

TRANSPORT FOR LONDON

BOARD

**SUBJECT: TfL OPERATIONAL AND FINANCIAL PERFORMANCE REPORT
AND INVESTMENT PROGRAMME REPORT – THIRD
QUARTER 2007/08**

MEETING DATE: 6 FEBRUARY 2008

1. PURPOSE

1.1 To inform the Board of Transport for London's performance over the third quarter of 2007/08 (16 September 2007 – 8 December 2007).

2. INTRODUCTION

2.1 Attached are two reports which detail Transport for London's performance during the third quarter 2007/08. They are as follows:

- The TfL Operational and Financial Report – Appendix One
- The TfL Investment Programme Report – Appendix Two

2.2 The most recent quarterly copy of the Olympic Transport Portfolio Executive Report is also attached as an Annex to the Investment Programme Report.

3. RECOMMENDATION

3.1 The Board is asked to:

- 1 NOTE TfL's operational and financial performance over the second quarter of 2007/08;
- 2 NOTE TfL's progress on the Investment Programme over the second quarter of 2007/08; and
- 3 NOTE the Olympic Transport Portfolio Executive Report.

Appendix One:
Transport for London
Operational and Financial Report
Third Quarter, 2007/08



Operational and Financial Report

Third quarter, 2007/08

Transport for London

Operational and Financial Performance Report

Third Quarter, 2007/08 (16 September 2007 – 08 December 2007)

Performance

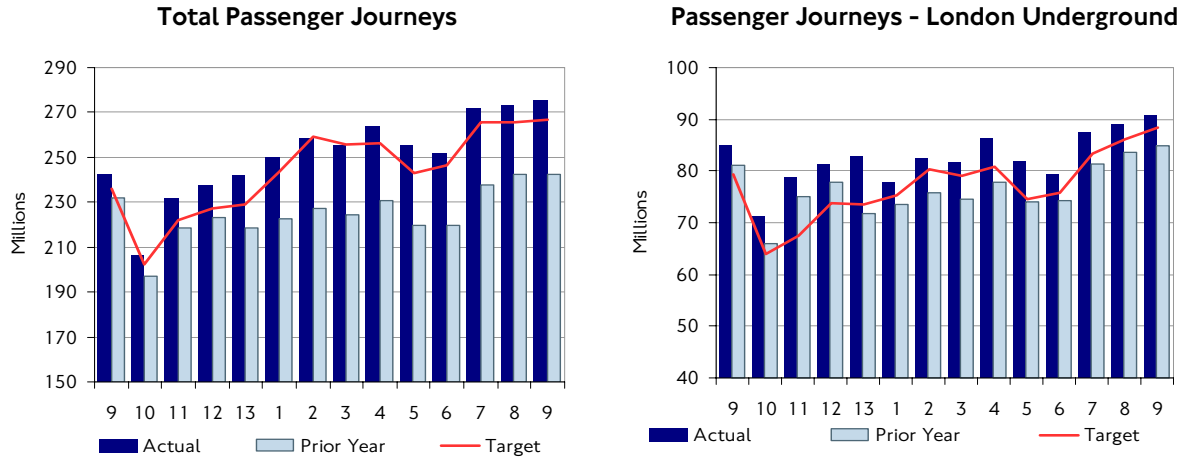
- 1.0 Transport for London continued to build upon demand growth evident in the first two quarters of the year with 821 million passenger journeys during the third quarter. The number of passenger journeys on London Underground beat yet another record in quarter three. At 267 million passenger journeys over 12 weeks it was the highest number ever recorded and was 17 million higher than the same quarter last year. Passengers made an estimated 4.17 million journeys on the Underground on Friday 7 December which was the highest number ever recorded on a single day. Passengers made 530 million journeys on the bus network during the quarter, an increase of 6.1 per cent on 2006/07. On the Docklands Light Railway there were 16 million passenger journeys during the third quarter, 7.3 per cent more than the third quarter last year.
- Other highlights and performance issues in the third quarter of 2007/08 included:
- 1.1 **Crossrail:** On 5 October, the Prime Minister formally approved the go-ahead for Crossrail project. Crossrail will be the largest civil engineering project in Europe, providing a modern, quick and reliable railway through central London. Scheduled to open in 2017, Crossrail will provide a ten per cent increase in London's public transport capacity.
- 1.2 **London Overground launch:** London Overground was launched on 11 November. London Overground Rail Operations Limited (LOROL) took over the operation of services formerly operated by Silverlink Metro. The railway consists of the North London Line (Richmond to Stratford); the London Euston to Watford Junction local line; the West London Line (Willesden Junction to Clapham Junction via Kensington Olympia); and the Gospel Oak to Barking line. Significant investment will ensure that the London Overground service will meet the TfL standards of quality, safety, staffing, frequency and ticketing. Enhanced passenger benefits include staff at every station and Oyster pay-as you-go facilities across the network.
- LOROL will operate an integrated service, including the East London Railway when it re-opens in 2010 after line extension work. TfL is investing £1 billion to extend the existing East London Line north to Highbury and Islington, and, south to New Cross, Crystal Palace and West Croydon.
- Also on 11 November, London Underground took control of the operation of 11 former Silverlink stations, with some 80 employees transferring from Silverlink to LU. Nine stations from Queen's Park to Harrow & Wealdstone, excluding Willesden Junction, transferred to the Bakerloo line while Gunnersbury and Kew Gardens stations transferred to the District line. In addition, LU assumed responsibility for management of the National Rail platforms at West Brompton, Highbury & Islington and Blackhorse Road. London Underground is providing a higher standard of customer service - security, customer information and staff assistance - at these stations.
- 1.3 **TfL bid for Metronet:** On 6 November, TfL was confirmed by the PPP Administrator as the only bidder for the Metronet companies. Under current plans, the people and assets of the two Metronet companies will transfer to two TfL nominee companies. These will be managed on a stand-alone basis while the long-term structure is agreed with the Mayor and Government. Work is progressing on the legal process of transferring Metronet out of administration with the aim of transferring the undertakings to TfL's control in Spring 2008.
- 1.4 **Congestion Charge Re-Let:** IBM United Kingdom Limited was selected for the Congestion Charging and Low Emission Zone service provider contract. The decision follows a 12-month

competitive tendering procurement process. IBM will be responsible for the operation of the Congestion Charging and Low Emission Zone schemes from November 2009, including the technology that will underpin payments and all customer contact channels. The contract is let for five years with an option to extend for a further five years.

- 1.5 **2008 fares package:** Following the fare reductions on buses and trams that were introduced on 30 September, the January 2008 fares package was announced by the Mayor on 30 October. Single fares on buses and trams, the Underground and DLR are frozen. The overall increase in Travelcard prices, which is constrained by agreements with the Train Operators, was in line with Retail Price Index inflation (around 4 per cent). Pay-as-you-go usage continues to increase, and, at the end of the third quarter, reached 15.8 per cent of all bus and 28.5 per cent of all Underground/rail journeys. This compares with 12 per cent and 22 per cent at the same period last year.
- 1.6 **Oyster pay-as-you-go on National Rail:** Oyster pay-as-you-go was successfully launched on London Overground on 11 November 2007. All stations have gates and/or validators to accept Oyster as well as ticketing facilities to sell and top-up Oyster cards.
London Midland started accepting Oyster pay-as-you-go on journeys between Euston and Watford Junction on 18 November 2007.
On 2 January 2008, Oyster pay-as-you-go facilities were launched on Chiltern, c2c and One Railways (Hackney area). The rollout of Oyster pay as you go on the remainder of national rail services within London is planned for 2009. Commercial agreements with the train operating companies are currently in the final stages of negotiation.
- 1.7 **Operating cost review:** Further to the business planning process and the funding settlement announcement, a review of TfL's operating costs has commenced. This aims to identify potential savings and to ensure that front line services will not be affected in an environment of increased financial constraint.
- 1.8 **Funding for Borough Local Implementation Plans (LIPS):** The Annual Borough LIP funding settlement was released on 15 November. £160.9 million was allocated for local transport schemes for the 2008/9 financial year. This is an important part of TfL's wider programme of spending in the boroughs and includes a range of small and large schemes aimed at improving bus services, road safety, walking and cycling, reducing congestion and encouraging a healthier life style.
- 1.9 **Oyster Control Centre:** The Oyster Control Centre was established to manage smooth gateline and validator operation across the Oyster network. Passengers will benefit from proactive system monitoring and resolution of ticketing issues. This will reduce pressure on the Oyster Helpline by reducing customer complaints and refund queries as a result of being overcharged following network events.
- 1.10 **London Transport Museum re-opening:** The London Transport museum re-opened to the public on 22 November. The event received widespread, positive media attention.
- 1.11 **BAME media:** TfL's focus on improving relationships with Black, Asian and minority ethnic (BAME) communities will remain a key element of the future TfL media strategy, aiming to demonstrate the positive impact of transport investment in terms of jobs, health and social inclusion. There has so far been a dramatic increase in BAME media coverage, including a 300 per cent increase in Bengali press coverage. There is also an improved relationship with Polish, Turkish, Urdu speaking, African (including Somali), Arabic, Gujarati and Punjabi media titles resulting in a 50 per cent increase in editorial support.
- 1.12 **Independent Living Award:** Breakthrough UK, a national disabled rights organisation, presented TfL with an Independent Living Award for achievement in transport accessibility. In particular, judges praised the introduction of low-floor, wheelchair accessible buses across the entire London bus fleet, ten years ahead of legal requirements. The judges were also impressed by TfL's ongoing consultation with both disabled staff and the use of independent Disability Advisers.

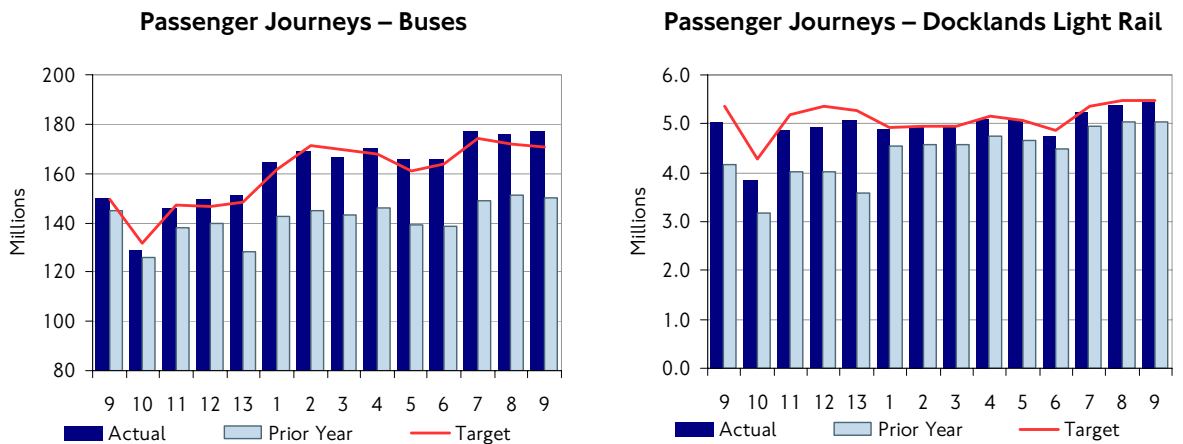
Service Demand

2.0 The total number of passenger journeys across the TfL network continued to grow in quarter three. There were 821 million passenger journeys across the network, 22.7 million (2.8 per cent) higher than the target and an increase of 55 million (6.4 per cent) on the same quarter last year on a comparable basis.



Note: 2006/07 bus passenger journey numbers are represented as previously reported (not re-stated), but a new methodology was applied from period 1 2007/08.

2.1 Service demand on the Underground continued to exceed target. There were 267 million passenger journeys on the Underground during quarter three, an increase of 17 million on the third quarter of last year and 9.4 million more than target. For the year to date, London Underground has carried 57 million more passenger journeys than last year, an increase of 8.1 per cent. London Underground is forecasting to achieve 1,102 million passenger journeys for the full year, 54 million higher than the budget of 1,048 million passenger journeys.



Note: 2006/07 bus passenger journey numbers are not re-stated but a new methodology was applied from period 1 2007/08.

2.2 Bus passengers made 530 million journeys during the third quarter, an increase of 6.1 per cent on the third quarter of 2006/07 on a comparable basis, and 12.7 million higher than target.

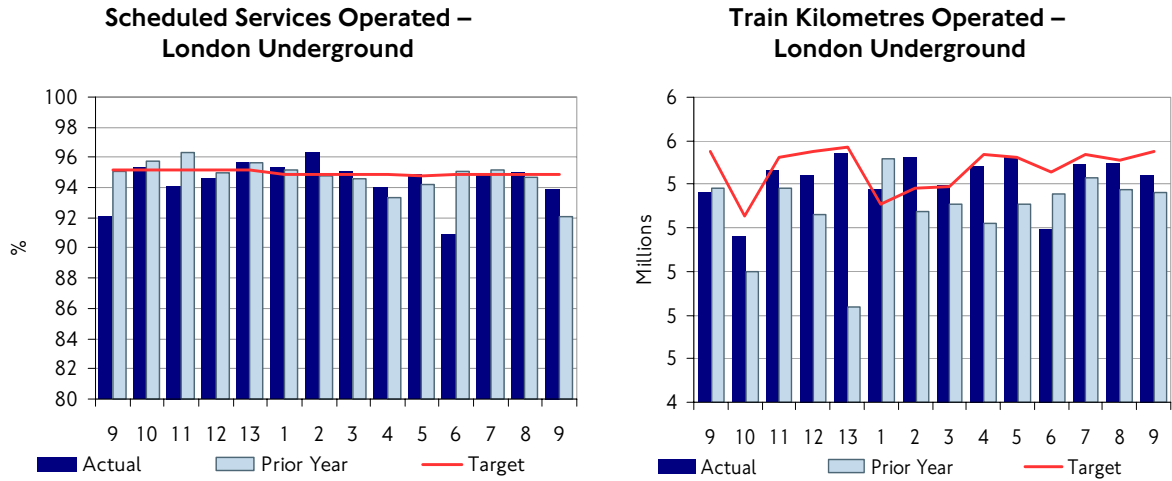
2.3 DLR passengers made 16.1 million journeys during the third quarter, an increase of 7.3 per cent on the same quarter last year, but slightly below the quarter three target of 16.3 million. Despite passengers making fewer journeys than target for the year to date, there have been 3.2 million more journeys made by passengers compared to the same period last year.

Fare Trends

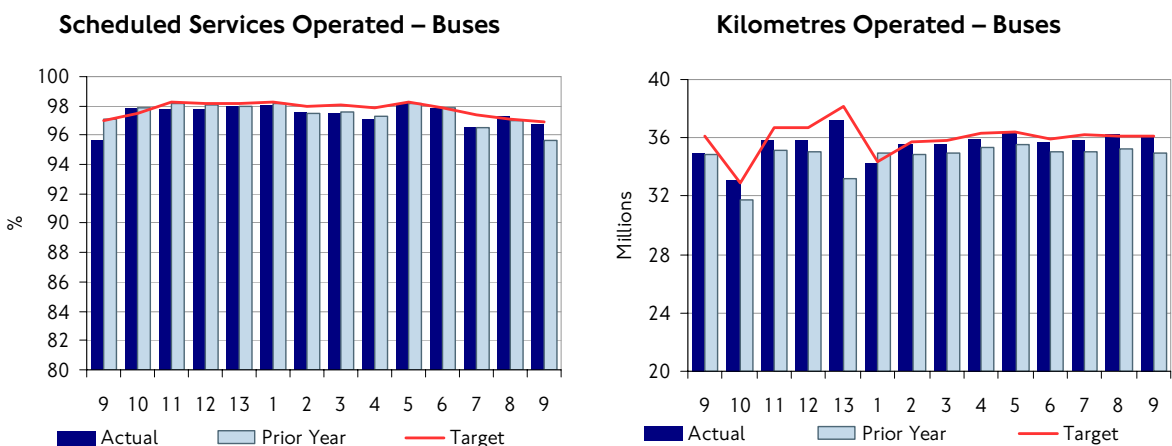
- 2.4 During the third quarter, 3.2 per cent of Underground passenger journeys were cash fares, down from 5.4 per cent at quarter three last year. Oyster pay-as-you-go journeys accounted for 28.5 per cent of all Underground journeys compared with 22.2 per cent a year ago.
- 2.5 On the bus network cash single fares accounted for 1.8 per cent of all journeys (1.9 per cent including roadside ticket machines) compared to 4.0 per cent at quarter three 2006/07. Oyster pay-as-you-go journeys comprised 15.8 per cent of all bus journeys compared to 12.0 per cent a year ago.

Service Provision

3.0 During quarter three, levels of service provision across TfL were mixed, with both the Underground and buses narrowly missing challenging targets. However, there was an improvement compared to the level of service provided last year despite increased passenger numbers. The DLR continued its record of excellent service provision.

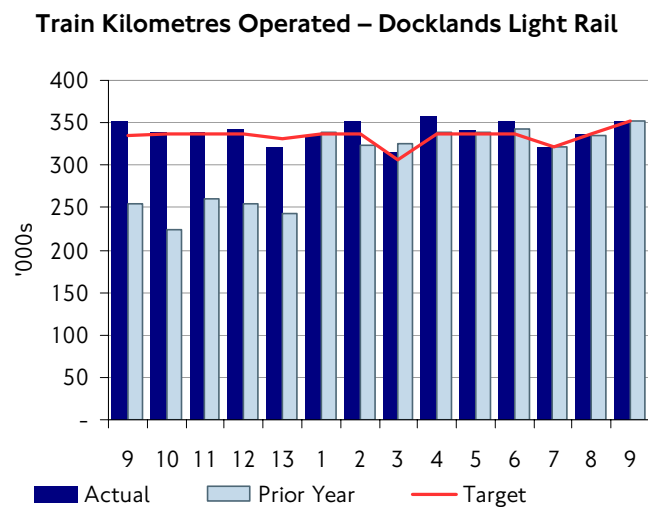


3.1 During the third quarter, 94.6 per cent of scheduled services were operated on the Underground. This was 0.5 per cent below target but an improvement of 0.6 per cent compared to the performance of the prior year. The Northern line maintained its record of being the only line to achieve its budgeted percentage of schedule in each period of the year to date. Staff and rolling stock shortages continued to depress performance on Circle & Hammersmith lines while Central line stock availability declined sharply during the quarter mainly due to traction motor defects. On the Piccadilly line, the impact of various infrastructure and customer incidents was exacerbated by heavy passenger loadings resulting in late running and consequent cancellations and short tripping in order to recover the service. Two external incidents – a fire in lineside premises and a gas leak – caused lengthy service suspensions on the Jubilee line.



3.2 An average of 96.8 per cent of scheduled bus services were operated in the third quarter, 0.4 per cent below target but 0.4 per cent higher than the same period last year. Bus kilometres operated, at 108.2 million kilometres, were 0.3 per cent lower than target and 2.7 per cent higher than the previous year. A seasonal increase in mileage losses due to traffic delays is expected during this quarter, traditionally the worst quarter for operating conditions, due to deteriorating weather conditions, traffic congestion and roadworks. Buses were also disrupted by the continuing roadworks at Tottenham Court Road, Bishopsgate, Wembley High Road,

Fulham and Holborn, together with burst water mains in Hastings Road Bromley, West Hampstead, Turnpike Lane and on the A406. Planned events such as the pedestrian shopping day in Oxford Street and Regent Street on 1 December and the Saudi state visit also resulted in a number of diversions.

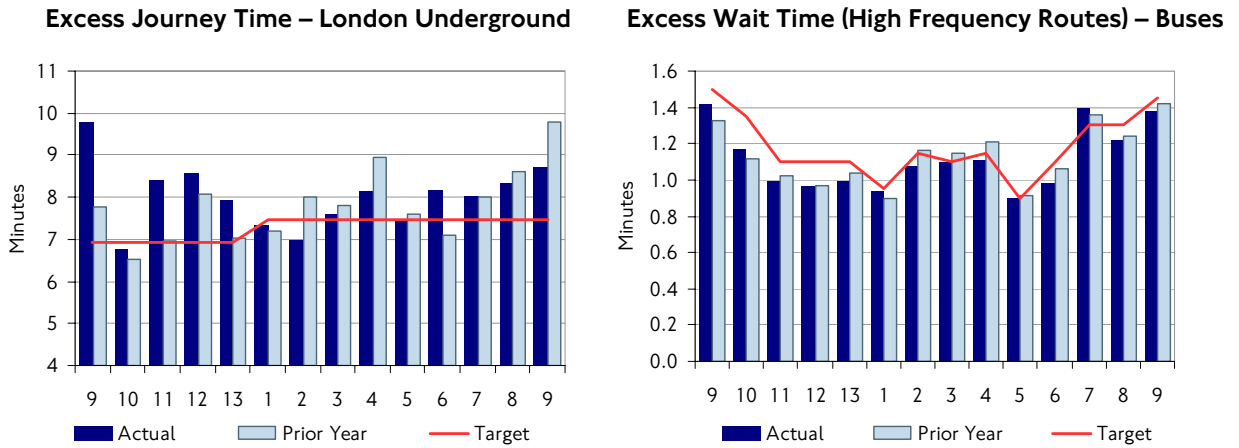


3.3 In quarter three, the percentage of schedule operated on the DLR, at 99.5 per cent, was 1.5 percent higher than target and 1.8 percent higher than the previous year. Train kilometres operated by the DLR were in line with target and the prior year. DLR train kilometres operated are forecast to achieve the full year target.

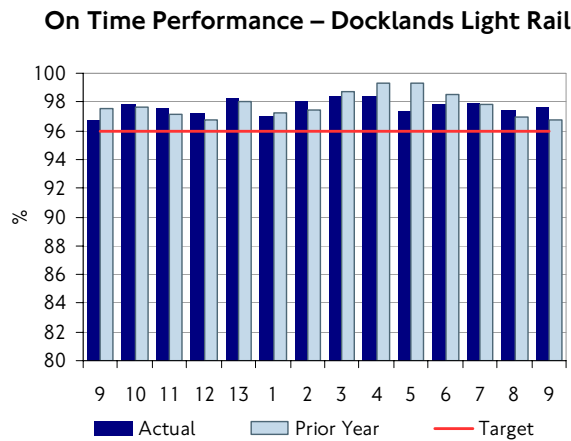
3.4 In quarter three, there were 269,000 Dial-a-Ride trips, significantly below the target of 359,000 trips. The 2007/8 full year target of 1.6 million trips was based on the planned completion of service centralisation with the computer systems working to the specified standard. Following a detailed project review, centralisation is now scheduled for completion in spring 2008. System problems continue to be addressed by intensive manual work and a 'final build' version of the system was available in November. The quarter three forecast of 1.2 million trips for the full year is based on current deliverable activity.

Service Reliability

4.0 During the third quarter excess journey time on the Underground averaged 8.4 minutes, an improvement of 0.4 minutes on the previous year, but worse than the target of 7.5 minutes. The record passenger numbers and rolling stock shortages noted previously combined to cause increases in station congestion, average runtimes and on train crowding levels, all of which contribute to increased journey times.



4.1 On the bus network, excess wait time averaged 0.1 minute lower than target and the same as quarter three last year. Excess wait time has been reducing steadily across the bus network for over four years.



4.2 97.7 per cent of DLR trains were on time. On-time performance was 1.7 per cent higher than target and 0.5 per cent better than last year.

Customer

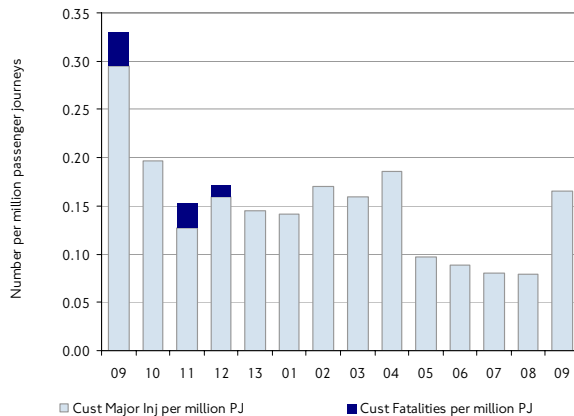
Customer Satisfaction Scores (CSS)

- 4.3 The results of the customer satisfaction survey are available in period 10 and will be included in the report if data is available prior to publication.

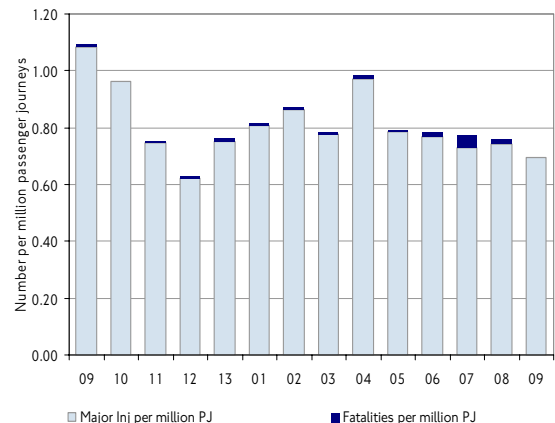
Safety

- 5.0 Road traffic accident data has not been available since April 2007, due to changes in data collection procedures by the Metropolitan Police. Therefore there is no new data available for the quarter 3 report. The new MPS casualty data IT software did not include the required functionality and it is now being altered to meet requirements. The latest MPS estimate is that this work will be completed in January 2008, when the process to enter and validate data will re-commence.
- 5.1 **Working with Diverse Communities on Road Safety:** The first workshop on the “Working with Diverse Communities” programme on road safety was held on 1 November between the London Boroughs and TfL. Borough road safety professionals, who are participating in demonstration projects, shared lessons learnt about Equality Impact Assessments, and discussed key performance indicators and evaluations.
- 5.2 **Teens Road Safety Campaign:** The TfL 'Don't die before you've lived' road safety campaign aims to reduce fatal and serious incidents by 60 per cent by 2010. TfL has collaborated with Channel 4 to produce a series of programmes aimed specifically at teenagers. The shows were broadcast over the weekend of 3/4 November and aimed to promote the safety message. The outcome of the campaign will be evaluated in due course.
- 5.3 **The TfL Children’s Traffic Club:** From 26 September a ‘theatre in education’ roadshow visited 4,000 nurseries and early year establishments across London. The roadshows are part of the TfL Children's Traffic Club, which helps parents/carers to teach three and four year olds about road and transport safety.

Major Injuries and Fatalities (customers) – London Underground



Major Injuries and Fatalities (customers) – London Buses



- 5.4 The number of customer major injuries on the London Underground network in the third quarter of 2007/08, at 29, was 23 fewer than in quarter three last year and represents an average of 0.11 injuries per million passenger journeys. There have been no accidental customer fatalities in the year to date.
- 5.5 On the bus network in the third quarter of 2007/08, there was a 15.3 per cent decrease in major injuries and fatalities when compared to the corresponding quarter last year, representing an average of 0.74 injuries per million passenger journeys.

Sustainability

- 6.0 Highlights of TfL initiatives with sustainability benefits in the third quarter were:
- 6.1 The operator of London Overground (LOROL) is developing a sustainability action plan to identify improvements to the overall sustainability of services and stations.
- 6.2 **Climate Change Fund:** The TfL Climate Change Fund (CCF) Approvals Group endorsed the following projects:
- (i) Taxis and Private Hire Vehicle Carbon Strategy Implementation, £1.2 million over two years
 - (ii) London Underground – Low Carbon Approaches for Stations: £300,000 for phase one feasibility study
 - (iii) London Development Agency Green Homes, £1.0 million over two years, for transport elements of the project.
- 6.3 **Sustainable Buses:** London is the first European city to purchase hydrogen buses for commercial operation. Contracts for 10 hydrogen fuelled buses were awarded to bus supplier (ISE) and bus operator (First Group). This demonstrates the TfL commitment to combat climate change through investment in sustainable, environmentally friendly fuel. Of the 10 buses, 5 will use hydrogen fuel cells, and 5 will use a specialist internal combustion engine which is powered directly by hydrogen. Both vehicles incorporate hybrid technology to maximise fuel efficiency and increase the operating range.
- The London Diesel/electric hybrid bus fleet increased from six to eleven single-deck hybrid vehicles on routes 360 and 129. The additional five buses came into service on 21 November. One double-deck hybrid bus continues to be operated on Route 141 from Palmers Green to London Bridge Station by Arriva London North.
- 6.4 **Clinton Climate Change Initiative:** TfL is working with the GLA on the Mayor's Building Efficiency Programme contract. Of the sixteen expressions of interest received from the leading retrofit companies, eight were shortlisted. Discussions are underway with the Clinton Climate Initiative banking partners to develop funding structures.
- 6.5 **School Bike Parks:** On 8 November, the Managing Director, Surface Transport, unveiled the 10,000th school bicycle parking space at Stepney Green Mathematics and Computing College. Since January 2004, the new school cycle parking spaces have been installed in more than 400 schools and colleges across London, as part of the Mayor's school cycle parking programme.
- 6.6 **Cycle Awards:** TfL's London Workplace Challenge 2007 was named 'Best Workplace Cycling Initiative' at the London Cycling Awards on 19 October, presented by the London Cycling Campaign. The Challenge, which coincided with the Tour de France in July, encouraged teams from more than 340 organisations across London to cycle. The teams either increased their total number of cycling journeys, set individual targets to cycle further, or recruited new commuting cyclists to join them. 2007 has been an exceptional year for cycling events in London, with the Tour de France Grand Départ, The Tour of Britain Prologue and the Hovis London Freewheel event. The number of cycle journeys on the TLRN has increased by 83 per cent since 2000. TfL is investing £36 million in 2007/8 to improve cycling infrastructure, training and education.
- 6.7 **New Freight Consolidation Centre at Silvertown:** The TfL two year feasibility pilot to study the potential benefits of Construction Consolidation Centres was completed with the closure of the Bermondsey site. The team at Wilson James Limited, which was responsible for running the TfL sponsored pilot, have decided to continue operations at Silvertown. The pilot scheme's results demonstrated a 68 percent decrease in construction vehicles entering the City as a result of its operation. Average journey time, including loading and unloading, fell by two hours and around 97 per cent of materials were delivered correctly on the first occasion.
- 6.8 **TfL Energy savings:** During the last six months, a staff pledge to help cut energy use at TfL has seen electricity use in its head offices fall by 9 per cent compared to the previous year. This is equivalent to more than one million kilowatt hours of electricity.

- 6.9 **Supplier Diversity:** The 'Supply London' brokerage service was designed to increase opportunities for small/medium enterprises (SMEs) to win business with TfL. The first appointment was a SME supplier to provide a fire alarm system and equipment for Victoria Coach Station. Work to promote supplier diversity continues.
- 6.10 **Responsible Procurement:** 'Sustainable Procurement' has been renamed 'Responsible Procurement' to clearly communicate the importance of social and environmental objectives to ensure best value procurement across the GLA Group. TfL Group Procurement is working to include requirements, defined by the GLA/TfL Responsible Procurement Policy, in 22 contracts with a combined value of £1,397 million. A further 59 contracts were identified with opportunities to include responsible procurement requirements. To date, 18 contracts incorporating the requirements have been awarded, with a combined value of £2,752 million.
- 6.11 **School Travel Planning (STP):** The 6th Annual School Travel Plan (STP) Conference was held at the Gallery Hall Business Design Centre on Thursday 18 October. The conference, for schools with no experience of the STP programmes, highlighted the benefits and practical process of STP delivery. It was attended by 220 delegates, representing both schools and School Travel Advisors (STAs). TfL, STAs and schools accredited at sustainable level presented and exhibited at the conference.
- 6.12 **Workplace Travel Planning:** More than 350,000 employees are now represented by organisations signed up to the TfL Workplace Travel Planning Corporate Package. This exceeds the target of 200,000 employees. The Corporate package is available for companies with more than 250 employees. TfL also offers the Enterprise Package for companies with less than 250 employees.
- 6.13 **Personal Travel Planning (PTP):** The Smarter Travel Sutton programme was completed on 5 October having contacted 67,503 households. Of these, conversations were held at 44,770 households (66 per cent). On 12 October, the Camden scheme was also completed having had conversations at 14,633 (52 per cent) of the 28,410 households contacted.
- 6.14 **Legible London:** On 27 November, the first prototype of the 'Legible London' pedestrian wayfinding scheme was launched in Bond Street. Legible London is a scheme designed to provide improved information throughout London for people who want to walk. The Bond Street trial consists of 19 on-street signs and includes bus shelters and signage in Bond Street Tube station.

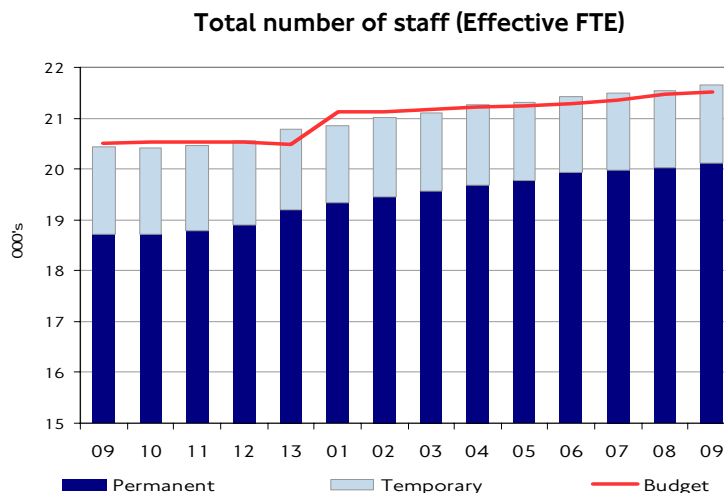
Section 17 of the Crime and Disorder Act

- 7.0 Highlights of TfL initiatives with community safety benefits in the third quarter were:
- 7.1 **Section 17 of the Crime and Disorder Act 1998:** A progress report on the “Implementation of Section 17 of the Crime and Disorder Act 1998” was noted by the TfL Board in October 2007. The Transport Policing Enforcement Directorate (TPED), which currently co-ordinates implementation activity across TfL, has launched a training and awareness campaign to educate all TfL departments on the implications of Section 17 and its inclusion in all aspects of TfL business.
- 7.2 **Crime reduced by 11 per cent on London’s Buses:** The latest MPS/TfL crime figures show that crime on London's buses is 11 per cent lower than a year ago. This follows a 2 per cent reduction in the previous year. This reduction has been delivered while bus passenger numbers continue to rise.
- The figures for the first six months of 2007/8 show a fall in criminal damage, robbery and theft offences. The number of criminal incidents believed to involve one or more people aged 16 or under was 19 per cent lower in the first half of 2007/8 compared to the previous year.
- Bus passengers have benefited from visible policing by officers from the MPS Transport Operational Command Unit (TOCU) which is funded by TfL. In addition, 21 Safer Transport Teams were deployed to London's outer boroughs this year, providing reassurance to bus passengers and welcomed by local communities as a valuable policing presence.
- 7.3 **TOCU Review:** The review of the Special Services Agreement between the Metropolitan Police and TfL for the Transport Operational Command Unit (TOCU) is nearing completion. This is being undertaken jointly with TOCU after 5 years of operation. The review will set the strategic objectives, structure, deployment structure, operating style, governance arrangements and performance measures for the TOCU for the next five years.
- 7.4 **Online penalty checker launched:** This free service was launched on 18 September, and allows people to see if there are any penalty charges outstanding on their vehicle. In addition, people who are considering buying a vehicle can, with the owners consent, check if it has any penalty charges outstanding for the central London Congestion Charge. This service is aimed at reducing the potential for Congestion Charge fraud and to protect vehicle purchasers.
- 7.5 **Operation Chicago:** A two week joint policing operation in south-east London concluded on 20 October 2007. The MPS Transport Operational Command Unit (TOCU), working in partnership with the British Transport Police and TfL, aimed to detect and prevent robberies, ticket fraud, fare evasion, drug dealing, aggressive begging and anti-social behaviour, whilst also reducing criminal opportunity. Safer Transport Teams also supported the operation. In total, there were over 300 arrests, over 130 by the TOCU and 180 by British Transport Police.

People

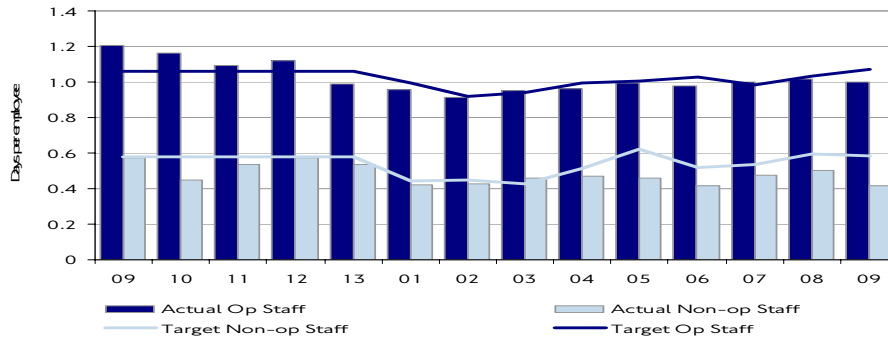
Staff Numbers

8.0 At the end of quarter three TfL employed 21,718 full time equivalent (FTE) staff. This number has increased by 291 since the end of quarter two and is 209 more than budget. There were 1,537 temporary staff at the end of quarter three which was 184 lower than last year but 311 more than target. The proportion of temporary staff was 7.1 per cent compared to a target of 5.7 per cent.



- 8.1 There were 14,469 FTE staff in London Underground, 96 more than budget, of which 61 were permanent staff and 35 were temporary staff. The largest contributors to the variance were additional staff in Strategy and Service Development working on projects including the PPP review and the Victoria station upgrade; in Information Management working on various projects; and staff retained for longer than expected due to a delay in the implementation of Connect. Vacancies in Engineering and the PPP contract teams partly offset these variances.
- 8.2 Surface Transport had 4,725 FTE staff at the end of period 9 which was 25 fewer than budget. There were 119 fewer permanent staff than budget partly offset by 94 more temporary staff. Recruitment of permanent staff continued at a slower rate than expected in Surface Transport, partly due to the London Streets reorganisation.
- 8.3 There were 214 FTE staff in London Rail, 6 fewer than budget. The number of temporary staff at 33, was 11 lower than budget. London Rail continues to manage temporary staff numbers, by converting temporary staff to permanent contracts where appropriate. Some temporary positions are occupied by people with specialist skills, where permanent recruitment has proved challenging.
- 8.4 Staff numbers in the Group Directorates, at 2,309, were 142 higher than budgeted. This mainly relates to additional staff in the Oyster call centre in response to rising call volumes; IM staff replacing consultants as part of an organisational change programme and in Fares and Ticketing relating to development work on the Oyster system.

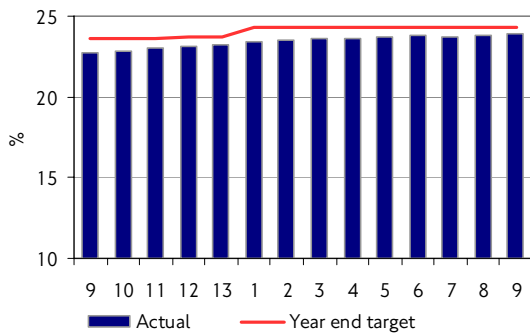
Sickness Absence – Days per Employee



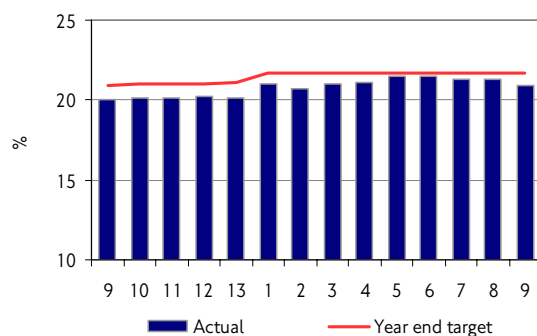
8.5 TfL staff were absent from work due to sickness for an average of 7.02 days over the first three quarters of the year. This was 0.66 days lower than the year to date target of 7.68 days and an improvement of 1.17 days compared to last year. London Underground staff were absent for an average of 7.27 days per employee. This was 0.97 days better than target and an improvement of 1.64 days per employee compared to last year. Surface Transport staff were absent for 7.47 days per employee in the year to date, which was 0.91 days worse than target and was driven by higher rates of absence amongst operational staff. The active management of long-term sickness cases amongst operational staff has reduced absence, though this was offset by an increase in short term sickness towards the end of the quarter. An ongoing review of absence records is aimed at achieving a more sustained reduction. In London Rail the absence rate of 2.4 days per employee was 1.07 days below target and an improvement of 0.66 days compared to last year. Group Directorates staff have been absent for 4.55 days per employee for the year to date, which was 0.05 days worse than target.

Workforce Composition

Female staff



Female staff in senior management

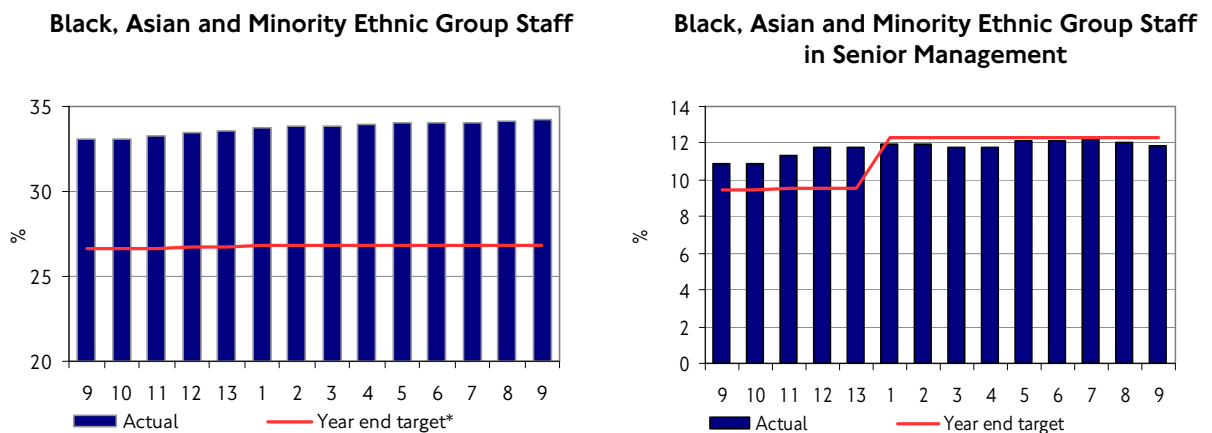


8.6 At the end of quarter three 23.9 per cent of TfL’s staff were women. This was 1.2 percentage points higher than the same period last year, and only 0.4 percentage points short of the year end target. The percentage of women in senior management fell by 0.4 percentage points to 20.9 per cent. This is due to a small number of leavers and is within normal staff turnover expectations. The percentage of women in senior management is now 0.8 per cent short of the year end target, but 0.9 per cent points higher than last year.

8.7 In London Underground, there has been gradual increase in women in key operational roles – 12.5 percent of Duty Managers and 10.7 per cent of Station Supervisors are now women. Further analysis is planned to identify directorates where positive recruitment action may be appropriate. Exit interviews are conducted in Surface Transport to identify the reasons why women leave the organisation and is building up knowledge to inform future actions. Surface Transport and Group

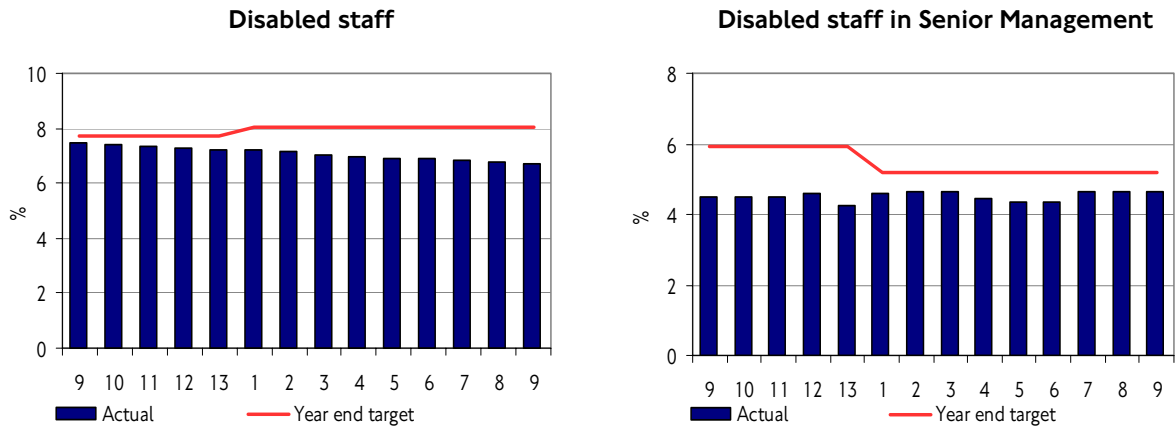
HR are hosting focus groups to understand the experiences of female employees. The results of the East Thames Buses flexible rostering project are under consideration at present.

- 8.8 On 30 October 2007 TfL participated in the JIVE conference in Birmingham. JIVE is an EU funded partnership led by the UK Resource Centre for Women in Science, Engineering and Technology (UKRC). The conference was attended by 200 people from industry, the public sector, schools, colleges and universities. The conference programme included a TfL case study of recruitment in Traffic Signals and a TfL Equality & Inclusion exhibit. This event provided an excellent opportunity to raise the profile of TfL as an employer of choice, committed to gender equality and offering exciting career prospects for women. Following participation in the conference TfL will be signing up to the UKRC CEO charter that will make a commitment to actively support the aim of increasing the participation, at all levels, of women in Science, Engineering and Technology, develop and communicate the business case for gender equality and showcase TfL's approach and examples of best practice.



- 8.9 The representation of BAME staff across TfL increased to 34.2 per cent, which was 7.4 percentage points higher than 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.¹ The percentage of BAME staff in senior management fell by 0.2 percentage points to 11.9 per cent. This was 0.4 percentage points below the year end target but 1.0 per cent higher than at the end of quarter three last year. This fluctuation is within expected turnover levels.
- 8.10 TfL Group HR is implementing Project Breakthrough to improve the representation of BAME groups within senior management, including a review of the London Underground recruitment process. The TfL Race Equality Scheme, which includes a section on employment issues, is in the final stage of production. The consultation period has now ended and results will inform the development of the Race Equality Scheme action plans.
- 8.11 TfL celebrated Black History Month 2007 with a programme of cultural events co-hosted by Group Equality and Inclusion and the BAME Staff Network Group. Key themes included the bicentenary of abolition of the slave trade and black history in London. Events included live poetry performances on the Underground, film screenings, historical walks and a private viewing of art work by Stephen Wiltshire. The highly successful month ended with a gala celebration.

¹. A recent ONS survey commissioned by the GLA indicated that the BAME community represented 29 per cent of the economically active London population. The target for the 2008/09 budget will be revised accordingly.



- 8.12 Of the staff reporting their disability status, 6.7 per cent were reported as disabled at the end of period 9. This was 1.3 per cent lower than the year end target of 8.0 per cent and 0.7 per cent lower than last year. This represents a decrease of 0.1 per cent since period 8, caused by a combination of 3 fewer disabled staff and 68 more non-disabled staff. The proportion of disabled staff in senior management fell to 4.6 per cent. This was 0.6 per cent lower than the year end target of 5.2 per cent and 0.2 per cent lower than last year.
- 8.13 Work has commenced to provide an improved environment for disabled staff, but the benefits will be realised in the longer term. Activities to increase the representation of disabled staff have included the Surface Transport placement scheme. Applicant short-listing has taken place for the work placement initiatives in London Streets and interviews took place in December 2007. The London Underground work experience programme has become very popular with external agencies working with disabled people.
- 8.14 Of those employees declaring sexual orientation, 1 per cent are lesbians and 0.5 percent are lesbian senior managers; 4.4 per cent are gay men and 3.0 per cent are gay men in senior management. 0.2 percent are bisexual women and 0.6 per cent are bisexual men. 59.2 per cent are heterosexual men and 67.4 per cent are heterosexual men in senior management. 28 per cent are heterosexual women and 19 per cent are heterosexual women senior managers.
- 8.15 Trade Union consultation has commenced on the following policies: Attendance, Bullying & Harassment; Discipline; Grievance and Performance Improvement. The consultation will continue into the first half of December. The nature of the above policies will require significant training and briefing and a comprehensive implementation plan is being prepared to reflect this.
- 8.16 During October, the first TfL employee engagement survey, 'Your Say', was conducted. All permanent and fixed term contract employees within TfL Corporate, London Rail and Surface Transport were invited to participate. 'Your Say' was designed to give employees the opportunity to say what it is like to work for TfL. It is intended to run the survey annually and for it to become a key business measure. 'Your Say' will provide feedback about on issues of key importance to employees and will ensure that effort is made to address these issues. The initial findings will be available in February. The participation rate was 47 per cent. London Underground continues to run a survey called "Speak Up".

Efficiencies

9.0 At £217 million, the 2007/08 efficiencies programme full year target is 11 per cent greater than the 2006/07 year-end efficiencies total of £193 million.

9.1 TfL is forecasting to exceed the year end efficiency target by £19 million, delivering £236 million of savings in total through a combination of new back-office and operational efficiencies.

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	0	29	9	85	9
Staff & BIP	14	(9)	10		24	(9)
Marketing & Other	18	(2)	10	9	28	7
Total Back Office	88	(11)	49	18	137	7
Rail Operations	2				2	
Bus Network	59		6	6	65	6
Road Maintenance Contract			6	3	6	3
Other Surface Initiatives			3	3	3	3
Tube Lines refinancing	2				2	
LUL Operational Efficiencies	17				17	
LUL Communication Infrastructure	5				5	
Total Operations	85		15	12	99	12
Total Cashable (lower than budget)	172	(11)	64	30	236	19

Table may be subject to rounding errors

9.2 Additional forecast procurement efficiencies have been achieved from a number of initiatives including;

- Project Horizon (an improvement to increase the efficiency of several key HR/Business Processes which is attributed across TfL modes)
- Engineering and Project Management Framework initiatives (which reviewed the savings made from TfL's professional consultancy frameworks against market rates) and
- Savings achieved on completion of the Coulsdon Relief Road project

9.3 All targets for operational efficiencies are expected to be met or be exceeded by year end. Of the targets to be expected to be exceeded,

- An additional £6m is anticipated through revising bus schedules where appropriate and extending the contracts for a number of routes
- An additional £3m of efficiencies have been identified following the renegotiation of prices from the old Term Maintenance contract, and
- £2.7m forecast from a range of smaller Surface initiatives which include savings on reduced postage costs and the Congestion Charging Re-let contract

9.4 A number of recurring staffing and BiP efficiencies have been reviewed and, as a prudent measure, have been excluded from the forecast. As previously reported this includes £6 million within Group Services relating to efficiencies eroded as headcount numbers have increased over time to meet increased demand for services provided centrally by Group Services. However, this

is expected to be offset by efficiency savings arising from the recently initiated 'HR right sizing' project which will see new efficiencies of £2.5 million by the end of the year.

- 9.5 TfL is currently undertaking a comprehensive review of operational cost drivers throughout the organisation. The focus of the operational cost review is to identify areas of cost reduction whilst maintaining the outcomes TfL is trying to achieve. The outcome of this review will determine the basis of future efficiency targets and programmes.

Financial performance

Group Highlights

- 10.0 Overall income was £11 million lower than budget for the year to date, but is forecast to be £19 million lower than budget by year end. The forecast variance to budget is primarily due to lower advertising revenue and TPED enforcement income, partially offset by higher underground fare income. The quarter three full year income forecast is £42 million less than forecast at quarter two. This is due to a range of factors including reduced fare income growth assumptions on both London Underground and London Buses. This is in part due to a re-assessment of current revenue trends by mode across all ticketing products, including Travelcards, and a reduced forecast of the rate of growth of passenger journeys.
- 10.1 Operating expenditure was £132 million lower than budget for the year to date, however this is forecast to recover to £98 million lower than budget for the full year. The most significant driver of the variance was lower expenditure by £48 million in the year to date on Public Private Partnership Contracts within London Underground. The quarter three full year expenditure forecast is £11 million less than forecast at quarter two. This is due to forecast lower expenditure of £66 million for the full year on Public Private Partnership Contracts.
- 10.2 Net capital expenditure, after reductions for overprogramming and third party reimbursements, was £81 million lower than budget in the year to date. The full year forecast of £56 million less than budget is £37 million lower than the quarter two forecast of £19 million below budget. The movement in forecast is due to re-phasing of expenditure to later years by Surface Transport, £23 million for various projects including West Ham bus garage and iBus, and £19 million by London Rail for the East London Line. Investment activity is detailed in the Third Quarter Investment Programme Report.
- 10.3 Net interest income was £16 million more than was budgeted for in the year to date. The full year forecast is £20 million higher than budget, an increase of £1 million since quarter two. TfL earned more interest income because of the increase in interest rates but this was partly offset by higher debt service payments, predominantly due to the earlier draw down of debt.
- 10.4 The two Metronet PPP companies, which are responsible for the BCV and SSL lines, went into PPP Administration on 18 July 2007. Due to the uncertainty over the recovery of the loan facility made available to the Metronet administrator, £262m was provided for in the full year forecast. This was reduced from the full £900 million reported at quarter two as the spend rate and utilisation of the loan becomes clearer. The provision for the year to date is £102m.
- 10.5 Full year TfL net service expenditure, which includes the loan provision of £262 million made available to the Metronet administrators, is now forecast to exceed budget by £97 million.

All in £ millions	Year to Date			Full Year	
	Actual	Budget	Variance	Q3 Forecast	Variance to budget
Income					
London Underground	(1,124)	(1,136)	12	(1,647)	3
Surface Transport	(1,058)	(1,059)	1	(1,516)	22
London Rail	(47)	(47)	(0)	(77)	(4)
Group Directorates	(11)	(10)	(1)	(19)	(1)
	(2,241)	(2,253)	11	(3,259)	19
Operating Expenditure					
London Underground	1,702	1,799	(98)	2,508	(108)
Surface Transport	1,719	1,723	(4)	2,563	28
London Rail	104	107	(3)	181	8
Group Directorates	209	237	(28)	351	(25)
	3,734	3,867	(132)	5,603	(98)
Net Operating Expenditure	1,493	1,614	(121)	2,345	(78)
Capital Expenditure (before group overprog)					
London Underground	259	286	(27)	419	0
Surface Transport	117	191	(73)	198	(98)
London Rail	234	263	(28)	404	(23)
Group Directorates	22	50	(28)	45	(29)
	633	790	(156)	1,067	(150)
Reimbursements from third parties					
London Underground	(67)	(70)	3	(104)	0
Surface Transport	(3)	(21)	18	(5)	25
London Rail	(20)	(15)	(5)	(38)	(17)
Group Directorates	(3)	(14)	11	(5)	17
	(94)	(121)	27	(152)	24
Group Overprogramming	-	(48)	48	-	70
Net Capital Expenditure	540	621	(81)	915	(56)
Capital income (including property sales)	(32)	(39)	7	(41)	11
Group Items					
Interest Income	(76)	(56)	(20)	(109)	(35)
Debt Servicing Payments	81	77	4	125	15
Contingency	0	9	(9)	18	(22)
Provision for Metronet	102	-	102	262	262
Net Service Expenditure	2,108	2,225	(117)	3,515	97

Table may be subject to rounding errors

Operating Income

- 10.6 London Underground operating income was £12 million lower than budget in the year to date largely because of lower advertising revenue partly offset by higher fare income. Fare income was £59 million higher than the same period last year as demand for Underground travel continued to grow. Income from the CBS advertising contract is lower than budget because of lower than predicted market growth and delays in installation of digital advertising equipment. Overall income is forecast to be £3 million lower than budget in the full year where fare income

of £13 million higher than budget is offset by advertising income of £16 million lower than budget.

- 10.7 Surface Transport income was £1 million lower than budget in the year to date. This was driven by higher bus fare and Public Carriage Office revenue, partially offset by lower TPED enforcement income. Lower congestion charging income from standard fees was offset by higher congestion charging enforcement income. Surface Transport overall income is forecast to be £22 million lower than budget for the full year because of lower than expected bus fare income, TPED enforcement income and revenue from standard congestion charges. The bus income forecast variance is mainly due to the bus fare reduction effective from 30 September 2007, the bus fare price freeze from January 2008 and changes to passenger journey growth forecasts.
- 10.8 London Rail operating income was in line with budget in the year to date and is forecast to be £4 million higher than budget in the full year, an increase of £1 million compared to the quarter two forecast. This is due to higher than anticipated income from the London Overground concession.

2006/07 YTD Actual	Income £m	Year to Date			Full Year	
		Actual	Budget	Variance	Q3 Forecast	Variance
(989)	Underground fares Income	(1,048)	(1,043)	(4)	(1,530)	(13)
(682)	Bus Network fares Income	(736)	(733)	(3)	(1,047)	12
(37)	DLR Fare Income	(43)	(44)	1	(62)	0
-	Overground fares Income	(3)	(3)	(1)	(13)	(4)
(1,709)	LU, Buses and DLR Fare Income	(1,830)	(1,823)	(7)	(2,651)	(4)
(173)	Congestion Charging - fees and enforcement income	(230)	(230)	0	(333)	8
(30)	TPED enforcement income	(46)	(54)	8	(70)	7
(199)	Other Income	(136)	(145)	10	(204)	8
(2,111)	Total Income	(2,241)	(2,253)	11	(3,259)	19

Table may be subject to rounding errors

Operating Expenditure

- 10.9 London Underground operating expenditure was £98 million lower than budget in the year to date. The largest variances were £48 million of lower PPP payments, £22 million of risk that was budgeted for but did not materialise and £17 million of lower central overheads. The forecast variance is largely due to lower PPP payments of £66 million and £30 million of risk not expected to materialise.
- 10.10 Surface Transport spent £4 million less than budget in the first nine periods of the year. The largest variance to budget was £9 million lower expenditure on bus network operation contract costs. Surface Transport is forecast to spend £28 million more than budget for the full year, compared to £32 million in excess of the full year budget which was forecast in quarter two. The higher expenditure is due to a higher, revised vehicle count from the A13 DBFO (Design, Build, Fund and Operate) contractor, expenditure on the Bounds Green Road Scheme design which was not budgeted for in operating expenditure and increased road network management support costs. This is partly offset by lower expenditure on bus network operations contracts and on congestion charging, primarily because of savings in the contract re-let and in the future technologies business unit on tag and beacon trials.
- 10.11 London Rail spent £3 million less than was budgeted for in the year to date but is forecast to spend £8 million more than budget in the full year, £2 million less than the quarter two full year forecast. This forecast variance is largely driven by £17 million more expenditure on the London

Rail concession following the finalisation of the scope of the London Overground concession. MTR Laing will provide staffing at all stations and an enhanced station refurbishment programme. This is partly offset by lower expenditure on the North London Railway due to a revised programme of work.

- 10.12 The Group Directorates spent £28 million less than budget in the year to date. This was mainly due to expenditure of £14 million less than budget on Information Management (IM) projects because of a rephasing of project completion dates and claims by boroughs for 2006/07 expenditure that were £5 million less than anticipated.

The full year forecast of Group Directorates' operating expenditure is £25 million lower than budget, compared to £1 million more than budget as forecast in quarter two. This includes expenditure of £16 million less than budget in Group Planning primarily due to a review of major project development and expenditure in Borough Partnerships rephased to next year. Finance will accelerate expenditure on IM projects, following the reorganisation, although full year expenditure will be £10 million lower than budget. This is partly offset by higher expenditure on the Prestige fares and ticketing project.

2006/07 YTD Actual	Operating Expenditure by mode £m	Year to Date			Full Year	
		Actual	Budget	Variance	Q3 Forecast	Variance
1,729	London Underground	1,702	1,799	(98)	2,508	(108)
1,579	Surface Transport	1,719	1,723	(4)	2,563	28
85	London Rail	104	107	(3)	181	8
170	Group Directorates	209	237	(28)	351	(25)
3,563	Total Operating Expenditure	3,734	3,867	(132)	5,603	(98)

Table may be subject to rounding errors

Capital Expenditure

- 10.13 Net capital expenditure after third party reimbursements and reductions for overprogramming was £81 million lower than budget in the year to date. The full year forecast is £56 million lower than budget, compared to a full year forecast of £19 million below budget in the second quarter.

2006/07 YTD Actual	Capital Expenditure £m	Year to date			Full Year	
		Actual	Budget	Variance	Q3 Forecast	Variance
177	London Underground	259	286	(27)	419	0
161	Surface Transport	117	191	(73)	198	(98)
114	London Rail	234	263	(28)	404	(23)
15	Group Directorates	22	50	(28)	45	(29)
-	Group Overprogramming	-	(48)	48	-	70
467	Capital Expenditure	633	741	(108)	1,067	(80)
(91)	Reimbursements	(94)	(121)	27	(152)	24
376	Net Capital Expenditure	540	621	(81)	915	(56)
(3)	Capital Income	(32)	(39)	7	(41)	11
374	Net Capital	508	582	(74)	874	(44)

* Shown after delegated overprogramming

Table may be subject to rounding errors

- 10.14 London Underground capital expenditure, after devolved overprogramming, was £27 million lower than the budget in the year to date. This was due to lower expenditure in several areas including the cancellation of the Connect transmissions options project, rephasing of IT projects and in congestion relief schemes, notably at Tottenham Court Road, where there has been a delay in a contract award for stage E-G design and a saving on BT works and Shepherd's Bush, which has required the development of an alternative strategy. Total capital expenditure is forecast to accelerate to reach the budgeted level by year end, compared to £1 million below budget as forecast in the second quarter.
- 10.15 Year to date capital expenditure in Surface Transport is £73 million less than budget, after overprogramming. This is mainly due to the rephasing of major improvement projects on the TLRN and lower road renewal expenditure. For the full year, the forecast is for £98 million less than budget, after overprogramming, an increase of £21 million in the variance compared to the forecast at quarter two. This reflects the rephasing of major TLRN improvement projects as above and rephasing of expenditure on new bus garages associated with the Olympics, offset by lower associated third party contributions.
- 10.16 London Rail capital expenditure in the year to date was £28 million lower than budget. The variance was largely because of lower East London Line rolling stock milestone payments which were deferred to quarter four. Capital expenditure is forecast to be £23 million less than budget in the full year, a variance increase of £11 million compared to the forecast in quarter two, largely because of the revised East London line extension.
- 10.17 Capital expenditure in the Group Directorates before group overprogramming was £28 million less than budget in the year to date. The forecast full year variance is £25 million lower than budget, compared to £20 million lower as forecast in the second quarter. The largest variance is because of the deferral, by the Department for Transport, of the Integrated Transport Smartcard

Organisation (ITSO) project in the Finance directorate (largely offset by lower capital reimbursements as the project is fully funded by the Department).

- 10.18 The capital income full year forecast is £11 million lower than budget largely because of a revised programme of London Underground property sales. The full year forecast at quarter two was £15 million higher than budget.

Balance sheet

Transport for London Group Balance Sheet at end of Period 9 £m	Variance to Budget
Fixed Assets - <i>higher than budget</i>	(106)
Debtors and Payments in Advance - <i>higher than budget</i>	(231)
Cash - <i>higher than budget</i>	(333)
Creditors - <i>higher than budget</i>	598
Deferred Capital Grant - <i>lower than budget</i>	(172)
Provisions - <i>higher than budget</i>	9
Total Net Assets - <i>higher than budget</i>	(235)

The balance sheet is in Appendix 2.

- 11.0 The year-to-date debtor variances include the net effect of the loan to the Metronet Administrator of £34 million (loan of £136 million less provision of £102 million) and the prepayment into the TfL Pension Fund of £113 million. In addition to these, LUL debtors were some £33 million over budget, largely due to PPP performance abatements, and in TTL there was a £19 million variance due to a Prestige payment. Other movements within trade debtors and accruals are within expected tolerance levels.
- 11.1 The creditor variance reflects the decision to draw down prudential borrowings in advance, (£488 million, see Treasury report). In addition, the PPP finance lease creditor is £168 million higher than budget due to increased fixed asset additions, although other creditor balances within London Underground are lower than budget (£36 million) due to earlier payment of the Connect disruption claim. The remaining variance is due to trade creditor and accrual movements across the group

Transport for London Group Balance Sheet Forecast for the Year End £m	Variance to Budget
Fixed Assets - <i>higher than budget</i>	(51)
Debtors and Payments in Advance - <i>higher than budget</i>	(123)
Cash - <i>lower than budget</i>	137
Creditors - <i>higher than budget</i>	128
Deferred Capital Grant - <i>lower than budget</i>	(316)
Provisions - <i>higher than budget</i>	15
Total Net Assets - <i>higher than budget</i>	(210)

- 11.2 The debtor position includes the loan facility to the Metronet Administrator (£262 million) matched by the provision charged to the income and expenditure account for the year. Other variances include items listed in the year-to-date position, i.e. the pension prepayment (£70 million), PPP performance abatements (£20 million) and the Prestige prepayment (£18 million).
- 11.3 The creditor variance includes £157 million on the PPP lease creditor offset by reduced trade creditor and accrual assumptions across the Group.

Cash summary

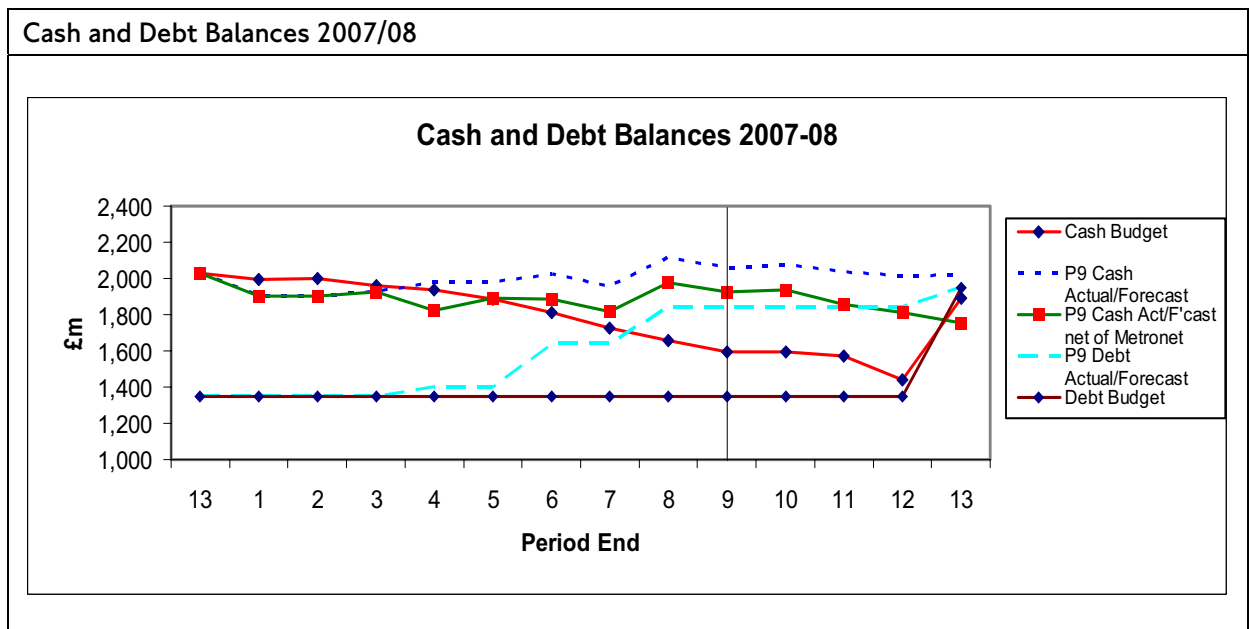
Cash Balances and Debt

- 12.0 Cash balances at 31 March 2008 are forecast to be £2,016 million, before taking into account drawings of £262 million against the £900 million loan facility granted to Metronet companies in administration. This is compared to a budget of £1,891 million. After expected drawings against the loan facility, cash is forecast at £1,754 million.

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, £488 million was borrowed from the Public Works Loan Board (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 at the end of the financial year, to fund the East London Line extension.

- 12.1 The green line shows the effect on cash balances if the forecast drawings against the Metronet loan facility are made. As at 31 December 2007 drawings of £138 million had been made.



Performance

- 12.2 Performance is measured against a benchmark of the average of 3 month's LIBOR minus 12.5 basis points. The credit squeeze commenced in September and resulted in high demand for deposits in the 3 to 6 months range to secure the banks' positions over the calendar accounting year end. Yields rose rapidly for these deposits and pushed TfL's benchmark to very high levels. TfL achieved favourable rates for 3 to 6 month deposits but was partly constrained by a shortage of surplus cash from existing maturities. These maturities were set to meet forecast payment obligations and to maintain higher short-term liquidity to meet obligations of the Metronet loan facility. TfL brought forward the borrowing programme which helped to offset this effect and locked TfL into low long-term borrowing rates. The return for the year to date is 4 basis points below benchmark. Current investment yields indicate that the benchmark will be met for the year.
- 12.3 Results for quarter three (periods 7, 8 & 9) are noted in the table below:

Treasury Management Yield Period End:	Period 7 13 Oct	Period 8 10 Nov	Period 9 8 Dec	YTD Actual	Full Year Forecast	Full Year Budget
	%	%	%	%	%	%
Benchmark	6.23	6.31	6.31	5.86		
Average Rate of Return	6.07	6.12	6.14	5.82	5.91	4.87
Variance to Benchmark (lower) / higher	(0.16)	(0.19)	(0.17)	(0.04)		
Interest Earned, Period	£8.5m	£8.9m	£9.4m			
Interest Earned, Year to Date	£57.9m	£66.8m	£76.2m	£76.2m	£108.7m	£73.9m

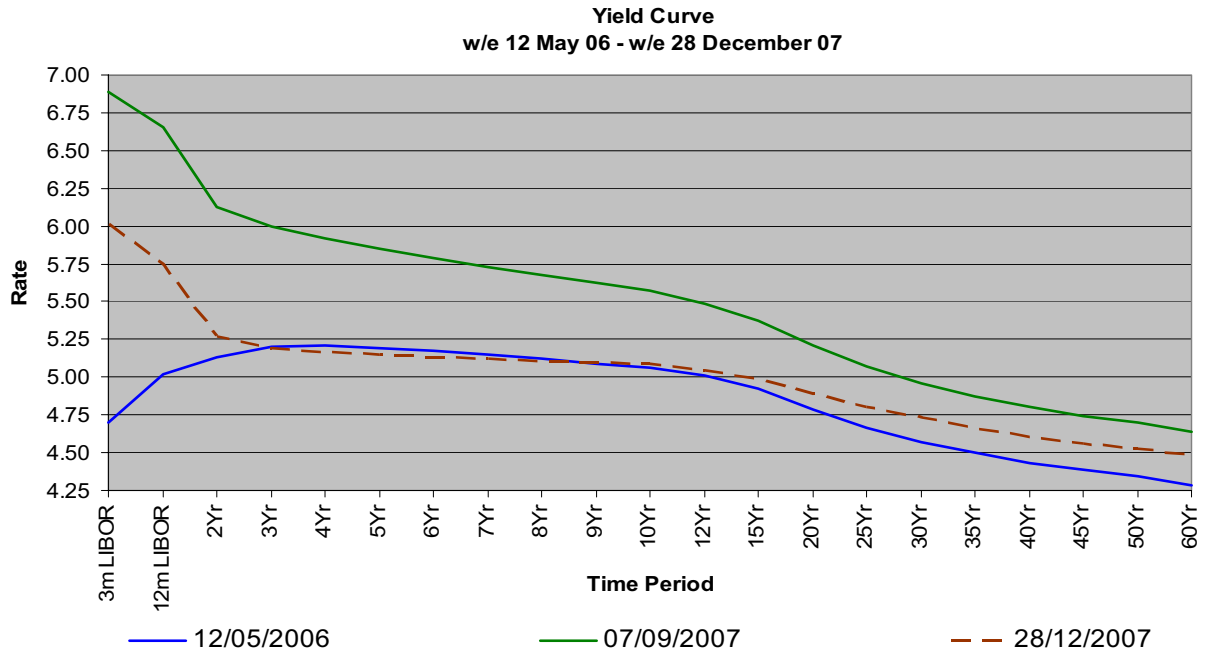
- 12.4 The Metronet loan facility makes a provision for interest to be paid at a commercial rate. If this is paid, TfL's interest income will increase by £20 million.

Current Strategy

- 12.5 The Treasury Management Strategy for 2007/08 was approved at the Board meeting on 28 March 2007. Group Treasury agreed to invest in secure, liquid investments for up to a year, and in Guaranteed Investment Contracts (GICs) for up to three years, to a total of £300 million if improved yields over cash deposits could be obtained. The security documents were agreed between TfL and prospective borrowers in anticipation of future GIC transactions. Following the collapse of the US sub-prime market, and in light of the substantial losses being posted by banks, bond issuers and their insurers, the rating agencies are re-evaluating the financial strengths of the US monoline insurers. Some of the US monoline insurers expressed interest in GIC transactions. The investment opportunities will be re-evaluated once the financial markets have stabilised and strong credit ratings have been affirmed by the rating agencies.

Yield curve

- 12.6 The green line for 07/09/2007 on the graph below reflects the sharp rise in 3 to 6 month rates associated with the global credit squeeze (which peaked at 6.9 per cent). The brown (28/12/07) line shows an easing of the 3 to 6 month rates dropping sharply to the 2 year rate. This reflects a reduction in market demand for new deposits as banks meet their year end requirements. The purple line contrasts the position nearly 18 months ago and shows that long term yields have not materially changed in that time.



Legal and Regulatory Risk

- 12.7 Prudential Indicators for Prudence and Affordability, Capital Expenditure and External Debt approved by the Board for 2007-08 are monitored periodically and have not been exceeded.
- 12.8 Payment Card Industry Data Security Standards: As previously reported, new data security standards are being applied to merchants. TfL has received a report from its Quality Security Assessor commenting on the gap analysis and the remedial action that is required. Work is in progress to determine the priorities for the remedial work, its implementation and likely cost. TfL's merchant acquirer (Barclays) receives regular progress reports and has expressed its satisfaction on its content. These reports demonstrate that an action plan to satisfy the new standards is being devised.

Annex One: Performance Summary

2007/08		Quarter 3				Full Year			
Key Performance Indicator	Unit	Actual	Target	Var	PY	F'Cast	Target	Var	PY
Service Demand									
Passenger Journeys - TfL Group	m	820.7	798.0	22.7	722.3	3,351.9	3,304.5	47.4	2,984.8
Passenger Journeys - LU	m	267.3	257.9	9.4	249.9	1,101.6	1,048.0	53.6	1,014.3
Passenger Journeys - Buses	m	529.9	517.2	12.7	450.4	2,179.7	2,160.4	19.3	1,880.3
Passenger Journeys - DLR	m	16.1	16.3	(0.2)	15.0	66.0	66.6	(0.6)	61.3
Passenger Journeys - Trams	m	6.4	5.7	0.8	6.1	**	24.6	-	24.8
Coach Departures - Victoria Coach Station	'000s	45.1	42.0	3.1	42.0	187	187	-	187.2
Passenger Journeys (total) - River Services	'000s	560.4	471.0	89.4	544.7	2,740	2,600	140.1	2,746.7
Passenger Journeys (multi stop only) - River Services	'000s	165.0	141.0	24.0	158.7	680	600	79.6	661.6
Total Trips - Dial a Ride	'000s	268.9	359.5	(90.7)	287.8	1,189	1,518	(329.3)	1,173.2
Cycle usage on TLRN (Index Mar 2000 = 100)	Index	194.9	199.0	(4.1)	191.2	197.0	192.0	5.0	182.6
Service Provision (Supply)									
% Scheduled Services Operated - LU	%	94.6	95.1	(0.5)	94.0	94.7	95.1	(0.4)	94.5
% Trains Operated in Peak Hours - LU	%	96.9	No Target	No Target	96.7	**	No Target	No Target	96.9
Train Kilometres Operated - LU	m	16.4	16.6	(0.2)	16.2	70.9	71.3	(0.4)	69.8
% Scheduled Services Operated - Buses	%	96.8	97.2	(0.3)	96.4	97.6	97.8	(0.3)	97.5
Bus Kilometres Operated - Buses	m	108.2	108.5	(0.4)	105.3	468.4	467.4	1.0	457.9
% Scheduled Services Operated - DLR	%	99.5	98.0	1.5	99.2	98.0	98.0	-	99.1
Train Kilometres Operated - DLR	'000s	1,035.0	1,054.4	(19.4)	1,010.0	4,527.0	4,527.0	-	4,383.0
% Scheduled Services Operated - Trams	%	99.4	98.0	1.4	97.7	**	98.0	-	99.3
% Scheduled Services Operated - River Services	%	99.0	98.5	0.5	98.7	98.1	98.5	(0.4)	98.5
No. of Taxi Drivers Licensed - PCO	'000s	24.7	24.9	(0.2)	24.7	24.9	24.9	-	24.6
No. of Private Hire Drivers Licensed - PCO	'000s	45.7	36.0	9.7	34.6	45.0	36.0	9.0	38.0
Reliability									
Excess Journey Time (Weighted) - LU	Mins	8.4	7.5	0.9	8.8	**	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	3.2	3.6	(0.4)	4.0	**	15.6	-	14.6
Excess Wait Time, High Freq Routes - Buses	Mins	1.3	1.4	(0.0)	1.3	1.1	1.1	(0.0)	1.1
On Time Performance, Low Freq Routes - Buses	%	76.2	73.7	2.6	75.0	79.1	77.0	2.1	78.1
On Time Performance, Night buses - Buses	%	83.4	82.5	0.9	85.0	85.0	82.9	2.1	85.2
On Time Performance - DLR	%	97.7	96.0	1.7	97.2	96.0	96.0	-	97.8
Road Traffic Signals Operating Effectively	%	99.3	98.6	0.7	99.1	**	98.6	-	-
Safety									
Customer Major Injuries & Fatalities -LU (per m journeys)	#	0.11	0.14	(0.03)	0.19	**	0.14	-	0.16
Customer Major Injuries & Fatalities - Buses (per m journeys)	#	0.74	No Target	No Target	1.03	**	No Target	-	0.72
Major Injuries & Fatalities - DLR (per m passenger journeys)	#	0.31	No Target	No Target	0.07	**	No Target	-	0.15
KSI, Total Londonwide - Road Network ++	#	++	931	++	954	**	3,527	-	3,946
KSI, Total TLRN - Road Network ++	#	++	258	++	298	**	968	-	1,124
KSI, Powered 2-Wheel Riders Londonwide - Road Network ++	#	++	209	++	242	**	731	-	848
KSI, Children Londonwide - Road Network ++	#	++	111	++	108	**	363	-	392

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

Notes:

Tables may be subject to rounding errors.

FTE = Full Time Equivalents

n/a No data available

*Year end targets

** Not forecasted

++ Due to the reporting process and nature of road traffic accident data, KSI is normally reported 4 to 5 months in arrears. However due to delays in data collection by the Metropolitan Police there is no new data to report since the Q2 report.

Annex One: Performance Summary (continued)

2007/08 Key Performance Indicator	Unit	Quarter 3				Full Year			
		Actual	Target	Var	PY	F'Cast	Target	Var	PY
Customer Satisfaction									
Overall Customer Satisfaction - TfL Group	Score	-	78.3	N/A	77.1	**	78.3	N/A	77.4
Customer Satisfaction - LU									
Overall	Score	-	78.0	N/A	76.0	**	78.0	-	76.0
Crowding	Score	-	-	-	71.0	**	No Target	-	71.0
Safety & Security	Score	-	-	-	80.0	**	No Target	-	80.0
Information	Score	-	-	-	79.0	**	No Target	-	79.0
Customer Satisfaction - Buses									
Overall	Score	-	78.0	N/A	77.0	78.0	78.0	N/A	77.8
Crowding	Score	-	76.0	N/A	78.0	-	78.0	N/A	77.8
Safety & Security	Score	-	83.0	N/A	81.0	-	83.0	N/A	81.0
Information	Score	-	75.0	N/A	74.0	75.0	75.0	N/A	73.8
Reliability Journey Waiting Time	Score	-	80.0	N/A	79.0	80.0	80.0	N/A	79.0
Customer Satisfaction - DLR									
Overall	Score	-	90.0	N/A	97.2	90.0	90.0	-	96.8
Information	Score	-	90.0	N/A	95.5	90.0	90.0	-	96.5
Safety & Security	Score	-	90.0	N/A	95.0	90.0	90.0	-	95.6
Overall Customer Satisfaction - Trams	Score	-	-	-	83.0	**	No Target	-	-
Overall Customer Satisfaction - Dial-A-Ride	Score	-	-	-	93.0	**	No Target	-	-
Overall Customer Satisfaction - VCS	Score	-	78.0	N/A	76.0	**	76.0	-	-
Financial Efficiency									
Cost per passenger Kilometre - LU	p/km	23.3	25.3	(2.0)	27.9	23.7	26.9	(3.2)	26.7
Income per passenger Kilometre - LU	p/km	(18.9)	(20.5)	1.6	(20.0)	(19.7)	(20.5)	0.8	(20.4)
Cost per passenger Kilometre - Buses	p/km	21.2	23.8	(2.7)	22.6	22.2	24.3	(2.0)	23.1
Income per passenger Kilometre - Buses	p/km	(13.4)	(14.8)	1.4	(13.9)	(13.5)	(14.9)	1.4	(14.3)
Cost per Trip - Dial-A-Ride	£	22.3	15.4	6.9	22.5	24.8	17.8	7.0	23.8
People									
Number of Staff - TfL Group	FTE	21,718.0	21,509.6	208.4	20,435.1	22,049.1	21,435.5	613.6	20,778.0
No of days sickness absence per employee:		Sickness absence year to date:							
TfL Group	Days	7.02	7.68	(0.66)	8.19	10.51	11.14	(0.63)	11.71
LU	Days	7.27	8.24	(0.97)	8.91	11.00	11.96	(0.96)	12.77
Surface Transport	Days	7.47	6.56	0.91	6.63	10.80	9.47	1.33	9.98
London Rail	Days	2.40	3.47	(1.07)	3.06	6.50	6.50	-	4.54
Group Directorates	Days	4.55	4.50	0.05	5.80	7.17	7.02	0.15	8.22
Women Staff - TfL Group*	%	23.9	24.3	(0.4)	22.8	24.2	24.3	(0.1)	23.3
BAME Staff - TfL Group*	%	34.2	26.8	7.4	33.1	34.1	26.8	7.3	33.6
Disabled Staff - TfL Group*	%	6.7	8.0	(1.3)	7.4	6.7	8.0	(1.3)	7.2
Women Staff in Senior Mgt - TfL Group*	%	20.9	21.7	(0.8)	20.0	20.9	21.7	(0.8)	20.2
BAME Staff in Senior Mgt - TfL Group*	%	11.9	12.3	(0.4)	10.9	11.3	12.3	(1.0)	11.7
Disabled Staff in Senior Mgt - TfL Group*	%	4.6	5.2	(0.6)	4.5	4.7	5.2	(0.5)	4.3

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

Notes:

Tables may be subject to rounding errors.

FTE = Full Time Equivalents

n/a No data available

*Year end targets

** Not forecasted

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Annex Two: Balance Sheet

Balance Sheet	Year to Date			Full Year		
	Actual	Budget	Variance	Forecast	Budget	Variance
£m						
Fixed Assets						
Tangible Assets	16,362	16,256	(106)	16,741	16,690	(51)
Current Assets						
Stocks	4	5	1	4	5	1
Debtors	252	188	(64)	219	202	(17)
Payments in Advance	263	95	(168)	231	124	(107)
Cash at Bank and in Hand	1,925	1,592	(333)	1,754	1,891	137
Current Liabilities						
Revenue	(837)	(943)	(106)	(802)	(929)	(125)
Receipts in Advance	(152)	(168)	(16)	(239)	(226)	13
Capital	(289)	(233)	56	(319)	(242)	77
Long Term Liabilities						
Balances with Infracos	(2,746)	(2,578)	168	(2,920)	(2,763)	157
Prudential Loans	(1,838)	(1,350)	488	(1,950)	(1,950)	-
Creditors Due after One Year	(381)	(373)	8	(378)	(372)	6
Capital Grants	(7,325)	(7,497)	(172)	(6,995)	(7,311)	(316)
Pension Provision	(948)	(948)	-	(948)	(948)	-
Other Provisions	(228)	(219)	9	(231)	(216)	15
Total Net Assets	4,062	3,827	(235)	4,167	3,957	(210)
Capital and Reserves						
Earmarked Reserves	1,016	759	(257)	1,141	968	(173)
Pension Reserves	(948)	(948)	-	(948)	(948)	-
General Fund	148	148	-	148	148	-
Other Reserves	3,846	3,868	22	3,826	3,789	(37)
Total Capital Employed	4,062	3,827	(235)	4,167	3,957	(210)

Annex Three: Cash Summary

Cash Summary £m	Year to Date			Full Year		
	Actual	Budget	Variance	Forecast	Budget	Variance
Net Revenue Expenditure	(1,600)	(1,643)	(43)	(2,642)	(2,500)	310
Working Capital Movements	(239)	70	297	(33)	82	115
Cash Spend on Operating Activities	(1,839)	(1,573)	266	(2,675)	(2,418)	425
Net Capital Expenditure	(601)	(703)	(102)	(1,026)	(1,095)	(69)
Working Capital Movements	46	(12)	(58)	65	(8)	(73)
Cash Spend on Capital Activities	(555)	(715)	(160)	(961)	(1,103)	(142)
Funded by:						
Transport Grant	1,703	1,724	21	2,598	2,595	(3)
Precept Funding	6	7	1	12	12	-
Prudential Borrowing	488	-	(488)	600	600	-
Third Party Contributions	94	121	27	152	177	25
Total Funding	2,291	1,852	(439)	3,362	3,384	22
Net Movement in Cash	(103)	(436)	(333)	(274)	(137)	137

Annex Four: Approved Investments

Approved Investments at each period end date are noted below.

Period number	7	8	9
Period end date	13 Oct	10 Nov	8 Dec
	£m	£m	£m
Budget	1,723	1,657	1,592
Cash Balances	1,819	1,978	1,925
Increase/(decrease)	96	321	333

Cash Balances comprise:			
Investments	1,757	1,911	1,859
Investments-Guernsey	39	39	39
Cash & Credits in Transit (mainly LUL)	23	28	27

Investment Profile			
Up to 1 Month	361	228	206
1-2 Months	40	62	199
2-3 Months	455	573	429
3-4 Months	224	411	304
4-5 Months	-	-	-
5-6 Months	-	-	118
6-7 Months	34	34	-
7-8 Months	-	-	-
8-9 Months	-	-	-
9-10 Months	25	-	-
10-11Months	-	25	-
11-12 Months	618	578	603

The increase in balances at period 9 reflects earlier than budgeted borrowing of £488 million from PWLB offset by unbudgeted loans of £131 million paid under the Metronet funding facility.

Appendix Two:
Transport for London
Investment Programme Report
Third Quarter, 2007/08



Investment Programme Report

Third quarter, 2007/08



Over mag: The iBus system arrived in North London during the quarter where it has been rolled out on services from Tottenham and Stamford Hill bus garages. TfL is scheduled to have iBus technology installed on all buses by early 2009. iBus is being introduced to replace and upgrade the existing vehicle location and radio systems to provide a better service.

Transport for London

Investment Programme Report

Third quarter, 2007/08 (16 September – 8 December)

1 Programme Highlights

- 1.1 TfL's Investment Programme this quarter generally continued to achieve key milestones although there have been a number of projects which are incurring project delays of greater than three months.
- 1.2 The key highlights from the third quarter of 2007/08 were:
- Opening of the 'Hockey Stick' passenger tunnel on 8 October 2007 as part of the Channel Tunnel Rail Link (CTRL) works at King's Cross.
 - Following the start of the London Rail Concession on 11 November 2007, station improvement works commenced together with the rollout of gating and Oyster on the North London Railway.
 - The planning application for the revised entrance to the Centre Point office building was submitted to LB Camden as part of the Tottenham Court Road Congestion Relief project on 16 November 2007.
 - Opening of the Walthamstow Central Upgrade ticket office and subway on 19 November 2007.
 - Submission of the Transport Works Act Order for the Victoria Station Upgrade on 22 November 2007.
 - Covent Garden Station was reopened on 1 December 2007 following the congestion relief works.
 - Public consultation for the Greenwich Waterfront Transit scheme began on 26 November 2007 and concluded on 11 January 2008.
- 1.2 Post quarter events include:
- A new DLR station, Langdon Park Station together with a platform at Stratford Station were formally opened on 10 December 2007.
 - The first new DLR railcar was delivered to TfL on 22 December 2007.
 - Bridge GE19 was successfully demolished at Liverpool Street during a planned blockade over the Christmas vacation as part of the East London Line Extension project. Delays to the resumption of passenger services occurred due to overrunning of Network Rail engineering works.




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.


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. 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 / Forecast 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 snagging and assurance items closed out.

Phase 2, including the Northern Ticket Hall, is continuing on site. The 'Hockey Stick' passenger tunnel was opened in the quarter on 8 October. There have been delays to the tunnelling work due to complexity of the works and delays in gaining assurances. Production rates in the Northern Line Access and the Victoria Line Access have improved. The discovery of asbestos in the Thameslink tunnel has caused delay to the Piccadilly Line Access (PLA) works. However, this has now been removed allowing the enlargement of the PLA to continue without further delay. The near term major milestone, handover of the Northern

Ticket Hall Roof Slab in September 2008, is still on target. The overall end date remains on target for completion in December 2010.

2.3 Victoria Station Upgrade (*)

Milestones	Current Plan Date	Actual / Forecast Date	RA
Transport Works Act Submission	30-11-2007	22-11-2007	Completed

With 80 million people passing through it each year and forecast to grow to 100 million, 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.

Overall progress continues to plan. Following the Mayor's agreement, the application for a Transport Works Act Order (TWAO) was submitted on 22 November 2007. Asbestos removal was completed for the District and Circle ticket hall. The closure of the Victoria Ticket Hall over the Christmas period for asbestos removal was completed on 7 January 2008. The temporary ticket hall was operational from 3 December 2007.

The project completion date is now planned for Quarter 4 2015.

2.4 Tottenham Court Road Congestion Relief (*)

Milestones	Current Plan Date	Actual / Forecast Date	RA
Design tenders returned	15-01-2007	05-02-2007	Completed
Completion of Stage E design	28-02-2008	31-05-2008	▲

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. LUL is tasked with co-ordinating the Tottenham Court Road works with the Crossrail project.

The RIBA Stage E design is continuing and is due to complete in May 2008.

Utilities diversion works continues with the closure of Hornes Corner from January 2008 for Thames Water sewer diversion works. British Telecom diversions have also begun in January 2008.

The planning application for the revised entrance to the Centre Point office building was submitted to LB Camden on 16 November 2007.

The Powers for the new ticket hall are included within the provisions of the Crossrail Hybrid Bill.

2.5 Tunnel Cooling(*)

Milestones	Current Plan Date	Actual / Forecast 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	25-10-2007	Completed
Air Handling Unit Factory Test and Commission Completed	31-01-2008	09-11-2007	Completed

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.

Work is now prioritised on the Victoria Line in line with revised budgets. During the quarter, the Victoria Line designs progressed on 4 of the 16 tunnel vent shafts. Design is also at RIBA stage D for the Northern Line and the final Stage C report for the Jubilee Line is being evaluated.

For the Stockwell Borehole, there are delays resulting from land acquisition negotiations. Alternative fall-back options are being assessed.

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 / Forecast Date	RAG
Waterloo & City line upgrade complete	March 2007	July 2007	Completed
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	●

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.

Metronet is still working to the accelerated delivery plan of November 2011, but there is a two-month slippage from this date. Signalling slippage remains the key concern.

The Metronet administration is causing delays to approvals and procurement. Train 1 continued testing on the Victoria Line during non-traffic hours. Train 2 is expected to begin testing in Engineering Hours in February 2008.

2.7 LU Line Upgrade – PPP JNP

Milestones	Current Plan Date	Actual / Forecast Date	RAG
Jubilee Line – Delivery of last train	April 2008	August 2008	■
Jubilee Line – LU acceptance of first section	June 2008	October 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 behind target due to the availability of trains. During the period, train 20 has been converted and returned to service. Significant efforts are required if the first element (J2) completion date of June 2008 is to be achieved.

Tube Lines proposes to merge the migration dates for J2 (Stratford to Canning Town) and J3 (North Greenwich to Westminster) into one large migration section (J2/3). Although this brings schedule benefits there are greater risks in larger "big-bang" commissioning and this is being reviewed, especially around Canary Wharf. The new date for both migrations is planned for October 2008. LU is assessing this proposal and J2 will be delayed further if no agreement is reached. Overall, as the plan dates were against an accelerated programme, the end date has not been impacted and completion of the Jubilee Line is still forecast to be the contract date of December 2009.

On the Northern Line upgrade, Trains 1 & 2 have both completed conversion with testing due to start in February 2008. The delivery of Signal Equipment Rooms is behind programme although this is not on the critical path. Tube Lines are forecasting completion 4 months ahead of the contract date of September 2011. The new control centre at Highgate is on plan for handover by February 2008.

For the Piccadilly line upgrade, LU has now removed the requirement for Train Gangways. Tender documents for the rolling stock are to be issued in January 2008.

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

Milestones	Current Plan Date	Actual / Forecast Date	RAG
New rolling stock – Preliminary vehicle design complete	28-02-2007	28-02-2007	Completed
Vehicle design complete	31-07-2007	14-09-07	Completed
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.

For the Metropolitan Line, the significant near-term milestone of May 2008 for the commissioning of signalling on the Watford-Croxley section will not be met. 65 D-Stock trains were available for service on 7 December 2007, remaining ahead of target. Manufacture of S-Stock Train 1 shell has slipped, due to material delays, however this should not affect the delivery date of January 2009 to LU for testing and then, for passenger service by December

2009. Detailed design has been completed ahead of the planned completion date of December 2007.

The interfaces and interoperability of the signalling systems between the SSL network and Network Rail continues to be an issue. Metronet Rail and LU are developing a System Design for the end of the financial year. The programme is on track to complete by 2018.

2.9 7-Car Circle Line

Milestones	Current Plan Date	Actual / Forecast Date	RA
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	Completed
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 is complete. Prices for the works have been submitted by the Infracore which are currently being assessed in parallel with the design proceeding to RIBA Stage D (up to TWA Powers). The Stage D report has been completed with further works to be progressed subject to funding constraints.

London Rail

2.10 East London Line Extension (*)

Milestones	Current Plan Date	Actual / Forecast Date	RA
Award Main Works Contract	31-05-2007	20-10-2006	Completed
Close Existing East London Line	31-12-2007	22-12-2007	Completed
Commence Bridge GE19 Demolition	31-12-2007	25-12-2007	Completed
Main Contractor Takes Occupancy of ELL Track way & Stations	31-03-2008	01-03-2008	●
Test Running	31-01-2010	14-05-2009	●
Completion	29-06-2010	19-10-2009	●

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 Railway concession. The Overground concession contract was awarded to LOROL (London Overground Rail Operator Ltd, which is the trading company of MTR Laing) and started services on 11 November 2007.

The critical path for the project is the design and construction of Dalston Junction Station, the installation of the track and rail related systems and the commissioning and test running. The main works contractor has continued to achieve on time a succession of short term critical milestones; however the rate of production of the design submissions by the design sub-contractor, Scott Wilson, although improving, remains a concern. The existing East London Line closed on 22 December 2007 ready for the contractor to take over the site in March 2008.

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 / Forecast Date	RAG
Award Contract	31-08-2006	31-08-2006	Completed
First Car Delivered	05-06-2008	07-04-2008	●
Trains in Service - NLR	31-12-2008	31-12-2008	●
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 was placed in June, and a second tranche is expected to be ordered by the end of January 2008.

The project is currently in detailed design, with the first unit body-shell now on the production line. The first NLR unit is due to start Network Rail on-track testing in June 2008.

2.12 DLR Bank-Lewisham 3 Car Infrastructure

Milestones	Current Plan Date	Actual / Forecast Date	RAG
Beckton Depot (Phase 1) completion	20-10-2006	31-01-2008	■
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	28-09-2009	●
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.

Pre-construction surveys and tests are being undertaken at a number of sites and design submissions are progressing. Completion of the Phase 1 works on the Beckton Depot expansion continues to be delayed, but does not impact on operations or the rest of the project.

2.13 DLR Woolwich Arsenal Extension

Milestones	Current Plan Date	Actual / Forecast Date	RAG
Complete up-tunnel	06-09-2006	19-12-2006	Completed
Completion of Thames Intervention Shaft	31-07-2007	27-09-2007	Completed
Completion of tunnelling	31-08-2007	22-07-2007	Completed
Completion of track works	31-03-2008	05-02-2008	●
Project completion	31-01-2009	28-02-2009	▲

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

The boring of both tunnels and the cross-passages has been completed, and track-laying on the up-track tunnel is nearly complete. Detailed planning of the testing and commissioning phase of the work has now begun.

2.14 DLR Stratford International Extension

Milestones	Current Plan Date	Actual / Forecast Date	RA
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.

Work has commenced on the construction of the DLR Stratford International Station with works taking place during a Christmas blockade. Design submissions are underway for the various assets involved in the conversion of the former North London Line to DLR use and for the Network Rail platforms at Stratford Regional Station

2.15 North London Railway Infrastructure Project(*)

Milestones	Current Plan Date	Actual / Forecast Date	RA
All design completed to GRIP 2	18-05-2007	08-06-2007	Completed
All design completed to GRIP 3	24-08-2007	12-10-2007	Completed
Project Completion	31-01-2011	31-01-2011	●

The North London Railway Infrastructure Project (NLRIP) covers a programme of track, signalling and civil infrastructure enhancements to facilitate the operation of the future London Overground service commitment, which is to be introduced in January 2011.

The previously identified funding gap between Network Rail's estimated cost of the scope of work and TfL's budget has now been resolved without de-scoping through the project's critical review of the estimates and an increase in Network Rail's contribution. The procurement strategy has now been agreed with Network Rail, with the work being split into four main contracts: signalling, Channelsea Loop, Latchmere Curve, and a core works contract for design and construction for other areas. Discussions are underway on the co-location of the Network Rail team with the TfL project team, followed by the formation of an integrated project team. Work is currently progressing on the GRIP 4 deliverables.

Planning

2.16 Cross River Tram(*)

Milestones	Current Plan Date	Actual / Forecast 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	▲

Cross River Tram (CRT) is a 16km tram scheme with a proposed core route between Euston and Waterloo, with branches to Camden and King's Cross in the north and Peckham and Brixton in the south. The project is to undertake option development, technical feasibility and submit a TWA Order application to obtain powers for the scheme.

Funding is provided in the Business Plan for the next two years for the development of the design, assessment of the impacts, refinement of the business case, selection of the preferred route and to start preparation of the evidence needed to submit a TWA order.

Over the next six months the project team will be investigating the implications and options for phased implementation of the scheme, and firming up the costs, benefits and overall business case.

2.17 Croydon Tramlink Crystal Palace Extension

Milestones	Current Plan Date	Actual / Forecast 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 st 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 TWA Order application to obtain powers for the scheme.

The LDA Masterplan for Crystal Palace was submitted at the beginning of November and included the proposed area dedicated to the tram and bus /tram interchange. Funding is provided in the Business Plan for the development of the scheme over the next two years.

Over the next six months, the project team will be focussing on the firming up the costs, impacts, benefits and overall business case prior to recommending a confirmed route.

2.18 Thames Gateway Bridge (*)

Milestones	Current Plan Date	Actual / Forecast Date	RG
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	30-09-2010	■
TGB handed over to Surface Transport	30-11-2007	TBC	■

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 for Communities and Local Government and the Secretary of State for Transport deferred decisions on the planning permissions and various Orders 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, and called for the inquiry to be re-opened to address these issues. A letter has been sent by the Mayor to both Secretaries of State confirming TfL's commitment to the TGB project in its current form and expectation to use the allocated PFI credits.

In line with the decision of the Board in October, work on preparing the evidence for a re-opened inquiry is underway and includes looking at alternatives to enhance the scheme for public transport.

2.19 West London Tram(*)

The scope of this project was to undertake feasibility work, and prepare and submit a TWA Order application to obtain powers for the tram scheme linking Uxbridge with Shepherd's Bush.

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 based on a positive announcement on Crossrail and the development of an effective bus based alternative with the relevant boroughs. The tram scheme is therefore in the final stages of being archived in such a way as to be accessible for future use. Work has started on scoping the details of a West London Study as a basis for developing a Bus-based alternative and a wider look at the transport needs of West London including improved access at Crossrail Stations.

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 / Forecast 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).

At Southfields Station, the performance of the contractor has worsened. LU is planning to use alternative suppliers for the delivery of the scheme. However, the end date has not yet been affected.

For Green Park, a review of the design is ongoing to understand impact of the current scheme to construct lifts in close proximity to existing Victoria Line escalators. Options for keeping the escalators open during the works are also being assessed. A workable solution would avoid non-stopping of Victoria Line trains.

Options at Baker Street are being assessed to minimise the impact on third party property. The preferred scheme is now within TfL's land. A new programme is being developed on this basis.

The programme is currently on target to meet the Olympic delivery date.

- 3.3 Connect Airwave

Milestones	Current Plan Date	Actual / Forecast Date	RAG
Contract award	30-06-2006	20-01-2007	Completed
Commissioning of 5 lines complete	31-10-2007	18-12-2007	Completed

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 112 Enhanced Base Transceiver Systems swapped out with only White City remaining.

By improving processes and working over Christmas, GPS installation was achieved at 72 stations. Connect is now live on two-thirds of the Tube network with the remaining lines, Central, Jubilee and Northern transferring during 2008.

Progress to commission 5 lines by 18 December 2007, was achieved as planned.

Surface Transport

3.4 iBus

Milestones	Current Plan Date	Actual / Forecast Date	RAG
System Acceptance	08-12-2006	19-01-2007	Completed
First Garage Application	04-05-2007	14-09-2007	Completed
Final Acceptance	21-01-2009	28-02-2009	▲

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.

The vehicle installation of iBus has reached 801 and 7 garages were completed. Previous slippages and a slower than anticipated roll out means that a small delay is now forecast for the project completion.

3.5 A406 Bounds Green

Milestones	Current Plan Date	Actual / Forecast Date	RAG
Compulsory Purchase and Side Road Orders	31-05-2007	29-08-2007	Completed
Public Inquiry	21-04-2008	19-04-2008	●
Commence Construction	30-06-2009	25-06-2009	●
Complete Construction	30-04-2011	04-04-2011	●

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.

With the Compulsory Purchase and Side Road Orders published, twelve objections were received to the Compulsory Purchase and Side Road Orders. Most are holding objections. However, one significant objection has the potential to introduce delays to the project.

3.6 Bus Priority – TLRN Schemes

Milestones	Current Plan Date	Actual / Forecast 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 annualised programme has moved into delivery stage and is forecasting to meet all its targets for the year. Three out of eight bus lane schemes were completed by the end of Quarter 3.

3.7 Dial-a-Ride Scheduling System

Milestones	Current Plan Date	Actual / Forecast Date	RAG
Complete migration of depots to new system	30-04-06	30-06-08	■

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.

Delays with the resource intensive process of testing bookings software against business requirements have delayed migration. The final depot, Woodford, is now forecast to transfer in the first quarter of 2008.

3.8 Low Emission Zone (LEZ) (*)

Milestones	Current Plan Date	Actual / Forecast Date	RA
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	Completed
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.

Capita and Siemens successfully delivered Payments / Information Go-Live on 29 October. Camera installation at all but one of the Tranche 1 sites has been completed. The project remains on track for Scheme go-live on 4 February 2008.

3.9 East London Transit (Phase 1a)

Milestones	Current Plan Date	Actual / Forecast Date	RA
Public Consultation Report complete	25-07-2006	27-08-2007	Completed
Detailed design complete	29-09-2006	27-08-2007	Completed
Invitation to Tender	23-03-2007	14-01-2008	Completed
Service starts	16-02-2008	13-10-2009	■

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 have led to the procurement activity starting later than originally planned and has impacted on the start date for the service.

The Invitation to Tender has been issued for the bus service contract with the civils contract scheduled to be issued by the end of January 2008 in line with the programme. Discussions are continuing with London Thames Gateway Development Corporation to secure funding for the additional urban realm opportunities being delivered as part of the scheme.

3.10 Greenwich Waterfront Transit (Phase 1)

Milestones	Current Plan Date	Actual / Forecast Date	RA
Public Consultation	30-08-2007	11-01-2008	Completed
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 bus way, to be completed by 2011.

Public consultation was launched after a short delay in order to include consultation as requested by the GLA on vehicle type (articulated or double-decker) in the brochure. Discussions with affected landowners are ongoing, and the Compulsory Purchase Order paper was submitted to the TfL Board in December.

London Rail

3.11 DLR Dagenham Dock Extension

Milestones	Current Plan Date	Actual / Forecast 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 is continuing in preparation for the TWA submission. The appraisal work on various route options has been completed and a preferred route has been selected.

4 PPP/Pf investment

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 3.8 km made up from 1.1 km of enhanced track renewal / replacement and 2.7 km of Tube Reconstruction/Pit Road renewal compared to a plan of 6.0km to the end of Quarter 3.
- Lifts and escalators – ten escalators have been refurbished at the end of Quarter 3 with work continuing on a further seven escalator projects which aim for completion by year end.
- Stations – Three stations have been modernised, 11 stations have undergone enhanced refurbishments and two refurbishments according to plan. A further enhanced station refurbishment of Willesden Green is due for completion by year end.

Metronet SSL

- Track – completed 11.6km of ballast track renewal / replacement compared to 15.8km planned to the end of Quarter 3.
- Lifts and escalators – three escalators have been refurbished to Quarter 3 being the escalators at Embankment 1, 2 and 4.
- Stations – four refurbishments have been completed (Pinner, Ravenscourt Park, Watford & Northwood Hills) and a further two have been declared (Great Portland Street and Preston Road) to the end of Quarter 3.

Metronet BCV

- Track – 3.8km of Tube Recon / Pitt Road renewal has been completed compared to the 4.8 km planned to the end of Quarter 3.
- Lifts and escalators – a total of two lifts have been replaced. One escalator has been installed and four escalators have been refurbished to the end of Quarter 3.
- Stations – five refurbishments have been completed (Bond Street, Piccadilly Circus, East Acton, Woodford & Debden) and one modernisation (Elephant & Castle) to the end of Quarter 3 while a further three refurbishments (Loughton, Bethnal Green & Regents Park) have been declared.

4.2 Connect Works (*)

Milestones	Current Plan Date	Actual / Forecast 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.

Train radio go-live was achieved on the Bakerloo Line in December 2007 and on the Piccadilly line in November 2007.

4.3 Power Works

Milestones	Current Plan Date	Actual / Forecast 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	16-11-2007	Completed
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, the Phase I Power Upgrade (Metropolitan & Bulk Supply Points) Scoping & Development package was awarded to an AMEC/Siemens/Motts Macdonald consortium on 16 November 2007. For the SSL Phase II Power Upgrade, Circle, District and Hammersmith and City line Tender was awarded to the same consortium on 17 December 2007. The power on date for SSL is still in line with the PPP obligations on LU.

For the Central Line Power Upgrade, the outline design was completed as planned in September 2007.

For the Jubilee Line Power Upgrade, the conceptual design work is now complete. Work is underway on scoping and development with the report due next quarter. The ITT went out in November 2007 and tenders are due back in March 2008. Tender evaluation will take place between March and April 2008 with contract award at the end of April 2008.

For the Northern Line Power Upgrade, the conceptual design is complete and LUL has identified a preferred solution. However, there is an ongoing debate with Tube Lines as to the validity of LUL’s preferred solution (Extra Low Loss Composite Conductor Rail). Tube Lines has been instructed to carry out a survey which should settle the issue, starting next quarter.

5 Olympics

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 **Anex 1**.

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) ¹	259	(27)	419	419	-
Surface (after overprogramming)	117	(73)	198	296	(99)
London Rail (after overprogramming)	234	(28)	404	427	(23)
Group Directorates	22	(28)	45	74	(29)
Overprogramming (group level only)		48		(70)	70
<i>Total Capital Expenditure (after overprogramming)</i>	5	(108)	106	118	80
Development & Borough Expenditure	140	(2)	251	253	(2)
<i>Directly Managed Expenditure</i>	773	(110)	137	199	82
<i>Indirectly Managed Expenditure</i>	1,021	161	1,460	1,229	231
Total Gross Investment Expenditure	1795	5	2778	288	19

Tables may be subject to rounding errors

Total Investment Expenditure ²

Directly Managed (including Capital Expenditure)

London Underground

London Underground capital expenditure after devolved overprogramming was £27 million lower than the budget in the year to date although total capital expenditure is forecast to accelerate over the balance of the year to reach budgeted expenditure levels by year end. Forecast expenditure is less than budget in the year to date in several areas including:

- Congestion relief (notably at Tottenham Court Road where there has been a delay in contract award for stage E-G design and a saving on BT works)
- Shepherd's Bush which has required the development of an alternative strategy

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

² 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.

- Operational Flexibility (for projects such as crossovers), additional time taken to assess the benefits of individual work streams has meant works have been rephased into next financial year
- Restructuring of the Auto-Reversing (Piccadilly Line) project following commercial negotiations for the main signalling works contract, and
- Cancellation of the Connect transmissions options project.

Surface Transport

Year to date and forecast capital expenditure spend for Surface Transport is £73m and £99m behind budget respectively. The material variances in the forecast capital expenditure includes:

- Delays in the construction of West Ham bus garage and savings on Lea Interchange (formerly Wyke Road) as a result of moving to a rental arrangement, has contributed to Bus Garage spend being £19m below budget
- Delays in completion of the iBus interim milestones and garage rollout delays contributed £12m towards the under spend
- Under spends on major route and safety improvements, mainly the result of accelerated works in 2006/07 on Coulsdon (£3m), delays/savings in Blackwall Tunnel North refurbishment (£12m), A316 Country Way Flyover (£4m) Westminster Bridge (£3m) and Fore Street Tunnel (£2m) projects
- TLRN Renewals was also under spent by £17m due to rephasing of the agreed schedule of works with Highways Maintenance and Works (HMW) contractors from the original budget assumptions
- The rephasing of Driver machine interface (DMI) project (to deliver new on-bus equipment which will replace the existing on-bus ticketing/Oyster card technology which has reached the end of its development life) into future years, and
- East London Transit due to a delay in the Borough Agreements with Barking and Dagenham over potential displacement of the market in Barking town centre.

London Rail

London Rail capital expenditure in the year to date was £28 million lower than budget with forecast expected to be £23m less than budget for the full year. The main reasons for key variances in the year end forecast include:

- East London line extension due to a revised contract programme and cost forecast rephasing expenditure into future years, and
- North London Railway Infrastructure Project expenditure which has been decreased reflecting a revised programme of work.

Group Directorates

Capital expenditure in the Group Directorates before group overprogramming was £28 million less than budget in the year to date. The forecast full year variance is £25 million lower than budget. The largest significant variance is because of the deferral by the Department for Transport of the Integrated Transport Smartcard Organisation (ITSO) project in the Finance business unit (largely offset by lower capital reimbursements as the project is fully funded by the Department).

Indirectly Managed

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

It should be noted that the budget against which Metronet performance is measured reflects the latest approved Annual Asset Management Plan (AAMP) for the Infracos. Agreement of the most recent AAMP was not achieved and the budgets are therefore based on their 2005/06 plan.

The variances for Metronet at year to date is driven by increased spending on Station works (£140m). However, this increase is not as high as was originally predicted by Metronet in their Extraordinary Review Submission. The rate of spend in the last quarter has halved following Administration and re-scoping of works. The other area is Rolling Stock (£55m) reflecting the re-programming of District Line Train refurbishment works since the 2005/06 AAMP. Expenditure on Track and Structures is £50m lower than the 2005/06 plan due to lower volumes of work.

Tube Lines expenditure is £22m higher than budget (based on their 2005 AAMP submission), the increased spend being within the Stations area (£18m) and signalling (£26m). These are offset by reduction in spend on Track and Structures. These changes were reflected in their 2006 AAMP submission.

The quarter three forecast (based on Tube Line's 2006 AAMP) reflects the ongoing position with Tube Lines spending roundly £46m more predominantly in the stations and trains area. The Metronet forecast level of activity following Administration on Stations has been reduced to reflect the revised programme of work.

Appendix Three:
Transport for London
Olympic Transport Portfolio Executive Report
Third Quarter, 2007/08

Transport for London



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

Quarter 3 2007/08



Report Details: Period Covered: 14 October 2007 to 8 December 2007

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:

- Langdon Park DLR station was completed and formally opened on 10 December 2007.
- The revenue date for the north DLR platform at Stratford Station coincided with the formal opening on 13 December 2007.
- The first new DLR railcar was delivered to TfL on 22 December 2007.
- A procurement strategy with Network Rail has been agreed in principle for the North London Railway Infrastructure Project.
- Greenwich Waterfront Transit (Phase 1) project consultation commenced on 12 November and ran until 11 January 2008
- Bridge GE19 was successfully demolished during a planned blockade over the Christmas vacation as part of the East London Line Extension project.

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

London Rail

East London Line Extension *

By the end of the period, the main works contractor had completed the remaining short term critical milestones with the completion of the rolling stock maintenance facility sub structure for steel erection on 20 December. A further 10 milestones have been established to focus performance covering the period to June 2008. The demolition of the GE19 bridge was successfully completed over the Christmas possession after the period end representing a significant achievement after meticulous planning. The high profile engineering possession overruns were caused by non-TfL engineering works which were 'piggy-backing' off the blockade. Eighteen final designs were submitted in the period although this is slightly below the target agreed with the main contractor. The implementation agreement for New Cross Gate has been finalised and documentation signed by all parties. The ones for Crystal Palace, West Croydon and South Croydon are to follow in January 2008. The East London Line was also closed on 22 December and will remain so until works are completed and the new rebranded Overground line is opened in Summer 2010.

ELL/NLR Rolling Stock

The Design Stage safety case has been submitted to Network Rail on 5 November 2007 in advance of the programme date and was reviewed by the Network Rail's approvals board on 27 November 2007. Bombardier has re-cast its manufacturing programme to recover approximately 8 weeks slippage to the start of build (unit 01) although there is a risk that this will not necessarily be sufficient. Further meetings with LU are to be held to develop a programme for their acceptance process.

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

The deep clean and repair programme is progressing with the first three stations completed by 19 December 2007 (Brondesbury Park, Kensal Rise and Kentish Town West). London Rail and London Overground Rail Operations Limited (LOROL) have been extensively re-working and improving the refurbishment programme and expect a robust programme to be in place during the next period. LOROL are planning to complete the NLR stations by the end of 2009, which is challenging and is in advance of their contractual obligation of November 2010.

DLR Woolwich Arsenal/3 Car Railcars *

The first vehicle arrived from Bautzen in Germany on 22 December 2007 which is later than contracted. The build and testing of the vehicles continued to progress well in the factory in Germany, with construction of the first 16 vehicles now underway.

DLR 3 Car North Route **

Work is being undertaken in preparation for the first possession on the East and North Routes which have been booked for 8 March 2008 at Bow Church and 21 March 2008 on the East Route.

DLR 3 Car Bank-Lewisham *

On all the 3 Car packages, work on the design submissions continues with the main focus directed towards gaining the necessary design approvals.

On Packages 1 and 2, in addition to the design work, enabling work continues to progress well and the borehole samples have been taken to confirm the design submissions for Royal Mint Street and Crossharbour.

The second possession took place on Package 7 on the weekend of 8 December 2007 where the track isolators were repositioned and the track protection hoarding was built. The possession was successfully handed back to Serco Docklands as planned and service was resumed without the need to impose any further speed restrictions.

Work continued on the final commissioning of the first stage of the Beckton Depot expansion. On the phase 2 works, good progress was made on site and the project is on schedule to complete in February 2008.

Stratford Regional DLR Station *

Following the ceremonial opening, the station was officially opened on 13 December 2008 and both platforms are now in revenue service.

London City Airport DLR Extension *

The project has been completed.

Woolwich Arsenal DLR Extension *

Progress continues to be good on the Woolwich Arsenal Extension with the trackwork complete in the Up Tunnel and in the Down Tunnel; the track has been laid and just needs to be concreted in. All other civils work is continuing to plan and the fit out has commenced in the Plant Rooms.

Stratford International DLR Extension **

On Stratford International, work continues on the design submissions with the main focus directed towards gaining the necessary design approvals

On Package 8 (Network Rail platforms at Stratford Station), in addition to the design work, the focus has been the work over the Christmas Blockade which was successfully completed. Civils work on the Stratford International Station box and Western Subway also continues to progress well.

On Package 6 (Conversion of NLL to DLR) design is running approximately 6 weeks behind schedule and Skanska/Grant Rail has implemented a recovery programme. DLR has met with the designers to mitigate further design issues. The main focus going forward is on design submissions, specifically directed towards gaining the necessary design approvals.

DLR Railcar Refurbishment **

The project has been completed.

London Underground

LU Line Upgrades PPP BCV (Victoria Element) **

Train 2 8-car testing continues in Derby with 2,500km run. Despite numerous issues arising from the testing, Westinghouse has successfully identified and solved all signalling software issues. Eleven of fourteen Signalling Equipment Rooms (SERs) have been energised in Traffic Hours. Metronet formally accepted the new Signal Control Centre building.

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 slipped primarily due to delays in the signal and rolling stock 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 current key project deliverables in this portfolio are signalling upgrades to the Jubilee Line. Tube Lines has proposed to combine the commissioning of two stages into a single migration stage activity by early October 2008. This will allow Tube Lines to save resources and time by avoiding the need to design, test and subsequently remove the software interface boundary between the two stages. LU is currently assessing the impact on Operations training activities.

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

Metronet BCV has a contractual obligation to modernise and refurbish 56 stations during the first 7.5 year review period. To date, BCV have delivered into service 19 stations with 37 remaining. This period Bond Street, East Acton, Woodford & Debden have been agreed Delivered into Service. Metronet has declared a further 3 stations - Loughton, Bethnal Green & Regent's Park as Delivered into Service which are currently under review by LU. Due to the Metronet administration a review of the stations programme is underway. Early indications suggest a re-phasing of the programme.

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

Tube Lines have a contractual obligation to modernise and refurbish 97 stations during the first 7.5 year review period. To date, Tube Lines have delivered into service 47 with 50 remaining. LU has agreed Project Completion status for all 16 stations in the current tranche.

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

Metronet SSL has a contractual obligation to modernise and refurbish 80 stations during the first 7.5 year review period. To date, Metronet has delivered into service 19 stations with 61 remaining. This period Watford, Ravenscourt Park, Northwood Hills & Pinner have been agreed as being Delivered into Service. Metronet has declared a further 2 stations – Great Portland Street & Preston Rd as being Delivered into Service which are still being reviewed by LU. Due to the Metronet administration a review of the stations programme is underway. Early indications suggest a re-phasing of the programme.

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

Progress on the tunnelling during the period has been in accordance with the programme. However, asbestos has now been found in the Thameslink tunnel. Current indications are that all the asbestos can be removed from within the Thameslink tunnel. This will result in the escalator shaft tunnelling not being interrupted by asbestos removal with a potential three week improvement on current forecasts. The works will not affect the completion 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. Train running trial operations have been completed successfully. Driver training is ongoing and joint trial operations of the station with the airport operator were successfully undertaken in December 2007.

Wembley Park**

This project was completed on 15 May 2006.

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

Green Park: Work is still ongoing to optimise the design and minimise construction risks, including scope revisions and modifications to lifts. These and other minor issues have led to minor delays to the programme, all of which are expected to be recovered through the plan currently under development which will not affect the delivery date of March 2011.

Baker Street: The RIBA D / Phase 2 Concept Design Statement (CDS) report and supporting safety and technical assurance documentation for access to platforms 1-5 were received at the end of November and are currently under review by stakeholders. Review of options for Step Free Access between platforms 5 and 6 has identified a preferred option for RIBA stage C which minimises impact on third parties and is contained within TfL land ownership. The formal CDS for access to Platform 6 will be submitted by end of February 2008.

Southfields: Ongoing delay risks the completion of Phase 2 (Development of Step Free Access works) scheduled for 23 March 2008 if delivered through Metronet. LU will contract subsequent phases of the project to an alternative provider in order to maintain the programme.

North Greenwich Congestion Relief**

This project has been completed.

Surface Transport

East London Transit Phase 1a *

The Invitation to Tender (ITT) has been issued for the bus service contract, and ITT for the civils contract will be issued by the end of January 2008. Significant effort is being put into the completion of modelling/ signalling work. Discussions with stakeholders continue about the new town square at Barking, which is needed so market stalls can be relocated to enable ELT operation. The Dagenham Dock terminus has been granted planning consent by London Thames Gateway Development Corporation (LTGDC).

Greenwich Waterfront Transit Phase 1**

The GWT1 project consultation commenced on 12 November and ran until 11 January. 24,000 leaflets were distributed to residents and business within 400m of the GWT1 route. Three exhibitions were undertaken to give interested parties

the chance to meet the project team and raise issues and questions. Discussions with affected landowners are ongoing, and the Compulsory Purchase Order paper to the TfL Board was approved on 6 December.

Relocation of bus garages from Waterden Road

By the end of December 2007, the two garages on the east side of Waterden Road had been vacated, so ODA works can now commence in that area. The remaining garage site is on the west side of Waterden Road and it has been agreed with ODA and LDA that this can remain in operation for longer, thus avoiding the need for further costly temporary arrangements.

The following arrangements have been adopted for the two garages that have moved from Waterden Road:

- Initial works by First Group at Temple Mills enabled the new site to partially open on 15 December, and 10 routes now operate from there. As the works are not finished, four routes are being temporarily accommodated at Dagenham garage.
- The East London site on the east side of Waterden Road was vacated on 29 December, and the articulated buses used on route 25 are now accommodated at Rainham.

At West Ham, enabling works are in progress. LDA have taken up with LTGDC an issue relating to a s106 in connection with the planning consent. As previously noted, protracted negotiations between LDA and Royal Mail and delays during the LDA demolition stage meant that the site was not available by the end of the year. By the end of February sufficient space will be available at the new West Ham garage to accommodate the routes currently remaining 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

Following agreement in principle between Network Rail and TfL of the scope and cost estimate for the NLRIP, a procurement strategy is now agreed and a procurement programme is under preparation. Discussions have commenced with Network Rail over the methods of working on an initially co-located team in February 2008, working towards a single joint project team in July 2008. GRIP 4 designs are ongoing with initial deliverables due in March 2008. Field surveys for topographic, structural and geotechnical information are also ongoing but continue to experience delays due to lack of sufficient possession time (caused by additional freight being diverted onto the NLL due to the accident at Soham). This survey delay is now causing an impact on the progress of the design. Initial modelling results have been approved by Network Rail and further modelling to produce a 24/7 timetable to go with the Track Access Option application to ORR is ongoing on the basis of the SLC2k scope (excluding Willesden High Level).

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

This forms Packages 3 and 4 (Stratford to Canning Town) under the main 3 Car Project, and work is being undertaken in preparation for the first possession on the East and North Routes which have been booked for 8 March 2008 at Bow Church and 21 March 2008 on the East Route.

DLR Olympics Station Capacity Improvements

A scheme has been agreed in principle with ExCeL and this was presented to the ODA by ExCeL with support from DLR. ExCeL has given DLR a formal notice of intent to construct their scheme. Discussions are underway with ODA with regard to an alternative use of the ODA funding.

DLR West Route Signalling Improvements

Thales have priced the alternative option which is a preventative measure for time outs on the system and would provide a resilience benefit to the whole network during the Olympics (and after the Games have finished). Agreement was reached with the ODA and Serco for this project to be jointly funded by them. An order has been placed with Thales by Serco and a programme of work is to be drawn up to enable this project to be re-baselined.

DLR West Route Resilience

This project has been 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. Please refer to the 3 Car Bank-Lewisham report for more detailed project updates.

London Underground

LU West Ham (Station)

Work with Tube Lines on RIBA Stage D continues on target. The ODA has now written to LU asking for a new option to be investigated. The implications and impact to the programme are being assessed.

Surface Transport

Cycle Route Enhancements and Walking Routes

The TfL Cycling, Walking and Accessibility (CWA) team continues to work with the ODA on the development of the Olympic walking and cycling programme and associated initiatives and acts as the ODA's delivery partner, particularly for the infrastructure portfolio.

The infrastructure portfolio for walking and cycling focuses on the development and upgrade of walking and cycling routes serving Olympic venues, in particular the Olympic Park. A number of core routes have been identified and feasibility studies will assist in the development of scheme options for these routes. Moreover, route sponsors have been appointed for each of the routes, to lead on route development. Route sponsors, TfL and the ODA meet quarterly to discuss progress. To support feasibility works, ODA funds have been secured through the ODA PID. A number of feasibility studies are now underway to develop scheme options.

Further discussions on the Active Spectator Programme (ASP) took place between the ODA and TfL, although no funding has yet been allocated to the programme. TfL CWA will continue to work with London 2012 (ODA and LOCOG) as required to develop the programme. Internal discussions are also taking place.

Stakeholder engagement continues on a regular basis. The London 2012 Route Sponsors Forum met on 22 November 2007, to report on and to discuss progress on the London 2012 walking and cycling route enhancements programme. The last London 2012 Active Travel Advisory Group (ATAG) meeting took place on 11 December, with a particular focus on the ASP.

Olympic Route Network (ORN) Carriageways & Junction Improvements

Consultants are progressing legacy schemes following the preliminary design stage and are undertaking operational appraisals for samples of Olympic Lanes. The project team are carrying out a further review of the Stage 3.2 reports to identify if there are additional potential legacy schemes. Discussions with ODA are in progress to agree the high-level delivery plan and TfL's financial requirements beyond 2007. The next major deliverable is a draft report by February 2008, with a final report by April 2008. Report outputs will include preliminary designs for legacy schemes, quantitative impact assessments of sample Olympic Lanes, budget cost estimates, survey data results and results from stakeholder consultation on scheme ideas.

ODA has presented an options paper to DfT in relation to designations. TfL's Network Assurance Team has submitted a draft notifications specification to ODA for comments.

A presentation to Borough Parking Managers is planned for next period to raise awareness and capture key enforcement related issues.

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.

Transport Coordination Centre (formerly known as Olympic Transport Operations Centre)

A Transport Coordination Centre (TCC) stakeholder workshop was held on 12 November, attended by all relevant parties to gain consensus on the role, scope and functionality of the TCC facility. The outcomes of the TCC workshop have been documented and issued to all present. Drafting of the invitation to tender documentation has commenced for the stage 1 procurement strategy.

Stratford Regional Station Upgrade

Current progress is being delayed by a lack of satisfactory detailed design information. As mitigation, on site checks are being made and finishing details are being drawn up. LU is examining the programme implications with a formal notification to be issued to ODA.

Key Programme Risks

Metronet

The Metronet Administrator and Metronet management are currently working through with LU the ultimate solution to sub-contracting for a number of key services and investments under the PPP. Whilst every endeavour is being made to minimise disruption to the delivery of the Investment Programme, there may be consequential delays to some areas such as stations delivery.

Active Spectator Programme

The funding agreement between TfL and the ODA focuses on infrastructure improvements for walking and cycling. There is a lack of detail regarding the funding of the Active Spectator Programme, which is a core element of the walking and cycling programme.

Transport Coordination Centre

TCC Stage 1 (Detailed Design) will be delayed if the ODA funds are not in place prior to the tender being advertised.

Green Park Accessibility




Development of two additional alternative options following the operational implication of the base option on the escalator shaft has affected the outline design report submission date. A recovery programme is currently being implemented.

Issues / Decisions

None this period

Independent Engineer Status Report	
None this period	
Recent Reviews	Date
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
3 Car Railcars & Olympic Railcars	Completed – Previously reported
	* Completed as part of one review
The following is an indicative programme of Games related Independent Engineer reviews for 2007/8	
Olympic Route Network	Quarter 3 2007/8
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

Milestones¹

	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	Completed
Commence Bridge GE19 Demolition	31/12/2007	25/12/2007	Completed
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	Completed
NLR Unit Body shell Manufacture Starts	30/09/2007	20/09/2007	Completed
Trains in Service - NLR	31/12/2008	31/12/2008	●
Trains in Service - ELR	30/06/2010	30/06/2010	●

¹ 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	Completed
Start of enhancement work	30/11/2007	30/11/2007	Completed
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	22/12/2007	Completed
18 th Car in service	30/04/2008	11/06/2008	▲
Last train delivered	31/12/2008	10/07/2008	●
All cars in service	28/02/2009	08/09/2008	●

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	31/10/2007	Completed
Construction work complete	31/12/2009	31/12/2009	●
Operational date	30/06/2010	31/03/2010	●

DLR 3 Car Bank – Lewisham (LR – PJ06)

	Original Plan	Actual/forecast date	RAG status
Beckton Depot completion	20/10/2006	31/01/2008	▲
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	10/12/2007	Completed

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	Completed
Complete down tunnel	21/07/2007	23/07/2007	Completed
Completion of track work	31/03/2008	31/03/2008	●
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	02/07/2007	Completed
Start on site Package 7 (Canning Town Flyover)	31/05/2007	31/05/2007	Completed
Completion date	30/06/2010	30/06/2010	●

DLR Railcar Refurbishment (LR – PJ15)

	Original Plan	Actual/forecast date	RAG status
Completion of 94 th 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
Start overlay commissioning	04/06/2007	17/12/2007	Completed
Depot works complete	18/02/2008	18/02/2008	●
Train 1 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	30/08/2011	●
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
Dual Fitted Area Complete	24/08/2007	27/01/2007	▲
Delivery last train	30/04/2008	31/08/2008	▲
LUL acceptance of first section	30/06/2008	30/06/2008	●
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	1	4	7	▲
2006/07	0	4	10	▲
2007/08	4	1	3	▲
2008/09	2	8	13	▲
2009/10	5	4	7	▲
2010/11	1	0	1	▲

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	3	2	2	▲
2007/08	6	2	6	▲
2008/09	2	2	6	▲
2009/10	4	3	1	▲
2010/11	0	1	0	▲

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

	Modernisations	Enhanced Refurbishments	Refurbishments	RAG
2004/05	4	5	0	Completed
2005/06	3	8	0	Completed
2006/07	7	4	0	Completed
2007/08	4	12	3	●
2008/09	6	4	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 feasibility for Green Park	24/04/2007	24/04/2007	Completed
Completion of development for Green Park	18/02/2008	18/02/2008	●
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 feasibility for Baker Street	14/06/2007	14/06/2007	Completed
Completion of development for Baker Street	27/09/2008	24/09/2008	●
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 feasibility for Southfields	14/06/2007	14/06/2007	Completed
Completion of design for Southfields	30/09/2007	31/03/2009	▲
Completion of development for Southfields	04/02/2008	04/02/2008	●
Completion of construction for Southfields [*]	31/03/2009	31/03/2010	▲

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	Completed
Invitation to tender	21/11/2007	14/01/2008	Completed
Infrastructure works complete	22/01/2008	12/09/2009	▲
Service starts	16/02/2008	15/10/2009	▲

Greenwich Waterfront Transit (ST – PJ25)

	Original Plan	Actual/forecast date	RAG status
Completion of preliminary design	05/11/2007	18/01/2008	▲
Completion of public consultation	17/12/2007	11/01/2008	Completed
Infrastructure works complete	25/06/2010	26/08/2011	▲
Service starts	31/08/2010	22/07/2011	▲

* Original Plan was amended to reflect correct dates.

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	12/10/2007	Completed
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	26/05/2008	●
First railcar delivered	31/07/2008	07/11/2008	▲
Final railcar delivered	31/12/2009	24/09/2009	●
All cars in service	30/06/2010	29/09/2009	●

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	Completed
Start Construction	31/01/2008	21/03/2008	▲
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	19/07/2007	Completed
Award construction contract (package 4)	31/12/2008	31/12/2008	●
Start Construction	31/01/2009	02/01/2009	●
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	30/04/2008	▲
Commence Installation	31/12/2007	31/07/2008	▲
Signal loop operational	31/03/2008	31/12/2008	▲

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 (LU - PJ218)

	Original Plan	Actual/forecast date	RAG status
Feasibility Complete	31/05/2007	11/06/2007	Completed
Complete Stages C/D (including Approval In Principle)	31/12/2007	31/03/2008	▲
Development of options complete	28/11/2007	28/11/2007	Completed
Complete Stages E-G (including Compliance Submission)	31/08/2008	31/08/2008	●
Commence works on site	31/01/2009	05/03/2009	▲
Project completion	08/02/2011	08/02/2011	●

Cycle Route Enhancements and Walking Routes (ST – PJ163/164)

	Original Plan	Actual/forecast date	RAG status
Finalise strategic route selection	12/02/2007	12/02/2007	Completed
Commence detailed route development	31/03/2007	31/03/2007	Completed
Outline Programme and ODA PID	30/09/2007	01/10/2007	Completed

ORN Carriageways and Junction Improvements (ST – PJ161)

	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	Completed
Stage 3 Draft Outline Design Report	22/12/07	22/12/07	Completed
Stage 3 Final Outline Design Report	28/03/08	28/03/08	●

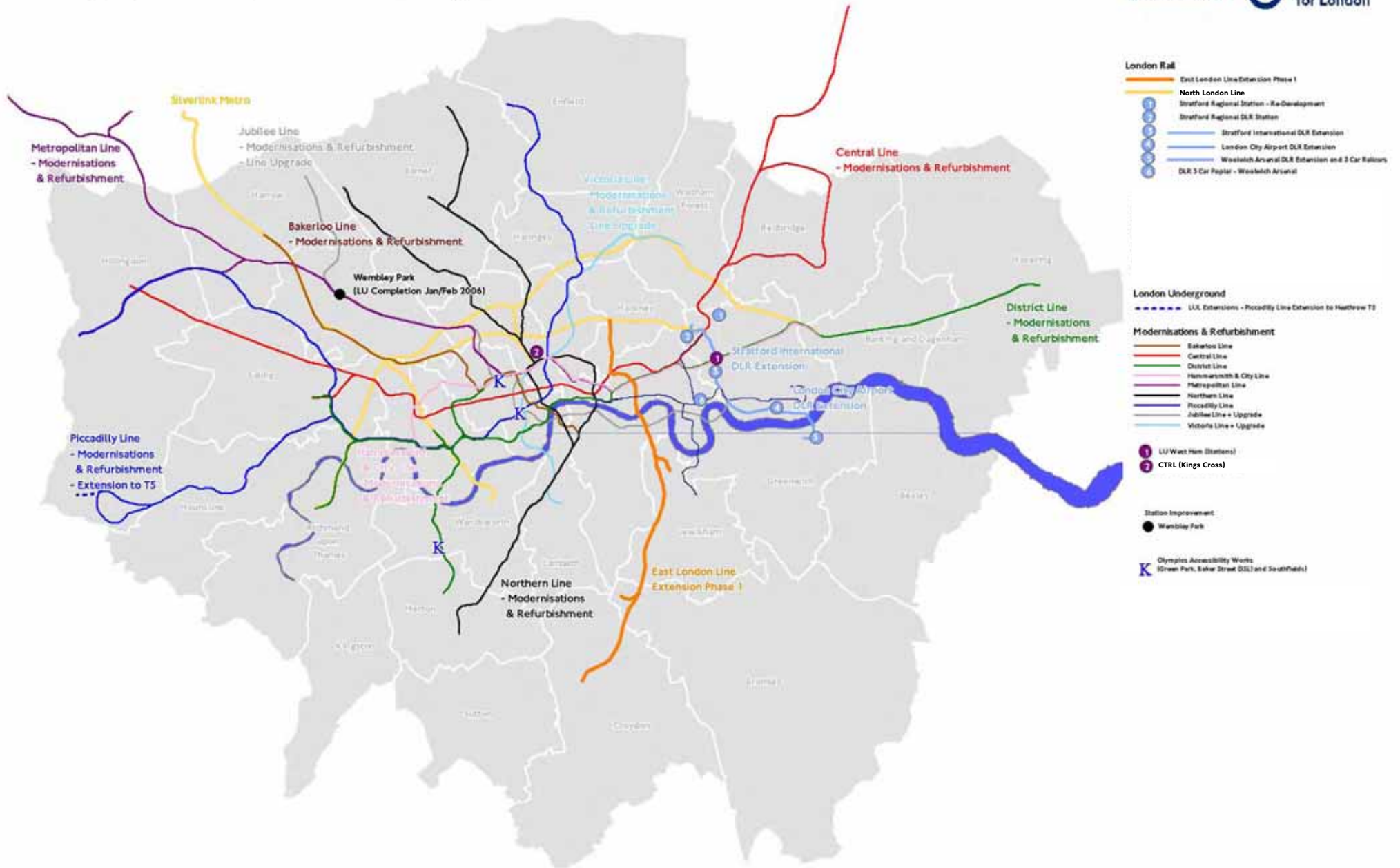
Transport Co-ordination Centre (ST – PJ162)

	Original Plan	Actual/forecast date	RAG status
TCC Stakeholder Workshop	12/11/2007	12/11/2007	Completed
Release ODA Funding	01/12/2007	tbc	▲
TCC Stage 1 Consultants Appointed	01/02/2008	08/02/2008	●
TCC Floor Layout Requirements	30/04/2008	30/04/2008	●
TCC Planning & Design Complete	30/05/2008	30/05/2008	●
TCC Procurement Stage 1	30/11/2009	30/11/2009	●
TCC Fit-Out Complete	31/05/2010	31/12/2010	▲

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

TfL Olympic Transport Portfolio report - TfL Rail Schemes



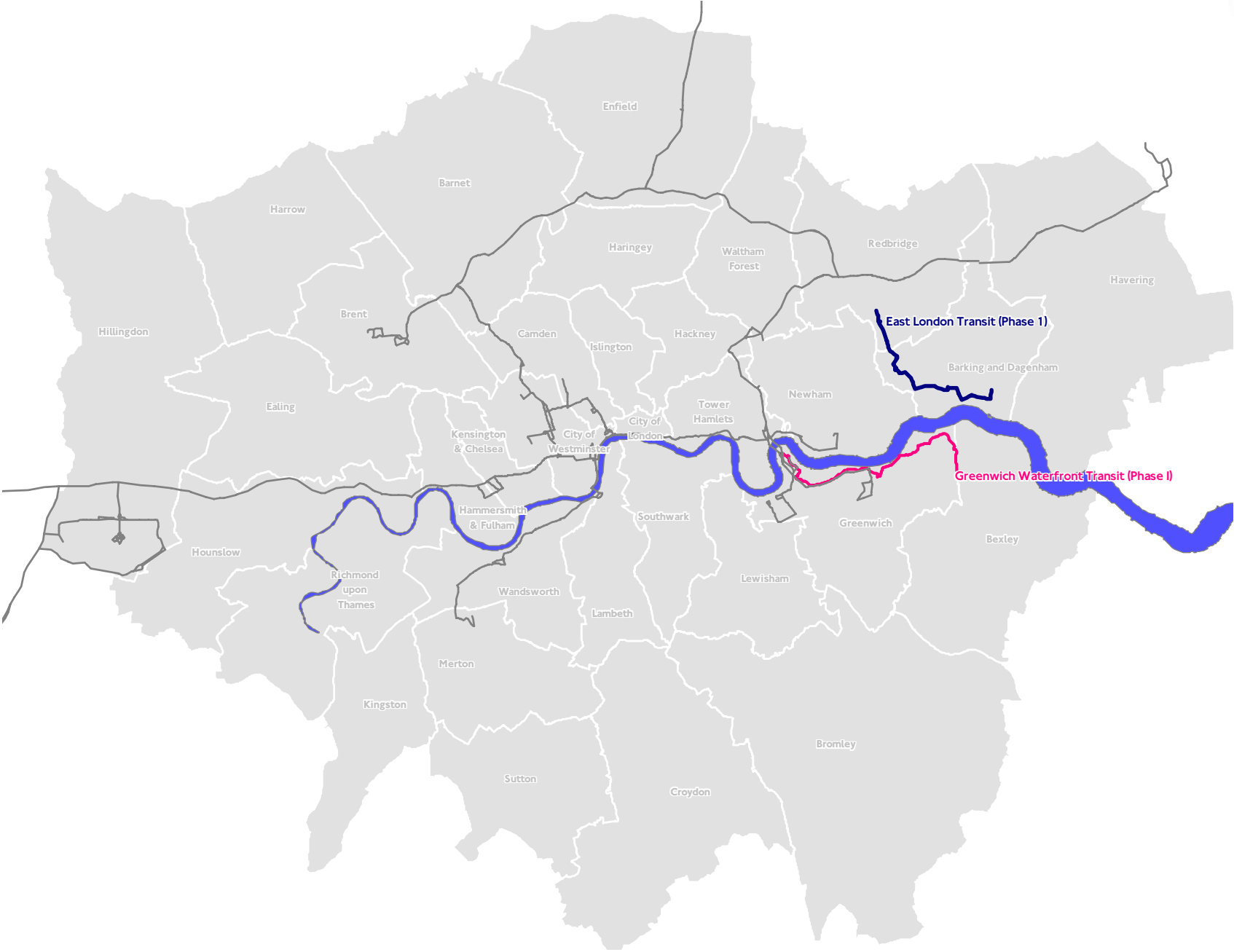
- London Rail**
- East London Line Extension Phase 1
 - North London Line**
 - 1 Stratford Regional Station - Re-Development
 - 2 Stratford International DLR Station
 - 3 Stratford International DLR Extension
 - 4 London City Airport DLR Extension
 - 5 Woolwich Arsenal DLR Extension and 3 Car Rollers
 - 6 DLR 3 Car Poplar - Woolwich Arsenal

- London Underground**
- LU Extensions - Piccadilly Line Extension to Heathrow T5

- Modernisations & Refurbishment**
- Bakerloo Line
 - Central Line
 - District Line
 - Hammersmith & City Line
 - Metropolitan Line
 - Northern Line
 - Piccadilly Line
 - Jubilee Line - Upgrade
 - Victoria Line - Upgrade

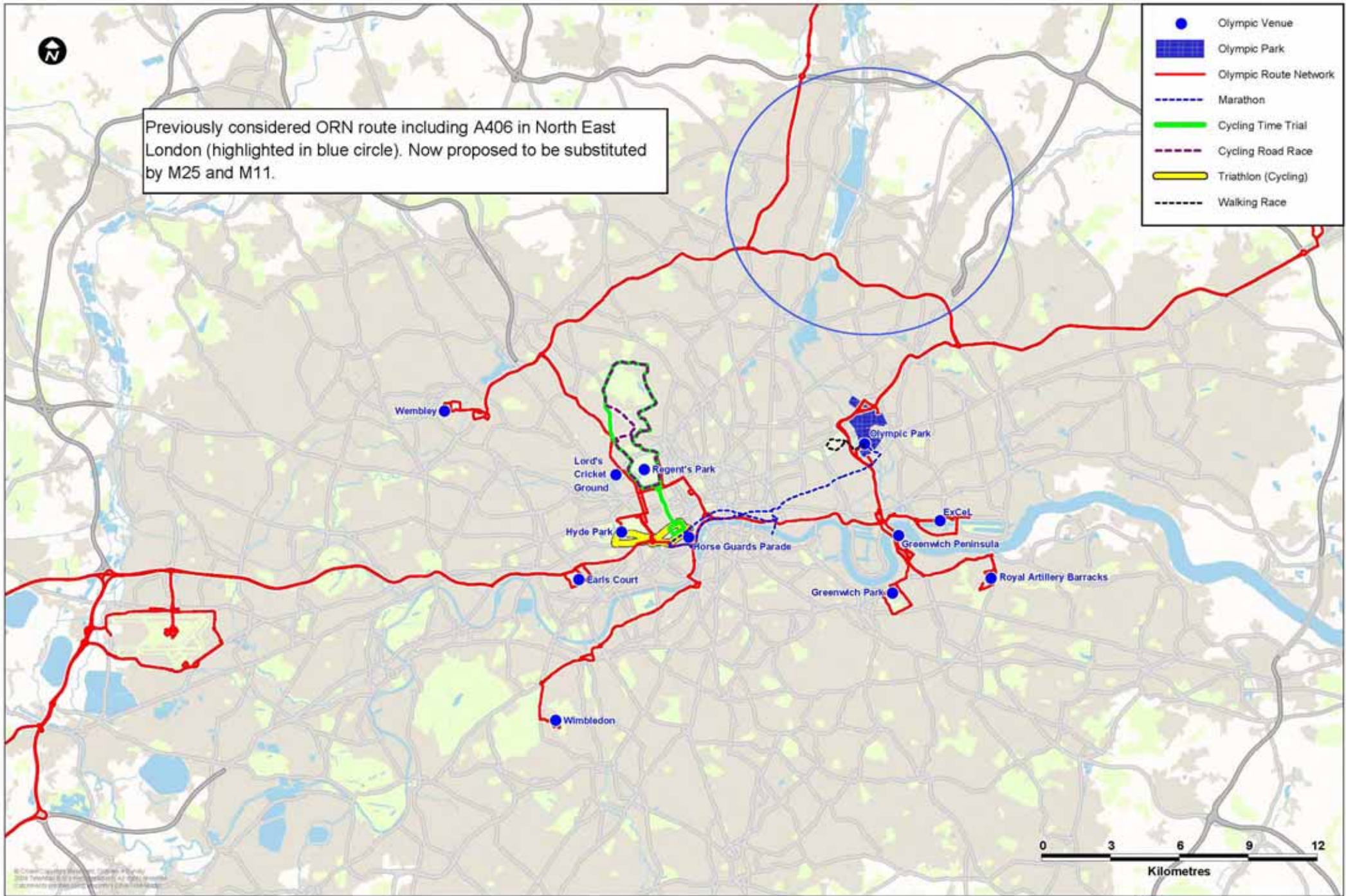
- 1 LU West Ham (Stations)
- 2 CTRL (Kings Cross)
- Station Improvement
 - Wembley Park
- K Olympics Accessibility Works (Green Park, Baker Street (S&L) and Southfields)

TfL Olympic Transport Portfolio report - TfL Surface Schemes

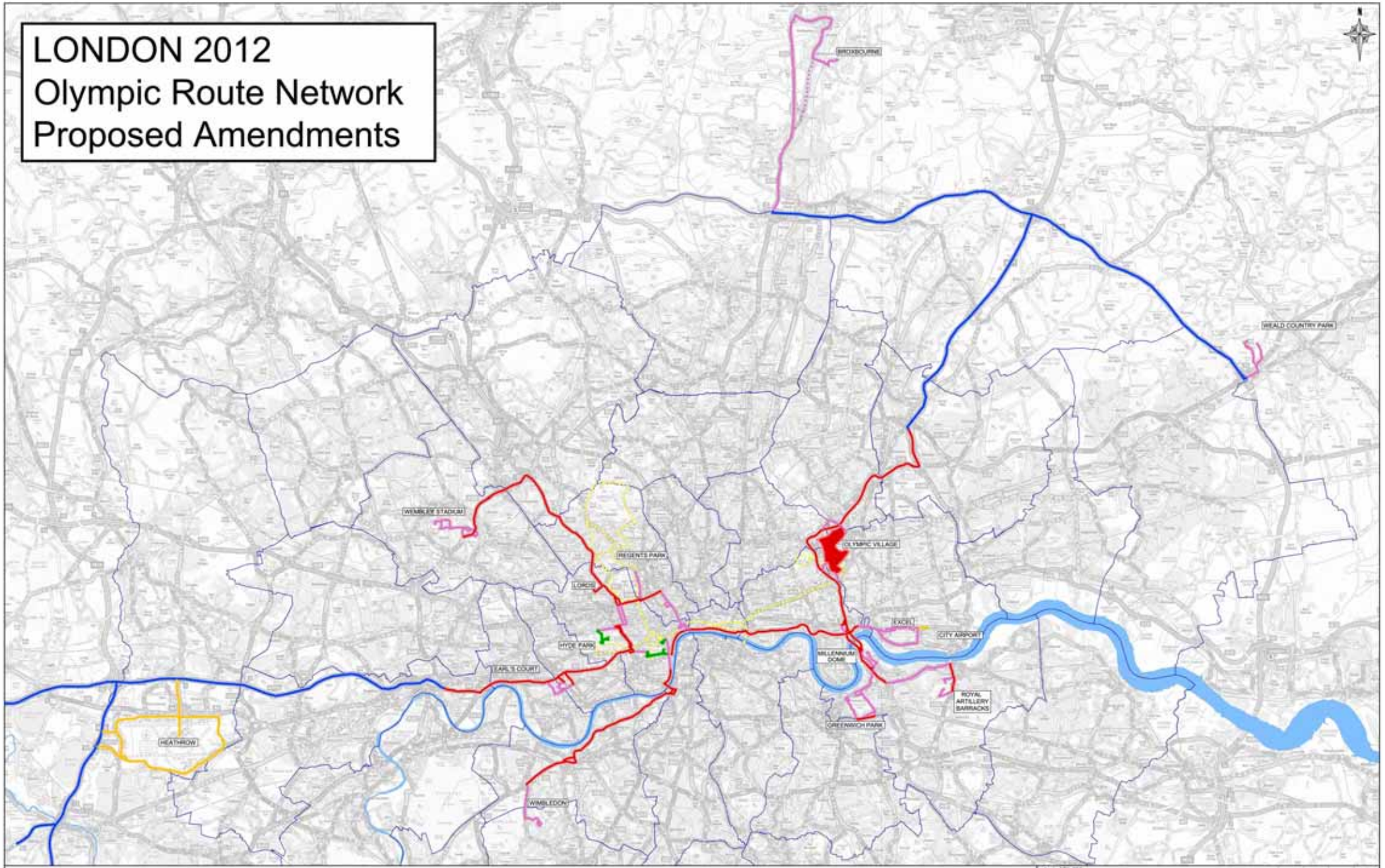


Surface Transport

-  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

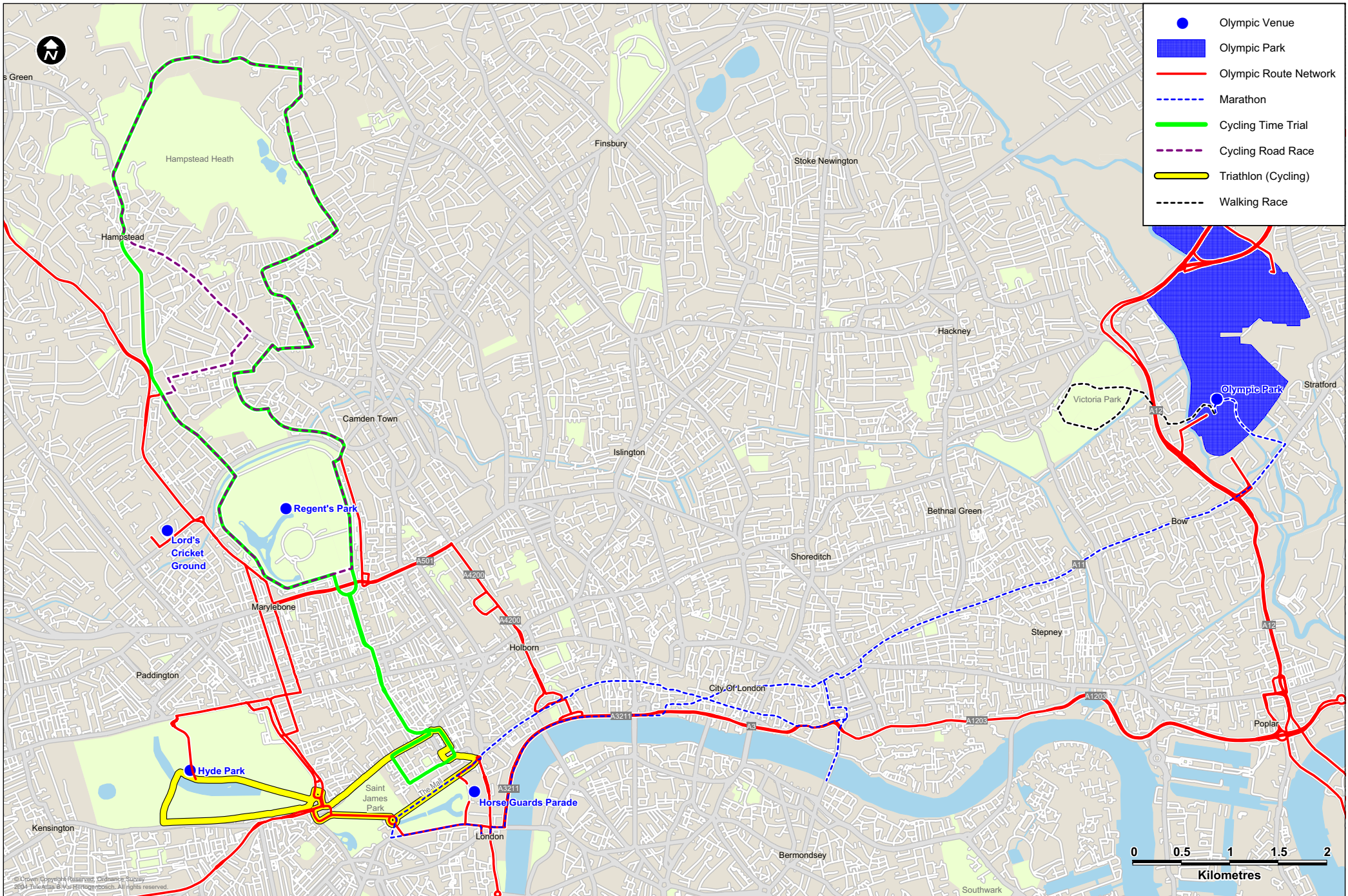


LONDON 2012 Olympic Route Network Proposed Amendments



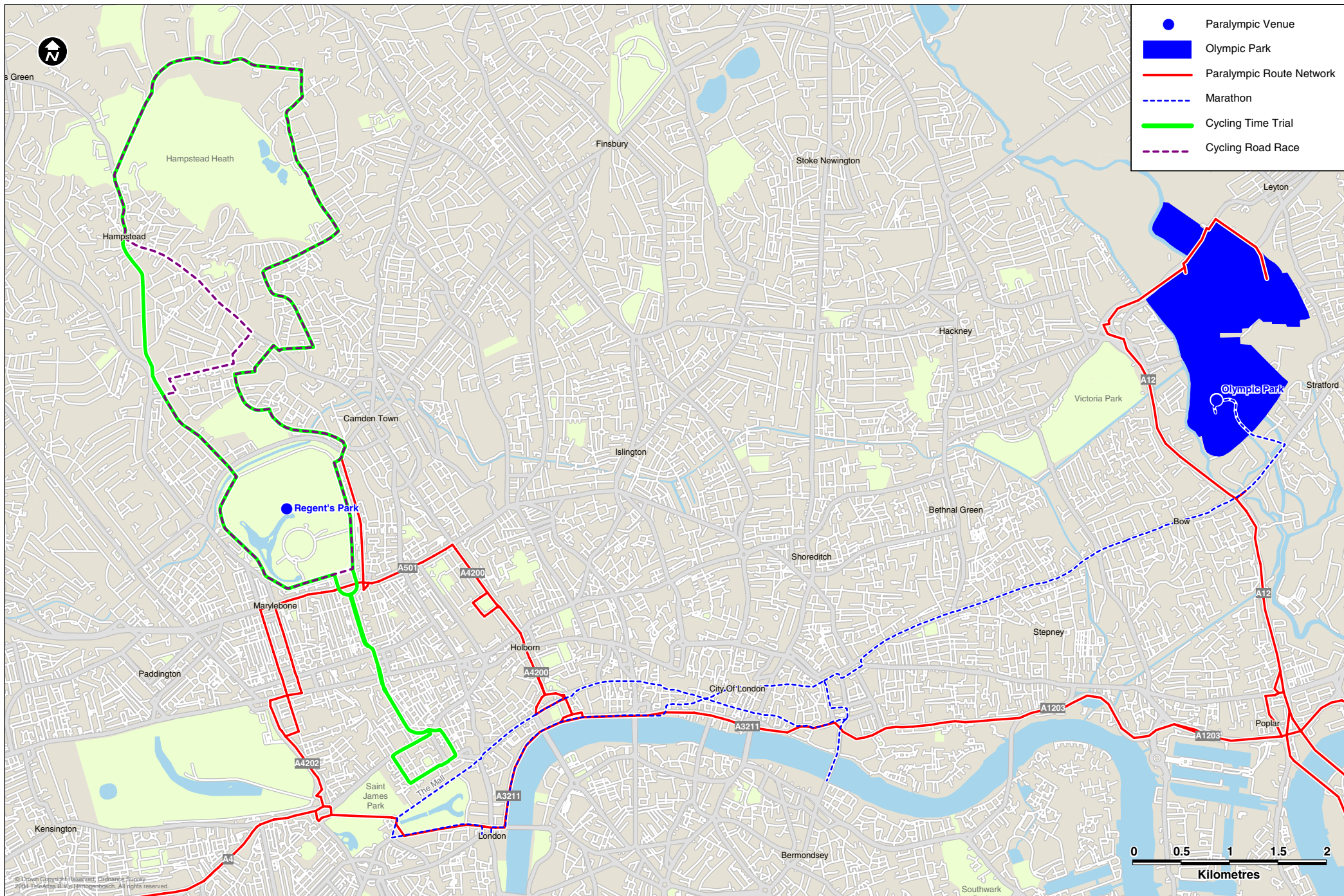
LEGEND	
	Airport Roads
	Borough Roads
	Highways Agency Roads
	Royal Park Roads
	TLRN
	Road Events
	Proposed Alternative Routes

		CLIENT: TRANSPORT for LONDON	
PROJECT: OLYMPIC ROUTE NETWORK		DRAWN BY: HIGHWAY AUTHORITIES - PROPOSED AMENDMENTS	
DRAWN DATE: 02/07/2011		DRAWING NUMBER: DRND-DRN-IN-014	
SCALE: 1:1		SHEET: A	



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



Drawn by: SRB	Last updated: 20/03/2007	Layout Title: PRN and Rd Rts
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