual Statement of Accounts is likely to continue to be UK-GAAP based, at least for the "medium term". The Whole of Government Accounts return for the same period will be IFRS-based, although the detailed rules have yet to be published.

## **IT Strategy**

TfL's new Information Management (IM) strategy sets out a series of initial steps to improve the core services that IM provides to its customers while simultaneously reducing the costs of such services. The implementation of the strategy will reduce IM's overall cost base by in excess of £12m per annum by 2009/10, and by 2014/15 its cost base will be reduced by in excess of £60m per annum, against 2006/07 spend. This represents a cumulative saving against forecasts of £348m by 2014/15. The benefits realisation for this strategy is predicated on close modal cooperation and collaboration.

## **5.5 Fares & Ticketing**

### **Barclaycard 'One Pulse' launch**

Following 8 months of development and successful trials, TranSys and Transport Trading Limited (TTL), TfL's commercial entity, formally signed off the Build & Test completion phase of the Contactless Credit card with Oyster. The Barclaycard Oyster partnership launched the new card, branded as Barclaycard 'OnePulse', on 6 September with a large marketing and PR exercise kicking off on 10 September. There was a substantial amount of press and media interest in the launch. Direct sales counters at stations and during the Mayor's Thames Festival reported brisk business. Barclaycard are forecasting some 75,000 cards will be issued by the end of December 2007 and have signed up a number of retailers who will roll out the Wave and Pay technology. The launch of Barclaycard OnePulse has generated considerable positive coverage in the press, online and broadcast media, the latter claiming it to be the "new flexible friend" combining its Oyster card with debit and credit facilities, and a cashless option for payments up to £10 with no PIN required.

### **Growth in Oyster pay as you go journeys**

The proportion of total journeys made on Oyster pay as you go continues to rise steadily, reaching 18% of all bus and tram journeys and 27% of all underground and DLR journeys in period 6. This is up from 12% and 21% on the respective modes in the previous year, with passengers switching out of cash fares and increasingly, day tickets. For financial period 6, cash use on the underground fell to 3.5% of journeys, down from 5.8% a year ago. Of bus journeys, 2.1% were cash fares (2.3% including roadside ticket machines), down from 4.8% a year ago.

### **Oyster pay as you go on national rail**

All the Train Operating Companies have signed the Heads of Terms for the pay as you go agreement that will govern fare setting, revenue apportionment and service standards. The Financial Services Authority has written to TfL to confirm that they will not be treating the extension of Oyster pay as you go on national rail as "e-money" and therefore will not be regulating this scheme.

### **Oyster - First ever branded Oyster Card / Oyster Sales via Superbreak**

TfL has teamed up with the organisers of the "Tutankhamen and the Golden Age of the Pharaohs" exhibition to create the first ever branded limited edition Visitor Oyster Card. This went on sale to O<sub>2</sub> customers in August and to the wider public on 12 September. The card works in the same way as a normal pay-as-you-go Visitor

Oyster Card. This provides a significant opportunity to take forward branded Oysters within the visitor market, and suitable partners for upcoming initiatives in this area are being sought.

A new arrangement allowing sales of Visitor Oyster Cards via Superbreak, the market leader in London short breaks and holiday packages to the domestic visitor market, went live in August. Cards will be retailed via visitlondon.com, as well as via Superbreak's own catalogues, website and call centre. In total, they have 1.5 million customers a year and sell over 1 million bed-nights in London a year.

## **5.6 Marketing and Communications**

### **Safety & Security**

The Powered 2 Wheeler safety TV ad "Ride the roads you know like the ones you don't" won a Gold Lion at this year's Cannes International Advertising Festival. This was the only gold given in this category and one of just 18 awarded world-wide across all categories, in this, the most prestigious advertising awards scheme.

### **New Cycle Maps**

TfL has launched the latest edition of its popular free bike maps that cover the whole of London. The new set of 14 maps were developed with the London Cycle Campaign and includes the National Cycle Network which runs through London's most recognised landmarks, parks, canal towpaths and the London Cycle Network Plus. The launch received positive coverage in the local, national, BAME and trade press.

### **BAME Media**

TfL continues to develop its relationship with BAME print and broadcast media and works across modes to localise proactive stories. This has led to a positive effect on coverage as targeted titles have carried more TfL articles than before. This increase has occurred across all communities, but particularly in the Bengali, Polish, Turkish and Kurdish media which have seen a 179% increase in the number of articles appearing in the media that is monitored. Alongside this, there has been an increase in advertising provided to BAME publications which, it is reasonable to assume, has also assisted in achieving editorial support. However, increased coverage has not been limited to publications where advertising was placed.

### **TfL Annual Report 2007**

The Annual Report was published to timetable and, taking into account the Board's input, a 12 page summary was produced to reduce environmental impact. Staff summaries tailored to specific modes were also produced to enhance employee communication on TfL's progress. These were largely disseminated as part of existing staff magazines where possible, again to reduce environmental impact.

## **5.7 General Counsel**

### **TfL/LUL Law Firm Panel**

TfL and LU have recently run a competitive process to appoint law firms to undertake major projects and mainstream legal work. The new arrangements began in August 2007 for a period of 4 years. The firms retained are Ashurst, Berwin Leighton Paisner, Clifford Chance, Eversheds, Freshfields Bruckhaus Deringer, Herbert Smith, Simmons & Simmons, Wragge & Co, KL Gates, Manches, Bird & Bird and Travers Smith.

The principal benefits arising from the review are: a streamlined number of firms to deepen relationships and drive efficiencies; competitive charging rates and flexibility to drive best value; and value added services including training, secondments and knowledge sharing. The firms are being asked to demonstrate their commitment to the Mayor's economic, social and environmental strategies for London through achieving best value, diversity and sustainable procurement. The firms have also committed to work in the wider interests of the GLA group when providing advice and training.

### **Diversity Workshop**

Following the appointment of the new Law Firm Panel, a workshop has been held with law firm representatives to discuss how the firms can promote and achieve greater diversity in their workforces and support TfL in achieving that aim. Audrey Young, Head of Diversity Performance for the GLA and Manjot Dhanjal, Director of Equality & Diversity at the Law Society, spoke at the event which prompted an open and collaborative discussion around the diversity challenges facing the legal sector and the practical measures being taken across the law firms. All firms will be providing quarterly updates on their diversity data and the progress being made. TfL Legal aims to be a strong supporter of the Law Society's new Diversity Charter for the profession in the future and TfL Legal's work with law firms on diversity has received favourable coverage in the legal press.

### **London Transport Museum Shadow Board**

On 28 June 2006 the TfL Board agreed in principle that the London Transport Museum should be restructured as a registered charity. The restructuring will require TfL to establish a new subsidiary company which will apply to the Charity Commission for charitable status. The new subsidiary will also have its own trading company.

A number of Board members for the new charitable subsidiary have already been identified. They are Sir David Bell, Dave Wetzel, Roger Cooke, Leon Daniels, Janet Vitmayer and Tim O'Toole. The first meeting of the Shadow Board took place on 26 September 2007. Sam Mullins, Director of the Museum, and Nigel Marson, Director of Group Marketing, are currently negotiating the funding and other agreements which will govern the relationship between the new charitable subsidiary and TfL.

Subject to TfL Board approval, transfer of the Museum assets and employees to the new charitable subsidiary will take place in April 2008. The aim of achieving

charitable status is to increase access for the Museum to charitable sources of funding and to give a greater degree of understanding to donors and other sponsors about the Museum's role. It is also believed that being an independent charity will provide the Museum with a governance structure that is more suited to a cultural entity of its size and status.

### **TfL Legal wins Lawyer Award 2007**

Transport for London's Legal Team was named the "In-house Public Sector Team of the Year 2007" at the annual Lawyer Awards, ahead of tough competition from a range of Government Departments and county councils. This builds on the success of the LUL Legal Team who won a Lawyer Award in 2003. In selecting the Legal team, the judges commented: "Serving an organisation that aims to deliver an investment programme worth £10bn, the 34-lawyer team .... has huge breadth and depth of talent in one of the most demanding public sector roles in the UK." These awards are about the celebration of excellence in the legal profession and it was a great achievement to win this category.

The team was were also recognised in the FT Innovative Lawyer Awards 2007 as the first public sector members of LawWorks, an organisation which facilitates free legal support for worthy causes which cannot ordinarily afford legal support.

### **BAA Injunction**

In early August, the media reported that the British Airports Authority ("BAA") was seeking an injunction to restrain the movement and activities of various individuals and unincorporated associations forming part of the protest groups likely to be present at the "Camp for Climate Action" held outside the perimeters of Heathrow Airport during 14 to 21 August 2007. The proposed injunction was very wide in nature and was sought by BAA without consultation with TfL/LUL. If granted it would have impacted upon the Piccadilly Line, LUL's underground stations and potentially restricted the activities and movement of up to 5 million people. TfL joined the High Court proceedings and was successful in significantly reducing the scope of the proposed injunction ensuring that the terms did not impact upon TfL/LUL's network, property or passengers. This was taken into account by the High Court judge who awarded TfL our costs of appearing at the hearing.

## **6. CORPORATE ISSUES**

### **6.1 London - Venezuela Cooperation Agreement**

Following my visit to Caracas in June, I produced a report which identified five priority areas (Metropolitan Transport Plan and Organisation; Traffic Signal Control Centre, Bus Interchanges and Terminals, Bus Priority, and Highway Improvements) which were agreed with representatives from local, city-wide and national government in Venezuela. In September a delegation from Caracas visited London to look at both strategic planning and technical aspects of TfL's work, covering the agreed priority areas. The next step in the partnership is the opening of the Mayor's office in Caracas which will facilitate the flow of information between London and Venezuela.

On 20 August the Income Support scheme was launched which offered half price bus and tram fares for Londoners on income support. By the end of the first week of



October over 37,000 bus and tram discount cards had been issued. The first stage in the reduction of the price of fuel for London's bus fleet, which is part of the Co-operation Agreement, has been received from the Venezuelan Oil Company Petroleos de Venezuela Europa. This will support the half price fares scheme.

Peter Hendy  
Commissioner of Transport  
Transport for London  
October 2007

**TRANSPORT FOR LONDON**

**BOARD**

**SUBJECT: TFL BUSINESS PLAN & INVESTMENT PROGRAMME 2005/06 – 2009/10**

**MEETING DATE: 24 OCTOBER 2007**

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**1. PURPOSE**

- 1.1 This paper outlines the Business Plan proposed for the period to 2009/10 and seeks approval for the Plan.

**2. DECISION REQUIRED**

- 2.1 The Board is asked to approve the Business Plan, and delegate the production of the Investment Programme to the Managing Director, Finance.

**3. INTRODUCTION**

- 3.1 The combined Panel meeting on 3 October and Finance Committee of 11 October considered proposals for the Business Plan for the period to 2009/10 and how it could be balanced, taking into account changes to income and various cost/delivery pressures. This followed on from a Board discussion on the Business Plan and the longer-term direction for TfL on 19 September.
- 3.2 This paper reflects those discussions and presents a pan-TfL view of the Business Plan, and proposed revised Investment Programme. This Business Plan will form the basis of the Budget submission to be made to the GLA on 30 November. This will become part of the Mayor's consolidated Budget, which will be subject to consultation and then consideration by the London Assembly in January and February. After agreement of the Mayor's consolidated budget, the Budget for the year 2008/09 only will be presented to the March 2008 Board meeting for approval.
- 3.3 This Business Plan does not include any impacts that may result from:
- Metronet, one of the LU PPP contractors, going into administration in July 2007. Discussions with government are taking place on the best approach in restructuring Metronet deliverables and financial obligations.
  - The Government announcement on 5 October that Crossrail is to proceed.
  - Government's Comprehensive Spending Review 2007 plans which were published on 9 October and which set out the government departmental funding allocations.

## 4. BACKGROUND

- 4.1 The October 2006 Business Plan added a number of new projects, including those resulting from new responsibilities. The main additions were:
- Additional train services and staffing on the North London Railway (now named London Overground) following TfL assuming responsibility for the franchise from 11 November 2007 (transferred from DfT).
  - Oyster 'Pay as you go' extension to National Rail services in London.
  - Parliament Square 'World Squares' scheme.
  - Greater funding for the London Cycle Network plus (LCN+) implementation.
  - The creation of a three-year Climate Change Fund to support the development and implementation of CO<sub>2</sub> reductions from TfL's own operations and transport in general.
  - Introduction of Safer Transport Teams (additional 750 PCSO officers) 50% funded by TfL to further improve security on the transport network, particularly in Outer London – this plan has funding through 2009/10.
  - Extra funding for door-to-door transport, pending the outcome of the review.
- 4.2 The objectives of this year's planning round were to:
- Maintain a robust, financially balanced plan that:
    - Embeds sustainability, accessibility and other Mayoral priorities further into the Business Plan.
    - Further improves efficiencies and reduces operating costs.
    - Demonstrates progress in delivery over the period since the award of the current five year funding settlement from Government in 2004.
  - Ensure that the Plan to 2009/10 took account of possible future funding for the period after April 2010, especially in commitments made.
- 4.3 Alongside the Business Planning process for this year TfL has developed overall objectives to deliver against its three overarching goals to:
- Support economic development.
  - Tackle climate change and enhance the environment.
  - Improve social inclusion.
- 4.4 Business Planning Guidelines were issued internally within TfL in March, and regular meetings were held between Group Business Planning and the businesses/central directorates to discuss progress and issues. In June a 'Direction of Travel' workshop was held, at which all businesses identified key issues to increase cross-modal awareness and working.
- 4.5 Plan proposals submitted by the businesses included a number of cost pressures, some delivery issues, and identified additional projects that could be delivered from savings elsewhere or if more funding were to become

available. Analysis of proposals has been wider than in previous years, including an earlier cross-modal view of headcount and accommodation needs, cash flow, and of consultancy and agency costs.

- 4.6 Funding of £18.5m has been awarded by the DfT as part of the Transport Innovation Fund (TIF) for the gauge enhancement of the Gospel Oak to Barking line to enable larger freight trains to use this route, and this has been included in the Plan. The bid to the DfT for funding for an expansion of the Travel Demand Management programme from 2008/09 onwards was not successful.

## 5. ACHIEVING A BALANCED BUSINESS PLAN

- 5.1 TfL is managing within its SR2004 settlement with Government. A number of issues were identified in this year's planning round which included:
- Impacts of fares policy and other income changes.
  - Cost increases (London Overground, risk and contingency provision).
  - Other pressures (TDM, Cycling, Policing, Public Realm, etc.).
- 5.2 In order for the business plan to stay within the SR2004 funding settlement, a number of challenges have been made on a range of proposals. The three main areas which have been challenged are Income, Operating Costs and deliverability/costs of the Investment Programme.
- 5.3 **Income-** Revenue trends in the first half of the 2007/08 financial year continued to be above forecasts, particularly LU fare income, even though a more optimistic view had been taken in the October 2006 Plan. However, the fare changes implemented in September 2007 (reduced pre-pay bus and weekly bus pass prices) and to be announced for January 2008 will reduce TfL income. Overall, TfL has decreased income in the Plan by £11m over the remainder of the Plan period, consisting of:
- Fares reductions of £205m (the bus fare reductions in September 2007 and other fare changes in January 2008).
  - Other fares income increased by £250m given higher than previously forecast demand particularly in 2007/8.
  - Other income has decreased by £56m with interest income higher but reduced LU advertising income and lower traffic enforcement income.
- 5.4 The income forecasts are based on GLA Economics' forecasts for the London economy. These continue to project strong growth (albeit not at rates seen in the current financial year). If growth is lower and this reduced income, TfL would have to adjust its plans accordingly.
- 5.5 **Cost Increases-** Several cost increases have been identified against last year's Plan, including:
- **London Overground concession** – additional improvements were added including increased station staffing levels and a more rigorous performance specification, as previously advised to the Board in May.

- **DLR Stratford International extension** – cost increases, again as previously advised to the Board.
- **Prestige and Ticketing costs** – additional costs from the introduction of photocards for 11-15 year olds and 16-17 year olds in full-time education for free bus/tram travel, and additional Prestige contract payments given the increased passenger journeys forecast.
- **Oyster implementation on National Rail** – Oyster ‘Pay as You Go’ will be introduced in November 2007 on Overground services, in January 2008 on C2C, ‘one’ and First Capital Connect services and on all other National Rail services in London in January 2009 - PFI supplier costs have increased.
- **The costs from increased staffing on stations north of Queens Park and East London Line maintenance**
- **Travel Demand Management** – Continued funding following unsuccessful TIF bid - continuation of the expanded programme requires extra funding (see **section 8**)
- **Public Realm schemes** - It is planned to add to the Plan the implementation of the Victoria Embankment (subject to third party funding) and Tottenham Hale public realm schemes, A406 Henley’s Corner scheme and to provide additional funding to the New West End Company.
- **Risk and contingency** - consistent allowance for project risk and contingency has been proposed in light of TfL’s experience in delivering projects and programmes to date.

5.6 **Cost savings** have been found to fund most of these pressures, (leading to an overall reduction in operating and capital expenditure of £93m compared to last year’s plan) largely in three areas:

- Reduced IM costs by a new procurement/management strategy.
- Project development expenditure reductions, as the funding settlement post 2010 is likely to restrict the number of major projects, currently under development, from being implemented in the foreseeable future.
- Continued bus contract savings and other smaller savings.

5.7 The TfL efficiency programme established in 2002/03 has continued and expected to deliver over £1.3bn of efficiencies over a seven year period to 2009/10, in both ‘back office’ savings such as HR and procurement and in areas such as bus contract costs, road maintenance contracts and LU contractual efficiencies. The IM savings noted above will be added to the programme.

5.8 A new efficiencies programme will be implemented for the post 2010 period. One of the main challenges TfL faces is on operating expenditure and an operational costs review is underway to challenge all areas and identify further savings. Naturally, as savings are identified, they will be incorporated into the plan.

## Business Plan Tests

- 5.9 A number of tests have also been applied in order ensure the plan is considered robust, particularly by the rating agencies, and able to meet the challenges of unforeseen events. In particular, TfL has reviewed the tests of:
- Ensuring that recurring income exceeds recurring costs.
  - Ensuring that the plan does not build up any unsustainable or un-fundable obligations beyond 2009/10.
- 5.10 These tests continue to be met. However, the operational costs review referred to earlier is essential to maintaining financial balance.
- 5.11 Furthermore, deliverability of the Investment Programme has been rigorously reviewed and challenged, and comparison of costs between the 2006 and 2007 Investment Programmes made in detail. Given recent and projected future trends in project expenditure, little change has been made to net capital expenditure forecasts to reflect the deliverability challenges TfL face.

## 6. KEY CHANGES IN THE PROPOSED BUSINESS PLAN

- 6.1 Through the process described in section 5, savings and additional income have been identified. This has enabled the following additions and changes to be made:
- **London Overground franchise**- the funding of additional staffing, higher performance specification and other changes advised to the Board in May.
  - **DLR Stratford International extension** - the increased costs of the contract have been incorporated in the Plan.
  - **London Overground** – staffing at all stations from first to last trains.
  - **Bakerloo line/London Overground north of Queens Park** enhanced staffing.
  - **Prestige and Ticketing** - implementation of ‘Pay as You go’ on all National Rail services in London by January 2009, the introduction of 11-17 photocards in January 2008, and future ticketing project development.
  - **Bus Network** - additional bus services over and above the increases included in the October 2006 Plan, to reflect the increased demand expected from the September 2007/January 2008 fares changes. Overall the bus network will grow to 478 million operated kms by 2009/10, five per cent higher than in 2005/06.
  - **Bus garages** - new bus garages at Friern Barnet and West Ham, the latter replacing space displaced from the Olympic site at Stratford.
  - **Transport Policing** - continuation of Safer Transport Teams in outer London in 2009/10 and additional policing on London Overground.
  - **Congestion Charging:**
    - The emissions based charging scheme, should the Mayor decide to proceed after consultation.
    - ‘Tag and Beacon’ trials fully funded.

- **Road Safety** - additional expenditure in 2009/10 that is expected to enable the Mayor's 50% casualty reduction target to be met by March 2010.
- **Public Realm Schemes** - implementation of the Victoria Embankment and Tottenham Hale (conversion of gyratory to two-way traffic) schemes.
- **A406 Henley's Corner** local environmental and safety scheme included.
- **Support for the Clinton Climate Change initiative** - improving energy efficiency of TfL and the GLA family's buildings.
- **Travel Demand Management** - additional funding for 2008/09 and 2009/10 (see **section 8** below).
- **GLA convergence** - costs of TfL managing the convergence programme, expected to lead to longer term savings across the GLA family.
- **IM strategy** - implementing revised management and procurement of IM across TfL, bringing significant savings.
- **Accommodation strategy** - costs are included for fitting out a new service centre for back-office functions, which will reduce on-going costs.

## 7. SUSTAINABILITY IN THE BUSINESS PLAN

- 7.1 **Structure of Plan** - the Plan this year has embedded TfL's progress and plans in respect of each of the three pillars of sustainability (economic, social and environmental) throughout the document, giving examples of specific projects and their impact. For example, the Smarter Travel Sutton pilot and the actions in respect of transport's impact on health and health inequalities are highlighted in the document. Sustainability is also fundamentally part of the three overarching goals for TfL and supporting delivery objectives.
- 7.2 **Implementing sustainable procurement** - TfL is committed to the highest level of the GLA's Sustainable Procurement Policy. An example is the requirements in the main East London line contract.
- 7.3 **Climate Change Fund Progress** – Since its creation in last year's plan, the Fund has supported a number of projects and initiatives that would otherwise had not been, or would have taken longer to be implemented. An example of this is the introduction of Eco-driving training which will reduce fuel consumption, benefiting vehicle owners.
- 7.4 **Climate Change Action Plan (CCAP)** - the plan includes a number of projects and programmes to reduce the CO<sub>2</sub> footprint of TfL's operations in support of the Mayor's CCAP. Examples include the trials of hydrogen buses, cars and vans, the greater number of Euro IV buses in the fleet, and the photovoltaic cells installed as part of the refurbishment of the London Transport Museum. The overall modal shift achieved so far and the programmes to increase the level of walking and cycling also contribute to CO<sub>2</sub> reduction, as would the proposed emissions based changes to Congestion Charging, should the Mayor decide to proceed.
- 7.5 **Ensuring a diverse workforce** - TfL continues to give priority to creating a workforce that reflects the diversity of London. Additional actions that TfL has

taken since last year include the support for the 'Fair Cities' programme, a partnership project launched in December 2006, which has enabled TfL to recruit long-term unemployed people into jobs such as customer service assistants within LU, bus drivers, and along with increasing the number of black, Asian and minority ethnic groups taking 'the Knowledge' to become taxi drivers.

## 8. TRAVEL DEMAND MANAGEMENT PROGRAMME

8.1 The Travel Demand Management Programme consists of a range of measures seeking to reduce the use of the car either by encouraging modal shift to walking, cycling or public transport, or reducing the need to travel. The programme's elements include school, workplace and personalised travel planning, support for car clubs, and area-wide intensive travel planning (the first of which is the Smarter Travel Sutton pilot).

8.2 TfL increased funding from c£12m in 2004/05 to £24m in 2005/06 and £30m in 2006/07, recognising the growing importance of this area. In 2007 the Commissioner appointed a Programme Director reporting directly to him as further recognition of the importance of this work. Furthermore, additional funding for 2008/09 and 2009/10 is proposed, to give expenditure of £30m per year. Over the period to 2009/10 £10m of this is expected to be funded through synergies with expenditure in other parts of TfL and from income for the TDM programme from external bodies. This will give the following additional outputs and outcomes:

- All schools to have a travel plan by 2009.
- 200,000 employees benefiting from workplace travel plans and 100,000 households from personalised travel planning.
- 8000 new car club members.
- Car kms reduced by 55m.
- CO<sub>2</sub> down by 9,600 tonnes.
- Decongestion value of £104m by 2014/15.

## 9. FINANCING THE PLAN

9.1 The Plan remains fully funded, as the additional expenditure for new projects added is counterbalanced by increased income, expenditure reductions, increased operational efficiencies or use of reserves. Recurring income continues to exceed recurring expenditure. **Table 1** below summarises the financial position and **table 2** the relationship with the Investment Programme.



**Table 1: Summary of TfL Business Plan**

£m, cash prices	Actual 2005/06	Actual 2006/07	Forecast 2007/08	Plan 2008/09	2009/10	TOTAL (5yr)
Traffic Revenue	2,289	2,472	2,700	2,830	3,005	13,295
Other Income	582	615	719	725	741	3,382
<b>Total Income</b>	<b>2,871</b>	<b>3,087</b>	<b>3,419</b>	<b>3,555</b>	<b>3,746</b>	<b>16,678</b>
Operating Costs (net of PFI/PPP payments)	(3,534)	(3,713)	(4,113)	(4,455)	(4,575)	(20,390)
PPP Payments	(1,188)	(1,252)	(1,308)	(1,378)	(1,566)	(6,693)
PFI Payments	(221)	(232)	(225)	(228)	(227)	(1,134)
<b>Net Operating Expenditure</b>	<b>(2,073)</b>	<b>(2,110)</b>	<b>(2,228)</b>	<b>(2,506)</b>	<b>(2,622)</b>	<b>(11,538)</b>
Capital Projects	(722)	(741)	(1,096)	(1,690)	(1,284)	(5,533)
Third-party funding	175	169	211	248	232	1,035
Debt Service	(10)	(61)	(109)	(162)	(227)	(569)
General Contingency	0	(0)	(35)	(28)	(28)	(91)
<b>Net Expenditure</b>	<b>(2,630)</b>	<b>(2,744)</b>	<b>(3,256)</b>	<b>(4,138)</b>	<b>(3,929)</b>	<b>(16,697)</b>
Working Capital	249	(20)	(68)	(132)	105	134
Reserve Transfers	(385)	(101)	115	719	409	756
<b>Funding Required</b>	<b>(2,766)</b>	<b>(2,865)</b>	<b>(3,210)</b>	<b>(3,551)</b>	<b>(3,415)</b>	<b>(15,807)</b>
Funded by:						
Total transport grant	2,196	2,389	2,598	2,649	2,803	12,635
Precept	20	12	12	12	12	68
Prudential borrowing	550	464	600	890	600	3,104
<b>Total</b>	<b>2,766</b>	<b>2,865</b>	<b>3,210</b>	<b>3,551</b>	<b>3,415</b>	<b>15,807</b>

**Table 2: Relationship between the Business Plan and Investment Programme**

£m	2005/06	2006/07	2007/08	2008/09	2009/10	Total
<b>Investment Programme</b>	<b>2,218</b>	<b>2,408</b>	<b>2,866</b>	<b>3,347</b>	<b>2,994</b>	<b>13,834</b>
Overprogramming	0	0	(74)	(178)	(219)	(471)
<b>Net Investment</b>	<b>2,218</b>	<b>2,408</b>	<b>2,792</b>	<b>3,169</b>	<b>2,776</b>	<b>13,363</b>
Less:						
Capital under PPP contracts	(1,007)	(1,176)	(1,124)	(884)	(920)	(5,110)
Capital under PFI contracts	0	0	0	0	0	0
Payments to Operators/Borough	(490)	(491)	(573)	(595)	(571)	(2,720)
<b>Capital Expenditure</b>	<b>722</b>	<b>741</b>	<b>1,096</b>	<b>1,690</b>	<b>1,284</b>	<b>5,533</b>

## 10. RISKS

- 10.1 Risks are regularly monitored both at a TfL and directorate level. Safety risk is dealt with separately, but strategic and operational risk is dealt with as part of the business planning and monitoring process.
- 10.2 TfL has in place a strategic risk management policy that has been approved by the Board. Risk management is the responsibility of all TfL managers and risk mitigation strategies are in place. Details of key risks are maintained and updated by all business units with the top 10-15 TfL strategic risks captured through direct input from all chief officers.
- 10.3 The biggest fundamental strategic risk relates to the PPP contracts, particularly with the impact of Metronet administration which is currently being assessed. Discussions with government are taking place on the best approach in restructuring Metronet deliverables and financial obligations.
- 10.4 Other strategic risks that may adversely affect the Plan to a material extent include:
- **Economic Downturn:**
    - A shortfall in income due to a downturn in the economy, which would principally affect LU fares income. The last time this happened was in the early 1990s when LU experienced a shortfall to budget of £40m in one year.
  - **Project Cost Overrun:**
    - A major project which is under construction overruns substantially.
  - **Unforeseen Event:**
    - An adverse event e.g. terrorism.

## 11 CONSULTATION

- 11.1 TfL is coordinating with the GLA during November, where a series of meetings and workshops have been scheduled with the London Business Board, London Councils Tec and Voluntary groups to discuss and gather views on the content of the Business Plan. Emphasis will be placed that this year's plan is a continuation of the 2005/06 Business Plan, focusing on delivery of existing commitments, refined to reflect developments of the past year.

## 12 IMPACTS ON CRIME AND DISORDER

- 12.1 The Business Plan takes full account of the adoption of section 17 of the Crime and Disorder Act of 1998. Guidance on the adoption of section 17 was included in the Business Planning Guidelines TfL issued internally as part of the process in March.
- 12.2 Additional funding has been included in the Business Plan as noted in **sections 5 and 6** above to continue the provision of Safer Transport Teams in outer London in 2009/10.

## **13 RECOMMENDATIONS**

The Board is asked to:

- APPROVE the Business Plan, and -
- DELEGATE authority to the Managing Director, Finance to finalise and publish the Plan, provide the input to the Mayor's consolidated budget, and issue the updated 5-Year Investment Programme.

Group Business Planning and Performance  
24 October 2007



# Operational and Financial Report

## First quarter, 2007/08



Cover Image: Fabian Cancellera, winner of the Prologue of the 2007 Tour de France, awaits the start of Stage 1 of the Tour de France from London to Canterbury.

#### Performance

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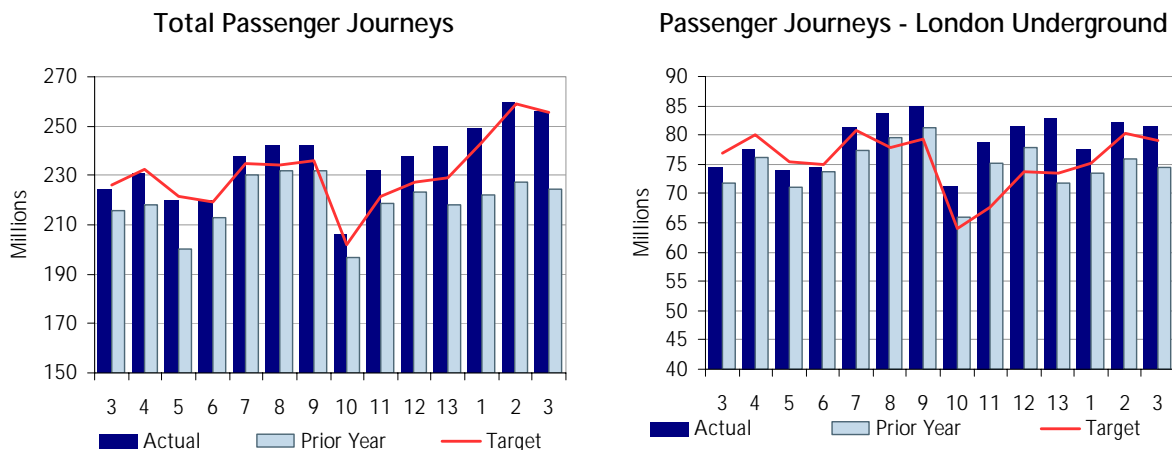
- 1.0 Quarter one in 2007/08 continued to build upon the substantial passenger growth of 2006/07, across the Transport for London (TfL) network, with 764 million passenger journeys during the quarter. Passenger journeys on the Underground continues to significantly exceed anticipated levels, at 242 million passenger journeys for the quarter, whilst both the percentage of scheduled services and number of train kilometres operated exceeded target and the previous year performance. Service demand on the bus network reached 501 million bus passenger journeys during the quarter, a like-for-like increase of 6 per cent on 2006/07. On the Docklands Light Railway there were 14.8 million passenger journeys during the first quarter, 8 per cent higher than the first quarter last year.
- Other highlights and performance issues in the first quarter of 2007/08 included:
- 1.1 **Tour De France:** On 7 July, for the first time in the event history, London hosted “Le Grand Départ” to launch the Tour de France cycle race. The largest annual sporting event in the world attracted over two million spectators to the race prologue on the 7.9km route in central London. A further two million people lined the route from London through Kent for the first stage of the race on 8 July. Further to the success of the Tour de France event, London will host the start of the Tour of Britain on 9 September. The race will start in Crystal Palace Park with a 2.5km prologue, sponsored by TfL. Cycling on major roads in London increased by a further six per cent between March 2006 and March 2007, continuing the strong annual growth since 2000. There are now an estimated 480,000 cycle journeys every day across London, an increase of 30,000 on 2006/07.
- 1.2 **Overground Rail Operator Announcement:** On 19 June, the Mayor announced the successful bid to operate the 7-year London Overground concession, awarded to MTR/Laing (now London Overground Rail Operating Limited). From 11 November TfL services will operate on the North London Railway, currently operated by Silverlink Train Services Limited.
- 1.3 **Marathon Weekend:** On 22 April, TfL provided free travel for all London Marathon runners and officials on the Tube and DLR. The event preparation was successful and bus diversions and road closures were in place for the lowest possible time, to minimise inconvenience to users. An incident occurred at Mudchute DLR station, during the event, which resulted in a service suspension of six hours. The doors of a train were damaged after making contact with the platform ramp. The service was suspended between Crossharbour and Greenwich, while safety checks were carried out.
- 1.4 **Bus Fare Announcement:** On 18 June, the Mayor announced a 10 per cent reduction in bus fares from 30 September. The cost of a single Oyster Pay as You Go bus fare will fall to 90p and a weekly bus pass will cost £13, reduced from £14. There will be corresponding price reductions for monthly and annual tickets. It is estimated that approximately 1.6 million passengers will benefit from the lower fares, 1.3 million from the reduction in Pay as You Go fares and 300,000 from the reduction in the weekly bus passes. The one day bus pass rate and the bus cash fare will remain unchanged. The cost of these proposals is estimated to be £36m over a full financial year.
- 1.5 **London Transport Awards:** A number of TfL achievements were recognised in the London Transport Awards, which acknowledge the successful transport initiatives of London

Boroughs and other organisations. TfL award winners included: King's Cross St. Pancras (determined by public web vote and analysis of commendations received) for Underground Station Customer Service Team of the Year; London Underground with Tube Lines (The Jubilee Line 7th Car Project) for Transport Partnership Project of the Year; The TfL Journey Planner for the Travel Information and Marketing Award and DLR with Serco for the Transport Team Partnership of the Year.

- 1.6 **TfL Sustainable Transport Awards:** The fourth TfL 'Sustainable Transport Awards' ceremony was held on 28 June. The awards recognise initiatives to promote clean and healthy Travel in London. Over 100 entries were received for the awards across 14 categories, including Sustainable Transport Borough of the Year - The Royal Borough of Kingston upon Thames and School of the Year - New City Primary School in Newham, commended for its success in delivering the 'Personalised Travel Planning project'.
- 1.7 **DLR 3-Car Capacity Announcement:** The main contract for the DLR 3 car capacity enhancement project was signed on 3 May 2007 and powers under the Transport and Works Act were confirmed on 19 July. The approval under the Transport and Works Act was DLR's fifth consecutive TWA approval and the fastest ever granted in England. Passenger numbers on the DLR continue to increase, up 8 per cent this quarter on the record numbers of 2006/07, and the capacity increase will significantly contribute to both the regeneration of East London and the infrastructure development of the 2012 Olympic Games.

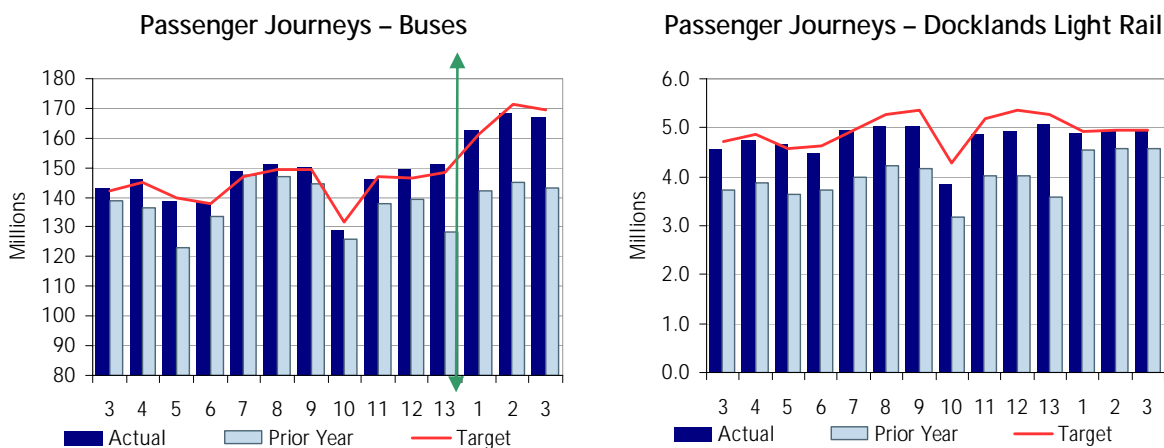
## Service demand

- 2.0 Following on from the record levels of patronage in 2006/07, the total number of passenger journeys across the TfL network continue to trend upwards in quarter one 2007/08. There were 764 million passenger journeys – 6.2 million (0.8 per cent) higher than target and an increase of 98.4 million (13 per cent) on the same quarter last year. Excluding the change in bus passenger methodology the underlying increase was 48.5 million more journeys than quarter 1 2006/07, an increase of 5.1 per cent.



Note: 2006/07 bus passenger journey numbers are represented as previously reported and a new methodology has been applied from period 1 2007/08.

- 2.1 Service demand on the Underground continues at a record level. There were 242 million passenger journeys on the Underground during quarter one, a considerable increase of 18 million compared to the first quarter of last year and 7 million higher than the year to date target. London Underground is forecast to exceed the full year target of 1,048 million passenger journeys by 3.8 per cent.



Note: 2006/07 bus passenger journey numbers are represented as previously reported and a new methodology has been applied from period 1 2007/08.

- 2.2 There were 501 million bus passenger journeys during the quarter, an increase of 16.4 per cent on 2006/07. Whilst the growth was in line with budget, it primarily resulted from an improved method of counting bus passenger journeys, which now uses Oyster validations and includes additional categories (under 5s, staff and police). The 2007/08 full year target has been revised to 2,160 million passenger journeys, an increase of 13 per cent. The year-on-



year comparison, on a like-for-like basis shows an underlying increase of 5.1 per cent on quarter one of last year.

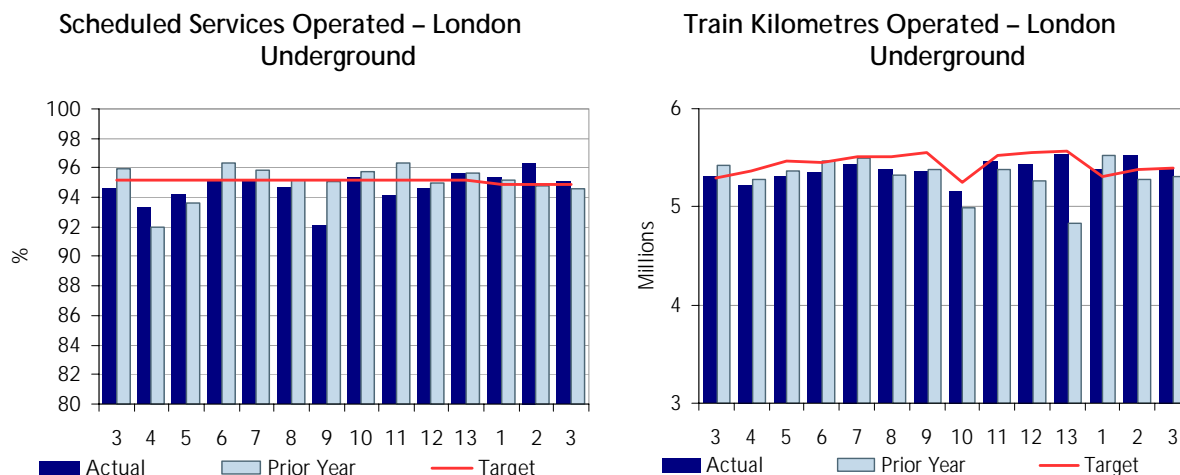
- 2.3 There were 14.8 million journeys on the DLR during the first quarter, 8 per cent higher than the same quarter last year and broadly in line with target. In addition, on 23 May, DLR recorded its highest ever number of passenger journeys on one day. At 280,000, this was nearly 12,000 higher than the previous recorded high. This was due to the London International Wine and Spirits event at Excel and a fire at London Bridge which increased passenger journeys at Bank.

#### Fare Trends

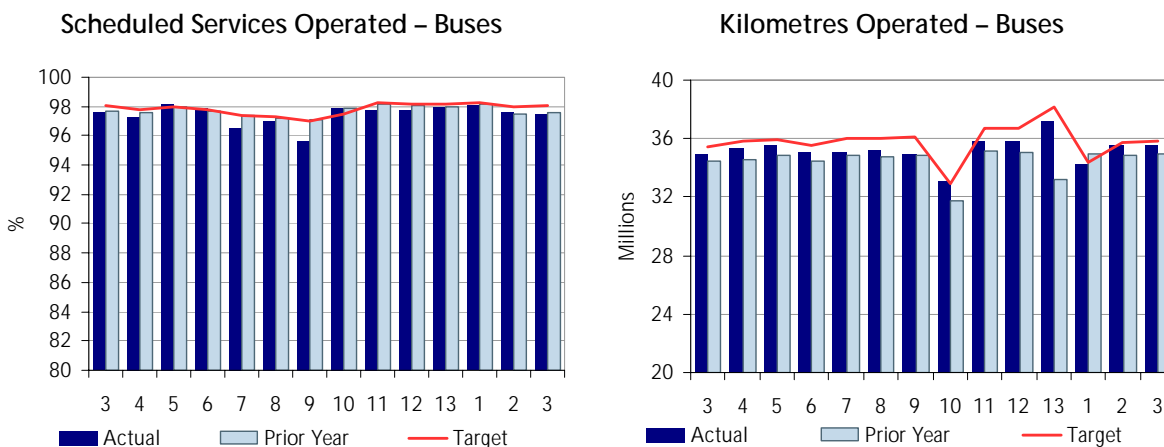
- 2.4 At the end of the first quarter, 3.8 per cent of Underground passenger journeys were cash fares, down from 5.6 per cent at quarter one last year. Oyster single fares comprised 25.8 per cent of all Underground journeys compared with 17.9 per cent a year ago. Underground journeys on single and return tickets decreased by 35 per cent year-on-year and sales of day travelcards were decreased by 3.9 per cent year-on-year. Average daily Oyster pay as you go journeys had increased to 0.75 million per day by the end of quarter one.
- 2.5 On the bus network, the use of cash single fares accounted for 2.1 per cent of all journeys (2.2 per cent including roadside ticket machines) compared to 5.0 per cent at quarter one 2006/07. Oyster pay as you go journeys comprised 14.4 per cent of all bus journeys compared to 9.3 per cent a year ago.

## Service provision

- 3.0 There was a good level of service provision across the TfL network in quarter one 2007/08, with targets achieved or exceeded on the Underground and DLR and only narrowly missed by London Buses.

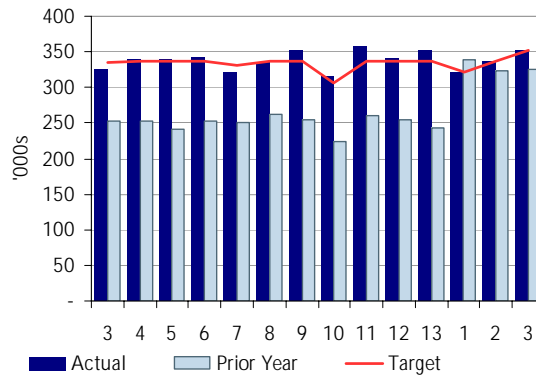


- 3.1 During the first quarter, the percentage of scheduled services operated on the Underground remained high, exceeding both target and the performance of the prior year. During period 2 the overall percentage of schedule was the highest for almost 2 years, at 96.3 per cent. Although the percentage of schedule fell during period 3, to 95.1 per cent, the budget was achieved, along with a 0.5 per cent improvement on the same period last year. During quarter one, kilometres operated on the Underground, at 16.3 million, achieved target and marginally exceeded the previous year.



- 3.2 An average 97.7 per cent of scheduled services were operated on London Buses in the first quarter of 2007/08, slightly below target and the same period last year. Bus kilometres operated achieved target this quarter. Losses due to staffing and mechanical faults remained low but were offset by higher than expected losses due to traffic delays. Particular disruption to bus services this quarter was caused by a serious fire at Deptford on 26 April; additional loadings for buses in south-east London following the suspension of National Rail services into London Bridge on 23 May; the London Marathon on 22 April; widespread delays in south-east London following closure of the Blackwall Tunnel northbound for nearly 24 hours on 9 to 10 May; the closure of the Harrow Road/Kilburn Lane junction from 12 May for emergency gas main repairs and roadworks in Shaftesbury Avenue, Lewisham and Greenwich.

### Train Kilometres Operated – Docklands Light Rail

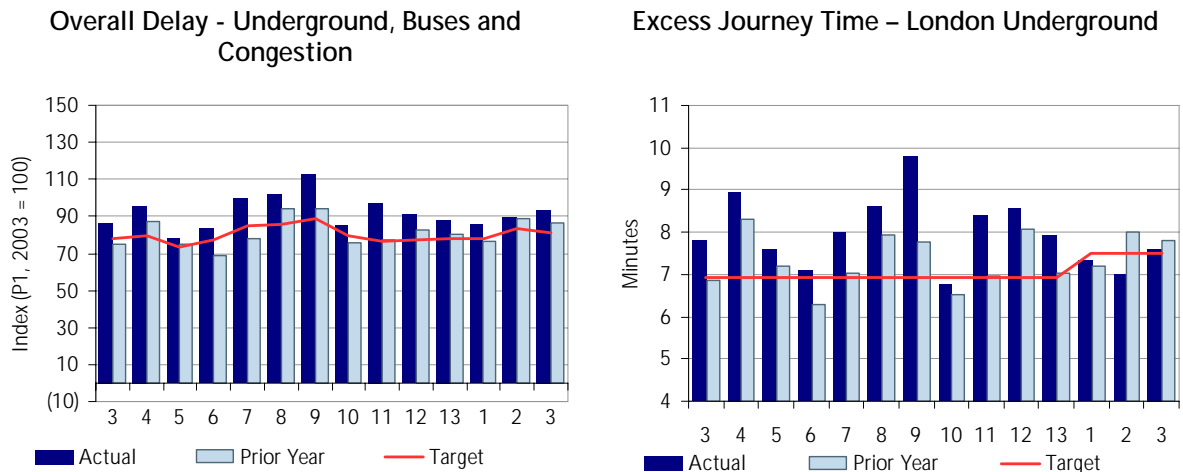


- 3.3 DLR service provision was excellent during the first quarter with over 99 per cent of DLR departures achieved during the last two periods. Train kilometres operated achieved target in spite of engineering possessions on the North and South route and the slight delay associated with the opening of new platforms at Stratford regional station to accommodate the enhanced Stratford DLR service.
- 3.4 The total number of Dial-a-Ride trips remains below the quarter 1 target, as anticipated trip efficiencies following the opening of the Management Control Centre have not been realised. A recruitment campaign continues to address the driver shortage and there has also been a slight fall in passenger demand. This has had a consequential impact upon the cost per trip which is also higher than target.

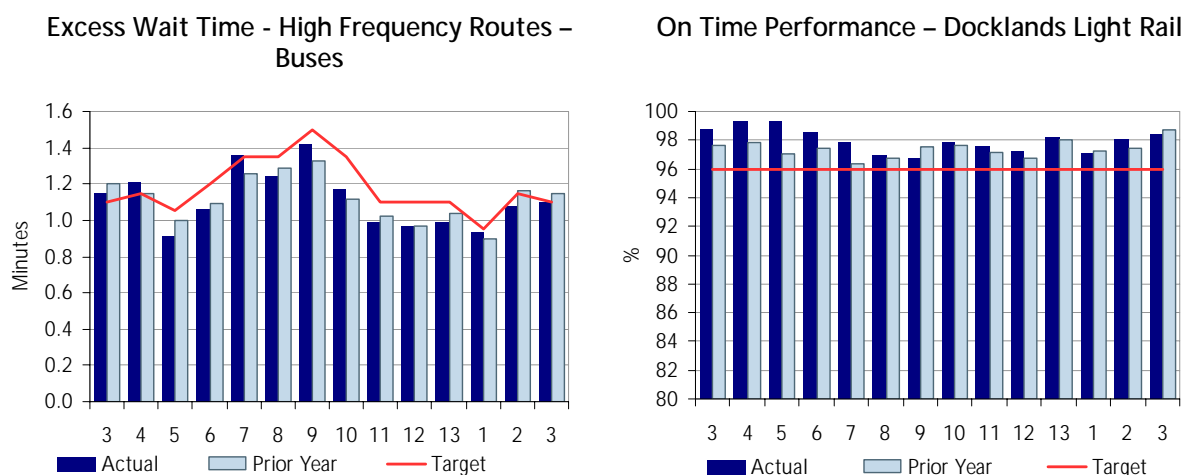
# Service reliability

4.0 The delay index, a measure of the total delay minutes experienced across the Transport for London network, was higher than target in the first quarter of 2007/08 mainly due to the continuing growth in passenger numbers across the network.

4.1 Development work is underway on a new measure of delay that will measure individual passenger, rather than total, delay. This is expected to be complete by the end of 2007/08.



4.2 During the first quarter excess journey time on the Underground averaged 7.3 minutes compared to the target of 7.5 minutes. Performance in periods 2 and 3 bettered that of the prior year. This was especially notable in period 2 when excess journey time improved by 1 minute and, for the first time since period 6 of 2005/06 (with the exclusion of Christmas periods), was lower than 7 minutes. The improvement was due to a reduction in asset incidents, which offset increasing customer demand, resulting in reduced platform waiting times and congestion.



4.3 On the bus network, excess wait time remained in line with target and unchanged on the same quarter last year. Excess wait time has been reducing across the bus network for over four years.

4.4 On the DLR on time performance was again better than target, averaging 97.8 per cent, 1.8 per cent higher than the target of 96 per cent for the first quarter.

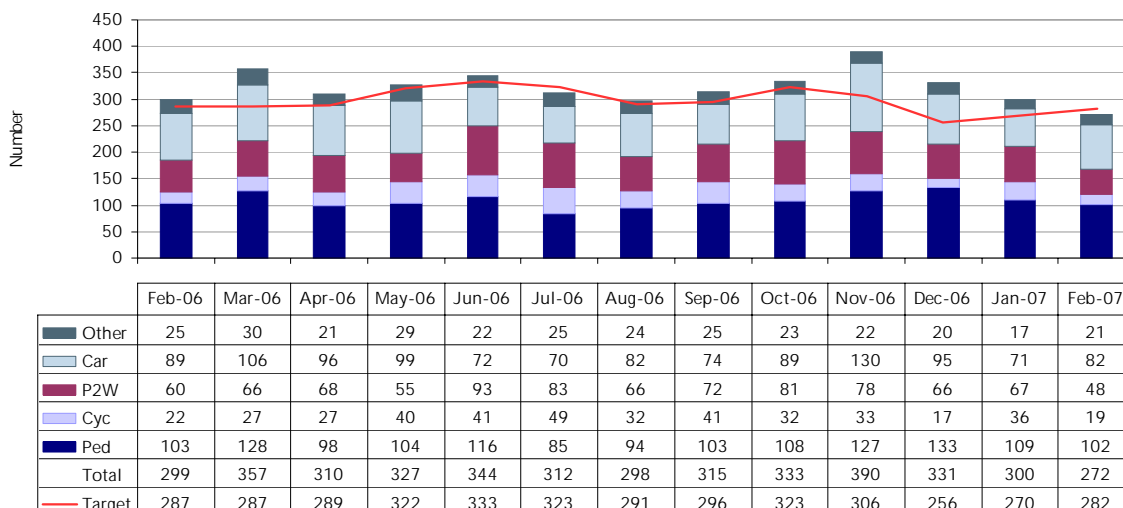
## Customer Satisfaction

- 5.0 Customer satisfaction levels on the TfL network improved by 0.4 points in the first quarter to 79.1 points, 0.8 points ahead of target, as a result of increased levels of customer satisfaction on the Underground and DLR.



- 5.1 Customer satisfaction levels on the Underground improved this quarter to 78 points, 1 point higher than quarter 4 2006/07 and in line with target. The overall score for station staff helpfulness and availability increased by 2 points compared to the previous quarter achieving a score of 77. Train and station service overall scores both increased by one point compared to last quarter, also reflecting the good service provision and journey time results.
- 5.2 Overall customer satisfaction on the bus network (day bus services) during quarter one remained the same as the previous quarter at 79 points. Both bus reliability and information scores increased by one point compared to last quarter and achieved target, rising to 80 and 75 respectively. This improvement does not appear to have been hindered by the increasing number of bus passengers, or the traffic delays during periods 2 and 3, which resulted in a slight deterioration in the overall proportion of scheduled kilometres operated. The previous slight deterioration of CSS scores has led to a reassessment of the information, cleanliness and service elements in the review of bus operator incentivisation.
- 5.3 Customer satisfaction survey results on the DLR, at 97.4 points, have continued the upward trend, increasing by 0.8 points on last quarter and remaining significantly ahead of the 90 point target. This is the highest overall service performance score since 1997 and, year on year, it has increased by 7.4%.

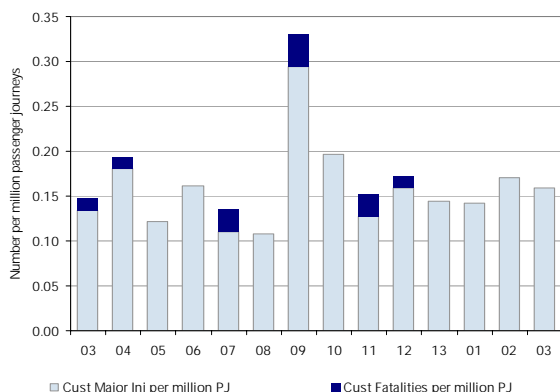
### Number of Killed or Seriously Injured (KSI) on London Roads



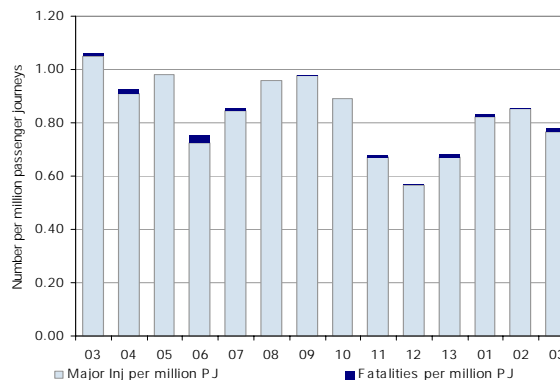
Note: Due to reporting processes and the nature of road traffic accident data, results are reported 4 to 5 months in arrears. The most recent data available is for February 2007. Results are also subject to retrospective adjustments.

6.0 The number of killed or seriously injured on London's roads over the first 2 months of the calendar year (equivalent to a first quarter result) at 572 was an improvement of 7 per cent compared to the corresponding months in 2006. In February 2007, powered-two-wheeler incidents fell by 20 per cent compared to February 2006, whilst cyclist, and car incidents decreased by 14 and 8 per cent respectively. The longer-term trend remains favourable and it is anticipated that the 50 per cent casualty reduction target will be achieved by 2010.

### Major Injuries and Fatalities – London Underground



### Major Injuries and Fatalities – London Buses



6.1 The number of customer major injuries and fatalities on the London Underground network in the first quarter of 2007/08, at 38, was 12 higher than the same time last year, however representing an average of just 0.16 injuries per million passenger journeys.

6.2 On the bus network there were 412 major injuries and fatalities in the first quarter of 2007/08, a 15% decrease on the corresponding period last year, representing an average of just 0.81 injuries per million passenger journeys. A gradual rise in reporting of safety incidents is anticipated in 2007/08 as a result of pro-active monitoring of data and support to bus operators' data entry staff by the London Buses Safety Team.

## Sustainability

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- 7.0 Highlights of TfL initiatives with sustainability benefits in the first quarter were:
- 7.1 The Climate Change Fund Approvals Group and PRG supported the Group Property and Facilities sustainable energy proposal for Palestra. This will involve the installation of a combined heat and power fuel cell and measures to achieve the “excellent” building environmental performance standard defined by BREEAM (Building Research Establishment Environmental Assessment Method).
- 7.2 The first Underground Biodiversity Action Plan (BAP) was agreed in April, and published in May. The plan aims to conserve, and where possible to enhance, the biodiversity value of Underground property and to increase awareness amongst staff and the travelling public.
- 7.3 In June 2007, London Underground completed an environmental benchmarking study to compare environmental monitoring, reporting and performance against other metro systems across the world. The report concluded that the Underground monitoring and reporting system is comprehensive and reflects best practice. Areas identified for improvement include recycling of station and depot waste and improving the energy efficiency of technology and systems at stations, depots and for traction energy.
- 7.4 A Hybrid Bus Evaluation Committee has been established by London Buses and consists of representatives from those bus operators trialling hybrid vehicles. The Committee will openly evaluate the monthly performance of all buses on trial and identify areas where further improvements/developments could be made to the technology. This committee will also be responsible for developing a long term operational cost target for hybrid buses in London.
- 7.5 ‘Hydrogen Cars and Vans’ is a two-phase implementation of 60 low-carbon hydrogen fleet support vehicles. The tender submissions for refuelling Infrastructure were received in June. Following on from negotiations with the supplier, the contract will be finalised in November 2007.
- 7.6 Quarter one saw the launch of a TfL Environmental Champions initiative, to encourage staff to join a network of key staff volunteers to drive local environmental improvements in TfL. In addition, Group HSE co-ordinated the Energy Pledge campaign, initiated on World Environment Day and designed to engage individuals with energy saving.
- 7.7 The “Why not walk it?” campaign was launched in April. TfL also supported the Revolve London to Brighton eco-rally and the “Cars not Carbon” awards during June.
- 7.8 Quarter one saw trials of wheelchair step climber equipment at Morden Underground Station and of audio visual tube train information systems. The Independent Disability Advisory Group (IDAG), established in October 2006 to advise and guide TfL on transport solutions for disabled people, participated in the trials.
- 7.9 The implementation of supplier diversity has continued with appropriate Supplier Diversity requirements included in the London Overground Operating Concession and the East London Line main work. The London Overground Ticket Vending Machines and Palestra Main Works contracts contain clauses regarding environmental sustainability as well as supplier diversity. A draft pan-TfL Ethical Sourcing Policy has been produced and circulated internally for comment.

## Section 17 of the Crime and Disorder Act

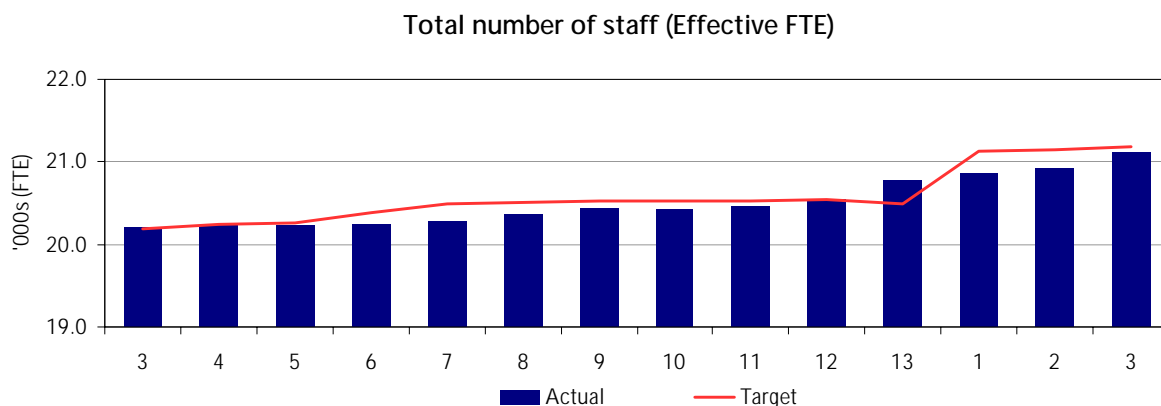
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- 8.0 TfL is awaiting secondary legislation to designate it as an organisation subject to Section 17 of the Crime and Disorder Act 1998. This legislation is anticipated to come into force by the end of 2007. In the interim, TfL has embedded Section 17 in the formal business-decision making process. It is now necessary to include a section highlighting crime and disorder implications and prevention in papers considered by TfL Board and its associated panels and committees. It is therefore intended to ensure that all reasonable steps are taken to consider, mitigate, and wherever possible, remove the risk of crime and disorder occurring on or around the transport network.
- 8.1 A programme of London Underground station environmental audits by TfL staff and BTP Crime Prevention Officers continues to identify safety and security improvements.
- 8.2 TfL is taking all necessary action to consider the potential crime and disorder impacts during the planning phase of the 2012 London Olympics. Currently a staff member works alongside the Olympic Security Directorate providing a single point of contact.
- 8.3 Following approval by the TfL Board, the TfL Community Safety Plan 2007/8, which is an integral aspect of Section 17 implementation across the organisation, is in the process of being published and will be circulated to all key partner agencies.



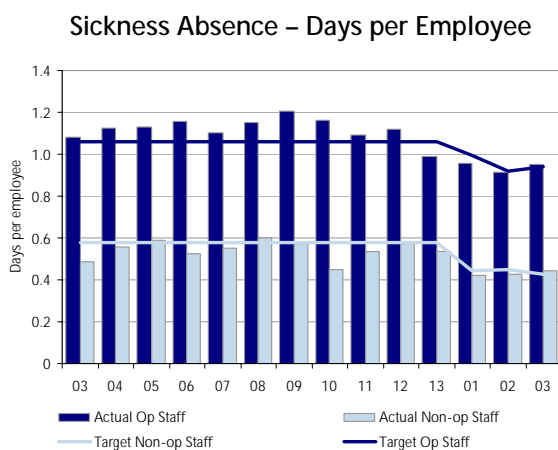
## Staff Numbers

9.0 The total number of effective full time equivalent (FTE) staff across TfL increased by 336 in the first quarter to 21,114 FTE, 64 lower than target.



9.1 At the end of the first quarter there were 14,243 FTE staff in London Underground, 65 higher than budget and an increase of 243 since the beginning of the year. Temporary staff numbers decreased by 10, but remain 12 over budget. Surface Transport staff increased by 48 to 4,626 FTE, 127 lower than budget. The number of temporary staff in Surface Transport fell by 11 to 583 FTE, slightly under budget. London Rail staff numbers remain unchanged at 188 FTE, 15 below budget. There were 2,057 FTE staff within the Group Directorates, an increase of 45 by the end of the quarter and 13 over budget.

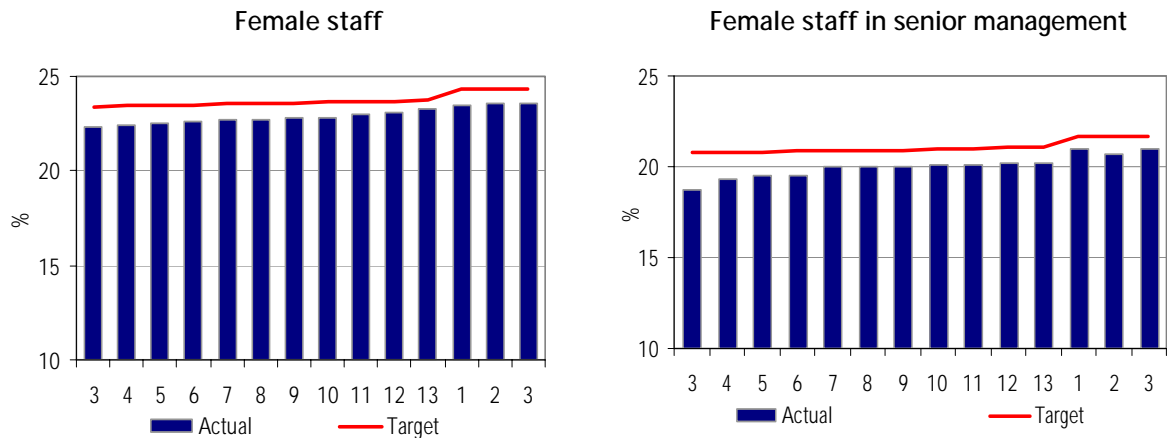
## Sickness



9.2 The year to date sickness absence rate per TfL employee during the first quarter was 2.2 days, 0.2 days per employee inside the target of 2.4 days for the quarter. The sickness rate remains higher amongst operational staff. A similar positive result was achieved across each of the modes, with operational and non-operational year-to-date sickness absence rates better than target.

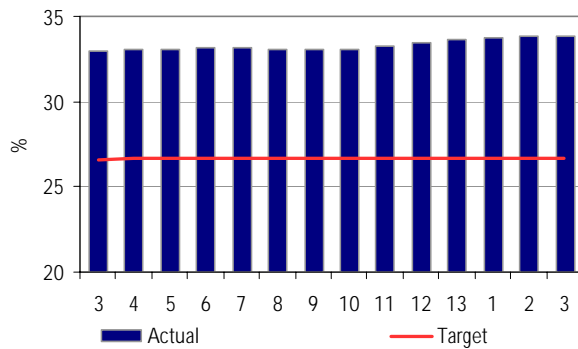
## Workforce Composition

- 9.3 2007/08 targets are those published in the March 2007 budget, reflecting a stretch increase for the actual position at that time. These are broken down internally by mode/department to form the basis of action planning. The exception is Black, Asian and Minority Ethnic Group (BAME) where overall representation across TfL is already above the average for the economically active population in London.

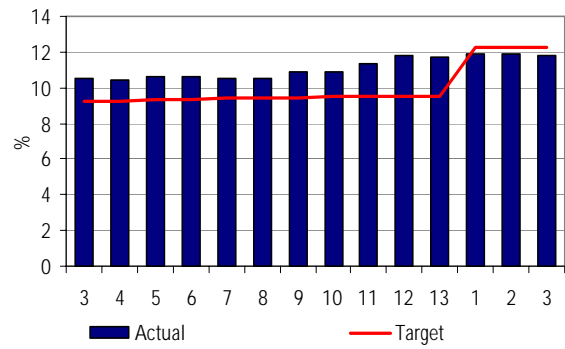


- 9.4 The percentage of female staff has increased by 0.3 per cent this quarter to 23.6 per cent against the year end target of 24.3 per cent. The percentage of women staff in senior management also increased by 0.8 per cent to 21.0 per cent against a year end target of 21.7 per cent.
- 9.5 In quarter one, female representation on the Underground increased by 0.4 percent (from 19.3 per cent to 19.7 per cent), making progress on the year end target of 19.8 per cent. The London Underground Customer Service Assistant recruitment drive is aiming to improve the representation of women at the operational job entry point, whilst work to promote female representation at the Station Supervisor and Duty Station Manager level is making significant progress.
- 9.6 Surface Transport is targeted with achieving female representation of 28.2 per cent by the year end and the first quarter results demonstrate good progress at 27.6 per cent. Surface Transport has established a working group to review modal retention issues. East Thames Buses is exploring a flexible scheduling structure; the Fair Cities Brent initiative has resulted in seven women gaining employment as bus drivers, with a further ten women due to commence training in August 2007; and 60 women attended the 'Women behind the Wheel' workshop in July 2007, many expressing an interest in careers in engineering or as a bus, underground, taxi, or Dial-a-Ride driver.

Black, Asian and Minority Ethnic Group Staff

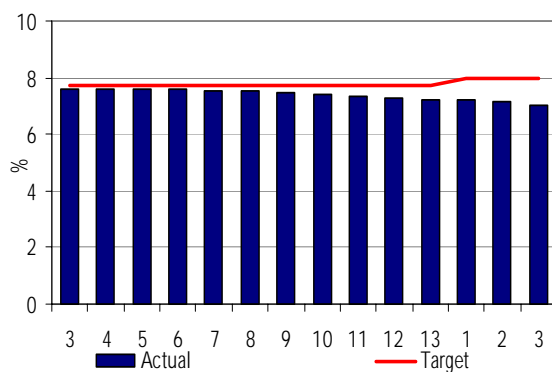


Black, Asian and Minority Ethnic Group Staff in Senior Management

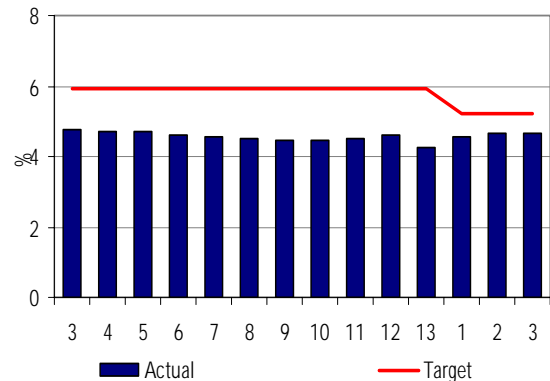


- 9.7 The percentage of Black, Asian and Minority Ethnic Group (BAME) staff employed at TfL at the end of quarter one was 33.8 per cent, an increase of 0.2 per cent on quarter four and significantly above the year end target of 26.8 per cent. This target was representative of the economically active London population at the time the TfL budget was agreed. The percentage of BAME staff in senior management was 11.8 per cent, an increase of 0.1 per cent on quarter four and 0.5 per cent below the year end target of 12.3 per cent. <sup>1</sup>
- 9.8 The TfL Race Equality Scheme (RES) will be reviewed and updated for 2008-2011. A pan TfL working group has been established to progress and develop the RES and associated action plans. The TfL mentoring programme has continued to target, and successfully attract, a wider representation from BAME participants than is reflective of the workforce - 48 per cent of phase one participants are BAME staff compared with 33 per cent of the total workforce.

Disabled staff



Disabled staff in Senior Management



- 9.9 The percentage of disabled staff has decreased by 0.2 per cent this quarter to 7.0 per cent against the year end target of 8.0 per cent. The percentage of disabled staff in senior management has risen by 0.3 per cent to 4.6 per cent against the year end target of 5.2 per cent. This measure is based upon the percentage of staff self-reporting as disabled, compared to total staff numbers. The year-on-year percentage decline results from increasing numbers of new staff reporting as non-disabled, whilst the actual number of disabled staff employed by TfL has not declined. The London Underground work experience programme for disabled people has commenced. Six candidates have been selected by a competency-based interview and sponsor recruitment is now underway. A work placement initiative is also being developed in Surface Transport.

<sup>1</sup> Subsequent to the agreement of the 2007/08 TfL Budget, an ONS survey commissioned by the GLA, indicated that the BAME community represented 29 per cent of the economically active BAME London population.

9.10 Quarter one data indicates that out of a total of 21,114 staff, 4,045 have either declared their sexual orientation or preferred not to say. Of this total 6.7 per cent declared that they were lesbian, gay or bisexual.

## Efficiencies

10.0 At £217 million, the 2007/08 efficiency programme full year target is 11 per cent greater than the 2006/07 year-end efficiency total of £193 million. Recurring efficiencies sustained from previous years comprise £179 million of the target, with the remainder to be achieved in-year.

10.1 At the end of the first quarter the full year efficiency forecast is £212 million, £6 million less than target. This is mainly due to:

- less than anticipated in-year procurement efficiencies being formally recorded to date
- reduced recurring staff and Business Improvement Programme (BIP) efficiencies resulting from increasing HRS staff numbers and a non-recurrence of IM savings from previous years.

Although the forecast is below the target, a number of work streams are now in place to identify further procurement and other efficiencies to ensure that the overall target is reached by year end.

Efficiency Initiatives £ m	Full Year (Sustained)		Full Year (In Year)		Total	
	Forecast	Var to Budget	Forecast	Var to Budget	Forecast	Var to Budget
Procurement	56	-	13	(4)	69	(4)
Staff & BIP	22	(1)	10	-	32	(1)
Marketing & Other	20		4	-	24	4
<b>Total Back Office</b>	<b>97</b>	<b>(1)</b>	<b>27</b>	<b>(4)</b>	<b>125</b>	<b>(1)</b>
Rail	2	-	-	-	2	0
Bus Network	59	-	-	-	59	0
Road Maintenance		-	3	-	3	0
Tube Lines refinancing	2	-	-	-	2	0
LUL Operational Efficiencies	15	-	2	-	17	0
LUL Communication Infrastructure	5	-	-	-	5	0
<b>Total Operations</b>	<b>83</b>	<b>0</b>	<b>5</b>	<b>-</b>	<b>87</b>	<b>-</b>
<b>Total Cashable (lower than budget)</b>	<b>180</b>	<b>(1)</b>	<b>33</b>	<b>(4)</b>	<b>212</b>	<b>(6)</b>

Tables may be subject to rounding errors

Targets for operational efficiencies, all of which are sustained from previous years, are forecast to be met by year end.

### Group Highlights

- 11.0 TfL operating income was £8 million lower than budget in quarter one, primarily due to lower than budget Surface Transport fare income and reduced income from Underground advertising, which was partially offset by increasing Underground fare income. For the full year, TfL operating income is forecast to be £16 million below budget primarily due to different bus fare levels, as announced by the Mayor, than were assumed at the time of the budget. Total TfL operating expenditure, was £51 million lower than budget in quarter one and forecast to be £6 million below budget for the full year.
- 11.1 Net capital expenditure at the end of the quarter was £31 million lower than budget, after reductions for overprogramming and third party capital receipts and reimbursements. Net capital expenditure for the full year is now forecast to be £3 million below budget. Further detail regarding investment activity is available in the First Quarter Investment Programme Report.
- 11.2 Net interest income in the quarter exceeded budget by £3 million and this variance is forecast to increase to £22 million at year end. This position is reflective of current interest rates.
- 11.3 The two Metronet PPP companies who are responsible for the BCV and SSL lines went into PPP Administration on the 18 July 2007. TfL has been working with the Appointed Administrators (Ernst and Young) to ensure that in the short term essential work continues to enable the continued safe operation of the Tube, and to develop a long-term viable solution for the Metronet businesses. To this end TfL has provided loan facilities to the Metronet Administrator of up to £900m for 6 months, at market rate. This sum is currently being funded from TfL Group-wide earmarked reserves. In its ongoing discussions with the Government on the Spending Review 2007, TfL is agreeing how and when its reserves will be replenished in accordance with the PPP comfort letter supplied by Government. Whilst this uncertainty continues TfL is forecasting to fully provide for the loan amount in its 2007/8 expenditure. The level of project commitments is being monitored until such time that there is clarity of the way forward, although there is no impact on the delivery of the Investment Programme at present.
- 11.4 Full year TfL net service expenditure, which includes the loan provision of £900 million made available to the Metronet administrators described above, is now forecast to exceed budget by £886 million.
- 11.5 A modal summary of financial performance is provided in Annex Two.

Net Service Expenditure £m	Year to Date			Full Year	
	Actual	Budget	Variance	Forecast	Variance
<b>Operating Budget</b>					
Income	(724)	(732)	8	(3,263)	16
Operating Expenditure	1,212	1,263	(51)	5,681	(6)
Net Operating Expenditure	488	531	(43)	2,418	11
<b>Capital Budget</b>					
Capital Expenditure	171	214	(43)	1,145	(23)
Reimbursements	(31)	(43)	12	(157)	20
Net Capital Expenditure	141	172	(31)	989	(3)
Capital Income	(30)	(31)	1	(52)	(0)
Interest Income	(24)	(21)	(3)	(94)	(20)
Debt Servicing Costs	25	26	(0)	109	(2)
<i>Net Interest Income</i>	<i>1</i>	<i>4</i>	<i>(3)</i>	<i>15</i>	<i>(22)</i>
Contingency	-	2	(2)	35	-
Provision for Metronet	-	-	-	900	900
<b>Net Service Expenditure</b>	<b>600</b>	<b>678</b>	<b>(78)</b>	<b>4,304</b>	<b>886</b>

Table may be subject to rounding errors

## Operating Income

- 11.6 TfL operating income was £8 million lower than budget in of quarter one, primarily due to lower than budget bus network income, as well as reduced income from the Congestion Charging scheme and the contract for commercial advertising on the Underground network. This variance was offset to some extent by higher Underground fare income. For the full year, TfL operating income is forecast to be £16 million below budget.
- 11.7 In Surface Transport, Bus Network fare income was £5 million below budget in the first quarter due to a faster than anticipated decrease in the use of Bus Passes and cash. 2.1 per cent of passengers now use cash fares, compared to 5.0 per cent a year ago. Oyster pay as you go journeys comprised 14.4 per cent of all bus journeys, compared to 9.3 per cent in 2006/07. Congestion charging income was £2 million below budget, principally due to the continuing trend of fewer standard congestion charge payments following the introduction of the Western Extension Zone, however this was partially offset by increased Congestion Charging enforcement income. TPED (Transport Policing and Enforcement Directorate) income was £2 million lower than budget due to fewer than expected bus lane enforcement penalties issued. Full year Surface Transport fare income is forecast to be £28 million lower than budget largely due to the impact of the bus fare decrease (applicable from 30 September 2007) and lower than anticipated fare increases (due in January 2008).
- 11.8 In quarter one, Underground fare income exceeded budget by £8 million, reflecting the 8 per cent year-on-year growth in passenger demand. At the end of quarter one, 3.8 per cent of Underground journeys were cash fares, compared to 6.4 per cent in 2006/07 and Oyster single fares comprised 25.8% of all Underground journeys. As a result of the increasing levels of patronage, the year end forecast is £33 million higher than budget.

- 11.9 On the DLR fare income was £1 million below budget in the quarter and forecast to be £2 million below budget for the full year. Other income was £8 million below budget as a result of lower than expected commercial advertising revenue on the Underground network.

2006/07 YTD Actual	Income £m	Year to Date			Full Year	
		Actual	Budget	Variance	Forecast	Variance
(322)	Underground fares Income	(343)	(335)	(8)	(1,550)	(33)
(225)	Bus Network fares Income	(239)	(243)	5	(1,031)	28
(12)	DLR Fare Income	(14)	(15)	1	(60)	2
(559)	Fares Income	(595)	(593)	(2)	(2,641)	(3)
(57)	Congestion Charging - fees and enforcement income	(73)	(75)	2	(333)	8
(10)	TPED enforcement income	(13)	(15)	2	(76)	1
(52)	Other Income	(42)	(49)	6	(212)	10
(678)	Total Income	(724)	(732)	8	(3,263)	16

Table may be subject to rounding errors

### Operating Expenditure

- 11.10 Total operating expenditure, at £1,212 million, was £51 million lower than budget in quarter one. Full year end total operating expenditure (not including the Metronet provision) is forecast to be £6 million below budget as Surface Transport, Group Directorates and London Rail are forecast to exceed the operating expenditure budget by a total of £44 million, offset by the Underground year end forecast of £50 million below budget. Inclusive of the provision for the loan made to the Metronet Administrator, the forecast will exceed budget by £886 million.
- 11.11 On the Underground, operating expenditure was £33 million below budget in the first quarter, principally attributable to lower Infracore performance payments, together with lower than budgeted risk events and electricity costs. These factors are also reflected in the year end forecast which is £50 million below budget.
- 11.12 At the end of the first quarter, both London Rail and Surface Transport are below budgeted levels of operating expenditure, but have forecast year end operating expenditure in excess of budget. In London Rail this is as a result of the increased cost of the Overground concession. In Surface Transport, this is due to increased funding for the London Safety Camera Partnership, and work originally budgeted as capital expenditure (£16.8 million) on the Low Emission Zone and walking, cycling and accessibility schemes. Re-classified following a review as part of the 2006/07 year end process. The budget will be re-allocated for Quarter 2 reporting accordingly.

2006/07 YTD Actual	Operating Expenditure £m	Year to Date			Full Year	
		Actual	Budget	Variance	Forecast	Variance
559	London Underground	581	614	(33)	2,628	(50)
507	Surface Transport	549	553	(4)	2,546	23
26	London Rail	30	35	(5)	186	12
59	Group Directorates	53	62	(9)	320	9
1,151	Total Operating Expenditure	1,212	1,263	(51)	5,681	(6)

Table may be subject to rounding errors



## Capital Expenditure

- 11.13 TfL net capital expenditure at the end of the quarter, after third party capital receipts, reimbursements and reductions for overprogramming, was £30 million lower than budget but the full year forecast for net capital expenditure is £3 million below budget.

2006/07 YTD Actual	Capital Expenditure £m	Year to date			Full Year	
		Actual	Budget	Variance	Forecast	Variance
53	London Underground *	79	101	(22)	409	(14)
41	Surface Transport *	36	51	(15)	259	(59)
17	London Rail	52	64	(12)	424	(3)
3	Group Directorates	4	14	(10)	73	3
-	Overprogramming (Group)	-	(16)	16	(20)	50
114	Capital Expenditure	171	214	(43)	1,145	(23)
(27)	Reimbursements	(31)	(43)	12	(157)	20
87	Net Capital Expenditure	141	172	(31)	989	(3)
(1)	Capital Receipts	(30)	(31)	1	(52)	(0)
85	Net Capital	111	140	(30)	936	(3)

\* Shown after delegated overprogramming

Table may be subject to rounding errors

- 11.14 On the Underground, capital expenditure was £22 million below budget in the first quarter due to the re-phasing of accommodation, station congestion relief, accessibility and communications projects. The full year end capital expenditure forecast demonstrates a partial recovery, to £14 million below budget, as work on congestion relief and accessibility projects will accelerate to deliver on schedule.
- 11.15 Surface Transport capital expenditure in quarter one was £15 million below budget as a result of the deferred West Ham Bus Garage scheme, delayed bus infrastructure projects and programme slippage on East London Transit and Greenwich Waterfront Transit. Full year capital expenditure is forecast to be £59 million below budget largely due to programme slippage on West Ham Bus Garage (and the consequential reduction in third-party funding), East London Transit, Greenwich Waterfront Transit, Ticket Technology, Blackwall Tunnel and A316 Country Way. As mentioned in paragraph 11.12, a re-classification of £16.8 million of the full year Surface Transport capital expenditure budget, to operating expenditure, will be processed for reporting in quarter 2. <sup>1</sup>
- 11.16 For London Rail, capital expenditure for the year to date was £12 million below budget, due to budget phasing issues associated with Stratford Regional and International stations. However this variance is forecast to reduce to £3 million lower than budget by the year end.
- 11.17 Capital expenditure in the Group Directorates was £10 million below budget in quarter one, largely as a result of lower than budgeted expenditure of £2.8 million on the Group Marketing and Communications customer services project and lower than budgeted expenditure on IT projects in Finance of £5.9 million. The year end position for Group Directorate capital expenditure is forecast to exceed budget by £3 million.

<sup>1</sup> For further information on Investment Programme performance please see the Investment Programme Report. (Section 3.9 and 3.10 for East London Transit and Greenwich Waterfront Transit progress update).

## Balance sheet

Transport for London Group Balance Sheet at end of Period 3 £m	Variance to Budget
Fixed Assets - <i>lower than budget</i>	63
Debtors and Payments in Advance - <i>lower than budget</i>	14
Cash - <i>lower than budget</i>	24
Creditors - <i>lower than budget</i>	(63)
Deferred Capital Grant - <i>lower than budget</i>	(18)
Provisions - <i>higher than budget</i>	9
<b>Total Net Assets - <i>lower than budget</i></b>	<b>29</b>

- 12.0 Working capital balances across the group are broadly as expected in the budget other than in London Underground where trade creditors are £73m lower than budget, due to a £40m earlier payment of the Connect delay and disruption claim allied to reduced risk activity (£14m), and lower capital (£7m) and trade creditors/accruals (£12m).

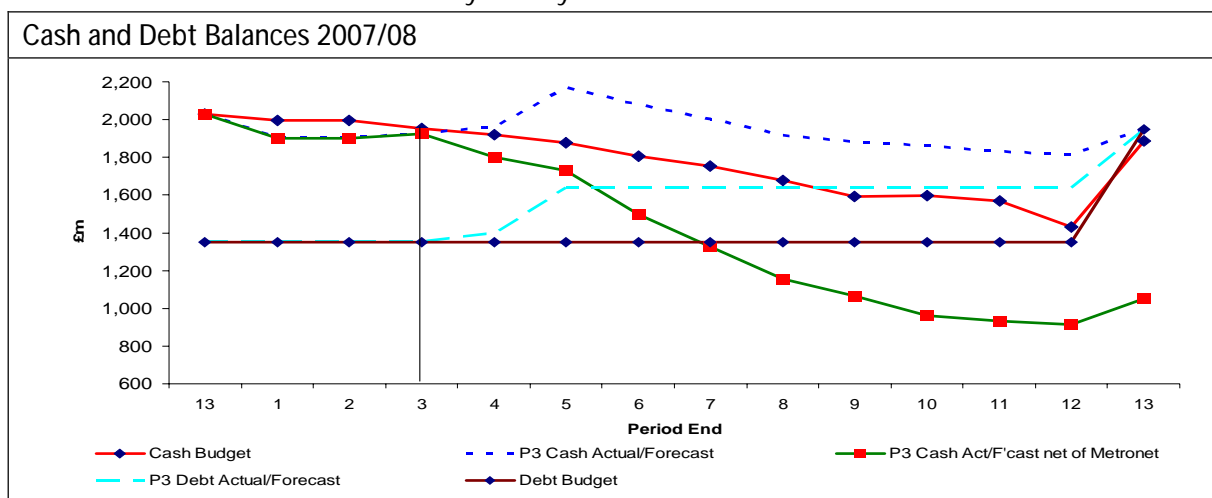
Transport for London Group Balance Sheet Forecast for the Year End £m	Variance to Budget
Fixed Assets - <i>lower than budget</i>	113
Debtors and Payments in Advance - <i>higher than budget</i>	(39)
Cash - <i>lower than budget</i>	837
Creditors - <i>higher than budget</i>	38
Deferred Capital Grant - <i>lower than budget</i>	(73)
Provisions - <i>higher than budget</i>	(112)
<b>Total Net Assets - <i>lower than budget</i></b>	<b>764</b>

- 12.1 The year end forecast variances are dominated by the impact to cash of the advances forecast to be made to the PPP Administrator in respect of the two Metronet companies. Excluding these payments, working capital variances are within expected tolerance levels, with no significant variances. Changes to fixed assets and deferred grants are due to variances in activities as reported above.

## Cash summary

### Cash Balances and Debt

- 13.0 Cash balances at 31 March 2008 are forecast to be £1,949 million (budget £1,889 million) before taking into account the Loan Facility granted to Metronet companies in administration.
- 13.1 The graph below shows the actual/forecast cash balances and debt compared to budget at each period end throughout the year. Of the £600 million budgeted borrowing, £288 million was borrowed from PWLB (£50 million on 2 July, £150 million on 20 August, £63 million on 29 August and £25 million on 3 September) with the approval of the Finance Committee, to take advantage of low long-term borrowing rates. TfL is committed to drawing down £112 million from the European Investment Bank in period 13 to fund the East London Line leaving £438 million forecast to be borrowed in period 13. The green line shows the effect on cash balances if the Metronet loan facility is fully drawn down over the next six months.



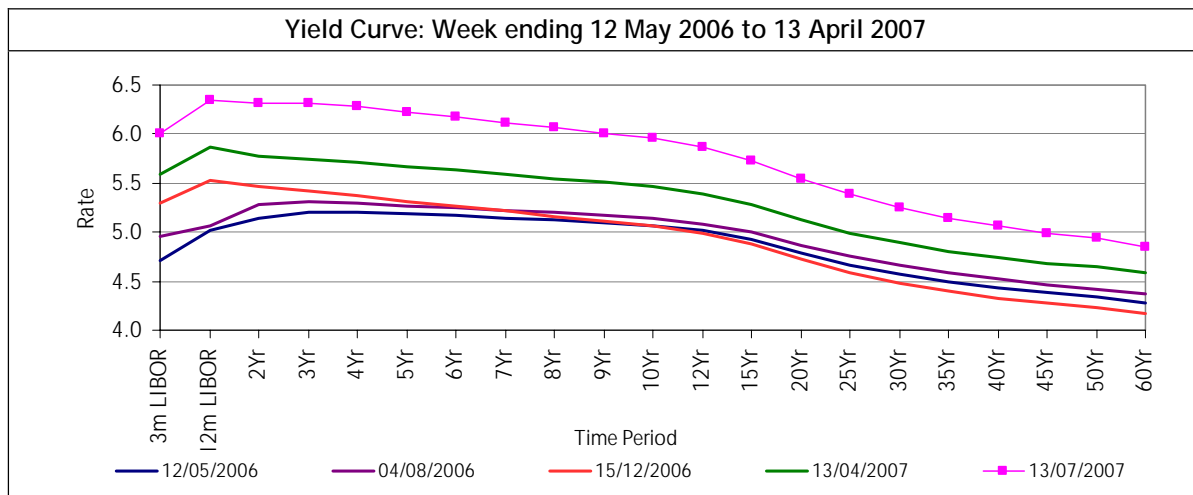
- 13.2 A summary of approved investments and cash balances over the quarter is provided in Annex Five.

### Performance

- 13.3 Performance is now measured against a tighter benchmark of the average of 3 month's London Interbank Offered Rate (LIBOR) minus 12.5 basis points (previously the average of 3 month's LIBOR minus 15 basis points). TfL's returns dropped below this benchmark for only one period and exceeded it in the latter two, resulting in an overall excess over benchmark of one basis point.
- 13.4 Results for the last three periods are noted in the table below:

Treasury Management Yield	Period 1	Period 2	Period 3	YTD Actual	Full Year	Full Year
Period End:	28 April	26 May	23 June	23 June	Forecast	Budget
	%	%	%	%	%	%
Benchmark	5.42	5.47	5.56	5.48		
Average Rate of Return	5.41	5.48	5.59	5.49	5.67	4.87
Variance to Benchmark (lower) / higher	(0.01)	0.01	0.03	0.01		
Interest Earned, Period	£8.2m	£8.0m	£8.1m			
Interest Earned, Year to Date	£8.2m	£16.2m	£24.3m	£24.3m	£94.2m	£73.9m

- 13.5 The Metronet facility makes provision for interest to be paid at a commercial rate. If this is paid, TfL's interest earnings will increase by £20 million.
- 13.6 The latest yield curve summary is shown below for information. It reflects the general view that short-term rates will rise further this year with the yield curve peaking at the 12 month rate of 6.34 per cent (5.865 per cent week ending 13 April). Long-term rates are now being cautiously marked upwards with a full 27 basis points increase in the 60 year swap rate since April to 4.85 per cent (week ending 13 July).



## Annex One: Performance Summary

2006/07 Key Performance Indicator	Unit	Quarter 1				Full Year			
		Actual	Target	Var	PY	F'Cast	Target	Var	PY
<b>Service Demand</b>									
Passenger Journeys - TfL Group	m	764.6	758.4	6.2	674.3	3,315.7	3,303.9	11.8	2,984.8
Passenger Journeys - LU	m	241.6	234.5	7.0	223.8	1,087.5	1,048.0	39.5	1,014.3
Passenger Journeys - Buses	m	501.3	502.2	(1.0)	430.6	2,160.3	2,160.4	(0.1)	1,880.3
Passenger Journeys - DLR	m	14.8	14.8	(0.0)	13.7	63.4	66.6	(3.1)	61.3
Passenger Journeys - Trams	m	5.9	5.7	0.2	5.1	**	24.6	-	24.8
Coach Departures - Victoria Coach Station	'000s	43.3	44.3	(1.0)	44.3	187.0	187	-	187.2
Passenger Journeys (excl multi stop) - River Services	'000s	615.3	560.0	55.3	542.7	2,445.0	2,000	445.0	2,085.1
Passenger Journeys (multi stop) - River Services	'000s	170.5	141.0	29.5	139.4	629.5	600	29.5	661.6
Total Trips - Dial a Ride	'000s	259.5	343.7	(84.2)	277.1	1,364.3	1,517.9	(153.5)	1,173.2
Cycle usage on TLRN (Index Mar 2000 = 100)	Index	212.2	183.8	28.4	188.9	205.0	186.0	19.0	182.6
<b>Service Provision (Supply)</b>									
% Scheduled Services Operated - LU	%	95.6	95.1	0.5	94.9	95.2	95.1	0.1	94.5
% Trains Operated in Peak Hours - LU	%	97.3	-	-	97.4	**	No Target	-	96.9
Train Kilometres Operated - LU	m	16.3	16.1	0.2	16.1	71.5	71.3	0.2	69.8
% Scheduled Services Operated - Buses	%	97.7	98.1	(0.4)	97.8	97.6	97.8	(0.2)	97.5
Bus Kilometres Operated - Buses	m	105.3	105.9	(0.6)	104.8	465.1	467.4	(2.3)	457.9
% Scheduled Services Operated - DLR	%	99.0	98.0	1.0	99.0	98.2	98.0	0.2	99.1
Train Kilometres Operated - DLR	'000s	1,010.5	1,009.7	0.8	988.0	4,526.6	4,526.6	-	4,383.0
% Scheduled Services Operated - Trams	%	98.7	98.0	0.7	99.1	**	98.0	-	99.3
% Scheduled Services Operated - River Services	%	98.0	98.5	(0.5)	98.6	98.3	98.5	(0.2)	98.5
No. of Taxi Drivers Licensed - PCO	'000s	24.5	24.9	(0.4)	24.6	24.9	24.9	-	24.6
No. of Private Hire Drivers Licensed - PCO	'000s	41.3	36.0	5.3	31.1	40.0	36.0	4.0	38.0
<b>Reliability</b>									
Overall Delay (Index = 100) - TfL Group	#	89.5	86.5	3.0	84.0	**	87.5	-	-
Excess Journey Time (Weighted) - LU	Mins	7.3	7.5	(0.2)	7.7	**	7.5	-	8.1
Peak Train Cancellations, Due to ONAs - LU	%	0.1	0.6	(0.5)	0.1	**	0.6	-	0.1
PPP Availability, Lost Customer Hours - LU	m	4.1	3.6	0.5	3.2	**	15.6	-	14.6
Excess Wait Time, High Freq Routes - Buses	Mins	1.0	1.1	(0.0)	1.1	1.1	1.1	(0.0)	1.1
On Time Performance, Low Freq Routes - Buses	%	79.3	77.5	1.8	78.0	78.2	77.0	1.2	78.1
On Time Performance, Night buses - Buses	%	85.5	84.2	1.4	86.2	85.5	82.9	2.6	85.2
On Time Performance - DLR	%	97.8	96.0	1.8	97.8	96.4	96.0	0.4	97.8
Road Traffic Signals Operating Effectively	%	99.3	98.6	0.7	98.8	-	98.6	-	-
<b>Safety</b>									
Major Injuries & Fatalities - LU (per million passenger journeys)	#	0.18	-	-	0.1	**	No Target	-	0.2
Major Injuries & Fatalities - Buses (per million passenger journeys)	#	0.8	-	-	1.1	**	No Target	-	0.7
Major Injuries & Fatalities - DLR	#	0.1	#N/A	-	0.3	**	No Target	-	0.1
KSI, Total Londonwide - Road Network ++	#	572	552	20	617	**	3,527	-	3,946
KSI, Total TLRN - Road Network ++	#	159	153	6	178	**	968	-	1,124
KSI, Powered 2-Wheel Riders Londonwide - Road Network ++	#	115	99	16	118	**	731	-	848
KSI, Children Londonwide - Road Network ++	#	39	46	(7)	60	**	363	-	392

**GREEN:** better than or equal to target; **AMBER:** within 5% of target; **RED:** 5% or more below target. ++ Due to the reporting process and nature of road traffic accident data, it will always be reported 4 to 5 months in arrears.

## Annex One: Performance summary (continued)

2006/07 Key Performance Indicator	Unit	Quarter 1				Full Year			
		Actual	Target	Var	PY	F'Cast	Target	Var	PY
<b>Customer Satisfaction</b>									
Overall Customer Satisfaction - TfL Group	Score	79.1	78.3	0.7	78.4	-	78.3		77.4
Customer Satisfaction - LU									
Overall	Score	78.0	78.0	-	78.0	**	78.0	-	76.0
Crowding	Score	72.0	-	-	72.0	**	No Target	-	71.0
Safety & Security	Score	81.0	-	-	81.0	**	No Target	-	80.0
Information	Score	79.0	-	-	79.0	**	No Target	-	79.0
Customer Satisfaction - Buses									
Overall	Score	79.0	78.0	1.0	78.0	78.0	78.0	-	-
Crowding	Score	78.0	77.0	1.0	77.0	77.0	77.3	(0.3)	-
Safety & Security	Score	85.0	83.0	2.0	81.0	83.0	83.0	-	-
Information	Score	75.0	75.0	-	73.0	75.0	75.0	-	-
Reliability Journey Waiting Time	Score	80.0	80.0	-	79.0	80.0	80.0	-	-
Customer Satisfaction - DLR									
Overall	Score	97.4	90.0	7.3	96.4	**	90.0	-	96.8
Information	Score	97.9	90.0	7.9	95.9	**	90.0	-	96.5
Safety & Security	Score	97.6	90.0	7.6	94.9	**	90.0	-	95.6
Overall Customer Satisfaction - Trams	Score	86.0	-	-	83.0	**	No Target	-	-
Overall Customer Satisfaction - Dial-A-Ride	Score	93.0	-	-	92.0	**	No Target	-	-
Overall Customer Satisfaction - VCS	Score	78.0	78.0	-	79.0	**	76.0	-	-
<b>Financial Efficiency</b>									
Cost per passenger Kilometre - LU	p/km	25.5	27.8	(2.3)	26.8	**	26.9	-	26.7
Income per passenger Kilometre - LU	p/km	(20.4)	(20.3)	(0.1)	(21.4)	**	(20.5)	-	(20.4)
Cost per passenger Kilometre - Buses	p/km	22.1	23.5	(1.3)	22.9	22.9	24.3	(1.4)	23.1
Income per passenger Kilometre - Buses	p/km	(13.7)	(14.8)	1.1	(14.1)	(13.6)	(14.9)	1.3	(14.3)
Cost per Trip - Dial-A-Ride	£	26.7	16.2	10.5	22.6	21.3	17.8	3.5	23.8
<b>People</b>									
Number of Staff - TfL Group	FTE	21,114	21,178	(64)	20,199	22,065	21,440	626	20,778
Sickness Absence per Employee									
TfL Group	Days	2.2	2.4	(0.1)	2.6	10.9	11.1	(0.2)	11.7
LU	Days	2.4	2.6	(0.2)	2.8	11.8	12.0	(0.2)	12.8
Surface Transport	Days	2.2	2.1	0.1	2.2	9.5	9.5	0.0	10.0
London Rail	Days	0.7	1.2	(0.4)	0.7	4.9	5.0	(0.1)	4.5
Group Directorates	Days	1.2	1.5	(0.3)	1.9	7.9	7.2	0.8	8.2
Women Staff - TfL Group	%	23.6	24.3	(0.7)	22.3	23.9	24.3	(0.4)	23.3
BAME Staff - TfL Group	%	33.8	26.8	7.0	32.9	33.0	26.8	6.2	33.6
Disabled Staff - TfL Group	%	7.0	8.0	(0.9)	7.6	8.0	8.0	0.0	7.2
Women Staff in Senior Mgt - TfL Group	%	21.0	21.7	(0.7)	18.8	21.8	21.7	0.1	20.2
BAME Staff in Senior Mgt - TfL Group	%	11.8	12.3	(0.5)	10.6	12.3	12.3	0.0	11.7
Disabled Staff in Senior Mgt - TfL Group	%	4.6	5.2	(0.6)	4.8	5.0	5.2	(0.2)	4.3

**GREEN:** better than or equal to target; **AMBER:** within 5% of target; **RED:** 5% or more below target.

Table may be subject to rounding errors.

## Annex Two: Modal summary of financial performance

Net Service Expenditure £m	Year to Date			Full Year	
	Actual	Budget	Variance	Forecast	Variance
<b>Income</b>					
London Underground	(367)	(366)	(2)	(1,668)	(18)
Surface Transport	(340)	(348)	8	(1,503)	36
London Rail	(14)	(15)	1	(75)	(2)
Group Directorates	(3)	(3)	0	(17)	0
	<i>(724)</i>	<i>(732)</i>	<i>8</i>	<i>(3,263)</i>	<i>16</i>
<b>Operating Expenditure</b>					
London Underground	581	614	(33)	2,628	(50)
Surface Transport	549	553	(4)	2,546	23
London Rail	30	35	(5)	186	12
Group Directorates	53	62	(9)	320	9
	<i>1,212</i>	<i>1,263</i>	<i>(51)</i>	<i>5,681</i>	<i>(6)</i>
<b>Net Operating Expenditure</b>	<b>488</b>	<b>531</b>	<b>(43)</b>	<b>2,418</b>	<b>11</b>
<b>Capital Expenditure</b>					
London Underground	79	101	(22)	409	(14)
Surface Transport	36	51	(15)	259	(59)
London Rail	52	64	(12)	424	(3)
Group Directorates	4	14	(10)	73	3
	<i>171</i>	<i>231</i>	<i>(59)</i>	<i>1,165</i>	<i>(72)</i>
<b>Capital Reimbursements</b>					
London Underground	(29)	(30)	1	(100)	5
Surface Transport	(0)	(7)	7	(9)	21
London Rail	(1)	(1)	(0)	(25)	(4)
Group Directorates	0	(5)	5	(24)	(3)
	<i>(31)</i>	<i>(43)</i>	<i>12</i>	<i>(157)</i>	<i>20</i>
<b>Overprogramming</b>	-	(16)	16	(20)	50
<b>Net Capital Expenditure</b>	<b>141</b>	<b>172</b>	<b>(31)</b>	<b>989</b>	<b>(3)</b>
<b>Capital Receipts</b>	<b>(30)</b>	<b>(31)</b>	<b>1</b>	<b>(52)</b>	<b>(0)</b>
<b>Group Items</b>					
Interest Income	(24)	(21)	(3)	(94)	(20)
Debt Servicing Costs	25	26	(0)	109	(2)
Contingency	-	2	(2)	35	-
Provision for Metronet Administration	-	-	-	900	900
<b>Net Service Expenditure</b>	<b>600</b>	<b>678</b>	<b>(78)</b>	<b>4,304</b>	<b>886</b>

( ) Variance is an above budget for income and below budget for expenditure.  
Table may be subject to rounding errors

## Annex Three: Balance Sheet

Balance Sheet £m	23 June 2007			29 March 2008	
	Actual	Budget	Variance	Forecast	Variance
<b>Fixed Assets</b>					
Tangible Assets	15,627	15,690	63	16,625	113
<b>Current Assets</b>					
Stocks	5	5	-	5	-
Debtors	201	204	3	187	11
Payments in Advance	147	158	11	192	(50)
Cash at Bank and in Hand	1,924	1,948	24	1,052	837
<b>Current Liabilities</b>					
Revenue	(825)	(880)	(55)	(950)	3
Receipts in Advance	(196)	(194)	2	(231)	(1)
Capital	(251)	(257)	(6)	(283)	33
<b>Long Term Liabilities</b>					
Balances with Infracos	(2,332)	(2,343)	(11)	(2,771)	(5)
Prudential Loans	(1,350)	(1,350)	-	(1,950)	-
Creditors Due after One Year	(388)	(381)	7	(378)	8
Capital Grants	(6,978)	(6,996)	(18)	(7,259)	(73)
Pension Provision	(948)	(948)	-	(948)	-
Other Provisions	(232)	(223)	9	(99)	(112)
<b>Total Net Assets</b>	<b>4,404</b>	<b>4,433</b>	<b>29</b>	<b>3,192</b>	<b>764</b>
<b>Capital and Reserves</b>					
Earmarked Reserves	1,211	1,265	54	182	784
Pension Reserves	(948)	(948)	-	(948)	-
General Fund	179	174	(5)	177	-
Other Reserves	3,962	3,942	(20)	3,781	(20)
<b>Total Capital Employed</b>	<b>4,404</b>	<b>4,433</b>	<b>29</b>	<b>3,192</b>	<b>764</b>



## Annex Four: Cash Summary

Cash Summary £m	Full Year			Full Year	
	Actual	Budget	Variance	Forecast	Variance
Net Revenue Expenditure	(490)	(537)	(47)	(3,368)	889
Working Capital Movements	(68)	38	106	105	(33)
Cash Spend on Operating Activities	(558)	(499)	59	(3,263)	856
Net Capital Expenditure	(141)	(183)	(42)	(1,043)	(72)
Working Capital Movements	(2)	(7)	(5)	(33)	33
Cash Spend on Capital Activities	(143)	(190)	(47)	(1,076)	(39)
Funded by:					
Transport Grant	566	565	(1)	2,595	-
Precept Funding	2	2	-	12	-
Prudential Borrowing	-	-	-	600	-
Third Party Contributions	30	43	13	157	20
Total Funding	598	610	12	3,364	20
Net Movement in Cash	(103)	(79)	24	(975)	837



# Investment Programme Report

## First quarter, 2007/08

**Cover Image:** The new DLR platform situated on the mezzanine level of Stratford station connecting directly into the Jubilee Line station building and providing improved passenger waiting facilities, CCTV, information services and seating. The first platform opened on 18 June and will facilitate the increase in passengers at Stratford over the next few years as a result of the opening of the Stratford International station, ongoing development of Stratford City and the London 2012 Olympic and Paralympic Games. Further images are shown below.



## Transport for London

### Investment Programme Report

#### First quarter, 2007/08 (1 April 2007 –23 June 2007)

## 1 Programme Highlights

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- 1.1 TfL's Investment Programme this quarter generally continued to progress as planned. A number of key milestones detailed in this report were met in the period, as well as seven from the second quarter. The majority of the top 10 key projects are achieving key milestones with three (Tottenham Court Road Congestion Relief, Thames Gateway Bridge and West London Tram) showing slippage against milestones.
- 1.2 The key highlights from the first quarter of 2007/08 were:
- On 25 April 2007, LU appointed Mott MacDonald to be lead consultant for the detailed design through to construction of the Victoria Station upgrade.
  - Taylor Woodrow was appointed as contractor on 3 May 2007 for the £200m DLR infrastructure works to enhance capacity on the DLR network from two to three cars.
  - On 9 May 2007, following the Mayor's approval for the implementation of the proposed London-wide Low Emission Zone (LEZ) in February 2008, a major public information campaign commenced. LEZ registration went live on 30 July 2007.
  - The public consultation on route options for East London Transit phase 1b started on 24 May 2007 and finished on 13 July 2007.
  - The Docklands Light Railway (DLR) opened the first of the two new platforms at Stratford station on 18 June 2007.
- 1.2 Post quarter events include:
- The DLR awarded the main construction contract to build the £238m DLR Stratford International extension to a Skanska and GrantRail joint venture on 29 June 2007.
  - The transfer of the Stratford Regional Station project to the ODA was completed on 30 June 2007.
  - TfL placed a £36m order for an extra 36 rail carriages for the London Overground network on 4 July 2007.
  - Trial operations began on 18 July 2007 on the new Piccadilly line service to Heathrow Terminal 5, ahead of the first passenger services when T5 opens on 27 March 2008.
  - On 19 July 2007 a TWA Order was approved for the DLR 3-Car North Route and DLR 3-Car Poplar Woolwich projects enabling the DLR to plan upgrades and introduce longer trains.
  - The second tunnel extending the DLR under the River Thames to Woolwich Arsenal broke through on 23 July 2007.
  - On 26 July 2007, the Secretary of State called for further review of TfL's planning application for the Thames Gateway Bridge.

The appointment of an Administrator for both Metronet Rail BCV and SSL on 18 July 2007 is not expected to have an immediate impact on the delivery of the investment programme and its impact has not been assessed on relevant forecast milestone delivery dates given in this report.




## 2 Projects (over £100m)

- 2.1 TfL's Investment Programme contains a range of programmes and projects over £100m in addition to a range of smaller activities which are delivered by TfL directly, through our partners in the London Boroughs or through long-term partnerships with the private sector such as the PPP on London Underground and Private Finance Initiatives (PFI).

TfL has established an 'Oversight' function, the purpose for which is to provide assurance on the delivery of the Investment Programme. Oversight has determined a risk based list of 'top 10' and 'top 60' projects which forms the basis of programmes and projects within the Investment Programme Report. These are reviewed every six months.


This section reports on discrete projects with a total cost greater than £100m. Projects identified from the latest 'Oversight' risk categorisation process as being included in the top 10 are identified by an asterisk (\*).

For each project, key milestones are given with a forecast date against the current planned date for the current year, and if appropriate, additional milestones from the 2007/08 Budget Deliverables document. The Red Amber or Green (RAG) status signifies the following:

	Delivery on schedule
	Delivery < 3 months behind schedule
	Delivery > 3 months behind schedule

### London Underground

- 2.2 Channel Tunnel Rail Link (CTRL) at King's Cross (\*)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Phase 1 final completion	31-12-2006	10-12-2006	Completed
Commencement of Bomb Gap Civils	31-08-2007	17-07-2007	Completed
Phase 2 completion	31-12-2010	31-12-2010	

King's Cross Congestion Relief (Channel Tunnel Rail Link) covers increased capacity at King's Cross St Pancras. Phase 1 included an expanded Tube ticket hall and new Western Ticket Hall. Phase 2 includes a new Northern Ticket Hall, step-free access to the Metropolitan & Circle lines and links to the new CTRL Terminal. The King's Cross project is funded by the Department for Transport (DfT) and contracted by London Underground to Metronet.

Phase 1, including refurbishment of the Metropolitan and Circle line platforms was completed on 10 December 2006 and all public areas are now in use with only snagging and assurance closeout ongoing.

Phase 2, including the Northern Ticket Hall, is continuing on site. There are delays to the tunnelling work due to complexity of the works and delays in gaining assurances. A recovery schedule is being developed including increasing the number of shifts and levels of supervision and the Phase 2 completion date is not yet at risk. The project remains on target for completion in December 2010.

Once the new Channel Tunnel Rail Link is opened, King's Cross St Pancras Station is forecast to be one of the busiest on the Underground network, serving 92,000 passengers in the morning peak by 2011.

### 2.3 Victoria Station Upgrade (\*)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Transport Works Act (TWA) Submission	30-11-2007	30-11-2007	●

With 80 million people passing through it each year, Victoria is one of the most congested stations on the Underground network. Temporary station closures are regularly used to manage access to, and congestion within, the station, particularly during the morning peak. This project will provide a significant increase in passenger circulation space in key congested areas of the station and step-free access from street to platform for the Victoria Line.

The TfL Board agreed that the TWA Order would be submitted in November 2007. Asbestos removal is ahead of programme in four of the five work packages. The multi-disciplinary consultant has completed submission of the TWA Reference drawings ready for the submission and will commence the Stage E design in Quarter 2. The LU project team held two Pre-TWA public exhibitions. The main construction works are still planned to start on site in October 2009.

The interface with the Land Securities development, Victoria Transport Interchange (VTI), continues to be monitored. The schemes are to remain de-coupled to ensure that a delay to one does not affect the other.

The project completion date is planned for Quarter 4 2014.

### 2.4 Tottenham Court Road Congestion Relief (\*)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Design tenders returned	15-01-2007	05-02-2007	Completed
Completion of Stage E design	28-02-2008	31-07-2008	■

Tottenham Court Road station is at the heart of London's West End, and is currently operating in excess of its capacity. It therefore suffers from significant congestion. Demand at the station is forecast to increase, and access to the station would need to be severely restricted to avoid unsafe levels of congestion and operation. The scheme will provide a significantly enlarged ticket hall with improved and additional entrances to the station, additional escalator access to the Northern Line platforms, and improved circulation space and step-free access throughout the station. It will also provide a link into the proposed Crossrail scheme.

Halcrow Group was appointed to undertake the detail design works on 21 May 2007 which was delayed due to an extended tendering process. Consequently, Halcrow's design programme indicates that the completion of stage E design will be completed later than originally envisaged although this does not affect their overall design programme. They have completed their review of the stage D report. Diversions of sewers, telecommunications, gas, electric and water pipes are continuing. These works will take 18 months and will be phased to reduce potential impact, so not all areas will be affected at the same time.

The Powers for the new ticket hall are included within the provisions for the Crossrail Hybrid Bill. The expected Royal Assent date has now been delayed to May 2008 from December 2007.

## 2.5 Tunnel Cooling(\*)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Victoria ground water cooling trials complete	31-07-2007	22-04-2008	■
Portable Fans Trial at Piccadilly Completed	31-05-2007	10-06-2007	Completed
Victoria Line RIBA C Design Packages 1-4 (excl. King's Cross, Oxford Circus & Victoria) Completed	30-06-2007	17-07-2007	Completed
Victoria Line Tunnel Model Stage 5 Completion	31-10-2007	31-10-2007	●
Air Handling Unit Factory Test and Commission Completed	31-01-2008	31-01-2008	●

This is a long term programme to reduce ambient temperatures in a number of ways including increased ventilation, improved energy efficiency, and train-based measures. An accelerated design programme has commenced to provide solutions in time for the line upgrade programmes.

For the Victoria Ground water trial, the system was commissioned in August 2006 with the trial due to last a year. However, as certain elements were not commissioned until Spring 2007, the trial end date has been extended but the trial life remains the same. It is anticipated that the cooling system will remain in place and in operational use after the completion of the trial.

## 2.6 LU Line Upgrade – PPP BCV

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Waterloo & City line upgrade complete	March 2007	July 2007	■
Victoria Line – 1 train accepted to run in LU traffic hours	January 2009	January 2009	●
Victoria Line – Commence rolling stock full production	May 2010	May 2010	●

The Waterloo and City line was reopened on 11 September 2006 with the full 5-train upgrade now due for completion in Quarter 2. The slippage is due to various activities including the training of service operators and assurance issues.

For the BCV network, the first major line upgrade is the Victoria Line. The works include new rolling stock, signalling, control equipment, depot and track.

The first train, Train 1, was delivered to London in May, three months later than the accelerated baseline programme. Testing is underway on the Victoria Line during non-traffic hours. Production of Train 2 has slipped further, with delivery now forecast for April 2008 (from September 2007).

The System Control Centre (SCC) building was handed over in July to Metronet for the installation of signalling equipment. Tenders for the service control line management are being assessed and two companies will proceed to the next stage.

The productivity in the track programme is expected to improve with the approval of lengthened engineering hours to 23:00 Monday to Thursday, from 23 July to 22 November 2007. The track programme has been accelerated to finish in summer 2009.

The revised completion date of February 2012 for the Journey Time Capability (JTC) is now under pressure from these rolling stock and signalling issues. The contractual date remains August 2013.

2.7 LU Line Upgrade – PPP JNP

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Jubilee Line – Delivery of last train	April 2008	October 2008	■
Jubilee Line – LU acceptance of first section	June 2008	May 2008	●
Jubilee Line – LU acceptance of entire line	November 2009	November 2009	●

Work is underway on both the Jubilee and Northern Line Upgrades which comprise signal and train control replacement. Completion is due in 2009 for the Jubilee Line, with the Northern Line to follow in 2011.

On the Jubilee Line programme, the Transmission Based Train Control (TBTC) and Rolling Stock elements are critical path activities with the schedules for these under pressure against the accelerated 'early finish' programme. Despite multi-train working, the rolling stock progress remains a concern with the full conversion of the Jubilee Line fleet now planned for October 2008, six months later than planned. Overall, completion of the Jubilee Line is still forecast before the contract date of December 2009.

On the Northern Line upgrade, Train 1 commissioning is due in the second quarter. The delivery of Signal Equipment Rooms is behind programme but this is not on the critical path. Final completion remains on schedule for 2011.

2.8 LU Line Upgrade – PPP Sub-Surface Line (SSL)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
New rolling stock – Preliminary vehicle design complete	28-02-2007	28-02-2007	Completed
Vehicle design complete	31-07-2007	31-12-2007	■
D78 Stock – 66% of rolling stock refurbished and in service	31-08-2007	31-06-2007	Completed
Signalling system – preliminary design freeze	31-12-2008	31-12-2008	●

The SSL network (consisting of the Circle, District, Hammersmith & City and Metropolitan lines) upgrades will provide new and refurbished rolling stock, new signalling and a new control centre.

50 D-Stock trains were available for service on 30 June 2007, 66% complete and ahead of target. Trains 51 & 52 were returned to service at the end of July 2007. S-Stock detailed design is near completion with the completion date scheduled for December 2007.

The interfaces and interoperability of the signalling systems between the SSL network and Network Rail continues to be an issue. Solution proposals are expected in October 2007.

The programme is on track to complete by 2018.

2.9 7-Car Circle Line

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Surveys/design for platform extensions begin	31-03-2007	31-03-2007	Completed
7 Car C Stock Specified Right – Major Stations RIBA D Design Submitted	30-11-2007	30-11-2007	●
Work begins on 12 minor stations	31-03-2008	31-03-2008	●

This project provides for all the work associated with enabling 7-car operation at the minority of stations (16 in total) where trains are currently restricted to 6-car running. The project also



provides an additional new S-stock car to that already being supplied under the SSL Upgrade Programme.

The feasibility study for platform extensions at the four major stations has identified affordability issues, which are being addressed by the design contractors. Prices for the works have been submitted by the Infracore which are currently being re-assessed in parallel with the design proceeding to RIBA Stage D (up to TWA Powers). The re-assessment will be completed by September 2007. Intrusive surveys have begun at these stations. Alternative solutions including Selective Door Opening are under investigation.

## London Rail

### 2.10 East London Line Extension (\*)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Award Main Works Contract	31-05-2007	20-10-2006	Completed
Close Existing East London Line	31-12-2007	31-12-2007	●
Commence Bridge GE19 Demolition	31-12-2007	31-12-2007	●
Main Contractor Takes Occupancy of ELL Track way & Stations	31-03-2008	31-03-2008	●
Test Running	31-01-2010	05-06-2009	●
Completion	29-06-2010	07-11-2009	●

The upgraded and extended East London Line (ELL) is planned to open in 2010 with TfL as the passenger service operator through a joint ELL/North London Rail concession, termed 'London Overground'. The Overground concession contract was awarded to MTR Laing in June 2007, ready for the transfer of operation of the North London Line to TfL in November 2007. LU will be the infrastructure controller and network operator for the East London Line north of New Cross Gate, with Network Rail the infrastructure controller for the remainder. The Office of Rail Regulation and Network Rail have now agreed in principle to a 20 year track access option for the line south of New Cross Gate.

The main works contractor has now been awarded the contract for the rolling stock maintenance facility at New Cross Gate and has successfully achieved five short term critical milestones, with a sixth on programme for completion later this summer. The rate of production of the design submissions by the design sub-contractor, Scott Wilson, has been disappointing and senior management meetings have been held with the relevant parties to agree corrective action. A detailed monitoring regime has also been put in place to measure the effectiveness of these measures.

The project remains on track for the ELL to re-open by the scheduled date of June 2010.

### 2.11 London Rail Concession Rolling Stock

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Award Contract	31-08-2006	31-08-2006	Completed
First Car Delivered	05-06-2008	05-06-2008	●
Trains in Service - NLR	31-12-2008	24-10-2008	●
Trains in Service - ELL	30-06-2010	30-06-2010	●

The London Rail Concession Rolling Stock project will provide 216 new vehicles in three-car and four-car formation to be utilised on the North London Railway and the East London Line.

The first of the new London Overground branded trains is expected to be in operation by the end of 2008.

An order for the first tranche of additional vehicles to support the North London Line service commitment (SLC2k) was placed in June, providing for three additional 4-car dual voltage units and 24 cars to lengthen the North London Line 3-car fleet to 4-car.

The project is currently in design stage, with the concept design reviews now being effectively complete and the next stage of reviews well under way. The first unit body-shell is due on the production line in September 2007.

## 2.12 DLR Bank-Lewisham 3 Car Infrastructure

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Beckton Depot (Phase 1) completion	20-10-2006	31-08-2007	■
Tender documents to be returned	30-11-2006	21-12-2006	Completed
Construction work starts	30-04-2007	04-06-2007	Completed
Construction/trackwork/signalling complete	31-01-2010	30-09-2009	●
Service operational	31-01-2010	31-10-2009	●

This project will deliver the structural works necessary for 3 car operation on the DLR from Bank and Tower Gateway to Lewisham.

The contract was let in May 2007 to Taylor Woodrow, which delayed the planned start on site. The first planned possession is in October 2007 at Canning Town. Completion of the Phase 1 works on the Beckton Depot expansion has been delayed, but does not impact on operations or the rest of the project. Due to the poor performance of the contractor, Carillion, the second stage of the depot expansion has been awarded to a different contractor, Serco, who have started to establish a presence on site.

## 2.13 DLR Woolwich Arsenal Extension

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Complete up-tunnel	06-09-2006	19-12-2006	Completed
Completion of Thames Intervention Shaft	31-07-2007	27-09-2007	▲
Completion of tunnelling	31-08-2007	23-07-2007	Completed
Completion of track works	31-03-2008	31-03-2008	●
Project completion	31-01-2009	31-01-2009	●

This project delivers the extension of the DLR from King George V station to Woolwich Arsenal through a PFI contract.

Boring on the second tunnel started on 14 March 2007 and good progress was made in the quarter such that the time lost on the first tunnel was recovered and the breakthrough was made ahead of schedule on 23 July 2007 attracting widespread media coverage. Work on the Thames Intervention Shaft is continuing but is progressing slower than planned due to unexpected ground conditions, but this is not expected to impact the scheduled completion date. Good progress is also being made on Woolwich Arsenal station.

This project was subject to an Independent Engineer review. The overall view was that the construction of the transport infrastructure is proceeding well and that the project is likely to prove successful overall.

2.14 DLR Stratford International Station

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Contract Package 8 award	01-12-2006	10-01-2007	Completed
TWA powers granted	31-12-2006	25-10-2006	Completed
Contract Package 7 award	29-01-2007	03-05-2007	Completed
Contract Package 6 award	28-05-2007	29-06-2007	Completed
Commence Works – Package 7	31-05-2007	31-05-2007	Completed
Commence Works – Package 6	30-06-2007	02-07-2007	Completed
Complete Works	30-06-2010	30-06-2010	●

This project covers the extension of the DLR from Canning Town to Stratford International, using existing North London Line alignment as far as Stratford Regional Station.

The contract for Package 6 (conversion of the North London Line south of Stratford to DLR) was awarded in June 2007, so all the main contracts have now been placed. There have so far been three successful Network Rail possessions to divert cabling.

2.15 North London Railway Infrastructure Project(\*)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
All design completed to GRIP 2	18-05-2007	08-06-2007	Completed
All design completed to GRIP 3	24-08-2007	24-08-2007	●

The North London Railway Infrastructure Project (NLRIP) covers a programme of improvements to stations, permanent way, signalling and civil infrastructure enhancements to facilitate the operation of SLC2k which is to be introduced in January 2011.

The GRIP 2 (pre-feasibility design options) deliverables have now all been completed. The output of this identified significant affordability issues, which are being addressed through value engineering. GRIP 3 (single option development) is underway and it is anticipated that cost estimates will be available by the end of the second quarter. The ODA funding agreement for the project is conditional on completion of GRIP 4 by August 2008.

## Planning

### 2.16 Cross River Tram(\*)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Complete Stakeholder consultation on route options	15-11-2006	30-10-2006	Completed
Complete review of options post consultation	28-02-2007	28-02-2007	Completed
Complete public consultation on route options	30-03-2007	28-03-2007	Completed
Issue of preferred route recommendation report	30-09-2007	tbc	
Approval of Option Refinement (achieve Design Freeze 2)	30-11-2007	tbc	

The public consultation on the route options was successfully completed at the start of 2007. Further road shows and exhibitions of the proposals were held in the first quarter of 2007/08. Technical assessments of the different strategic route options have been provided, which the project team is reviewing ahead of wider stakeholder engagement to achieve adoption of the preferred route.

Post quarter, the route alignment design and assessment and update of the business case continues and the results of the public consultation on route options are due to be published shortly. However, as funding to seek powers and implement the scheme has yet to be identified, conclusion on the preferred route alignment will follow an assessment of funding, relative priority and review of options.

The future programme and milestones are subject to the outcome of the SR2007.

### 2.17 Croydon Tramlink Crystal Palace Extension

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Commence public consultation	31-10-2006	19-10-2006	Completed
Commence investigation of options	31-10-2006	31-10-2006	Completed
Agree governance and handover strategy with London Trams and Surface Transport	01-10-2006	28-02-2007	Completed
Issue report on 1 <sup>st</sup> route option public consultation	31-05-2007	31-05-2007	Completed
Appoint designers for development of single option to acquisition of Powers	31-07-2007	tbc	
Preferred Single Option approved by SRO	31-10-2007	tbc	
Agree transition arrangements with Surface Transport (London Trams)	30-11-2007	tbc	

The project is to undertake option development and technical feasibility of extending the Croydon Tramlink to Crystal Palace and submit a Transport and Works Order application to obtain powers for the scheme.

Extensive assessment has been undertaken to determine the best value for money option for the extension and the results of the public consultation published. The project team is

developing the business case in preparation for making a preferred route recommendation to TfL senior management.

The LDA planning application for Crystal Palace Park is due to be submitted in October 2007. TfL has been working very closely with the LDA in developing a scheme that is compatible with the Tramlink Extension. Within the application the LDA will show the area dedicated for the tram and bus/tram interchange.

As funding for this proposal has yet to be identified, conclusions on the preferred route and timetable for delivery will follow a wider review of funding and relative priority.

## 2.18 Thames Gateway Bridge (\*)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Obtain HM Treasury and PRG approval of outline Business Case	31-12-2006	21-11-2006	Completed
Issue of OJEU Notice and Pre-Qualification Questionnaire for Concession Contract	31-12-2006	08-05-2007	Completed
Approval/Decision by Secretary of State	30-03-2007	30-07-2007	Completed
Release ITT and commence procurement	31-08-2007 (based on 3 months after SoS approval)	tbc - following the recent SOS decision to re-open the public inquiry a revised programme is being compiled.	■
TGB handed over to Surface Transport	30-11-2007	tbc – this will not occur until completion of the re-opened inquiry	■

This project is part of the Mayor of London's transport strategy for a new fixed link between Beckton in the borough of Newham and Thamesmead in the borough of Greenwich to stimulate the regeneration of the Thames Gateway area.

The Secretary of State deferred a decision and called for the inquiry to be re-opened on the planning permission for the TGB on the basis of needing further evidence as to the regeneration benefits of the bridge and to address issues raised by the objectors. TfL is examining in detail the recommendations made by the Inspector and will provide an update on the decision and next steps at the October meeting of the TfL Board.

## 2.19 West London Tram(\*)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
TfL Board submission for approval to deposit (TWO) Application	30-11-2006	n/a	■
Deposit (TWO) Application	31-03-2007	n/a	■
End of objection period	18-05-2007	n/a	■

The scope of project is to undertake feasibility work, and prepare and submit a Transport & Works Act (TWA) Order application to obtain powers for the tram scheme linking Uxbridge with Shepherd's Bush.

The project team are finalising the business case and scheme documentation to seek Board authorisation to make the TWA application.

Following the end of the quarter, the Mayor announced on 2 August 2007 that TfL will not make an application for a Transport and Works Act for the West London Tram at this time

subject to a positive announcement on Crossrail and the development of an effective bus based alternative with the relevant boroughs.

## 2.20 Stratford Regional Station Upgrade

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Obtain Planning Consent and Powers	31-08-2006	14-11-2006	Completed
Complete Scheme definition and programme	30-03-2007	30-03-2007	Completed

This project is to undertake the scheme definition for the Stratford Regional Station upgrade. Stratford Station is an Olympic Critical Interchange Station which is surrounded by a major property development, the Stratford City Development. Overall completion to meet the Olympics programme is Quarter 4 2010.

The project was handed over to the ODA on 30 June 2007, which is taking over responsibility for the implementation of the scheme. LU continues to act as sub-contractor.

## 3. Other projects

- 3.1 This section reports on the remainder of the top 10 projects identified from the latest Oversight risk categorisation process which have a value below £100m and are therefore not included in section 2. It also includes other noteworthy projects in the quarter as identified through the Investment Management Review (IMR) process.

### London Underground

#### 3.2 Olympic Works (station accessibility)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Southfields Design Complete	30-09-2007	30-09-2008	■
Green Park Design Complete	30-06-2008	31-03-2009	■
Baker Street Design Complete	30-06-2009	30-03-2009	●

This programme provides step-free access at three Games-critical stations; Southfields, Green Park and Baker Street (SSL only).

Following operational input, the scope of Southfields has been increased to incorporate the ticket hall reconfiguration. An integrated step-free access and station refurbishment Concept Design (Phase 2) commenced in April 2007. The Local Authority has confirmed that step-free access works can be undertaken as Permitted Development, which means LU is not required go through standard planning requirements.

Baker Street is in Concept Design (Phase 2) stage as an integrated scheme with the PPP Modernisation. The programme is currently on target to meet the Olympic delivery date.

The Concept Design stage (Phase 2) has commenced for Green Park.

This project was subject to an Independent Engineer review which concluded that the stations should be delivered in time for the Olympics, with risks to the schedule mitigated by compressing and overlapping key activities.

### 3.3 Connect Airwave

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Contract award	30-06-2006	20-01-2007	Completed
Commissioning of 5 lines complete	31-10-2007	31-10-2007	●

This project enhances the emergency services' communication system on the Underground by expanding coverage and capacity. The contract was awarded in January 2007 and all work is now progressing as planned with a total of 113 from 117 Enhanced Base Transceiver Systems swapped out. The East London Line is complete and has been accepted by the National Policing Improvement Agency.

## Surface Transport

### 3.4 iBus

Milestones	Current Plan Date	Actual / F'cast Date	RAG
System Acceptance	08-12-2006	19-01-2007	Completed
First Garage Application	04-05-2007	31-08-2007	■
Final Acceptance	21-01-2009	21-01-2009	●

The iBus project is to procure and implement a radio communication and Automatic Vehicle Location solution. This will improve quality of information to customers, both on-bus and at bus stops, and reduce the current risk of a system failure.

There have been issues with the vehicle installation quality at the First Garage resulting in delays to the completion of the First Garage Acceptance. Siemens has recognised the need for a different approach to the delivery of services and a recovery plan is being discussed.

### 3.5 A406 Bounds Green

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Compulsory Purchase and Side Road Orders	31-05-2007	29-08-2007	Completed
Public Inquiry	21-04-2008	21-04-2008	●
Commence Construction	30-06-2009	30-06-2009	●
Complete Construction	30-04-2011	09-04-2011	●

The project will make a number of safety and environmental improvements along Telford Rd, Bowes Rd and the North Circular Rd between the A109 Bounds Green Rd/Station Rd and Chequers Way.

After some delays, the London Borough of Enfield approved the planning application and London Borough of Haringey has advised that they too will be approving TfL's proposed scheme. It is not yet clear if the London Borough of Barnet will be taking their objection further.

### 3.6 Bus Priority – TLRN Schemes

Milestones	Current Plan Date	Actual / F'cast Date	RAG
8 Bus Lane Schemes Completed	31-03-2008	31-03-2008	●
200 bus lane kilometre hours per week	31-03-2008	31-03-2008	●

This investment programme is currently in the preliminary and detailed design and consultation phase of the project. Implementation of physical bus priority measures on the

TLRN remain on target for 8 Bus Lane Schemes to be completed by the end of the financial year. The completion of the bus lanes this year, are forecast to provide the additional target bus lane kilometre hours per week.

### 3.7 Dial-a-Ride Scheduling System

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Complete migration of depots to new system	30-04-06	31-12-07	■

The implementation of a scheduling and booking system is intended to make more efficient use of vehicles and drivers. This is expected to lead to a reduction in refusal rates, better scheduling leading to increased travel opportunities, improved call answering and same day booking.

Palmers Green is the fourth depot to migrate and the transition was effectively accomplished at the beginning of June 2007. Plans to migrate bookings and scheduling are currently being undertaken locally at Orpington and Woodford and have incorporated previous lessons learned. A final order for hardware has been placed.

### 3.8 Low Emission Zone (LEZ) (\*)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Mayoral decision on Scheme Order	04-05-2007	04-05-2007	Completed
Go-Live for Vehicle Registration	30-07-2007	30-07-2007	Completed
Go-Live for Payments	29-10-2007	29-10-2007	●
Scheme Go-Live for HGVs (Euro III std for PM10)	31-01-2008	04-02-2008	▲

The LEZ is being introduced to cut harmful emissions from lorries, coaches and buses to improve air quality across London by quickly reducing pollutants that are harmful to human health.

With all key approvals for Scheme Order granted, a large scale public and operator information campaign started in June 2007 and enquiries have been increasing since. Vehicles are now able to register with TfL prior to the commencement of operations on 4 February 2008.

### 3.9 East London Transit (Phase 1a)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Public Consultation Report complete	25-07-2006	31-08-2007	■
Detailed design complete	29-09-2006	31-08-2007	■
Invitation to Tender	23-03-2007	13-08-2007	■
Service starts	16-02-2008	17-10-2009	■

The East London Transit (Phase 1a) project is to establish a 9km route between Ilford, Barking and Dagenham Dock with new dedicated access through Barking Town Centre and a package of highway measures including signal-based bus priority and enhanced enforcement due to be completed in 2009.

Delays for the approval of the route through the town centre and additional requirements has led to the procurement activity starting later than originally planned and has impacted on the start date for the service. Further delays have been incurred with the modelling work have resulted in the business case now being submitted to the PRG in September (it was scheduled to be presented in August). An agreement is to be drafted tying in the assignment of the



Barking town centre route to the provision of funding for a market square. Positive discussions are ongoing to resolve a range of lower level issues.

### 3.10 Greenwich Waterfront Transit (Phase 1)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Public Consultation	30-08-2007	17-12-2007	■
Detailed Design	29-09-2007	12-08-2008	■
Complete construction	29-06-2010	10-06-2011	■
Services commence	29-06-2010	22-07-2011	■

This project is to establish a 13km bus transit route from Abbey Wood to North Greenwich via Woolwich, part of which will be a segregated busway, to be completed by 2011.

The delay to service commencement reflects additional time that has been included in the programme arising from the complexity of the implementation which became apparent through detailed planning. Land ownership issues are being clarified along the route to start the Compulsory Purchase Order process. A Strategic Urban Realm Plan has been produced to address urban realm issues. TfL is now in discussions with the LDA and Berkley Homes over accountability for delivering improvements to the Royal Arsenal Development.

### 3.11 DLR Dagenham Dock Extension

Milestones	Current Plan Date	Actual / F'cast Date	RAG
Submit TWA Order Application	31-01-2008	31-01-2008	●
TWA Powers Granted	31-01-2009	31-01-2009	●

This project covers the future extension of the DLR from Gallions Reach through the Barking Riverside development area involving 4.5km of new railway and up to 5 new stations. Currently funding covers only ongoing feasibility and development work to TWA application and milestones are dependent on further funding approval.

Work continued in preparation for submitting the TWA in January 2008. The second phase of public consultation has commenced after the quarter end with 60,000 leaflets having been distributed to local residents, organisations and groups to seek opinion on route options. Three public consultation forums have also been planned to take place in Dagenham, Beckton and Rainham.

## 4. PPP/PFI Investment

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This section reports on performance and contractual issues relating to Indirectly Managed expenditure.

### 4.1 London Underground

The PPP requires Metronet and Tube Lines to provide a high level of renewal and upgrade of track, signals and stations in the first half of the 30 year contract. Set out below is the performance for each Infraco.

#### Tube Lines

- Track – completed 2.2km against the 1.3km planned in Quarter 1.
- Lifts and escalators – 3 escalators have been refurbished in Quarter 1 out of 3 escalators for the current plan.
- Stations – 16 stations have been declared by Tube Lines as being practically complete. LU has agreed ten of these stations.

#### Metronet SSL

- Track – completed 3.8km of the 4.7km planned in Quarter 1
- Lifts and escalators – in Quarter 1, one escalator has been refurbished in accordance to the plan.
- Stations – Zero stations have been completed to date but 4 stations have been declared this year.

#### Metronet BCV

- Track – 1.6km of the 1.6km planned in Quarter 1 have been completed.
- Lifts and escalators – two escalators have been refurbished according to plan.
- Stations – One station has been completed to date and two stations have been declared this year.

Metronet's station programme is severely delayed with all 14 SSL and 11 BCV stations not completed on schedule to date, with some more than 13 periods late.

### 4.2 Connect Works (\*)

Milestones	Current Plan Date	Actual / F'cast Date	RAG
District Line go live	23-10-2006	11-10-2006	Completed
Circle, Hammersmith & City line go live	31-12-2006	08-11-2006	Completed
Metropolitan Line go live	31-12-2006	11-12-2006	Completed
Connect – 4 Lines Radio Systems Go-Live	29-02-2008	29-02-2008	●

Connect is a 20-year PFI contract to upgrade and maintain the radio and transmission system used through the network.

In this quarter the Bakerloo Line and the Piccadilly Line train radio go live dates have slipped to October 2007 (from July 07) and September 2007 (from June 07) respectively due to software development issues experienced with the One Person Operated Train (OPOT) Alarm. This however should not affect the end date of April 2008 for all systems go-live.

#### 4.3 Power Works

Milestones	Current Plan Date	Actual / F'cast Date	RAG
VLU Power Upgrade – award construction contract	30-06-2006	20-03-2007	Completed
SSL – Issue first S&D Package include LU Approval	30-11-2007	30-11-2007	●
VLU – Manor House DC protection Upgrade Complete	31-03-2008	31-03-2008	●
VLU Power Upgrade – Bulk supply points delivered into service	09-03-2009	09-03-2009	●

This programme provides the power required for the line upgrades. The Victoria Line Power upgrade completion remains at December 2009, later than the PPP obligation date of 16 June 2009. The actual 'power on' date will still be in line with the PPP obligations on LU.

For the power upgrades on the SSL lines (Circle and District Lines), tender documents for the scoping and development work were issued on 2 August.

For the Central Line Power Upgrade, the outline design is underway with this stage due to be completed by September 2007.

For the Northern and Jubilee Line Power Upgrades, the conceptual design work is now complete. Work is underway on scoping and development with the report due next quarter. Early indications are a major reduction in the scope for both lines.

## 5. Olympics

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Progress on TfL's contribution to the London 2012 Olympic Games is reported each period to the Olympic Delivery Authority (ODA). The latest report is attached in **Annex 1**.

## 6. People

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- 6.1 TfL has developed Project PYRAMID to mitigate two strategic risks. These are:
- Insufficient Project and Programme Management (PPM) capability or capacity to deliver its publicised programme of capital projects and
  - Failure to maximise the development of internal PPM staff to deliver the 5-year Investment Programme (5IP) and other major projects.
- 6.2 PYRAMID's overall vision is "to enhance the capability of TfL's Project and Programme Management (PPM) community to deliver world-class programmes and projects for London".
- 6.3 The project has successfully delivered a competency framework, on-line development needs assessment tool and a portfolio of development opportunities. To date nearly 800 individuals have commenced or completed their assessment, 696 individuals have attended PYRAMID courses and over 100 individuals are booked on future courses.
- 6.4 Further to managing a needs analysis process with input from a wide variety of stakeholders from across the business, the team have managed the design and development of the opportunities for the Senior Project and Programme Managers (Levels 4 and 5) across TfL. These include Sponsorship, Advanced Project Management and Advanced Programme Management interventions which are commencing in September 2007. Nominations have been received from across the business and bookings are in the process of being confirmed.
- 6.5 The PPM Event was held on 15 May 2007. The event was held at the new Arsenal Emirates Football Stadium and nearly 400 people attended from across the PPM community. The event included contributions from a range of TfL's senior project managers, as well as the Commissioner, Peter Hendy, and the Chief Executive of the ODA, David Higgins.
- 6.6 Feedback received was very good with more than 99% of attendees agreeing that they: found the event enjoyable, found it valuable to learn about projects in other areas of TfL and would like to attend future events held by PYRAMID. As a result PYRAMID is now developing a programme of lunchtime seminars over the next 12 months as well as another PPM event next year.

## 7 Investment Programme – Financial Progress

Total Investment Programme Expenditure £ millions	Year to Date		Full Year		
	Actual	Variance to Budget	Forecast	Budget	Variance to Budget
Capital Expenditure					
LUL (after overprogramming) <sup>1</sup>	79	(22)	409	423	(14)
Surface (after overprogramming)	36	(15)	259	318	(59)
London Rail	52	(12)	424	427	(3)
Group Directorates	4	(10)	73	70	3
Overprogramming (group level only)		16	(20)	(70)	50
<i>Total Capital Expenditure (after overprogramming)</i>	171	(43)	1,145	1,168	(23)
Development & Borough Expenditure	28	(7)	248	237	11
<i>Directly Managed Expenditure</i>	199	(50)	1,393	1,405	(12)
<i>Indirectly Managed Expenditure</i>	421	135	1,226	1,229	(2)
<b>Total Gross Investment Expenditure</b>	<b>620</b>	<b>85</b>	<b>2,619</b>	<b>2,634</b>	<b>(14)</b>

Tables may be subject to rounding errors

### Total Investment Expenditure<sup>2</sup>

Total gross investment expenditure for the period was £85m over budget with a £50m under spend in directly managed expenditure offset by an overspend in indirectly managed expenditure.

### Directly Managed (Including Capital Expenditure)

Year-to date capital expenditure (after overprogramming) was £43m below budget due to the following reasons:

On the Underground, capital expenditure was £22 million below budget in the first quarter due to the re-phasing of accommodation, station congestion relief, accessibility and

<sup>1</sup> In a programme as complex as the Investment Programme, TfL recognises that there will be circumstances largely outside of its control which will lend to unforeseen delays and other changes. Overprogramming recognises this fact and enables TfL to mitigate this risk.

<sup>2</sup> Investment expenditure includes expenditure of a capital nature but which is delivered through PPP, PFI, through the London Boroughs or other contractual arrangements and therefore is treated as operating expenditure in TfL's Statutory Accounts and development work up to Transport Works Act Order.

communications projects. The full year end capital expenditure forecast demonstrates a partial recovery, to £14 million below budget, as work on congestion relief and accessibility projects will accelerate to deliver on schedule.

Surface Transport capital expenditure in quarter one was £15 million below budget as a result of the deferred West Ham Bus Garage scheme, delayed bus infrastructure projects and programme slippage on East London Transit and Greenwich Waterfront Transit. Full year capital expenditure is forecast to be £59 million below budget largely due to programme slippage on West Ham Bus Garage (and the consequential reduction in third-party funding), East London Transit, Greenwich Waterfront Transit, Ticket Technology, Blackwall Tunnel and A316 Country Way. A re-classification of £16.8 million of the full year Surface Transport capital expenditure budget, to operating expenditure, will be processed for reporting next quarter.

For London Rail, capital expenditure for the year to date was £12 million below budget, due to budget phasing issues associated with Stratford Regional and International stations. However this variance is forecast to reduce to £3 million lower than budget by the year end.

Capital expenditure in the Group Directorates was £10 million below budget in quarter one, largely as a result of lower than budgeted expenditure of £2.8 million on the Group Marketing and Communications customer services project and lower than budgeted expenditure on IT projects in Finance of £5.9 million. The year end position for Group Directorate capital expenditure is forecast to exceed budget by £1 million.

### Indirectly Managed

The majority of the capital expenditure which is being indirectly managed is undertaken by Tube Lines and Metronet Rail under the PPP contract and is financed as part of the Infrastructure Service Charge.

At quarter 1, the £135m variance against budget is accounted for by accelerated spend on rolling stock and signalling design for upgrades by Metronet of £49m, station modernisation and refurbishment costs of £65m for all Infracos reflecting Metronet activity to close out late stations and high levels of site activity and £21m for Metronet BCV track to reflect the current run rate of activity and catch up of work. It should be noted that the budget against which performance is measured reflects the latest approved Annual Asset Management Plan (AAMP) for the Infracos. However, agreement of the most recent AAMP was not achieved and the budgets are therefore based on their 2005/06 plan.

# Transport for London



## TfL's Transport Portfolio Executive Report for the London 2012 Olympic Games and Paralympic Games

Quarter 1 2007/08



## Report Details: Period Covered: Quarter 1

Owner: Steve Allen

### Introduction:

The following report highlights progress towards delivery of the Games related projects for which TfL has responsibility. The report examines current issues, how they are being addressed and confirms whether or not the improvements will be delivered to the planned timescales.

The projects are divided into two categories:

- improvements required for the Games where TfL was committed to delivering before winning the Olympic bid and
- those additional improvements, requiring separate funding, which TfL has committed to as part of winning the bid.

This report will be updated and issued every month reflecting progress up to the TfL 4 weekly reporting period for which information is available as at the date of the report.

### Key Highlights:

- A presentation on the ORN was made to the IOC coordination committee on 13 June 2007.
- The southern platform on Stratford Regional DLR station opened on 18 June 2007.
- Following submission of BAFO bids for the London Rail Concession Stations Upgrade on 10 May 2007, MTR Laing was announced as the successful bidder on 19 June 2007.
- The planning application for West Ham garage was agreed by the London Thames Gateway Development Committee (LTGDC) on 21 June 2007.

### Post Period End:

- Package 6 (Conversion of North London Line to DLR) of the Stratford International DLR Extension project was awarded to a Skanska/Grant Rail joint venture on 29 June 2007.
- An order for the first tranche of additional vehicles to support SLC2k was placed on 29 June 2007.
- The transfer of the Stratford Regional Station project to the ODA was completed on 30 June 2007.
- Trial operations began on 18 July 2007 on the new Piccadilly line service to Heathrow Terminal 5.
- TWA Order powers were granted by the Secretary of State for the DLR 3 Car North Route on 19 July 2007.
- The tunnel boring machine which is extending the DLR under the River Thames to Woolwich Arsenal broke through the second tunnel on 23 July 2007.



## **TfL Funded, Games-Enabling Projects in Investment Programme: Period Update**

### **London Rail**

#### **East London Line Extension \***

The fifth of the six short term critical milestones was achieved in the period with the remaining one on programme for completion. A further nine short term critical milestones have now been agreed with the Main Works contractor which includes the implementation stage through to main line closure in December 2007. The production of designs remains a key issue for the project and a monitoring regime is now in place to determine the effectiveness of control measures implemented. The London Borough of Lewisham planning committee held on 21 June 2007 granted planning consent for the New Cross Gate maintenance facility and flyover. GRIP 5 design has commenced for Crystal Palace, West Croydon and South Croydon. Mott MacDonald has also commenced preliminary GRIP 5 activities for New Cross Gate. A preferred bidder has been selected following tender review for the demolition of Bridge GE19. The ORR and NR have agreed in principle to TfL's preferred 20 year access option with no buy back clause. The documentation for this is currently being drafted.

#### **ELL/NLR Rolling Stock**

Overall, progress has been maintained with Bombardier Trains progressing design reviews with TfL's project team in attendance. An order for the first tranche of additional vehicles to support SLC2k was placed on 29 June 2007, providing for three 4-car dual voltage units and 24 cars to lengthen the North London Rail 3-car fleet to 4-car.

#### **North London Railway (NLR) - Stations Improvement Programme \*\***

With the award of the Stations Enhancement Works agreement to MTR Laing, the scope and cost of the phase 3 stations refurbishment has been set. The team is currently working with the operator to review the scope to determine if a worthwhile cost saving can be made without degradation to quality for passengers. In addition, work is proceeding on the preparations required to progress Acton Central to Phase 4 with the procurement of agents to conduct the strategic urban realm planning study and design brief for the architects. This is to be followed shortly with preparation work for Hackney Central. These two stations will enable London Rail to potentially take advantage of third party funding (Heritage and NR) and maintain progress on re-modelling work whilst other funds are secured. Engagement with stakeholders on London Rail will continue throughout the summer. The transfer of the stations south of New Cross Gate from the DfT to the LRC has been agreed in principle, with the current anticipated handover date being some time in the last quarter of 2009.

#### **DLR Woolwich Arsenal/3 Car Railcars \***

The first vehicle is in static test and is now scheduled to arrive from Germany on 14 December 2007. This is later than originally anticipated due to materials issues and re-work required on the first three vehicles.

#### **DLR 3 Car North Route \*\***

The TWA Order powers were granted by the Secretary of State on 19 July 2007.

#### **DLR 3 Car Bank-Lewisham \***

Site establishment continued on the site close to DLR's own offices at Poplar. Taylor Woodrow's construction programme and cash flow projections were received and returned with comments. An updated programme will be re-issued in period 4. Possession planning is going well with the first possession booked for October 2007 at Canning Town. The Delta Junction planning application (Package 5) was approved by the London Borough of Tower Hamlets but with some very restrictive conditions. In view of this, it has been decided to wait for the granting of the TWA Powers before works commence. Work continued on the commissioning of the first stage of the Beckton Depot expansion. Serco has started to establish a presence on site in readiness for the Phase 2 works.

#### **Stratford Regional DLR Station \***

The South Platform (4a) opened for passenger service on 18 June 2007. Work continues towards the completion of Phase 2, the North Platform (4b), which is forecast for the end of August 2007.

**London City Airport DLR Extension \***

The project has been completed.

**Woolwich Arsenal DLR Extension \***

Following excellent progress in the period, the tunnel extending the DLR under the River Thames to Woolwich Arsenal broke through on 23 July 2007. Work on the cross passages are slightly delayed due to unexpected ground conditions and changed method of construction, but this is not expected to have any impact on the scheduled completion date of February 2009. Progress at the station has been good with part of the roof concreted to the east end, the final excavation underway at the west end and track being installed in the covered way.

**Stratford International DLR Extension \*\***

The low level decommissioning works (Package 9) have been completed. On Package 8 (Network Rail works) progress is satisfactory. The piling works to the ODA Bridge abutment at Channelsea South Junction has been completed along with the sheet piling for the pile cap. There have also been three successful Network Rail possessions to divert cables and troughing; all were handed back on time. Preparatory works for the Stratford International Signal Box have commenced and cable diversions have been completed. The North London Line high level platform designs continue to be progressed. The tender assessment was completed on Package 6 (Conversion of North London Line to DLR) with the contract being awarded to Skanska / Grant Rail Joint Venture on 29 June 2007.

**DLR Railcar Refurbishment \*\***

The project has been completed.

**London Underground****LU Line Upgrades PPP BCV (Victoria Element) \*\***

Delivery of Train 2 to London is still anticipated to be in April 2008, and the programme now includes signalling equipment testing, including Automatic Train Control (ATO) and Automatic Train Protection (ATP) using developmental software. A review to recover some of the delay was completed by the end of July 2007 with measures identified to be actioned.

*The VLU programme has a contractual delivery date of 17 August 2013. The VLU is not a Games deliverable. Metronet has adopted an aggressive 2-year early delivery date. This accelerated target delivery date is slipping primarily due to delays in the signal component. The most current programme information indicates that barring future delays, the journey time capability will be available by February 2012. However, the only delivery date that can be enforced through the contract remains the contract commitment date. LU recognises its obligation to maintain the service level of the Victoria Line consistent with its Games related commitments.*

**LU Line Upgrades – PPP JNP (Jubilee Elements) \***

The delivery of the last train into service has slipped to October 2008, 6 months later than the planned date due to the slower than expected trains conversion. However this will not impact the delivery of the Second Implementation phase as the number of trains planned to be available is adequate.

**LU Stations Modernisation and Refurbishments – PPP BCV (Metronet) \***

Metronet BCV has a contractual obligation to modernise and refurbish 55 stations during the first 7.5 year review period. To date, Metronet BCV has delivered into service 13 stations with 42 remaining. Metronet has previously declared project completion two stations - Bond Street & Loughton as 'Delivered into Service'. These remain under review.

**LU Stations Modernisation and Refurbishments – PPP JNP (Tube Lines) \***

Tube Lines has a contractual obligation to modernise and refurbish 97 stations during the first 7.5 year review period. To date, Tube Lines has Delivered into Service 31 stations with 66 remaining. Tube Lines has declared Project Completion on 16 of the 66 stations. LU has agreed Project Completion at 15 of these stations, namely Colindale, Mornington Crescent, Mill Hill East, Finchley Central, Angel, Finchley Road, Cockfosters, Oakwood, Bounds Green, Arsenal, Hendon Central, Hampstead, Belsize Park, Totteridge & Whetstone and North Ealing. Completion of East Finchley is due to be confirmed next period.

**LU Stations Modernisation and Refurbishments – PPP SSL (Metronet) \***

Metronet SSL has a contractual obligation to modernise and refurbish 77 stations during the first 7.5 year review period. To date, Metronet has delivered into service 15 stations with 62 remaining. Metronet have declared project completion on a further 4 stations; Great Portland Street, Watford, Ravenscourt Park & Pinner as 'Delivered into Service' which are currently being reviewed by LU. Watford and Ravenscourt Park were declared in the period.

**CTRL at King's Cross (Northern Ticket Hall) \*\***

Work has begun on the excavation below the Northern Ticket Hall level. A revised programme is being developed to ensure delivery of the Northern Ticket Hall roof slab to Network Rail for September 2008. However NR has requested some design changes to the 'bomb gap' works and so discussions have commenced regarding NR's wish to change and hence potentially change the date.

**LU Extensions – Piccadilly Line Extensions to Heathrow T5\***

Progress is on plan to deliver the Piccadilly Line Extension to Heathrow Terminal 5 Project (PiccEx) in March 2008. The T4 Loop reopened successfully in September 2006 as planned. Handover of the railway for Trial Operations took place on the 1 July 2007 with Trial Operations starting thereafter.

**Wembley Park\*\***

This project was completed on 15 May 2006.

**Olympics Accessibility Works (Green Park, Baker Street (SSL) and Southfields) \*\***

Green Park: Funding for Concept Design (Phase 2) has been approved and work commenced in May 2007.

Baker Street: The station is currently at Concept Design (Phase 2) stage as an integrated scheme with the PPP Modernisation programme. Completion is currently forecast to be in September 2011.

Southfields: The scope of Southfields has been increased to incorporate the ticket hall reconfiguration. An integrated step-free access and station refurbishment Concept Design (Phase 2) commenced in April 2007. Southfield station received Local Authority Agreement in Principle for its proposed scheme.

**North Greenwich Congestion Relief\*\***

This project is to provide additional access and egress to this station in anticipation of the current property development including the construction of a stadium. Substantial completion was achieved by the end of January 2007. All remaining snagging issues will be completed in August 2007 with closeout of the project soon afterwards.

**Surface Transport**

**East London Transit Phase 1a \***

Following the agreement with LB Barking & Dagenham, a revised project programme is being developed, with implementation expected to be in the last quarter of 2009.

**Greenwich Waterfront Transit Phase 1\*\***

Work continues on this project to meet the revised introduction date of autumn 2011. Presentations were given to London Travelwatch (5 June) and Councillors from LB Greenwich (13 June), which were well received.

**Relocation of bus garages from Waterden Road**

The Wyke Road application is now due to be considered by the London Thames Gateway Development Corporation (LTGDC) Planning Committee at its 9 August 2007 meeting. A planning application was submitted to the ODA on 18 July 2007 by First Group for a garage in the Temple Mills area. The date for its consideration is not yet available, but will be at least eight weeks away to allow for consultation and preparation of the report to the Planning Committee. Following the implementation of road closures by the ODA in early July, arrangements are in place for buses and staff to access the garages in Waterden Road.

\* Denotes: Projects in the guarantee from TfL

\*\* Denotes: Other infrastructure projects that may support the Games

## **Public Sector Funded Package (PSFP), Olympic-Enabling Projects in Investment Programme: Period Update**

### **London Rail**

#### **North London Railway Infrastructure Project**

GRIP3 single option development continued in the period and it is anticipated that cost estimates will be available in August. The scope of infrastructure works and projected costs are being subjected to a value engineering exercise. Discussions continue with Network Rail over options for construction delivery and procurement strategy of the NLRIP. Initial timetable studies have experienced a three week delay due to resource problems. Indications remain that the operating requirements of SLC2k can be met.

#### **DLR Olympics Additional Railcars**

The design of these railcars is ongoing and is being carried out in conjunction with the Woolwich Arsenal / 3 Car railcars. It is envisaged that the delivery will follow that of the Woolwich Arsenal / 3 Car railcars.

#### **DLR 3 Car Poplar – Woolwich Arsenal**

The TWA Order powers were granted by the Secretary of State on 19 July 2007.

#### **DLR Olympics Station Capacity Improvements**

Discussions are continuing with ExCeL over their proposed alternative scheme at Custom House/Prince Regent St. This will require separate negotiation with the ODA.

#### **DLR West Route Signalling Improvements**

No change from last period. A fixed price for the works has been received from Thales which is being discussed with the supplier. This is approximately 50% higher than current ODA funding (this project is fully funded by the ODA). Alternative schemes are under discussion with Serco Docklands, and if viable, a proposal will be submitted to the ODA for approval.

#### **DLR West Route Resilience**

This project is being procured as part of the 3 Car Bank-Lewisham project under Package 1. The contract for the main 3 Car project was signed with Taylor Woodrow on 3 May 2007. For detailed project updates please refer to the 3 Car Bank-Lewisham report.

### **London Underground**

#### **LU West Ham (Station)**

Tube Lines Ltd delivered a feasibility report covering the scope for a new western entrance in May 2007. However, uncertainty surrounding the ODA's preferred route for getting spectators between the station and the Greenway, along with concerns about capacity constraints elsewhere within the station, has led to a change of emphasis towards the delivery of capacity enhancements to the District line side of the station. Two potential schemes have been identified (one involving the provision of a second eastbound District line platform) and Tube Lines Ltd is currently progressing work on the scheme design phase, which is expected to be completed by December 2007. Further work on the western entrance has been suspended until and unless funding is forthcoming from third parties involved in the promotion of the development sites. Note however that discussions are ongoing between the LDA/LB Newham and West Ham FC regarding the potential relocation of the club to the Parcelforce site and consideration is being given to requesting LU to investigate options for the ticket hall to serve this purpose.

## **Surface Transport**

### **Cycle Route Enhancements and Walking Routes**

The current focus of the walking and cycling programme is on the development of the walking and cycling infrastructure portfolio. The Cycling, Walking and Accessibility team are in the process of prioritising scheme submissions and route development requirements, as well as setting up internal processes to ensure effective programme delivery, including the development of the Project Initiation document. The walking and cycling infrastructure programme and associated draft business case is to be prepared by the end of September 2007.

The London 2012 Active Travel Advisory Group, involving a number of stakeholder groups such as TfL, ODA, GLA, London Councils and walking and cycling organisations, met on 29 June 2007 to discuss progress on the London 2012 walking and cycling programme.

### **Olympic Route Network (ORN) Carriageways & Junction Improvements**

Stage 3 (outline design and cost estimates) works on carriageways and junction improvements continued in the period with stakeholder meetings and workshops to develop options. In addition a meeting was held with Royal Parks in order to determine the special constraints that apply in and around the area. TfL's Surface Approvals Board approved the Business Case for Detailed Design and the PID for subsequent ODA approval is being prepared.

A meeting was held with DfT and DCMS in order to explore the issues relating to the timing of the designation process. There appears to be significant issues related to an early designation which needs to be explored further and a timescale options study is to be prepared. A presentation was also made to the IOC Coordination Committee on the 13 June 2007.

### **Enhancements to Local Bus Services for Spectators**

A scoping plan for bus network enhancements and driver procurement has been produced. Detailed planning of the service enhancements will commence in June 2009.

### **LTCC (London Traffic Control Centre) Development**

Further to a meeting held with LOCOG/ODA in July 2007 to agree the way forward, the ODA Project Initiation Document (PID) will be populated as a first step to release initial project funding. DTO and ODA are to arrange initial workshop to discuss OTOC scope.

## **Finance and Planning**

### **Stratford Regional Station Upgrade**

This project was transferred to the ODA on 30 June 2007 as planned.

**Key Programme Risks**

No new risks to report this period.

**Issues / Decisions**

No major issues which require escalation at present.

<b>Independent Engineer Status Report</b>	
<b>Previous reviews</b>	
None this period	
<b>Recent Reviews</b>	<b>Date</b>
3 Car North Route	Completed* - Previously reported
3 Car Bank – Lewisham	Completed* - Previously reported
DLR 3 Car Poplar – Woolwich Arsenal	Completed* - Previously reported
Greenwich Waterfront Transit	Completed - Previously reported
Stratford Regional Station	Completed - Previously reported
Stratford International DLR Extension	Completed - Previously reported
East London Transit Phase 1a	Completed - Previously reported
East London Line	Completed - Previously reported
Woolwich Arsenal DLR Extension	Completed – Previously reported
* Completed as part of one review	
<b>The following is an indicative programme of Games related Independent Engineer reviews for 2007/8</b>	
3 Car Railcars & Olympic Railcars Improvements Programme	Quarter 2 2007/8
Olympic Route Network	Quarter 3 2007/8 (Timing to be confirmed)
London Traffic Control Centre	Quarter 3 2007/8 (Timing to be confirmed)
King's Cross CTRL	Quarter 3 2007/8
West Ham Olympics Works	Quarter 3 2007/8
Olympics Accessibility (Southfields, Green Park, Baker St)	Quarter 4 2007/8
East London Line Extension	Quarter 4 2007/8
North London Railway Stations	Quarter 4 2007/8

## Milestones<sup>1</sup>

●	Project on schedule
▲	Project behind schedule
■	Project behind schedule impacting Games delivery

### TfL Funded

#### East London Line Extension (LR – PJ01)

	Original Plan	Actual/forecast date	RAG status
Close existing East London Line	31/12/2007	22/12/2007	●
Commence Bridge GE19 Demolition	31/12/2007	25/12/2007	●
Main Contractor Takes Occupation of ELL Trackway and Stations	31/03/2008	01/03/2008	●
Test Running Commences	31/01/2010	14/05/2009	●
East London Line (Phase 1) Complete	30/06/2010	19/10/2009	●

#### ELL/NLR Rolling Stock (LR – PJ303)

	Original Plan	Actual/forecast date	RAG status
Award Contract	12/07/2006	31/08/2006	Completed
Preliminary Design Phase Complete and Assurance Accepted	31/08/2007	21/08/2007	●
NLR Unit Body shell Manufacture Starts	30/09/2007	20/09/2007	●
Trains in Service - NLR	31/12/2008	31/12/2008	●
Trains in Service - ELR	30/06/2010	30/06/2010	●

<sup>1</sup> Following a review of milestones at the beginning of the financial year 2007/08, additional milestones have been included. Original Plan dates now include the milestones originally reported in this report, together with planned dates for new milestones.



**North London Railway – Station Improvement Programme (LR – PJ33)**

	Original Plan	Actual/forecast date	RAG status
Completion of Station Design proposals	30/10/2006	30/10/2006	Completed
Completion of Enabling Works for Concessions Start	11/11/2007	11/11/2007	●
Start of enhancement work	30/11/2007	30/11/2007	●
Complete Shelter Facilities on Gospel Oak-Barking Line	31/03/2008	31/03/2008	●
Completion of initial station repairs	31/05/2008	18/05/2008	●
Completion of installation of Station systems (North London Railway)	30/11/2009	11/11/2009	●
Completion of enhancement to existing fabric on Stations (North London Railway)	30/11/2010	11/11/2010	●

**DLR Woolwich Arsenal/3 Car Railcar (LR – PJ04/501)**

	Original Plan	Actual/forecast date	RAG status
First painted car body	30/09/2006	02/02/2007	Completed
First train delivered	31/08/2007	14/12/2007	▲
18 <sup>th</sup> Car in service	30/04/2008	31/05/2008	▲
Last train delivered	31/12/2008	31/12/2008	●
All cars in service	28/02/2009	28/02/2009	●

**DLR 3 Car North Route (LR – PJ05)**

	Original Plan	Actual/forecast date	RAG status
Powers / consents granted	31/03/2007	19/07/2007	Completed
Contract award	01/09/2007	01/09/2007	●
Construction work complete	31/12/2009	31/12/2009	●
Operational date	31/03/2010	30/06/2010	▲

**DLR 3 Car Bank – Lewisham (LR – PJ06)**

	Original Plan	Actual/forecast date	RAG status
Beckton Depot completion	20/10/2006	31/08/2007	▲
Tender documents returned	30/11/2006	21/12/2006	Completed
Contract award (Package 1&2)	29/01/2007	03/05/2007	Completed
Construction work starts	30/04/2007	04/06/2007	Completed
Construction/track work/signalling complete	30/09/2009	30/09/2009	●
Service operational	31/10/2009	31/10/2009	●

**Stratford Regional DLR Station (LR – PJ07)**

	Original Plan	Actual/forecast date	RAG status
Start works	31/08/2005	01/08/2005	Completed
Completion of phase 1 (South Platform)	31/12/2006	18/06/2007	Completed
Canopy complete	27/02/2007	31/03/2007	Completed
Completion	31/03/2007	31/10/2007	▲

**London City Airport DLR Extension (LR – PJ08/500)**

	Original Plan	Actual/forecast date	RAG status
Complete station construction	30/08/2005	24/11/2005	Completed
Completion date	31/12/2005	02/12/2005	Completed

**Woolwich Arsenal DLR Extension (LR - PJ09/503)**

	Original Plan	Actual/forecast date	RAG status
Complete Thames Intervention Shaft	31/07/2007	27/09/2007	▲
Completion of track work	31/03/2008	31/03/2008	●
Complete down tunnel	21/07/2007	23/07/2007	Completed
Project completion	31/12/2008	31/01/2009	▲

**Stratford International DLR Extension (LR – PJ10)**

	Original Plan	Actual/forecast date	RAG status
Contract award package 7	29/01/2007	03/05/2007	Completed
Contract award Package 6 (Middle Section)	28/05/2007	29/06/2007	Completed
Commence Works	31/10/2007	09/03/2007	Completed
Start on site Package 6 (Middle Section)	30/06/2007	31/08/2007	▲
Start on site Package 7 (Canning Town Flyover)	31/05/2007	31/05/2007	Completed
Complete works	30/06/2010	30/06/2010	●

**DLR Railcar Refurbishment (LR – PJ15)**

	Original Plan	Actual/forecast date	RAG status
Completion of 94 <sup>th</sup> vehicle	30/11/2006	30/03/2007	Completed

**Victoria Line Upgrade – BCV Line Upgrades (part of LU – PF20)**

	Original Plan	Actual/forecast date	RAG status
1 train accepted to run in LUL traffic hours	31/01/2009	31/01/2009	●
Commence rolling stock full production	31/05/2009	31/05/2009	●
Service control centre demonstration	31/08/2011	31/08/2011	●
JTC delivery	17/08/2013	17/08/2013	●

**Jubilee Line Upgrade – JNP Line Upgrade (part of LU – PF 21)**

	Original Plan	Actual/forecast date	RAG status
LUL acceptance of first section	30/06/2008	30/06/2008	●
Delivery last train	30/04/2008	31/10/2008	▲
LUL acceptance of entire line	14/11/2009	14/11/2009	●

**Station Modernisation and Refurbishment – PPP SSL (LU – PF 34)**

	Modernisations	Enhanced Refurbishments	Refurbishments	RAG
2004/05	1	0	4	Completed
2005/06	2	4	7	▲
2006/07	1	4	11	▲
2007/08	2	3	8	●
2008/09	6	6	7	●
2009/10	2	2	7	●

**Station Modernisation and Refurbishment – PPP BCV (LU – PF 32)**

	Modernisations	Enhanced Refurbishments	Refurbishments	RAG
2004/05	0	0	3	Completed
2005/06	2	2	9	▲
2006/07	7	3	3	▲
2007/08	4	2	8	●
2008/09	1	1	1	●
2009/10	3	3	3	●

**Station Modernisation and Refurbishment – PPP JNP (LU – PF33)**

	Modernisations	Enhanced Refurbishments	Refurbishments	RAG
2004/05	4	6	0	Completed
2005/06	3	8	0	Completed
2006/07	7	4	0	Completed
2007/08	4	11	3	●
2008/09	5	3	1	●
2009/10	4	5	1	●
2010/11	3	6	18	●

**CTRL at King's Cross (Northern Ticket Hall) (LU – PF41)**

	Original Plan	Actual/forecast date	RAG status
Phase 1 Final completion	31/12/2006	10/12/2006	Completed
Phase 2 Final completion	31/12/2010	31/12/2010	●

**LU Extension – Piccadilly Line Extension to Heathrow T5 (LU – PF45)**

	Original Plan	Actual/forecast date	RAG status
Re-opening of the T4 Loop	30/09/2006	17/09/2006	Completed
Opening of service to the new T5 at Heathrow	31/03/2008	31/03/2008	●

**Wembley Park Station (LU – PJ 34)**

	Original Plan	Actual/forecast date	RAG status
Full enhancement of the station	31/12/2005	15/12/2005	Completed
Station modernisation works	31/05/2006	31/05/2006	Completed

**Olympics Accessibility - Green Park, Baker Street (SSL) and Southfields (LU – PJ214)**

	Original Plan	Actual/forecast date	RAG status
Completion of design for Green Park	30/06/2008	31/03/2009	▲
Completion of construction of Green Park	31/03/2011	30/09/2011	▲
Completion of design for Baker Street	30/06/2009	30/06/2009	●
Completion of construction for Baker Street*	31/03/2011	30/06/2011	▲
Completion of design for Southfields	30/09/2007	30/09/2008	▲
Completion of construction for Southfields*	31/03/2009	31/03/2010	▲

\* Original Plan was amended to reflect correct dates.

**North Greenwich Congestion Relief (LU – PJ30)**

	Original Plan	Actual/forecast date	RAG status
Substantial completion of station congestion relief	31/12/2006	31/01/2007	Completed

**East London Transit Phase 1a (ST – PJ24)**

	Original Plan	Actual/forecast date	RAG status
Detailed design complete	31/08/2007	31/08/2007	●
Invitation to tender	21/11/2007	21/11/2007	●
Infrastructure works complete	22/01/2008	14/09/2009	▲
Service starts	16/02/2008	17/10/2009	▲

**Greenwich Waterfront Transit (ST – PJ25)**

	Original Plan	Actual/forecast date	RAG status
Completion of preliminary design	05/11/2007	05/11/2007	●
Completion of public consultation	17/12/2007	17/12/2007	●
Infrastructure works complete	25/06/2010	26/08/2011	▲
Service starts	31/08/2010	31/10/2011	▲

**PSFP Funded**

**North London Railway Infrastructure Project (LR – PJ302)**

	Original Plan	Actual/forecast date	RAG status
GRIP 2 Complete	18/05/2007	08/06/2007	Completed
GRIP 3 Complete	24/08/2007	24/08/2007	●
Project Completion	31/01/2011	31/01/2011	●

**DLR Olympic Additional Railcars (LR – PJ20)**

	Original Plan	Actual/forecast date	RAG status
First Painted Car body	27/05/2008	27/05/2008	●
First railcar delivered	31/07/2008	29/09/2008	▲
Final railcar delivered	31/12/2009	09/09/2009	●
All cars in service	30/06/2010	31/12/2009	●

**DLR 3 Car Poplar – Woolwich Arsenal (LR – PJ22)**

	Original Plan	Actual/forecast date	RAG status
Submit planning application	31/08/2006	15/08/2006	Completed
Award design and construction contract	31/12/2007	31/10/2007	●
Start Construction	31/01/2008	01/01/2008	●
Service operational	31/03/2011	30/06/2010	●

**DLR Olympic Stations Capacity Improvements (LR – PJ25)**

	Original Plan	Actual/forecast date	RAG status
Submit planning application	31/12/2006	02/08/2006	Completed
TWA Powers Granted	31/10/2007	31/10/2007	●
Award construction contract (package 4)	31/12/2008	31/12/2008	●
Start Construction	31/01/2009	31/01/2009	●
Construction Work Complete	31/03/2011	31/03/2010	●

**DLR West Route Signalling Improvements (LR – PJ23)**

	Original Plan	Actual/forecast date	RAG status
Contract award	31/05/2007	30/09/2007	▲
Commence Installation	31/12/2007	01/12/2007	●
Signal loop operational	31/03/2008	31/03/2008	●

**DLR West Route Resilience (LR – PJ27)**

	Original Plan	Actual/forecast date	RAG status
Award design and construction contract	31/03/2007	03/05/2007	Completed
Additional resilience in operation	31/01/2010	31/01/2010	●

**LU West Ham Station**

	Original Plan	Actual/forecast date	RAG status
Feasibility Complete	31/05/2007	31/05/2007	Completed
Complete Stages C/D (including Approval In Principle)	31/12/2007	31/12/2007	●
Complete Stages E-G (including Compliance Submission)	31/08/2008	31/08/2008	●
Commence works on site	31/01/2009	31/01/2009	●
Project completion	28/02/2011	28/02/2011	●

**Cycle Route Enhancements and Walking Routes**

	Original Plan	Actual/forecast date	RAG status
Finalise strategic route selection	28/02/2007	28/02/2007	Completed
Commence detailed route development	31/03/2007	31/03/2007	Completed
Completion of a draft programme and associated business case for London 2012 walking and cycling initiatives	30/09/2007	30/09/2007	●

**ORN Carriageways and Junction Improvements**

	Original Plan	Actual/forecast date	RAG status
Commence Stage 3 (outline design & indicative costings)	01/04/07	5/04/07	Completed
Stage 3 Submission of Scheme Options and Opportunities Report	29/06/07	29/06/07	Completed
Stage 3 Agreement of Preferred Schemes	27/07/07	27/07/07	●
Stage 3 Draft Outline Design Report	22/12/07	22/12/07	●
Stage 3 Final Outline Design Report	28/03/08	28/03/08	●

**LTCC Development (OTOC)**

	Original Plan	Actual/forecast date	RAG status
Develop Business Case	30/04/2007	31/05/2007	Completed
Appointment of Consultant	30/09/2007	30/09/2007	●
Scope definition and stakeholder analysis	31/12/2007	31/12/2007	●
Complete Scheme Definition and Programme	30/04/2008	30/04/2008	●
Detailed Design	31/08/2008	31/08/2008	●

**Stratford Regional Station Upgrade (FP – PJ26)**

	Original Plan	Actual/forecast date	RAG status
Submit Updated Schemes Cost and Funding Proposals to Project Board	25/05/2006	25/05/2006	Completed
Commence Detail Design	24/05/2006	26/06/2006	Completed
Obtain Planning Consent and Powers	31/08/2006	30/11/2006	Completed
Complete Scheme Definition and Programme	30/03/2007	30/03/2007	Completed



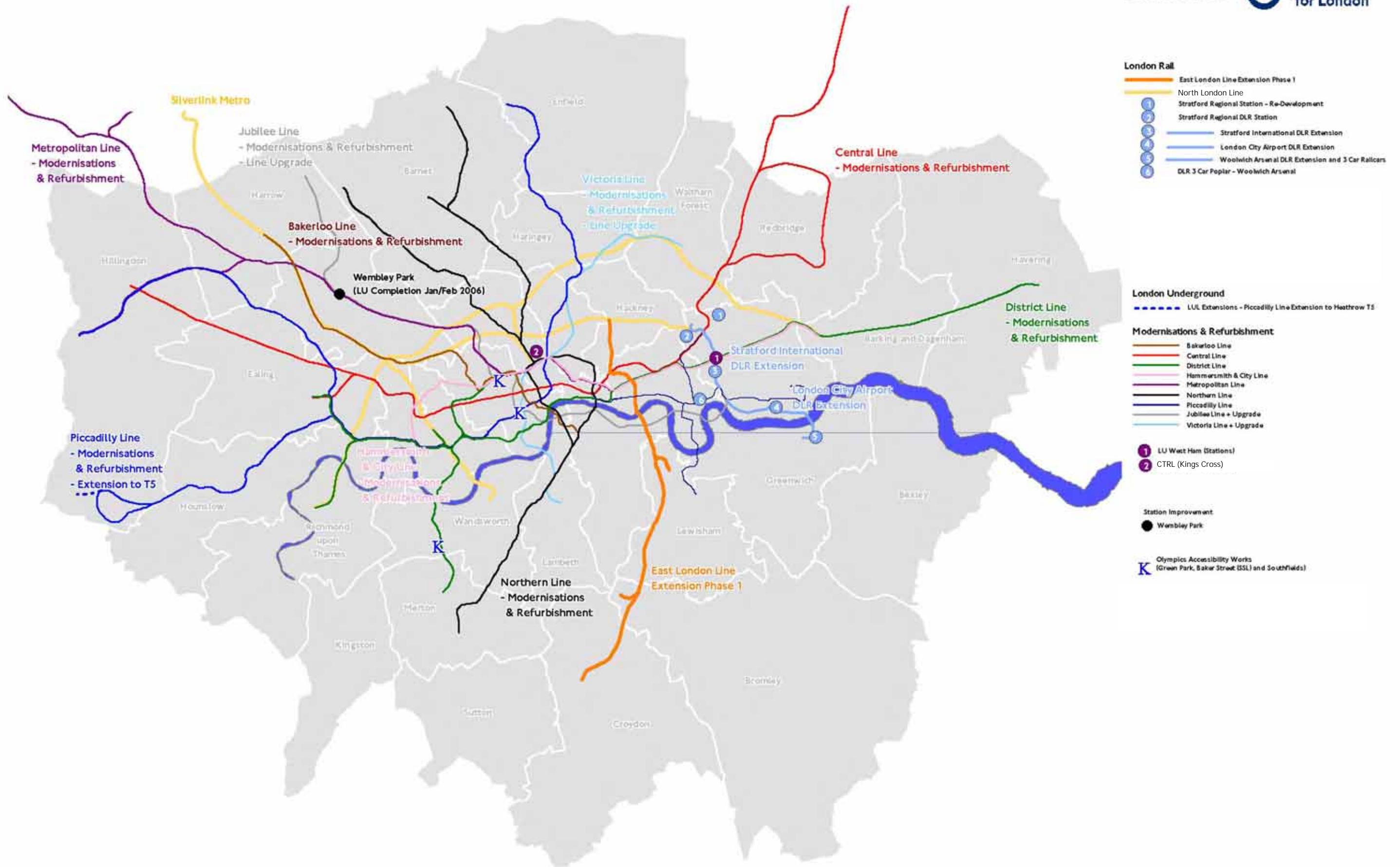
Programme/Project	Directly Managed?	Schedule Dates		Schedule (Calendar Years)																				Independent Engineer Schedule		
		Type	Finish	2006				2007				2008				2009				2010					2011	2012
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
<b>London Rail</b>																										
LR-PJ01C	Y	BL (PIP) BL (CA) A/F	29/06/2010 29/06/2010 19/10/2009	◆		◆																				Q1 2006 Q3 2006 Q4 2007 Q4 2008
LR-PJ33C	Y	BL (PIP) BL (CA) A/F	31/03/2008 31/03/2008 31/03/2008						◆																	Q2 2007
LR-PJ04C	Y	BL (PIP) BL (CA) A/F	28/02/2009 28/02/2009 28/02/2009							◆																Q1 2007
LR-PJ05C	Y	BL (PIP) BL (CA) A/F	31/08/2009 31/03/2010 30/06/2010							◆			◆					◆								Q2 2006 Q1 2008 Q2 2009
LR-PJ06C	Y	BL (PIP) BL (CA) A/F	31/10/2009 31/10/2009 31/10/2009							◆			◆					◆								Q2 2006 Q1 2008 Q2 2009
LR-PJ07C	Y	BL (PIP) BL (CA) A/F	31/03/2007 30/03/2007 08/10/2007																							
LR-PJ08C	Y	BL (PIP) BL (CA) A/F	31/12/2005 15/12/2005 02/12/2005																							
LR-PJ09C	Y	BL (PIP) BL (CA) A/F	31/12/2008 05/01/2009 31/01/2009								◆															Q2 2007
LR-PJ10C	Y	BL (PIP) BL (CA) A/F	31/12/2009 30/06/2010 30/06/2010			◆							◆					◆								Q3 2006 Q2 2008
LR-PJ15C	Y	BL (PIP) BL (CA) A/F	30/03/2006 30/11/2006 30/03/2007																							
<b>London Underground</b>																										
LU-PF20	N	BL (PIP) BL (CA) A/F	31/12/2006 31/12/2006 31/12/2006																							
LU-PF21	N	BL (PIP) BL (CA) A/F	14/11/2009 14/11/2009 14/11/2009								◆															Q2 2007 Q4 2008
LU-PF32	N	BL (PIP) BL (CA) A/F	31/03/2010 31/03/2010 31/03/2010								◆															Q3 2007 Q1 2009 Q3 2010
LU-PF33	N	BL (PIP) BL (CA) A/F	31/03/2010 31/03/2010 31/03/2010									◆														Q1 2012
LU-PF34	N	BL (PIP) BL (CA) A/F	31/03/2010 31/03/2010 31/03/2010										◆													Q1 2008 Q3 2009 Q4 2010
LU-PF41	Y	BL (PIP) BL (CA) A/F	31/12/2009 31/12/2010 31/12/2010	◆							◆															Q2 2012
LU-PF45	Y	BL (PIP) BL (CA) A/F	31/12/2010 31/12/2010 30/03/2008								◆															Q1 2008 Q3 2009 Q1 2011
LU-PJ34C	Y	BL (PIP) BL (CA) A/F	31/05/2006 31/05/2006 31/05/2006																							Q3 2012
<p>These indicative dates for the LU Line upgrades and Modernisation/Refurb programmes are based on the assumption of ongoing programme of works for the forward 5 yr IP.</p> <p>End 5 Year TfL Investment Programme</p> <p>2012 Olympics/Paralympics</p>																										
<b>Note: All IE review dates are indicative</b>																										

Group 2: 'Critical' Projects as defined by ODA (Interim)

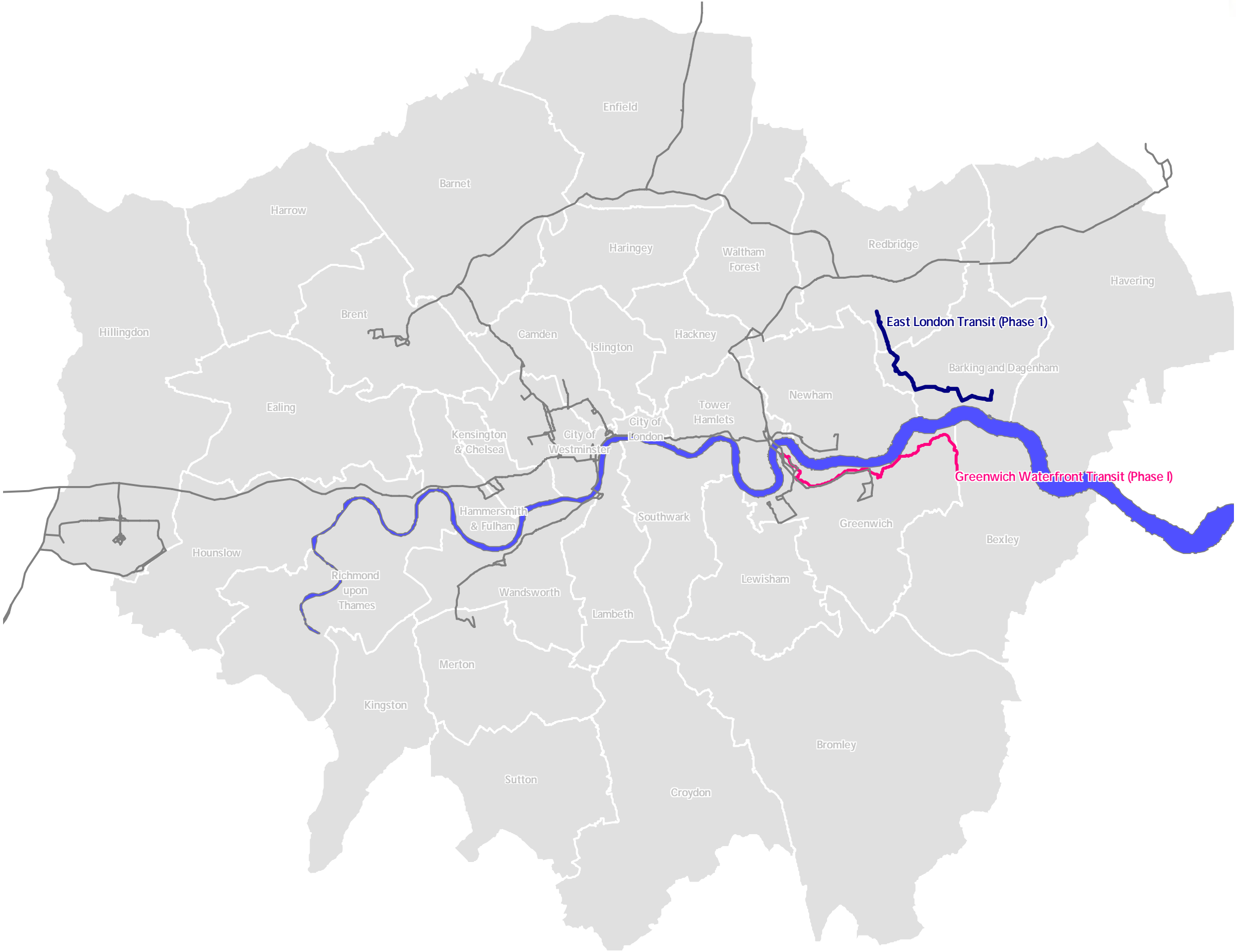
Programme/Project	Directly Managed?	Schedule Dates		Schedule (Calendar Years)																												Independent Engineer Schedule
		Type	Finish	2006				2007				2008				2009				2010				2011	2012	Indicative review dates						
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4									
<b>Olympics Accessibility Works (Green Park, Baker Street (SSL) and Southfields)</b> Subject to feasibility studies, installation of lifts at Green Park, Baker Street (sub-surface platforms), Southfields and High Street Kensington stations to provide step-free access from street to platform.	Y	BL (PIP) BL (CA) A/F	30/09/2011 30/09/2011 30/09/2011																											Q2 2008 Q4 2008 Q1 2009		
<b>North Greenwich Congestion Relief</b> A significant increase in passenger vertical circulation capacity in key congested areas of the station.	Y	BL (PIP) BL (CA) A/F	31/12/2006 31/12/2006 31/01/2007																													
<b>Surface Transport</b>																																
<b>East London Transit Phase 1a</b> 9km route between Ilford, Barking and Dagenham Dock with new dedicated access through Barking Town Centre and a package of highway measures including signal-based bus priority and enhanced enforcement due to be completed by February 2008	Y	BL (PIP) BL (CA) A/F	16/02/2008 16/02/2008 17/10/2009																											Q3 2006		
<b>Greenwich Waterfront Transit Phase 1</b> Project upgrades Abbey Wood – Thamesmead – Woolwich – North Greenwich corridor with high levels of bus priority, new sections of busway and improved access to Woolwich town centre.	Y	BL (PIP) BL (CA) A/F	31/03/2010 31/03/2010 31/10/2011																											Q2 2006 Q4 2008		
<b>London Rail</b>																																
<b>Network Rail North London Line 6 Car 8 tph (Olympic Infrastructure)</b>	Y	BL (PIP) BL (CA) A/F	31/01/2011 31/01/2011 31/01/2011																											Q4 2008		
<b>DLR Olympics Additional Railcars</b> Procurement and delivery of 22 additional rail cars to provide for additional services required during the Olympics to meet spectator demand.	Y	BL (PIP) BL (CA) A/F	30/06/2010 30/06/2010 30/06/2010																											Q2 2007 Q1 2009		
<b>DLR 3 Car Poplar-Woolwich Arsenal</b> Infrastructure upgrade at Blackwall and East India stations and signalling, communication and power modifications between Poplar and Woolwich stations to allow three car operations to and from Woolwich Arsenal during the Olympics.	Y	BL (PIP) BL (CA) A/F	31/03/2011 31/03/2011 31/03/2010																											Q2 2006 Q1 2008		
<b>DLR Olympics Stations Capacity Improvements</b> Increases to station capacity at Prince Regent (second exit to serve ExCel) and other network stations.	Y	BL (PIP) BL (CA) A/F	31/03/2011 31/03/2011 31/03/2011																											Q3 2008 Q3 2010		
<b>DLR West Route Signalling Improvements (Signal Loop &amp; New Siding)</b> Provision of a new signal loop between Westferry and Royal Mint Street junction to improve perturbation recovery time.	Y	BL (PIP) BL (CA) A/F	31/03/2008 31/03/2008 31/03/2008																											Q4 2008		
<b>West Route Resilience</b> Provision of additional resilience at Royal Mint Street to improve system recovery time.	Y	BL (PIP) BL (CA) A/F	31/03/2010 31/03/2010 31/03/2010																											Q4 2008		
<b>London Underground</b>																																
<b>LU West Ham (Stations)</b> Improved access to West Ham station from the Olympic Park.	Y	BL (PIP) BL (CA) A/F	28/08/2011 28/08/2011 28/08/2011																											Q3 2007 Q3 2009 Q1 2011		
<b>Central Line Operational Enhancement Project (LU Resilience)</b> This project improves operational resilience and reliability on the Central line by providing: • Additional reversing points; • Improved power supply to sustain higher service volumes. - SUBJECT TO CHANGE CONTROL FOR REMOVAL	Y	BL (PIP) BL (CA) Cancelled																											This Project has been withdrawn			
<b>Surface Transport</b>																																
<b>Cycle Route Enhancements and Walking Routes</b> Providing cycling and walking facilities to and from Olympic venues and at creating a sustainable legacy of the Games. Planned cycling measures include the implementation of new cycle routes, cycle parking facilities at stations and venues and promotional activities. Planned walking measures include the implementation of new walking routes, signage and promotional activities.	Y	BL (PIP) BL (CA) A/F																											Q1 2009			
<b>Olympic Route Network Carriageways</b> The Olympic Route Network (ORN) is a pre-defined network of roads connecting all the Olympic competition and accommodation venues. Special traffic management measures and highway improvements will be implemented in order to give safe and secure priority movement to the cars and coaches that will transport the 'Olympic Family' during the Olympic and Paralympic Games. TfL are responsible for the delivery of the ORN requirements on the 257km network of non motorway roads within London.	Y	BL (PIP) BL (CA) A/F																											Q3 2008			
<b>Enhancements to Local Bus Services for spectators</b>	Y	BL (PIP) BL (CA) A/F																														
<b>LTCC Development</b> Provision of Olympic Traffic Control Centre with Olympic Delivery Authority.	Y	BL (PIP) BL (CA) A/F																											Q3 2008			
<b>Finance and Planning</b>																																
<b>Stratford Regional Station Re-Development (Dates for submission of revised scheme cost and funding details to TfL)</b> Completing feasibility study in collaboration with DfT and NR for the Stratford Regional Station Capacity Upgrade.	Y	BL (PIP) BL (CA) A/F	24/05/2006 24/05/2006 25/05/2006																											Q3 2006		

BL (PIP)
BL (CA)
A/F
◆ Indicative IE review dates
 Public Sector Funding Package

# TfL Olympic Transport Portfolio report - TfL Rail Schemes



# TfL Olympic Transport Portfolio report - TfL Surface Schemes



**Surface Transport**

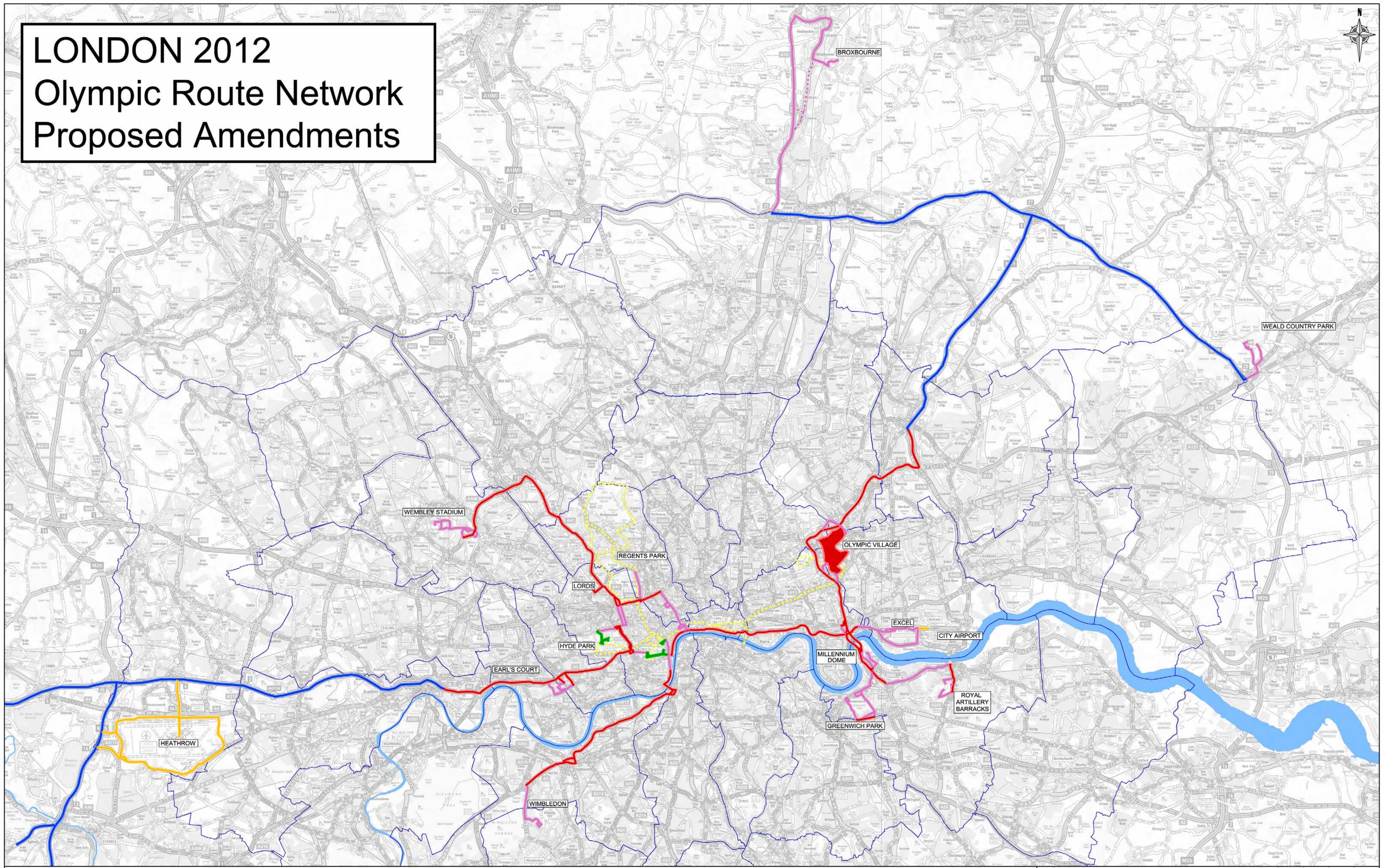
- East London Transit Phase 1a
- Greenwich Waterfront Transit Phase 1
- Olympic Route Network Carriageways

To be Identified

- (1) Cycle Route Enhancements & Walking Routes
- (2) Bus Route Network



# LONDON 2012 Olympic Route Network Proposed Amendments

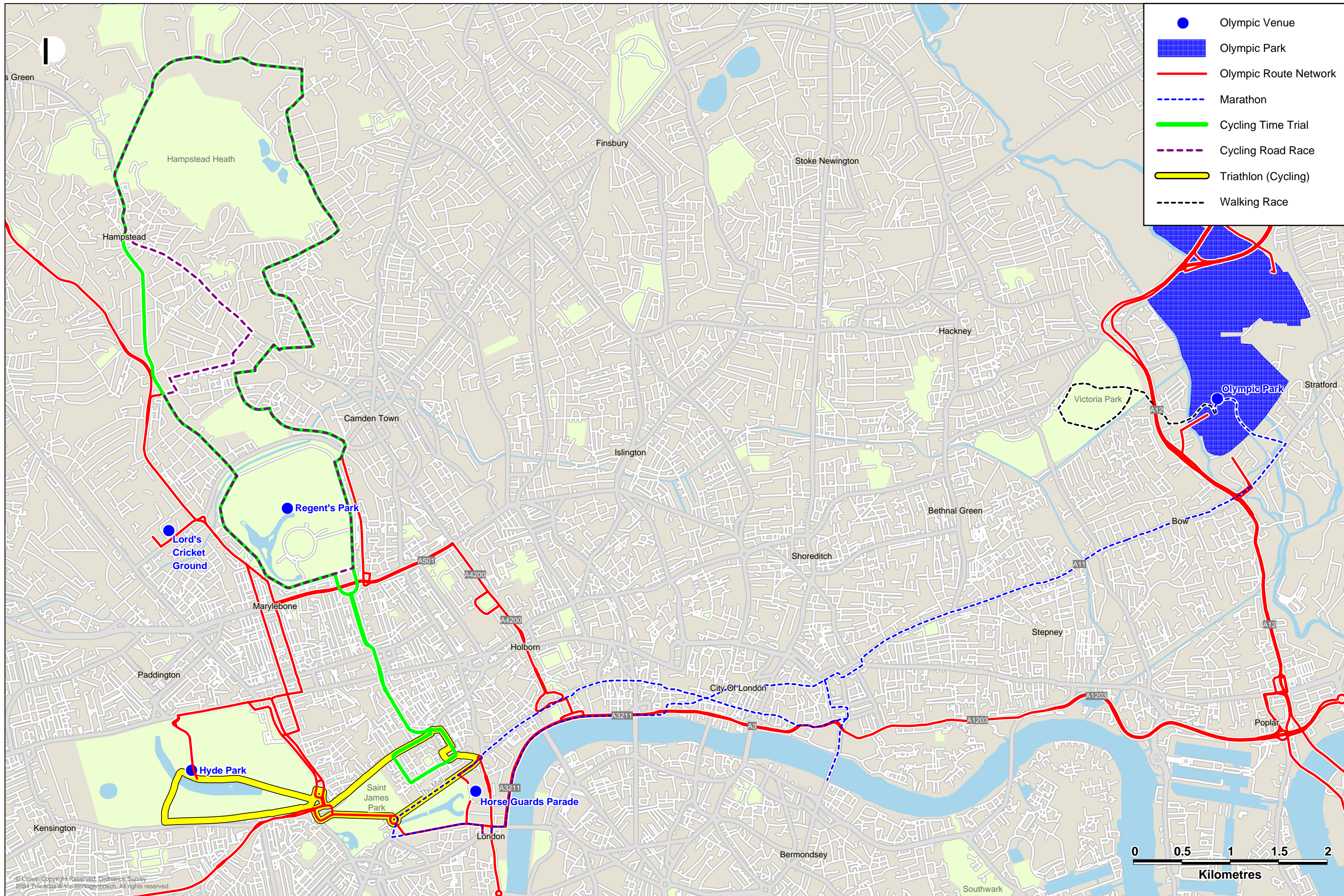


**LEGEND**

	Airport Roads		Proposed Alternative Route
	Borough Roads		
	Highways Agency Roads		
	Royal Park Roads		
	TLRN		
	Road Events		

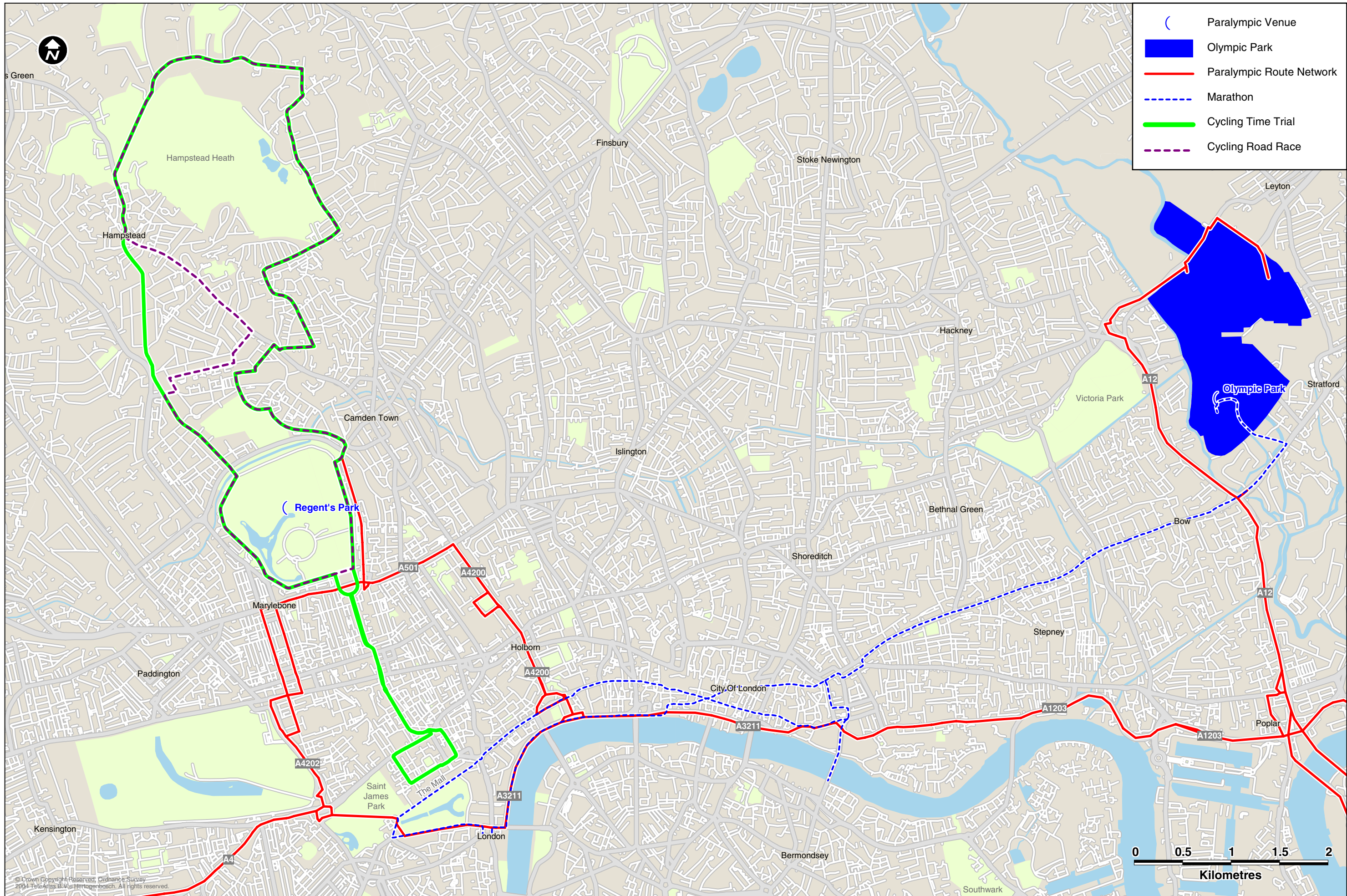
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**London 2012 Olympics**

Figure 1: Olympic Route Network and On-Road Race Routes - Central London



**London 2012 Paralympic Games**

Figure 1: Paralympic Route Network and On-Road Race Routes - Central London



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**TRANSPORT FOR LONDON**

**BOARD**

**SUBJECT: THAMES GATEWAY BRIDGE**

**MEETING DATE: 24 OCTOBER 2007**

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**1. Purpose**

- 1.1 This paper updates the TfL Board on this project following letters received in July 2007 from the Secretaries of State in respect of the Statement of Matters for a reopened Inquiry into the Thames Gateway Bridge (TGB) project and sets out TfL's response to the issues raised in this correspondence. This paper also informs the TfL Board of proposals to seek approval in principle from the Board to make a new Toll Order for the proposed TGB and to give authorisation to the Commissioner to make and amend the Toll Order as necessary.

**2. Background**

- 2.1 The TGB project was initially considered by the TfL Board on 19 November 2002 when the Board approved a programme to develop the project, including taking the scheme to public consultation, to a point where decisions could be made about submitting applications for powers. At the Board meeting of 24 March 2004, the TfL Board considered alternatives, approved the TGB scheme as presented to the Inquiry, and approved recommendations for TfL to obtain powers for the TGB.
- 2.2 The Board authorised TfL specifically to make a Special Road and Bridge Scheme Order, a Side Road Order, a Compulsory Purchase Order, a Toll Order and make the necessary planning and other relevant applications in respect of the scheme. The Board also authorised TfL to do all other things necessary to give effect to the scheme and the order and applications made.

**3. Applications and Inquiry**

- 3.1 TfL applied for powers in respect of the TGB scheme in summer 2004. The applications consisted of planning applications to the London Boroughs of Newham and Greenwich and applications to the Secretary of State to confirm the Compulsory Purchase Order, Special Road and Bridge Scheme Order, Side Roads Order and a Toll Order made by TfL. In December 2004, the London Boroughs of Newham and Greenwich approved the planning applications before them in principle subject to a number of planning conditions and completion of section 106 agreements.
- 3.2 In January 2005, the applications for planning permission were "called-in" by the Secretary of State and those applications together with the applications to confirm the various Orders were referred for consideration by an Inspector at a

public inquiry. The Inquiry into the scheme considering the planning applications and Orders was held between June 2005 and May 2006 and sat for 89 days. The Inspector presented his report to the Secretaries of State (Secretary of State for Communities and Local Government to consider the planning applications, and the Secretary of State for Transport to consider the various Orders) in November 2006 for consideration.

- 3.3 On 25 July 2007, the Secretaries of State wrote to TfL and published the Inspector's report. After considering the recommendations of the Inspector, the Secretary of State for Communities and Local Government decided she was not in a position to determine the planning application and considered it necessary to re-open the Inquiry to hear new evidence on the applications already before her.
- 3.4 In light of the deferment of a decision on the main planning application by the Secretary of State for Communities and Local Government, the Secretary of State for Transport concluded she too was not in a position to determine the various Orders for the scheme and similarly, requested further information be presented at a re-opened Inquiry. She also considered that TfL should make a fresh Toll Order, replacing the initial Toll Order, incorporating revised maximum toll levels, which would be referred to in the reopened Inquiry.
- 3.5 Since the decision to reopen the Inquiry was communicated, TfL has reviewed the findings of the Inspector, the Statement of Matters provided by the Secretaries of State (as set out in Annex A), considered alternatives and begun planning its approach to the reopened Inquiry and the evidence that will be needed. This paper provides the TfL Board with a summary of this review and the programme to be taken forward in order to secure powers as detailed in the paper to the Board of 24 March 2004 and set out in paragraph 2.2 above.

#### **4. Inspector's Report and Secretaries of State's Letters**

- 4.1 The Inspector recommended that the scheme be refused. However, the Secretaries of State requested that fresh evidence be prepared to be heard at a reopened public Inquiry. In respect of the Toll Order, the Secretary of State for Transport considered that a new Order with increased maximum toll levels should be made by TfL to address representations made at Inquiry.
- 4.2 The Inspector concluded against the scheme despite finding and reporting on the following in the body of his report:
  - TGB integrates with local and strategic land use policies;
  - TGB would improve access for a larger workforce and increased markets (thus improving conditions for business);
  - TGB encourages the containment of development within London's boundaries (a strong point in relation to sustainability);
  - The public transport proposals would improve travel times and reliability;
  - It is likely that TGB would give rise to increased regeneration; and
  - TGB would be very likely to secure a high quality of design.

4.3 The Inspector also found that:

- Consultation on the scheme was satisfactory;
- The Environmental Statement was satisfactory;
- TGB is in accordance with Newham's and Greenwich's Unitary Development Plans;
- No objections were outstanding on the Compulsory Purchase Orders; and
- The planning conditions proposed by TfL were supported by the Inspector.

4.4 As regards the case made by objectors, the Inspector rejected:

- A range of alternatives suggested at Inquiry (locations, type of crossing and various modal options using the crossing); and
- Objections based on concerns relating to Oxleas Wood.

4.5 However, he concluded:

- TGB does not meet Planning Policy Guidance (PPG) Note 13 because it would increase car travel and would not successfully promote use of public transport, cycling or walking;
- TGB does not meet government policy on carbon emissions as there would be an increase in car mileage;
- That although it is likely that TGB would give rise to increased regeneration, there was insufficient reliable evidence of the likely degree of that regeneration. In particular an assessment of the regeneration benefits using DfT's Webtag guidance was not carried out;
- That the TGB does not comply with Policy 3C.15 of the London Plan because the scheme does not meet all the primary criteria of that Policy nor had it been shown, as was therefore necessary, that the benefits in other areas very substantially outweigh any disbenefits. That conclusion led the Inspector to find that the TGB does not conform with the development plan; and
- The applications should be refused because they do not conform to the development plan in the absence of evidence of benefits to outweigh non-conformity with the development plan.

4.6 No material modifications were recommended by the Inspector to the Compulsory Purchase Order, Side Roads Order, Special Road and Bridge Scheme or the planning applications themselves. The planning application for a worksite compound was recommended for approval. In addition to deferring decisions on the Orders made for the TGB, the Secretary of State for Transport considered, having regard to the evidence at the Inquiry and the Inspector's recommendations, that TfL should make a fresh Toll Order incorporating increased maximum toll levels to be referred to the re-opened Inquiry for consideration.

## **5. Way Forward**

5.1 Attached to both of the letters from the Secretaries of State sent on 25 July 2007 was a Statement of Matters, as set out in Annex A. The Statement of Matters provides a list of those issues the Secretaries of State wish TfL to consider in submitting evidence to the reopened Inquiry.

- 5.2 In examining the issues set out in the Statement of Matters, consideration has been given as to whether or not to proceed with TGB as previously determined or otherwise and whether, as requested by the Secretaries of State, to submit evidence to a reopened public Inquiry. This consideration was given recognising that the London Plan assumes that TGB will be constructed and that, in TfL's view, TGB complies with the London Plan. In particular, Annex C sets out the Inspector's and TfL's views on Policy 3C.15 in the London Plan.
- 5.3 There is also widespread support for the scheme from the local boroughs of Newham, Barking and Dagenham, Redbridge and Greenwich (although Bexley objected to the scheme at Inquiry) and through the Boroughs' Agreement practical working arrangements have been established between TfL and the local boroughs via a 'Borough Consultative Group'.
- 5.4 The proposed East London and Greenwich Waterfront transits along with the TGB will provide effective and affordable public transport services to local areas north and south of the Thames and connections to interchanges with DLR, Crossrail, main line rail services and other bus services. As such they contribute to an overall balanced strategy, which promotes the sustainable economic development and regeneration of the Thames Gateway.
- 5.5 Abandoning the scheme would not address the pressing accessibility and regeneration needs in the Thames Gateway set out in the London Plan and Mayor's Transport Strategy. TfL would be likely to see an adverse reaction from supportive stakeholders and Government and there would likely be impacts on the delivery programme for the Thames Gateway generally. If TfL were not to progress with the applications it would result in reduced costs going forward (i.e. the TGB costs set out in TfL's draft October 2007 Business Plan would become minimal in 2008/09 and future years), but the investment so far would be lost.
- 5.6 Alternatively, TfL could withdraw the current applications and submit new ones for an alternative form of crossing. Given the following reasons, this is not recommended:-
- (i) The TfL Board considered and rejected a number of alternatives in March 2004. A DLR option over the bridge, which was estimated to cost an extra £50m (2004 prices) was considered, but its business case was poor compared to provision of segregated bus lanes and bus transit services across the bridge. These are expected to provide some 20 buses per hour in each direction with good links to DLR services at Gallions Reach and Woolwich. Also, importantly, the bridge has been designed to provide the capability for future upgrading of the bus lanes for tram or DLR operation, with new ramps needed for a DLR upgrade;
  - (ii) Alternatives suggested at the Inquiry were rejected in the Inspector's Report (see Annex B for relevant extract); and
  - (iii) To submit fresh applications for an alternative scheme would further delay the project, increase TfL's costs and potentially lead to the loss of the £350 million PFI funding support from DfT.
- 5.7 As neither abandoning the bridge or the alternatives set out in paragraphs 5.6 address the economic regeneration and development needs or offer

significant advantage, it is intended to respond to the issues raised by the Secretaries of State and return to a re-opened public Inquiry with a robust case for the original design as quickly as possible.

- 5.8 In order to address the issues set out in the Statement of Matters, detailed analysis of the technical information supporting the scheme will need to be undertaken. An proposed outline programme is presented in section 5.14 of this report.
- 5.9 Given the complex nature of some issues raised in the letters to TfL and the Inspector's Report, it is intended to address the Statement of Matters comprehensively and present new evidence in support of the scheme to the re-opened Inquiry. Specifically, the work to be undertaken is technically complex and includes preparation of an updated traffic model and traffic forecasts, including the anticipated development of an evening peak model (not provided at the original inquiry), a full wider economic impact assessment which conforms to the DfT's Webtag guidance, updated and more comprehensive information on economic development/regeneration, an updated Environmental Statement, and analysis of all relevant policy and planning changes since the earlier Inquiry, all of which needs to be completed before the Inquiry can be re-opened.
- 5.10 Key to undertaking the technical work that will support evidence to the re-opened Inquiry will be further analysis of the economic regeneration and development benefits of the scheme. Despite the Inspector finding that the scheme is in accordance with local and strategic land use policies, would support conditions for business, would help contain development within London's boundaries and that the scheme would give rise to increased regeneration, the actual level of benefit had not in the Inspector's opinion been shown to be sufficient to achieve compliance with policy 3C.15 of the London Plan.
- 5.11 Supporting the work to be progressed on the regeneration case will be an updated traffic model using the latest 2001 LTS model inputs. In undertaking the technical work required to inform the Secretaries of State, it is intended to work closely with the local boroughs, particularly through the Borough Consultative Group.
- 5.12 In addition to producing the relevant technical information to support the scheme at a reopened Inquiry, it is also proposed to make a fresh Toll Order replacing the initial Toll Order. This is in line with the Secretary of State's consideration and the Inspector's recommendation that the maximum tolls set in the Order as submitted to the Inquiry should be increased to allow greater flexibility for controlling traffic levels and hence congestion. Details of the initial Toll Order and tolling regime presented at the Inquiry, along with increases in maximum tolls suggested by the Inspector and a commentary on further possible changes to the tolls are set out in Annex D.
- 5.13 It is also planned to review the tolling regime in the light of the Inspector's report and the updated traffic model, particularly to consider higher tolls subject to further evaluation of the traffic, CO2 and regeneration impacts.

5.14 In summary, to ensure its best chance of success, TfL will need to undertake a significant amount of technical work in order to address issues set out in the Statement of Matters as well as make a fresh Toll Order for the scheme to replace the initial Toll Order. Given this, the revised outline programme for the TGB is as follows:

- July 2007 – Secretaries of State’s letters on scheme
- Autumn 2007 – collation of new traffic model data
- Summer 2008 – revised traffic models developed using new data
- Autumn 2008 – updated regeneration, environmental etc impacts determined based on new models
- December 2008 – publication of statutory documentation (e.g. updated Environmental Statement)
- March 2009 – re-opened Inquiry
- June 2009 – Inquiry closes
- Autumn 2009 – Inspector submits his report and findings
- March 2010 – Secretaries of State’s decisions
- Autumn 2012 – let contract for Concession
- Autumn 2016 – open TGB scheme

## 6. Funding Issues

6.1 Funding for Project development and land acquisition costs will be met from TfL’s own resources. The delay to the project arising from the Secretaries of State’s decision being taken in 2010 rather than 2007 impacts on TfL’s development costs by (i) delaying the procurement and land / compensation costs; and (ii) increasing the development costs whilst TfL returns via a re-opened Inquiry to seek the powers from the Secretaries of State. The costs of project development prior to the Secretaries of State’s decisions in March 2010 are summarised in the table below and are included in TfL’s draft October 2007 Business Plan.

£M, real terms	2007/08	2008/09	2009/10
<b>Project Development</b>	<b>£4.4M</b>	<b>£4.5M</b>	<b>£5.0M</b>

6.2 Assuming favourable decisions by the Secretaries of State in March 2010, procurement would commence in April 2010, with the expectation being that this would lead to letting the concession contract in Autumn 2012. TfL’s estimate of costs throughout this period, and to the end of the 2012/13 financial year are summarised in the table below.

£M, real terms	2010/11	2011/12	2012/13
<b>Project Development</b>	<b>£5.0M</b>	<b>£2.7M</b>	<b>£2.5M</b>
<b>Land, compensation and enabling works</b>	<b>-</b>	<b>£11.5M</b>	<b>£25.5M</b>

6.3 It is intended that the project's construction will be procured under the Private Finance Initiative (PFI). On 21 November 2006, HM Treasury awarded £350 million of PFI credits for the Project, which is fixed in nominal 2013 terms. The construction cost (excluding TfL Project development costs) has been estimated at approximately £383 million (real 2002 terms). Funding for construction of the Project will be met through the raising of private sector debt and equity. A combination of toll revenues and PFI credits will be used to fund the costs of construction and operation of the bridge and to remunerate the private sector funders.

## 7. Recommendations

The TfL Board is asked to NOTE the contents of this report; and

- a) APPROVE in principle the making of a new Toll Order under section 6 of the New Roads and Street Works Act 1991 in relation to TGB;
- b) AGREE that TfL should carry out the necessary work to expeditiously proceed with the Thames Gateway Bridge Project and respond to the issues raised by the Secretaries of State; and
- c) AUTHORISE the Commissioner (or in his absence the Managing Director, Planning) or with the consent of the Commissioner (or in his absence the Managing Director, Planning) General Counsel to:
  - (i) make and/or amend the Toll Order;
  - (ii) do all things necessary (including entering into agreements) to obtain confirmation of the Toll Order.

## Annex A – Secretary of State Statement of Matters

### **[upon which the Secretary of State for Communities and Local Government has asked to become informed before taking her decision on the planning applications]**

The Secretary of State particularly wishes to be informed of the following matters:

- i. A revised traffic model setting out the traffic implications of the scheme, to take account of at least the following changes since the close of the public Inquiry;
  - proposed changes to the Dartford Toll Crossing and any other proposed tolls that the applicant considers is likely over the next 5 years;
  - the end of “tidal flow” at Blackwall Tunnel, announced by the applicant on 18 April 2007; and
  - the changes to the Department for Transport’s Webtag guidance on the appraisal of road schemes, and in particular the Greenhouse Gases Sub-Objective, Unit 3.3.5.

The Secretary of State considers that, in revising the model, the applicant should have regard to the Inspector’s conclusions set out in paragraphs 9.38-9.64 of his report;

- ii. Given that the revised traffic model impacts on the proposed regeneration benefits, the Secretary of State requires an updated assessment on the regeneration benefits. The Secretary of State expects that the scheme should take into account not only the results of the traffic modelling, but should also take account of the Inspector’s views set out in IR9.292-9.294 that the revised modelling scheme should be assessed against the standards set out in Webtag;
- iii. An assessment of changes in environmental policies and plans since the earlier inquiry, including:
  - The Mayor’s Climate Change Action Plan, published in February 2007;
  - The supplement to Planning Policy Statement 1, “Planning and Climate Change”, which was published for consultation in December 2006; and
  - The decision by Bexley Council to designate the London Borough of Bexley as an Air Quality Management Area in respect of the pollutants nitrogen dioxide and fine particles (PM<sub>10</sub>), using powers under Section 83 of the Environment Act 1995;
- iv. An updated Environmental Statement;
- v. Whether the proposed development accords with the adopted and emerging development plan policies having regard to the provisions of Section 38(6) of the Planning and Compulsory Purchase Act 2004, including the proposed further alterations to London plan policies 3C.14 and 3C.15. In particular the Secretary of State notes the strategic support given to the Thames Gateway Bridge by policy 3C.14 of the London Plan, which states that the Thames Gateway Bridge should achieve regeneration benefits and incorporate high environmental standards. The Secretary of State wishes the applicant to provide further advice on this point; and
- vi An assessment of any other key changes in the relevant planning, transport and environment policy background since the earlier inquiry, which the applicant considers should be brought to the attention of the Secretary of State to enable her to determine the application.



## **Annex B Extract from the Inspectors Report relating to the consideration of alternatives (paragraphs 9.357 to 9.359)**

### *Further transport-based options*

9.357 The promoters considered alternative locations for the scheme, a tunnel instead of a bridge, alternative highway layouts and alternative forms of public transport provision on the bridge [4.124 to 4.128], and concluded that the scheme proposal is preferable.

9.358 No alternative scheme was proposed by objectors in any detail. The suggestions that were made included:

- a. A heavy rail link across the river at the scheme site [6.993] or elsewhere [6.106]. The evidence is that this would be too costly, because of the extent of the works needed to connect to the national rail network and to climb at heavy rail's shallower maximum gradient to the necessary height above the river [4.128]. It would not provide for goods vehicle movement [6.1612]. Additionally, Crossrail would provide such a connection [4.228], although not at the scheme site.
- b. A DLR crossing of the river, which would cost much less than the scheme [6.993]. But a DLR crossing to Woolwich is already under construction [4.225] and a further extension of the DLR, over the scheme, would be more costly, less convenient and no more beneficial than the proposed bus-based public transport over the new bridge [4.128]. It would not provide for goods vehicle movement [6.1612].
- c. Tram systems [6.872]. But these would not attract enough passengers to be economically justified, although they could be accommodated later on the new bridge if the demand should grow sufficiently [4.128]. Tram systems would not provide for goods vehicle movement [6.1612].
- d. A bridge providing a single traffic lane in each direction. Objectors suggest that this would be all that was required to deal with interpeak traffic flows, and that anything more would simply encourage car commuters [6.868]. This alternative is also supported by the CPRE [7.30]. TfL respond that a single lane would not provide enough capacity, and that it would offer no resilience to cope with a breakdown or accident [6.941].
- e. Foot tunnels [6.872]. It seems to me that foot tunnels if used for walking trips only would bring very small increases in accessibility. If used as part of longer multimodal trips (perhaps incorporating public transport to and from the tunnels) their effect could be less small, but interchange delays would remain. Foot tunnels would be less effective than the scheme proposal in achieving the objectives of the scheme. They would not provide for goods vehicle movement [6.1612].
- f. A series of combined cycle and foot bridges between Tower Bridge and North Greenwich with a cycle and foot tunnel at Silvertown, tying communities together across the river and giving cycling a great competitive advantage [6.647]. Again, such provision would be less effective than the scheme proposal in achieving the objectives of the scheme. They would not provide for goods vehicle movement [6.1612].

- g. Lifting bridges [6.872]. The specified navigation channel should be at least 230m wide [4.63]. There was no evidence that a lifting bridge could be provided of the required span.
- h. Ferries for pedestrians and cyclists, linked by improved public transport networks to the north and south [6.435, 6.647, 6.872, 6.1750] or a cable car crossing (as first mooted in the planning application for the Millennium Dome) [6.435]. The scheme would not preclude these but, in any event, the delays and inconvenience of interchange makes ferries largely ineffective as a catalyst for regeneration [6.942]. Neither of these proposals would provide for goods vehicle movement [6.1612].
- i. The river tram transit proposal of Mr Winbourne [6.1471]. This proposal as presented to the inquiry lacked evidence of sufficient capacity, viability or achievability.
- j. A new tunnel or bridge near the Woolwich Ferry or additional tunnels at Blackwall, connecting with the South Circular Road at Woolwich or the Blackwall Tunnel Approach road [6.1672]. Additional tunnels near Blackwall are to be promoted separately from the scheme as the Silvertown Link [6.1783]. The proponents of the Woolwich fixed link suggestion submitted no detail of their proposal; nor did TfL reply. It seems to me that such a scheme would have substantial implications to the north and the south of the river, many of which would be adverse.

9.359 For the reasons given in each case in the preceding paragraph, I conclude that these suggested alternative options do not warrant further consideration.

## ANNEX C – POLICY 3C.15

### Policy 3C.15 Road Scheme Proposals

All road schemes in London should:

- contribute to London’s economic regeneration and development
- not increase the net traffic capacity of the corridor unless essential to regeneration
- provide a net benefit to London’s environment
- improve safety for all users
- Improve conditions for pedestrians, cyclists, disabled people, public transport and business
- Integrate with local and strategic land use planning policies

Where schemes worsen conditions when judged against any of these criteria, the scheme should not proceed unless benefits in other areas very substantially outweigh any disbenefits and unavoidable disbenefits are mitigated. UDP policies should incorporate these criteria for assessing road scheme proposals.

**Table 1 – Comparison of TfL’s and Inspector’s views on conformity with London Plan Policy 3C.15**

<b>Policy Criteria</b>	<b>Inspector’s Comments</b>	<b>TfL Comments</b>
(a) contribute to London’s economic regeneration and development	Scheme would be likely to give rise to increased regeneration but there is no reliable evidence of the likely degree of that regeneration [para 9.309 Inspector’s Report]	The scheme is essential to improving accessibility in order to support significant economic regeneration and development in the Thames Gateway, so helping to contain growth within London’s boundaries;
(b) not increase the net traffic capacity of the corridor unless essential to regeneration	Scheme would certainly increase the net traffic capacity of the corridor, in a way which (on the evidence produced) cannot be claimed to be essential to regeneration [para 9.420]	The scheme would increase total traffic capacity in the corridor by a small amount but this would be essential to regeneration

<p>(c) provide a net benefit to London's environment</p>	<p>Effects of the scheme relating to noise raise no particular difficulty, but there are some concerns regarding the impact of the scheme in relation to air quality [9.238]. Air Quality will be worse with bridge in 2016 than without [9.237].</p> <p>So long as Knee Hill is not widened, the extent to which the scheme would be likely to have an impact on local flora and fauna and on conservation sites is limited. [9.256]</p>	<p>The effect on London's environment is summarised as a large beneficial effect on landscape and townscape and slight local adverse effects on noise, air quality, heritage and historic resources, biodiversity and water</p>
<p>(d) improve safety for all users</p>	<p>In 2016 and each subsequent year, the scheme would cause about 1 additional fatality, 6 additional serious injuries and 114 additional slight injuries. It would therefore not improve safety for all road users [9.85]</p>	<p>TGB would cause a small increase in road traffic accidents</p>
<p>(e) Improve conditions for pedestrians, cyclists, disabled people, public transport and business</p>	<p>Overall, the scheme would reduce travel by cycling and walking [9.93]</p> <p>The evidence is that fewer people choose walking or cycling as a transport mode if the scheme were built than if it were not. The scheme would not improve conditions for cyclists or pedestrians [9.96]</p> <p>Although the building of the TGB would in effect reduce the public transport mode share slightly, the separate provision for public transport included with the bridge would offer such benefits for public transport in terms of improved travel times and reliability that, on balance, the scheme would improve conditions for public transport [9.105]</p> <p>The scheme would provide an improvement in access to a larger workforce and increased markets. The need for road access for supplies and to make deliveries cannot be supplied by public transport. The bridge would offer reduced journey times for local businesses. It would improve conditions for business [9.106]</p>	<p>TGB would provide a dedicated corridor for bus users, cyclists and pedestrians and believes that this will provide an overall benefit. The dual two lane highway provides improved access for business in terms of the movement of goods and services.</p> <p>The bridge would increase traffic on some local roads which in a few locations would cause some moderate adverse severance effects for pedestrians however mitigation measures will be considered in these instances.</p>

<p>(f) Integrate with local and strategic land use planning policies</p>	<p>In relation to national land use policies, there is substantial support for the TGB scheme. [9.108]</p>	<p>Scheme is supportive of regenerative land use and transport at national, regional and local levels, including being specifically supported in key policy documents</p>
<p>Where schemes worsen conditions when judged against any of these criteria, the scheme should not proceed unless benefits in other areas very substantially outweigh any disbenefits and unavoidable disbenefits are mitigated. UDP policies should incorporate these criteria for assessing road scheme proposals</p>	<p>Accepting that the TGB would offer some contribution to London's economic regeneration and development (criterion (a)), it would certainly increase the net traffic capacity of the corridor in a way which (on the evidence produced) cannot be claimed to be essential to regeneration (criterion (b)), It would not provide a net benefit to London's environment (criterion (c)) and it would not improve safety for all road users (criterion (d)). Equally it would not improve conditions for pedestrians or cyclists (within criterion (e)). It would comply with criterion (f) (integration with local and strategic land use policies) set out in Policy 3C.15 [9.420].</p> <p>The key is the economic regeneration benefits claimed for the scheme. If they had been robustly shown, they might have been sufficient to tip the balance. The evidence is not strong enough or reliable enough to outweigh substantially the disbenefits of the scheme in terms of increased traffic, reduced safety, increased air pollution and a shift against walking, cycling and public transport, in favour of the private car [9.422].</p> <p>Therefore concludes that the scheme does not conform to the adopted Development Plan [9.424]</p>	<p>Worsening of conditions that the scheme would bring about is of a small order, very substantially outweighed by the scheme's likely contribution to London's economic regeneration and development.</p> <p>TfL believes that TGB meets a), b), e) and f) accepting that c) and d) are small order disbenefits</p>

**Annex D – Note on the Toll Order**

**The Toll Order**

1. To be able to charge tolls for users of TGB TfL has to make a Toll Order under the New Roads and Street Works Act 1991 (NRSWA). This has to be confirmed by the Secretary of State for Transport.
2. The Toll Order empowers TfL to charge tolls for a particular traffic type up to the maximum tolls set in the Order and defines the formula that would be used to increase the maximum permissible tolls.
3. Having regard to the evidence at the Inquiry and the Inspector's recommendation that the maximum tolls set in the TGB Toll Order as submitted to the Inquiry should be increased to allow greater flexibility for controlling traffic levels and hence congestion, the Secretary of State considered that a fresh Toll Order should be made by TfL incorporating revised toll levels to be referred to the re-opened Inquiry for consideration.
4. The maxima sought by TfL at the previous Inquiry and the maxima recommended by the Inspector are set out in the table below.

Table 1. Maximum tolls set in the Toll Order

<b>Vehicle Class</b>	<b>Maximum one-way toll used at Inquiry</b>	<b>Maximum one-way toll recommended by the Inspector</b>
Cars, motor cycles and caravans	£6.00	£10.00
LGV	£8.10	£13.50
HGV	£13.05	£21.50

Notes:

1. All above figures in July 2004 prices. RPI increase between July 2004 and May 2007 has been 10.4%.
2. The Toll Order also defines whether the above maxima would be adjusted. TfL proposed in the Order, and the Inspector accepted, that Maxima would increase annually in accordance with RPI every year until 2016 and thereafter at RPI +3% (in order to manage traffic growth).

**The Toll Regime**

5. The tolling regime defines the actual tolls proposed to be charged for using TGB. These must be less than the maxima set in the toll order. The principles used to set tolls are as follows:
  - Encourage local use and support regeneration
  - Minimise vehicle kms and emissions
  - Deter long distance through traffic

6. Bus and bus transit services using the bridge will provide effective and affordable public transport services to local areas north and south of the Thames and connections to interchanges with DLR, Crossrail, main line rail services and other bus services. As such it contributes to an overall balanced strategy, which promotes the sustainable economic development and regeneration of the Thames Gateway. Tolls have been set to discourage long distance through traffic that is best suited to continue to use strategic routes, namely the Dartford Crossing and Blackwall Tunnel. Discounts are proposed for local residents to promote the local regeneration and development potential of the TGB. The proposed discount area particularly focuses on key areas of deprivation and regeneration near to the TGB (i.e. those in greatest need of economic development and regeneration). Figure D1 shows the discount area previously proposed at Inquiry.
7. Higher tolls for goods vehicles reflect the greater potential impacts in emissions, noise and general traffic impacts and the strong desire to ensure that goods vehicles use the strategic routes unless they have business in the local area. Day Passes will in effect provide further discounts for local businesses using the TGB frequently (i.e. more than for just a return trip per day).
8. TGB is not expected to have much influence on commuting to/from Central London, but is planned to serve more dispersed inner and outer London destinations where public transport may be more problematic. Also the job provision in these areas can require 'out of normal working hours' travel and this is often less convenient by public transport. The intention is not to restrict accessibility but to facilitate regeneration of the area and increase opportunities for local people as much as possible.

The tolling regime previously proposed at the Inquiry is set out in Table 2.

Table 2. Tolling Regime previously proposed at Inquiry

Vehicle Class	Peak one-way toll	Off-peak one-way toll	All Day Pass (useful for multiple trips)	Maximum one way toll set in Toll Order used at Inquiry
Cars (local residents)	£1.00	£1.00	£8.00	£6.00
Cars (Non-local)	£3.00	£2.00	£8.00	£6.00
LGV	£4.00	£2.70	£8.00	£8.10
HGV	£6.50	£4.35	£13.00	£13.10

NOTES :

- i). All above figures in July 2004 prices
- ii). Prices will be increased in accordance with RPI every year until 2016 and thereafter at RPI +3% (in order to manage traffic growth), rounded to the nearest 5p. RPI increase between July 2004 and May 2007 has been 10.4%.
- iii). A number of exemptions were also proposed, similar to those eligible for exemptions to the central London congestion charge.
- iv). Figure D1 shows the discount area proposed at Inquiry.

**Emissions Related Tolls**

9. After the close of the Inquiry, but prior to the Secretary of State's letter of 25 July 2007 TfL issued a consultation paper to the local boroughs on the tolling regime. The proposed tolls were as presented to the Inquiry (i.e. Table 2 above) with the addition of emissions related tolls for Band G equivalent cars which were set at the maximum permissible under the Toll Order (i.e. £6 in July 2004 prices). It was also proposed that the day pass be removed for these vehicles.
10. The increase in the maximum tolls set in the Toll Order recommended by the Inspector would allow Band G equivalent cars to be charged up to £10 in July 2004 prices for a single trip. If the maximum charge were applied for Band G vehicles a return trip would cost approximately £22 in today's prices (note that this is not significantly different from the £25 proposed for Band G cars in the central London congestion charge area).

**Returning to the Inquiry**

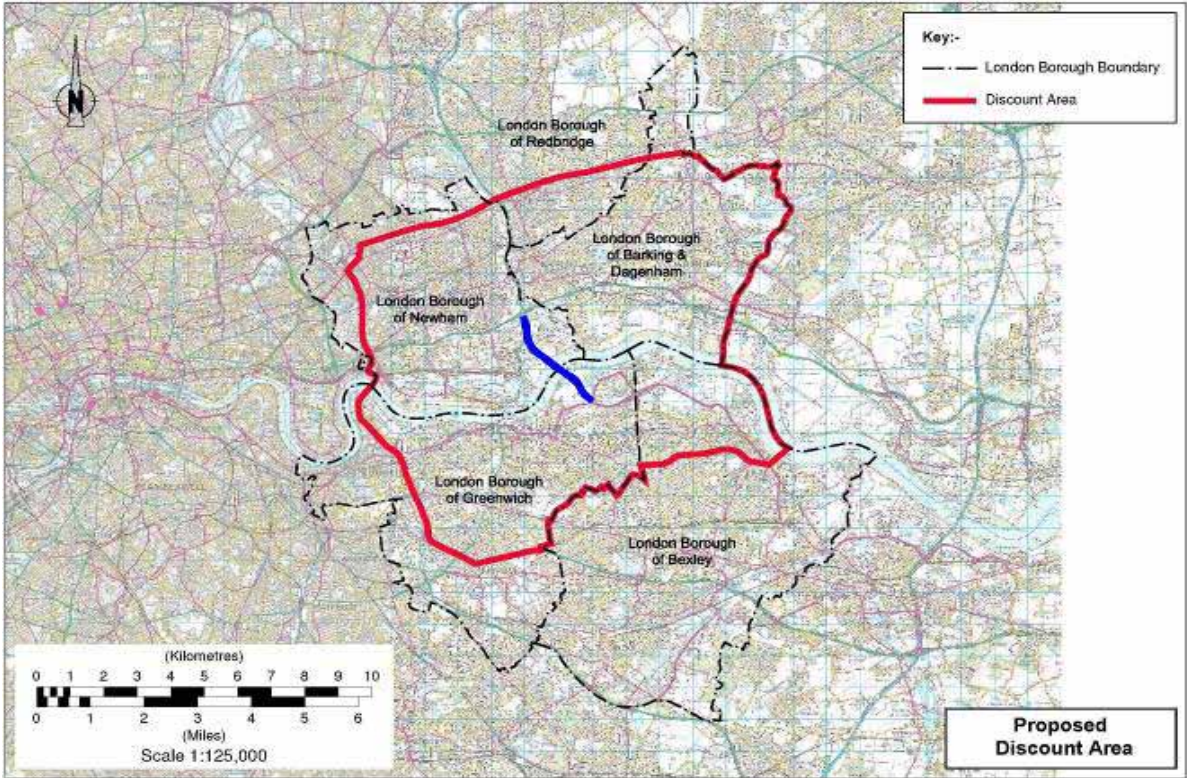
11. It is likely that the tolls required to be charged to manage congestion in the light of the outcomes of the revised traffic modelling to be undertaken in response to the Secretary of State's Statement of Matters will be considerably below the maximum levels which the Inspector recommended should be provided by the new Toll Order. Nevertheless TfL in examining the tolling regime for TGB (balancing the congestion and emissions impacts against the regeneration benefits) may conclude that the Toll Order should provide for



even higher maximum tolls. A key part of TfL's strategy in setting the maximum tolls in the Toll Order has been to provide flexibility to increase the level of tolls above what is proposed in the years prior to the opening of the TGB, should there be a need to do so (i.e. in the light of operational experience). This strategy was not objected to by any party at the Inquiry and the Inspector recognised the merits of this strategy.

12. The precise tolling regime, including the option of higher tolls, will need to be carefully considered following a full evaluation and analysis of the local community's responses to higher tolls including revised traffic modelling.
13. In summary, the level of tolls will need to be set to optimise overall benefits, taking account of benefits in terms of traffic reductions from the tolls, and the impacts on regeneration, as well as the financial contribution from the tolls.

Figure D1. Area previously proposed at Inquiry qualifying for resident discount



## **AGENDA ITEM 8**

### **TRANSPORT FOR LONDON**

#### **BOARD**

**SUBJECT:            PROGRESS REPORT ON THE IMPLEMENTATION OF  
SECTION 17 OF THE CRIME & DISORDER ACT 1998**

**MEETING DATE: 24 OCTOBER 2007**

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#### **1.    PURPOSE**

- 1.1    The purpose of this report is to provide the TfL Board with an update on the position regarding section 17 of the Crime and Disorder Act 1998. It also outlines the Mayor of London's GLA group policy statement on community safety and crime reduction, which the Board is recommended to adopt.

#### **2.    DECISION REQUIRED**

- 2.1    The Board is requested to note the forthcoming change in responsibility in relation to section 17 of the Crime and Disorder Act 1998 pursuant to which TfL will move from voluntary compliance to having a statutory duty to comply with this provision.
- 2.2    The Board is also recommended to adopt the Mayor's ten point approach to community safety.

#### **3.    BACKGROUND**

- 3.1    In May 2006, the Board approved the voluntary adoption of the duty under section 17 of the Crime and Disorder Act 1998 ("section 17"). This means that TfL is required to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area.
- 3.2    Voluntary adoption of the duty imposed by section 17 by TfL followed an earlier request from the Mayor of London to TfL, the Greater London Authority (GLA) and the London Development Agency (LDA). There is already a statutory duty for the London Fire and Emergency Planning Authority and the Metropolitan Police to comply with section 17.

- 3.3 Since voluntary adoption of section 17 in May 2006, processes have been put in place to ensure that decisions made by TfL Boards and the advice given by committees and panels, have considered section 17 implications.
- 3.4 The Transport Policing Enforcement Directorate (TPED) are co-ordinating the implementation of section 17 across TfL. TPED is providing training and briefings on the implications of section 17.
- 3.5 TPED are planning a major training and awareness raising campaign to educate all departments and business groups on the implications of section 17 and mainstreaming section 17 in to all aspects of TfL's business.
- 3.6 Some examples of recent changes in business practices within TfL include London Underground incorporating section 17 into all their procurement instructions, and crime and disorder being built into the criteria for considering funding bids for area based schemes under the Local Implementation Plans process.
- 3.7 TfL is also giving a higher profile to its activities to reduce crime and anti-social behaviour and improve public perception through the implementation of TfL's first Community Safety Plan, published in May 2007. Preparations are underway to update the Community Safety Plan for 2008.
- 3.8 TfL continues to address wider crime and disorder issues. Current activities include targeted Transport Operational Command Unit policing on youth anti-social behaviour and disorder; full roll out of local Safer Transport Teams to the 21 outer London boroughs and a marketing campaign setting out the standards of behaviour expected of all travellers. TfL has obtained its first Anti-Social Behaviour Order against a 17 year old male who was a prolific graffiti vandal against TfL's buses and Underground trains.

#### **4. SECTION 17 TO BECOME A STATUTORY REQUIREMENT**

- 4.1 In August 2007, amendments introduced by the Police and Justice Act 2006 broadened the scope of section 17. Section 17 now provides that authorities are to exercise their functions with due regard to the likely effect of the exercise of those functions on, and the need to do all it reasonably can to prevent:
  - (a) crime and disorder in its area (including anti-social and other behaviour adversely affected the local environment); and
  - (b) the misuse of drugs, alcohol and other substances in its area.

In addition, the Home Secretary was given the power to extend section 17 to persons or bodies through secondary legislation.

- 4.2 The consultation review of powers of the Mayor and Assembly in 2006 highlighted the anomaly that, unlike other public authorities, the GLA, TfL and LDA did not have a statutory duty to comply with section 17. Consequently, the Government has proposed to include the GLA, TfL and the LDA as authorities subject to section 17 through a new statutory instrument this autumn.
- 4.3 It is currently proposed that the statutory instrument extending section 17 to the GLA, TfL and the LDA will be laid before Parliament and considered by the Joint Committee on Statutory Instruments in October 2007. This means that TfL will be subject to a statutory duty to comply with the duty imposed by section 17 by the end of November.

## **5. LEGAL IMPLICATIONS**

- 5.1 Whilst the Crime and Disorder Act 1998 does not specify remedies for failure to comply with section 17 or establish a body to monitor compliance with section 17, challenges could be received to decisions made by TfL on the basis that due or proper regard has not been given to TfL's duty imposed by section 17.
- 5.2 When considering such a challenge, the Court is likely to look for evidence that TfL has a coherent plan for complying with the duty imposed by section 17 and that such a plan is being implemented. The ability to provide an explicit audit trail in the consideration of any policy objective is therefore essential to demonstrate compliance with the Act. TPED has put in place an action plan to ensure TfL complies with section 17.

## **6. AUDITING OUR RESPONSE**

- 6.1 A TfL wide assessment and audit of compliance with section 17 is planned to be carried out from October 2008 and will be undertaken by the TfL Internal Audit team.
- 6.2 This will take place 12 months after a statutory duty is imposed on TfL to comply with section 17 and providing sufficient time for section 17 "champions" to be appointed and trained. TPED staff will be available throughout this period to assist in preparing any function of TfL to competently comply with its section 17 duties.

## **7. ADOPTING THE MAYOR'S COMMUNITY SAFETY POLICY STATEMENT**

- 7.1 The GLA, through its Community Safety Plus Steering Group has devised a community safety policy statement for adoption by the GLA group, in order to create a shared set of principles to inform the implementation of Section 17. (See appendix A)
- 7.2 This policy statement was discussed at the Greater London Authority Chief Executives (GLACE) meeting in May 2007. The Mayor intends to make an announcement about the GLA group community safety policy statement and the statutory requirement of Section 17 on TfL, LDA and GLA in mid-November.
- 7.3 The principles within this statement were reflected in the final version of the TfL Community Safety Plan 2006/07.
- 7.4 All other parts of the GLA group have formally approved this statement.

## **8. EQUALITIES IMPLICATIONS**

- 8.1 The roll-out of section 17 and the adoption of the GLA Group policy on community safety and crime reduction will have a positive impact of relations between diverse groups and help TfL in its commitment to increase social inclusion. By adopting the GLA group community safety policy, TfL is signing up to a commitment to protect all of London's diverse communities, to challenge discrimination, and to ensure men, women and children of all ages who live, work or study in, or visit the capital can safely make the most of London life. This principle will be central to the roll-out and auditing of section 17 across business groups.

## **9. CRIME AND DISORDER IMPLICATIONS**

- 9.1 This paper describes the forthcoming change in responsibility in relation to section 17 of the Crime and Disorder Act 1998 pursuant to which TfL will move from voluntary compliance to having a statutory duty to comply with the provision.

## **10. SUSTAINABILITY**

- 10.1 Taking forward section 17 and incorporating the principles of the GLA group community safety policy into TfL practice will have a positive impact on sustainability. Incorporating crime prevention and reduction into mainstream practice in TfL will create efficiencies and contribute to improvements in the public realm.

## **11. RECOMMENDATIONS**

- 11.1 The Board is requested to note the forthcoming change in responsibility in relation to section 17 of the Crime and Disorder Act 1998 pursuant to which TfL will move from voluntary compliance to having a statutory duty to comply with this provision.
- 11.2 The Board is also recommended to endorse the GLA Group policy on community safety and crime reduction and adopt the Mayor of London's ten point approach to community safety.

### Preventing the next victim

#### Greater London Authority Group Policy Statement on Community Safety and Crime Reduction

##### The Mayor's community safety vision

1.1 The Mayor is committed to ensuring London is one of the safest cities in the world. This vision may be an ambitious one, but achieving it is essential not only to the health and wellbeing of all those who live, work, study in or visit London, but also to the continued prosperity and social cohesion and sustainable development of the capital.

1.2 Crime and the fear of crime have a major detrimental impact on people's lives and it is the vulnerable who are especially likely to be both victims and offenders. Achieving the Mayor's community safety vision could therefore not be more important to the lives of Londoners or to the capital's status as a leading world city.

##### A shared GLA Group approach

2.1 The Mayor believes that the GLA Group can have a major impact on community safety in London. All of the functions of the Mayor and the GLA group are in some way relevant to community safety. The whole GLA Group has therefore now adopted the principles of Section 17 of the Crime and Disorder Act 1998 as amended by the Police and Justice Act 2006, thus ensuring community safety and crime reduction is at the centre of decision-making within the Group.

2.2 The whole GLA Group has agreed that the promotion of community safety and the reduction of crime and disorder will be a cross-cutting theme supporting their service objectives.

2.3 This means that all major decisions taken by the Greater London Authority (GLA), London Development Agency (LDA), London Fire and Emergency Planning Authority (LFEPA), Metropolitan Police Authority (MPA), Metropolitan Police Service (MPS) and Transport for London (TfL) will in the future include consideration of the implications on community safety, crime, fear of crime and the contribution being made to ensuring safety is at the heart of London's status as a leading world city.

2.4 Each member of the GLA group has a unique contribution to make in promoting community safety in London.

2.5 All GLA Group members have also committed themselves to mainstreaming community safety and to working together to promote community safety in London.



## **A principled community safety policy – A 10 point approach**

In taking forward work to ensure London is one of the world's safest cities the Mayor and the GLA Group are committed to adhering to 10 common core values, beliefs and principles, which have been agreed as follows:

1. Mainstreaming community safety - Recognition that community safety is essential to London and to the capital's economic, social and sustainable development and that it must therefore be a key and cross-cutting priority.
2. Working together - Acknowledgement that all of the GLA Group's functions, from planning to transport to economic development to housing to skills and employment, are in some way relevant to community safety and that working together is the best way to make London safer.
3. Focus on Prevention - A belief that preventative work, especially with young people, must be prioritised by the GLA Group, and that a focus on promoting community safety and tackling the causes of crime and risk factors behind offending is the most effective and sustainable long-term approach to preventing the next victim.
4. Public realm - A commitment to ensuring that the public realm promotes community safety and the reduction of crime and disorder, for example through designing out crime, regeneration, housing policy, transport safety, fire safety, tackling anti-social behaviour and by instilling civic pride in Londoners.
5. Diversity - A commitment to protecting all of London's diverse communities, challenging discrimination, and to ensuring men, women and children of all ages who live, work or study in or visit the capital can safely make the most of London life.
6. Support for victims and witnesses – Championing comprehensive support and services for all victims and witnesses of crime so that they feel able to report offences.
7. Promoting Justice - Protecting communities by support for London's criminal justice agencies in their work to bring offenders to justice and increase confidence in the justice system.
8. Resettlement of offenders - A commitment to helping offenders to get their lives back on track by identifying, providing and supporting opportunities, for example related to skills, employment, healthcare and housing, that will help them stay away from crime and make a positive contribution to society.
9. Community engagement – A commitment to putting communities at the heart of community safety policy and to involving communities in all

aspects of making London safer, including shaping local and regional priorities.

10. Evidence based practice – Being proactive in adopting good practice from elsewhere and showcasing to others the things that London is doing well, as well as demonstrating a commitment to innovation and to evidence-based community safety policy and practice.

TRANSPORT FOR LONDON

BOARD

**SUBJECT: SUSTAINABLE FREIGHT DISTRIBUTION:  
A PLAN FOR LONDON**

**MEETING DATE: 24 OCTOBER 2007**

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**1. PURPOSE**

**1.1** This paper:

- Outlines the background to the development of the draft London Freight Plan into *Sustainable freight distribution: a plan for London* (The Plan)
- Sets out next steps and a preferred timescale for publication.

**2. DECISION REQUIRED**

**2.1** The TfL Board is requested to approve *Sustainable freight distribution: a plan for London* and grant to the Managing Director of Surface Transport the authority to make any necessary amendments to The Plan and finalise its publication.

**3. BACKGROUND**

**3.1** The Plan has been developed to articulate the aims of the Freight Policy in the Mayor's Transport Strategy<sup>1</sup> into a delivery focused framework.

**3.2** The Plan represents the first step in addressing the challenge of delivering freight sustainability, both now and for the projected growth over the next 20 years. It seeks to enable:

*'The safe, reliable and efficient movement of freight and servicing trips to, from, within and, where appropriate, through London to support London's economy, in balance with the needs of other transport users, the environment and Londoners' quality of life'*

**3.3** In 2004, a Working Group of the London Sustainable Distribution Partnership<sup>2</sup> (LSDP), with additional representation from the sub-regional Freight Quality Partnerships<sup>3</sup> (FQP), were established to identify the above vision, the strategic funding and resource choices. An important part of this Working Group was to establish the case for investment in freight by TfL, the boroughs, other statutory organisations, freight operators and businesses.

**3.4** As a direct result of the Working Group's findings, TfL established its Freight Unit in July 2005 to manage the LSDP's emerging structure, to develop the

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<sup>1</sup> Mayor's Transport Strategy Policy 4K.1 and subsequent policies and proposals

<sup>2</sup> Established under Proposal 4K.1

<sup>3</sup> See Proposal 4K.2

London Freight Plan and to deliver the five year sustainable freight distribution project.

- 3.5** Securing meaningful engagement with boroughs, businesses and operators on freight issues has been challenging and the LSDP structure now comprises:
- Twenty-two separate focus groups
  - Over 100 members representing freight sectors, modes and sub-regional FQPs
  - Representatives of special knowledge and interest groups, including key areas of environment, safety & security, business, vehicle fuel and technology and planning.
- 3.6** The draft London Freight Plan consultation document was published on 13 June 2006, for a twelve week consultation period ending on 5 September 2006. The consultation document was distributed to over 300 agencies, with the consultation web hyperlink publicised on the TfL website, as well as the websites of the GLA and Freight Transport Association (FTA).
- 3.7** 104 responses were received. With the exception of six respondents, all either welcomed the London Freight Plan or actively engaged with analysis or debate on the key challenges and proposals expressed in the document (see Annex A for consultation responses).
- 3.8** Following the main consultation, and at the request of London Councils, a further period of dialogue with the boroughs was undertaken to increase acceptance and ownership of the proposals. Throughout this process, the Freight Unit ensured that the GLA Transport Team and TfL key stakeholders were circulated drafts of the London Freight Plan. This has achieved a good level of consistency with existing and emerging strategies.
- 3.9** Following the launch of the Mayor's Climate Change Action Plan (CCAP) in February 2007, the Plan now expresses a practical commitment to the Mayor's CCAP in the Executive Summary which demonstrates the importance that the Mayor places on Climate Change and an unequivocal statement highlighting the central tenet of the London Freight Plan, namely that of sustainability.
- 3.10** Accordingly, the London Freight Plan is now titled *Sustainable freight distribution : a plan for London* which presents the first steps to addressing the challenge of delivering freight sustainability, both now and for the projected growth in London and demand for freight services.

#### **4. INFORMATION**

- 4.1** The Plan focuses activity on **four key projects** and **three supporting workstreams**. This will maximise the potential to progress towards the vision for sustainable freight distribution in London.

**The four projects are as follows:**

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- 1]Freight Operator Recognition Scheme
- 2]Delivery and Servicing Plans
- 3]Construction Logistics Plans
- 4]Freight Information Portal

**The three supporting workstreams are as follows:**

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- 1]Partnership Development
- 2]Major Project(s) Development such as Prescott Lock
- 3]Data, Modelling and Best Practice

**4.2 Implications for TfL activities**

In approving the Plan the Board will confirm the leading role of TfL within the GLA Group to implement Delivery and Servicing Plans for all of its premises and Construction Logistics Plans for appropriate GLA Group construction projects. In turn, these projects will seek to make use of companies employing best practice for their logistics operations in line with the Standards developed through the Freight Operator Recognition Scheme.

**4.3 Next Steps**

If the Board approves the Plan it will be published in electronic form at the earliest opportunity with a commitment to publish the printed version of The Plan as soon as is practicable.

**4.4** The Operator Guide was published in February 2007 and the Rail Freight Strategy was published in September 2007. It is proposed to publish the Freight Data Report in October 2007 and the Borough Toolkit (subject to content agreement with the Boroughs) in December 2007.

**5. EQUALITIES IMPLICATIONS**

**5.1** The Plan is informed by, and will influence, the future development of the London Plan and other relevant Mayoral Strategies and takes full account of the requirements under the GLA Act 1999 relating to equality. An Equality Impact Assessment has been undertaken and reviewed identifying only positive impacts.

**6. CRIME AND DISORDER IMPLICATIONS**

**6.1** The Crime and Disorder implications of the Plan are:

- The Delivery and Servicing Plan project promotes the inclusion of facilities in the design of the streetscape to enable cash-in-transit

operations to stop close to their destinations to minimise armed robberies

- The Freight Operator Recognition Scheme is aimed at improving freight driver and operators' practices, including legal record-keeping and compliance regimes to reduce illegal activities within the freight sector, including fly-tipping
- To help focus activity on crime and disorder, sub-regional FQPs will be tasked to develop initiatives to minimise incidents reported to the cash in transit organisations and thefts reported to TruckPol (a national intelligence unit forming part of the ACPO Vehicle Crime Intelligence Service).

## 7. SUSTAINABILITY

7.1 Sustainability is at the core of The Plan, which sets out its aims under three headings: **Economy; Environment and Society**. The Plan defines the Mayor's vision for sustainable freight distribution across London and proposes the following Progress Measures to enable the measurement of freight contribution towards improved sustainability:

### **Economy**

- Commercial Vehicle Penalty Charge Notices
- Overall reliability measure for freight on carriageway.

### **Environment**

- Freight air quality impacts
- Freight fly-tipping incidents.

### **Society**

- Overall number of freight collision casualties
- The number of thefts from freight activities on London roads.

### **Combined Measure**

- Freight Operator Recognition Scheme membership.

7.2 Each of these measures will provide information and data to help quantify TfL's progress in delivering the Plan's objectives. During this financial year (2007/8), baseline expectations for these measures will be set.

## 8. RECOMMENDATION

The Board is requested to approve the *Sustainable freight distribution: a plan for London* and grant to the Managing Director of Surface Transport the authority to make any necessary amendments to The Plan and finalise its publication.

**SUBJECT: London Freight Plan Consultation  
Annex A**

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**A1 Purpose**

This annex highlights key respondents' views and sets out a summary of responses to the consultation on the Freight Plan.

**A2 Responses Summary: overall support, by stakeholder grouping**

GROUP	RESPONSES	SUPPORT	ISSUE NOT PRIORITISED	NOT SUPPORTING
<b>LSDP Members</b>				
Business Plan Co-ordination Group	8	7	1	0
Freight Quality Partnerships	2	2	0	0
Modal Groups	7	7	0	0
Industry Group	20	15	5	0
Special Knowledge Group	5	5	0	0
<b>Total for LSDP members</b>	<b>42</b>	<b>36</b>	<b>6</b>	<b>0</b>
		85.7%	14.3%	0.0%
<b>Non LSDP members</b>				
Boroughs	18	17	0	1
Regional Authorities	3	3	0	0
Industry Group	24	17	5	2
Modal Groups	5	4	1	0
Other Transport Interest Groups	6	5	0	1
Other	6	3	1	2
<b>Total for non LSDP members</b>	<b>62</b>	<b>49</b>	<b>7</b>	<b>6</b>
		79.0%	11.3%	9.7%
<b>Total for all respondents</b>	<b>104</b>	<b>85</b>	<b>13</b>	<b>6</b>
		81.7%	12.5%	5.8%

# Sustainable freight distribution: a plan for London



## Foreword by Mayor Ken Livingstone

The success of London is dependent on the efficient movement of goods and services as well as people. The growth of London, as set out in my London Plan, will lead to an increase in freight movement to construct, supply and service London's economy in a sustainable way.

*Sustainable freight distribution: a plan for London* has been produced to support this sustainable development of London by giving clear guidance and direction to complement the freight policies in my Transport Strategy and to support my Climate Change Action Plan. It recognises a need to improve the efficiency of the freight sector whilst also reducing the environmental and social impacts of freight transport on London, particularly our contribution to climate change. Achieving sustainable freight distribution in London will make a real and positive contribution to improving the lives of those who live, work and visit London.

This Plan clearly identifies the key leading role that Transport for London must play to ensure that improvements are made. However such ambitions cannot be delivered by Transport for London alone. Partnership is needed to help develop and fund these initiatives. With the whole-hearted support of the boroughs and the freight industry, together we will be able to make a real difference to the way in which freight activities can sustainably provide for the future needs of the Capital.

Ken Livingstone  
Mayor of London

## Document structure

**Part A:** Executive summary.

**Part B:** About the Plan - Outlines the vision and objectives of *Sustainable freight distribution: a plan for London*, describing the context, and the challenges imposed by the growth of London and climate change. It details how freight is considered in the planning framework, explains why there is a strong need for partnership and outlines the shortage of freight data.

**Part C:** Freight operational challenges - Draws out the key issues identified by freight stakeholders by sector and mode, developing the key operational challenges to be addressed by the Plan to complement the policy and strategic challenges set out in Part B.

**Part D:** Plan delivery - Details the delivery proposals for the Plan developed to meet the challenges identified in Parts B and C, together with monitoring proposals and funding.

## Definition - sustainable freight distribution

This Plan defines sustainable freight distribution as ‘the balanced management and control of the economic, social and environmental issues affecting freight transport that:

- Complies with or exceeds environmental standards, regulations or targets aimed at reducing emissions of climate change gases, improving air quality and minimising impacts from accidents, spillages or wastes
- Ensures freight is run efficiently, reduces unnecessary journeys, minimises journey distances and maximises loads with effective planning
- Complies with labour, transport and human rights standards and regulations ensuring that employees and communities affected by freight can function in a healthy and safe environment
- Minimises the negative impacts of freight activities on local communities’

# Executive summary

## Context

- A.1. *Sustainable freight distribution: a plan for London* (the 'Plan') sets out the steps that have to be taken over the next five to ten years to identify and begin to address the challenge of delivering freight sustainably in the Capital.
- A.2. The Plan recognises the vital role that freight plays in maintaining London as a world class city. Keeping freight moving efficiently in London is not just vital for London's economy but also for the UK economy.
- A.3. This Plan deals with problems and challenges that are complex and not easy to solve. Little has been done to address the freight agenda in London or nationally in a coordinated way for over 30 years, and there are few directly transferable examples from other world class cities. Data on freight movements is not as readily available as that for the movement of people. Securing reliable access to data on van activities is particularly difficult.
- A.4. This document is the culmination of work by the London Sustainable Distribution Partnership (LSDP), Transport for London (TfL), the London boroughs and a large number of businesses, freight operators, bodies and associations.
- A.5. The planned growth of London will lead to a 15 per cent growth in demand for freight and servicing by 2025<sup>1</sup>. Without intervention this will increase freight's impact on congestion and climate change. The Plan therefore recognises that freight operators have a significant role to play in supporting the climate change agenda by adopting green fleet management - a key part of delivering freight sustainably.
- A.6. Those employing freight operators also have to take a positive lead in requiring the adoption of these sustainable freight practices. The Greater London Authority (GLA) Group will take a leading role and use its strong links to promote the same with London's boroughs and the Corporation of London (the 'boroughs') and other public sector bodies such as health and education establishments.

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<sup>1</sup> TfL (2007) *Transport 2025 Transport vision for a growing world city*

## **Vision**

A.7. The vision for sustainable freight distribution in London is for:

*'...the safe, reliable and efficient movement of freight and servicing trips to, from, within and, where appropriate, through London to support London's economy, in balance with the needs of other transport users, the environment and Londoners' quality of life...'*

## **Climate change**

- A.8. The Plan supports the Mayor's Climate Change Action Plan<sup>2</sup> and informs future changes to the Mayor's London Plan, transport, environmental and related strategies.
- A.9. Based on 2006 data, the estimated contribution from freight transport in London is 2.2m tonnes of carbon dioxide (CO<sub>2</sub>) emissions, which accounts for 23 per cent of the total ground-based transport and 5.1 per cent of the Capital's CO<sub>2</sub> production and energy use. The Mayor's Climate Change Action Plan identifies the potential for savings of 1.7m tonnes of CO<sub>2</sub> per year (mt/y CO<sub>2</sub>) by 2025. London will achieve a 0.7 mt/y CO<sub>2</sub> saving without central government intervention. In line with the Mayor's revisions to the London Plan an interim target of a 20 per cent reduction in CO<sub>2</sub> by 2015 has been adopted, which is a reduction of 0.47 mt/y.
- A.10. More detailed analysis than that undertaken in the Climate Change Action Plan has been undertaken for the production of this Plan to better understand what the possible CO<sub>2</sub> reductions may be for freight. This analysis indicates up to 1.21mt/y of CO<sub>2</sub> could be saved by 2025.

## **Delivery plan**

- A.11. The Plan contains proposals to deliver real improvements on the ground, alongside others designed to improve understanding of the issues around freight and to contribute to the longer term process of addressing London's transport needs.
- A.12. To implement the proposals, it is essential to develop new relationships and ways of working between the wide range of public bodies, including those in the health and education sector, businesses and operators with a stake in the freight industry. The Plan articulates roles and responsibilities to help realise the benefits made possible by this partnership working.

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<sup>2</sup> Mayor of London (2007) *Action Today to Protect Tomorrow, The Mayor's Climate Change Action Plan*

A.13. The Plan clearly identifies that the LSDP and Freight Quality Partnerships (FQPs), particularly at sub-regional level, will play a key role in its delivery.

A.14. The Plan identifies four key projects and three workstreams for delivering freight in London more sustainably. This allows freight challenges to be combined into a clear delivery programme.

A.15. The **four key projects** are:

### 1) Freight Operator Recognition Scheme

The Freight Operator Recognition Scheme will employ a tiered set of membership levels to address **fleet and freight vehicle operational efficiency**, improving all areas of sustainable distribution to reduce CO<sub>2</sub> emissions, congestion, collisions and operator costs. It will recognise legal compliance as the base 'bronze' level and promote the uptake of best practice covering fuel efficiency, alternative fuels and low carbon vehicles, management of road risk, legal record keeping and reducing penalty charge notices through the higher 'silver' and 'gold' levels. It will also recognise operator achievements with rewards that encourage operators to raise standards to reduce, in particular, CO<sub>2</sub> emissions and collisions between heavy goods vehicles (HGVs) and cyclists.

The project links with bespoke London training for drivers and managers through the London Freight Booster National Vocational Qualification (NVQ) Level 2. The aim is to promote safer and more fuel efficient operations through better **driver behaviour** with lower CO<sub>2</sub> emissions and fewer collisions, particularly between HGVs and cyclists. This will be coordinated by a dedicated Commercial Vehicle Education Unit with integrated enforcement and prohibition powers.

The project will set Freight Operator Recognition Scheme Standards, a quality benchmark for use by clients when awarding servicing, maintenance and supply contracts. This provides a simple way for clients to ensure the sustainable credentials of freight operators.

The scheme's main partners include the Metropolitan Police Service (MPS), Health and Safety Executive (HSE), Vehicle and Operator Services Agency (VOSA), Learning and Skills Council (LSC), London Development Agency (LDA) and Skills for Logistics. Support is also provided by the Department for Transport, Freight Transport Association (FTA) and Road Haulage Association (RHA).

## 2) Delivery and Servicing Plans

Delivery and Servicing Plans (DSPs) will be used to increase **building operational efficiency** by reducing delivery and servicing impacts to premises, specifically CO<sub>2</sub> emissions, congestion and collisions. Contractual relationships between building operators and their supply chain will be used to specify companies committed to sustainable freight distribution, such as Freight Operator Recognition Scheme members, and ensure that they use legal loading locations.

DSPs aim to reduce delivery trips (particularly during peak periods) and increase availability and use of safe and legal loading facilities, using a range of approaches including consolidation and out-of-hours deliveries. They will eventually be integrated into the travel plan process, and monitored in the same way,

Specific consideration will be given to increasing the numbers of freight operators using best practice, and promoting Freight Operator Recognition Scheme membership through appropriate contract award criteria for servicing, maintenance and supply contracts.

**Road network efficiency** will be increased by each traffic authority's response to its Network Management Duty, which will include the reduction of freight vehicle Penalty Charge Notice (PCN) hotspots to improve congestion and help reduce CO<sub>2</sub> emissions.

TfL and the GLA Group will take a lead in implementing DSPs for their own premises, with the boroughs following in due course. In parallel, DSPs will be linked to planning conditions for major new developments.

## 3) Construction Logistics Plans

Construction Logistics Plans (CLPs) have similar objectives to DSPs, but will be applied to the design and construction phases of premises, specifically to improve **construction freight efficiency** by reducing CO<sub>2</sub> emissions, congestion and collisions. Ultimately they will be integrated into the travel plan process and each traffic authority's response to the Network Management Duty to increase **road network efficiency** by minimising congestion and therefore emissions caused directly and indirectly by construction-related trips.

The aim will again be for TfL and the GLA Group to take a lead in implementing such plans for their construction projects. Traffic authorities will be encouraged to review delivery arrangements for construction sites to ensure they reduce lane closures and carriageway restrictions, and reduce construction duration. The approach will be integrated with the introduction of Site Waste Management Plans from 2008, in partnership with the Building Research Establishment (BRE).

#### 4) Freight Information Portal

This will offer London, for the first time, a single interface for information on freight between London's public authorities and freight operators. It will enable the integration of systems and act as a single point of registration for deliveries in London.

The project aims to reduce operators' administrative costs and improve access to freight journey planning in the Capital, to support improved **operational efficiency**, better **driver behaviour** and the use of **alternative fuels** (including bio-fuel) and **low-carbon vehicles**.

A range of systems and services will be made available to all, with opportunities for Freight Operator Recognition Scheme members to promote **fleet and freight vehicle operational efficiency** and the uptake of best practice to reduce CO<sub>2</sub> emissions and improve safety, particularly by highlighting what can be done to reduce collisions between HGVs and cyclists. Key partners will be all those with data or systems affecting freight operators and deliveries in London.

A.16. The **three** ongoing **work-streams** to support delivery of these projects are:

##### 1) Partnership development

This will assist the Plan's delivery by building partnerships at pan-London and sub-regional levels to help coordination between TfL, businesses, operators and boroughs. This is in line with the Mayor's Transport Strategy, as it includes the LSDP and London's sub-regional Freight Quality Partnerships.

The partnerships will exchange information, share concerns and best practice, and act as a focus for developing new initiatives and agreeing plans. A specific aim is to speed the identification and demonstration of best practice to help reduce CO<sub>2</sub> emissions and improve safety.

##### 2) Major freight projects

Projects focused on promoting modal change from road to more sustainable alternatives (such as rail and water), and on reducing CO<sub>2</sub> emissions, will be developed as they arise and as funding is secured.

##### 3) Freight data, modelling and best practice

Building the freight knowledge base is vital to improving the understanding of the role freight plays in maintaining London as a world class city. It will also allow the development of a regional freight modelling capability to demonstrate the benefits of best practice case studies and build business cases for change.

Specifically this work will identify case studies of innovations to reduce CO<sub>2</sub> emissions and collisions involving freight vehicles, with the aim of improving **operational efficiency, driver behaviour**, and the use of **alternative fuels** and **low-carbon vehicles**. These best practice examples will be demonstrated to those engaged through the Freight Operator Recognition Scheme, the Delivery and Servicing Plan project, the Construction Logistics Plan project, the Freight Portal, the LSDP and London's sub-regional Freight Quality Partnerships.

### ***How is sustainable freight distribution measured?***

A.17. Progress towards attainment of the vision for sustainable freight distribution in London will be reported annually against seven headline sustainable freight distribution 'progress measures'. These reflect all of the areas of sustainable development: economy, environment and society. Additionally, a single composite indicator of sustainable freight has been identified to enable the procurement of sustainable freight operators. Further sub-measures supporting and adding definition to each headline progress measure are identified in the London Freight Data Report and will be developed as data becomes available. Headline progress measures are:

- Total number of commercial vehicle parking-related Penalty Charge Notices (PCNs) per million freight vehicle kilometres
- Overall reliability measure for freight
- Emissions impact of freight road vehicles, notably CO<sub>2</sub>, particulates and NO<sub>x</sub> emissions
- Freight fly-tipping incidents
- Overall number of people killed or seriously injured in collisions involving freight vehicles
- The number of thefts linked to freight activities on London roads
- Freight Operator Recognition Scheme membership at each level

### ***How does the Plan achieve this?***

A.18. Funding the delivery programme depends on securing commitments from a wide range of partners. TfL has already committed funds alongside Department for Transport, London Councils, British Waterways, the Port of London Authority (PLA), the Learning and Skills Council, the London Development Agency (LDA), the Thames Gateway Development Corporation (TGDC) and the Olympic Delivery Authority (ODA).



- A.19. To fully realise the vision for freight, securing additional funds is key, which is why many of the Plan's actions rely on building partnerships and robust business cases for investment.
- A.20. To implement the proposals, it is essential to develop partnerships and new relationships and ways of working between the wide range of public bodies, businesses and operators with a stake in the freight industry.

***How will this all be communicated?***

- A.21. In addition to the role that the Freight Information Portal will play, to help communicate the individual roles and responsibilities to different groups involved in the freight agenda four supporting documents are being produced, each with a different target audience:
- London Rail Freight Strategy
  - Operators' Guide
  - Borough Freight Toolkit
  - London Freight Data Report
- A.22. The London Rail Freight Strategy is based on the same vision and objectives set out in this Plan, but it considers the challenges and solutions for rail within the context of wider rail industry planning processes and TfL's passenger rail plans. As such, whilst this document considers rail freight challenges, the detailed action plan for rail freight is contained within the London Rail Freight Strategy.
- A.23. The London Rail Freight Strategy sets out how TfL would like to see rail freight develop in London over the next ten years. TfL believes it is important for rail freight to flourish alongside a developing passenger railway in London, as rail freight can make an important contribution to the achievement of targets in this Plan
- A.24. The common objectives, under the themes of economy, environment and society, were used to identify a set of seven rail freight challenges for the Rail Freight Strategy to address, these being:
- Accommodating London's growth, increasing rail's mode share
  - Accommodating the growth in deep sea container traffic
  - Improving connectivity with European rail freight networks
  - Improving planning procedures
  - Responding to key changes in the competitive environment
  - Accommodating rail freight customers' requirements with others' use of the network
- A.25. To address these seven challenges, the London Rail Freight Strategy proposes a series of interventions which are grouped into five categories:

- Capacity and capability schemes within London, including upgrading the London Overground routes
- Capacity and capability schemes outside London, including a staged upgrade of the Felixstowe to Nuneaton route
- Promotion of measures to make more efficient use of the network, such as longer freight trains and the infrastructure to support them
- Initiatives to promote terminal development
- Promotion of policies designed to improve the competitive advantage of rail freight over road freight, such as liberalisation of the European rail freight market

- A.26. The Operators' Guide & Borough Freight Toolkit will communicate the Plan's key aspects to the freight community and London boroughs.
- A.27. The Plan recognises that the current wealth of freight knowledge, expertise and experience will evolve and grow. A further supporting document, the London Freight Data Report, contains the data which informs the Plan. Given the commercial nature of freight data, an early goal of the Plan is to promote and secure the sharing of information by operators and businesses. This will ensure that freight's role and its relationship with London and Londoners are properly reflected through a continuous process of development.
- A.28. Supporting these documents will be an ongoing process of workshops and resources delivered through the partnership development and data, modelling and best practice workstreams, the Freight Operator Recognition Scheme project and the Freight Information Portal project.
- A.29. Annual reports will be produced showing the progress being made towards attainment of the vision for sustainable freight distribution in London.

***How does the Plan relate to other policies, plans and strategies?***

- A.30. This Plan has no statutory force; it has been developed to implement the Mayor's Transport Strategy<sup>3</sup> that is itself a statutory document. It will, however, play a vital role at the local level by informing the development of borough Local Implementation Plans, Development Plan Documents (DPDs) and the implementation of traffic authorities' Network Management

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<sup>3</sup> Reference Policy 4K freight, delivery and servicing

Duty. It is a material consideration for planning and its spatial aspects are consistent with the Mayor's London Plan<sup>4</sup>.

- A.31. Over time, the use of best practice in sustainable freight distribution will be strengthened through active consideration during transport assessments, and through a range of existing regulations, including planning conditions and the consideration of Network Management Duty under the Traffic Management Act 2004.

***What is the longer-term strategy?***

- A.32. Building on the contents of this Plan and on TfL's *Transport 2025: Transport Vision for a Growing World City*<sup>5</sup>, a cross-modal freight strategy will be prepared for inclusion in any future revisions to the Mayor's Transport Strategy.
- A.33. The role of road user charging (RUC) and its impact on CO<sub>2</sub> reduction may be a consideration for the longer-term management of highway trips in London as part of a national RUC scheme, if that is pursued. The Climate Change Action Plan clearly identifies that national intervention is needed through the use of carbon pricing if the full potential of reducing CO<sub>2</sub> is to be realised by 2025. Road user charging may be one way of pricing-in the carbon impact of travel.
- A.34. The long-term strategy for freight development will be in line with the strategy for all transport modes in London and with the Mayor's other strategies, most significantly the London Plan. Critical to this longer term vision will be a further range of policy work impacting on freight, such as:
- Measures to tackle congestion and its impact on CO<sub>2</sub>, while supporting London's sustainable economic growth
  - Changing the demand and balance between modes for transporting goods
  - Technology and how this may influence demand and methods of transporting goods.

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<sup>4</sup> GLA (2004) *London Plan: Mayor's Spatial Development Strategy*, Policy 3C.24

<sup>5</sup> TfL (2007) *Transport 2025 Transport vision for a growing world city*

## Part B - About the Plan

Part B highlights why sustainable freight distribution is vital for London, by reducing congestion, improving reliability and minimising climate change.

It sets out the Plan's vision and objectives, defines the policy context and establishes high level input from Stern Review<sup>6</sup> and Eddington Transport Study<sup>7</sup>.

The impacts of the planned growth of London are identified, together with the contribution freight must play to help reduce emissions of climate change gases.

The need for partnership is identified and the implications this has for communications are set out.

This section concludes with a consideration of the planning process and a discussion of the limited availability of reliable freight data.

### Introduction

#### Definition - freight

The Plan defines freight as the physical carriage of goods by any mode. This includes the provision of services and utilities and the movement of waste.

- B.1. The geographical area covered by the Plan is generally that of the Greater London Authority, which encompasses the 32 London boroughs and the Corporation of London (the 'boroughs').
- B.2. A number of the modal issues in the Plan will impact outside the Capital due to the importance of global, European and regional movements inherent in modern supply chain logistics. Approximately 8 per cent of the UK's freight travels to or from London, with an unknown additional level of freight travelling through London; therefore London's transport infrastructure not only has to cope with its own freight needs, but also those of other regions.
- B.3. The strategic challenge for London presented in this Plan is to promote efficient freight transport practices that:

<sup>6</sup> HMSO (2006) *Stern Review on the economics of climate change*

<sup>7</sup> HMSO (2006) *Eddington Transport Study*

- Support London's economic development
- Maintain London's local, inter-regional and world city role
- Contribute to reducing the environmental impact caused by freight in London

## Vision and objectives

- B.4. The vision for sustainable freight distribution in London was identified during 2004-05 by a working group of the LSDP (see B.13) which was set up to consider the strategic choices for freight investment in London:

*'...the safe, reliable and efficient movement of freight and servicing trips to, from, within and, where appropriate, through London to support London's economy, in balance with the needs of other transport users, the environment and Londoners' quality of life...'*

- B.5. The working group also set out the Plan's seven high level aims under the three headings of economy, environment and society:

### **Economy**

- Support London's growth in population and economic activity
- Improve the efficiency of freight distribution and servicing in London
- Balance the needs of freight and servicing with those of other transport users and demands for London's resources

### **Environment**

- Tackle poor air quality and freight's contribution to climate change by reducing emissions of air pollutants and CO<sub>2</sub> caused by freight and servicing
- Improve quality of life in London by minimising the impact of noise and vibration caused by freight and servicing

### **Society**

- Improve health and safety in London by reducing the number of deaths and injuries associated with freight movement and servicing
- Improve quality of life in London by reducing the negative impacts of freight and servicing on communities

- B.6. The need to transport freight to, from, within and, where appropriate, through London has important implications for the Capital's prosperity and the quality of life enjoyed by residents, workers and visitors.

- B.7. London is one of the world's great cities and the powerhouse of UK economic activity, with a significant impact on European and global trading

partners. The businesses and services in the Capital drive an economy worth £175bn (2003).

- B.8. London is planned to grow: by 2025 there will be a planned increase in population by some 900,000 to 8.3 million as set out in the Mayor's London Plan, with the creation of more than 847,000 extra jobs. This will increase demand for freight by up to 15 per cent by 2025 to support the necessary economic growth and development<sup>8</sup>.
- B.9. Competition for space between people and freight movement on limited transport networks will require a sensitive balance to be reached. A world class city relies on first-class efficient and reliable freight transport, but it also has to be a place where people want to live, work and visit.

### ***Policy context***

- B.10. The original policy context for the Plan was set out in *Sustainable Distribution: A Strategy*, published by the then Department of Environment, Transport and the Regions in March 1999 and reissued by the Department for Transport in January 2004. It emphasised that the industry's development should not compromise the needs of **economy**, **environment** and **society** which are the three pillars of sustainable development. To this end, the strategy proposed:

- **Improving the efficiency** of road freight distribution
- **Modal change** - increasing the proportion of freight carried by rail and promoting the use of coastal shipping and inland waterways
- **Modal change** - improving interchange between modes.

- B.11. The same principles underpin the Mayor's Transport Strategy. The specific policy aims are to:

- Ensure that London's transport networks allow for the **efficient and reliable** handling and distribution of freight and the provision of servicing in order to support London's economy
- **Minimise** the adverse **environmental impact** of freight transport and servicing in London
- **Minimise** the **impact of congestion** on the carriage of goods and provision of servicing
- Foster a progressive **shift** of freight from road **to more sustainable modes** such as rail and water, where this is economical and practicable

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<sup>8</sup> TfL (2007) *Transport 2025 Transport vision for a growing world city*

B.12. The Transport Strategy was adopted in July 2001 and states that:

*'...achieving an efficient and sustainable distribution system for goods and services is one of the greatest challenges facing London...'*

B.13. The Transport Strategy recognises that TfL cannot address the freight agenda alone, and calls for a collaborative partnership approach. It required the LSDP to be established<sup>9</sup> and for London's Freight Quality Partnerships<sup>10</sup>, particularly at the sub-regional level, to be recognised and supported. Together they were seen as key delivery partners to implement the strategy and to help accelerate the use of cleaner and quieter vehicle technologies and practices to promote better vehicle maintenance and considerate and economical driving.

B.14. Partnership with boroughs, rail operators and the track authority was identified to be the way to secure and develop road/rail transfer sites<sup>11</sup>. The strategy promotes partnership to ensure freight facilities<sup>12</sup> and related intermodal facilities on the Thames and other waterways<sup>13</sup> are used appropriately.

B.15. The Mayor's Transport Strategy is one of several statutory strategies that support the Mayor's London Plan, which sets out the spatial development of the Capital. Sustainable Freight Distribution: A Plan for London is informed by, and complements, future revisions of the London Plan and other relevant Mayoral strategies and Supplementary Planning Guidance (SPG) documents.

B.16. TfL's publication of *Transport 2025: Transport vision for a growing world city* and this plan will help to inform the development of new Mayoral strategies and plans, including any revision of the Transport Strategy.

### **Recent publications**

B.17. During the development of this Plan the Eddington Transport Study<sup>14</sup> gave a clear focus, by identifying that transport investment should be on existing networks, especially within big cities such as London, to underpin economic growth. It identifies congestion and reliability as key challenges threatening London's continued **sustainable economic growth**.

<sup>9</sup> GLA (2001) *Mayor's Transport Strategy*, Proposal 4K.1

<sup>10</sup> GLA (2001) *Mayor's Transport Strategy*, proposal 4K.2

<sup>11</sup> GLA (2001) *Mayor's Transport Strategy*, Proposal 4K.5

<sup>12</sup> GLA (2001) *Mayor's Transport Strategy*, Policy 4M.1

<sup>13</sup> GLA (2001) *Mayor's Transport Strategy*, Policy 4M.2

<sup>14</sup> HMSO (2006) *Eddington Transport Study*

- B.18. However, these challenges have to be seen within the context of climate change identified by Stern in the recently published Stern Review<sup>15</sup>. This identifies that pursuing three key elements would avert catastrophic climate change without capping the aspirations of rich and poor countries:
- **Carbon pricing**, which establishes a value that captures the full social cost of the production and consumption of carbon
  - **Policy implementation** to support the development of a range of low-carbon and high-efficiency technologies on an urgent timescale
  - **Removing barriers** to behavioural change, in particular encouraging the uptake of energy efficiency opportunities
- B.19. Both Eddington and Stern identify road user charging as a potential element of a wider strategy to boost the reliability of the transport network and reduce CO<sub>2</sub> end emissions. However, road user charging is a subject for consideration in the long-term strategy for London, if this policy is pursued nationally, and is not considered in detail in this Plan.

**Definition - Heavy Goods Vehicles (HGVs)**

All Class C and Class C+E vehicles of over 7.5 tonnes Maximum Authorised Mass (MAM) together with Class C1 and C1+ E vehicles (between 3.5 and 7.5 tonnes MAM). This includes tractors (without trailers), road rollers, box vans, similar large vans and two-axle motor tractive units without trailer.

**Definition - Light Goods Vehicles (LGVs) and Vans**

Goods vehicles below 3.5 tonnes Maximum Authorised Mass (MAM). This includes all car-based vans and those with larger carrying capacity, such as 'transit vans'. Also included are ambulances, pick-ups, milk floats and pedestrian-controlled motor vehicles. Most of these vehicles are delivery vans of one type or another.

- B.20. These aspirations have to be viewed from a position of knowing less about the movement of freight than about the movement of people. The difficulty in gaining reliable access to a coherent and complete freight data-set has for some time hindered detailed consideration of the freight agenda at international level right down to local level.

<sup>15</sup> HMSO (2006) *Stern Review on the economics of climate change*



## Growth of London – the London Plan

- B.21. The Greater London Authority (GLA) Act 1999 which established the GLA and enabled the Mayor to develop his London Plan, places obligations on the Mayor relating to health, equality and sustainable development.
- B.22. The growth in freight movement projected by Transport 2025 has the potential to increase freight's social and environmental impacts significantly, particularly CO<sub>2</sub> emissions and collisions involving personal injury.
- B.23. However, this freight trip growth will also occur at a time of increasing passenger transport demand because of population and employment increases. The Transport 2025 vision is for an increased shift to public transport, walking and cycling, away from car use. An appropriate balance in the use of transport infrastructure will need to be found to cater for the forecast increased passenger travel as well as the increased demand for freight transport.

Over 155m tonnes of freight were moved in, around and through London by road, rail, air and water transport in 2005..

Since 1980 there has been an increase of 29 per cent in goods lifted in Great Britain with the tonne kilometres moved increasing by 47 per cent from 175 to 257 billion tonne kilometres a year.

More freight is being moved over longer distances than ever before. However, within London most freight will always have to be moved by road and this presents a challenge for our economy, society and environment. The average length of haul was 26km for freight in London in 2005.

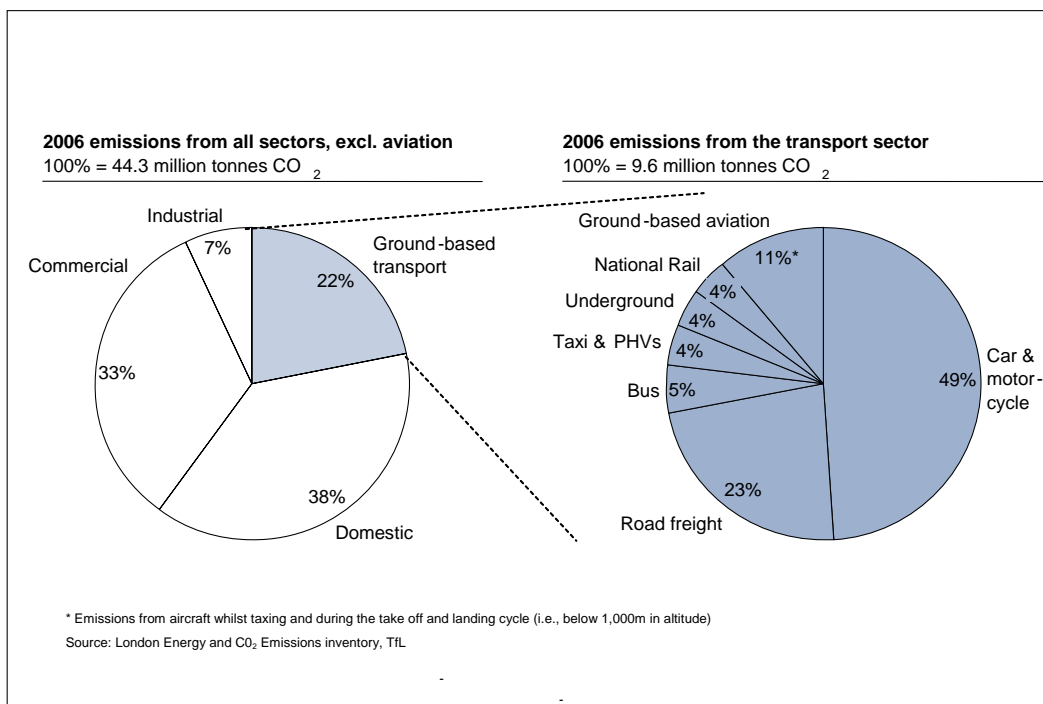
- B.24. Freight modal change to rail and water is promoted in the London Plan and steps have been taken to safeguard river wharf sites. Whilst not always currently economic, they will be crucial in securing sustainable modal shift in the future, with related economic, social and environmental benefits.
- B.25. The draft Further Alterations to the London Plan stress that an efficient logistics network and related infrastructure are essential to London's

competitiveness<sup>16</sup>. The Mayor will work with a range of partners to secure adequate provision, including multi-modal freight transfer capacity.

## Climate change

B.26. The Stern report on the economics of climate change identifies that significant action is needed now to avert catastrophic climate change and prevent major negative economic as well as environmental repercussions in the near future. The Mayor's Climate Change Action Plan identifies that a 60 per cent CO<sub>2</sub> reduction is necessary by 2025 from 44m tonnes in 2006. Freight's contribution to this could be as much as 1.7m tonnes of CO<sub>2</sub> per year (mt/y). However, the Climate Change Action Plan clearly identifies that without central government intervention, only around a 30 per cent reduction would be achievable – equating to some 0.7 mt/y by 2025. Further information on the potential for biofuels and their impact is provided in paragraph B.35..

B.27. The relative importance of freight to the Climate Change Action Plan is shown on Figure B-1 below.



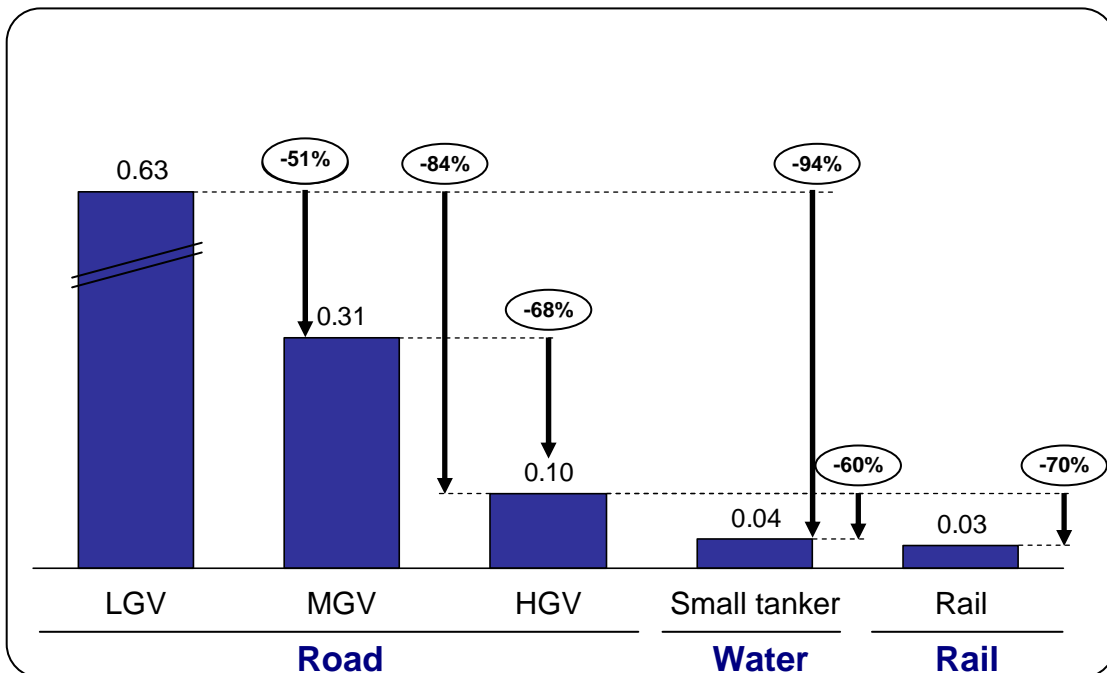
**Figure B-1 2006 CO<sub>2</sub> emissions from the transport sectors (from Climate Change Action Plan)**

B.28. Based on 2006<sup>17</sup> data, London emits 44.3m tonnes of CO<sub>2</sub> each year, 22 per cent being from ground-based transport. Road freight accounts for 23

<sup>16</sup> GLA (2006) *Draft Further Alteration to the London Plan*, Chapter 3B paragraph 3.129i

per cent of this (2.2m tonnes) or 5.1 per cent of the Capital's CO<sub>2</sub> production and energy use.

- B.29. Transport is the only sector (industry, commercial and domestic being the others) in which CO<sub>2</sub> emissions are increasing. In the case of freight, this reflects the fact that freight movement underpins economic growth and national freight traffic tonne kilometre volumes have increased by 47 per cent between 1980 and 2005<sup>18</sup>.
- B.30. London's planned increase in population and employment will result in an approximately 15 per cent increase in demand for the movement of freight. Reducing CO<sub>2</sub> in the freight sector without constraining the economy is, therefore, a significant challenge.
- B.31. Vans tend to carry smaller loads. The relative carbon emissions per tonne kilometre for fully loaded vehicles are 84 per cent lower if HGVs are used instead of vans and 51 per cent lower if lorries under 7.5 tonnes are used, as shown in Figure B-2 below. The market trend is towards the greater use of smaller freight vehicles, which are less efficient in terms of emissions per tonne kilometre than larger vehicles, and will therefore make the situation worse.



**Figure B-2** Comparison of carbon emissions for different freight methods /Kg CO<sub>2</sub> per tonne kilometre (from **Climate Change Action Plan**)

<sup>17</sup> Mayor of London (2007) *Action Today to Protect Tomorrow, The Mayor's Climate Change Action Plan*

<sup>18</sup> HMSO (2006) *Transport Trends 2006*

- B.32. The Mayor's approach to climate change is set out in his Climate Change Action Plan<sup>19</sup>. This identifies a range of opportunities for the freight industry to reduce climate change gas emissions. It states that these will need to be addressed by freight operators in partnership with businesses and London's authorities.
- B.33. The Climate Change Action Plan identifies a target CO<sub>2</sub> saving by 2025 of 0.7 mt/y which would increase to as much as 1.7 mt/y with the introduction of carbon pricing. Initial estimates produced for the Climate Change Action Plan identify that by 2025 the introduction of road user charging, should it be pursued in London as part of a national scheme, would realise 0.2 mt/y CO<sub>2</sub> savings, with a further 0.2 mt/y from the introduction of 5 per cent biodiesel from 2010, together with the voluntary adoption of higher blends. These initial estimates indicate the remaining 0.3 mt/y saving would be possible from the voluntary introduction of fleet efficiency measures, driver training, other alternative fuels and low-carbon vehicles.
- B.34. The use of biofuels may be one way to reduce emissions of CO<sub>2</sub> from the transport sector. The highest performing biofuels currently available can reduce by 50 per cent the carbon emissions associated with their volume when compared with conventional fuels. The use of biofuels is supported where a substantial CO<sub>2</sub> reduction is achieved compared with conventional fuels. It is also recommended that transport companies only buy biofuel where it can be clearly demonstrated to government, through the Renewable Transport Fuel Obligation, that it has been produced from sustainable sources that meet rigorous standards, protect animal and plant species and natural habitats, and promote local production.
- B.35. Because the CO<sub>2</sub> saving associated with biofuel production can vary so widely, it will be important to establish standards to guarantee the level of CO<sub>2</sub> saving associated with the use of a specific fuel. Standards must also provide assurance that fuel has been produced sustainably<sup>20</sup>.
- B.36. More detailed analysis (see Appendix D) has been undertaken for this Plan to better understand how the CO<sub>2</sub> reductions for freight can be achieved. This indicates that, even without the introduction of carbon pricing, the 0.7 mt/y target can be exceeded if those involved in freight work together. Table B-1 suggests that a saving of 1.21 mt/y - equivalent to more than 45 per cent - could be achieved by 2025.

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<sup>19</sup> GLA (2007) *Action Today to Protect Tomorrow, The Mayor's Climate Change Action Plan*

<sup>20</sup> GLA (2007) *Action Today to Protect Tomorrow, The Mayor's Climate Change Action Plan*, pp 142-143

- B.37. However, this assumes that all involved in freight work in partnership to secure the widespread adoption of green fleet procurement, and that the corporate and social responsibility of developers, contractors, building owners and tenants is strengthened by conditions imposed by the planning process. This will be achieved by consideration being given to freight within travel plans for the design, construction and operational phases of buildings. It also assumes that those based outside, but delivering into, London are encouraged to adopt similar best practice.
- B.38. Without the adoption of green procurement and the consideration of freight use within travel plans in the planning process, the maximum freight CO<sub>2</sub> saving may drop to as little as 0.46 mt/y, which equates to a CO<sub>2</sub> saving of around 18 per cent by 2025.

**Table B-1 Potential freight CO<sub>2</sub> saving summary (2025)<sup>21</sup>**

Opportunity	Million tonnes CO <sub>2</sub> per year saved using travel plan and procurement links	Reduced CO <sub>2</sub> per year saving without travel plan or procurement links
Road User Charging (should it be pursued as part of a national scheme)	0.20	0.20
Modal change	0.08	0.00*
Fleet efficiency	0.29	0.06
Out of hours deliveries	0.01	0.00*
Construction consolidation	0.13	0.00*
Retail / office consolidation	0.10	0.00*
Waste fleets	0.002	0.00*
Voluntary adoption of alternative fuel and low carbon vehicles	0.20	0.10
Bio-fuel	0.20	0.10
<b>Total</b>	<b>1.21</b>	<b>0.46</b>
<i>Notes</i>		
* Too small to estimate		

- B.39. The figures used in this analysis are based on best estimates rather than hard data, of which little exists. The analysis will be refined as access to more robust freight data becomes available.
- B.40. To achieve the necessary CO<sub>2</sub> reductions, the GLA Group<sup>22</sup> is committed to demonstrating how CO<sub>2</sub> savings can be made in practice by establishing flagship projects to provide best practice examples and proof

<sup>21</sup> See Appendix D

<sup>22</sup> Greater London Authority, London Development Agency, Transport for London, Metropolitan Police Authority, London Fire & Emergency Planning Authority, Visit London.

of concept in London. It will also exploit its close relationship with London's boroughs and health and education sectors to encourage early adoption to secure further CO<sub>2</sub> savings.

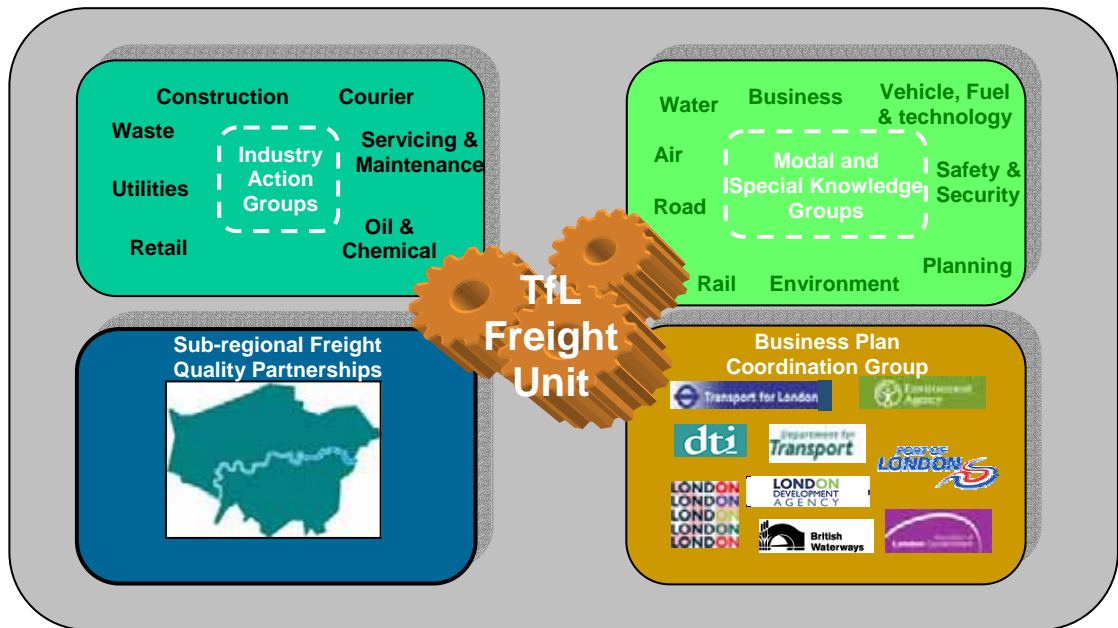
### **Shared responsibilities - the need for partnership**

- B.41. Addressing the freight agenda is a new priority for TfL and London's boroughs. The Plan's success relies on organisations with an interest and/or remit in freight working together in collaborative partnership to coordinate their roles and responsibilities in identifying, developing and delivering the Plan.
- B.42. It is essential to understand fully the issues facing freight transport in London, which can only be achieved by actively engaging with a wide cross-section of stakeholders from the public and private sectors. However, what operators know and take for granted is often not understood by those making policy or developing schemes. This highlights the need for effective communication. Accordingly, the Plan has to promote working-together and shared understanding.
- B.43. Based on the need to develop a common understanding of needs and shared objectives, the LSDP was formed as an action from the Mayor's Transport Strategy in 2001<sup>23</sup>. It was also recognised that TfL could not address the freight agenda in isolation. TfL gratefully acknowledges the help and support of the LSDP and many other contributors to the Plan (some of whom are listed in Appendix A).
- B.44. As the LSDP has matured, a new structure and working arrangements have been developed to help recognise the diverse needs of the different parties involved with freight in London. Supporting the Mayor's Transport Strategy<sup>24</sup>, London's sub-regional Freight Quality Partnerships were recognised within LSDP as key delivery partners.

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<sup>23</sup> proposal 4K.1

<sup>24</sup> proposal 4K.2



**Figure B-3 Structure of the London Sustainable Distribution Partnership**

B.45. Industry Action Groups have been set up to identify key issues and opportunities. The Business Plan Coordination Group is designed to help identify/commit funds and resources. Illustrated in Figure B-3, the LSDP's role is to:

- Influence the freight agenda
- Review the programme supporting implementation of the plan
- Engage with and secure commitments of support from stakeholders
- Provide an outlet for the demonstration and dissemination of best practices identified or produced by the programme

**Definition - Freight Quality Partnerships (FQPs)**

FQPs are partnerships between the freight industry, local government, local businesses, the local community, environmental groups and other interested stakeholders. Their aim is to develop an understanding of freight transport issues and problems, then promote constructive solutions which reconcile the need for access to goods and services with local environmental and social concerns.

B.46. TfL has set up a dedicated Freight Unit to develop and help deliver the Plan as well as to manage the LSDP groups. In this way, London is working together to identify and address freight issues through dialogue with the boroughs, businesses and operators.

B.47. The Freight Unit has developed the Plan through an extensive consultation process, both formal and informal. This included widespread engagement

with the many freight stakeholder groups as well as additional liaison with London boroughs. This has ensured that as many views as realistically possible are expressed, collated and, where appropriate, reflected within the Plan.

- B.48. In addition, links across the wider region, particularly with the South East of England and East of England Regional Development Agencies, continue to develop.
- B.49. A solid foundation of expertise now lies within TfL, borough highway authorities, traffic authorities and planning and waste authorities. Sharing and developing this expertise is vital. A range of communications issues that need to be addressed are identified below.

***Internal communications – boroughs and TfL***

- B.50. As a first step, raising awareness of the importance of freight within TfL and the boroughs is crucial. The challenge is to ensure that every appropriate opportunity is used to get the message across that a sustainable freight strategy is of fundamental importance to London's development as an exemplary sustainable world city.

***Communicating between TfL, boroughs and FQPs***

- B.51. Sharing information between TfL, the boroughs and freight operators will increase understanding of freight and its supply chain needs. The information gained should be used as a focus for service improvement and development. TfL's challenge is to collate and disseminate this knowledge.
- B.52. Effective coordination between TfL and the boroughs is essential. The Local Implementation Plan (LIP) Reporting and Funding Submission Guidance emphasises the importance of these linkages and the priorities identified in this Plan.
- B.53. The guidance supports funding of sub-regional FQPs, which will help share knowledge and expertise as well as enabling linkages between local, regional and strategic issues.
- B.54. Improving coordination between TfL, boroughs and FQPs will be further strengthened by supporting a freight partnership resource within lead boroughs. Identifying training needs for staff and elected members to more fully acknowledge and act on freight issues is a key challenge if the Plan is to be effectively realised at 'street-level'.



### ***Communicating with and between operators***

- B.55. The LIP Reporting and Funding Submission Guidance requires every sub-regional Freight Quality Partnership to have an effective communications plan. It is vital FQPs can reach out to their target audiences.
- B.56. Identifying standards and development programmes for freight planners and drivers is vital if best practice is to be identified and communicated. Encouraging operators to use best practice relies on best practice information being readily available and accessible through case study leaflets, databases, workshops and forums.
- B.57. There is little possibility for regulatory control without impacting freight costs. An alternative is to recognise those doing well and reward operators who adopt best practice.
- B.58. Many freight operators have expressed a need for help with delivering efficiently in London. Providing this help on the web, through workshops and in handbook form would build on information provided at a national level by the Department of Transport. Accurate information on legal delivery locations and access to an effective real-time journey planner would help to reduce inefficiencies. A coordinated approach to systems and restrictions affecting freight operations would be of benefit to London.

## **Freight and the planning process**

### ***Plan's statutory status***

- B.59. This Plan and its supporting documents are non-statutory. They should be used to inform boroughs' Local Implementation Plans, Local Development Frameworks, Network Management Duty, other Development Plan Documents (DPDs), freight funding bids and the development of the national rail Strategic Freight Network<sup>25</sup>. They will be a material consideration for planning aspects under the Mayor's London Plan<sup>26</sup>.

### ***Public sector development planning***

- B.60. Land-use planning can influence freight activity at a policy and guidance level and through the development control process:
- Planning policy is provided at a national level and in London, through the London Plan, Supplementary Planning Guidance (SPG), Sub-regional Development Frameworks and the Local Development Frameworks (replacing Unitary Development Plans)

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<sup>25</sup> The Future of Rail - White Paper, 15 July 2007

<sup>26</sup> GLA (2004) *London Plan: Mayor's Spatial Development Strategy*, Policy 3C.24

- The Development Control process manages planning policies and is undertaken by borough planners and also strategic land-use planners at the GLA, LDA and TfL

B.61. The recent draft Planning Policy Statement (PPS): Planning and Climate Change<sup>27</sup> sets out how planning should contribute to reducing emissions and stabilising climate change. Regional authorities should pay attention to:

- The location and design of new development to optimise its carbon performance and limit its likely contribution to carbon emissions
- Urban growth patterns and their impact on the movement of goods and supply chains
- The potential for new and existing developments to increase contributions from renewable and low-carbon energy sources (for freight this could be the fuel used by delivery and servicing vehicles)
- Ensuring full consideration is given to creating and securing transport in line with PPG13<sup>28</sup>, including through the preparation and submission of travel plans

B.62. Respondents to the draft PPS thought that not enough importance had been given to transport emissions when designating sites and assessing development proposals<sup>29</sup>. The planning system needs to assist in maximising the efficiency of freight operations and reduce many of its adverse impacts.

B.63. By implementing policies to protect existing inter-modally connected sites and encourage consolidation and activity outside peak hours, further emission reductions and greater efficiency of the remaining road-based freight can be achieved. Challenges for inter-modal facilities include poor public perception and integrating freight considerations into planning conditions through Section 106 agreements<sup>30</sup>. By linking freight issues into the travel plans outlined in PPG 13<sup>31</sup>, they can be integrated into the planning process.

B.64. As a result it is important at all stages of the development process - from design and planning through to construction - that full consideration is

<sup>27</sup> Department for Communities and Local Government (2007) Consultation. Planning Policy Statement: Planning and Climate Change. Supplement to Planning Policy Statement 1

<sup>28</sup> TSO, 2001, Planning Policy Guidance 13: Transport

<sup>29</sup> Department for Communities and Local Government: London (2007) Planning Policy Statement: Planning and Climate Change. Analysis Report of Consultation Responses

<sup>30</sup> *Section 106 of the Town and Country Planning Act 1990*

<sup>31</sup> TSO, 2001, Planning Policy Guidance 13: Transport

given to the freight and servicing implications of the development and its potential users. It is essential that freight activity is considered alongside the movement of people, throughout the planning system, to avoid generating conflict with other road users, particularly pedestrians and cyclists.

- B.65. From a local government perspective, influence can also be exerted through transport planning and the management, maintenance and development of transport networks. This includes:
- Local Implementation Plans and the bidding process between the boroughs and TfL
  - Traffic authorities' Network Management Duty, planning works and approaches to minimise impact on borough street cleansing, enforcement activities, street design, roadworks and other street-works
  - Waste and Minerals Planning
- B.66. From a private sector perspective, influence can also be exerted by developers and planners using DPDs and other material considerations to bring forward private sector investment in buildings and infrastructure, and through logistics planners deciding how to meet the demand for goods and services to maximise customer service and minimise costs.
- B.67. Ongoing liaison is needed on freight issues through the established Inter-regional Forum. The challenge is to realise an integrated approach to logistics for all modal networks and the location of Gateway logistics facilities within the South East and East of England regions.
- B.68. Within London, strategic logistics provision should be concentrated on Strategic Industrial Locations as defined in the London Plan and the supporting SPG on Land for Transport Functions<sup>32</sup> and Industrial Capacity<sup>33</sup>. These should be linked to the strategic road network, maximising the use of rail and water-based infrastructure.
- B.69. To ensure that London's needs are served efficiently and sustainably, smaller scale provision of logistics facilities must be taken into account. In particular provision should be considered close to the Central Activity Zone and London's suburban town and neighbourhood centres.
- B.70. Understanding and building freight issues (See: Appendix C) into borough DPDs is a key challenge.

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<sup>32</sup> GLA, 2007, Land for Transport Functions

<sup>33</sup> GLA, 2003, Industrial Capacity Draft SPG

### **Private sector development planning**

- B.71. Developers need to understand and accommodate freight requirements of developments in such a way that they meet wider policy objectives. Toolkits have been produced for rail freight policy and development control relating to potential strategic rail freight sites<sup>34</sup>, and similar toolkits are being developed for wharves.
- B.72. Developers are encouraged to consider freight as part of transport assessments required for planning applications referred to the Mayor. Guidance is available on producing these assessments<sup>35</sup>: the challenge is to encourage all planning applications, particularly those for mixed use schemes, to consider how to increase the sustainability of any freight or servicing activity.

### **Modal change**

- B.73. Both the Mayor's Transport Strategy and the London Plan encourage investment in more sustainable freight infrastructures. This may include maximising the use of rail, water, cycle and foot for freight where possible.
- B.74. National Planning Guidance needs to be reviewed to ensure consistency throughout the planning system to:
- Encourage and support new facilities close to water or rail (this would help with the development of, for example, waste and resource recovery facilities and increase utilisation of spare capacity on waterways and rail networks)
  - Protect essential existing facilities supporting alternative freight modes
  - Ensure access to road space is available for essential road freight in balance with the passenger transport and are functions of each place on the highway network
  - Reduce congestion, CO<sub>2</sub> and other environmental impacts
- B.75. Some of this guidance is provided through existing documents (see Appendix C). Additional guidance needs to be provided where necessary.
- B.76. New locations for modal interchange should meet strategic planning and environmental objectives. These locations should be protected and objectives should take account of current policy and guidance.

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<sup>34</sup> London Rail (2007), Rail Freight Strategy

<sup>35</sup> TfL, 2006, Transport Assessment Best Practice

- B.77. An additional challenge is to ensure that requirements for transport assessments for such developments identify opportunities to reduce the impacts from road movements to and from these sites.

### **Highway planning - Network Management Duty**

- B.78. In response to the traffic authorities' Network Management Duty under the Traffic Management Act (2004), consideration should be given to coordinating traffic authorities in their approach to improving road network reliability in the face of delivery and servicing activity, including lane closures, skip and scaffold licences, where there is:
- Absence or insufficient provision of legal facilities at times dictated by business need
  - Long advanced notification and different permit/dispensation requirements leading to low system use
  - Inappropriate issue of permit / dispensations
  - Existing legal loading areas occupied by illegally parked/waiting vehicles
  - Reduction of road network reliability caused by construction activity
- B.79. There is also merit in coordinating traffic authorities through the adoption of an agreed approach to prioritising areas and corridors for action.
- B.80. Traffic authorities should also coordinate street cleansing and waste collection (municipal and commercial) activities, the out-of-hours servicing and maintenance of roadside equipment and - through the adoption of consistent planning standards and design for off-street delivery facilities - the enabling of out-of-hours deliveries.
- B.81. A coordinated approach is also needed to improve road network reliability through a cross-modal, integrated corridor management approach to the allocation and management of road space.
- B.82. Improved integration of abnormal load routing and journey time planning provides an opportunity to improve network reliability under the Network Management Duty, though this would also need effective enforcement.

### **Waste authority planning**

- B.83. Waste authorities plan the development of waste treatment, reprocessing and recycling facilities, as well as waste collection route planning. This is designed to minimise road waste distances travelled, especially on capacity-sensitive roads at peak times.

- B.84. The Planning and Compulsory Purchase Act 2004 requires local authorities to replace existing Unitary Development Plans with a Local Development Framework, which must include specific waste policies.
- B.85. Policies currently being prepared for adoption in 2010 therefore need to minimise waste transport movements through strategic environmental assessments.

### **Data availability**

- B.86. There is a need for a greater understanding at a strategic level about freight movement in the Capital, its relationship with land uses, and its contribution to economic growth. Much of the freight analysis work undertaken to date has been based on a number of assumptions due to the paucity of available freight data. This is because freight has not been a focus for transport planning in London, or elsewhere in the UK, for the last 30 to 40 years.
- B.87. The London Freight Data Report, a supporting document of the Plan, has informed the development of the Plan and provides the facts used in this document. London-specific data is used where available but is supplemented with national data to help build a detailed understanding of freight activities and how these affect the Capital.
- B.88. The London Freight Data Report will be reviewed periodically to update the freight knowledge base, to monitor trends and to measure the impact of the freight delivery programme. This will enable TfL and the LSDP to be responsive in developing the business case for action.
- B.89. Much of the data available at the national and regional level is not currently collected in a way that allows disaggregation to a sub-regional level or below. Gaining support to change data collection practices, allowing greater regional and sub-regional analysis by sector and mode, will be key.
- B.90. Securing access to this detailed freight data is particularly difficult for rail freight because of commercial fragmentation and competition. Without better modal and sector freight data and forecasts, the current and future impacts of increasing congestion into and within London will be difficult to understand, making the development of business cases for intervention and modal change challenging.
- B.91. Gaining access to road freight data will require operators to share information frequently thought to be commercially confidential. Gaining

access to onward destinations at modal interchanges and details of delivery rounds will require freight operators to develop trust in TfL.

- B.92. Many business sectors within London rely on efficient and quick supply chains. Speed and accessibility into and out of the global marketplace are often key considerations when companies decide where to locate. Poor freight reliability may adversely affect investor confidence in London and therefore threaten its status. It is therefore essential to better understand the effect this has on confidence and the Capital's economic performance.
- B.93. Van use is the fastest growing freight sector in London. However, little is known about van operations as they operate in the same regulatory environment as cars. It is necessary to better understand the freight industry response to issues such as increasing costs in HGV operations, shortages of trained commercial goods vehicle drivers, small order just-in-time deliveries, and internet and home deliveries which have contributed to this growth.
- B.94. The impact of change on supply chain practices is difficult to understand at a pan-London level. Detail has to be built-up by sector and mode before it can be effectively aggregated to increase understanding and allow freight needs to be considered alongside those of people movement.
- B.95. Whilst data on the transport of some commodities such as aggregates and other bulk goods is quite readily available, the movement of other goods and services to buildings, and on and off construction sites, remains unclear.

## Part C - Freight challenges in London

This section deals with the key operational challenges affecting freight transport in London. The section is set out under the following headings:

### **Modal challenges**

Road, rail, water, air, and pipeline challenges

### **Sector challenges**

Retail, Courier, Servicing and Maintenance, Oil and Chemical, Construction, Waste, and Utilities challenges

### **Potential CO<sub>2</sub> savings through modal change/shift**

- C.1. This part of the Plan has been informed by the LSDP's members, its Business Plan Coordination Group, Modal and Special Knowledge Groups, Industry Action Groups and sub-regional Freight Quality Partnerships. Boroughs, local FQPs, freight operator market research and consultation respondees have greatly assisted in the Plan's development.
- C.2. This section presents the main issues and resulting challenges by mode and sector, so that solutions can be identified that best reflect the diversity of freight operations. The consideration of specific sector supply chains enables opportunities for change to be better understood.
- C.3. This Plan deals with problems that are complex, and not easy to solve. There are few directly transferable examples from other world class cities that can be drawn upon.

### ***Modal challenges***

#### **Road freight**

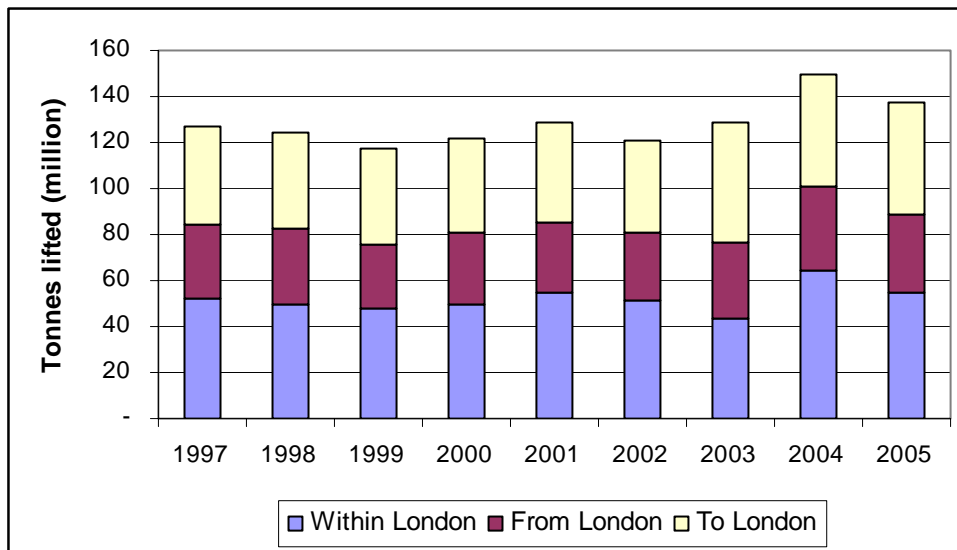
- C.4. Delivering in the UK and London is mainly undertaken by road. In the London Freight Data Report it is recorded that 88 per cent of freight lifted in London is by road. The UK's logistics operations are widely regarded as being second to none in terms of their operational efficiency. The Eddington Transport Study<sup>36</sup> reports that 72 per cent of journeys made by the HGV sector are over 100kms. Across England, freight demand is very sharply concentrated on the London - Birmingham - Manchester corridor

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<sup>36</sup> HMSO (2006) *Eddington Transport Study: The case for action: Sir Rod Eddington's advice to Government*



and the Liverpool - Manchester - Leeds corridor, together with links to the major ports. This produces large volumes of inter-regional traffic, much of it concentrated on the Midlands/M1 corridor and M25 logistics hubs.



**Figure C-1 Freight lifted by heavy goods vehicles in London, 1997-2005**

- C.5. Figure C-1 shows the inter-regional dependency of London on freight flows. It provides an indication of demands affecting the Capital's strategic road networks - the Transport for London Road Network (TLRN) and Strategic Road Network (SRN)<sup>37</sup>.

### **Reliability**

- C.6. The impact of congestion is to reduce journey time reliability. The growing number of vans may play a greater role than HGVs in adding to peak period congestion, and more understanding of this is needed. Restrictions on drivers' working hours for vehicles over 3.5 tonnes, and the lack of places to legally stop and rest, create a particular problem to be overcome.
- C.7. Improved integration of abnormal load routing/journey time planning is a specific opportunity for improved network reliability. Most of this activity is in the construction sector.
- C.8. Measures to increase journey reliability for people and goods, such as Red Routes and bus lanes, can also increase restrictions on delivery times unless sensitively designed. Giving further priority to freight by introducing HGVs into bus lanes has been tried but there are significant safety concerns for cyclists and other vulnerable users. A cross-modal integrated approach to developing and managing road corridors would seek to

<sup>37</sup> DfT (2006) *Freight Statistics* (based on special tabulations from CSRG, the International Road Haulage Survey and the Survey of Privately Owned Vans)

maximise journey time benefits for freight within the constraints of meeting the essential needs of other road users.

- C.9. Boroughs and TfL will also need to continue to improve real-time traffic management and access to electronic information on delivery restrictions. This will minimise areas where commercial vehicles make deliveries or collections illegally, which frequently affects road capacity and reliability.
- C.10. Night-time delivery of goods and servicing can have a role to play in helping to minimise day-time congestion and improve freight reliability. London's borough councils may impose delivery curfews through planning conditions and noise abatement notices to protect the night-time amenity of residents. However, operators and businesses often complain these are not consistent or recorded coherently, are often out of date and do not relate to current uses or practices.
- C.11. Borough councils and London Councils also maintain the London Lorry Control Scheme (LLCS). This scheme restricts the routes that can be used by lorries over 18 tonnes at night and over the weekend. While helping to protect residential night-time amenity, the scheme can sometimes lead to an increase in fuel use and emissions, and deter journeys at less congested times of the day.
- C.12. Congestion caused by collisions, especially those involving fatalities on key freight corridors, can also be very disruptive to freight operations, in some circumstances grid-locking sections of London's road network for considerable periods. Ensuring the freight workforce is adequately trained to minimise these operational road risks is essential to help minimise these network delays and the consequent journey time unreliability.
- C.13. Bridge-strikes, damage or other disruptions as diverse as security alerts or flooding can have a significant impact on the reliability of freight operations. There is limited understanding about where such disruption might be critical to London and the steps taken to minimise the risk.
- C.14. Introduction of the LEZ in February 2008 is estimated to reduce restricted activity days by about 266,000 days (-12 per cent), the number of life years lost by nearly 2,600 years (-20 per cent) and reduce the number of premature deaths by 45 (-20 per cent)<sup>38</sup>. The scheme will have significant impact in improving the health of Londoners<sup>39</sup>.

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<sup>38</sup> TfL (2006) *Health Impact Assessment of the Low Emission Zone*, ERM.

<sup>39</sup> Restricted activity days is a measure of the number of days of poor health experienced by an individual over the course of a year. Other benefits estimated to 2020.

- C.15. Road user charging, should it be pursued as part of a national scheme with the objectives of reducing congestion and bringing environmental benefits, has the potential to deliver improved journey time reliability and lower fuel consumption and emissions for freight. Operationally, a key challenge in any development of road user charging in London as part of a national scheme would be to integrate existing and planned initiatives, including Congestion Charging and the LEZ, so that regulatory and administrative burdens on operators are minimised.

### ***Regulations and efficiency***

- C.16. Operators work within a range of regulations that affect operations in London, including the LLCS, Congestion Charging, the LEZ, red route and yellow line loading restrictions, Controlled Parking Zones and the process for seeking loading exemptions. Planning for deliveries in these conditions is complex, and can be difficult and costly. There is limited coordination between the many and varied organisations involved.
- C.17. Currently the most common grievance among London's freight operators is the inconsistency in regulations and enforcement between authorities and the level of penalty charge notices (PCNs) for delivery vehicles.
- C.18. The need to improve the efficiency of movement of goods and people on the TLRN is recognised in the Mayor's Transport Strategy. However, this can lead to problems for operators wishing to deliver at a time suitable to their business need. On the TLRN, around 30 per cent of all PCNs are issued to commercial vehicles for parking and loading offences. Without providing safe and legal loading space for new developments, where practicable off-street, this problem will continue.
- C.19. Operators need to be encouraged and rewarded for employing best practice. TfL and the GLA Group have an opportunity to lead in the procurement of delivery and servicing contracts using award criteria that take account of the operators' use of best practice.

### ***Improving safety***

- C.20. In 2005, 2,789 people were killed or seriously injured on London's roads, with 402 of these incidents involving freight vehicles<sup>40</sup>. About 14 per cent of all collisions involving goods vehicles result in serious or fatal injuries, which is higher than for other road users.

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<sup>40</sup> TfL (2006) *Goods vehicle casualty data for Greater London* provided by the London Road Safety Unit, TfL

- C.21. The Mayor has already made a clear commitment to tackle the HGV/cyclist collisions issue through the Share the Road campaign and other initiatives. This will need support through the Plan. However, as shown in Table C-1, more pedestrians than cyclists were involved killed and seriously injured (KSI) incidents involving goods vehicles in 2005, while there were as many pedestrian fatalities involving HGVs as there were cyclist fatalities. In looking at the overall picture of collisions involving freight vehicles, it is clear that more needs to be done, specifically to reduce KSIs involving pedestrians, car drivers, powered two-wheelers and cyclists. Such action must include publicity to raise awareness, training, and employing best practice such as retrofitting mirrors and side-guards.
- C.22. In line with improvements across all modes, there has been significant progress towards meeting the Mayoral target of a 50 per cent reduction in killed and seriously injured (KSI) collisions by 2010. This is calculated from base figures averaged from 1994 to 1998. For collisions involving freight vehicles, the 2005 figures shown in Table C-1 represent a 49 per cent reduction, indicating that if these injury savings can be maintained, the Mayoral targets are attainable.

**Table C-1 Collisions involving goods vehicles (2005)<sup>41</sup>**

Casualty mode of travel	Fatal			Serious			KSI			Total
	LGV	MGV	HGV	LGV	MGV	HGV	LGV	MGV	HGV	
Pedestrian	7	1	6	53	13	20	60	14	26	<b>100</b>
Pedal cycle	3	0	6	31	3	11	34	3	17	<b>54</b>
Powered two-wheeler	2	0	4	60	8	12	62	8	16	<b>86</b>
Car	4	0	2	54	8	29	58	8	31	<b>97</b>
Taxi	0	0	0	3	0	0	3	0	0	<b>3</b>
Bus or coach	0	0	0	4	1	1	4	1	1	<b>6</b>
Goods vehicle	1	0	0	36	4	12	37	4	12	<b>53</b>
Other	0	0	0	2	0	1	2	0	1	<b>3</b>
<b>TOTAL</b>	<b>17</b>	<b>1</b>	<b>18</b>	<b>243</b>	<b>37</b>	<b>86</b>	<b>260</b>	<b>38</b>	<b>104</b>	<b>402</b>

- C.23. Research shows that speed is a significant contributory factor in freight vehicle collisions, particularly those involving van drivers, who do not require special training. A significant challenge will be to improve vehicle operator and driver practices to provide a safer environment in which London's diverse communities can thrive.
- C.24. In 2004, the freight sector directly employed 111,400 workers at 6,155 workplaces in London<sup>42</sup>. Van and HGV drivers made up 23 per cent of all

<sup>41</sup> TfL (2006) *Goods vehicle casualty data for Greater London* provided by the London Road Safety Unit, TfL

freight and logistics sector employees. The current reported shortage of trained HGV drivers may be exacerbated in 2009 by the planned requirements for continuing driver development which are detailed in EU Directive: 2003/59/EC Vocational Driver Training.

- C.25. The Leitch Report<sup>43</sup> calls for a voluntary increase in driver standards by 2010, otherwise regulations may be passed to set minimum qualification standards for the industry. Resources to support driver training and development are currently available through the organisation Skills for Logistics, a sector skills council for the freight logistics industries. One challenge is to target training towards Black, Asian and Minority Ethnic communities as they are currently under-represented in the freight sector<sup>44</sup>.
- C.26. Vehicle standards are also of concern, with VOSA reporting prohibition rates of 27 per cent for HGV motor vehicle 'road worthiness' spot checks in the South East and London metropolitan areas<sup>45</sup>. In London, foreign vehicles lifted approximately 3.5 million tonnes, which was equivalent to 2.8 per cent of the freight lifted by British vehicles. The prohibition rates of 38 per cent and 51.1 per cent for foreign HGV tractor and trailer spot checks was much greater than for UK HGVs (26.7 per cent and 27.4 per cent, though the sampling is not random).
- C.27. For LGV overloading, the prohibition rate on spot checks has been increasing year on year and is now 33 per cent compared with 30 per cent nationally. Van overloading is a particular concern, possibly caused by the lack of regulatory controls and low cost of entry to van operations.
- C.28. Overloading and unroadworthiness directly relate to increased risk of collisions and severity of injury. The challenge is to find effective enforcement measures, supported by appropriate resources, to address these issues.

## Rail freight

- C.29. Details of future approaches to rail freight are contained in the London Rail Freight Strategy, a companion to this Plan. However it is useful to highlight the key challenges ahead. The rail network in and around London faces

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<sup>42</sup> Skills for Logistics (2006) *Greater London Logistics Sector Regional Profile*, produced by Stephen Grey, Skills for Logistics

<sup>43</sup> HMSO (2006) *Prosperity for all in the Global Economy - World Class Skills*, Lord Leitch's final report

<sup>44</sup> Skills for Logistics, UK Logistics Profile Aug 2007 – p 28

<sup>45</sup> VOSA (2006) *Effectiveness Report 2004/5*, VOSA

growth pressures from both passenger and freight. The industry's own forecasts of freight growth, which TfL endorses, show that rail freight that operates in London (for example container and construction traffic) is expected to experience much stronger growth than the UK average. However, more needs to be done to encourage growth in freight and promote modal change. These challenges are developed in more detail in the London Rail Freight Strategy, which identifies and evaluates packages of solutions.

### ***Regional growth***

- C.30. Rail can play an important role in accommodating London's growth and in helping to deliver key projects such as London 2012, Stratford City and the wider Thames Gateway development. This growth is expected to increase rail freight traffic, notably aggregates, retail goods (including international flows from continental Europe) and possibly waste and recyclates, with associated increases in the volume of road movements at terminals.
- C.31. This growth is occurring within the context of an already congested rail network. The Rail Freight Strategy seeks to accommodate both expanding passenger and freight services

### ***Modal change***

- C.32. By increasing its mode share, rail can play an important role in making the transport system more sustainable and meeting CO<sub>2</sub> emissions reduction targets. There is thought to be latent demand for rail freight services carrying consumer goods to and from London; however the lack of terminal/warehouse capacity in particular is constraining this demand (see Appendix D, point 11). This should be addressed by making a better case for these terminals in the planning system. In addition to trunk haul routes, there may be opportunities for some intra-London traffic to transfer to rail, particularly construction and waste traffic.
- C.33. National rail generates 4 per cent of ground-based transport CO<sub>2</sub> emissions in London. It has reduced its emissions per passenger kilometre over the last 10 years, due largely to mode shift and lower emissions from national grid electricity. CO<sub>2</sub> emissions from the operation of national rail services will further benefit from the increased generation of electricity from renewable or low carbon sources, along with new technologies, infrastructure, behaviour and policy. TfL London Rail, in particular, is bringing together carbon reduction initiatives as part of the London Rail Energy Action Plan.

### ***Port growth***

C.34. With the recent granting of approval for the London Gateway Port, accommodating growth in deep sea container traffic between the existing and planned East Coast ports (Haven ports and North Thameside) and the rest of the country is seen as essential. Effective partnerships are needed to help secure the necessary investment, which includes upgrading routes through London and creating alternative routes that do not pass through London.

### ***International connectivity***

C.35. Improving London's international competitiveness by improving connectivity with European rail freight networks is important for growth. There are opportunities for developing greater use of the Channel Tunnel for rail freight, particularly with the opening of the High Speed 1 line in 2007 and the progressive liberalisation of Continental rail freight markets. The challenge is to grow capacity and capability inside and outside London by developing partnerships, particularly in relation to terminal facilities for High Speed 1.

### ***Planning***

C.36. Planning of facilities has to be undertaken whilst striking an appropriate balance between strategic rail freight benefits and the local impacts of freight activities. There will be an increased demand for the development of inter-modal terminals to support sub-regional and inter-regional distribution. This should be encouraged where it accords with other Mayoral policies.

### ***Changes in competitive environment***

C.37. Changes in the competitive environment of the freight transport industry are expected to provide opportunities for rail freight to grow. It is important that the framework within which the industry operates facilitates this growth.

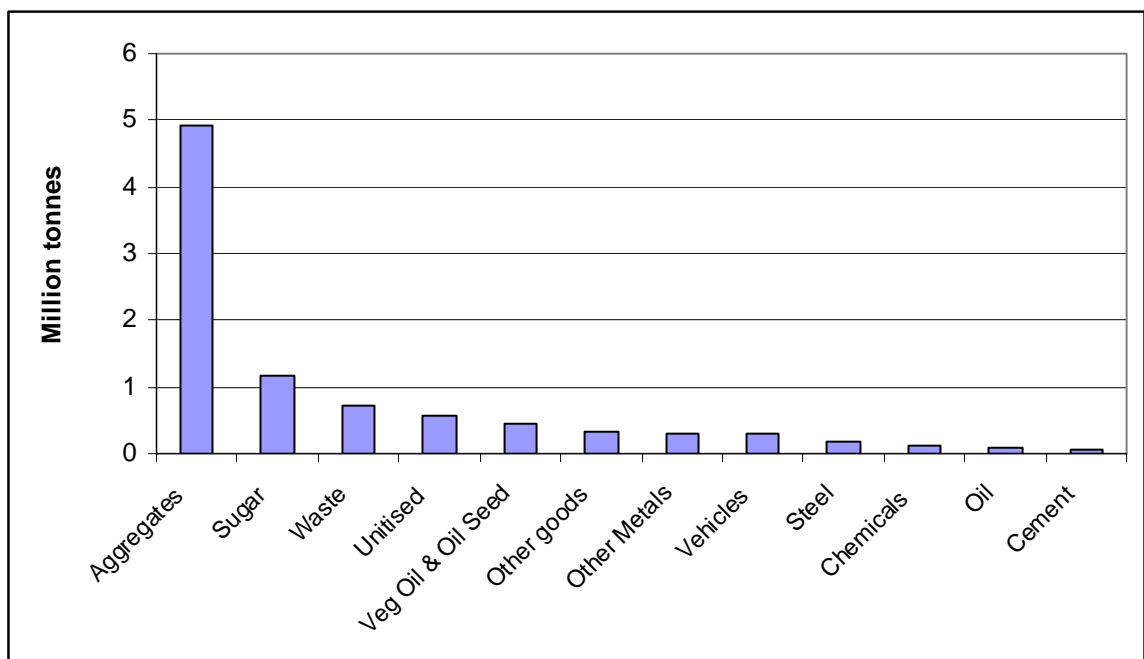
### ***Customer requirements***

C.38. The commercial requirements of rail freight operators differ from the needs of passenger rail operators. In planning how to accommodate growth in both passenger and freight it is important that these differing needs are appreciated and taken into account.

## Waterborne freight

C.39. The PLA and British Waterways look after the Capital's river and inland waterway systems respectively. The PLA is responsible for the Port of London, the largest port in the southern UK. It handles almost 55m tonnes, with another 2.2m tonnes of traffic transhipped between its various terminals. It comprises the Port of Tilbury and over 60 operational terminals and wharves along the tidal Thames, including 50 wharves within Greater London.

Figure C-2 Freight handled by the PLA at wharves in London, 2005



### **Modal change**

C.40. Inland waterways include the non-tidal section of the Thames, the River Lea and Lee Navigation, the Grand Union Canal, Regent's Canal, and the Limehouse Cut. Currently, little use is made of these waterways for freight. This offers an opportunity to relieve congested roads and reduce transport emissions. The challenge, in collaboration with the PLA and British Waterways, is to stimulate and develop new opportunities for freight.

C.41. Opportunities will arise for waterborne freight to be used by major construction projects such as London 2012, Crossrail and Stratford City. The funding of Prescott Lock for London 2012 and its legacy development will allow the movement of 350 tonne barges onto the site from 2008.

C.42. Two key challenges are to identify, develop and realise the benefits for the London 2012 legacy period and to give early consideration of waterborne freight during the development of any near-water construction proposals.



- C.43. Low bridges, loss of water through more intensive use of locks, slow manual locks and dredging to support freight barges all need addressing. The challenges are to:
- Secure funding for waterways and infrastructure development
  - Support an increase in waterborne freight with new barges and barge design, capacity and availability
  - Bridge a significant skills gap among those required to operate barges and boats on the waterways

### **Port growth**

- C.44. To take advantage of increased freight opportunities, the PLA forecasts that additional capacity will be required to handle increased cargo volumes to 2015, both inside and outside Greater London. With likely major port developments along the Thames, including the recently approved London Gateway Port Development (Shell Haven), expected to generate up to 14,000 new jobs, there will be substantially increased container and other traffic.
- C.45. Consideration for the development of strategic, secure consolidation points near the port development and London boundary is important – and should take into account the differences between China-Europe and Africa-Europe cargo.
- C.46. Opportunities exist to adopt sustainable onward transport modes, particularly ship-to-rail. There may also be potential to tranship container and bulk cargoes upstream, and to bring back into use a number of protected wharves through compulsory purchase and development.

### **Planning**

- C.47. Fifty wharves lying within Greater London are safeguarded by ministerial direction following the Mayor's recommendations in the London Plan Implementation Report<sup>46</sup>. It is important to protect the 24/7 operational remit of these facilities and, by implication, the road access to them.
- C.48. The Mayor's power to secure river wharves along the Thames does not extend to canal wharves or the necessary supporting land. Studies of the Grand Union Canal have identified a number of development sites with the opportunity for inter-modal transfer and the distribution of waste,

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<sup>46</sup> GLA (2005) *Safeguarded Wharves on the River Thames London Plan Implementation Report*

recyclates and construction materials<sup>47</sup>. Protection of these sites is provided for by the Land for Transport Function Special Planning Guidance, which may need to be enhanced and/or strengthened in the future.

- C.49. Another challenge is to bring forward the development of facilities in balance with the social and environmental needs of local communities.

## **Air freight**

- C.50. Air freight continues to grow year-on-year and the London Plan (Further Alterations) recognises that adequate airport capacity serving a wide range of destinations is critical to the competitive position of London in the global economy<sup>48</sup>. Typically goods flown by air tend to be high value, low weight and time sensitive. Heathrow is responsible for 20 per cent of the UK's international trade by value and accounts for 56 per cent of all UK air freight<sup>49</sup>.
- C.51. London's airports have recently seen annual freight growth rates of between 8 and 14 per cent, though the industry expects that this will slow to an average of 6-7 per cent over the next 20 years. However there are specific industry sectors where growth is substantial. Courier and parcel sector 'Integrators' are expected to account for half of the UK's airfreight market by 2030<sup>50</sup>. Ninety four per cent of air freight arrives and departs at Heathrow in the belly hold of passenger aircraft, with the remaining 6 per cent arriving on dedicated freight-only aircraft<sup>51</sup>.
- C.52. Heathrow's attractiveness for the air freight industry is due to the range of destinations served by its airlines and the density and frequency of the schedules operated.

## **Modal change and efficiency**

- C.53. Heathrow is also important in providing air freight services to the UK regions. The UK Air Freight Study Report<sup>52</sup> estimates that, annually, 106,000 tonnes of air freight is trucked to and from Scotland through London. Heathrow also serves continental Europe and truck movements

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<sup>47</sup> Peter Brett Associates (2005) *West London Canal Network, Developing Water Borne Freight on the West London Canal Network*, Vol1 and Vol2.

<sup>48</sup> Policy 3C.6

<sup>49</sup> CAA, Statistics Airport Data 2005.

<sup>50</sup> [http://www.dft.gov.uk/stellent/groups/dft\\_aviation/documents/page/dft\\_aviation\\_026040.hcsp](http://www.dft.gov.uk/stellent/groups/dft_aviation/documents/page/dft_aviation_026040.hcsp)

<sup>51</sup> CAA (2006) *CAA Statistics*, Table 15

<sup>52</sup> HMSO (2000) *UK Air Freight Study Report*

occur between Heathrow and key airports such as Frankfurt, Paris and Amsterdam. The challenge is to understand these freight flows, which could lead to modal change and efficiency opportunities.

- C.54. It is estimated that there are about 1.6 to 2.0 million road trips per year associated with the various movements of air freight at Heathrow<sup>53</sup>, with an inevitable impact on congestion. The challenge is to understand the onward road distribution of goods and identify opportunities for increased efficiencies and modal change.
- C.55. There is evidence that road transport serving the air cargo industry does not always operate at an optimum efficiency level. Road trailers may be despatched by airlines, transit shed operators and freight forwarders to meet the requirements of individual flights, as opposed to consolidated loads.

### ***Climate change and air quality***

- C.56. This intense level of road haulage activity takes time, costs money and is not ideal in environmental terms. In particular, high levels of NO<sub>x</sub> and in particular nitrogen dioxide (NO<sub>2</sub> - the more harmful component of NO<sub>x</sub>) recorded around Heathrow exceed the Government's air quality targets. This is an area that requires close working and cooperation with all parties in the air freight industry.
- C.57. When on the ground, planes contribute 11 per cent of all London's ground-based transport emissions<sup>54</sup>, so reductions in this area have the potential to deliver significant benefits.

### **Pipeline**

- C.58. Pipelines offer an alternative method of transportation that removes goods from the road. They typically supply water, remove sewage and waste products, and distribute and supply gas and petroleum products. Water and sewage are transported through an estimated 128,000 km<sup>55</sup> of pipes under London, offering the only door-to-door service alternative to the road network.

### ***Congestion and delays***

- C.59. London's expected growth will increase demand for water, sewage and petroleum-based products to be moved by pipeline, with the inevitable

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<sup>53</sup> UK Airfreight Study, Stage 2, DETR Aviation Policy Unit, p85, 23 August 2002

<sup>54</sup> GLA (2007) *Action Today to Protect Tomorrow, The Mayor's Climate Change Action Plan*

<sup>55</sup> TfL (2006) Personal communication to TfL Freight Unit

extension of existing networks (see the section on Utilities). The challenge is to promote the mode, but reduce the related disruption caused by maintenance, renewal or installation.

- C.60. Sewage pipelines are susceptible to flooding. The challenge is to find ways of using rainwater harvesting and sustainable urban drainage systems to alleviate some of the localised impacts and reduce disruption caused to the road transport network.
- C.61. Following the incident at the Buncefield Depot and pipeline maintenance issues affecting key water, oil and gas operators, there is a recognised need to upgrade many existing oil, gas and water pipelines.

### ***Modal change***

- C.62. New pipeline systems are being developed and commercially installed (particularly in Scandinavia) for waste and recyclates. However, without appropriate consideration at the design stage, the opportunity to promote modal change will be lost.
- C.63. Underground freight pipelines are used at airports for baggage handling. The highly reliable MagLev System at Heathrow has been in use for over 10 years. This technology is being considered by other major world class cities and in the longer term could provide a fast, reliable and economic retail distribution system for London as surface congestion increases.

## ***Sector challenges***

### **Retail freight**

- C.64. This sector is highly diverse and hugely important to sustaining London as a world class city. Projected growth in comparison goods and convenience goods is expected to increase annually by 4.8 per cent and 2 per cent respectively between 2001 and 2016<sup>56</sup>. The planned growth in London's population and workforce will increase retail demand, while the Capital's rising appeal as a tourist, conference and leisure destination will further increase the demand for hotel, restaurant and leisure facilities.
- C.65. While the retail and wholesale sector covers a complex range of supply chains, it is the sub-set of issues around local sustainable food distribution<sup>57</sup> with low-carbon vehicles which is perhaps the most visible in

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<sup>56</sup>GLA (2004) London Town Centre Assessment - Comparison Goods Floorspace Need; GLA (2005) London Town Centre Assessment - Convenience Goods Floorspace Need

<sup>57</sup> London Sustainable Food Hub, Research Report, Sustain 2005

terms of freight activity. However a recent study commissioned for the LDA<sup>58</sup> suggests that to increase access to sustainable healthy food in support of the Mayor's Food Strategy<sup>59</sup> the focus should be on food procurement and a local sustainable food brand, along with ensuring sustainable food delivery through existing wholesale markets, rather than providing additional physical facilities.

### ***Efficiency and out-of-hours deliveries***

C.66. Based on this projected growth and the need for increased sustainable distribution of both convenience and comparison goods, there are opportunities to increase consolidation, out-of-hours deliveries and use of alternative modes, all of which reduce congestion and CO<sub>2</sub>, particulate and NO<sub>x</sub> emissions. This is a particular issue for smaller and medium-sized retailers where economies of scale affect the commercial viability of these activities. Attention is needed if these opportunities are to be brought forward and changes to supply chain operations made within a commercial environment.

### ***Access to legal delivery facilities***

C.67. Different types of retail outlet have very different delivery needs, some taking much longer than the 20-minute maximum imposed by on-street loading restrictions. The opportunity exists to consider freight PCN hotspot minimisation as part of the Network Management Duty.

### ***Planning***

C.68. Some of the forecast growth in retail will be met through the expansion and redevelopment of existing facilities and more productive use of space. However new developments are also planned across London, including at Stratford, White City, Brent Cross/Cricklewood, Wembley, King's Cross, Elephant and Castle, Kingston, Croydon and Battersea. Overall, the growth in floor space is expected to be around 0.8-1.2m m<sup>2</sup> for comparison goods and 0.1 to 0.3m m<sup>2</sup> for convenience goods by 2016<sup>60</sup>.

C.69. Ensuring that sufficient freight facilities are provided in new retail developments is essential. It is especially important for large centres where consolidation of deliveries could provide substantial congestion and environmental benefits.

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<sup>58</sup> Unpublished LDA Food Hub Study

<sup>59</sup> Mayor of London Food Strategy, Healthy & Sustainable Food for London 2006

<sup>60</sup> GLA (2004) *London Town Centre Assessment - Comparison Goods Floorspace Need*

GLA (2005) *London Town Centre Assessment - Convenience Goods Floorspace Need*

GLA (2006) *Mayor of London, Central London Sub Regional Development Framework*

- C.70. The challenge is to ensure that developers address freight issues during both the construction and operation phases of a development, through a transport assessment. In addition, regulatory authorities should apply conditions requiring consolidation and out-of-hours deliveries, as appropriate, as well as requiring proper design of freight facilities to help minimise illegal activity and trip numbers. This is particularly important for mixed use developments, to minimise the impact of deliveries to acceptable levels for all users.
- C.71. In order to support the rejuvenation of town centres and prevent further movement to out of town retail development, where it may be easier to deliver goods, active consideration should be given to deliveries in town centres and managed developments.

## **Courier freight**

- C.72. The courier industry is extremely diverse and faces many challenges delivering in London. For all companies in the sector, the internet poses both a threat and a significant growth opportunity. The threat takes the form of product substitution, eg increased use of email reducing physical document movement, whilst the growth opportunity comes from increased internet purchasing within the consumer and business markets.

### ***First-time delivery***

- C.73. About 50 per cent of UK households are unoccupied during normal working hours and 20-40 per cent of deliveries of items that cannot fit into the letterbox fail first time. In such instances, the courier may reattempt delivery a number of times, or the recipient may make a journey to collect from a local depot, leading to unnecessary vehicle trips. Finding ways to increase first-time delivery success and reduce vehicle activity is important and can be built into new developments.

### ***Access to legal delivery facilities***

- C.74. The vast majority of courier goods are delivered to road and street frontages, resulting in operators needing to park and unload in relatively close proximity. Access, provision and contractual use for legal loading is therefore a key operational efficiency concern for the sector.

### ***Consolidation and modal change***

- C.75. Reducing the overall number of courier vehicles would deliver key environmental benefits. For example, the flow of courier products from the

airports into London for same-day delivery generates significant vehicle movement. Gaining access to data on these flows may help identify and develop proposals for consolidation and modal change.

- C.76. There appears to be potential in specific areas of high delivery/collection concentrations for a switch to foot, cycle or trolley delivery. Realising this potential economically is a challenge.
- C.77. Nominated carrier schemes (ie where access is restricted to a limited number of carriers) are not generally welcomed by the courier sector and may be considered anti-competitive. However, sector consultees to the draft Plan supported the application of such schemes in major developments (eg London 2012) and other sites, such as hospitals, as they offer opportunities for consolidation.

## **Servicing and maintenance**

- C.78. This sector has unique needs in terms of parking, access and loading/unloading times. It includes the following operations:
- Removals and relocation
  - Cash-in-transit;
  - Newspaper distribution
  - Supply of office consumables
  - Building facilities management and maintenance, eg cleaning and lift servicing
  - Supply to hotels, hospitals and educational establishments

### ***Access to legal delivery facilities***

- C.79. The removals sector is concerned about loading/unloading time limits, permits and the administration process associated with dispensations and/or suspensions. Overcoming this challenge will require a partnership approach to provide a coordinated service that meets these needs.
- C.80. The cash-in-transit sector seeks to park as close as possible to premises to enable the safe transfer of cash and valuables. It does not support increases in provision of night-time deliveries due to concerns about crime. In 2006, 435 attacks were made on cash-in-transit vehicles in the Metropolitan Police Service area<sup>61</sup>.
- C.81. Pursuant to Section 17 of the Crime and Disorder Act 1998, highway authorities have a duty to help design-out crime. There is an opportunity to

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<sup>61</sup> Source: BSIA 15/3/2007

exercise this duty in relation to cash-in-transit as part of street redevelopments.

### ***Out-of-hours servicing and maintenance***

C.82. The increasing difficulties of making servicing and maintenance trips in London is seen as a cause of rising costs and decreasing efficiency by sector operators. Some organisations are looking at alternative ways of servicing. Further work is needed to develop best practice, including exploring the potential of pick up/drop off and locker boxes which have worked well elsewhere.

### **Oil and chemical freight**

C.83. The main activity in this sector is the distribution of petroleum products from regional depots located on the periphery of London to large users and to retail forecourts.

C.84. Some of the key issues for the sector revolve around protecting local communities and the environment. These can be summarised as:

- Tighter control of high risk and dangerous goods
- Increasingly stringent anti-pollution measures relating to the use, storage and distribution of chemicals and fuels
- Measures to ensure goods are transported safely

### ***Route planning***

C.85. Fuel distribution is likely to remain largely road-based. Suitable information to enable efficient route planning for the carriage of oils and chemicals is important, including the provision of information and regulations, such as bridge height and tunnel restrictions.

### ***Modal change***

C.86. The industry will have to respond to changes in fuel usage and the types of fuel used, which may influence distribution operations as different vehicles may be required to distribute different fuel types.

### ***Out-of-hours deliveries***

C.87. The delivery of fuel at night appears to have some significant benefits given the potentially hazardous nature of the product and the overall demand for road space. Whilst a number of operators deliver at night, the level of activity and future potential needs to be understood.



### ***Alternative fuels***

C.88. Proposals for the development of sites in London for the production of cleaner fuels, such as bio- or synthetic diesels utilising waste oil and other wastes, will also have impacts on the distribution, transport and development of outlets. Electrically powered vehicles have an added advantage in that their 'fuel' does not require special transportation.

### **Construction freight**

- C.89. The construction industry uses a large range of commodities, from bulk aggregates to the smallest fittings. Delivery times are imposed by sites and sometimes by borough curfews. Vehicles from a vast array of suppliers frequently travel long distances. Congestion and delays on the main trunking routes can lead to delivery windows being missed and goods being sent back.
- C.90. Alternatively, loads arriving early may have to wait, often causing congestion and attracting parking fines. Both these scenarios can lead to difficulties with drivers exceeding their allowed hours. These factors contribute to just 50 per cent of deliveries arriving at the right place at the right time.
- C.91. Site-generated construction and demolition waste is a particular concern. New regulations coming into force in 2008<sup>62</sup> will require construction sites for works over £250,000 to have a site waste management plan. As materials are left on-site in bulk, theft and damage can lead to over-ordering and increased costs. Damaged and even unused goods are often treated as waste.

### ***Consolidation***

- C.92. The London Construction Consolidation Centre (LCCC) pilot has been running since September 2005 and shows significant transport and construction efficiency benefits, such as increased delivery reliability (97 per cent), a reduction in vehicle trips to site and local emissions (of 75 per cent each) and the potential to reduce site waste.
- C.93. The challenge for London is to promote the widespread adoption of this concept. This can be achieved through:
- Construction clients requiring the consideration and/or use of consolidation through their contracts

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<sup>62</sup> NetRegs <http://www.netregs.gov.uk/netregs/legislation/380525/1555007/>

- Developers and contractors choosing to use consolidation for good practice and economic/productivity considerations
- Encouraging construction consolidation through the planning process by using site construction plans, Construction Statements and transport assessments for construction and operational phases to minimise trips, contract deviation and waste
- Drawing on the Mayor's Supplementary Planning Guidance on sustainable design and construction and the *London Best Practice Guide on Construction: The control of dust and emissions from construction and demolition*
- Contract award criteria that encourage freight companies to actively demonstrate logistics best practice.

### **Modal change**

C.94. The road network has limited ability to expand. More consideration needs to be given to the use of water and rail for construction traffic, though it should be recognised that such opportunities will only arise under certain conditions, especially as rail already carries around 40 per cent of construction traffic.

### **Waste**

C.95. In 2003, the Capital produced about 18m tonnes of waste. This is expected to rise to 22.5m tonnes by 2020 as London grows<sup>63</sup>. One of the Mayor's goals is to manage 85 per cent of London's waste within London by 2020, compared with the current rate of 60 per cent. A particular issue is that of the freight demand generated by the expected increase in recycling, which is predicted to grow as local authorities and businesses aim to meet more rigorous recycling and recovery targets.

C.96. The shift to greater levels of recycling could significantly alter the economic balance of existing bulk waste shipments. Therefore consideration should be given to locating new facilities where there is established or easy to deliver rail/water access to help prevent a proliferation in recycled material vehicle shipments being moved across London by road.

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<sup>63</sup> GLA (2006) The London Plan Spatial Development Strategy for Greater London: Housing provision targets, waste and minerals alterations, GLA

### **Road transport minimisation and efficiency**

- C.97. The Mayor estimates that 308 new waste management facilities<sup>64</sup> will be needed across London to reduce the Capital's dependency on landfill sites in other regions. The locations of these facilities will affect their waste transport requirements and impacts. The challenge is to ensure that strategic planning and development proposals keep waste transport impacts to a minimum.
- C.98. The road transport impact could be further reduced if commercial, industrial and municipal solid wastes were jointly managed locally.
- C.99. Recent applications of road-only logistics routing and scheduling software applied to council waste collection rounds elsewhere in the UK have yielded reductions up to 25 per cent in distances travelled<sup>65</sup>. The challenge is to encourage cooperation between neighbouring businesses so that commercial and industrial waste collection can be more easily optimised.
- C.100. Changing logistics practices to use other modes or to consolidate loads requires innovative waste collection equipment. TfL is undertaking preliminary trials of a new Multi-modal Refuse Collection Vehicle (MMRCV), which would be of an open design and free for use in London.
- C.101. The challenge for the sector will be to adopt inter-modal vehicle designs which can increase movements by water and rail. Identifying ways to introduce the MMRCV into London's waste fleets will bring significant benefits in areas where the direct delivery to local recovery facilities is not possible.

#### **Multi-modal Refuse Collection Vehicle – key facts**

Based on data from two London boroughs (Royal Borough of Kensington and Chelsea and London Borough of Redbridge), if similar reductions could be achieved across the whole of London, savings could be in the order of:

- 37 per cent reduction in the number of vehicles
- 30 per cent cost reduction
- 38 per cent mileage reduction
- CO<sub>2</sub> emissions reduction

### **Planning**

- C.102. Waste authorities will have the role of working with the Mayor, LDA, each other and the planning authorities to protect inter-modal facilities and maximise the use of sustainable modes of transport.

<sup>64</sup> GLA (2005) The draft London Plan Alterations Planning for Waste, Planning for Minerals,

<sup>65</sup> DfT (2006) Optimising Vehicles undertaking waste collection, Transport Research Group, University of Southampton.

- C.103. Clients and planners must ensure that waste arising from the demolition and operation of new and existing developments is either managed on-site and/or managed to minimise the road distances travelled to the sites that receive these wastes for reuse, treatment or disposal.

### ***Fly-tipping***

- C.104. The dumping of waste material in public spaces is both anti-social and illegal. It requires local authorities, at taxpayers' expense, to clear it up and gives an unfair competitive advantage to any illegal operator involved. London appears to have the worst problem: more than 28,000 fly-tipping incidents were reported each month in 2005/6, with 79 per cent of these occurring on public highways<sup>66</sup>.
- C.105. The challenge will be to address these issues, including removing the unfair competitive advantage gained by illegally operating companies. This issue is one of the concerns monitored by the sustainable freight progress measures.

### ***Energy from waste***

- C.106. Bio-degradable waste is a renewable source of methane and can be used as a fuel for either stationary or transport applications. As the Landfill Directive<sup>67</sup> sets decreasing target limits for municipal bio-degradable wastes sent to landfill, there is an opportunity to introduce waste management processes to treat bio-degradable waste and turn it into a renewable fuel. The Climate Change Action Plan contains a target for the waste and biomass industry to contribute 1.1m tonnes of carbon savings per year.

## **Utilities**

- C.107. Utilities are businesses using underground or overground equipment to physically or electronically move goods or information. Gas, electricity, telecommunications, water and sewage companies all fall into this sector.
- C.108. There are over 200 utility companies operating in London. The majority are small or medium operators. Because many vehicles used by such companies will be less than 3.5 tonnes it is unclear how many vehicles actually operate in this sector.
- C.109. It is believed that some of the larger utility companies operate fleets of about 300 vehicles over 3.5 tonnes inside the Capital. The number of

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<sup>66</sup> Defra (2007) *London Flycapture Results, April 2005 to March 2006*

such utility vehicles in London could exceed 1,000 and there may well be three to five times this number of vans.

- C.110. Utilities maintenance and renewal leads to street-works, congestion and delays. In 2006/07 nearly 270,000 roadworks affecting all of London's boroughs were recorded on the TfL LONDONworks database. Of these over 35,000 lasted for a week or more.

### ***Fleet efficiency***

- C.111. The challenge is to encourage the uptake of best practice for fuel efficiency, operational road risk and PCN reduction by operators which could offer significant congestion, emission and safety benefits for London.

### ***Client responsibility***

- C.112. Many utility companies frequently employ contractors to undertake roadworks on their behalf. As utility companies can choose the criteria they expect contracted operators to comply with, the challenge is to encourage them to specify contractors employing demonstrable best practice.

### ***Traffic Management Act responsibility***

- C.113. The Traffic Management Act 2004 places a duty on all traffic authorities to make sure road networks are managed effectively to minimise congestion and disruption to vehicles and pedestrians. TfL and the boroughs are the traffic authorities responsible for London's road network. TfL is responsible for facilitating cooperation between London's traffic authorities and utility companies requiring planned road and street-works.
- C.114. Utilities vehicles and those of contractors maintaining the underground infrastructure are at risk from PCNs. The challenge is to ensure parking enforcement agencies take into account situations where vehicles off-loading materials and specialist plant can make rapid deliveries to site without penalty.
- C.115. Encouraging TfL and the boroughs to use the principles of best practice to ensure utility companies minimise network disruption caused by uncoordinated street-works would also reap dividends.

### **Potential CO<sub>2</sub> savings through modal change/shift**

- C.116 The potential environmental benefits of a change from road to water or rail are considerable. However, the economic and practical opportunity for

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<sup>67</sup> Landfill Directive 1999/31/EC

modal change is limited, given the key advantage of flexibility that road-based transport offers. To realise a 20 per cent modal shift to rail of the 48m tonnes of road freight moved to London each year, new large-scale rail terminals would need to be sited on the edge of London. Such a shift could produce about an 80,000 tonne CO<sub>2</sub> saving per year, mainly outside London.

C.117 There could also be a modal switch within London to canal and river. A five per cent modal shift to water of the 55m tonnes of road freight moved within London could achieve about a 4,000 tonne CO<sub>2</sub> saving per year. In addition, a switch from road to walking and cycling by couriers has the potential to reduce delivery and collection trips: initial estimates suggest that a total of 75,000 van km, equating to about 20 tonnes of CO<sub>2</sub>, could be saved per year. In terms of municipal waste, the London Plan sets out the policy that, as far as is possible, waste is managed locally<sup>68</sup>, thus minimising transport impacts. Initial estimates for the CO<sub>2</sub> saving arising from this policy are included in the 4,000 tonnes of CO<sub>2</sub> saving identified for modal switch to river and canal.

**Table C-2 Freight modal change CO<sub>2</sub> saving (2025)**

Opportunity	Tonnes CO <sub>2</sub> per year saved
Rail	80,000
Water	4,000
Walk/Cycle	20
<b>Total</b>	<b>0.08 mt/y</b>

C.118 Table C-2 above provides provisional estimates of potential CO<sub>2</sub> savings from assessed modal change<sup>69</sup> opportunities. Further savings from sector supply chain configuration changes are likely to add to the 0.08mt/y shown.

<sup>68</sup> Mayor of London 2004 The London Plan Spatial Development Strategy for Greater London, Policy 4A.3

<sup>69</sup> An in-depth analysis of this potential can be found in Appendix D: Climate Change; paras 9 to 16 inclusive on pages 95 - 97

## Part D - The delivery plan

This section of the Plan summarises the key elements outlined in Parts B and C that the Plan must address. It details the projects and workstreams developed in response to this and the feedback received on the draft Plan.

Progress measures are described that will assess how initiatives are contributing to the attainment of the vision for sustainable freight distribution in London Modal Challenges.

To help understand how the plan contributes to the Climate Change Action Plan and safety agenda, summary figures are included.

The section concludes with an analysis of aligning funding and resources that will enable effective delivery of the Plan.

### Summary of key elements

- D.1. The key elements outlined in Part B that the delivery plan will need to address include:
- Focusing on the GLA Group's role in leading others in the boroughs, education and health sectors
  - Increasing the use of green fleet practices where there is direct control and as part of a travel plan approach for building operations, using green procurement practices wherever possible, and alternative modes where practical
  - Increasing the use of green fleet practices as part of a travel plan approach for construction and development operations, using green procurement practices wherever possible, and alternative modes where practical
  - Integrating freight considerations into the travel plan process, with links in turn to the planning process and the use of planning conditions, to require freight to be detailed in transport assessments for construction and building operations. These assessments will indicate how green fleet procurement, provision and contractual use of legal loading facilities and techniques such as consolidation all contribute to reduced CO<sub>2</sub> emissions
  - Maximising reliability through Network Management Duty and the reduction of congestion caused by illegal kerbside delivery and servicing activity
  - Developing partnerships to share responsibility for action and gain commitment for private sector investment

- Securing access to better and more reliable freight data

D.2. The key elements outlined in Part C that the delivery plan will need to address include:

- Increasing reliability
- Improving efficiency by reducing PCNs, administrative costs, fuel use, etc
- Moving more freight while reducing vehicle km and CO<sub>2</sub> emissions
- Securing development of intermodal facilities and promoting modal shift towards more sustainable forms of freight transport
- Increasing safety, particularly for pedestrians and cyclists
- Improving driver standards and availability
- Taking advantage of less congested roads and railways during out-of-hours periods
- Reducing illegal operations, thefts and crime

### **Shaping priorities**

- D.3. During the Plan's development and throughout the consultation process, freight stakeholders in general and members of the LSDP in particular have helped to address the varied and disparate needs of the freight community. However this process has proved challenging.
- D.4. Following this extensive consultation process, including a period of further engagement with London Councils and the boroughs, the original eight draft proposals and 114 identified tasks have been revisited and simplified.
- D.5. Publication of the Mayor's Climate Change Action Plan placed an additional demand to show how the Plan contributes to meeting CO<sub>2</sub> reduction targets.
- D.6. A delivery-focused plan is presented which capitalises on the lessons learnt during the consultation. This represents only the first steps towards understanding and addressing the freight agenda. It is essential that the plan remains flexible enough to take advantage of new opportunities and emerging needs and is developed and built upon in any revision of the Mayor's Transport Strategy.

### **Projects and workstreams**

- D.7. The original priorities are now aligned as four key projects with three supporting workstreams. These will help TfL, other statutory agencies,



London Councils, boroughs, operators and businesses to forge closer links and work together to make a real difference in London and for Londoners.

- D.8. Assessment of the potential impacts of the projects and workstreams on the sustainability of London's freight operations is included in Appendix B.
- D.9. The four key projects, already at pre-launch stage and designed to commence their delivery phases in the autumn of 2007, are:
1. **Freight Operator Recognition Scheme**, designed to promote green fleet practices, increase driver and operations manager skills for working in London, reduce CO<sub>2</sub>, improve efficiency and reduce collisions, particularly with pedestrians and cyclists. The scheme also provides industry standards to help clients procure sustainable freight operators.
  2. **Delivery and Servicing Plans (DSPs)**, or the use of the travel plan approach and green fleet procurement, to reduce the freight CO<sub>2</sub> emissions of a building's operation. Provides a tool for use by Traffic Authorities and Planning Authorities to improve reliability.
  3. **Construction Logistics Plans (CLPs)**, or the use of the travel plan approach and green fleet procurement, to maximise the use of alternate modes and reduce the freight CO<sub>2</sub> emissions of a construction or development operation. Provides a tool for use by Traffic Authorities and Planning Authorities to improve reliability.
  4. **Freight Information Portal (FIP)**, helping to share best practice, reduce administrative burdens and improve efficiency. Provides a single place to go for information about delivering in London.
- D.10. These four projects are supported by three workstreams:
1. **Partnership Development** (including LSDP and sub-regional FQPs) to promote greater coordination of freight investment, better access to resources and improved local links between boroughs, businesses and operators.
  2. **Major projects** focused on promoting modal change from road to more sustainable alternatives (such as rail and water), and on reducing CO<sub>2</sub> emissions, will be developed as they arise and as funding is secured.
  3. **Data, modelling and best practice** to identify case studies where green fleet management, use of alternative modes and low-carbon vehicles has resulted in reduced CO<sub>2</sub> emissions and collisions.
- D.11. A brief summary of key milestones is included.

- D.12. The main roles and responsibilities are identified and benchmarks included to help clarify the key responsibilities of the boroughs in helping to deliver the Plan and to assist in coordinating their contribution. The benchmarks are also intended to help boroughs identify their progress and comparative performance in delivering the Plan. Updates will be provided in an annual London Freight Progress Report. Baselining the benchmarks will be undertaken during 2007.

## **PROJECTS**

### **Project One - Freight Operator Recognition Scheme**

- D.13. This project is designed to encourage freight operators to take up green fleet management and the use of best practice and to increase the sustainability of London's freight distribution. The project has already been developed with trade union involvement and with close collaborative partnership<sup>70</sup> to engage effectively with freight operators and facilitate the sharing of information.
- D.14. The scheme will be London's cornerstone for promoting the safe, reliable and efficient movement of freight and servicing trips to, from and within London, in balance with the needs of other transport users, the environment and Londoners' quality of life.
- D.15. Operators will join the scheme as members, with tiers of membership reflecting freight operator achievements. It will offer members incentives to increase the sustainability of their operations and to develop their skills, including best practice development for:
- Training to improve safety and reduce CO<sub>2</sub> and emissions
  - Maintenance, to improve safety and reduce fuel consumption, CO<sub>2</sub> and emissions;
  - Management of road risk to improve safety, particularly for pedestrians and cyclists
  - Fuel efficiency, to save costs and reduce CO<sub>2</sub> and emissions
  - The use of low-carbon engine technologies such as hybrid and electric vehicles, hydrogen fuel cells and biofuels to reduce CO<sub>2</sub> and emissions
- D.16. Members demonstrating commitment to scheme standards will be rewarded with valuable benefits. Conversely those repeatedly failing to

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<sup>70</sup> Metropolitan Police: Skills for Logistics: Vehicle and Operator Services Agency (VOSA): Department for Transport (DfT): Health and Safety Executive (HSE): Road Haulage Association (RHA): Freight Transport Association (FTA)

progress or meet agreed standards may find their benefits downgraded or membership withdrawn.

- D.17. A Commercial Vehicle Education Unit (CVEU), with representatives from the Metropolitan Police Service (MPS), Health and Safety Executive (HSE) and Vehicle and Operator Services Agency (VOSA), will encourage legal compliance. The unit will have solid links with parent organisations to ensure effective and coordinated enforcement. It will also undertake education to raise awareness of the need to avoid collisions, particularly with pedestrians and cyclists.
- D.18. The GLA Group will lead in requiring its own and contracted delivery and/or servicing fleets to be registered with the scheme. London's local authorities, together with other government bodies, will be encouraged to adopt the same approach.
- D.19. This will promote the various levels of membership of the scheme as the quality standard for sustainable freight distribution, with legal compliance at its heart. In time, the use of scheme-registered companies will become the norm for delivery and servicing contracts, and a requirement of planning applications.
- D.20. Across London, industry and borough initiatives such as the Considerate Contractors scheme will be aligned to the scheme. In addition, annual Freight Operator Recognition Scheme awards will recognise outstanding performance.
- D.21. Benefits will be developed recognising operator needs. These will include subsidised NVQ Level 2 Training, called the London Freight Booster, helping to meet ongoing driver competence requirements.
- D.22. Members will benefit from advice about fuel efficiency, PCN reduction, legal record keeping and the management of occupational road risks. Tailored action plans to help reduce collisions, emissions and costs will also be developed.

## *IMPACTS*

- D.23. The **economy** in London will improve as scheme members receive help, guidance and advice to reduce PCNs and improve journey reliability.
- D.24. The **environment** will benefit as freight's air quality impacts are lessened by reducing fuel consumption (therefore CO<sub>2</sub> and emissions), improving vehicle maintenance and driver training, and using less-polluting vehicles.

Fly-tipping will be reduced through the use of responsible, scheme-registered companies for waste disposal.

- D.25. **Society** will be improved by reducing casualties and fatalities, particularly among pedestrians, cyclists and drivers of powered two-wheelers.

### MILESTONES

1. By autumn 2007, scheme registration and level 1 membership will be in place, with level 1 incentives developed for trial.
2. By spring 2008, the London Freight Booster for drivers and managers will be in place.
3. By spring 2008, fuel efficiency support staff will be in place.
4. By autumn 2008, scheme level 2 and level 3 will be in place with level 2 and 3 incentives developed.
5. By autumn 2008, VOSA resources will be included within the Commercial Vehicle Education Unit.
6. By spring 2010, 75 per cent of TfL, GLA Group and boroughs' own and contracted fleets will be signed up.
7. By spring 2016, 50 per cent of HGV and van fleets serving London will be signed up.

### ROLES and RESPONSIBILITIES

Roles	Responsibilities
Provision of Freight Operator Recognition Scheme services	TfL, Commercial Vehicle Education Unit (CVEU) of the Metropolitan Police Service (MPS), Health & Safety Executive (HSE), Vehicle Operator Services Agency (VOSA), Learning and Skills Council training network, FTA, RHA
Potential members	Freight operators based in London, freight operators delivering into London
Associated enforcement	MPS, CVEU, VOSA
Promotion	TfL, GLA Group, boroughs, sub-regional Freight Quality Partnerships, Department for Transport, FTA, RHA, other relevant trade associations
Monitoring	TfL, CVEU (MPS, HSE, VOSA), Learning and Skills Council training network, FTA, RHA

Roles	Responsibilities
Borough benchmark	All borough freight fleets to be Freight Operator Recognition Scheme-registered

## Project Two - Delivery and Servicing Plans (DSPs)

- D.26. These plans will be the freight equivalent of employee travel plans and will ultimately be integrated into the travel planning process. They include the consideration of consolidation and collaborative delivery arrangements to help reduce the impact of commercial goods and servicing vehicle activity in and out of premises/developments.
- D.27. DSPs will have three main elements:
- A plan to reduce the number of trips, particularly in the peak period, justified by a transport assessment that considers the benefits of using consolidation
  - A plan showing when and where deliveries and servicing can take place safely and legally
  - Details of contractual changes requiring suppliers and servicing companies to reduce the number of trips and to use legal loading facilities. The selection process for supply and servicing contracts will specify Freight Operator Recognition Scheme membership.
- D.28. The use of Freight Operator Recognition Scheme members will have additional environmental, economic and social benefits. Organisations using this approach will be able to demonstrate best value and environmental credibility.
- D.29. Due to the difficulty in securing adoption of this approach, TfL and the GLA Group will take the lead in developing DSPs for all of their premises.
- D.30. Corporate and Social Responsibility measures will be used to promote the adoption of a similar approach by borough councils, waste collection authorities, waste disposal authorities, other local government bodies, health authorities and key private sector businesses generating a significant volume of peak period delivery or servicing trips.
- D.31. In time, borough and GLA planners will require all large planning applications for developments and all smaller developments over an agreed threshold to develop and implement DSPs. Plans will be tracked

through the Travel Plan iTrace system and will feed the TRAVL database to provide valuable freight data.

- D.32. To help prioritise where attention should be focused in line with the Traffic Management Act 2004, London's traffic authorities will be encouraged to monitor the location and density of penalty charge notices for commercial vehicles.

## *IMPACTS*

- D.33. Efficiency of the **economy** will improve as commercial vehicle PCNs are reduced by the contractual use of legal loading facilities and scheme-registered operators. Reliability will also increase as freight operators reduce trips and make more off-peak and out-of-hours deliveries.
- D.34. The **environment** will improve through a reduction in congestion, the take-up of initiatives such as consolidation and the promotion of a long-term shift to more sustainable forms of freight.
- D.35. **Society** will benefit from a reduction in casualties as freight vehicles make more use of off-peak and out-of-hours delivery and servicing times. The use of legal loading plans for cash-in-transit activities - and access to the Commercial Vehicle Education Unit's local insight into problem areas – will also cut the number of thefts.

## *MILESTONES*

1. By winter 2008, five TfL funded sub-regional coordinator posts will be in place for DSPs and Construction Logistics Plans (see below)
2. By winter 2010, the GLA Group will have drawn up DSPs and legal loading plans for all of its premises
3. By spring 2010, TfL and boroughs will have addressed priority PCN Hotspots in response to their Network Management Duty
4. By spring 2011, borough DPDs will be modified where necessary to require Delivery and Servicing Plans in the planning process
5. By winter 2016, DSPs and legal loading plans will be drawn up for a prioritised list of premises including those of borough councils, development agencies, health authorities and key private sector businesses premises

## ROLES AND RESPONSIBILITIES

Roles	Responsibilities
Provision of DSP advice	TfL, sub-regional DSP/CLP officers, sub-regional FQP secretariat, sub-regional coordinators
Those needing DSPs	GLA Group, borough councils, waste collection authorities, waste disposal authorities, other local government bodies, LDA, health authorities, private sector businesses generating high volume of peak freight trips, planning applicants
Associated enforcement	Borough Development Control officers, TfL and GLA Land-use Planning Team
Promotion	TfL, GLA Group, boroughs, traffic authorities, sub-regional Freight Quality Partnerships, Department for Transport, FTA, RHA, other relevant trade associations
Monitoring	TfL, sub-regional DSP & CLP officers
Borough benchmark	Borough DSP developed with Freight Operator Recognition Scheme promotion
	Borough Network Management Duty approach to include minimising priority PCN hotspots
	DPD requirement for DSP development

### Project Three - Construction Logistics Plans (CLPs)

- D.36. These plans are very similar to the DSPs described above and will also be integrated into the travel planning process. They cover:
- The design of buildings to maximise benefits of implementation
  - Delivery operations during the construction phase
- D.37. The plans will consider consolidation and other techniques to help minimise trips (particularly in peak times), lane closures and illegal waiting/loading activities. This will in turn reduce congestion and emissions.

- D.38. The plans also link supply and site servicing contracts to Freight Operator Recognition Scheme membership with the associated benefits of reduced emissions, collisions, congestion and costs this brings.
- D.39. CLPs will have four main elements:
- Encouraging the inclusion of design features to minimise the number of delivery trips during the operation phase of the building (when the Delivery and Servicing Plan will be enacted)
  - A plan to reduce the contract duration and the number of trips, particularly in the peak period, together with a Site Waste Management Plan, justified by a transport assessment that considers the benefits of using consolidation
  - A plan showing when and where deliveries and servicing can take place legally
  - Details of contractual changes that require suppliers and servicing companies to reduce the number of trips and to use legal loading facilities (eg through Freight Operator Recognition Scheme membership)
- D.40. As with Delivery and Servicing Plans, TfL and the GLA Group will take the lead in requiring their own construction projects to develop and use CLPs. Suitable assessment criteria, including Freight Operator Recognition Scheme membership, will be drawn up to demonstrate best value and operator sustainability for delivery and site servicing contracts.
- D.41. Corporate and Social Responsibility will be promoted to encourage the adoption of similar good practice by public organisations such as local authorities, housing associations, development agencies and health authorities.
- D.42. In time planning applications for all major developments, along with smaller developments over an agreed threshold, will require the submission and implementation of CLPs.
- D.43. To help target improvements in reliability, London's traffic authorities will be encouraged to require developments located on capacity-sensitive links to demonstrate how lane closures and illegal waiting/loading will be minimised for deliveries, and how construction duration and the total number of deliveries will be reduced.



## *IMPACTS*

- D.44. The **economy** will benefit from an increase in legal loading and improvements in reliability resulting from fewer trips, a reduction in construction duration and illegal waiting at or near sites, and the promotion of off-peak and out-of-hours deliveries.
- D.45. In terms of the **environment**, air quality impacts will be reduced by minimising site deliveries and using the most sustainable forms of freight available.
- D.46. **Society** will be improved by reducing the number of casualties caused by freight vehicle accidents, by minimising congestion and deliveries, and by reducing theft through the use of consolidation centres.
- D.47. As with Delivery and Servicing Plans, by linking supplier contracts with Freight Operator Recognition Scheme membership, the wider benefits of the scheme can be accelerated.

## *MILESTONES*

1. By spring 2008, GLA Group will prioritise a list of construction projects requiring CLPs
2. By spring 2010, CLPs will be in place for these priority contracts
3. By spring 2010, borough councils, waste disposal authorities, housing associations, other local government buildings, development agencies and health authorities will establish CLPs for prioritised contracts
4. By spring 2010, TfL and boroughs will implement CLPs for developments on the TLRN/SRN
5. By Spring 2011, borough DPDs will be modified where necessary to require CLPs as part of the planning process.

## ROLES AND RESPONSIBILITIES

<b>Roles</b>	<b>Responsibilities</b>
Provision of CLP advice	TfL, sub-regional plans' officers, sub-regional FQP secretariats, sub-regional coordinators
Drafting of CLPs	GLA Group, borough councils, other local government bodies, LDA, health authorities, large private sector developments and those above agreed threshold
Associated enforcement	TfL, Borough Development Control officers
Promotion	TfL, GLA Group, boroughs, traffic authorities, sub-regional Freight Quality Partnerships, Department for Transport, FTA, RHA, other relevant trade associations
Monitoring	TfL, sub-regional CLP and DSP officers
Borough benchmark	CLPs developed for all borough construction work with Freight Operator Recognition Scheme compliance included
	Borough Network Management Duty approach to include minimising construction site lane closures and illegal waiting/loading
	DPD requirement for Construction Logistics Plan development

## **Project Four - Freight Information Portal**

- D.48. The portal aims to simplify the complicated array of information and requirements from differing sources facing operators in London. Users of the portal are expected to include freight operators and drivers, Freight Quality Partnerships, businesses, freight associations, and local and national government.
- D.49. By providing information more effectively, the portal should encourage efficiency and the uptake of best practice. The portal will enable access to a range of services offered by a wide range of partners facilitated through a single point of reference.
- D.50. In addition to these services, the portal will enable effective dissemination of information on best practice, Freight Quality Partnerships and updates on the projects and workstreams contained in this Plan.
- D.51. Links to national and international content will include a London-centric Freight News feature with, as a key example, the opportunity to highlight successful actions taken against persistent fly-tipping offenders.
- D.52. The development of information on the portal will be linked to the operator priorities identified by an expanding Freight Operator Recognition Scheme membership. This will allow the freight community to more efficiently and effectively plan journeys, increase journey time reliability and reduce emissions, while enabling TfL to better manage freight movements in balance with other road users.

## *IMPACTS*

- D.53. The **economy** will benefit from freight operators having improved access to legal loading information and permit/exemption systems to help them reduce the number of PCNs. Smoother journeys will result from the provision of journey time reliability information and journey planning systems promoting off-peak and out-of-hours deliveries. Increased compliance with loading restrictions will also reduce congestion.
- D.54. The **environment** will be improved for the same reasons mentioned above, along with reductions in fuel use and emissions and fly-tipping incidents.
- D.55. **Society** will be improved by reducing the number of casualties involving freight vehicles and by promoting off-peak and out-of-hours delivery and servicing times. The number of thefts associated with freight activities on

London roads will also be reduced through better crime data and by highlighting successful action against offenders.

## MILESTONES

1. By autumn 2007, a portal development strategy and marketing and promotional approach will be agreed.
2. By winter 2008, stage 1 implementation will be completed, including initial services and Freight Operator Recognition Scheme incentives
3. By winter 2010, stage 2 implementation will be completed, including further services and Freight Operator Recognition Scheme incentives
4. By winter 2011, stage 3 implementation - including ongoing support and plans for future development – will be completed.

## ROLES AND RESPONSIBILITIES

<b>Roles</b>	<b>Responsibilities</b>
FIP users	TfL, sub-regional FQP members, businesses, operators, boroughs
Main FIP contributors	TfL, boroughs, London Councils
FIP supporters	FTA, RHA, other relevant trade associations, LDA, Learning and Skills Council, Department for Transport
Promotion	TfL, GLA Group, boroughs, sub-regional Freight Quality Partnerships, Department for Transport, FTA, RHA, other relevant trade associations
Monitoring	TfL
Borough benchmark	Provision of updated electronic data on parking and loading
	Provision of updated electronic data on speed limits
	Provision of updated electronic data on width, weight, height restrictions
	Agreement to develop pan-London parking regulations exemptions / permit system

## WORKSTREAMS

### WORKSTREAM 1 - Partnership development

- D.56. TfL cannot deliver the Freight Plan alone. Partnership is absolutely vital if the vision for sustainable freight distribution is to be achieved. To successfully secure access to funds and better alignment of projects it is essential that TfL concentrates much of its activity on developing and supporting partnerships.
- D.57. The investment in freight, staff and money that any one partner is able to make adds to the potential total if all partners work together.
- D.58. The **London Sustainable Distribution Partnership (LSDP)** will remain the main focus for TfL and the GLA Group to engage with the freight and business communities on strategic freight issues.
- D.59. The LSDP will continue to have widespread representation from the freight industry, business and London's FQPs in addition to specialists with knowledge and expertise on freight related matters.
- D.60. The LSDP will identify the need for guidance, help inform and oversee the development of initiatives and align work from partner organisations to maximise investment and progress towards the vision for sustainable freight distribution in London.
- D.61. **Sub-regional FQPs** will be fully established throughout London's sub-regions and their activities supported by TfL-funded borough posts.
- D.62. They will prioritise freight investment, identifying where more local initiatives are needed and where opportunities for modal shift can be taken forward, and will share expertise and advice on freight best practice to maximise progress.
- D.63. They will have agreed action plans contributing to the aims of the Plan by specifically reducing commercial vehicle PCNs, collisions, fly-tipping and thefts and increasing Freight Operator Recognition Scheme membership.
- D.64. Sub-regionally, FQPs will have practical communications and marketing strategies to achieve widespread awareness and active member participation. There will be two-way dialogue between the freight industry and with other stakeholders to promote the use of the Plan's Operator Guide and to share best practice.
- D.65. FQPs will assist in gathering commercial vehicle PCN data to prioritise hotspots (before commercial vehicle PCN flags are introduced by all enforcement authorities) as a focus for borough programmes and projects.

## *IMPACTS*

- D.66. **Economic** efficiency will be increased as boroughs and TfL work towards reducing commercial vehicle PCNs. Reliability will be improved through the promotion of Freight Operator Recognition Scheme membership by LSDP and sub-regional FQPs. It will also be improved by better journey planning and by the uptake of Delivery and Servicing Plans and Construction Logistics Plans, encouraging off-peak deliveries and legal deliveries that cause less congestion.
- D.67. The **environment** will be enhanced as air quality and emissions are lessened through promotion of Freight Operator Recognition Scheme membership. Improved fuel efficiency, modal shift, better journey planning and an increase in off-peak deliveries and legal deliveries resulting from the uptake of Delivery and Servicing Plans and Construction Logistics Plans will also have environmental benefits. Fly-tipping reduction will be achieved through locally identified initiatives.
- D.68. Impacts on **society** will be reduced through local initiatives identified by sub-regional FQPs. These will promote Freight Operator Recognition Scheme membership - leading to better management of operational road risk and improved vehicle maintenance and driver standards – while seeking to reduce theft and other crime associated with freight use.

## *MILESTONES*

1. By winter 2007, a Borough Toolkit will be published
2. By spring 2008, sub-regional Freight Quality Partnerships will be established in all London sub-regions
3. By summer 2008, TfL-funded secretariat posts for sub-regional FQPs will be established in all lead boroughs/partnership organisations
4. By winter 2008, Freight Supplementary Planning Guidance and Best Practice Guidance will be produced.

## ROLES AND RESPONSIBILITIES

Roles	Responsibilities
Provision of partnership secretariat support	TfL, borough sub-regional FQP secretariats
Partnership funding	TfL, other contributions invited
Partnership advise	TfL, Borough Toolkit
Monitoring	TfL, borough sub-regional FQP secretariats
Borough benchmark	Participation of boroughs within sub-regional FQPs

### WORKSTREAM 2 - Major projects

- D.69. Collaboratively funded, this workstream will develop and assist in the implementation of major freight projects/initiatives as they arise. Projects will enable Delivery and Servicing Plans and Construction Logistics Plans to take advantage of new opportunities, for example, by promoting modal change.
- D.70. Individual business cases with impacts and key milestones will be developed for each project. New projects meeting the objectives of the Plan will be identified with partners as funds become available.
- D.71. The status and responsibilities for current major projects are identified in Table D-1.

**Table D-1 Major project summary**

<b>Project</b>	<b>Responsibilities</b>	<b>Status</b>
Abnormal Load Routing Upgrade	TfL (lead/fund), CVEU (administration), MPS (support)	Scoping
Breakdown Removal Service Upgrade	TfL (lead/ fund)	Scoping
Congestion Charging Systems Upgrade	TfL (lead & fund)	Scheme in preparation
Lea Navigation Lock Automation	British Waterways (lead)	Scoping
LEZ Implementation	TfL (lead/fund), freight operators (vehicle renewal/RPC installation)	Ongoing
London Lorry Control Scheme	London Councils (lead), boroughs and TfL (support and fund)	Ongoing
Overseas Operator Database	Department for Transport (lead/fund), TfL (support)	Scoping
Prescott Lock	BW (lead/fund), with support and funding from TfL, TGDC, ODA, Department for Transport	Under construction
Rail Gauge Enhancements, including <ul style="list-style-type: none"> <li>• North London Line – four-tracking west of Dalston, plus other capacity upgrades</li> <li>• Willesden - Gospel Oak - Barking Line - gauge enhancement to W10, plus signalling-based capacity upgrades</li> <li>• West London Line/South London Line/Kew East Line - work to ensure freight capacity within passenger capacity improvements</li> <li>• Crossrail 1 - a number of schemes to permit continued freight capacity growth as part of wider</li> </ul>	TfL (London lead), Department for Transport (fund), Network Rail (support)	Scheme in preparation. London Rail Freight Strategy provides more information.



<p>passenger railway project</p> <ul style="list-style-type: none"> <li>Ipswich - Nuneaton - staged gauge enhancement and signalling upgrades to facilitate longer trains</li> </ul>		
Rail Terminal Development, including at Barking, to build upon European loading gauge access that freight operating on High Speed 1 would allow.	Private developers (lead/fund), freight operators (support/fund) freight Train Operating Companies (support/fund), TfL/LDA/boroughs (support)	Concept and scheme in preparation
Rail signalling works to facilitate the operation of longer trains and the efficient use of freight train paths	Network Rail	Proposed
River Lea Dredging	PLA (Lower section lead/fund), BW (Upper section lead/ fund)	Scheme in preparation
Weight In Motion Sites	VOSA (lead/support), TfL (support/fund)	Scoping

### **WORKSTREAM 3 - Data, modelling and best practice**

- D.72. To help promote improved understanding of freight operations and their role in maintaining London as a world class city, freight modelling approaches need to be developed.
- D.73. Where possible examples of best practice in accessing freight data will be used to assist this process. The benefits of adopting such practices will be demonstrated by case studies of boroughs, Freight Operator Recognition Scheme members and businesses who have adopted Delivery and Servicing Plans and Construction Logistics Plans.
- D.74. TfL's Freight Unit will continue to develop pilots and work with sub-regional FQPs, operators and businesses to identify best practice. This will include data capture and analysis to help build the business case for appropriate and timely intervention(s).
- D.75. TfL will aim to be a world leader in the collection of reliable freight data, and in the development of freight modelling approaches, producing regular updates of the London Freight Data Report.
- D.76. Progress towards achieving the vision for sustainable freight distribution in London will be reported annually. A comprehensive set of progress measures will reflect the contribution of the Plan's projects and workstreams to the economy, environment and society.
- D.77. The roles and responsibilities for data and modelling projects are shown in Table D-2 and those for best practice projects in Table D3. Specific borough benchmarks are listed below.
- D.78. TfL is working in partnership with British Waterways and the Port of London Authority to ensure effective take-up of modal shift opportunities.

D.79. Studies such as River Lea Freight Study are in progress, along with discussions to formulate ways to increase the use of Thames-side wharves for freight use.

Roles	Responsibilities
Borough benchmark	Provision of waste fleet usage/volumes/routing data
	Reporting commercial vehicle PCN data with accurate geo-coding
	Reporting fly-tipping to Environment Agency

**Table D-2 Data and modelling project summary**

<b>Data and modelling projects</b>	<b>Responsibilities</b>	<b>Status</b>
Freight Data Centre and Annual Report	University of Westminster (lead), TfL (support/fund)	Underway
Freight Knowledge Centre	University of Westminster (lead), TfL (support/fund)	Scoping
Journey Time Reliability by Sector	TfL (lead/ fund)	Scoping
Green Logistics Data and Modelling Project	Cardiff University, Heriot-Watt University, Lancaster University, University of Leeds, University of Southampton, University of Westminster, DfT, CILT, TfL (data/support)	Underway
Base Year Freight Matrices	Department for Transport (lead/fund), TfL (support/ fund)	Underway
TRAVL Development for Freight	London Councils (lead), boroughs & TfL (support/fund)	Underway
London GVA / supply chain relationships – freight policy model	TfL (lead/fund)	Scoping
Pan-London Waste Model	TfL (lead/fund), GLA (support/ fund), BRE (support/ fund)	Scoping

**Table D-3 Best practice project summary**

<b>Best practice projects</b>	<b>Responsibilities</b>	<b>Status</b>
Priority HGV lane case studies and guidance	TfL (lead/fund), Department for Transport (support/ fund)	Underway
Urban Road & Loading facility examples & design	TfL (lead/ fund), Department for Transport (support/fund), boroughs (support)	Underway
Multi-Modal Refuse Collection Vehicle (MRCV) and wider use study Pilot	TfL (lead/fund), North London Waste Authority (support), Hackney Waste Collection Authority (support)	Underway
London Construction Consolidation Centre (LCCC) Pilot and wider use study	TfL (lead/fund), Stanhope (support/fund), Bovis Lend Lease (support/ fund), Wilson James (support), Constructing Excellence (support)	Underway
CVIS Delivery Booking EU Project (underway)	EU-funded consortia, TfL (support/fund)	Underway

## Measuring progress

- D.80. As the Plan is implemented it is vital that progress toward attaining the vision for sustainable freight distribution in London is identified. This will ensure that activities are result-oriented and focused on delivery, and that all involved are informed and motivated.
- D.81. To help achieve this, a set of sustainable freight distribution progress measures have been developed. TfL will produce an annual London Freight Progress Report reporting on these progress measures with updates on research and project milestones. Baselining of the measures will be undertaken in 2007 and the first annual report produced in 2008.
- D.82. The measures represent one of the key areas addressed through dialogue with London Councils and boroughs following the publication of the draft plan. In general the measures will:
- Provide a framework to show progress at a strategic level
  - Be measured and reported at borough, sub-regional and pan-London level without placing additional burdens on boroughs
  - Be informed by the Plan's pan-London initiatives
  - Provide a view of sustainable freight distribution in London that will be relevant to a wide range of potential stakeholders
  - Be further developed as measurement mechanisms become more sophisticated
  - Ensure data capture is relevant, timely and significant, with qualitative impacts forecast for every project and accompanying workstream for both 2010 and 2016.
- D.83. To mirror the aims of sustainability outlined in this Plan, the measures are developed under the headings of **economy**, **environment** and **society**. They are also designed to be:
- London-specific
  - Practical and reflecting data availability
  - Capable of being integrated with Mayoral targets and into TfL's broader performance monitoring framework
  - Complementary to the Department for Transport's national measures

## ***Economy***

- D.84. **Commercial vehicle parking-related Penalty Charge Notices (PCNs):** These reflect the impact that incorrect provision of loading/unloading has on operator costs and on freight intensity, which is the major concern for freight operators. Data is currently available on the TLRN but not for borough roads. Steps need to be taken to capture of geo-coded commercial vehicle PCN data for these roads.
- D.85. **Journey time reliability:** These measures reflect the impact that journey time reliability (JTR) has on operator costs, freight intensity, vehicle loading factors, vehicle time utilisation and deviation from schedule. JTR is currently measured for London's general traffic only.

## ***Environment***

- D.86. **Air quality and climate change:** These measures include CO<sub>2</sub> emissions as well as related particulates and NO<sub>x</sub> emissions. In this way, freight's contribution to achieving the Mayor's climate change target of a 60 per cent CO<sub>2</sub> reduction by 2025 from 1990 base levels will be estimated and reported. Using best estimates, the Plan highlights opportunities to exceed the 0.7 mt/y target for CO<sub>2</sub> reduction and achieve a 0.9 mt/y reduction by 2025 through the use of modal shift. In line with the Mayor's revisions to the London Plan, an interim target of a 20 per cent reduction in CO<sub>2</sub> by 2015, equivalent to 0.47 mt/y has been adopted.
- D.87. **Fly-tipping:** This is a particular environmental and quality of life issue that is closely linked to the road network, including the TLRN in London. Incidents are currently recorded on the Environment Agency's website by most London boroughs. Fly-tipping is often undertaken by illegally operated and poorly maintained freight vehicles.

## ***Society***

- D.88. **Road safety:** These measures complement the Mayor's commitment to improving road safety. They will be recorded by the London Road Safety Unit to ensure that freight's contribution to targets is measured. By 2010 the aim is for a:
- 50 per cent reduction in the number of people killed or seriously injured
  - 50 per cent reduction in the number of cyclists and pedestrians killed or seriously injured

- 40 per cent reduction in the number of powered two-wheeler users killed or seriously injured
- 60 per cent reduction in the number of children killed or seriously injured
- 25 per cent reduction in the slight casualty rate, expressed as the number of people slightly injured per 100 million vehicle kilometres

D.89. **Thefts:** This measure addresses the level of theft of (and from) freight vehicles and of theft during the loading/unloading of cash-in-transit operations.

### ***Composite measure***

D.90. **Freight Operator Recognition Scheme Membership:** This measure provides an estimate of London's sustainable freight distribution performance and will clearly indicate the level of engagement with the road freight operator community.

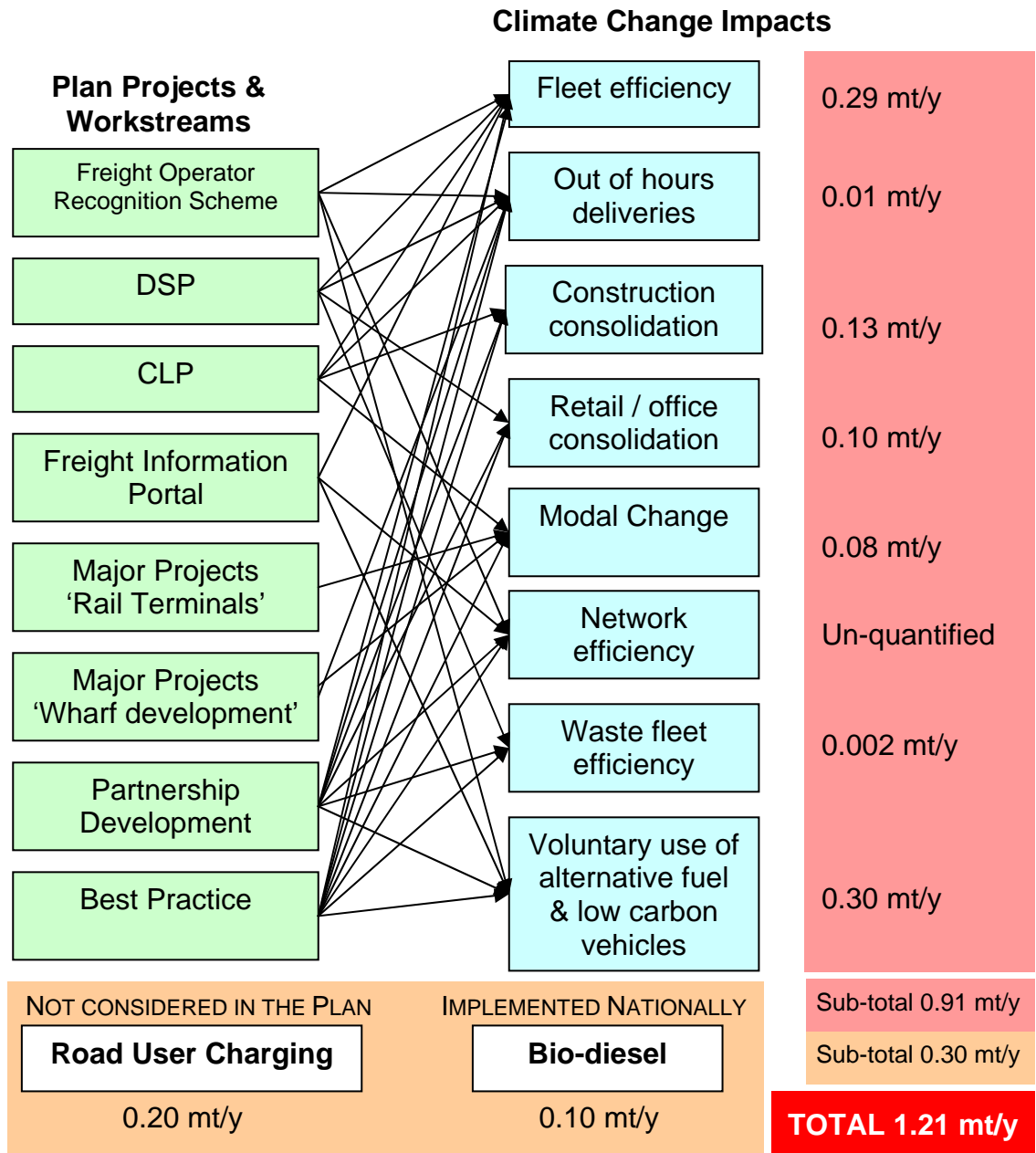
D.91. Targets are identified relating to entry-level registration. Targets for higher levels/tiers of recognition will be identified once the requirements have been set and assessed for likely take-up. Ideally:

- By April 2010, 75 per cent of TfL, GLA and LDA and boroughs' own and contracted fleets will be signed up
- By April 2010, 30 per cent of HGV and van fleets serving London will be signed up
- By April 2016, 50 per cent of HGV and van fleets serving London will be signed up.

### **Climate change summary**

D.92. To help understand how the Plan contributes to the Mayor's Climate Change Action Plan, figure D-1 has been included.





**Figure D-1 Delivery plan contribution to CO<sub>2</sub> reduction (2025)<sup>71</sup>**

### Road safety summary

- D.93. In recognition of the Mayor’s commitment to address collisions involving fatal or serious collisions, particularly between cyclists and HGVs, the Plan aims to meet the 2010 target for reducing KSIs.
- D.94. The procurement of green fleets within Delivery and Servicing Plans and Construction Logistics Plans helps increase the uptake of the Freight Operator Recognition Scheme. This will reward and recognise companies that are legally compliant and treat the road as a workplace in their

<sup>71</sup> See Appendix D  
Appendix A

management of occupational road risks. This will include the use of retrofitted mirrors, side under-run bars and cyclist warning signs.

- D.95. The Commercial Vehicle Education Unit will take preventative action on near-misses and non-fatal accidents to help identify failings in companies' Management of Operational Road Risk policies and practices before fatalities occur.

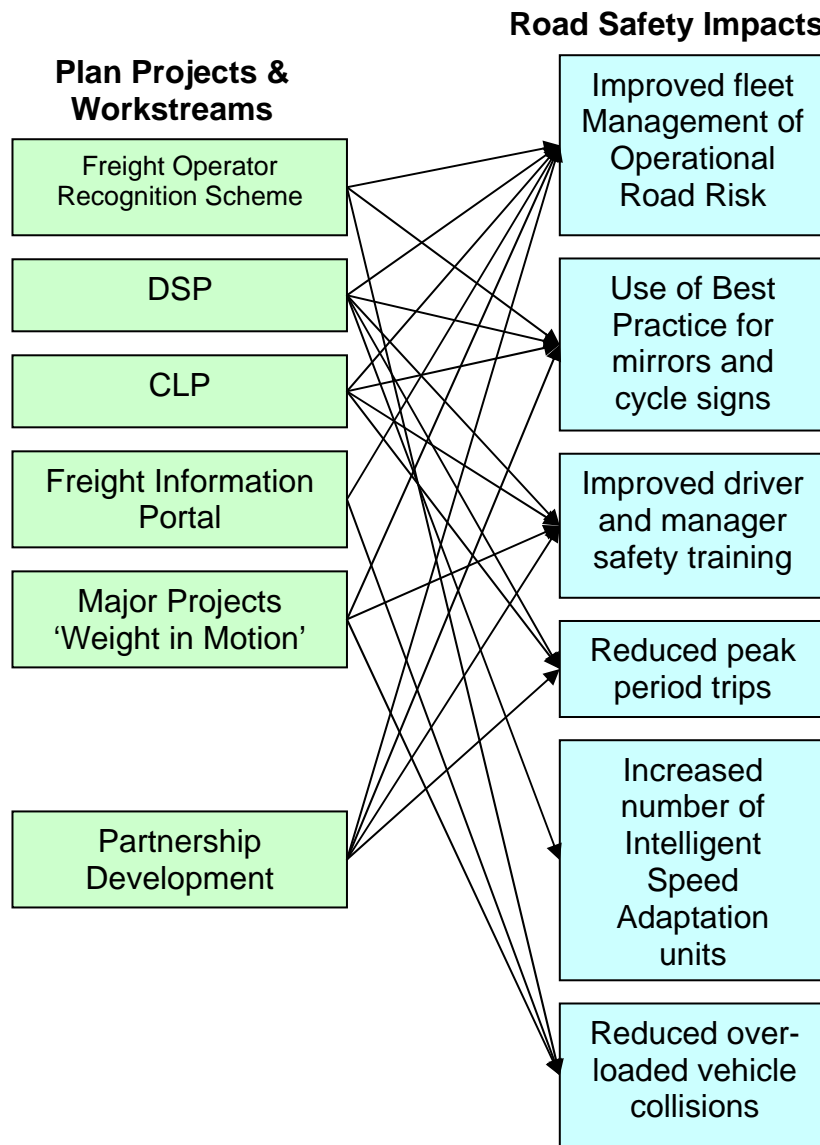


Figure D-2 Delivery plan road safety summary

## Programme funding and resources

- D.96. The development of the Plan clearly demonstrates that success depends on broad-ranging partnerships working together over the long term, with TfL acting to stimulate change, develop collaborative approaches and build sustainable capacity.

- D.97. In people terms, TfL will directly fund around 40 staff on freight issues – within TfL’s Freight Unit, the Commercial Vehicle Education Unit and the boroughs. They will work alongside staff in other organisations on freight training, enforcement and development. Overall by 2008 there will be about 200 people in place working to help the thousands of drivers, logistics support staff and managers make progress in delivering the Plan.
- D.98. Finance for the Plan comes from a variety of sources. Improved coordination of projects and investment by all those involved in freight in London will increase the scope and impact of what can be delivered.
- D.99. There are some key financial contributors in place and others that are yet to be secured. Sources include:
- TfL’s funding streams, including those specifically directed to freight, but also others that contribute to improvements in the progress measures set out earlier in this section (for example, the air quality benefits arising from the Low Emission Zone)
  - Funding from other public sector partners. These include:
    - Department for Transport and its agencies (such as VOSA)
    - The rail sector - for example, through funding being sought from the Transport Innovation Fund for infrastructure improvements to support mode shift to rail
    - The water sector - with funding contributions in place for the Prescott Lock from British Waterways. Other agencies such as the Olympic Delivery Authority and local government organisations such as Thames Gateway London Partnership
  - Investment by the private sector in, for example, new rail freight facilities or vehicle fleet improvements
- D.100. Given this wide range of confirmed and potential contributions, TfL’s direct financial input to freight (although significant) is a minority share of the total investment.
- D.101. The overall investment over the next three years could range from £150m to £450m, with TfL’s contribution being between 20 - 40 per cent of this total.
- D.102. TfL will work to maximise the investment over this period, and further ahead to 2015, through building capacity in partner organisations and promoting and coordinating investment.

D.103. The Plan will be subject to ongoing review to ensure available funds and resources are targeted at areas where the maximum benefit can be achieved.

### **Developing a long term cross-modal freight strategy**

D.104. To address the role of freight policy over the longer term (to 2025), building on the contents of this Plan and on TfL's *Transport 2025: Transport Vision for a Growing World City* document, a cross-modal freight strategy will be prepared to be included in a future revision to the Mayor's Transport Strategy.

D.105. This will enable the long-term strategy for freight to be developed in line with the strategy for all transport modes in London and with the Mayor's other strategies, most significantly the London Plan.

D.106. Critical to this longer term vision will be a further range of policy work impacting on freight, such as:

- Measures to tackle congestion and its impact on CO<sub>2</sub> while supporting London's sustainable economic growth
- Changing demand and the balance between modes for transporting goods.
- Technology and how this may influence demand and methods of transporting goods

## Appendix A: Contributors to the Plan

TfL wishes to thank the following individuals and organisations who have agreed to have their details included as contributors to the development of the London Freight Plan. Inclusion in this list does not imply that the individual or the organisation represented is in agreement with all of the content of this Plan, or that others were not involved.

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Note: This list only includes those contributors who gave their permission during the development of the Plan

## Appendix B: Assessment of projects and workstreams

To understand the contribution these identified projects and workstreams make in terms of sustainability, a qualitative assessment has been carried out. Based on a seven point scale (+++, ++, +, 0, -, --, ----), where +++ represents high-level beneficial impacts.

Pillars of Sustainable Distribution		Economy			Environment		Social			
<b>High Level Aims</b>	<b>Projects &amp; workstreams</b>	Support London's growth in population & economic activity	Improve the efficiency of freight distribution & servicing within London	Balance the needs of freight & servicing with other transport users and demands for London's resources	Improve air quality in London by reducing emissions of local air pollutants and CO <sub>2</sub> caused by freight & servicing	Improve quality of life in London by minimising impact of noise & vibration	Improve health & safety in London by reducing number of deaths & injuries associated with freight movement and servicing	Improve quality of life in London by reducing negative impacts of freight and servicing on communities		
		<b>Project 1</b>	Freight Operators Recognition Scheme (FORS)	++	+++	++	+++	++	+++	+++
		<b>Project 2</b>	Delivery & Servicing Plans (DSPs)	+++	++	+++	++	+	++	++
		<b>Project 3</b>	Construction Logistics Plans (CLPs)	+++	++	+++	++	+	++	++
		<b>Project 4</b>	Freight Information Portal (FIP)	++	++	+	++	0	+	+
		<b>Workstream 1</b>	Partnership Development	+++	+++	+++	+++	+++	+++	+++
		<b>Workstream 2</b>	Major Projects	Project dependent	Project dependent	Project dependent	Project dependent	Project dependent	Project dependent	Project dependent
		<b>Workstream 3</b>	Data, Modelling & Best Practice	+	++	+++	++	++	++	++



## Appendix C: Freight considerations for Development Plan documents

- London Plan freight policy is contained within polices 3C.24 and 3C.25
- Sustainable delivery and servicing should be considered in all new Development Plan documents
- At all stages of the development process, design, planning and construction, full consideration must be given to the freight and servicing implications to minimise adverse impacts
- Mixed use developments must consider the delivery and servicing needs of all uses to ensure freight and servicing activity has limited impact on those other uses in the development or on surrounding-road users
- Developments that generate high levels of freight movement should be located close to major transport routes
- Suitable sites and facilities should be made available to enable the transfer of freight to rail and water through the protection of existing sites and the provision of new sites
- All developments should include appropriate freight loading, waiting and parking facilities, off-the-main bus and tram routes as a minimum and off-road wherever practicable
- Planning conditions, particularly on night time and out-of-hours activity, should only be used consequent to 'user consideration' when delivering to a specific development. Good design can minimise disturbance for residents at, or en-route to, the site, for example through appropriate sound-proofing, without the need for the use of delivery curfews (see Department for Transport guidance on Delivery Restrictions – Department for Transport 2006)
- Freight Delivery and Servicing Plans should be developed for each premise providing for safe and legal delivery, collection and servicing locations, with obligations to use them
- Construction Logistics Plans should be developed to include design features to facilitate legal loading, minimisation of trip and construction duration, and to promote the use of suppliers and contractors using best practice in logistics (incorporating Construction Statements and Site Waste Management Plans). The use and maintenance of consolidation centres for construction and operational phases may also be appropriate

- Developments should provide sufficient facilities for storage and collection of segregated waste
- First-time delivery efficiency to premises, including for home delivery, should be encouraged through the use of locker banks or agreed delivery points and concierge services
- Freight requirements need to be balanced with the societal and environmental aspects of the development, and particularly:
  - The Mayor's objectives for biodiversity and protecting important wildlife and its habitat
  - The Mayor's open space and green belt policies through preferential development of brown field sites
- Current useful documents include: Land for Transport Functions SPG<sup>72</sup>, GLA Safeguard Wharves on the River Thames<sup>73</sup> and new TfL guidance on Rail Freight Planning Policy<sup>74</sup> and Development Control.<sup>75</sup>

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<sup>72</sup> GLA, March 2007, Land for Transport Functions The London Plan Supplementary Planning Guidance

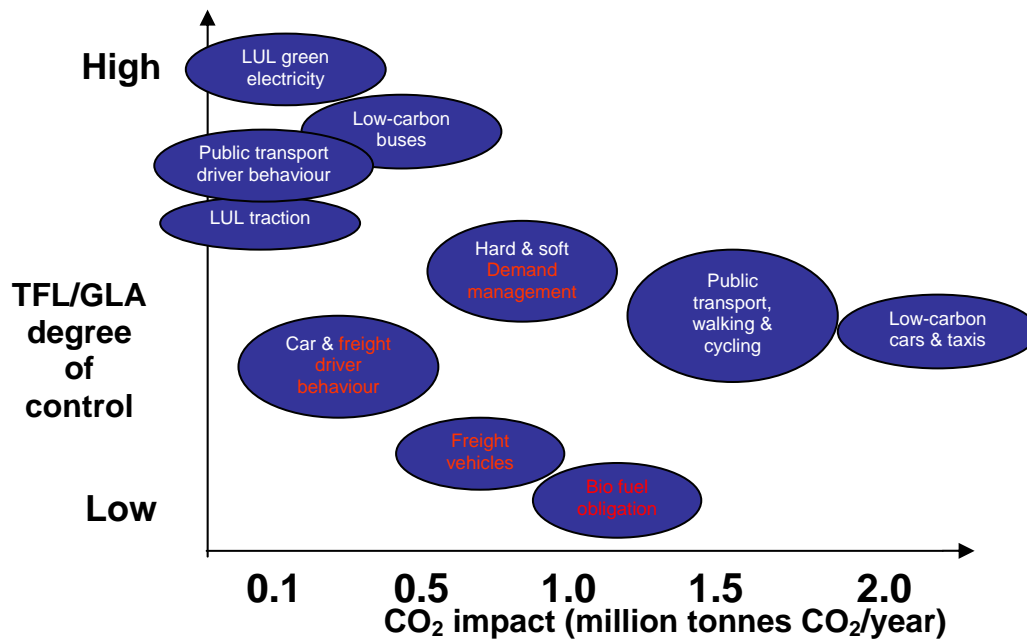
<sup>73</sup> GLA, January 2005, Safeguarded Wharves on the River Thames London Plan Implementation Report

<sup>74</sup> TfL, November 2006, Planning for the development of rail freight in London: Planning Policy Toolkit

<sup>75</sup> TfL, November 2006, Planning for the development of rail freight in London: Development Control Toolkit

## Appendix D: Climate change

- As the Climate Change Action Plan makes clear, the degree of influence the Mayor has over CO<sub>2</sub> savings varies considerably. The Mayor has direct control over Mayoral policy and functional body resources. However, in many of the most promising areas, Mayoral powers are far more limited. In these instances, influencing the commercial and public sectors will be critical.



**Figure Ad-1 Degree of Mayoral control over key transport CO<sub>2</sub> opportunities (from Climate Change Action Plan)**

- This sets the approach adopted in this Plan, with the Mayoral Group, boroughs, universities, schools and hospitals taking the leading role in areas where they have most control.
- The areas in the Climate Change Action Plan where freight can play an important role in reducing CO<sub>2</sub> are:
  - Emissions from ground based transport
  - Emissions from existing commercial and public sector activity
  - Emissions from new build and development

### ***Emissions from ground-based transport***

- Estimates of vehicle kilometres travelled by goods vehicles in London can be derived from traffic count data with assumptions made about minor road HGV Rigid/Artic proportions.

**TableAD-1 Freight vehicle distance travelled and CO<sub>2</sub> emissions**

	<3.5t Van		Rigid>3.5t HGV		Artic>3.5t HGV		Total
Emissions*	270	CO <sub>2</sub> g/Km	720	CO <sub>2</sub> g/Km	963	CO <sub>2</sub> g/Km	
Vehicle distances 2005**	billion Km per year	%	billion Km per year	%	billion Km per year	%	billion Km per year
Major Roads	2.30	72	0.64	20	0.26	8	3.2
Minor Roads***	1.65	87	0.18	10	<b>0.07</b>	4	1.9
<b>Total</b>	<b>3.95</b>	<b>77</b>	<b>0.82</b>	<b>16</b>	<b>0.33</b>	<b>6</b>	<b>5.1</b>
<b>CO<sub>2</sub> mt/y</b>	<b>1.07</b>	<b>48</b>	<b>0.59</b>	<b>27</b>	<b>0.32</b>	<b>25</b>	<b>1.98</b>
	billion Km per year	%	billion Km per year	%	billion Km per year	%	billion Km per year
<b>Vehicle distances 2025****</b>							
	5.14	77.45	1.06	16.03	0.43	6.51	6.63
<b>CO<sub>2</sub> mt/y</b>	<b>1.39</b>	<b>48%</b>	<b>0.77</b>	<b>27%</b>	<b>0.42</b>	<b>25%</b>	<b>2.57</b>
Notes:							
*Emission data for vehicles: Department for Transport 2005 transport statistics table 3.6							
**London Freight Data Report Section 5.13, from Department for Transport (2005) data.							
*** Assumes rigid/artic proportion for minor roads							
**** Assumes 30% increase but no change in vehicle proportions							

5. The total number of goods vehicles registered to keepers at addresses in London in 2006 is c.237,984 (see Table AD-2) below. However only 46 per cent of light goods vehicles up to 3.5 tonnes are registered to companies – ie c.98,000. Therefore, it is reasonable to propose that, when these vehicles are added to the number of rigid vehicle and articulated vehicles, there are c.123,000 commercially registered vehicles in London.

**Table AD-2 Goods vehicles licensed with keepers' addresses in London, 2006**

Vehicle type	Number of licensed vehicles
Light goods vehicles up to 3.5 tonnes gvw	213,671
Rigid goods vehicles over 3.5 tonnes gvw	21,317
Articulated goods vehicles over 3.5 tonnes	2,996
<b>TOTAL</b>	<b>237,984</b>
Notes:	
<i>Light goods vehicle data is for end of March 2006.</i>	
<i>Rigid and articulated goods vehicle data is for end of June 2006.</i>	
<i>Source: Department for Transport, 2006c.</i>	

6. Arriving at the number of freight vehicles directly owned and run by the GLA Group, boroughs, education and health sectors is not straightforward. Difficulties arise when trying to identify freight fleets from car fleets, and which fleets are in-house as opposed to contracted to a third party. Some

20,000 vehicles are estimated to be contracted to or regularly servicing these sectors. This equates to about 15 per cent of the 123,000 commercially registered vehicles in London, of which 5 per cent may be managed in-house. However, not all will actually be registered in London. These figures will increase by 2025.

7. The approach to reducing freight ground-based transport will depend on whether the fleet is in-house or contracted to a third party where there is less direct control. Contracted fleets and services are considered in the sections below on emissions from existing commercial and public sector activity and on emissions from new build and development.
8. Three ways to reduce CO<sub>2</sub> for ground-based vehicles have been identified in the Climate Change Action Plan:
  - Changing the mode
  - Operating vehicles more efficiently
  - Promoting the uptake of lower-carbon infrastructure, vehicle and fuel types.

### Changing the mode

9. In 2005, 88 per cent of freight in London was moved by road, and for many commodities this will always be the most effective mode. Road will nearly always be used for the final delivery leg unless the destination is close to, or part of, an appropriate rail depot or wharf. Modal split, excluding pipelines, is shown in Table AD-3 below. It should be noted that data for vans is not available.

**Table AD-3 Freight lifted by mode in London, 2005**

	Million tonnes	Per cent
Road	137.0	88.0%
Rail	7.8	5.0%
Water	9.0	5.8%
Air	1.9	1.2%
Sources:	<i>Department for Transport: 2006            Road: only goods vehicles over 3.5 tonnes gross weight included.            Rail: 2000 estimate by Ove Arup (2003).            Water 2002/3 data from British Waterways            Air: Heathrow, Gatwick, Stansted, Southend and Luton.</i>	

10. The environmental benefits of a change from road to water or rail are huge (with potential CO<sub>2</sub> reductions of up to 94 per cent for vans and 60 per cent for HGVs<sup>76</sup>). However, the economic and practical opportunity for modal

<sup>76</sup> from Figure B-2  
Appendix E

change is limited: flexibility is a key advantage of using road-based transport, with easy connections between origins and destinations and rapid loading and unloading available at many facilities.

11. To realise a 20 per cent modal shift to rail of the 48m tonnes of road freight moved to London each year, new large rail terminals would need to be sited on the edge of London, either outside or close to the GLA boundary. Each new terminal could take approximately 2.5m tonnes of this freight off the road. Four new terminals would therefore be able to handle 10m tonnes of freight. Their use could equate to about an 80,000 tonne CO<sub>2</sub> saving per year, mainly outside London.
12. Potentially there could also be a modal switch within London to canal and river. A five per cent modal shift to water of the 55m tonnes of road freight moved within London could achieve about a 4,000 tonne CO<sub>2</sub> saving per year. This would require several new wharves on the canal and river network to be constructed and some existing wharves brought back into use. Additional savings could be achieved through increased use of the Port of London, London Gateway and Tilbury docks.
13. The use of couriers that change mode from road to walking and cycling has the potential to reduce delivery and collection trips. Initial estimates show that 75,000 van km per year could be saved per year, which equates to about 20 tonnes of CO<sub>2</sub>. How to achieve this is considered in the section on emissions from existing commercial and public sector activity.
14. For municipal waste, the London Plan requires that, as far as is possible, waste is managed locally<sup>77</sup> thus minimising transport impacts. To support this, TfL has been exploring the potential for London waste fleets to utilise multi-modal containers allowing transfer from road to water or rail without the need for a licensed waste transfer station. Latest estimates show that this could increase logistics efficiency and potentially reduce the municipal waste fleet from 430 to 275 vehicles. Multi-modal modelling to quantify the CO<sub>2</sub> benefits of this is currently under development with the GLA Waste Team and Buildings Research Establishment. However initial estimates for the CO<sub>2</sub> saving have been included within the 4,000 tonnes of CO<sub>2</sub> saving from modal switch to river and canal.
15. Construction projects undertaken by the GLA Group, boroughs, education and health organisations are able to promote, through contractual conditions, the use of alternative modes for the movement of construction material and construction waste. A good example is provided by the

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<sup>77</sup> Mayor of London 2004 The London Plan Spatial Development Strategy for Greater London, Policy 4A.3  
Appendix E

Olympics, where the ODA aspires for at least 50 per cent of materials, by weight, to be transported by rail and water, potentially saving 14,000 tonnes of CO<sub>2</sub><sup>78</sup>. As this estimate is not an annual saving, it has not been included in our total, but does give an indication of the scale of potential benefit made possible through construction logistics modal change for large developments.

16. In total, modal change could achieve:

**Table AD-4 Freight modal change CO<sub>2</sub> saving (2025)**

<b>Opportunity</b>	<b>Tonnes CO<sub>2</sub> per year saved</b>
Rail	80,000
Water	4,000
Walk/cycle	20
<b>Total</b>	<b>0.08 mt/y</b>

### **Operating vehicles more efficiently**

17. Work by the Department for Transport has shown that using best practice to improve driving skills, vehicle maintenance, the use of speed limiters and journey planning has the potential to reduce fuel use (and so CO<sub>2</sub> emissions), by up to 15 per cent<sup>79</sup>. Some fleets are already using these techniques but it is not known exactly how many. Table AD-5 shows the potential CO<sub>2</sub> savings that would result if these techniques were used by all fleets operating in London.

<sup>78</sup> TfL (2005): *Olympic Park: Construction and Waste Transport Optimisation Strategy. Position Paper*

<sup>79</sup> Typically resulting from a combination of these measures: 10% from SAFED [www.safed.org.uk](http://www.safed.org.uk) , 5% from other best practice [www.freightbestpractice.org.uk](http://www.freightbestpractice.org.uk)  
Appendix E

**Table AD-5 Annual fleet CO<sub>2</sub> saving using driver training, operational planning etc. (2025)**

Emissions	<3.5t Van 1.39 mt CO <sub>2</sub>		Rigid>3.5t HGV 0.77 mt CO <sub>2</sub>		Artic>3.5t HGV 0.42 mt CO <sub>2</sub>		Total CO <sub>2</sub> saving mt/y
	Maximum saving**	% Uptake opportunity***	Maximum saving**	% Uptake opportunity***	Maximum saving**	% Uptake opportunity***	
	0.21	90	0.11	60	0.06	50	<b>0.39</b>
<b>Maximum possible saving****</b>	0.19		0.07		0.03		<b>0.29</b>
<b>Maximum realistic saving*****</b>	<b>0.140</b>		<b>0.052</b>		<b>0.023</b>		<b>0.215</b>
<b>100% MUSH Uptake<sup>+</sup></b>	0.03		0.01		0.00		<b>0.04</b>
<b>50% total uptake</b>	0.09		0.03		0.02		<b>0.14</b>
<b>Notes:</b>							
*Figures taken from table AD-1							
** Maximum saving = 15% of emissions (From table AD-1)							
*** Freight Unit estimate based on 2005							
**** Maximum possible saving = Maximum saving x % uptake opportunity/100							
***** Maximum realistic saving = Maximum possible saving x 75%							
<sup>+</sup> Assumes 15% of maximum possible saving							

18. However, with over 123,000 commercial goods vehicles based in London, and many operators based outside London whose fleets travel into the Capital, it is likely that a number will already be using best practice. For this reason, the maximum possible CO<sub>2</sub> saving is reduced to 0.29 mt/y, as shown in Table AD-5.
19. In addition, the large number of operators with very small fleets makes 100 per cent adoption of best practice unrealistic. Therefore, the best expected uptake without carbon pricing would be lower than the maximum possible saving. In recognition of this a 25 per cent reduction has been assumed, enabling a 0.21 mt/y CO<sub>2</sub> saving by 2025.
20. If all of the vehicles serving the GLA Group, boroughs, education and health sectors adopted these techniques, 0.04 mt/y of CO<sub>2</sub> saving would be achieved.
21. Using the network in off-peak periods enables increased vehicle speeds and less fuel to be used. However, planning restrictions and Noise Abatement Notices often limit this opportunity. Using best practice to review curfews, quiet vehicles and training of drivers and reception staff could enable 11 and 17 per cent less emissions for HGVs and vans



respectively , and 10 and 4 per cent more out of hours deliveries. This would equate to a CO<sub>2</sub> saving of 0.01 mt/y.

22. Additional CO<sub>2</sub> savings are possible through the increased efficiency made possible by consolidation. The use of consolidation to minimise trips and fuel use and therefore CO<sub>2</sub> emissions is standard practice for large retailers. For smaller retailers and offices, consolidation may achieve similar benefits to construction material consolidation. However achieving this will be more difficult in practice because of the high degree of fragmentation amongst the smaller retailers and office developments. Outline estimates suggest that greater retail and office consolidation may achieve a further 0.1 mt/y of CO<sub>2</sub> saving.
23. Construction material consolidation has been demonstrated by TfL in partnership with Wilson James, Bovis Lend Lease and Stanhope at the London Construction Consolidation Centre pilot in south Bermondsey, which showed about a 70 per cent reduction in trips to site and a corresponding reduction in CO<sub>2</sub>. The use of four such sites across London for the 175 largest construction projects could realise about a 50 per cent reduction in CO<sub>2</sub> of the estimated 0.25 mt/y total generated by construction traffic, equivalent to a 0.13 mt/y CO<sub>2</sub> saving.
24. Reducing illegal kerbside deliveries and the frequency and duration of deliveries, particularly using consolidation for construction traffic, would achieve a significant but as yet unquantifiable benefit in terms of network performance. This would in turn increase fuel efficiency and reduce CO<sub>2</sub> emissions.
25. Among waste fleets, improved logistics efficiency offers a further possibility for CO<sub>2</sub> saving. Operational efficiency is at the heart of the Multi-modal Refuse Collection Vehicle being developed by TfL. Using data from two London boroughs, and assuming that similar reductions could be achieved across the whole of London, savings could be in the order of 1.67m vehicle km per year, which at an unrestricted urban speed would equate to 0.002 mt/y of saved emissions. This figure does not take account of the modal change benefits that this technology facilitates, which are considered elsewhere.

26. In total, operational efficiency, without carbon pricing, could achieve the following savings:

**Table AD-6 Freight operational efficiency CO<sub>2</sub> saving (2025)**

<b>Opportunity</b>	<b>Million tonnes CO<sub>2</sub> per year saved</b>
Fleet efficiency	0.29
Out of hours deliveries	0.01
Retail / office consolidation	0.10
Construction consolidation	0.13
Network Efficiency	Un-quantified
Waste fleets	0.002
<b>Total</b>	<b>0.53</b>

### **Promoting the uptake of lower-carbon infrastructure, vehicle and fuel types**

27. In addition to the national introduction of 5 per cent and possible voluntary use of higher blends by 2025, which will achieve a 0.2 mt/y CO<sub>2</sub> saving, there are opportunities for additional carbon savings from early adoption of new alternative fuels and low-carbon vehicles. The Climate Change Action Plan suggests that low-carbon vehicles could contribute a further 0.2mt/y CO<sub>2</sub> saving by 2025. This is the best estimate available for new technology uptake without the introduction of carbon pricing.
28. A green fleet is one that minimises fuel consumption and therefore CO<sub>2</sub> and exhaust emissions. It also seeks to minimise the number of road trips, by utilising vehicles efficiently and using alternative modes wherever possible. A green fleet will also be a safe fleet; its drivers will be trained and encouraged to drive safely and efficiently and will not come under pressure to speed or spend excessive hours behind the wheel. Unnecessary trips add to congestion and CO<sub>2</sub> and emissions, as do collisions, particularly those involving fatalities.
29. The Mayor's 2003 publication *An Introduction to the Fleet Operator's Guide to Cleaner Vehicles*<sup>80</sup> explains how many of the measures available to reduce the emissions from vehicle fleets could also save money.
30. The 2003 TransportEnergy /Mayoral publication *Green Fleet Management: An essential guide on how to run your fleet*<sup>81</sup> further argues that green fleet management has to be a part of corporate culture in order to run vehicles efficiently and cost effectively.

<sup>80</sup> Web link: [http://www.london.gov.uk/mayor/environment/air\\_quality/docs/fleet\\_op/intro.pdf](http://www.london.gov.uk/mayor/environment/air_quality/docs/fleet_op/intro.pdf)

<sup>81</sup> The guide is available from [www.TransportEnergy.org.uk](http://www.TransportEnergy.org.uk)

31. In addition to the need to meet the challenges in the Climate Change Action Plan, there are several other reasons for adopting green fleet management principles:
- To save money, by making more efficient use of vehicles
  - As a strategic business tool, where efficiencies in the fleet can be found to meet wider company needs
  - As part of a travel plan, where an organisation intends to reduce the amount of traffic it generates, often because of planning needs or parking and traffic problems
  - As part of a road safety management policy, to take full advantage of the cost savings and other benefits that are derived from a safer fleet
  - To comply with environmental policy, for example under ISO14001 or because the organisation wishes to adopt a responsible stance
32. Those organisations with in-house fleets are well-placed to take a corporately responsible stance on alternative fuels and green fleet practices. The promotion of uptake within third-party fleets is considered in the sections on emissions from existing commercial and public sector activity and on emissions from new build and development.
33. Good examples exist: Southwark Council's green fleet strategy is a demonstration of the benefits of using high percentage biodiesel mixes. With a 20 per cent biodiesel blend, 160 tonnes of CO<sub>2</sub> will be saved each year. If this were replicated across all London's boroughs this could equate to over 5,000 tonnes per year. Southwark Council's green fleet policy has a number of individual elements:
- Fuel policy
  - Awareness raising
  - Driver training
  - Vehicle procurement policy
  - Exhaust after treatment
  - Fuel monitoring
34. Hybrid technology currently being fitted to new vans is also available for buses and heavier lorries and is expected to become commercially viable for heavy duty vehicles in the near future. Promoting the early adoption of this technology by operators is a key opportunity for this Plan.
35. Developing technologies are also increasing the provision of electric-powered vehicles, particularly within the urban environment where range, pay-load, cost and environmental considerations make their use effective.

36. In the longer-term, hydrogen technology is expected to be commercially available to captive fleets<sup>82</sup> between 2010 and 2015. The London Hydrogen Partnership is working to make hydrogen technology a reality in the Capital.
37. In its leading role, TfL is managing the procurement, delivery and operation of a hydrogen-fuelled fleet in London by 2010. This will include 60 hydrogen cars, vans, motorbikes and other vehicle types (the procurement of nine buses is already subject to a separate procurement exercise). The vehicles will be operated by London's public sector fleets, with a focus on Central London operation. To support this project dedicated hydrogen refuelling facilities will be constructed. This high profile project is an opportunity to showcase new hydrogen vehicle technologies and to prepare London for the wider deployment of hydrogen vehicles as the technology approaches commercial maturity.
38. Clients are able to specify the type of alternative fuel or low-carbon vehicle to be used. Linking this procurement decision to a travel plan for freight for each premise would help to realise potential CO<sub>2</sub> savings.

***Emissions from existing commercial and public sector activity***

39. The GLA Group comprises the Greater London Authority (GLA) and four functional bodies. The latter occupy around one million square metres of floor space in 893 buildings<sup>83</sup> involved in delivery of the Mayoral group's duties. Together, the GLA Group, boroughs and education and health authorities in London are thought to use in excess of 2,500 buildings.
40. One of the five priority areas for the GLA Group identified in the Climate Change Action Plan is to improve the energy efficiency of buildings. In terms of freight, this could include the impact of a building's delivery arrangements (such as its legal loading facilities) on the energy efficiency of delivery and servicing, and indeed that of the road network as a whole.
41. A further Climate Change Action Plan priority is to minimise emissions from travel and vehicles. All members of the GLA Group are required to develop travel plans that follow best practice and focus on sustainable travel. The action plan also commits the GLA Group to follow high standards of green procurement for contracting of all goods and services.
42. Few examples exist of travel plans that address freight. TfL is playing a leading role for the GLA Group by developing a plan to consider the freight

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<sup>82</sup> Kollamthodi, S. (2005) *Technical and non-technical options to reduce road emissions of air pollutants from road transport*. ED48300, AEA Technology Environment, 31 March.

movements of several TfL Surface Transport buildings. Surveys have indicated that in a five day period over 500 trips were made to these premises. This could equate to about 25,000 trips a year. Estimates for possible trip reduction are under development.

**Table AD-7 Five-day servicing and delivery trips to TfL Surface Transport and LDA buildings (2007)**

	Windsor House	Faith Lawson House	172 BPR	Eccleston Place	Palestra	Total
Delivery	110	40	71	43	156	420
Collection	23	9	11	5	43	91
Servicing	2	0	10	0	1	13
Waste Collection	1	1	1	2	4	9
Delivery & Collection	5	0	2	1	4	12
Unknown	7	0	4	1	3	15
<b>Total</b>	<b>148</b>	<b>50</b>	<b>99</b>	<b>52</b>	<b>211</b>	<b>560</b>

43. The transport assessment for the proposed redevelopment of Great Ormond Street Hospital shows how freight trips can be included using the latest TfL Transport Assessment Guidance<sup>84</sup>. Table AD-8 gives the hospital's figures for 2005 and the proposed figures for 2010/2014 should the freight aspects of its travel plan be successful.

**Table AD-8 Great Ormond Street freight transport assessment (2005 base)**

Category	Total Annual Trips	Total Daily Trips	% reduction each year between 2005 and 2010	Proposed Total Annual Trips (2010 & 2104)	Proposed Total Daily Trips (2010 & 2104)
Supplies	4,900	13.5	10%	2,892	8
Catering	5,700	15.7	11%	3,183	8.8
Waste	2,700	7.4	8%	1,778	4.9
Couriers	6,200	17.1	9%	3,868	10.7
Pharmacy	3,800	10.5	10%	2,243	6.2
Others	1,900	5.2	12%	1,002	2.8
<b>Total</b>	<b>25,200</b>	<b>69</b>		<b>14,966</b>	<b>41</b>

44. The 10 per cent average year-on-year trip reduction proposed at Great Ormond Street is to be achieved using a number of techniques, including consolidation and improved coordination of ordering which will be put in place through new procurement practices.
45. However, this is a very new area and little data is available on trip rates and trip rate reduction. It is also unclear what the emissions saving are for each trip saved, or what impact changes to contractual conditions will have on reducing trips and promoting green fleet practices.

<sup>83</sup> Identified in the Climate Change Action Plan, GLA, 2006

<sup>84</sup> TfL (2006): *Transport Assessment Best Practice, Guidance Document*

46. It is only by making transport assessments and the travel plan process consider freight that the potential operational efficiencies identified for freight vehicles can be realised. Using the planning process to require travel plans to consider freight and the use of procurement practices to promote green fleets within suppliers and third party freight operators is clearly essential. These plans would show how techniques such as consolidation would be used to minimise trips, maximise deliveries outside peak hours and require operators to use legal loading facilities.
47. Without the adoption of this travel plan and green procurement approach for freight activities, there is a high risk that the potential CO<sub>2</sub> savings identified in the operational efficiency section above would not be achieved.

### **Emissions from new build and development**

48. The draft Further Alterations to the London Plan aim to secure energy considerations as a key part of the development process, setting a framework towards achieving decentralised energy in London to meet London's CO<sub>2</sub> reduction targets. Of the three key proposed objectives for all new developments, two are relevant to freight:
  - Minimise CO<sub>2</sub> emissions
  - Adopt sustainable design and construction measures
49. Minimising CO<sub>2</sub> emissions during construction is possible by specifying that fleets must adopt green fleet best practice. The recent London Construction Consolidation Centre pilot in south Bermondsey showed about a 70 per cent reduction in trips to site and a corresponding reduction in CO<sub>2</sub>. This pilot clearly demonstrates best practice in construction logistics and has won awards for logistics supply chain environmental improvement, partnership and contribution to sustainable construction.
50. The GLA Group will take the leading role and other public sector organisations will follow. Indeed the Climate Change Action Plan states that LDA developments will be constructed to the highest standards of energy efficiency, building upon experiences such as the Gallions Park zero carbon project.
51. However there is no clear set of standards or codes for construction that address all freight issues. Even among the GLA Group there are a number of approaches. The GLA has produced two relevant documents, both of which make reference to nationally recognised Considerate Contractors Schemes:

- Best Practice Guide to The Control of Dust and Emissions from Construction and Demolition<sup>85</sup>
- Supplementary Planning Guidance on Sustainable Design and Construction<sup>86</sup>

TfL major projects use a Code of Construction Practice and require contractors to produce Environmental Management Plans. CLM, the ODA's delivery partner, is also developing a Construction Transport Management Plan and a Code of Construction Practice<sup>87</sup>.

52. The Climate Change Action Plan identifies a clear need to work collaboratively with developers to promote and share best practice through a series of planner and developer seminars and publications. Agreeing a consistent approach to securing freight CO<sub>2</sub> benefits is seen as an urgent priority.
53. The adoption of sustainable design practices, such as creating legal loading facilities for the operational phase, can help to minimise congestion caused by inappropriate kerbside deliveries, particularly at congestion hot-spots. Reducing this congestion increases network reliability for other freight activities and further reduces CO<sub>2</sub> emissions.
54. Clients are also able to require the use of alternative modes to supply building materials can also dramatically reduce emissions. In constructing the Olympic Park, the ODA aspires for at least 50 per cent of materials, by weight, to be transported by sustainable means during construction.
55. By specifying the use of consolidation or logistics facility, such as those used for the construction of T5 at Heathrow, clients will ensure significant CO<sub>2</sub> reductions from more efficient and sustainable construction activity.
56. However, without linking freight considerations and the use of consolidation into planning conditions and construction contract procurement, the potential CO<sub>2</sub> savings identified in the vehicle operational efficiency section would not be realised.

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<sup>85</sup> GLA (2006): *Best Practice Guidance, The control of dust and emissions from construction and demolition.*

<sup>86</sup> GLA (2006): *Sustainable Design and Construction, The London Plan Supplementary Planning Guidance*

<sup>87</sup> CLM (2007): *Logistics – Code of Construction Practice, v0.9*

**Table AD-9 Potential freight CO<sub>2</sub> saving summary (2025)**

Opportunity	Million tonnes CO <sub>2</sub> per year saved using travel plan and procurement links	Reduced CO <sub>2</sub> per year saving without travel plan or procurement links
Road User Charging (should it be pursued as part of a national scheme)	0.20	0.20
Modal change	0.08	0.00*
Fleet efficiency	0.29	0.06
Out of hours deliveries	0.01	0.00*
Construction consolidation	0.13	0.00*
Retail/office consolidation	0.10	0.00*
Waste fleets	0.002	0.00*
Alternative fuel and low carbon vehicles	0.20	0.10
Bio-fuel	0.20	0.10
<b>Total</b>	<b>1.21</b>	<b>0.46</b>
Notes		
* Too small to estimate		



## Appendix E: Glossary

B2B	Business to Business
B2C	Business to Consumer
BRE	Building Research Establishment
CAA	Civil Aviation Authority
CBI	Confederation of British Industry
CILT	Chartered Institute of Logistics & Transport
CLP	Construction Logistic Plan
CO <sub>2</sub>	Carbon Dioxide
CTRL	Channel Tunnel Rail Link
DSP	Delivery and Service Plan
DTi	Department for Trade and Industry
EA	Environment Agency
FQP	Freight Quality Partnership
FTA	Freight Transport Association
GLA	Greater London Authority
HGV	Heavy Goods Vehicle
HSE	Health and Safety Executive
KPI	Key Performance Indicator
LCCC	London Construction Consolidation Centre
LDA	London Development Agency
LEZ	Low Emission Zone
LFP	London Freight Plan
LGV	Light Goods Vehicle
LIP	Local Implementation Plan
LLCS	London Lorry Control Scheme
LOCOG	London Organising Committee of the Olympic Games
LSC	Learning and Skills Council
LSDP	London Sustainable Distribution Partnership
MAM	Maximum Authorised Mass
MMRCV	Multi Modal Refuse Collection Vehicle
MPS	Metropolitan Police Service
NO <sub>2</sub>	Nitrogen Dioxide
NO <sub>x</sub>	Nitrogen Oxides (Mixture of NO, NO <sub>2</sub> , N <sub>2</sub> O <sub>4</sub> , etc)
NVQ	National Vocational Qualification
ODA	Olympic Delivery Authority
PCN	Penalty Charge Notice
PLA	Port of London Authority
RHA	Road Haulage Association
SPG	Supplementary Planning Guidance
SRN	Strategic Road Network
TfL	Transport for London
TLRN	Transport for London Road Network
TGDC	Thames Gateway Development Corporation
TRAVL	Trip-rate Assessment valid for London
UK	United Kingdom
VOSA	Vehicle and Operator Services Agency

**TRANSPORT FOR LONDON**

**BOARD**

**SUBJECT: PROPOSED LONDON LOCAL AUTHORITIES AND  
TRANSPORT FOR LONDON BILL**

**MEETING DATE: 24 OCTOBER 2007**

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**1. PURPOSE**

- 1.1 The purpose of this report is to ask the Board to approve the promotion of the London Local Authorities and Transport for London Bill ("the Joint Bill") for deposit in Parliament on 27 November 2007.

**2. BACKGROUND**

- 2.1 Under section 167 of the Greater London Authority Act 1999 ("the GLA Act") TfL has the power to promote private bills in Parliament. Private bills must be deposited in Parliament on 27 November each year.
- 2.2 Pursuant to TfL's Standing Order No. 2, paragraph 4.2(i), approval of the promotion of a private bill is a matter reserved to the Board (subject to obtaining the consent of the Mayor as required by the GLA Act).
- 2.3 The Joint Bill aims to provide TfL and the London Boroughs with further powers in relation to their traffic management and highway responsibilities.
- 2.4 The scope of the Joint Bill is limited to provisions which are equally applicable to both TfL and the London Boroughs. These provisions will be included in this Bill jointly promoted by TfL and the London Boroughs. There will also be a London Local Authorities Bill lodged in Parliament in November 2007 containing Borough only provisions.
- 2.5 A summary of the provisions proposed to be included in the Joint Bill is attached as Appendix 1.

**3. PROCESS**

- 3.1 The GLA Act sets out the process which TfL must comply with when promoting a private bill and these provisions also apply to legislation which is jointly promoted by TfL. The GLA Act requires TfL to consult all London Boroughs, the Mayor and the London Assembly on any draft bill it proposes to deposit in Parliament. TfL also consults other relevant stakeholders.

- 3.2 Consultation on the Joint Bill has commenced and will close on 9 November 2007. Once consultation responses have been considered, any necessary amendments will be made to the Joint Bill before it is deposited in Parliament.
- 3.3 The Mayor must also consent to the Joint Bill after consulting the London Assembly and confirm that consent once the Bill is deposited in Parliament. The process of obtaining the Mayor's consent to the deposit of the Bill has commenced.
- 3.4 It is recommended that Howard Carter, General Counsel and Ellen Howard, Director of Corporate Governance, are given delegated authority to make any amendments considered appropriate following the consultation on the Joint Bill and during the Parliamentary process.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 The cost of pursuing the Joint Bill will be shared between TfL and London Councils, who is co-ordinating the promotion of the Joint Bill on behalf of the London Boroughs. The total cost is estimated to be £200,000. It has been agreed that TfL will be responsible for one third of the costs of the Joint Bill.

#### **5. SUSTAINABILITY**

- 5.1 There are no negative impacts on sustainability as a result of the proposals contained in the Joint Bill and some provisions are envisaged to have a positive effect.
- 5.2 For example, the Joint Bill will enable TfL and London Boroughs to provide and operate charging apparatus for electrically powered motor vehicles on the highway. This will encourage the use of more sustainable vehicles which will reduce pollution and emissions.
- 5.3 It is also proposed to include provisions which will address safety issues for cyclists at advanced stopping areas and this will assist in the promotion of cycling in London.

#### **6. CRIME AND DISORDER IMPLICATIONS**

- 6.1 It is proposed to include in the Bill provisions prohibiting the parking of pedicabs on the footway, enabling traffic authorities to set varying levels of fixed penalties for cycling on the footway and to create an offence to interfere with gates placed on the highway by traffic authorities. These provisions will have incidental positive crime and disorder implications.

## **7. RECOMMENDATION**

The TfL Board is asked to:

- (a) APPROVE the promotion of the London Local Authorities and Transport for London Bill for deposit in Parliament on 27 November 2007; and
- (b) DELEGATE authority to Howard Carter, General Counsel and Ellen Howard, Director of Corporate Governance, to make amendments to the London Local Authorities and Transport for London Bill and to deposit the London Local Authorities and Transport for London Bill in Parliament and make amendments to the Bill during the Parliamentary process.

## Summary of London Local Authorities and Transport for London Bill

### 1. Cycling on the footway

The Bill proposes to enable traffic authorities to set fixed penalties for the offence of cycling on the footway in areas where local authority employees have powers under a community safety accreditation scheme to hand out fixed penalty notices. It is proposed that different levels of penalty could be set for different areas.

### 2. Pedicabs

The Bill proposes to prohibit the parking of pedicabs on the footway in London. The Bill also proposes that if a pedicab is licensed, it is to be assumed that the owner of the pedicab is the person in whose name the pedicab is licensed for the purpose of parking and traffic enforcement.

### 3. Control of items placed on the highway

The Bill proposes to enable highway authority officers to remove items placed on the highway if they believe that it should be done for the good management of the highway or for the purpose of performing any of the functions of the authority.

### 4. Attachment of street lamps and signs to buildings

The Corporation of London currently has powers to attach street lights and traffic signs to buildings without requiring the consent of the owner. The Bill proposes to extend these powers to other London Local Authorities and TfL.

### 5. Damage to highway by developers

The Bill proposes to enable local planning authorities in London to impose conditions on planning permissions requiring the payment of a deposit prior to the commencement of the development in respect of damage which may be caused to the highway during development.

Currently highway authorities may recover the cost of rectifying damage to the footway as a result of works adjacent to the highway. The Bill proposes to extend this power to allow for the recovery of the cost of rectifying damage caused to the carriageway as a result of works adjacent to the highway.

6. Builders' skips

The Bill proposes to decriminalise offences relating to the placement of skips on the highway and introduce a penalty charge system pursuant to which the owner (not the hirer) of the skip would be liable for the penalty charge.

7. Recovery of costs in relation to 'special events' and film making

The Bill proposes to enable London Local Authorities and TfL to recover the costs of additional traffic management measures from the owner or occupier of the premises where special events and film making are held. The Bill also proposes to enable London Local Authorities to recover costs for street cleansing as a result of such events.

8. Advanced stopping areas for cyclists

The Bill proposes to partially decriminalise the offence of motor vehicles failing to stop before the first line at advanced stopping areas for cyclists and the offence of driving on the cycle lanes that feed them. The Bill proposes to specify the circumstances in which the crossing of the first line by cyclists would not be regarded as an offence (that is, when there is no feeder lane or it is obstructed).

9. Gated roads

The Bill proposes to make it an offence to interfere with a barrier which a traffic authority has lawfully placed upon or over a highway.

10. Charging points for electric vehicles

The Bill proposes to enable London Local Authorities and TfL to provide and operate charging apparatus for electrically powered motor vehicles on the highway without the consent of the frontager.

TRANSPORT FOR LONDON

BOARD

**SUBJECT:           REPORTS FROM SAFETY HEALTH AND ENVIRONMENT  
                      COMMITTEES - 5 JULY AND THE 6 SEPTEMBER**

**MEETING DATE: 24 OCTOBER 2007**

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**1.    PURPOSE**

1.1    To report to the Board on the meetings of the Safety, Health and Environment Committee (SHEC) held on 5 July and 6 September 2007 and to provide a summary of the TfL Group Annual Health and Safety Report 2006/07.

**2.    REPORT FROM SAFETY HEALTH AND ENVIRONMENT COMMITTEE  
      MEETING HELD ON 5 JULY 2007**

**Introduction of SHEC Advisors**

2.1    Dave Wetzel introduced the two new advisers, Gordon Sellers and Brian Wilkinson, to the Committee. The new advisers outlined their professional experience to the members who welcomed them to the Committee.

**Chief Officers annual HSE Assurance Letters**

2.2    Richard Stephenson outlined the process for the preparation of the HSE Assurance Letters. He explained to the Committee that whilst significant progress had been made in improving the preparation of the Letters this year there was still room for improvement.

2.3    The contents of the LUL, Surface Transport, London Rail and the Corporate Directorates' Letters were discussed.

2.4    The Commissioner commented that the Letters were a very useful part of the HSE assurance processes and requested that in future the Letters be submitted to him in advance of them going to SHEC, as this would reinforce the assurance link between himself and the Committee.

**Quarterly Business HSE Reports**

2.5    LUL, Surface Transport, London Rail and the Corporate Directorates submitted quarterly summaries of HSE performance which were discussed.

**Safety on London Buses**

2.6    David Brown gave a presentation on Road Safety and London buses.

2.7 He informed the Committee that the number of incidents in which the driver was considered blameworthy was low. None-the-less, there was ongoing work to continue to improve systems to ensure the full facts of accidents, including underlying causes, were thoroughly investigated.

### **3. REPORT FROM SAFETY HEALTH AND ENVIRONMENT COMMITTEE MEETING HELD ON 6 SEPTEMBER 2007**

3.1 It was noted that the TfL Annual Health and Safety Report 2006/2007 had been finalised. The Executive Summary of the report is attached as Appendix 1 and the full report is available to members on request.

#### **Draft Modal Health and Safety Plans for 08/09**

3.2 Richard Stephenson provided an outline of the plans. The full draft plans are available to members on request.

#### **Road Safety Update**

3.3 Chris Lines gave a presentation on Road Safety matters. He reported that casualty rates for London were on a downward trend and the figures reflected well against the rest of the country. A one off significant reduction in late 2004/early 2005 was thought to be explained by the Metropolitan Police changing the way data were collected.

3.4 Killed and seriously injured (KSI) casualty data for cyclists and Powered Two Wheelers (P2W) had been influenced by increases in overall numbers. Whilst it was likely that the reduction target for cyclists would be met, it was unlikely that the P2W casualty target would be achieved. The target set for reductions in the number of children killed or seriously injured had already been met as had the target for all slight injuries.

3.5 The Committee agreed that this was encouraging news but supported continued work to achieve further reductions.

3.6 Chris Lines noted that the actions to improve road safety worked on a number of levels including highways engineering, education and enforcement. The contribution to improvement made by the different interventions was outlined.

3.7 Chris Lines informed the Committee that Time/Distance cameras were due to be trialled on the A13.

3.8 It was noted that progress was being made with Intelligent Speed Adaptation.

#### **HSE Assurance Letters**

3.9 The HSE Assurance Letters process was completed with the receipt of Letters from Surface Transport (Streets) and the Planning Directorate.

#### **Quarterly Business HSE Reports**

3.10 LUL, Surface Transport, London Rail and the Corporate Directorates submitted quarterly summaries of HSE performance which were discussed.



## **Sustainability Matters**

3.11 This report was the first of what will be a regular update to each SHEC meeting on the progress in 'mainstreaming' of sustainability into TfL.

The report addressed progress in the areas of:

- Greening our buildings and work place
- Environment and our operations
- Step free access
- Travel Demand Management and more sustainable modes
- Sustainable Procurement

## **4. RECOMMENDATION**

The Board is recommended to NOTE the contents of the Reports.

## TfL Group Annual Health and Safety Report – 2006/2007

### Executive summary

This is the fourth annual health and safety performance report produced by Transport for London (TfL). The report is a summary of health and safety activities and performance from across the whole of TfL which is comprised of London Underground Ltd (LUL), Surface Transport (ST), London Rail (LR) and the Corporate Directorates.

The report covers the period from the 1<sup>st</sup> April 2006 to the 31<sup>st</sup> March 2007 and, where appropriate, there are comparisons with previous years' data. Road safety data are detailed from January to December 2006. These data are compared with the 1994-98 averages and the data for the 12 months ending December 2005.

Any enforcement actions made against parts of the TfL Group are not addressed in this report but are reported separately to the TfL Safety Health and Environment Committee.

Environmental performance for TfL in 2006/07 will be reported separately in an Annual Environment Report.

### Progress against health and safety plans and audit update

The TfL Group has encouraged a systematic and aligned approach to Health, Safety and Environment (HSE) management which has driven our business planning and the setting of safety plans and objectives and resulted in the development of aligned HSE management systems (HSE MSs) across the Group. The development of HSE MSs is at different stages of development in the different modes.

All four modes produced safety plans and the great majority of the objectives of the safety plans were completed.

LUL completed a comprehensive three yearly review of its HSE MS and ST had an independent review of all of the elements of its Management Systems. ST has also been working to ensure that Environment is addressed alongside Health and Safety within its Management Systems.

Subject to controlled variation the LUL safety audit programme was completed and accepted by the Safety and Environment Committee in April 2007.

In ST, London Streets had an independent audit of their Health and Safety Management System (H&S MS) conducted by the Royal Society for the Prevention of Accidents (RoSPA). The transport modes in ST had their H&S MS reviewed independently.

London Rail postponed the annual Docklands Light Railway Ltd (DLRL) audit as a result of the introduction of the Railways and Other Guided Transport Systems Regulations (ROGS) but an analysis was carried out to ensure that no gaps existed between the DLRL, Serco Docklands, City Airport Extension Enterprises PLC and City Greenwich Lewisham Rial Link PLC management systems.

An audit of East London Line Project (ELLP) procedures was carried out and they completed their annual audit programme.

An external audit of TfL Group and Corporate Directorates Mode HSE MSs led by Det Norske Veritas (DNV) was nearing completion at the end of 2006/07.

An HSE Assurance Letters process was introduced in which modal Managing Directors confirmed the extent to which their HSE MSs meet the requirements of the TfL Group HSE MS. The HSE Assurance Letters process was developed in 2005/06 and completed formally by the three operational modes and the four Corporate Directorates for the first time in 2006/07. Completed Letters were submitted to the TfL Safety Health and Environment Committee.

## **Safety Performance**

### Employees

The total TfL employee major injury rate for 2006/07 was 0.846 per 1000 employees. This is a marginal improvement on the 2005/06 major injury rate of 0.887 per 1000 employees and is significantly lower than the Transport sector national average of 2.208 major injuries per 1000 in 2005/06.

There were a total of 17 major injuries in TfL; 8 in London Underground (0.571 per 1000) and 8 within Surface Transport (2.04 per 1000) and one reported from the Corporate Directorates (0.497 per 1000).

### Customers

There were five customer fatalities for TfL in 2006/07. This figure is unchanged from the previous year and across TfL we continue to work to prevent such incidents.

Customer assault rates for all modes were less than 0.5 per million customer journeys with LUL showing significant improvement.

### Major incidents

Using the criteria for major incidents as defined in Section 4 of this report there were six major incidents during the year, five were customer fatalities, the other was a gas incident.

### Health

Sickness absence has reduced across TfL, from 12.5 days per employee in 2005/06 to 11.1 in 2006/07. Only LUL had a higher level of sickness absence than the CBI national average of sickness absence for public sector workers. This reflects the fact that LUL has a high proportion of operational staff and shift workers. Sickness absence, particularly in LUL has been an area of focused activity during the year, involving liaison between human resource teams, and the occupational health team and line management.

Positive health activities have continued, primarily in LUL, who have a funded health plan, but also with excellent activities in some other modes.

## Road Safety 2006

The figures for the 2006 reporting period show a disappointing increase in the number of people killed or seriously injured compared to 2005 data; with an 8% increase in both killed (214 to 231) and seriously injured (3,436 to 3,715). It is considered that the apparent increase in seriously injured may, at least in part, be due to the under capture of casualty numbers in 2005. Overall, however, good progress continues to be made towards achieving the new Mayoral casualty reduction targets set for 2010, and road casualties in London are at their lowest level since records began in 1980.

**TRANSPORT FOR LONDON**

**BOARD**

**SUBJECT: REPORT FROM THE OPEN AUDIT COMMITTEE -12  
SEPTEMBER 2007**

**MEETING DATE: 24 OCTOBER 2007**

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**1. Purpose**

- 1.1 The purpose of this paper is to report to the Board on the proceedings of a routine meeting of the Audit Committee held on 12 September 2007.

**2. Background**

- 2.1 Ken Davis from the Audit Commission attended the meeting to update the Committee on the developments in the Comprehensive Area Assessment ('CAA') which is replacing the Initial Performance Assessment (IPA) which has been in place to date. The CAA is intended to look at geographic areas rather than local authorities within those areas. Consultation has taken place over the summer as to how this will operate throughout the rest of England and Wales but it has been concluded that it is not practical to look at London as a whole because it is too large and complex.
- 2.1.1 There will be Local Area Assessments at Borough level and the Commission will report periodically on major cross London issues. Further consultation is to take place in November to clarify how the process will work for the GLA. It is anticipated that the Audit Commission will expect TfL to contribute information regarding Boroughs' involvement in transport issues, particularly as regards performance and delivery. They would only be seeking for us to share information with them that has already been shared with the Boroughs. The amount of information to be provided each year would vary depending on the issues that the Audit Commission was seeking to address.
- 2.2 The Audit Committee received progress reports on risk management and also on final internal audit reports issued in the first quarter of 2007/08.

- 2.3 The external auditors presented the Audit Plan for the year ended 31 March 2008 in respect of TTL and its subsidiaries. The Committee asked if KPMG could provide a paper for the next meeting attempting to anticipate the year end accounting issues that might arise in respect of Metronet and the various scenarios that might pertain as at 31 March 2008.
- 2.4 A discussion was held on the effectiveness review of the external auditors that had been conducted within the business. Overall it was noted that TfL feels that the audit process is operating better than in previous years.
- 2.5 The Committee received an update on the revised Corporate Governance framework that will necessitate some amendments to TfL's Code of Corporate Governance and the disclosures made in the annual accounts.

### **3. Audit Committee Training**

- 3.1 Following the Audit Committee meeting, Committee members, together with other Board members, attended Audit Committee training led by KPMG and with input from TfL staff members. This training considered the role and responsibilities of the Audit Committee including the legal background, the Audit Commission requirements and the role of the external auditors, risk management and a general view of the key attributes of an audit committee and its members. In its previous assessments of its effectiveness and compliance with the CIPFA requirements for audit committees, training was identified as a gap for the Audit Committee and this course was designed to address this issue. Consideration is to be given to the timing and content of a further training session in due course.

### **4. Recommendation**

- 4.1 The Board is requested to note the content of this report.



a paper on this topic which included a commitment that, when the Committee receives the 2008/9 Budget document, it will be provided with a brief explanation of the basis of each target in comparison with current performance.

The Finance Committee receives reports on approvals given by the Commissioner (or in his absence, the Managing Director, Finance) for projects budgeted to cost between £25m and £100m (£10m and £25m for unbudgeted projects). At the September meeting, it was noted that seven projects had been approved since the Committee's last meeting, namely Bank Station: Congestion Relief and Step Free Enhancements for Waterloo & City Line, further work on the Tunnel Cooling Programme, West Ham Garage, Hanger Lane, Service Site – Back Office Accommodation, West London Tram and the initial stages of the Victoria Station Upgrade. It was explained that in respect of the West London Tram Project, that not all the quoted expenditure would be incurred.

A further two project approvals were reported to the October meeting: East London Transit Phase 1a and the London-wide roll-out of Oyster on National Rail.

The next regular meeting of the Finance Committee will take place on 14 November 2007.

### **3. RECOMMENDATION**

The Board is asked to note the contents of this report.



## TRANSPORT FOR LONDON

## BOARD

**SUBJECT: MAYORAL DIRECTION AND DELEGATION TO TfL –  
PUBLIC INFORMATION CAMPAIGNS**

**MEETING DATE: 24 OCTOBER 2007**

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### **1. Purpose**

- 1.1 To inform the Board of a Direction and Delegation from the Mayor to TfL regarding Public Information Campaigns.

### **2. Background**

- 2.1 Under TfL's Standing Order No. 1 paragraph 18, TfL is required to report any Directions from the Mayor to a Board meeting as soon as reasonably practicable.
- 2.2 As part of its statutory functions under the Greater London Authority Act 1999, the GLA undertakes a number of public information campaigns relating to policy areas such as transport, the economy, planning, the environment, diversity and culture, education and health. The Mayor wishes to make arrangements for TfL to take part in the GLA's public information campaigns.

### **3. Mayoral Direction and Delegation**

- 3.1 The Mayor has directed TfL to contribute funding and otherwise take part in and co-operate with the GLA in facilitating public information campaigns. TfL will contribute a maximum of £2,800,000 per annum towards these campaigns. TfL will establish a call-off facility and will contribute to the costs of campaigns at the GLA's request.
- 3.2 TfL will also, if requested, procure media space and otherwise assist the GLA in delivering such campaigns.
- 3.3 The Mayor has also delegated his general and incidental powers under sections 30 and 34 the Greater London Authority Act 1999 to TfL to facilitate TfL's participation in the public information campaigns.
- 3.4 This Direction and Delegation replaces and revokes an earlier Direction and dated 17 July 2006.
- 3.5 A copy of the new Direction and Delegation is attached to this paper.

### **4. Recommendation**

- 4.1 The Board is requested to note the receipt of the Direction and Delegation from the Mayor.

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**MAYORAL DIRECTION AND DELEGATION  
TO TRANSPORT FOR LONDON  
PUBLIC INFORMATION CAMPAIGNS  
MAF2909**

**BACKGROUND**

- A. As part of its statutory functions under Greater London Authority Act 1999 (the "GLA Act"), the GLA undertakes a number of public information campaigns to promote its core policy areas of transport, economy, planning, the environment, diversity and culture, education and health (the "Public Information Campaigns").
- B. A number of the Public Information Campaigns have links to, and are supportive of, the various functions and powers of the GLA's functional bodies, including Transport for London ("TfL").
- C. The Mayor wishes to make arrangements for TfL take part in the Public Information Campaigns through contributing funds and to otherwise take part in the campaigns as more particularly described below.
- D. It is now intended to formally record these arrangements by way of a Mayoral Direction to TfL. To the extent that TfL requires a delegation of the GLA's statutory functions to undertake its role in this project, a delegation of the Mayor's general and incidental powers under the GLA Act is provided for that purpose.

**THE DIRECTION**

- 1. In accordance with section 155 of the GLA Act, I hereby direct TfL to contribute funding to and otherwise take part in and co-operate with the GLA in facilitating Public information Campaigns in accordance with the following paragraphs.
- 2. TfL shall contribute £2,800,000 per annum towards Public Information Campaigns for the purposes of delivering marketing campaigns and shall make arrangements to establish a call-off facility of £2,800,000 per annum for Public Information Campaigns.
- 3. TfL shall upon receipt of a request from the GLA to contribute towards the cost of a Public Information Campaign pay such sum or sums to the GLA as shall be requested.
- 4. TfL shall, if requested, take part in Public Information Campaigns by procuring media space and otherwise assisting the GLA in delivering such campaigns as requested. The extent of TfL's involvement shall be determined by the working group.
- 5. TfL's contribution under clauses 3 and 4 will not exceed £2,800,000 per annum.

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6. The GLA shall set up a working group to ensure co-operation the smooth running of the Public Information Campaigns, the exchange of information regarding the campaigns, to identify future campaigns and determine the breakdown of responsibilities between the GLA and TfL for individual campaigns.
7. The working group shall consist of the Mayor's Communications Adviser, the Head of Marketing and Publicity and the TfL Director of Marketing and shall meet as and when necessary.
8. This Direction shall replace and revoke the earlier Direction attached to MAF MA2739 and dated 17<sup>th</sup> July 2006 which shall be revoked from the date of this Direction.
9. This direction is subject to the following conditions:
  - (a) TfL shall give the GLA such information and assistance as the GLA may reasonably require concerning Public Information Campaigns under the above arrangements.
  - (b) TfL shall comply with any instructions issued by the Mayor from time to time in relation to this direction and with any instructions issued by an officer authorised by the Mayor for that purpose (and duly notified to TfL that such person acts as an officer of the Mayor in that regard) who are for the time being the Mayor's Communications Adviser and the GLA's Head of Marketing and Publicity ; and
  - (c) all expenditure incurred by TfL pursuant to this direction shall be in accordance with TfL's internal corporate governance arrangements, existing contractual obligations, statutory functions and all relevant legislation and rules of law.

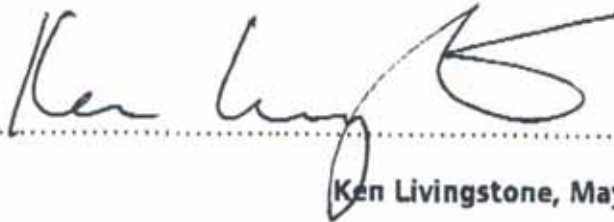
#### THE DELEGATION

1. In accordance with section 38 of the GLA Act, I hereby delegate to TfL the function of exercising the Mayor's powers under section 30 and 34 of the GLA Act for the purposes of taking part in Public Information Campaigns through the contribution of funds, the purchase of advertising space and/or assisting the GLA in delivering such campaigns as described above.
2. This delegation is made subject to the following conditions:
  - (a) in exercising the Mayor's power under sections 30 and 34 of the Act pursuant to this Delegation, TfL shall comply:
    - (i) with all of the associated statutory obligations contained within the GLA Act that apply to the exercise of those functions;
    - (ii) specifically with the directions set out above; and

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- (iii) generally with any directions issued by the Mayor, and instructions issued by any officer authorised by the Mayor (and duly notified to TfL that such person acts as an officer of the Mayor in relation to this Delegation);
- (b) TfL will at all times give the GLA'S Head of Law, all reasonable co-operation and access to documents and facilities as s/he may from time to time require in respect of his/her duties as Monitoring Officer under section 5(2) of the Local Government and Housing Act 1989 as substituted by section 73(6) of the GLA Act; and
- (c) all expenditure incurred pursuant to this Delegation shall be in accordance with TfL's internal corporate governance arrangements, existing contractual obligations, statutory functions and all relevant legislation and rules of law.

Signed .....

**Ken Livingstone, Mayor of London**

Date .....

14<sup>th</sup> May 2007

## TRANSPORT FOR LONDON

## BOARD

**SUBJECT: MAYORAL DIRECTION - CHANGES TO SCHEMES  
RELATING TO DISCOUNTED AND FREE TRAVEL**

**MEETING DATE: 24 OCTOBER 2007**

---

## **1. Purpose**

- 1.1 To inform the Board of a Direction from the Mayor to TfL regarding changes to schemes relating to discounted and free travel from September 2007.

## **2. Background**

- 2.1 Under TfL's Standing Order No. 1 paragraph 18, TfL is required to report any Directions from the Mayor to a Board meeting as soon as reasonably practicable.
- 2.2 The school party travel scheme introduced in 2004 gives free off-peak travel to parties of school children and accompanying adults on the Underground, buses, DLR, trams and the National Rail in the London area. It is restricted to educational or cultural activities and must be booked in advance. There are restrictions on group size and the number of accompanying adults, which depend on the mode and the fare zones used. Representations have been made by nursery schools in London to extend the scheme to them. Groups from nursery schools do not currently qualify for the scheme, although children under five get free travel on all modes whether in groups or not. An extension of the scheme to nursery schools would allow accompanying adults in such groups to travel free, subject to restrictions on purpose of travel, group size and time of travel.
- 2.3 There is currently a free bus and tram travel concession for 16/17 year olds living in London and in full-time education. Representations have been made to the London Assembly to extend this to 'third year sixth formers', who are 18-19 year olds following Level 3 courses, as defined by the Department for Education and Skills (DfES). There is a small but significant minority of students who are following 'sixth form' courses but may be a year older than their peers for a variety of reasons and therefore do not qualify for the current scheme. The reasons might include learning difficulties or students leaving and then returning to further education.
- 2.4 Representations have also been made to the London Assembly to extend by two weeks (from 30 September to 14 October each year) the validity for photocards for students on courses of one academic year or more on TfL's student discount scheme. The current scheme prohibits students from applying for an annual season ticket as students, in most cases, do not receive their photocards until the middle of October. As a result they are unable to make savings of around 13% of the cost of 12 monthly tickets.

### **3. The Mayor's Direction**

- 3.1 The Mayor directs TfL to extend the free off-peak travel scheme to school parties to include groups of children from nursery schools and the adults accompanying them.
- 3.2 The Mayor directs TfL to include older pupils in full time education on Level 3 courses, as defined by the Department for Education and Skills (DfES), in the scheme giving free bus and tram travel to under 18s in full time education.
- 3.3 The Mayor directs TfL to extend by two weeks the validity of photocards for students on courses of one academic year or more on TfL's student discount scheme, from 30 September to 14 October each year.
- 3.4 A copy of the Direction is Appendix 1 to this paper.

### **4. Financial Implications**

- 4.1 The current school party travel scheme costs TfL £340,000 per annum. It is expected that the extension of the scheme to nursery schools is likely to add no more than 10 per cent, or less than £35,000.
- 4.2 The 16/17 year old concession at present costs TfL £20 m per annum. It is envisaged that the extension of the concession to older pupils in full time education on Level 3 courses will cost TfL £1m, a 5 per cent increase in eligible students.
- 4.3 It is estimated that the extension of the validity of photocards for students on courses of one academic year or more on TfL's student discount scheme, from 30 September to 14 October each year will result in a total loss of revenue for TfL of £500,000.
- 4.4 The three scheme extensions are forecast to reduce fares revenue by approximately £1,535,000 per annum.

### **5. Recommendation**

- 5.1 The Board is requested to note the receipt of the Direction from the Mayor.

Mayor's Office

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Web: [www.london.gov.uk](http://www.london.gov.uk)

**Peter Hendy**  
Transport Commissioner  
Transport for London  
Windsor House  
42/50 Victoria Street  
London  
SW1H 0TL

**Our ref:**

**Date:**

I, KEN LIVINGSTONE, MAYOR OF LONDON, in exercise of the powers conferred on me by section 155(1)(c) of the Greater London Authority Act 1999 ("the Act") and in pursuance of my duty under section 174 of the Act, hereby direct Transport for London that the level and structure of fares to be charged for public passenger transport services provided by Transport for London or by any other person in pursuance of an agreement or in pursuance of a transport subsidiary's agreement shall from the first day of September 2007 be in accordance with the conditions attached hereto.

Dated this day 17 of July 2007.



**Ken Livingstone**  
Mayor of London

## **Changes to Schemes Relating to Discounted and Free travel**

### **1. Free travel for school parties**

The scheme giving free off peak travel on all modes for educational and cultural activities to schoolchildren and accompanying adults shall be extended to include groups of children from nursery schools and the adults accompanying them.

### **2. Free bus travel for 16/17 year olds in full time education**

The TfL scheme giving free bus travel to 16/17 year olds in full time education shall be extended to include older pupils in full time education on Level 3 courses, as defined by the DfES for the Education Maintenance Allowance. These pupils will normally be under 19 years of age on 31 August at the beginning of the academic year for which the free travel will be made available.

### **3. Discounted travel for students over 18 years old**

Photocards issued under the TfL student travel scheme to students on courses of one academic year or more shall expire on 14 October after the end of the relevant academic year, instead of the current expiry date of 30 September.



## TRANSPORT FOR LONDON

## BOARD

**SUBJECT: MAYORAL DIRECTION - REDUCTION OF FARES**

**MEETING DATE: 24 OCTOBER 2007**

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## 1. Purpose

- 1.1 To inform the Board of a Direction from the Mayor to TfL regarding the reduction of fares on Croydon Tramlink from 9 September 2007 and the reduction of London bus fares from 30 September 2007.

## 2. Background

- 2.1 Under TfL's Standing Order No. 1 paragraph 18, TfL is required to report any Direction from the Mayor to a Board meeting as soon as reasonably practicable.
- 2.2 The paper on 'Reduction of Fares' submitted to the Board on 27 June 2007, informed the Board of the implementation of the following fare changes from 30 September 2007:
  - A reduction in the Oyster pay as you go adult single fare on bus and tram from 100p to 90p; and
  - A reduction in the 7 Day adult bus pass from 1400p to 1300p with corresponding decreases for longer period tickets.
- 2.3 However, the ticket machines on Croydon Tramlink were required to be adjusted to amend the pay as you go fares on 9 September 2007. Accordingly, this Direction brought forward the implementation date for the reduction in the Oyster pay as you go single fares on Croydon Tramlink from 30 September 2007 to 9 September 2007. For historical reasons tram local fares and through tube / tram fares are downloaded to ticket machines at London Underground stations and at tram stops using London Underground through fares tables. There is a general fares revision on 9 September 2007 to reflect changes to National Rail fares. The downloading of the through fares tables is complex and to avoid risk of potential failure it is undesirable and impractical to download these tables twice within three weeks. Therefore, to enable tram fares to reflect those implemented on the buses from 30 September, it was necessary to download the reduced tram Oyster single fares at the same time as the fares revision i.e. on 9 September 2007.
- 2.4 In addition, the previous Direction did not include proposed price reductions for discounted Oyster pay as you go fares and 7 day and longer period bus passes for those participants on the 18+ discount scheme. For completeness, this Mayoral Direction includes all previous reductions and details are in paragraph 3.2.

### **3. The Mayor's Direction**

3.1 The Mayor directs TfL to implement the following fares proposals with effect from 9 September 2007:

- A reduction in the Oyster pay as you go adult single fare from 100p to 90p on Croydon Tramlink and associated bus feeder services; and
- A reduction in the Oyster pay as you go discounted single fare on Croydon Tramlink and associated bus feeder services from 50p to 45p for participants in TfL's Income Support, 16-17 and New Deal discount fare schemes.

3.2 The Mayor directs TfL to implement the following fares proposals with effect from 30 September 2007:

- A reduction in the Oyster pay as you go adult single fare from 100p to 90p on London Bus services;
- A reduction in the Oyster pay as you go discounted single fare on London Bus services from 50p to 45p for participants in TfL's Income Support, 16-17 and New Deal discount fare schemes;
- A reduction in the price of 7 Day Bus Passes for participants in TfL's 18+ Student discount scheme from £9.70 to £9.10;
- A reduction in the price of 7 Day Bus Passes for participants in TfL's Income Support discount scheme from £7.00 to £6.50; and
- Prices for longer period bus passes for these groups to be reduced pro-rata.

3.3 A copy of the Direction is attached as Appendix 1.

### **4. Financial Implications**

4.1 The full fares proposal for the reduction in Oyster pay as you go fares in the weekly bus price are expected to cost £18m in the current financial year, from the implementation date of 30 September 2007 and £36 m per annum thereafter.

4.2 The bringing forward of the fares reduction for Oyster pay as you go fares on Croydon Tramlink by three weeks will not have a material effect on these costs, which already included the cost of reducing the discounted ticket prices in line with the adult ticket price reductions.

### **5. Recommendations**

5.1 The Board is requested to note the receipt of the Direction from the Mayor.

## Mayor's Office

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Web: [www.london.gov.uk](http://www.london.gov.uk)


**Peter Hendy**

Transport Commissioner  
Transport for London  
Windsor House  
42/50 Victoria Street  
London  
SW1H 0TL

Date: 29 August 2007

I, KEN LIVINGSTONE, MAYOR OF LONDON, in exercise of the powers conferred on me by section 155(1)(c) of the Greater London Authority Act 1999 ("the Act") and in pursuance of my duty under section 174 of the Act, hereby direct Transport for London that the level and structure of fares to be charged for public passenger transport services provided by Transport for London or by any other person in pursuance of an agreement or in pursuance of a transport subsidiary's agreement shall from 9 September 2007 and 30 September 2007 be in accordance with the conditions attached hereto.

Dated this day            of August 2007.

  
KEN LIVINGSTONE  
MAYOR OF LONDON

## ANNEX A

### Bus Pass Season prices (valid on all TfL buses and trams)

		Current Price (£)	From 30 Sep 07	Change (£)	Change (%)
Adult	7 Day	14.00	13.00	-1.00	-7.1
	Monthly	53.80	50.00	-3.80	-7.1
	Annual	560.00	520.00	-40.00	-7.1
Student (18+)	7 Day	9.70	9.10	-0.60	-6.2
	Monthly	37.30	35.00	-2.30	-6.2
	Annual	388.00	364.00	-24.00	-6.2
Income Support scheme	7 Day	7.00	6.50	-0.50	-7.1
	Monthly	26.90	25.00	-1.90	-7.1
	Annual	n/a	n/a	n/a	n/a
16-17 in full time education and New Deal	7 Day	6.00	6.00	-	-
	Monthly	23.10	23.10	-	-
	Annual	n/a	n/a	n/a	n/a

### Bus and Tram Oyster pay as you go fares

		Current Price (£)	From Sep 07*	Change (£)	Change (%)
Adult	Single journey	1.00	0.90	-0.10	-10.0
	Day cap	3.00	3.00	-	-
Income Support scheme	Single journey	0.50	0.45	-0.05	-10.0
	Day cap	1.50	1.50	-	-
16-17 in full time education and New Deal	Single journey	0.50	0.45	-0.05	-10.0
	Day cap	1.50	1.50	-	-

\* Oyster pay as you go fares on trams and associated feeder bus services will change on 9 September 2007. Oyster pay as you go fares on all other TfL bus services will change on 30 September 2007.

Note: TfL has already been directed to implement some of the above price changes on 30 September 2007 under a Mayor's Direction dated 18 June 2007. The full list of changes for implementation on 9 September 2007 and 30 September 2007 and certain prices not to be changed is included here for completeness.

## TRANSPORT FOR LONDON

## BOARD

**SUBJECT: LONDON OVERGROUND PENALTY FARES ORDER 2007**

**MEETING DATE: 24 OCTOBER 2007**

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### **1. Purpose**

- 1.1 To inform the Board of the London Overground Penalty Fares Order 2007 (the 2007 Order) made by the Mayor to harmonise the London Overground penalty fares regime with that of other modes of TfL. The Order will come into force on 11 November 2007.

### **2. Background**

- 2.1 The Department for Transport (DfT) announced on 14 February 2006 that responsibility for Silverlink Metro services would be transferred to TfL in November 2007. With effect from 11 November 2007, the existing Silverlink Metro routes will become the first part of the new London Overground network. The penalty fare on Silverlink Metro services is currently set at £20. This amount has not been altered by the 2007 Order.
- 2.2 The penalty fares regime set out in Schedule 17 to the Greater London Authority (GLA) Act 1999 applies to the Docklands Light Railway, London Buses, London Underground and Croydon Tramlink (in a modified form). Including London Overground in this penalty fares regime will ensure that penalty fares remain consistent across all TfL services. This consistent approach will be easier to communicate to passengers rather than having a separate regime based on the National Rail model for the London Overground.

### **3. Legal Implications**

- 3.1 Under paragraph 2(1) of Schedule 17 to the GLA Act 1999 the penalty fares regime set out in that schedule applies to, inter alia, any train service provided on behalf of TfL pursuant to a transport subsidiary's agreement which provides that the Schedule is to apply to services provided in pursuance of that agreement.
- 3.2 The London Overground will be operated under a transport subsidiary's agreement in the form of a concession from TfL's subsidiary company Rail for London Limited. The concession agreement states that the penalty fares regime of Schedule 17 to the GLA Act 1999 is to apply to the London Overground services.

- 3.3 The application of the Schedule 17 penalty fares regime to any new service must be commenced by way of an order made by the Mayor pursuant to paragraph 2 (4) of Schedule 17.

#### **4. Financial Implications**

- 4.1 The immediate financial consequences for TfL are minor as the only costs will be those associated with publicising the changes. The concession agreement makes provision for the first £20 of each Penalty Fare collected by the concessionaire to be retained by them with the remainder payable to TfL. In the short-term this will have no effect on TfL's revenues as the Penalty Fare has initially been set at £20.

#### **5. Recommendation**

- 5.1 The Board is requested to note the London Overground Penalty Fares Order 2007 made by the Mayor.