

TRANSPORT FOR LONDON

BOARD MEETING – OPEN SESSION TO BE HELD ON 7 DECEMBER 2006 AT 1000 HOURS IN THE CHAMBER CITY HALL, THE QUEEN'S WALK, LONDON SE1 2AA

AGENDA

A Meeting of the Board will be held to deal with the following business:

1. Apologies for Absence
2. Minutes of the Previous Meeting held on 25 October 2006
3. Any Matters Arising from the Minutes

Business Items

Sponsor

- | | |
|---|-----------------------------------|
| 4. The Commissioner's Report | Peter Hendy, Commissioner |
| 5. Operational, Financial and Investment Programme Reports | Jay Walder, MD Finance & Planning |
| 6. Update on TfL's Investment Programme Oversight Function | Peter Hendy, Commissioner |
| 7. Joint Arrangements with London Local Authorities for Traffic Enforcement | David Brown, MD Surface Transport |
| 8. Safer Transport Initiatives | David Brown, MD Surface Transport |
| 9. Partnership in Parking Agreements with London Boroughs | David Brown, MD Surface Transport |
| 10. TLRN Highways Term Maintenance and Works Contracts 2007 | David Brown, MD Surface Transport |
| 11. Appointments to Board Committees & Panels and Revision of Standing Orders | Howard Carter, General Counsel |

Items for Noting

- | | |
|--|---|
| 12. Report from the Finance Committee | Sir Mike Hodgkinson, Chair of the Committee |
| 13. Report from Safety, Health & Environment Committee | Dave Wetzel, Chair of the Committee |

14. Report from the Audit Committee Judith Hunt, Chair of the Committee
15. Mayoral Direction to TfL to Revise Fares Howard Carter, General Counsel
16. Any Other Business

Date of next meeting: Wednesday, 7 February 2007

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MEETING OF MEMBERS OF THE BOARD – OPEN SESSION

MINUTES of the Board Meeting held in the Chamber, City Hall, The Queen's Walk, London, SE1 2AA at 10.10 am on Wednesday, 25 October 2006

Present:	Ken Livingstone	(Chair)
	Dave Wetzel	
	Honor Chapman	
	Stephen Glaister	
	Kirsten Hearn	(from minute no. 78/10/06)
	Sir Mike Hodgkinson	
	Judith Hunt	
	Eva Lindholm	
	Paul Moore	
	Dabinderjit Singh Sidhu	
	Tony West	
In attendance:	Lord Toby Harris	
	Bryan Heiser	
	Lynn Sloman	
	Steve Allen	Director, Corporate Finance
	David Brown	Managing Director, Surface Transport
	Ian Brown	Managing Director, London Rail
	Peter Brown	Chief Operating Officer Streets, Surface Transport
	Howard Carter	General Counsel
	Stephen Critchley	Chief Finance Officer
	Mary Hardy	Director of Internal Audit
	Peter Hendy	Commissioner
	Ellen Howard	Public Law Team Leader
	Gareth John	Director of Legal & Compliance
	Tim O'Toole	Managing Director, London Underground
	Jeff Pipe	Corporate Governance Adviser
	Ben Plowden	Managing Director, Group Communications
	Duncan Symonds	Commissioner's Chief of Staff
	Valerie Todd	Interim Managing Director, Group Services
	Jay Walder	Managing Director, Finance & Planning
	Horatio Chishimba	TfL Secretariat
	James Varley	TfL Secretariat

74/10/06 Apologies for Absence

Apologies for absence were received from Sir Gulam Noon, Murziline Parchment and Patrick O'Keeffe.

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Declaration of Interests

No interests were declared.

75/10/06 Minutes of the Previous Meeting held on 20 September 2006

The minutes of the previous meeting were **approved** and signed by the Chair as a correct record.

76/10/06 Matters Arising

There were no matter arising from the minutes of the previous meeting. A table had been prepared setting out the current status for each of the actions, one of actions had been was completed and the other three were progressing. The Board **NOTED** the actions list.

77/10/06 Commissioner's Report

The Commissioner introduced his report and highlighted issues that had arisen since the report had been written.

The Transport for London Bill 2005:

This Bill was considered by the Opposed Bill Committee of the House of Lords on 23 October 2006. It would now go to the Unopposed Bills Committee of the House of Lords.

January 2007 Fares Revision:

The Commissioner reported that a simpler ticketing structure had been agreed with the Train Operating Companies and announced by the Department for Transport. It would enable a more understandable fare system to be in place and one that tied-in with Oyster pay-as-you-go in due course.

Finsbury Park Cycle Park: The cycle facility at Finsbury Park had won an award for 'Best Cycle Parking Provision' at the National Cycle-Rail Awards 2006.

Langdon Park Station: The Commissioner informed the Board that a contract for the construction of a new station on the DLR between Old Saints and Devons Road had been awarded on 24 October 2006. Langdon Park Station would open in 2008.

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

78/10/06 TfL Business Plan & Investment Programme 2005/06 – 2009/10

Jay Walder introduced the report which sought Board approval of the TfL Business Plan for 2005/06 – 2009/10; the commitments relating to the Thames Gateway Bridge Scheme; and to note that the final 2007/08 Budget would be presented in March 2007 for Board approval following the outcome of the GLA Budget process.

The Plan was very well received by the Board and officers were commended for

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their efforts in putting together the revised Plan. Jay Walder informed the Board that some hard choices had been made to ensure delivery of the Plan whilst maintaining financial credibility.

Jay Walder highlighted the key 2007/08 Business Plan challenges which included:

- Incorporating cost pressures e.g. energy;
- Meeting new responsibilities being taken on by TfL such as the London Overground and Oyster on National Rail within a financially balanced plan;

Some of the key additions to the Business Plan included:

- TfL taking over management of North London Railway concession (to be known as London Overground);
- Oyster validators at National Rail stations beginning in 2008;
- LU Power upgrades; and
- A much greater emphasis on sustainability and creation of a Climate Change Fund.

Jay Walder assured the Board that the Plan was sound albeit very tight but felt comfortable that it was deliverable. It was also reported that TfL had increased efficiencies and a goal of £1.3bn had been set. The efficiencies would be reinvested in front-line activities.

Jay Walder confirmed that it was TfL's aim to maintain the AA rating. Reviews by the rating agencies were scheduled for the following month.

Jay Walder highlighted some key Plan outputs which included local road safety schemes, advertising campaigns and other improvements to achieve the new Mayoral Road Safety target by 2010.

Dave Wetzel congratulated Jay Walder and his team for producing the budget and for having identified the reduction in accident fatalities and informed the Board meeting that he would welcome seeing further reductions. He informed the Board that he had undertaken a cycle training course and hoped many more people would attend the course. However, Dave Wetzel was concerned by the length of time it took to approve cycle training for adults.

Dave Wetzel informed the Board that the sighting of speed humps in some areas was dangerous for cyclists and requested that TfL ought to consult with local communities and road engineers.

Lynn Sloman commended Jay Walder for the inclusion in the budget of a Sustainability Development Plan and advised officers to consider the addition of a paragraph stating that TfL had set targets for the reduction of carbon dioxide emissions. The Chair informed the Board that Richmond Council was pushing forward plans for reducing emissions and that the Council was in the process of proposing financial incentives for modal change.

Jay Walder informed the Board that the Thames Gateway Bridge (TGB) would be procured as a PFI concession and that, assuming favourable decisions

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following public inquiries, opening of the bridge was anticipated in 2013. As part of the conditions for the award of the PFI credits, it was proposed that TfL make the following commitments to the Department for Transport that:

- £350m was the full and final contribution from the DfT for the TGB Scheme;
- the budget risk did not lie with the DfT should the TGB Scheme come on balance sheet; and,
- the TGB Scheme would not be cancelled for balance sheet reasons once the procurement process had begun.

Jay Walder assured the Board that the achievements in the Plan would be crystallised and published in due course. The Finance Committee would review the Plan before going for final borrowing.

The Board:

- a) **APPROVED** the TfL Business Plan 2005/06 – 2009/10 including the Sustainable Development Plan and delegated its finalisation and publication to the Managing Director, Finance and Planning, for submission to the GLA;
- b) **APPROVED** the commitments relating to the TGB Scheme as set out in section 6.5 of the report; and
- c) **NOTED** that the final 2007/08 Budget would be presented in March 2007 for approval by the TfL Board, following the outcome of the GLA Budget process.

79/10/06 A406 – Bounds Green

Peter Brown introduced the report which informed the Board of the new scheme, similar to the earlier scheme (the 2005 scheme) but with a reduction in property take.

The delay in proceeding was not within TfL's control as the London Borough of Enfield had indicated that it was likely the scheme would need to go to another public inquiry; and it was also necessary to accommodate the Holmsdale Tunnel works on the M25 which needed to be completed prior to the Olympics.

However, funds had been made available to the Boroughs concerned for works to ameliorate rat-running arising from the A406; unfortunately, the Boroughs had been slow to request these funds to alleviate the problems facing their residents.

The Board **APPROVED**:

- a) Amendments to the safety and environmental scheme at Bounds Green, approved by the TfL Board in 2005 ("The 2005 Scheme"), be approved and the revised safety and environmental scheme ("The 2006 Scheme") be progressed and implemented, as illustrated in the Plan submitted to the Board;

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- b) Any additional land and properties required for the 2006 Scheme would be acquired by negotiation but that the Board agree in principle that TfL would make a Compulsory Purchase Order in case negotiations failed. The final decision to make and implement any Compulsory Purchase Order (including the settling of the detailed boundaries of the land and properties to be acquired), together with any related orders required to facilitate the 2006 Scheme, would be taken by the Managing Director, Surface Transport; and that,
- c) TfL would liaise with the relevant Councils and local community as to the implementation of the revised scheme.

80/10/6 TfL Governance Structures

Howard Carter introduced the report which proposed the establishment of two new Board panels a Corporate Panel and a Strategic Planning Panel. In addition an improved Board meeting cycle was proposed. The result of the proposals was a reduction in the number of formal Board meetings from seven to six and the holding of the panels together in one combined meeting to review the Business Plan and Budget.

A consolidated list of panels and committees was presented. The new structure also provided for deputy chairs for each of the Panels from the Board membership.

The Board was informed that a meetings calendar for 2007 would be circulated after approval of the new panels had been incorporated into the meetings cycle. In parallel with the work on TfL Governance Structures, Howard Carter informed the Board that a review of TfL Company Secretariat was being undertaken.

The Chair **AGREED** with Dave Wetzel that it would be appropriate to add general fares policy to the Terms of Reference of the Strategic Planning Advisory Panel, although the setting of fares remains the power of the Mayor rather than TfL. It was also noted that Sir Mike Hodgkinson had agreed to sit on that Panel. Paul Moore had also expressed an interest in sitting on the Corporate Advisory Panel. Amendments would be made to the schedule of Panels and Committees accordingly.

Action: Howard Carter

Howard Carter explained that the Corporate Advisory Panel would meet four times a year and the first item of business that it was likely to transact was to agree a forward plan.

The Board:

- a) **APPROVED** the establishment of two new panels, with the terms of reference set out in Appendix 1 to the Board paper;
- b) **APPROVED** a pattern of six formal Board meetings each year, plus an informal Board seminar to be held during September;

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- c) **APPROVED** a cycle of Committee and Panel meetings as set out in Appendix 2 to the Board paper; and,
- d) **AGREED** the proposed composition of Committee and Panels set out in Appendix 3 to the Board paper as amended by the meeting.

81/10/06 TfL (Supplemental Toll Provisions) Bill

Howard Carter introduced the paper which sought the Board's approval of the promotion of the Transport for London (Supplemental Toll Provisions) Bill for deposit in Parliament on 27 November 2006. The TfL Public Law team had managed the arrangements for the Bill which had been subject to consultation that commenced on 23 August 2006 and closed on 13 October 2006.

The Board:

- a) **APPROVED** the promotion of the Transport for London (Supplemental Toll Provisions) Bill for deposit in Parliament on 27 November 2006; and
- b) **DELEGATED** authority to Howard Carter, General Counsel, to make amendments to the Transport for London (Supplemental Toll Provisions) Bill and to deposit the Transport for London (Supplemental Toll Provisions) Bill in Parliament and make amendments to the Bill during the Parliamentary process.

82/10/06 Amendments to LU & DLR Byelaws

Howard Carter introduced the report that sought Board approval for revised Byelaws to apply to LU and DLR to make them consistent with those that applied elsewhere on the national railways.

Board members were informed that consultation on the changes to the Byelaws had taken place and the amendments had been made in response to that consultation. Dabinderjit Singh Sidhu sought clarification of the provision about carrying dangerous items such as the Sikh Kirpan which were carried for religious reasons. Howard Carter undertook to review this and make changes to the Byelaws if necessary or, to ensure appropriate training was in place for those that enforced the Byelaws.

Action: Howard Carter

The Board **APPROVED** the Byelaws attached to the report (Appendix 1).

83/10/06 Urban Design London Update

Peter Brown introduced the report which updated the Board on the status and work of Urban Design London and its relationship with Design for London.

It was **AGREED** that a paper on the relationship of TfL with Design for London (DfL) design issues would be submitted to the Board once DfL was in place.

Action: David Brown

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The Board **NOTED** the content of the paper.

84/10/06 **Note of Written Resolution – Award of Main Works Contract(East London Line Project) & Amendment of Standing Orders**

Howard Carter introduced the paper noting a written resolution for the award of the East London Line Main Works Contract and the amendment to paragraph 47 of Standing Order No. 1.

Howard Carter thanked Board members for cooperating in the written resolution procedure on 4 October 2006 and emphasised that TfL did not anticipate using the process often.

The Board:

APPROVED a revised paragraph 47 of TfL's Standing Order No.1 as set out below: -

47. A written resolution of the Board will be as valid and effectual as if it had been passed at a Board meeting provided -
- a) at least 8 members vote as indicated by their signature on one or more resolution documents which provide scope for acceptance or rejection of the resolution;
 - b) it is supported by at least 75% of the members who voted; and
 - c) a process for the use of the written resolution procedure is followed as determined on each occasion by the Secretary, in consultation with the Commissioner.

85/10/06 **Report from the Finance Committee**

Sir Mike Hodgkinson introduced the report from the Finance Committee highlighting matters discussed at the Committee meeting held on 12 October 2006.

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

86/10/06 **Report from the Safety, Health & Environment Committee**

Dave Wetzel introduced the report from the Safety, Health and Environment Committee which highlighted matters discussed the Committee meeting held on 7 September 2006.

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

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87/10/06 Mayoral Delegation in relation to the western extension of the Congestion Charge Scheme

Howard Carter introduced the report which informed the Board of the provision of a delegation to TfL from the Mayor in relation to the issue of directions to London Borough Councils to ensure that the Western Extension to the Congestion Charging Scheme was appropriately implemented.

The Board **NOTED** the making of the delegation of the power to issue directions to the London Borough Councils from the Mayor in respect of WEZ implementation.

88/10/06 Any Other Business

DLR Extension to Stratford International Station: The Board welcomed the good news reported by the Commissioner that the Department for Transport had given Transport & Works Act (TWA) approval for the six kilometre extension of the Docklands Light Railway to Stratford International station at the heart of the Olympic Park – providing a vital rail link for the 2012 Olympic Games.

There being no further business the meeting closed.

Signed by the Chair: _____

Date: _____

**ACTIONS ARISING FROM THE OPEN BOARD MEETING –
25 OCTOBER 2006**

Minute No:	Action:	Action to be taken by/ Status:
80/10/06	<p><u>TfL Governance Structures</u></p> <p>Amendments to be made to the membership schedule to reflect Board discussion on 25 October 2006.</p>	<p>Howard Carter</p> <p>COMPLETED: On agenda: "Appointments to Panels and Committees."</p>
82/10/06	<p><u>Amendments to LU & DLR Byelaws</u></p> <p>Howard Carter to review Byelaws in the light of comments received and make changes to the Byelaws if necessary or, to ensure appropriate guidance is given for those that enforce the Byelaws.</p>	<p>Howard Carter</p> <p>COMPLETED: The Byelaws have been submitted to the DfT for confirmation and appropriate guidance will be given once the Byelaws are approved.</p>
83/10/06	<p><u>Urban Design London Update</u></p> <p>A paper on the relationship of TfL with Design for London to be submitted once DfL was in place.</p>	<p>David Brown</p> <p>ONGOING: Report will be given to a future meeting once DfL was in place.</p>

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BOARD MEETING

SUBJECT: Commissioner’s Report

MEETING DATE: 7 December 2006

1. PURPOSE

The purpose of this report is to provide an overview of major issues and developments since 25 October Board meeting and updates the Board on significant projects and initiatives.

2. INTRODUCTION

On 28 November 2006 the Mayor launched Transport 2025 at his press conference, which was followed by an event for key stakeholders. The T2025 vision highlights the importance of sustained investment to London’s, and the national economy, taking into account climate change and social inclusivity. This public launch is the culmination of two years work within TfL. The work will now be taken forward with stakeholders and Government in arguing for longer term resources to implement the vision.

TfL's 2007/8 Business Plan was approved by the Board on 25 October 2006. The plan is balanced, covers the period to 2009/10 and incorporates significant new responsibilities including London Overground and funding for Oyster on National Rail. The Business Plan and Investment Programme documents have now been published on the TfL website. Review by the rating agencies is expected imminently.

Engagement with the DfT and Treasury continues as part of the government's Comprehensive Spending Review 2007 (or CSR2007) process. On Friday 1 December, Sir Rod Eddington’s report “Transport’s role in sustaining the UK’s productivity and competition” was published. TfL provided much detailed analysis to the Eddington team, particularly in respect of GDP benefits of recent and proposed transport infrastructure investment projects. The report endorses strongly the concept of “supporting success”, and of ranking schemes for funding based on an analysis of their benefits in GDP terms. At the launch, Sir Rod said “London’s economic future would be ignored at the UK’s peril” and highlighted, in response to a question, that whilst Crossrail was expensive unlike other very large projects it had a business case and was essential to support London’s future as a world financial centre. His

conclusions, if taken into Government policy, provide an entirely appropriate backdrop for arguing for the schemes in the Transport 2025 Vision document.

Following evidence submitted by KPMG and moderation by the Audit Commission, TfL has been awarded a score of 4 out of 4 ('performing strongly') for its Use of Resources. The Use of Resources reviews focuses on financial reporting, financial management, financial standing, internal control and value for money, and this score puts TfL amongst the top Local Authorities in the country. This continues TfL's good performance in this area, following from the Initial Performance Assessment (IPA) in 2004 which rated TfL as an 'Excellent' organisation.

3. MODAL OPERATIONS

3.1 Surface Transport

3.1.1 Metroline Dispute

On Monday 13 and Monday 20 November, drivers from the bus operator Metroline conducted two one-day strikes following a failure to reach agreement on the 2006 drivers wages and conditions. Eight out of the nine Metroline garages provided little or no service on both days, with only Harrow Weald providing a near normal service. A further strike was planned for Monday 27 November, but following discussions between Metroline and the TGWU on Saturday 25 November, a revised offer was made and the strike suspended. This revised offer will now be subject to a ballot.

London Buses introduced contingency plans on strike days to ensure that assistance and travel information was readily available to the travelling public. Extra staff were also deployed to bus stations and key town centre locations to provide travel advice to passengers.

3.1.2 Emissions Based Charges for the Central London Congestion Charging Scheme

On 14 November the Mayor announced a proposal to consider administering the central London congestion charge on the basis of emissions. This proposal includes a daily charge for vehicles in carbon emissions band G and equivalents (vehicles with CO₂ emissions 225 and over g/km) to rise to £25 from 2009. In 2008 the charge will be removed for cars in bands A and B, which produce the lowest emissions. A 90% residents' discount will be withdrawn from vehicles in Band G and equivalent. Work is underway to develop the plans to understand the impact of these proposals and to prepare for a consultation in 2007.

3.1.3 LEZ Consultation

On 14 November, consultation was launched on the proposed London-wide Low Emission Zone (LEZ). The scheme aims to reduce emissions from diesel engine lorries, coaches, buses, heavier vans and minibuses. The consultation period ends on 2 February 2007. Subject to Mayoral approval, the scheme could be in place by 2008.

3.1.4 Congestion Charging Western Extension

The Western Extension programme is on schedule for delivery on 19 February 2007. The WEZ Resident discount registration was launched on 20 October with some 16,050 applications for discount registration received by 27 November, representing 27% of potential registrations anticipated prior to go live. The Capita system and staffing enhancements to support the scheme are on schedule. On 1 November DfT authorised the installation of new Congestion Charging road signs and the first poles were installed on 6 November.

3.1.5 Hybrid Bus Trials

The first double-deck hybrid bus in the world was launched by the Mayor at City Hall on 1 November. It is manufactured by Wrights, and will be operated on route 141 from Palmers Green to London Bridge Station by Arriva London North. The Mayor committed TfL and its contractors to the introduction of hybrid buses in London as soon as manufacturers are able to move to large-scale production.

3.1.6 Youth Crime on buses

New figures reporting on-bus crime allegation statistics for April 2005 to July 2006 show levels are the same as 2005. This coincides with: the focussed deployment of TOCU resources to locations identified by intelligence as hotspots for this type of crime; the withdrawal of free travel concessions; additional police resources from Territorial Policing (TP) in the MPS deployed to schools and surrounding areas and; shared intelligence and analysis with the MPS to ensure that problem areas are dealt with quickly.

3.1.7 'Safe Drive, Stay Alive'

TfL, the London Ambulance Service, the London Borough of Havering, the London Fire Brigade and the Metropolitan Police Service have organised a show to warn young people about the dangers of speeding and bad driving, before they start learning to drive. The aim is to reduce the number of young drivers involved in accidents. "Safe Drive, Stay Alive" is being shown to the 3,200 16 year old pupils in Havering. The performances are based around a reconstruction of a road traffic collision involving young people, including dramatic footage of the crash, and following the actions of the emergency services.

3.1.8 Taxi Knowledge Accreditation

"The Knowledge" has received official accreditation by City & Guilds. Regular inspection of the examination system, by an independent body with up-to-date experience of vocational education will now assure both the PCO and Knowledge students that the examination procedures meet recognised quality standards and that management structures are transparent and inclusive. Candidates must pass the Knowledge in order to become a licensed taxi driver in London. The PCO will continue to work with City & Guilds to ensure that standards, consistency and the integrity of the system are maintained at the highest level.

3.1.9 Grand Depart of the Tour de France 2007

On 26 October 2006 the route of the 2007 Tour de France was officially announced at an international press conference in Paris. The cycling race will start in the UK for the first time and is expected to be one of the biggest sporting events to be held in the Capital ahead of the Olympic and Paralympic Games in 2012. The 3 day event, which takes place from 6-8 July 2007, is expected to attract 2 million visitors.

The three days of the Grand Départ include the Tour de France opening ceremony, Prologue and Stage One. The Prologue on Saturday 7 July will be 7.9km lap of central London, starting on Whitehall and passing the Houses of Parliament, Buckingham Palace and Hyde Park before finishing on the Mall. Stage One on Sunday 8 July will start in central London and pass through South East London and Kent before finishing in Canterbury.

3.2 London Underground

3.2.1 Industrial Relations - Pay Negotiations

London Underground's final offer of a 3-year deal was made to the Trades Unions on 18 September. Only one Union – the TSSA – has put the offer to a ballot, with over 80% of members who voted accepting the deal. LU is seeking to engage in further talks with ASLEF and RMT to see how areas of outstanding disagreement might be addressed without compromising TSSA's acceptance. Given this situation, it means that LU will not be able to make any additional payment to staff before end of December 2006.

3.2.2 Metronet Annual Review

On 16 November the PPP Arbiter published his report on Metronet's performance during the first three years of the PPP, up to 31 March 2006. This is the first such report.

The Arbiter has found that neither of the Metronet companies has performed its activities efficiently or economically or in line with Good Industry Practice, and notes that Metronet has delivered significantly less than was expected in its bid and at higher unit cost. The Arbiter's findings are that Metronet has not been efficient and economic in relation to the stations programme and with respect to track renewals and maintenance. Moreover, he has identified significant weaknesses in Metronet's business processes including risk management, asset management and corporate governance.

The report, which is available on the PPP Arbiter's website at www.ppparbiter.org.uk, has the status of guidance and does not lead to any financial determination. What happens next is largely up to Metronet, although it is imperative that it and its shareholders act to correct the deficiencies identified in the report and that any excess costs do not fall on taxpayers, farepayers or TfL.

3.2.3 White City Development

The work to commission the new Central line sidings at White City has been delayed until early 2007 as the developer was not ready for the switch from the existing sidings facility to be made.

The new station currently under construction on the Hammersmith & City line at the White City development will be known as Wood Lane when it opens in 2008. The existing Shepherd's Bush (Hammersmith & City line) station will be renamed Shepherd's Bush Market at the same time. This will eliminate confusion with the nearby Shepherd's Bush station on the Central line. Wood Lane station, which is the first new station on an existing and unextended Tube line for over 70 years, will be located between Shepherd's Bush Market and Latimer Road stations.

3.2.4 Signals Passed at Danger

The number of Signals Passed at Danger (SPADs) remains a key area of focus for London Underground operations.

On most London Underground lines, in the event of a signal being passed while at danger (displaying a red aspect) the train will have its brakes automatically applied by a raised train stop linked to the signal. On the Victoria and Central lines which are automatic lines a signal will generally only be passed at danger if the track to train codes fail to operate correctly.

Over the last two years there was a steady fall in the number of Category 'A' SPADs – those that are as a direct result of the action or inaction of the train driver. Since then the number has increased and subsequently stabilised. The normalised SPAD rate (number per 100,000 train km) shows that most lines still have a lower rate of Category 'A' SPADs than at the start of 2003/04. The exceptions are the East London, Circle & Hammersmith and Metropolitan lines.

The new signalling systems delivered with the line upgrades will, in effect, eliminate SPADs. In the meantime, a number of actions are in place to continue the effort to reduce SPADs. Three key causes have been identified: fatigue (including poor sleep habits); lack of concentration; and young/inexperienced drivers. Training and recruitment have been reviewed and brought back within LU and there is a new improved competence assessment process being introduced in January 2007. This is in addition to more speed checks and more comprehensive communication and investigation processes.

3.2.5 Excess Journey Time

Excess Journey Time (EJT) rose by 0.9 minutes between periods 6 and 7. Two thirds of this rise (0.6 minutes) can be explained by rising traffic levels. The rising traffic increases the level of crowding on trains and the delay and congestion in stations. The traffic between period 6 and 7 rose by 9% much of it expected on a seasonal basis but the traffic compared to period 7 two

years ago is also up by 9%. Hence there is greater crowding on the system caused by this increased demand.

The extra crowding has an effect on EJT as the measure is constructed, theoretically, by weighting the time spent in crowded conditions to reflect the added discomfort. The increase in the EJT measure is attributable in large part to this added crowding weighting rather than to a worsening in the basic journey time itself.

3.3 London Rail

3.3.1 Docklands Light Railway

Five months into the new franchise, the increase in standards and performance set by TfL continue to be met and exceeded.

3.3.2 National Rail in London

The DfT has recently announced the next tranche of stations to be included in their 'Access for All' programme to introduce level access at national rail stations. A further 11 London stations have been included in the programme and DfT took note of TfL's input into their initial proposals by including the important interchange of Highbury and Islington. The programme runs until 2009 and there are now 26 London stations included, representing 25% of the national total. Consultation is shortly to begin on the next programme commencing from 2009.

TfL's proposals for joint funding through the 'small schemes' programme were also successful. Four 'Overground' stations will be equipped with low level ticket windows to permit access by mobility impaired passengers. The stations are Willesden Junction, Hackney Wick, Kensington Olympia and Kew Gardens.

Funding proposals put forward by both First Capital Connect and Southern to improve facilities at a large number of London stations were also successful. These provide for the fitting of induction loops at ticket office windows on the Great Northern lines and across most of the Southern suburban network.

A formal offer letter to National Rail Train Operating Companies (TOCs) has been issued, setting out TfL's commitment to pay for the installation of Oyster Pay As You Go (PAYG) acceptance equipment at stations in return for the TOCs agreement to operate and maintain the validators. The letter seeks their individual responses by the end of January. The target date for implementation is January 2009 although this date is dependent upon cooperation from TOCs and delivery from TranSys.

4. MAJOR PROJECTS AND INITIATIVES

4.1 Docklands Light Railway

Very welcome news was received on 25 October when the Secretary of State granted planning powers for the Stratford International project. This was the fifth TWA Order granted to the DLR in the past 10 years. The TWA Inspector recommending this decision to the minister recorded that "the project...is an exemplary scheme of public transport infrastructure, consistent with the creation of sustainable communities, conducive to the continued regeneration of East London and crucial to the successful delivery of the Olympic Games in 2012 and to the securing of the long term legacy of that event". It was also pleasing to note he also recorded that "DLRL carried out comprehensive and adequate public consultation in its preparation of the scheme".

The 3 Car capacity enhancement project is also proceeding well with final bids for the main works due back before end of December 2006.

DLR awarded the main civils contract for the new Langdon Park station on the North Route in October to Costain. The £7.5m contract, to be built with both national and local grant funding is set for completion in October 2007.

4.2 London Overground

Evaluation of the four short listed bidders for the 7-year concession contract to operate London Overground services is progressing on programme. A decision on those selected to go to Best And Final Offer (BAFO) stage will be taken in early December 2006 with an announcement to the bidders on the next steps in mid December 2006. The BAFO will be issued in mid January 2007.

The Main Works Contract, to construct the extended East London Line was awarded on 20 October 2006 to a joint venture between Balfour Beatty and Carillion. The contract provides for completion of works towards the end of 2009, allowing for trial running prior to opening in June 2010. Mobilisation and design submittals are already underway and the Main Works Contractor has taken over the section of line to Shoreditch that shut earlier this year. This work will directly follow the second stage enabling works, undertaken by Taylor Woodrow, which are running very successfully and are targeted to be complete within budget and on time by the end of 2006.

Design submittals have begun with respect to the contract for the 44 trains which will form the Overground Rolling stock. Physical construction of the trains will start next year and delivery is expected in 2008/09.

Network Rail has engaged with TfL on the North London Line infrastructure project. This includes the appointment of a senior Network Rail Project Manager and team. Work is continuing on refining the scope and outputs of the project designed to deliver Station, Route Capacity and Power Upgrades to allow the introduction of TfL's new rolling stock in 2009, followed by the service upgrade necessary to meet the Olympic requirement and legacy specifications from early 2011.

Following the Mayor's announcement with respect to connecting the East London and North London railways at Dalston, the project now includes the Dalston Curve and design work for this additional infrastructure is underway.

4.3 Crossrail

The Secretary of State has written to Cross London Rail Links Ltd requesting further work on the cost of incorporating a station at Woolwich into the Crossrail scheme prior to making any decision regarding commitment. A Spitalfields Community Liaison Panel has been set up following the request by the Bill Select Committee in its interim Decision on 24 July that a monitoring body, meeting monthly should be established for the Spitalfield's area by CLRL. The DfT has also asked that the name "Cross London Rail Links Limited" be changed to "Crossrail Limited". Within the project further work is being undertaken to reduce engineering cost and risk to the project without prejudicing scope and functionality.

4.4 Stratford Regional Station Upgrade

The validated estimate for the Olympic Enhancements is £104m for the capital works; the funding gap remains at £54m with discussions ongoing between Olympic Delivery Authority (ODA), Department for Transport (DfT) and Department of Culture, Media and Sport (DCMS). The budget for the detailed design stage of work remains robust and the works are to programme, and are continuing pending funding resolution.

The Planning Application, submitted by TfL to the ODA on 15 September 2006, was approved by the ODA planning committee on 14 November 2006.

4.5 East London Transit (ELT)

This project is on hold whilst London Borough of Barking & Dagenham confirm a solution to the relocation of market stalls in Barking Town Centre. Community Infrastructure Fund funding expires in March 2008.

4.6 Greenwich Waterfront Transit (GWT)

The phase 2a engineering feasibility assessment work will be completed in November 2006. LB Greenwich have submitted proposals for development of the phase 2b and phase 3 route alignment and Greenwich Peninsular Partnership have submitted proposals for development of the phase 3 route alignment in response to TfL's invitation to collaborate.

4.7 Thames Gateway Bridge

At the Treasury's Periodic Review Group meeting on 21 November 2006 the Outline Business Case was considered and Ministerial approval for the £350m PFI credits for TGB is expected imminently.

4.8 Finsbury Park

Phase 4 (Interchange Gallery) work continues to be scheduled for completion by end of November 2006 with a launch scheduled for 14 December 2006 by the Mayor. Good progress has been made on identifying funding for future refurbishment of the Train Operating Company's platform passageways and

adjacent arch facades. As reported at the last Board meeting, the Cycle Park won a National Cycle Rail Award on 24 October 2006.

4.9 Croydon Tramlink Extension

Public Consultation commenced on 19 October 2006 and will last for a period of 2 months. The consultation covers the single route between Crystal Palace and Croydon. The configuration at Crystal Palace has been agreed with the LDA. Public Exhibitions have also been held with a positive response received from most attendees. A petition in support of the extension has been submitted by 75 businesses in the area.

4.10 Cross River Tram

Route options consultation was launched on 14 November 2006 with events on South Bank. Consultation brochures will be issued in the week commencing 20 November 2006 to around 250,000 addresses. Seven road shows are planned at locations along the route until January 2007. A CRT partnership event was held by Cross River Partnership on 16 November 2006 with around 100 attendees from TfL, boroughs and other key stakeholders. A media launch was held on 20 November at South Bank with the Mayor and Commissioner.

The London Borough of Camden wrote to the Mayor on the eve of the launch of the route options consultation to raise objections to specific aspects of the possible routing. This is, of course, premature since the purpose of the route options consultation is to give the public and stakeholders the opportunity to have an input into route selection. Only once this has been completed will detailed modelling a particular route be undertaken. Discussions are ongoing with Camden to seek their support for the scheme.

4.11 Kings Cross Development

On 16 November London Borough of Camden concluded the section 106 agreed for the Kings Cross planning application. The section 106 agreement includes the safeguarding of land for the route and terminus for the Cross River Tram in an optimal location identified by TfL in the new Boulevard. The Agreement also includes £4.2m for bus enhancements, a prime location for a bike park for up to 800 cycles and a temporary bus garage for 60 buses for up to ten years (while the site is being developed).

5. CORPORATE OPERATIONS

5.1 Fares & Ticketing

Take-up of the new Oyster photocard for under-18s in full time education continues to grow, with over 100,000 applications received and 96,000 cards despatched by 15 November 2006, in line with expectations.

Oyster Pay As You Go (PAYG) use continues to increase strongly on bus and Tube, while cash fare use has declined further to 4.9% of bus trips (paid for on the bus) and 5.5% of all Tube journeys. In Period 7 PAYG accounted for 21.5% of all Tube trips, compared with 14.8% in March and 7.2% a year ago.

Corresponding bus figures were 13.5% in Period 7, 8.0% in March and 3.2% in Period 7 last year.

A major modification to the way PAYG works was launched on 19 November to tackle the problem of incomplete journeys. These are journeys where a customer taps in/out at one end of the journey but not at the other end. Incomplete journeys result in potential revenue loss for TfL. The changes introduced on 19 November result in a customer paying the maximum cash fare of £4 unless the journey is complete. The software changes required for this were developed over the last year and successfully tested and implemented in advance of the launch on 19 November.

Group Marketing launched a large-scale marketing campaign on the new PAYG maximum fare for incomplete journeys before its initiation on 19 November 2006. A consistent message will continue after launch on over 3,900 posters at LU and DLR stations, 300 LU whiteboard posters, 3,300 LU and DLR car panels, Local press (over 50 titles including Metro, Londoner, thelondonpaper), London radio stations, TfL website, and email and direct mail to Oyster customers whose records show that they have made an incomplete journey.

Since 19 November the proportion of incomplete journeys on adult PAYG travel has dropped from about 7.5-8.0% to under 4%. The system is working successfully and customers have generally accepted this change in policy.

5.2 Group Procurement

In order to drive forward the sustainable procurement programme TfL organised a 'Meet the Buyer' event at the Barbican. The event attracted 603 suppliers with 22 % (up from 7% in 2003) from Black, Asian and Minority Ethnic owned enterprises. Excellent support was received from TfL businesses as well as 35 Tier 1 contractors. Monitoring of commercial opportunities that arise as a result of this activity will continue throughout the year.

5.3 Group Information Management

On 17 November 2006 a mutual termination agreement was signed with LogicaCMG. A transitional interim Service Provider will be put in place in January 2007.

5.4 Sustainability

As part of the ongoing commitment to environmental management TfL took part in a campaign launched by the Chartered Institution of Building Services Engineers called 'Carbon off'. As one of 500 companies taking part, TfL ran the campaign in 50 HQ buildings managed by Group Services. Despite occupying older properties than others, TfL achieved 213 tonne of CO2 saving during the 100 day event. Lessons learnt from this campaign will rolled out throughout the business.

5.5 Staff Benefits

Group HR will be formally launching a staff benefits package entitled “myTfL” in December 2006, to assist staff retention. Child care vouchers, together with potential tax savings, and a considerable portfolio of employee discounts will all be available within the package.

5.6 Travel Demand Management

In July 2006 Personalised Travel Planning (PTP) was implemented across 18,000 households in New Malden. An initial follow-up survey undertaken in September showed: one in three have a more positive opinion about ways of travelling in their local area; more than a third have started walking or cycling more and; 18% have started using public transport more.

The Workplace Cycle Parking and Local Travel Plan Networks guides for assessing the formation of travel plan business groups have now been launched. In addition, following engagement with the NHS, 39 sites have issued expressions of interest to take up the TfL Travel plan offer.

5.7 Transport for London (Supplemental Toll Provisions) Bill

After receiving the Mayor's consent, TfL deposited in Parliament on 27 November 2006, the TfL (Supplemental Toll Provisions) Bill. This Bill provides TfL with further powers in circumstances where TfL has made (and the Secretary of State has confirmed) a toll order pursuant to the New Roads and Street Works Act 1991. These powers will enable TfL to make provision for the enforcement and operation of TfL toll orders similar to those which may be made for the enforcement and operation of congestion charging schemes.

5.8 Local Implementation Plans (LIPs)

The Mayor has now approved 10 boroughs' LIPs. TfL has now received 31 of the 33 LIPs, which are all at various stages of the approvals process.

5.9 Crime and Disorder Policy

As reported at 24 May 2006 Board meeting a Crime and Disorder Strategy 2007/08 will be presented to the Board for review. A draft of this policy document has now been prepared and will be presented at the Advisory Panel meetings during w/c 11 December 2006.

6. AWARDS

6.1 UK Bus Awards

The UK Bus Awards ceremony took place on 1 November 2006. The awards highlight best practice in areas such as customer service, enterprise and integration. TfL is one of the main awards sponsors and gives two specific prizes: The London Bus Garage of the Year which was won by London General Putney, and the TfL London Customer Service Champion of the Year, which was won by the Metroline Night bus team.

6.2 European Supply Chain Excellence Awards

The TfL Freight Unit has won the Environmental Improvement Award at the European Supply Chain Excellence Awards for the London Construction Consolidation Centre (LCCC) scheme, which consolidates materials at a site in Bermondsey for delivery to building sites in the City of London.

The LCCC has cut emissions and road freight journeys by over 70 per cent in just six months. The two year pilot study, funded through a partnership between TfL and industry partners, was launched in January 2006.

6.3 London Cycle Campaign Award

On 23 November the Road Network Management Team won an award for the 'Best Cycle Facility 2006' at the London Cycling Awards. The winning project improved safety and convenience for cyclists on Blackfriars Bridge and was commended by the London Cycling Campaign (LCC) for outstanding performance with consultation. The scheme has transformed the northbound side of the bridge and the junction on the northern side of the river, providing three separate lanes for cycles, buses, and other traffic. At 2.5 metres wide, the cycle lane is the widest mandatory cycle lane in the country. Pedestrian accessibility improvements have created step-free crossings to replace a subway system which was not accessible to wheelchairs.

6.4 Project Management Award

The Jubilee line 7th car project has been awarded the title of Project of the Year in a contest run by the Association of Project Management. The judges were looking for a successful project, commissioned and completed during the last year, which had met or exceeded its objectives. They commended the efficiency with which the 7th cars were introduced on all Jubilee trains, on time and within budget, with the least achievable disruption to customers.

6.5 The Energy Efficiency Accreditation Scheme

TfL has been awarded accreditation under The Energy Efficiency Accreditation Scheme, the UK's only independent award recognising achievements in reducing energy use. The award is given in recognition of TfL's commitment to energy efficiency in TfL head office buildings. Independent auditors assessed TfL's energy management processes, commitment to energy efficient investment, senior management support and stakeholder participation.

6.6 'Source' Intranet

TfL's Intranet 'Source' has been evaluated as the No. 1 Intranet across a range of FTSE100 and public sector companies by the Intranet Benchmarking Forum. The companies benchmarked against include multinational banks, national public bodies, leading insurance and retail businesses. In a combination of expert review and user feedback, TfL achieved the highest ever score for consistency and the top score overall. This provides an excellent platform for proposed improvements in 07/08.

6.7 National Audit Office Study

In a recent report on Delivering Successful IT-enabled Business Change the NAO highlighted Oyster and Congestion Charging as examples of successfully executed projects.

7. STAFF

7.1 Jay Walder

Jay Walder, Managing Director of Finance & Planning, has announced his resignation. He will join McKinsey & Company, as a partner in the New Year. There will be an occasion before he leaves where we can record his achievements for TfL since he joined in 2001; but, in the meantime, we will continue to work harmoniously on TfL's delivery agenda, as we have done since I became Commissioner in February.

7.2 Chief of Staff

Sam Richards, currently Head of Land Use Planning, has been appointed my Chief of Staff to replace Duncan Symonds following an internal advertisement and competition. He will take over in the New Year. I welcome him, as I am sure the Board will, and also thank Duncan for his work over the past 18 months.

Peter Hendy
Commissioner of Transport
Transport for London
December 2006

Meeting: Board

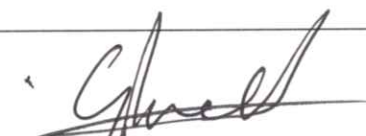
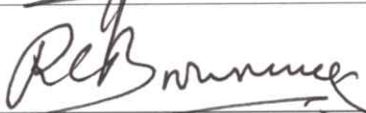
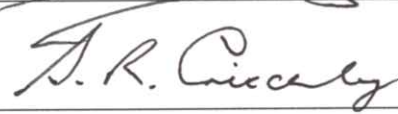
Date: 7 December 2006

Title: TfL Operational, Financial And Investment Programme Reports – Second Quarter 2006/07

Version: 1

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TRANSPORT FOR LONDON

STAFF SUMMARY

BOARD

SUBJECT: TfL Operational and Financial Performance, and Investment Programme Reports – Second Quarter 2006/07

MEETING DATE: 7 December 2006

1. Purpose

1.1 To inform the Board of TfL's performance over the second quarter of 2006/07 (25 June 2006 to 16 September 2006).

2. Introduction

2.1 Attached are two reports which detail TfL's performance over the second quarter of 2006/07. They are as follows:

- The TfL Operational and Financial Report – Appendix One Page 5
- The TfL 5-year Investment Programme Report – Appendix Two Page 37

2.2 The most recent copy of the Olympic Transport Portfolio Executive Report is also attached at Appendix Three.

2.2 The format of the attached reports has been enhanced from previous versions reported to the Committee with the following aims:

- To provide a report that, whilst continuing to meet the needs of the Finance Committee and TfL Board, is also capable of being a stand alone performance report outside of the Board papers;
- To ensure that report is understandable and accessible to a wide range of stakeholders and the public, and is capable of being more widely promoted via the TfL website.

2.3 In response to feedback at the Board meeting the content has been enhanced to include

- Commentary on the percentage of disabled people within TfL's senior management

- Statistics and associated commentary related to the age profile of TfL's workforce and arrangements concerning compliance with the new Age Discrimination regulations which have recently come into force.

2.4 It is envisaged that this report, once received by the Board, would be made available separately via the website under a 'TfL performance' section or similar, and circulated to stakeholders as requested. Any feedback on the revised format of the report would be very welcome.

3. Recommendations

3.1 The Board is asked to:

Note TfL's operational and financial performance over the second quarter, 2006/07;

Note TfL's progress on the Investment Programme over the second quarter, 2006/07; and

Forward feedback on the revised format of the report to the contacts below

4. Contacts

4.1 For detailed enquiries on the content of these reports, please contact:

Richard Browning – Director, Group Business Planning & Performance
Telephone: 020 7941 4740 or email richardbrowning@tfl.gov.uk

Gareth Powell – Head of Group Business Performance
Telephone: 0207 126 4865 or email garethpowell@tfl.gov.uk

Appendix One:

Transport for London Operational and Financial Report Second quarter, 2006/07

Transport for London

Operational and Financial Report

Second quarter, 2006/07



Cover Image: The Tour of Britain in full flight outside Buckingham Palace, 20 September 2006

Transport for London

Operational and Financial Report

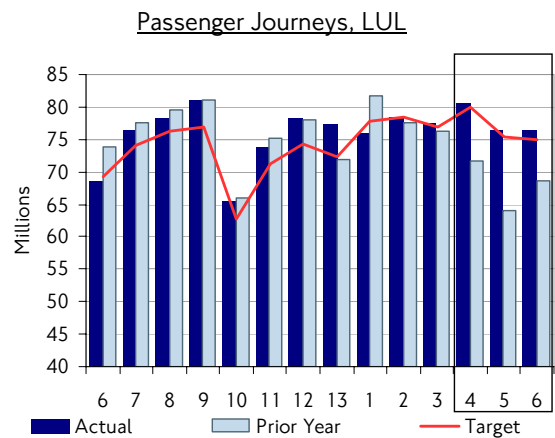
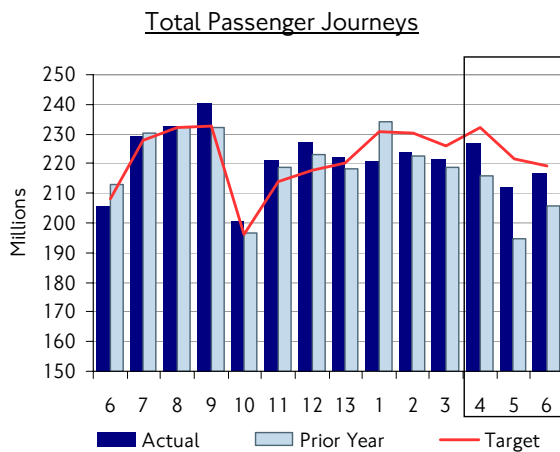
Second quarter, 2006/07

Performance highlights

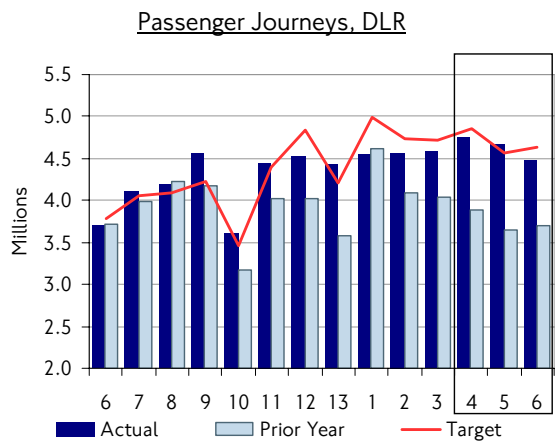
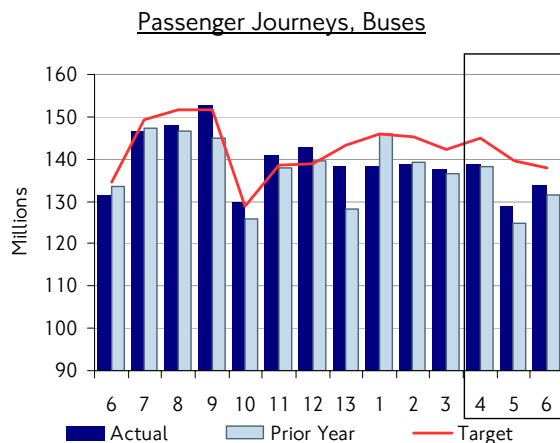
- 1.1 Key highlights and performance issues in the second quarter of 2006/07 were as follows:
- Overall passenger demand continues to grow year on year, although direct comparisons with the second quarter of 2005/06 are not possible due to the tragic events of July last year. The growth in demand was led by passenger journeys on the Underground that were ahead of target.
 - Service provision this quarter improved compared to the first quarter and the previous year, and was close to target across the business overall. Reliability and service provision on the Docklands Light Rail (DLR) were at record high levels.
 - Transport for London scooped a number of awards at the National Rail Awards in September. The Central Line was awarded “Best London Suburban Operator” and the Network Recovery Team was awarded the “Judges Award for Dedication to Duty” in recognition of the excellent teamwork in the response to, and recovery from, the 7 July bombings.
 - The 2006 Tour of Britain (see cover image), sponsored by TfL, arrived in London on Sunday 3 September, with large crowds attending to watch the final 20 laps around St James’ Park. TfL staff worked closely with the Metropolitan Police to safely escort the riders from the start in Greenwich to the finish. The experience gained in the course of the event will be invaluable when the Tour de France starts in London in July 2007
 - From the beginning of September around 130,000 16 and 17-year-olds living in London, and in full-time education or unwaged training, became eligible for a 16 to 17-year-old Oyster photocard, offering them free travel on London’s buses and Croydon Tramlink.
 - Oyster cards became available for overseas visitors to buy before they arrive in England. The cards are on sale in India, Hong Kong, Singapore, Spain, Portugal and the USA, and will be available in 12 more countries by March 2007.
 - As part of a strategy to consolidate accommodation, TfL completed an agreement to lease 190,000 square feet of “The Shard”, scheduled for occupation in 2011, on 5 August and on 11 August signed an agreement to take an overriding lease of the Palestra building, scheduled for occupation from December 2007.
 - A mentoring programme to help staff progress through the organisation began in July 2006 with significant participation from Black, Asian and Minority Ethnic (BAME) staff. One aim of the programme is to increase the number of BAME staff in senior management which currently stands at 10.6 per cent.
- 1.2 A summary of TfL’s performance over the quarter against key indicators is provided in Annex One.

Service demand

- 2.1 There were 656m passenger journeys on the TfL network in the second quarter of 2006/07, a performance improvement compared to the first quarter. Although performance improved, there was a shortfall of 17m journeys compared to target, primarily a result of lower journey numbers on the bus network.
- 2.2 Unusually low passenger journey numbers in the second quarter of 2005/06 as a result of the July 2005 bombing attacks mean direct comparisons with the previous year are not possible. However, since the events of July 2005 there has been a sustained recovery in ridership across the network.



- 2.3 On the Underground there were 234m passenger journeys in the second quarter, 3m more than target. These high levels of demand are expected to continue, with passenger journeys forecast to exceed 1 billion for the first time by the end of the year.



- 2.4 Passenger numbers on the Bus network recovered strongly at the end of the quarter to end at 402m, down five per cent against target. A re-examination of the effects of the under 16 free travel initiative using the Greater London Bus Passenger Survey (GLBPS) has indicated that the target had overestimated the increase in demand due to the policy. This overestimation is the primary reason for the shortfall against target, and the effect is expected to continue for the rest of the year. After adjusting for this overestimation, the year to date result is slightly ahead of target.

- 2.5 There were 14m passenger journeys on the DLR this past quarter, only marginally lower than targeted levels. Stronger than target demand on the Lewisham line and the Airport extension was offset by weaker demand on the remaining section of the network resulting in the 0.2m shortfall in journeys. These trends are forecast to continue, with strong performance on the London City Airport Extension offset by lower than target performance on the other lines leading to a year end shortfall of 0.9m journeys compared to target.

Dial a Ride

- 2.6 The number of trips provided through the Dial a Ride service this quarter was 84,000 below the target of 350,000 trips due to driver shortages and slower than expected implementation of new scheduling systems. A recruitment drive is underway to address the shortage of drivers, and the improved scheduling system is expected to be in place by the end of 2007. An update on progress in this area will be provided in the next quarterly report.

Cycling & Walking

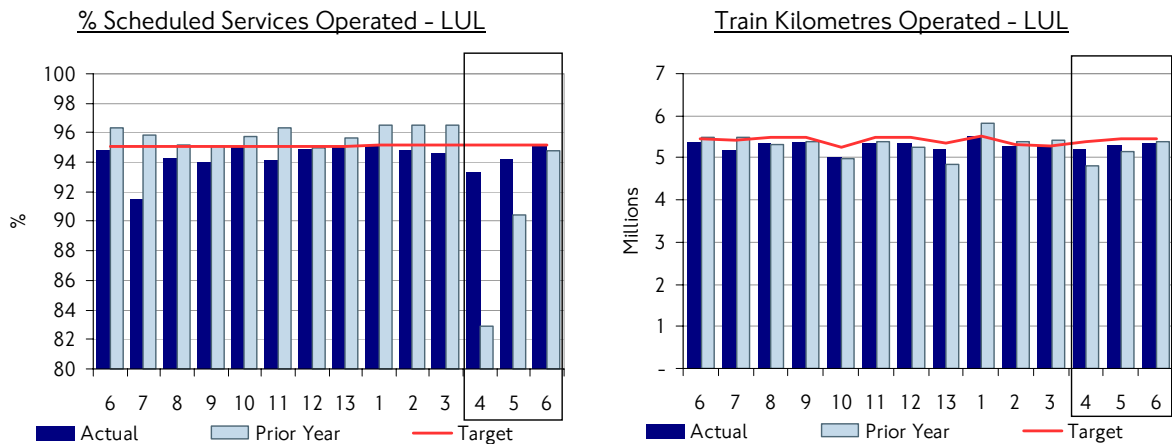
- 2.7 Levels of cycling on the TLRN are continuing to grow, with flows now twice what they were when the baseline was measured in March 2000. The full year forecast is for levels of cycling to remain high on the TLRN, though not as high as in the previous quarter due to seasonal patterns.
- 2.8 During the second quarter a number of walking improvement schemes on both the TLRN and borough roads were completed. One example of such, Streetscene Improvements at Coventry Street, Westminster, involved upgrading pavements, installing pedestrian crossings, and removing traffic through road closures to make the environment a better place for walking.
- 2.9 To determine the best location for future programmes, a number of walking studies on the TLRN were also completed during the quarter. The Central London Pedestrian Study assessed pedestrian flow and behaviour, and Pedestrian Environment Review System audits of the pedestrian environment were completed to assess where there is a need for improvement. Data from these studies will be used to target future investment in walking improvement schemes.

Fare Trends

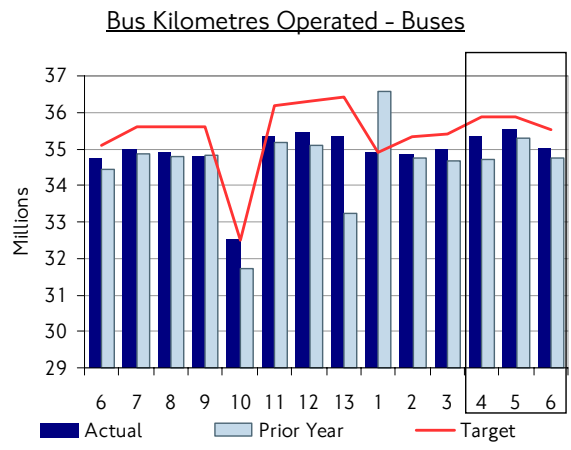
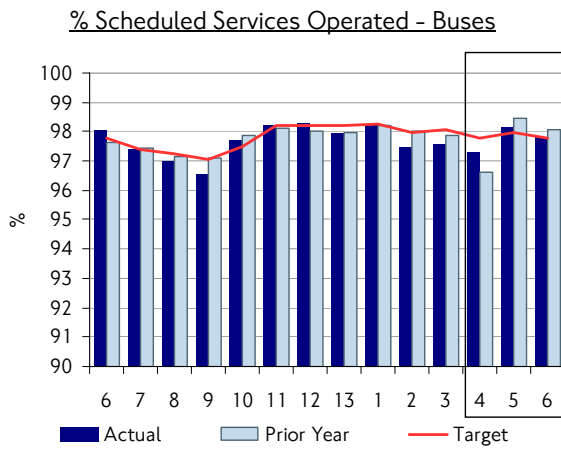
- 2.10 Oyster single fare journeys rose steadily this quarter and by the end accounted for 19 per cent of all Underground journeys and 13 per cent of all Bus journeys. Across all types of travel, Oyster use appears to have levelled off at 60 per cent of all journeys. This plateau is related to the holiday period when the proportion of local residents using the transport system naturally declines. As visitors become more aware of the benefits of Oyster, particularly now that overseas distribution has begun, this effect is expected to weaken.
- 2.11 In other fare categories, Travelcard sales, both day and season, are significantly up on the same quarter last year, while bus pass sales are continuing to fall.
- 2.12 The use of cash on the Bus and Underground, which was falling, appeared to stabilise during the quarter for the reasons noted in 2.10 above, and made up 5.5 per cent of all on-bus fares and 6.3 per cent of all Underground fares by the end of the quarter. As the seasonal effects of higher tourists and fewer commuters decline, cash use as a percentage of all fares is forecast to continue to decline. In addition, the 2007 fares package recently announced by the Mayor is also expected to further encourage more passengers to switch to Oyster Pay as You Go to benefit from the lower single journey fares.

Service provision

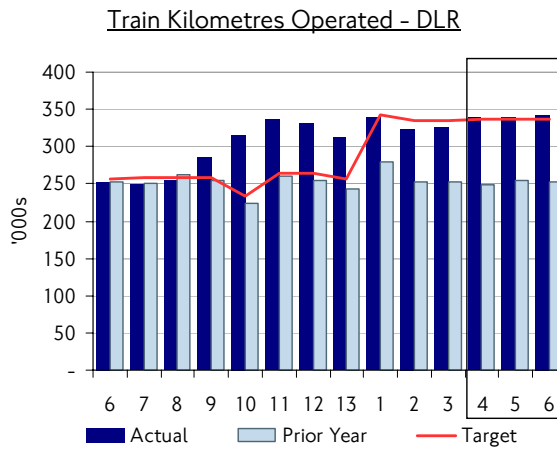
- 3.1 Across the business, service provision levels were very close to target this quarter and consistent with first quarter results.



- 3.2 Train kilometres operated on the Underground, at 15.9m, and the percentage of scheduled services operated this quarter, at 94.2 per cent, were below target overall. While scheduled services operated were much higher than the previous year, as discussed in 2.2, this is principally related to the impact of the events of July 2005 on services in the second quarter of 2005/06.
- 3.3 High temperatures at the beginning of the quarter, as in the first quarter, caused disruptions to service with some temporary speed restrictions still necessary due to Metronet’s earlier failure to undertake the necessary preparatory maintenance work. Signal problems were the other significant factor that led to performance shortfalls, particularly on the Northern and Victoria lines. Peak hour train cancellations due to signal failure reached a ten year high in period five at 270, and although this measure fell to 152 in period six, this was still somewhat higher than recent years’ averages. These failure trends are being reviewed by London Underground engineers and their Infraco counterparts at regular Asset Performance Review Meetings.
- 3.4 The Central line remained the best performing line this quarter, operating 97.7 per cent of its scheduled services for the year to date, 2.1 per cent higher than target. In contrast, difficulties on the Northern line continued this quarter with intermittent staff shortages in addition to the signalling issues mentioned above depressing performance.



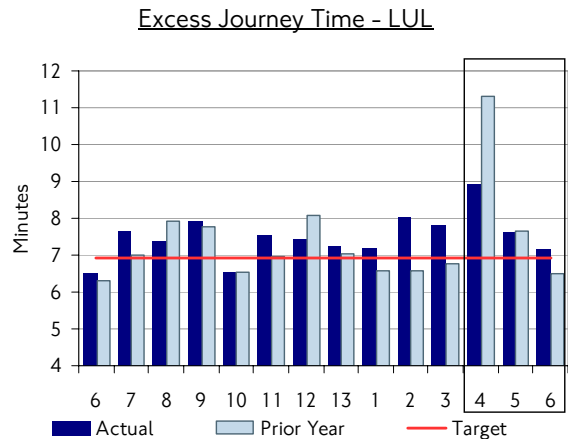
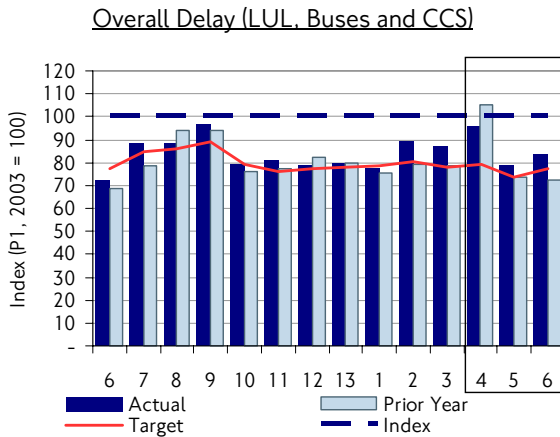
- 3.5 The percentage of scheduled services operated on the bus network improved this quarter to 97.8 per cent, only 0.1 per cent below the target of 97.9 per cent due to lower than target performance in period four. At 106m, kilometres operated were higher than last year, though slightly below the target of 107m kilometres.
- 3.6 The main causes of service losses in the quarter were traffic delays (including a number of traffic accidents causing road closures), localised flooding in July, emergency roadworks in places, and public demonstrations. Losses due to staffing were exceptionally low over the quarter, despite the late summer period usually being one of the worst for staff shortage. Kilometres lost for mechanical reasons were better than the previous quarter, and declined over the course of the quarter as the weather cooled.



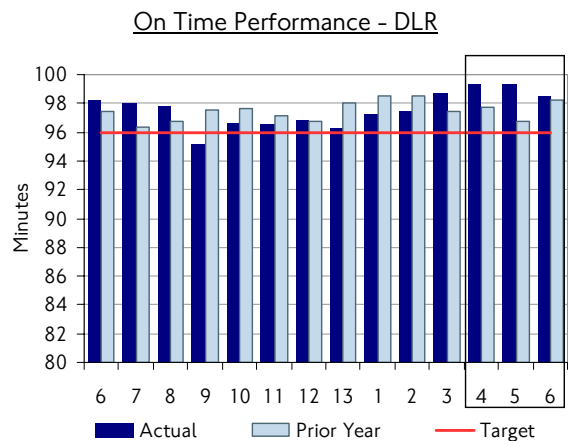
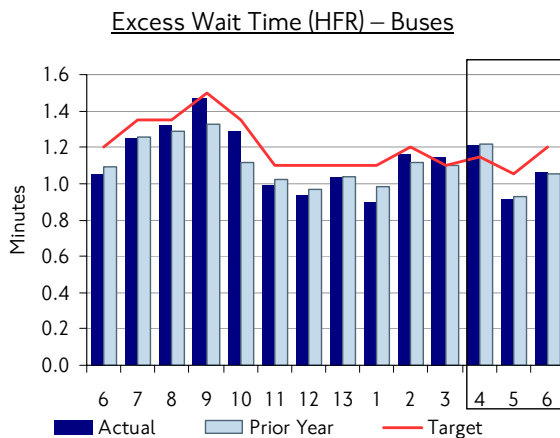
- 3.7 DLR performance continued to improve this quarter. Kilometres operated were 8m better than the target of 1,011m, and due to the opening of the London City Airport extension were well ahead of the prior year's second quarter result of 754m kilometres operated.

Service reliability

- 4.1 The overall delay index (Period 1, 2003 = 100) improved compared to target during the quarter, but on average was 2.2 points worse than the same period last year, and 9.2 points down on target. The most significant contributing factor was higher than target excess journey time on the Underground.



- 4.2 On the Underground excess journey time was almost 1 minute worse than the target of 6.92 minutes, but as the quarter progressed excess journey time fell, and by the final period of the quarter more than half of Underground lines performed within their targets. The key factors were high levels of fleet failure and unplanned closures. The signal failures discussed under service provision above also contributed to the result.



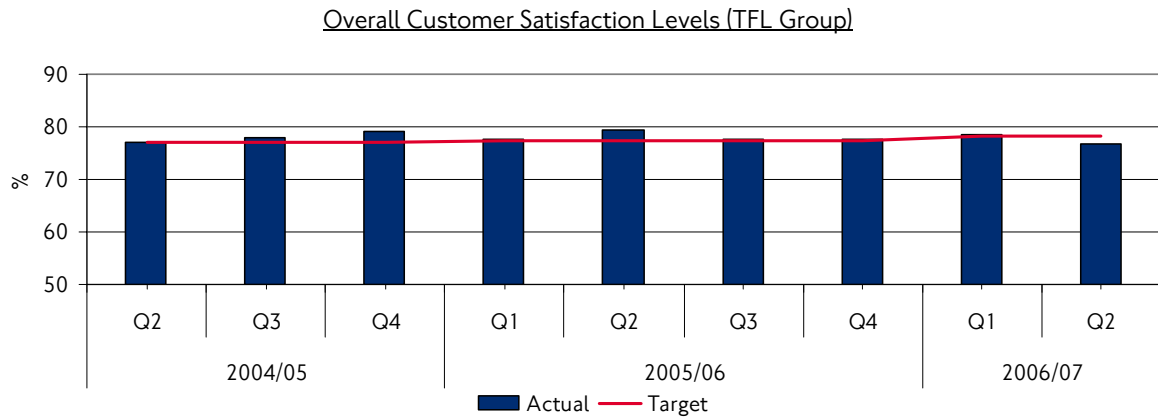
- 4.3 Excess wait time on high frequency bus routes (HFR) fell compared to the first quarter and was slightly better than the target for the quarter at 1.1 minutes. The ongoing expansion of Quality Incentive Contracts was the most significant element that contributed to the good performance in this area.
- 4.4 On time performance on the DLR was again excellent, the result of 99 per cent exceeded both target and the prior year's result. Of particular note was the performance in the middle of the quarter with record high levels of reliability in period five when 99.3 per cent of services ran to schedule against a target of 96 per cent.

- 4.5 Congestion within the central London charging zone increased this quarter to 2.1 minutes per kilometre, possibly reflecting in part the temporary closure of the Strand Underpass from Waterloo Bridge. Following a discussion of congestion trends in the Congestion Charging Fourth Annual Monitoring Report, investigations are continuing into the factors affecting traffic conditions within London.

Customer

Customer Satisfaction

- 5.1 After an extended period of sustained high performance, overall customer satisfaction levels fell slightly this quarter to 76.8 points, following falls in customer satisfaction levels on the Underground and London Buses.



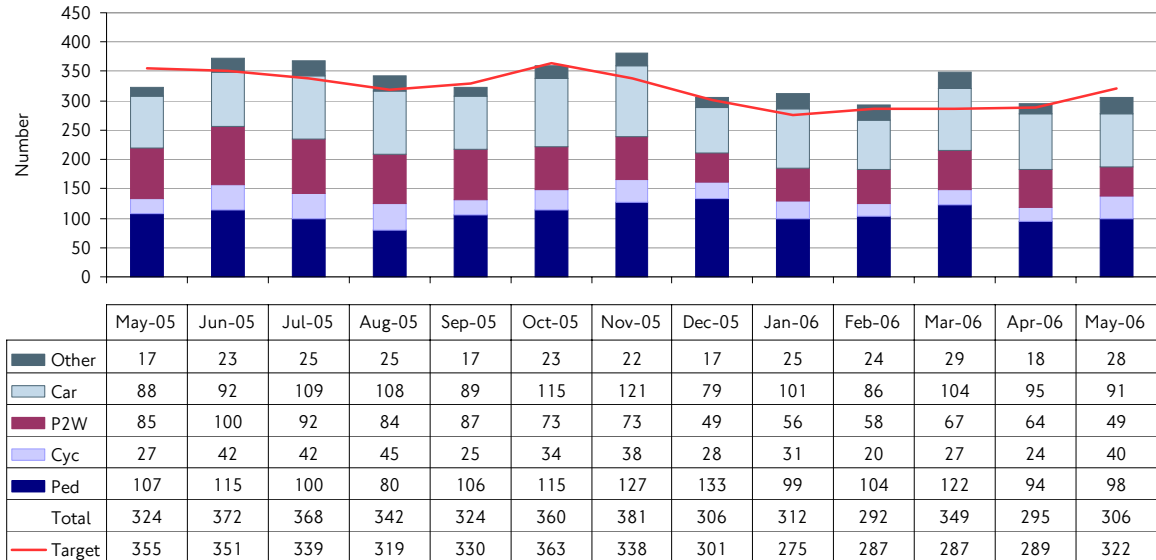
- 5.2 London Underground has seen consistently high customer satisfaction survey results over the past two years, scoring 78 out of 100 or more for each of the past seven quarters, reflecting improved operational performance and improvements in information and staff helpfulness. This quarter's result followed earlier seasonal patterns and declined, but by more than in past years, down three points to 75. It is believed this result was due to the effects of record high temperatures over the summer combined with speed restrictions following Metronet's failure to complete the necessary maintenance actions.
- 5.3 On London Buses, overall satisfaction levels for safety and security and crowding levels were high at 81 and 78 points respectively. However, overall satisfaction levels dipped 1 point to 77, under target but in line with results from the second half of 2005/06.
- 5.4 DLR customer satisfaction increased again this quarter to 96.9 points, above both the quarterly target and the same quarter last year.

Safety

- 5.5 On London Roads the number of killed and seriously injured casualties from March to May 2006 (the latest data available) fell over the course of the period to be better than expected by May. However, due to unusually high casualty numbers in March the result of 950 casualties across the three months was worse than the target of 898. The spike in March was due to pedestrian incidents that were some 27 per cent higher than the average for the other four months of the year.

5.6 For the year to date, the result of 1,554 serious casualties was 357 higher than the result for the same period in 2005. It is believed that this result is partly due to abnormally low results in the period November 2004 to April 2005. The London Road Safety unit is working closely with the Metropolitan Police Service to determine whether there are any anomalies with the data from this period. Despite this, long-term trends are still declining and the 50 per cent casualty reduction target is expected to be met by 2010.

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



Note: Due to reporting processes and the nature of road traffic accident data results are reported 4 to 5 months in arrears. The most recent data available is for May 2006. Results are also subject to retrospective adjustments.

5.7 The overall number of major injuries and fatalities across the TfL modes is unable to be reported this quarter as there have been implementation issues with the new system for collecting and recording major fatality and injury data on the Bus network. Group Safety Services and Group Information Management in Surface Transport are in the process of addressing these issues, and subsequent quarterly data will be reported as planned.

Delivery of pan-TfL priorities

Sustainability

- 6.1 A Group-level sustainability unit with three staff became operational in September. This small unit sits in Group Health Safety and Environment in General Counsel and will provide support on sustainability matters across the business, in a way similar to that currently employed in the areas of Health, Safety and the Environment, and Resilience. The sustainability unit will be responsible for co-ordination on key aspects of sustainability across TfL including climate change, the environment, demand management, walking and cycling. Activities will include performance monitoring and reporting, responding to consultation processes, and ensuring sustainability considerations are incorporated in business planning and business case development.
- 6.2 Highlights of TfL initiatives with environmental or social benefits in the second quarter were:
- TfL continued to pursue several initiatives to accelerate carbon emission reduction across London's transport sector, including a plan for a climate change fund to finance some of the work. The fund would aim to deliver initiatives that contribute to the Mayoral objectives and targets on climate change mitigation but that are not yet sufficiently developed to be included in individual business plans.
 - For the year to date, London Underground stations were well ahead of their energy reduction targets. By the end of the quarter total savings were 26.2 per cent, 3.7 per cent higher than the target of 22.5 per cent for 2006/07. This substantial reduction corresponds to a saving of 13.4 per cent in real terms since 2000/01.
 - In September, TfL launched a cycle training programme for school students ("Bikeability") and the "Share the Road" campaign, aimed at instilling mutual respect in road users.
 - Smarter Travel Sutton, TfL's flagship travel demand management project in partnership with the London Borough of Sutton, was launched in September supported by £5m investment from TfL over three years. The project will aim to assess the impact of heavily concentrated soft travel demand management measures in schools, workplaces and households.

Section 17 of the Crime and Disorder Act

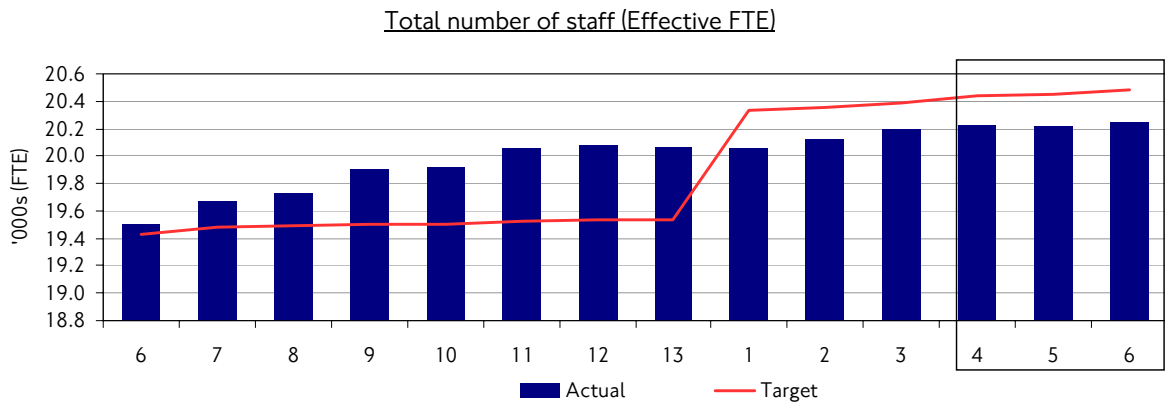
- 6.3 As discussed in the first quarter report, the TfL Board agreed to voluntarily adopt Section 17 of the Crime and Disorder Act on 24 May 2006. This decision reflects TfL's commitment to improve safety and security on the transport network and across London. TfL already makes a considerable contribution to community safety through its significant investment in transport policing and the work of the Transport Policing and Enforcement Directorate (TPED).
- 6.4 TfL's implementation of Section 17 will be incremental. TPED expects that it will take up to 18 months before Section 17 is fully implemented across the organisation. The implementation of Section 17 provisions across TfL has so far included:
- An extensive audit of crime and disorder across TfL's services and identification of priorities;
 - Development of TfL's first Crime and Disorder Strategy to be presented to the TfL Board on 7 December 2006;

- Crime and disorder impact assessments in policy development: From September 2006, all papers and reports submitted to the TfL Board, committees or panels must demonstrate that due consideration has been given to the impact of the activity / policy on crime and disorder.
- Specialist advice to support policy analysts: The Crime and Disorder Partnership team in the Transport Policing and Enforcement Directorate are now available to assist staff undertaking crime and disorder impact assessments. Administrative processes are being developed to track such requests for advice and associated feedback to ensure TfL is meeting its requirements under the Act, and to minimise any risks of legal challenge when section 17 becomes a statutory requirement.

People

Staff Numbers

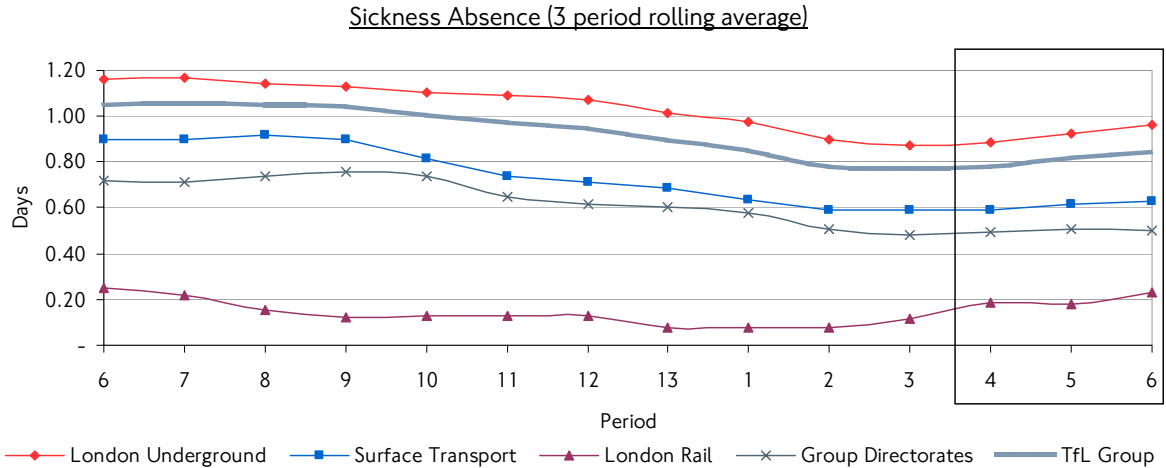
7.1 At the end of the second quarter TfL had 20,250 full time equivalent staff (FTE) across the business, 237 FTE below targeted numbers. This was a result of below target staff numbers in London Underground, offset by higher numbers in Group Directorates and Surface Transport.



- 7.2 Staff numbers within London Underground were 473 below budget this quarter at 13,666. The shortfall was greatest in Customer Services, mainly in Customer Service Assistants and in Programmes where new positions remain unfilled. A recruitment drive is underway to fill these vacancies.
- 7.3 In Surface Transport, staff numbers at 4,438 were 153 more than budget due to higher numbers in Road Network management projects and extra staff on East Thames Buses to operate a bus route formerly run by the now defunct Centra company.
- 7.4 Staff numbers in London Rail this quarter were 21 below the target of 195. The biggest challenge facing London Rail in filling these vacancies is its ability to attract quality candidates into engineering positions.
- 7.5 Within the Group Directorates, staff numbers were 170 FTE higher than budgeted primarily due to additional staff on the Oyster help desk to ensure that service targets continue to be met, and some unbudgeted staff in Group IM to mitigate service delivery issues.

Sickness

7.6 TfL’s average sickness absence per employee over the past quarter was 2.54 days, 0.13 days better than target. Rates of sickness absence remained better than target for the majority of the business, apart from London Underground which was only marginally worse than target (0.03 days). Although there was a slight upturn in moving average trends over the past quarter this was in line with expected seasonal patterns and the longer-term trends show an encouraging decline across all of TfL.



Workforce Composition

7.7 The percentage of women employed by TfL at 22.6 per cent has increased by 0.3 per cent since last quarter. Similarly, the percentage of women in senior management at 19.5 per cent has increased by 0.7 per cent on last quarter. Although both results were behind the stretching targets set, the continuing positive increase is encouraging.

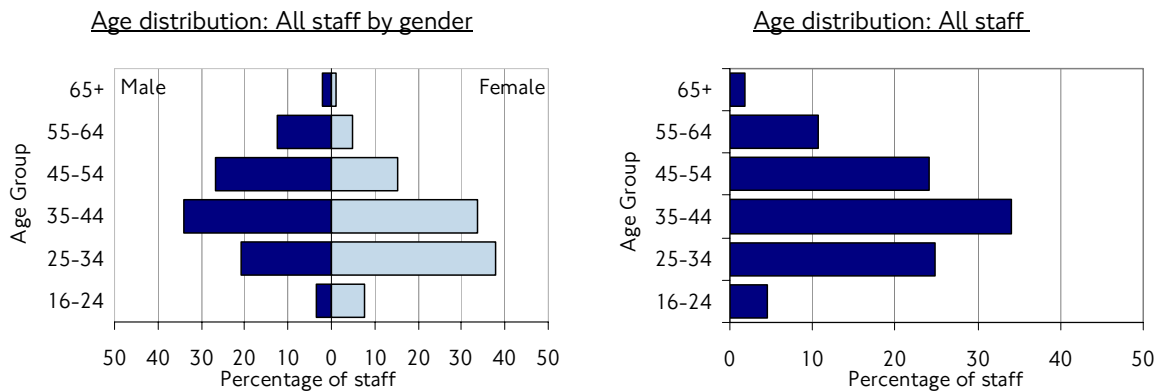
7.8 There are a number of initiatives in place to further improve the above results. Facilities at bus depots and London Underground stations are being improved; improvements are being made to enhance the recruitment and retention of women Revenue Protection Inspectors; flexible rostering systems are being developed within East Thames Buses to improve work-life balance for all employees; London Rail are working with Group Equality and Inclusion to attract applicants from diverse backgrounds; and Group Directorates are working on action plans focused on attracting and retaining women.

7.9 The percentage of Black, Asian and Minority Ethnic group (BAME) staff across TfL at 32.9 per cent remained well above target. The percentage of BAME staff in senior management at 10.6 per cent was well up on the same quarter last year, but is unchanged on the first quarter of this year and below the target of 12.2 per cent. To improve the representation of BAME staff in Senior Management a mentoring programme for all TfL employees (with 48 per cent BAME participation) is underway to help staff progress through the organisation.

7.10 The percentage of disabled staff and the percentage of disabled staff in senior management were 0.2 per cent and 0.4 per cent below target this quarter. Representation of disabled people in senior management roles has remained static throughout this financial year and represents a shortfall of two disabled staff members in senior management compared to target (assuming no turnover of existing disabled senior managers). Ensuring that disabled people are aware of senior opportunities in TfL has been identified as a key activity and will form an integral part of our attraction strategy for senior roles. In addition, the mentoring programme discussed above currently has nine disabled mentees out of a total of 122.

Employment Equality (Age) Regulations

7.11 The Employment Equality (Age) Regulations came into force on 1 October 2006 to protect workers from unlawful discrimination on the basis of age. It is now illegal for employers to discriminate against employees, trainees or job seekers because of their age. Further, employers are required to ensure that all workers, regardless of age, have the same rights in terms of training and promotion.



7.12 A brief review of the age distribution of staff in TfL demonstrates that we have a diverse and balanced workforce. 83 per cent of staff are in the 25 – 54 age group, and the organisation has slightly higher numbers of staff under the age of 44 than over 45. As can be seen in the above graph, across the organisation female staff are relatively younger than male staff. The higher proportion of older male staff is due to Transport being an historically male dominated profession, while the higher proportion of younger female staff reflects recent efforts by TfL to attract female staff.

7.13 This age distribution varies across TfL, with Group Directorates having the greatest proportion of staff under the age of 44, and London Underground having the highest proportion of staff over the age of 45.

7.14 Before the regulations came into force TfL reviewed all HR processes, policies and procedures in consultation with recognised trade unions to ensure they complied with the regulations. Human Resources staff received briefings on the new policies and the impact of age regulations, including the process to request to work past the age of 65. Further communication on the age regulations is planned for roll out during October and November.

Efficiencies

- 8.1 The efficiencies programme full year target is £170m. This includes £132m of savings sustained from previous years with £38m to be delivered within the 2006/07 financial year.
- 8.2 At the end of period 6, the full year forecast is £187m, £17m above target, up from £175m in the first quarter. This has been achieved through greater than expected in-year efficiencies that have more than offset the loss of some recurring efficiencies from previous years.

Efficiency Initiatives £ m	Full Year (Sustained)		Full Year (In Year)		Total	
	Forecast	Var to Budget	Forecast	Var to Budget	Forecast	Var to Budget
Procurement	48	(5)	24	18	72	13
Staff & BIP	24	(1)	2	1	26	-
Marketing	1	(11)	3	3	4	(8)
Other	8	-	8	3	16	3
Total Back Office	81	(17)	37	25	118	8
Rail	-	-	1	-	1	-
Bus Network	34	4	10	6	44	10
Tube Lines refinancing	-	-	2	-	2	-
LUL Operational Efficiencies	4	-	11	-	15	(1)
LUL Communication Infrastructure	-	-	7	-	7	-
Total Operations	38	4	31	6	69	9
Total Cashable (lower than budget)	119	(13)	68	31	187	17

Tables may be subject to rounding errors

- 8.3 In-year savings are forecast to come to £68m, £31m higher than target. This is mainly due to:
- An overall increase of £13m in procurement efficiencies;
 - New marketing efficiencies of £3m due to a refocusing of TfL's marketing strategy which is now based on customer needs rather than operational expectations, and a review of TfL's media buying;
 - A one-off 'other' saving of £3m in respect of reduced insurance costs following annual review; and
 - Increased savings through the contracting arrangements relating to the bus network, and additional operational efficiencies as a result of reducing cash on buses
- 8.4 Following review, the efficiencies forecast to be sustained from previous years has been reduced by £16m:
- Procurement has removed £5m from the reporting system where contracts delivering efficiencies have ended; and
 - Sustained efficiencies in marketing have reduced by £11m due to higher expenditure on public information and awareness campaigns including road safety and ticketing.
- 8.5 In addition to the claimable efficiencies, Group Procurement expects to deliver a further £8m of cashable benefits through increased revenue income. TfL does not presently permit additional revenue to be counted towards its efficiency target.

Financial performance

Group Highlights

- 9.1 Operating income at the end of the quarter was £27m better than budget, primarily due to higher than expected fares income on the Underground. For the full year this variance is forecast to remain relatively unchanged at £28m better than budget. Operating expenditure was £144m lower than budget for the quarter. This variance is forecast to decrease to £132m lower than budget by year end.
- 9.2 Net capital expenditure at the end of the quarter was £22m lower than budget after taking into account overprogramming reductions and capital receipts and reimbursements from third parties. Forecast net capital expenditure for the full year after overprogramming is forecast to be £8m over budget, reflecting good forecasts of project delivery. Further detail regarding investment activity is available in the quarterly Investment Programme Report.
- 9.3 Net interest income at the end of the quarter was £7m better than budget and is forecast to increase to £33m better than budget by year end. This favourable position reflects both higher interest earned and lower interest payments as a result of the value and timing of borrowing.

Net Service Expenditure £m	Year to Date		Full Year		
	Actual	Variance to Budget	Forecast	Budget	Variance to Budget
Operating Budget					
Income	(1,336)	(27)	(2,967)	(2,939)	(28)
Operating Expenditure	2,287	(144)	5,269	5,402	(132)
Net Operating Expenditure	951	(171)	2,303	2,463	(160)
Capital Budget					
Capital Expenditure	293	(81)	734	840	(106)
Capital Receipts & Reimbursements	(62)	27	(185)	(229)	44
Overprogramming	-	32	-	(70)	70
Net Capital Expenditure	231	(22)	549	541	8
Interest Income	(31)	(3)	(59)	(53)	(6)
Debt Serving Payments	27	(4)	58	85	(27)
Net Interest Income	(4)	(7)	(1)	32	(33)
Contingency	-	-	26	26	-
Net Service Expenditure	1,177	(200)	2,876	3,062	(186)

- 9.4 A modal summary of financial performance is provided in Annex Two.

Revenue Income

- 9.5 Total income for the first half year at £1,336m was £27m better than budget, up 6 per cent on the same period last year, driven by higher London Underground income. Overall income for the full year is forecast to remain largely unchanged compared to budget, at £28m higher than budget by year end.

Prior Yr YTD	Income £m	Year to Date		Full Year		
		Actual	Variance to Budget	Forecast	Budget	Variance to Budget
(585)	Underground Fares Income	(641)	(30)	(1,417)	(1,372)	(45)
(427)	Bus Network Fares Income	(450)	(2)	(1,004)	(1,004)	-
(115)	Congestion Charging Income	(114)	3	(258)	(260)	2
(138)	Other Income	(131)	2	(288)	(303)	15
(1,265)	Total Income	(1,336)	(27)	(2,967)	(2,939)	(28)

Table may be subject to rounding errors

- 9.6 Fares income on the Underground rose again this quarter to be £30m better than budget for the year to date, driven by strengthening passenger demand across the network. This favourable variance is expected to increase to £45m by the end of the year in line with higher passenger numbers.
- 9.7 Bus network fare income was in line with budget and up 5 per cent on the same period last year despite passenger numbers over the past two quarters falling below target. Because the drop in demand largely reflected lower than anticipated growth in under 16s free travel, it did not affect fares income. In addition, the number of passengers using cash fares, which are more expensive than Oyster single fares, was slightly higher than anticipated. For the full year fares income is forecast to remain in line with the budget of £1,004m.
- 9.8 Conversely, congestion charging income at £114m was down £3m against budget and was largely unchanged on last year. The effect of the introduction of Pay Next Day on congestion charging income is twofold. On the one hand, enforcement income has reduced by 15 per cent as expected, although the effect of Pay Next Day on the number of penalty charge notices appears to be diminishing over time. On the other hand, charge income has increased as both penalty charge income and standard charges switch to Pay Next Day. This will continue to be monitored over the next quarter.
- 9.9 In other income, £131m for year to date was £2m lower than budget, predominantly a result of lower advertising income, depressed Victoria Coach station ticket sales and lower DLR fares income. The variance for the full year is forecast to increase to £15m worse than budget, with over half of this relating to different phasing of revenue from the new advertising contract than was anticipated at the time the budget was set and lower Transport Policing enforcement income.

Operating Expenditure

- 9.10 Total operating expenditure at the end of the second quarter was £144m lower than budget. This result was due to lower expenditure in London Underground, and to a lesser extent Surface Transport, offset by higher than budgeted expenditure within the Group Directorates.
- 9.11 For the full year the variance is forecast to decrease to be £132m lower than budget. The estimated outturn is a combination of lower forecast expenditure within London

Underground and Surface Transport offset by some increases in expenditure in the Group Directorates (Group Services and Finance & Planning)

Prior Yr YTD	Operating Expenditure £m	Year to Date		Full Year		
		Actual	Variance to Budget	Forecast	Budget	Variance to Budget
1,089	London Underground	1,114	(102)	2,541	2,655	(114)
946	Surface Transport	1,023	(27)	2,336	2,388	(52)
42	London Rail	55	(1)	134	126	8
85	Group Directorates	95	(13)	258	233	25
2,162	Total Operating Expenditure	2,287	(144)	5,269	5,402	(132)

Table may be subject to rounding errors

- 9.12 Year to date expenditure in London Underground was £102m lower than budget. The result reflected reduced performance and other payments to Infracos, down £48m against budget, non-materialisation of risk resulting in a favourable variance of £33m, and savings in insurance and other costs. These variances are also reflected in the full year result, which is forecast to be £114m below budget.
- 9.13 Within Surface Transport expenditure for the year to date was £27m below budget. The majority of this variance, £19m, reflected lower than expected contract price increases from re-tendering or route revisions on the bus network reflecting in part the on-going realisation of operating efficiencies from Oyster card and Congestion Charging. The variance is forecast to increase to £52m better than budget by year end due to further lower expenditure on the bus network and the rephasing of expenditure on Congestion Charging projects.
- 9.14 Operating expenditure in London Rail was broadly in line with budget at the end of the quarter. However, the outturn at year end is forecast to be £8m higher than budget due to higher than anticipated spending on Stratford international, DLR administration, and higher London Rail Concession costs, partially offset by lower expenditure on North London Railway station improvement projects.
- 9.15 Expenditure within the Group Directorates was £13m lower than budget for the first half of the year, mainly reflecting the phasing of spend on Borough partnership projects. The forecast increase in expenditure to £25m above budget is due to higher costs associated with the IM service delivery contracts, additional accommodation strategy costs, major projects modelling costs partially arising from recent Public Inquiries, and Oyster call centre staff to raise customer service levels.

Capital Expenditure

- 9.16 Capital expenditure, before group overprogramming, for the first half of the year was £293m, £81m lower than budget, with lower expenditure predominantly in London Underground. Net capital expenditure for the year to date, after group overprogramming and receipts and reimbursements, was £231m, £22m lower than budget.

- 9.17 At year end net capital expenditure is forecast to be £8m higher than budget. However, this outturn assumes delays of £63m that are yet to be identified in any one project. If project delivery continues to be better than expected the final result may be slightly higher.

Prior Yr YTD	Capital Expenditure £m	Year to Date		Full Year		
		Actual	Variance to Budget	Forecast	Budget	Variance to Budget
136	London Underground *	109	(62)	296	383	(87)
97	Surface Transport *	98	4	227	246	(20)
35	London Rail	76	(21)	170	182	(12)
3	Group Directorates	10	(3)	41	28	13
271	Capital Expenditure	293	(81)	734	840	(106)
(49)	Receipts & Reimbursements	(58)	31	(151)	(196)	45
-	Property Sales	(4)	(4)	(34)	(33)	(1)
-	Overprogramming (Group Level)	-	32	-	(70)	70
222	Net Capital Expenditure	231	(22)	549	541	8

* Shown after delegated overprogramming

Table may be subject to rounding errors

- 9.18 In London Underground, capital expenditure after overprogramming for the year to date was £62m lower than budget; with this difference forecast to widen to £87m lower than budget by year end. The primary causes of the year to date result were lower than budget spending on the Channel Tunnel Rail Link (CTRL) works at Kings Cross after delays on phase 2 (offset by lower capital receipts), lower spending on London Underground managed major power works due to the scoping phase being incomplete, and lower spending on station congestion relief projects. The variance at year end is forecast to increase due to lower expenditure on station accessibility and congestion relief projects, slightly offset by accelerated expenditure on major power works.
- 9.19 Capital expenditure after overprogramming in Surface Transport was £4m higher than budget for the year to date and is forecast to be £20m lower than budget by year end. For the year to date, although some Surface Transport capital projects such as TLRN improvements were behind budget, these were offset by other projects that were on schedule and an overprogramming reduction of £23m, leading to the position of £4m higher than budget after overprogramming. The full year result is £20m lower than budget and assumes £43m of slippage in project delivery that is yet to be identified in any one project.
- 9.20 London Rail capital expenditure was £21m below budget for the year to date, though this variance is expected to narrow to £12m lower than budget by year end. The shortfall against budget for the first half of the year was due to lower expenditure on DLR upgrades and the East London Line Extension. Expenditure will be higher than budget in the second half of the year due to a rephasing of East London Line expenditure, and expenditure on Olympic railcars that has been brought forward from future years.
- 9.21 Group directorate capital expenditure was £3m below budget for the year to date, and is forecast to increase to £13m higher than budget at year end partly due to higher than budget expenditure on the Customer Services Integration Project.

Balance sheet

Transport for London Group Balance Sheet at end of Period 6 £m	Variance to Budget
Fixed Assets (lower than budget)	99
Debtors and Payments in Advance (higher than budget)	(137)
Cash (higher than budget)	(150)
Creditors (higher than budget)	68
Prudential Loans	-
Deferred Capital Grant (lower than budget)	(59)
Provisions (lower than budget)	(12)
Total Net Assets (higher than budget)	(191)

- 10.1 Fixed asset additions are covered in detail in the **Investment Programme Report**. There are no major variances for disposals.
- 10.2 Year to date debtor balances are higher than budget. Included in the corporate centre is an additional £30m for accrued interest (on investments which have not yet matured) and £18m for insurance, rent and rates prepayments. Also included is an amount of £32m representing a prepayment for railcars for London Rail. Debtor balances in London Underground are £33m higher than budget due to the delay in finalising the settlement with the Infracos of the Working Capital Debtor adjustment under the Share Purchase Agreement.
- 10.3 Creditor balances of £68m higher than budget include a £54m higher than budget accrual in the corporate centre mainly from Borough expenditure where there has been a later than expected receipt of invoices. In addition creditors in London Underground are higher than anticipated due to the later than expected resolution of the Connect PFI delay and disruption claim. These are partially offset by lower than budgeted creditors in London Buses reflecting lower bus network contract costs.

Transport for London Group Balance Sheet Forecast for the Year End £m	Variance to Budget
Fixed Assets (lower than budget)	53
Debtors and Payments in Advance (higher than budget)	(40)
Cash (higher than budget)	(264)
Creditors (higher than budget)	178
Prudential Loans	-
Deferred Capital Grant (lower than budget)	(227)
Provisions (higher than budget)	12
Total Net Assets (higher than budget)	(287)

- 10.4 The second quarter forecast closing balance sheet reflects the trends seen to date, with lower fixed assets, higher than budget debtors, and higher year end creditor balances. Total forecast working capital is higher than budget, representing a cash inflow. In addition, net service expenditure is below budget. Consequently year end cash balances are expected to be some £264m above budget.

Cash summary

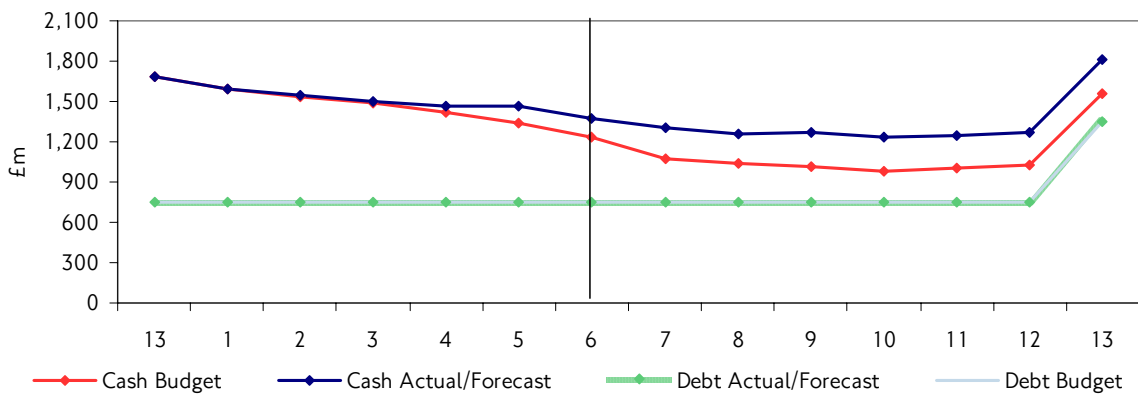
Cash Balances

- 11.1 Cash balances have consistently been close to budget. Refer to Annex Five for periodic cash balances over the quarter.

Cash Balances and Debt

- 11.2 Net cash at 16 September 2006 amounted to £634m comprising £1,380m cash balances less outstanding debt of £746m. This is a reduction of £307m compared to last year end.
- 11.3 Year-end net cash is forecast at £467m comprising £1,817m cash balances against a budget of £1,553m, less debt of £1,350m – equal to the budget of £1,350m. Of the forecast/budgeted £604m debt increase, £540m is to be raised from sources yet to be determined and £64m in March from the committed EIB credit line.
- 11.4 The graph below shows the actual/forecast cash balances and debt compared to budget at each period end throughout the year.

Cash and Debt Balances 2006/07



Performance

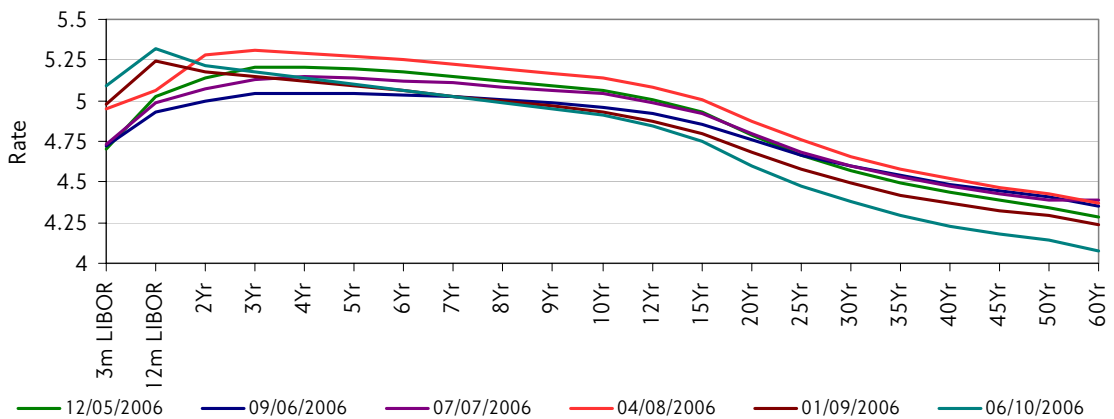
- 11.5 Performance against the earnings benchmark (the average of 3 month’s LIBOR minus 15 basis points) is tabled below. TfL has performed above this benchmark in the last three periods, within a range of 4 – 7 basis points. The average yield for the year to date is 4.62%, 8 basis points above benchmark.

11.6 Results for the last three periods are noted in the table below:

Treasury Management Yield %	Period 4	Period 5	Period 6	Year to Date Actual	Year to Date Budget
Period End:					
Benchmark	4.55	4.59	4.66	4.54	
Average Rate of Return	4.62	4.65	4.70	4.62	4.59
Excess over Benchmark	0.07	0.06	0.04	0.08	
Interest Earned, Period	£5.1m	£5.1m	£4.8m		
Interest Earned, Year to Date	£21.5m	£26.6m	£31.4m	£31.4m	£28.5m

11.7 The yield curve reflects the 2 August Base Rate increase of 25 basis points, peaking at the 12 months point and dropping steeply thereafter to a low of 4.08% for 60 year money. This indicates the market’s continuing uncertainty of the direction of future rates. Where rates are above the benchmark and short-term liquidity allows, TfL is investing up the curve for periods of less than 364 days. Investment beyond 12 months yields no increase and risks losing the benefit of future rate increases.

Yield Curve: Week ending 12 May 2006 to week ending 6 October 2006



Annex One: Performance summary

2006/07 Key Performance Indicator	Unit	Quarter 2				Full Year			
		Actual	Target	Var	PY	F'cast	Target	Var	PY
SERVICE DEMAND									
Passenger Journeys - TfL Group	m	656.0	673.2	(17.3)	616.1	2,965.8	2,945.4	20.4	2,865.5
Passenger Journeys - LUL	m	233.6	230.3	3.3	204.4	1,020.5	980.0	40.5	971.1
Passenger Journeys - Buses	m	401.6	422.3	(20.7)	394.8	1,859.0	1,876.0	(17.0)	1,815.7
Passenger Journeys - DLR	m	13.9	14.1	(0.2)	11.2	61.0	64.2	(3.2)	53.9
Passenger Journeys - Trams	m	5.6	5.0	0.6	4.5	21.5	22.6	(1.1)	20.8
Passenger Journeys - Victoria Coach Station	'000s	45.4	46.4	(0.9)	47.8	195.0	195.0	-	198.6
Passenger Journeys (excl multi stop) - River Services	'000s	814	805	9.2	678	1,936	1,900	35.5	1,849
Passenger Journeys (multi stop) - River Services	'000s	185	130	54.9	170	561	500	60.7	524
Total Trips - Dial a Ride	'000s	266	350	(83.8)	281	1,273	1,519	(246.5)	1,234
Cycle usage on TLRN (Index = 100) - Road Network	Index	200	201	(1.0)	204	180	185	(5.0)	172
Traffic into Central London - Road Network	Index	98	No Target	-	n/a	**	No Target	-	n/a
SERVICE PROVISION (SUPPLY)									
% Scheduled Services Operated - LUL	%	94.2	95.2	(1.0)	89.4	94.9	95.2	(0.3)	93.6
% Trains Operated in Peak Hours - LUL	%	96.8	96.7	0.0	90.4	**	96.7	-	95.2
Train Kilometres Operated - LUL	m	15.9	16.3	(0.4)	15.3	70.5	70.9	(0.4)	68.8
% Scheduled Services Operated - Buses	%	97.8	97.9	(0.1)	97.7	97.5	97.8	(0.3)	97.7
Bus Kilometres Operated - Buses	m	105.9	107.3	(1.4)	104.7	459.1	465.6	(6.5)	454.1
% Scheduled Services Operated - DLR	%	98.6	98.0	0.6	98.7	98.0	98.0	-	98.7
Train Kilometres Operated - DLR	'000s	1,019	1,011	7.6	756	4,350	4,350	-	3,629
% Scheduled Services Operated - Trams	%	98.7	98.0	0.7	95.8	98.0	98.0	-	97.4
% Scheduled Services Operated - River Services	%	97.8	98.5	(0.8)	97.5	99.0	98.5	0.5	98.3
No. of Taxi Drivers Licensed - PCO	#	24.7	24.7	(0.0)	24.7	24.8	24.7	0.1	24.7
No. of Private Hire Drivers Licensed - PCO	#	33.6	36.0	(2.4)	21.3	36.0	36.0	-	28.8
RELIABILITY									
Overall Delay (Index) - TfL Group	#	86.0	76.8	9.2	83.8	**	81.1	-	83.1
Excess Journey Time (Weighted) - LUL	Mins	7.9	6.9	1.0	8.49	**	6.92	-	7.47
Peak Train Cancellations, Due to ONAs - LUL	%	0.2	0.6	(0.4)	0.2	**	0.6	-	0.2
PPP Availability, Lost Customer Hours - LUL	m	3.1	3.7	(0.6)	4.04	**	15.84	-	14.89
Excess Wait Time, High Freq Routes - Buses	Mins	1.1	1.1	(0.1)	1.1	1.1	1.2	(0.1)	1.1
On Time Performance, Low Freq Routes - Buses	%	79.6	79.2	0.4	79.1	77.2	76.9	0.3	77.2
On Time Performance, Night buses - Buses	%	82.8	80.8	2.0	83.7	83.4	81.9	1.5	83.6
On Time Performance - DLR	%	99.0	96.0	3.0	97.6	96.0	96.0	-	97.3
Traffic Signals Operating Effectively - Road Network	%	99.0	98.4	0.6	98.5	**	98.4	-	98.6
Congestion Level in Central London - Road Network	Mins/km	2.1	No Target	-	1.8	**	No Target	-	1.8
SAFETY									
Major Injuries & Fatalities - London Underground	#	36	No Target	-	23	**	No Target	-	129
Major Injuries & Fatalities - Buses	#	n/a	No Target	-	441	**	No Target	-	1,927
Major Injuries & Fatalities - DLR	#	3	No Target	-	2	**	No Target	-	16
KSI, Total Londonwide - Road Network ++	#	950	898	52	788	3,700	3,588	112	3,650
KSI, Total TLRN - Road Network ++	#	260	245	15	220	1,025	996	29	1,024
KSI, Powered 2-Wheel Riders - Road Network ++	#	180	192	(12)	188	820	788	32	845
KSI, Children - Road Network ++	#	86	98	(12)	100	340	359	(19)	355

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

n/a No data available

** Not forecasted

Table may be subject to rounding errors

Annex One: Performance summary (continued)

2006/07 Key Performance Indicator	Unit	Quarter 2				Full Year			
		Actual	Target	Var	PY	F'cast	Target	Var	PY
CUSTOMER SATISFACTION									
Overall Customer Satisfaction - TfL Group	Score	76.8	78.3	(1.6)	79.3	**	78.3	-	77.7
Customer Satisfaction - LUL									
Overall	Score	75	78	(3)	79	**	78	-	78
Crowding	Score	71	68	3	77	**	68	-	74
Safety & Security	Score	80	80	-	80	**	80	-	81
Information	Score	77	78	(1)	78	**	78	-	79
Customer Satisfaction - Buses									
Overall	Score	77	78	(1)	79	78	78	-	77
Crowding	Score	78	78	-	80	78	78	-	77
Safety & Security	Score	81	82	(1)	n/a	82	82	-	n/a
Information	Score	74	75	(1)	75	75	75	-	73
Reliability Journey Waiting Time	Score	79	80	(1)	82	80	80	-	79
Customer Satisfaction - DLR									
Overall	Score	97	90	7	95	90	90	-	96
Information	Score	96	90	6	95	90	90	-	96
Safety & Security	Score	94	90	4	88	90	90	-	95
Overall Customer Satisfaction - Trams	Score	83	86	(3)	86	86	86	-	80
Overall Customer Satisfaction - Dial-A-Ride	Score	93	93	-	80	93	93	-	92
Overall Customer Satisfaction - Victoria Coach Station	Score	76	75	1	77	75	75	-	77
FINANCIAL EFFICIENCY									
Cost per passenger Kilometre - LUL	pence/km	26.1	27.8	(1.7)	29.0	25.7	29.1	(3.4)	26.2
Income per passenger Kilometre - LUL	pence/km	(20.0)	(19.5)	(0.6)	(18.7)	(20.1)	(20.8)	0.7	(18.9)
Cost per passenger Kilometre - Buses	pence/km	24.4	24.7	(0.3)	23.6	23.7	24.4	(0.7)	24.9
Income per passenger Kilometre - Buses	pence/km	(15.0)	(14.7)	(0.3)	(14.3)	(14.5)	(15.1)	0.6	14.0
Cost per Trip - Dial-A-Ride	£	23.2	16.7	6.5	19.1	21.2	16.7	4.5	19.1
() Variance is above budget for income and below budget for costs									
PEOPLE									
Number of Staff - TfL Group	FTE	20,250	20,487	(237)	19,505	**	20,492	-	20,069
Sickness Absence per Employee (better than target)									
TfL Group	Days	2.5	2.7	(0.1)	3.14	**	11.6	-	12.6
LUL	Days	2.9	2.9	0.03	3.26	**	12.4	-	13.7
Surface Transport	Days	1.9	2.4	(0.5)	2.70	**	10.3	-	11.0
London Rail	Days	0.7	1.7	(1.1)	0.65	**	7.5	-	2.4
Group Directorates	Days	1.5	1.7	(0.2)	2.16	**	7.6	-	9.1
% of Women Staff - TfL Group	%	22.6	23.9	(1.3)	21.3	n/a	23.9	-	22.3
% of BAME Staff - TfL Group	%	32.9	27.0	5.9	n/a	n/a	27.0	-	n/a
% of Disabled Staff - TfL Group	%	7.6	7.8	(0.2)	n/a	n/a	7.8	-	n/a
% of Women Staff in Senior Mgt - TfL Group	%	19.5	27.3	(7.8)	19.3	n/a	27.3	-	20.4
% of BAME Staff in Senior Mgt - TfL Group	%	10.6	12.2	(1.6)	7.5	n/a	12.2	-	8.9
% of Disabled Staff in Senior Mgt - TfL Group	%	4.6	5.0	(0.4)	n/a	n/a	5.0	-	n/a

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

FTE = Full Time Equivalent

n/a No data available

** Not forecasted

++ Due to the reporting process and nature of road traffic accident data, it will always be reported 4 to 5 months in arrears. Results for the second quarter are the sum of March, April and May 2006, with May being the most recently reported data available.

Table may be subject to rounding errors.

Annex Two: Modal summary of financial performance

Net Service Expenditure £m	Year to Date			Full Year		
	Actual	Budget	Variance	Forecast	Budget	Variance
Income						
London Underground	(686)	(658)	(27)	(1,516)	(1,477)	(39)
Surface Transport	(617)	(618)	2	(1,374)	(1,386)	11
London Rail	(25)	(26)	1	(56)	(58)	3
Group Directorates	(9)	(6)	(3)	(21)	(17)	(3)
	<i>(1,336)</i>	<i>(1,309)</i>	<i>(27)</i>	<i>(2,967)</i>	<i>(2,939)</i>	<i>(28)</i>
Operating Expenditure						
London Underground	1,114	1,216	(102)	2,541	2,655	(114)
Surface Transport	1,023	1,050	(27)	2,336	2,388	(52)
London Rail	55	55	(1)	134	126	8
Group Directorates	95	109	(13)	258	233	25
	<i>2,287</i>	<i>2,430</i>	<i>(144)</i>	<i>5,269</i>	<i>5,402</i>	<i>(132)</i>
Net Operating Expenditure	951	1,121	(171)	2,303	2,463	(160)
Capital Expenditure						
London Underground	109	171	(62)	296	383	(87)
Surface Transport	98	94	4	227	246	(20)
London Rail	76	97	(21)	170	182	(12)
Group Directorates	10	13	(3)	41	28	13
	<i>293</i>	<i>375</i>	<i>(81)</i>	<i>734</i>	<i>840</i>	<i>(106)</i>
Capital Receipts & Reimbursements						
London Underground	(54)	(82)	28	(168)	(209)	41
Surface Transport	(5)	(2)	(2)	(6)	(6)	0
London Rail	(1)	(0)	(0)	(4)	(3)	(0)
Group Directorates	(3)	(5)	2	(8)	(11)	3
	<i>(62)</i>	<i>(90)</i>	<i>27</i>	<i>(185)</i>	<i>(229)</i>	<i>44</i>
Overprogramming	-	(32)	32	-	(70)	70
Net Capital Expenditure	231	253	(22)	549	541	8
Group Items						
Interest Income	(31)	(28)	(3)	(59)	(53)	(6)
Debt Servicing Payments	27	31	(4)	58	85	(27)
Contingency	-	-	-	26	26	-
Net Service Expenditure	1,177	1,377	(200)	2,876	3,062	(186)

() Variance is an above budget for income and below budget for expenditure.

Table may be subject to rounding errors

Annex Three: Balance sheet

Balance Sheet £m	Year to Date			Full Year		
	Actual	Budget	Variance	Forecast	Budget	Variance
Fixed Assets						
Tangible Assets	14,555	14,654	99	15,211	15,264	53
Current Assets						
Stocks	5	5	-	5	5	-
Debtors	229	177	(52)	214	213	(1)
Payments in Advance	184	99	(85)	152	113	(39)
Cash at Bank and in Hand	1,380	1,230	(150)	1,817	1,553	(264)
Current Liabilities						
Revenue	(807)	(774)	33	(852)	(776)	76
Receipts in Advance	(195)	(264)	(69)	(179)	(182)	(3)
Capital	(218)	(124)	94	(220)	(157)	63
Long Term Liabilities						
Balances with Infracos	(1,757)	(1,744)	13	(2,157)	(2,114)	43
Prudential Loans	(746)	(746)		(1,350)	(1,350)	-
Creditors Due after One Year	(381)	(384)	(3)	(382)	(383)	(1)
Capital Grants	(7,022)	(7,081)	(59)	(6,718)	(6,945)	(227)
Pension Provision	(770)	(770)	-	(770)	(770)	-
Other Provisions	(247)	(259)	(12)	(237)	(225)	12
Total Net Assets	4,210	4,019	(191)	4,534	4,247	(287)
Capital and Reserves						
Earmarked Reserves	842	691	(151)	1,308	1,069	(239)
Pension Reserves	(770)	(770)	-	(770)	(770)	-
General Fund	150	150	-	150	150	-
Other Reserves	3,988	3,948	(40)	3,846	3,798	(48)
Total Capital Employed	4,210	4,019	(191)	4,534	4,247	(287)

() Variance is an above budget for income and below budget for expenditure.

Table may be subject to rounding errors

Annex Four: Cash summary

Cash Summary £m	Year to Date			Full Year		
	Actual	Budget	Variance	Forecast	Budget	Variance
Net Revenue Expenditure	(947)	(1,125)	(178)	(2,347)	(2,521)	(174)
Working Capital Movements	(66)	137	203	20	(17)	(37)
Cash Spend on Operating Activities	(1,013)	(988)	25	(2,327)	(2,538)	(211)
Net Capital Expenditure	(293)	(342)	(49)	(736)	(770)	(34)
Working Capital Movements	(3)	(102)	(99)	(6)	(69)	(63)
Cash Spend on Capital Activities	(296)	(444)	(148)	(742)	(839)	(97)
Funded by:						
Transport Grant	935	935	-	2398	2398	-
Precept Funding	5	5	-	12	12	-
Prudential Borrowing	-	-	-	604	604	-
Third Party Contributions	62	35	(27)	185	229	44
Total Funding	1,002	975	(27)	3,199	3,243	44
Net Movement in Cash	(307)	(457)	(150)	130	(134)	(264)

() Variance is an above budget for income and below budget for expenditure.

Table may be subject to rounding errors

Annex Five: Cash balances

Approved Investments and Cash £m Period End	Period 4 25 June – 22 July	Period 5 23 July – 19 August	Period 6 20 August – 16 Sept.
Approved Investments and Cash			
Budget	1,419	1,337	1,230
Cash Balances	1,463	1,465	1,380
Increase/(Decrease)	44	128	150
Net Cash Balances comprise			
Investments	1,400	1,410	1,324
Investments – Guernsey	42	41	35
Cash & Credits in Transit	21	24	21
Investment Profile			
Up to 1 month	94	185	158
1-2 months	81	60	60
2-3 months	129	34	-
3-4 months	92	54	54
4-5 months	-	-	-
5-6 months	71	111	77
>6 months	514	547	576

Table may be subject to rounding errors

Appendix Two:

Transport for London Investment Programme Report Second quarter, 2006/07

Investment Programme Report

Second quarter, 2006/07



Cover Image: Artist's impression of the new trains for the London Overground

Transport for London

Investment Programme Report

Second quarter, 2006/07 (25 June – 16 September 2006)

1 Programme Highlights

1.3 The key highlights from the second quarter of 2006/07 were:

- The rolling stock supply and maintenance contracts for the East London Line Extension were awarded to Bombardier on 30 August (a computer generated image of which is shown on the front cover).
- The Waterloo and City line upgrade was re-opened on 11 September.
- 28 (37%) District Line trains have been refurbished and are available for service.
- On the DLR Woolwich Arsenal Extension project the down platform opened to passenger service on 21 August.
- Planning consent for the utility diversion works on the Tottenham Court Road Congestion Relief project was received in August.
- Initial test running on the Victoria ground water cooling trial finished in August.
- The Stratford Regional Station Upgrade scheme has been presented to Treasury, DfT, DCMS and ODA.
- The feasibility design for the Olympic Works at Baker Street has been completed and is being reviewed by LU.
- The Public Information campaign for the Congestion Charging Western Extension was successfully launched in early October.
- Three out of the eight bus lane schemes scheduled for 2006/07 were completed by the end of the second quarter.

Post quarter events

- The new radio system went live on the District Line on 11 October.
- Capita went live with registration of discounts for residents within Western Extension of the Congestion Charge area on 20 October.
- The East London Line main works contract was awarded to a consortium comprising Balfour Beatty and Carillion on 23 October.
- TWA order received for Stratford International on 25 October.
- On Channel Tunnel Rail Link (CTRL) at Kings Cross, Heritage works to St Pancras' Euston Road facade completed on 9 September and the access passage between all London Underground lines reopened on 8 October.




2 Projects (over £100m)

- 2.1 TfL's Investment Programme focuses on, but is not limited to a range of programmes and projects over £100m, 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, whose purpose is to provide assurance for the Commissioner on the delivery of the Investment Programme. Oversight has determined a list of 'top 12' and 'top 50' projects which, based on delivery risk, form the basis of programmes and projects within the overall 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 12 are identified by an asterisk (*).

For each project, key milestones are given with a forecast date against the current planned date and a Red Amber or Green (RAG) status as follows:

	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 (*)

Channel Tunnel Rail Link at King's Cross	Current Plan Date	Actual / F'cast Date	RAG
Phase 1 final completion	31-12-2006	31-12-2006	
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 includes an expanded Tube ticket hall and new Western Ticket Hall. Phase 2 includes a new Northern Ticket Hall, step-free access to Metropolitan & Circle lines and links to the new Channel Tunnel Rail Link Terminal. The King's Cross project is funded by the DfT and contracted by London Underground to Metronet.

The main component of Phase 1, the Western Ticket Hall, was successfully opened on 28 May. Heritage works to St Pancras' Euston Road facade completed on 9 September and the access passage between all London Underground lines reopened on 8 October. Completion of Phase 1, including refurbishment of the Metropolitan and Circle Line platforms is on target for completion at the end of December 2006.

Phase 2, including the Northern Ticket Hall, has begun with continuing site surveys and contractor mobilisation on site. Good coordination has been established with other programmes at the King's Cross site. The Phase 2 tunnelling works and excavation of the Northern ticket hall have commenced with the overall project remaining on target for completion in December 2010.

Once the new Channel Tunnel Rail Link is opened, King's Cross station is forecast to be the busiest on the network, serving 82,000 passengers in the morning peak by 2011.

2.3 Victoria Station Upgrade (*)

Victoria Station Upgrade	Current Plan Date	Actual / F'cast Date	RAG
TWA Submission	28-02-2007	30-11-2007	■

Victoria is one of London's main transport hubs and a major employment centre served by Underground, rail and bus, with 68 million people passing through it each year. Victoria is the most congested station on the LU network. Temporary station closure is regularly used to manage access to and congestion within the station, particularly during the morning peak when several closures are a daily occurrence.

This project will provide a significant increase in passenger circulation space in key congested areas of the station. It will also provide step-free access from street to platform for the Victoria Line.

To minimise potential objections at the TWA Order public enquiry, the current proposed scheme is being amended to avoid conflict with a proposed Land Securities commercial development and the Victoria Palace Theatre. This will result in a delay to the TWA Order application date.

Progress this quarter has included design review and buildability reviews which will result in amendments to the submission of the TWA Order now planned for November 2007. A major ground investigation has been completed. The main works are planned to start in Quarter 4 2009, with utilities diversions starting on site in Quarter 2 2008.

The project completion date is likely to be delayed to Quarter 4 2014.

2.4 Tottenham Court Road Congestion Relief (*)

Tottenham Court Road Congestion Relief	Current Plan Date	Actual / F'cast Date	RAG
RIBA ¹ Stage D design complete	01-06-2006	08-09-2006	complete

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.

Progress this quarter has included the submission of the Planning Application for the utility diversion works. Planning consent was received in August, and the utilities diversion works are planned to commence in January 2007.

The Powers for the new ticket hall are included within the provisions for the Crossrail Hybrid Bill, and work has continued on interfacing and negotiating with various petitioners to the Tottenham Court Road portion of the Bill, and providing support through the Parliamentary Select Committee process. Commencement of the main works on site is now expected in Quarter 2 2008. This Bill now also includes Bond Street Congestion Relief.

¹ Royal Institute of British Architects

Stage D design (initial design) was delayed to include additional work (including lift extensions and relocation of sub-station) required to fully design the project, although this should not affect delivery of the project.

2.5 Tunnel Cooling

LUL Tunnel Cooling	Current Plan Date	Actual / F'cast Date	RAG
Victoria ground water cooling trials complete	31-07-2007	31-07-2007	●

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. Physical work on the Victoria ground water cooling trial is very near completion and initial test running started in early August is proving effective. Additionally the development of a platform roof mounted air handling unit trial is progressing and three of the respondents to the OJEU notice were asked to tender for the development work on 2 August. The tender review period for a new fan at Liverpool Street is complete.

2.6 LU Line Upgrade – PPP BCV (*)

Line Upgrade – PPP BCV	Current Plan Date	Actual / F'cast Date	RAG
W & C line upgrade complete	March 2007	March 2007	●
Victoria Line – 1 train accepted to run in LU traffic hours	Spring 2009	Spring 2009	●
Victoria Line – Commence rolling stock full production	Summer 2010	Summer 2010	●

The Waterloo and City line was reopened on 11 September and the upgrade is due for completion in March 2007. This was as a result of LU giving permission for a line closure during the summer.

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.

Train cars are now in production. Testing of the first train is underway. A mock-up of the new style train saloon was sited in Euston Gardens at the front of Euston Station for user acceptance testing between 21 July and 11 August. (Public viewing took place between 5 and 10 August).

Work planned for the next quarter includes work on Signal Equipment Rooms, signalling systems, the Control Centre, depot and track. Work is continuing on cable installation with productivity improving in this area. Line closures for track improvement works are also underway.

A revised completion date of February 2012 for the journey time capability improvement is now targeted by Metronet, however this accelerated delivery date has slipped, primarily due to delays in the signalling component of the project. The contractual date however is August 2013. The plan dates shown in the table above will be reviewed during Quarter 3.

2.7 LU Line Upgrade – PPP JNP

Line Upgrade – PPPJNP	Current Plan Date	Actual / F'cast Date	RAG
Jubilee Line – Delivery of last train	Spring 2008	Spring 2008	●
Jubilee Line – LU acceptance of first section	Summer 2008	Summer 2008	●
Jubilee Line – LU acceptance of entire line	November 2009	November 2009	●

This programme begins with the Jubilee and Northern Line upgrades. The Jubilee Line Upgrade provides for signal and train control replacement to improve the capability of the lines. Completion is due in 2009 for the Jubilee Line, with the Northern Line to follow in 2012.

Transmission Based Train Control is the primary focus of work at present, with the Jubilee Line prototype train conversion behind schedule by 3 months on the accelerated programme. Tube Lines has strengthened its Rolling Stock Team and is reviewing the installation cycle to accelerate progress for a recovery programme. Overall the upgrades remain on track.

2.8 LU Line Upgrade – PPP SSL

Line Upgrade – PPP SSL	Current Plan Date	Actual / F'cast Date	RAG
New rolling stock – Preliminary vehicle design complete	28-02-2007	28-02-2007	●
D78 Stock – 66% of rolling stock refurbished and in service	31-08-2007	31-08-2007	●
Signalling system – preliminary design freeze	31-12-2008	31-12-2008	●

The sub-surface railway (Circle, District, Hammersmith & City and Metropolitan lines) upgrades will provide new and refurbished rolling stock, new signalling and a new control centre.

The SSL Upgrade Programme is currently in Phase 1. On the District Line 28 trains (37%) have now been refurbished and are available for service. The programme is on track to complete by 2018.

2.9 7-Car Circle Line

7-Car Circle Line	Current Plan Date	Actual / F'cast Date	RAG
Surveys/design for platform extensions begin	31-03-2007	31-03-2007	●
Platform extension work starts on site	31-03-2008	31-03-2008	●

This project provides for all the work associated with enabling 7-car operation at the minority of stations 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 four stations has identified affordability issues, which are being addressed by the design contractors. There are issues with the signalling interoperability between SSL, JNP and Network Rail but a way ahead is agreed.

London Rail

2.10 East London Line Extension (*)

East London Line Extension	Current Plan Date	Actual / F'cast Date	RAG
Award Main Works Contract	31-05-2007	12-10-2006	complete
Test Running	31-01-2010	14-05-2009	●

Completion	29-06-2010	19-10-2009	●
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The upgraded and extended East London Line is planned to open in 2010 with TfL as the passenger service operator through a joint ELL/NLR concession, termed 'London Overground'. LU will be the infrastructure controller and network operator north of New Cross Gate, with Network Rail the infrastructure controller for the remainder.

The second stage enabling works are well underway and remain forecast to complete in December 2006. The line from Whitechapel to Shoreditch and Shoreditch Station has now been closed to public service in preparation for the demolition of the Great Eastern bridge in 2007. The rolling stock supply & maintenance contracts were awarded to Bombardier on 30 August 2006. The East London Line main works contract was awarded to a consortium comprising Balfour Beatty and Carillion, post quarter end on 23 October.

The project is on track for the ELL to re-open on the scheduled date.

2.11 DLR Bank-Lewisham 3 Car Infrastructure

DLR Bank-Lewisham 3 Car Infrastructure	Current Plan Date	Actual / F'cast Date	RAG
Beckton Depot completion	20-10-2006	30-11-2006	▲
Tender documents to be returned	30-11-2006	11-12-2006	▲
Construction work starts	30-04-2007	09-04-2007	●
Construction/trackwork/signalling complete	30-09-2009	25-09-2009	●
Service operational	31-10-2009	28-09-2009	●

Tendering is underway for the construction contract, which is due to be let in March 2007. Work on the Beckton Depot expansion is due for completion in November 2006, with an additional expansion to service the new Olympic Railcars agreed to follow on.

2.12 DLR Woolwich Arsenal Extension

DLR Woolwich Arsenal Extension	Current Plan Date	Actual / F'cast Date	RAG
Complete up-tunnel	06-09-2006	24-11-2006	▲
Project completion	31-01-2009	31-01-2009	●

The interface with the Network Rail station progressed well and the down platform opened to passenger service on 21 August as planned.

There have been some delays in completing the up-tunnel under the Thames due to the requirement for additional maintenance on the tunnel boring machine for heavy wear. However the lost time can be recovered to allow the completion of the project on schedule. Good progress is being made on the construction of the Woolwich station.

2.13 DLR Stratford International

DLR Stratford International	Current Plan Date	Actual / F'cast Date	RAG
Contract Package 8	01-12-2006	22-12-2006	▲
TWA powers granted	31-12-2006	25-10-2006	complete
Contract Package 7	29-01-2007	29-01-2007	●

Contract Package 6	28-05-2007	10-04-2007	●
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TWA powers have now been granted on 25 October 2006. The ITT has been issued for all three contracts, with the first due to be placed in December 2006. Silverlink operation on the North London Line south of Stratford Regional will cease from December 2006 allowing work to start on the conversion of the railway for DLR operation.

Finance & Planning

2.14 Cross River Tram

Cross River Tram	Current Plan Date	Actual / F'cast Date	RAG
Complete Stakeholder consultation on route options	15-11-2006	15-10-2006	●
Complete review of options post consultation	28-02-2007	28-02-2007	●
Complete public consultation on route options	30-03-2007	30-03-2007	●

Stakeholder consultation on the route options is underway and public consultation is due to start in November 2006. A further public consultation will take place next year on the various depot options. Negotiations are underway with the developer at King's Cross to agree the alignment of the terminus there.

The programme to achieve TWA award now reflects the lessons learnt from the Thames Gateway Bridge project.

2.15 Croydon Tramlink Crystal Palace Extension

Croydon Tramlink Crystal Palace Extension	Current Plan Date	Actual / F'cast Date	RAG
Commence public consultation	31-10-2006	19-10-2006	complete
Commence investigation of options	31-10-2006	31-10-2006	complete
Agree governance and handover strategy with London Trams and Surface Transport	01-10-2006	30-11-2006	▲

The public consultation period will last for a period of 2 months starting in mid October 2006. Following consultation a preferred alignment will be selected to assist the London Development Agency planning application in May/June 2007. The consultation will only cover the Crystal Palace to Croydon extension, as the business case does not support the Crystal Palace to Beckenham extension.

Following close working with the LDA and extensive options appraisal, a compatible Crystal Palace Park / Tram scheme has been agreed to be included in TfL's route options. This will be aligned to the park periphery before terminating adjacent to the bus station on Crystal Palace Parade. TfL will also consult on an on-street option that enters the park from Anerley Hill shortly before reaching the terminus and a hybrid of the other two.

2.16 Thames Gateway Bridge (*)

Thames Gateway Bridge	Current Plan Date	Actual / F'cast Date	RAG
Obtain HM Treasury and PRG approval of outline Business Case	31-12-2006	31-12-2006	●
Issue of OJEC Notice and Pre-Qualification Questionnaire for Concession Contract	31-12-2006	31-12-2006	●
Approval by Secretary of State	30-03-2007	30-03-2007	●
Issue Invitation to Tender	30-05-2007	30-05-2007	●

A public inquiry was held between June 2005 and May 2006 into the planning applications and orders. Decisions on the planning applications and orders from the relevant Secretaries of State are expected by March 2007.

The Outline Business Case (OBC), which sets out TfL's application for PFI credits for the project, will need to be considered and approved by the HM Treasury Project Review Group prior to seeking expressions of interest from potential bidders via an OJEU notice and pre-qualification questionnaire for the project.

2.17 West London Tram

West London Tram	Current Plan Date	Actual / F'cast Date	RAG
TfL Board submission for approval to deposit (TWO) Application	30-11-2006	31-05-2007	■
Deposit (TWO) Application	31-03-2007	31-05-2007	▲
End of objection period	18-05-2007	31-07-2007	▲

The project programme has been revised to reflect the additional modelling and analysis required before the business case can be finalised and Board approval sought for a Transport and Works Act Order application. Gateway reviews have been provided to allow agreement of key data before confirming the next phase of programme. The first of these will be in November to confirm the modelling solution prior to finalising the business case.

2.18 Stratford Regional Station Upgrade (*)

Stratford Regional Station Upgrade	Current Plan Date	Actual / F'cast Date	RAG
Obtain Planning Consent and Powers	31-08-2006	30-11-2006	▲
Complete Scheme definition and programme	30-03-2007	30-03-2007	●

The validated estimate for the Olympic Enhancements is £104m for the capital works; the funding gap remains £54m with discussions ongoing between ODA, DfT and DCMS to resolve. The scheme has been presented to Treasury, DfT, DCMS and ODA, who have agreed that there is no alternative.

The procurement strategy for the implementation has been approved subject to securing the necessary funding. The planning application has now been submitted to the ODA planning committee following public consultations at the station with a decision expected by December 2006. The detail design remains on forecast to complete by March 2007.

The project remains on track to complete in October 2010, ready for the commencement of Olympic trial events in January 2011.

3. Other projects

- 3.1 This section reports on the remainder of the top 12 projects identified from the latest Oversight risk categorisation process which have a value below £100m and are therefore not included in the section above. It also includes other noteworthy projects in the quarter as identified through the Investment Management Review (IMR) process.

London Underground

3.2 Olympic Works (*)

Olympics Accessibility	Current Plan Date	Actual / F'cast Date	RAG
Southfields Design Complete	Summer 2007	Summer 2007	●
Green Park Design Complete	Spring 2008	Spring 2008	●
Baker Street Design Complete	Spring 2009	Spring 2009	●

This project provides step-free access at three Olympic-critical stations; Southfields, Green Park and Baker Street (SSL only). All three stations are at feasibility stage. The conceptual design of Southfields Station has now begun with the ticket hall design ready for review. A parallel study for congestion relief is also under way. The feasibility study for Green Park is ongoing. The feasibility design for Baker Street is complete and being reviewed by LU.

All three station projects are on target for completion in 2008 (Southfields), 2009 (Baker Street) and 2011 (Green Park).

3.3 Connect Airwave (*)

Connect Airwave	Current Plan Date	Actual / F'cast Date	RAG
Contract award	30-06-2006	31-12-2006	■

This project enhances the emergency services communication system on the Underground expanding coverage and capacity. Current progress reflects delays to award of contract, now expected in December, but pre-contract work is under way with on-time completion scheduled in 2008.

Surface Transport

3.4 Congestion Charging Western Extension (*)

Congestion Charging - Western Extension	Current Plan Date	Actual / F'cast Date	RAG
Go Live with Public Information Campaign	20-10-2006	09-10-2006	●
Completion of enforcement infrastructure proving	30-11-2006	22-12-2006	▲
Function, volume and end to end testing complete	08-01-2007	08-01-2007	●
Western Extension Scheme Operation	19-02-2007	19-02-2007	●

The Internal Readiness review was completed in September and concluded that the Western Extension Implementation remains on track to go live in February 2007. The Public Information campaign was successfully launched in early October with Capita going live with registration of discounts for residents within the Western Extension area on 20 October. All

new retail outlets have successfully completed the “Mystery Shopping” test. End to end system testing has started with Capita and their staffing recruitment and training is progressing.

3.5 iBus (*)

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

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

Progress is being made towards the System Acceptance testing which is scheduled for December 2006. The iBus roll out plan has been agreed with the Bus operators and is being communicated with Siemens, the appointed contractor. A formal iBus Operator Contract is under review with the bus operators defining the migration process, spare buses, training, etc. Migration workshops to minimise the risk of moving from the old radio system to the new are progressing with Siemens.

3.6 A406 Bounds Green (*)

A406 Bounds Green	Current Plan Date	Actual / F'cast Date	RAG
Submit Planning Application	30-11-2006	30-11-2006	●
Commence Construction	30-06-2009	30-06-2009	●
Complete Construction	30-04-2011	30-04-2011	●

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. The preferred “2006 Scheme” was approved by the TfL Board. This scheme is to be progressed on the merit of its environmental and safety benefits. It is anticipated that local objections should be reduced from previous schemes due to the reduced requirement for Compulsory Purchase Orders. Stakeholder engagement has been stepped up in preparation for submitting the Planning Application in November 06 (following TfL Board approval). The scheme continues to forecast completion in April 2011.

3.7 Bus Priority – TLRN Schemes

Bus Priority – TLRN Schemes	Current Plan Date	Actual / F'cast Date	RAG
8 Bus Lane Schemes Completed	31-03-2007	31-03-2007	●

This investment programme covers the preliminary and detailed design, consultation and implementation of physical bus priority measures on the TLRN. The small number of schemes which were carried over from 2005/06 into this financial year are now forecast to be completed by March 2007. Three out of eight bus lane schemes scheduled for 2006/07 were completed by the end of Quarter 2.

3.8 Coulsdon Relief Road

Coulsdon Relief Road	Current Plan Date	Actual / F'cast Date	RAG
Road Open (sectional completion)	23-10-2006	15-01-2007	▲
Substantial Completion and Handover	22-12-2006	12-02-2007	▲
Landscape maintenance completion	22-12-2009	22-12-2009	●

This is a local regeneration scheme involving the development of a relief road to divert up to 80% of traffic away from Coulsdon Town Centre. The discovery of a hitherto undetected and uncharted gas mains pipe at the north junction, following issues arising from ground condition during construction, has introduced further delay to road opening. With its replacement complete the project forecasts road opening to take place mid January, with substantial completion a month later.

3.9 Dial-a-Ride Scheduling System

Dial-a-Ride	Current Plan Date	Actual / F'cast Date	RAG
Complete migration of depots to new system	30-04-06	31-03-07	■
Introduce Mobile Data Terminals in all buses to transmit trip information	30-09-06	30-09-07	■

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

An implementation manager has been appointed for the duration of the project and the migration has recommenced with depot 3 (Paddington) planned to go live over the Christmas period. Using this as a model, the remaining three depots will migrate throughout 2007. Discussions continue with the software suppliers, Trapeze, to ensure that it is providing optimum and efficient scheduling. Further testing is planned during period October/November.

4. PPP/PFI Investment

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

4.1 London Underground

Tube Lines

- Track – completed 7.5km, which is behind the 9.5km planned.
- Lifts and escalators – two escalators were refurbished in Quarter 2.
- Stations – Ten stations from 05/06 are still under review however these are expected to be delivered into service in the next few weeks. One station due in 06/07 has been delivered into service. The remaining 11 are under review.

Metronet SSL

- Track – completed 4.9km of track, compared to the 4.5km in the 06/07 AAMP.
- Lifts and escalators – one escalator has been refurbished in Quarter 2.
- Stations – Of the 10 stations remaining from 05/06, two have been delivered into service and eight are late. None of the 15 stations due in 06/07 have been delivered.

Metronet BCV

- Track – completed 6.0km of track renewal, compared to the 10.6km in the 06/07 AAMP.
- Lifts and escalators – one escalator has been refurbished in Quarter 2.
- Stations – One station due to be delivered in 05/06 is under review. The remaining 14 are late. Of the 13 due in 06/07, one has been delivered into service, 4 are due to be delivered by year-end and the remaining 8 will be delivered later.

4.2 Connect Works (*)

Connect	Current Plan Date	Actual / F'cast Date	RAG
District Line go live	23-10-2006	23-10-2006	●
Hammersmith & City line go live	31-12-2006	31-12-2006	●
Metropolitan Line go live	31-12-2006	31-12-2006	●

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

The Fluor (cabling and associated works) enabling works for both the LU and Network Rail stations are now largely complete. The radio system went live on the District Line on 11 October. The Hammersmith & City Line and Metropolitan Line follow, with completion by December 2006.

4.3 Power Works

Power	Current Plan Date	Actual / F'cast Date	RAG
VLU Power Upgrade – award construction contract	30-06-2006	31-10-2006	■
VLU Power Upgrade – Bulk supply points delivered into service	09-03-2009	09-03-2009	●

The negotiation of the terms of the variation for the Victoria Line Power Upgrade with EDF Energy Powerlink has concluded with detailed drafting in progress but the final Authority Notice (AN) to start has not yet been placed due to the timescales required for Powerlink lender approvals and negotiations are currently ongoing. To mitigate further delays, LU has issued an advance purchase instruction to Powerlink to proceed with early works ahead of the full AN signature. The scoping, development and procurement of the SSL line upgrades will re-commence in Quarter 3, 2006/07 subject to the Victoria Line issues having been resolved. The programme is on track to deliver the increased power for the Line Upgrades.

5. Olympics

Progress on TfL's contribution to the London 2012 Olympic Games is reported each period to the Olympic Delivery Authority (ODA). This report has been well received, and is being used by the ODA as a template for the other delivery partner reporting. The latest report is attached as Appendix Three.

6. Investment Programme

The 2007/8 TfL Business Plan was approved by the TfL Board on 25 October, with publication scheduled for November 2006. This will include an updated 5 year Investment Programme and future versions of this report will be updated to reflect that version of the Investment Programme.

7. Investment Programme – Financial Progress

Total Investment Programme Expenditure £ millions	Year to Date		Full Year		
	Actual	Variance to Budget	Forecast	Budget	Variance to Budget
Capital Expenditure					
LUL (after overprogramming) ¹	109	(62)	296	383	(87)
Surface (after overprogramming)	98	4	227	246	(20)
London Rail	76	(21)	170	182	(12)
Group Directorates	10	(3)	41	28	13
Overprogramming (group level only)	-	32		(70)	70
<i>Total Capital Expenditure (after overprogramming)</i>	293	(49)	734	770	(36)
Development & Borough Expenditure	66	(10)	215	210	5
<i>Directly Managed Expenditure</i>	359	(59)	949	980	(31)
<i>Indirectly Managed Expenditure</i>	589	(56)	1,385	1,400	(15)
Total Gross Investment Expenditure	948	(115)	2,334	2,380	(46)

Total Investment Expenditure²

Total Gross Investment Expenditure YTD for the second quarter 2006/7 after overprogramming totalled £948m, £115m below budget with the whole year forecast showing £2,334m, £46m below budget.

Directly Managed (Including Capital Expenditure)

Net Value of Work Done (VOWD) on projects directly managed by TfL (including Development and Borough expenditure) at the end the second quarter was £59m under budget, after overprogramming. The full year forecast is anticipated to be £31m below budget, after overprogramming.

The largest single project in the LU variance is King's Cross CTRL, for which a revised programme was agreed after the budget submission. Both forecast spend and related funding have been decreased by £49m this year. The variance at year end for LU is set to increase due to lower expenditure on station accessibility and congestion relief projects, slightly offset by accelerated expenditure on major power works.

Although Surface Transport capital expenditure is £4m higher than year to date budget, it is forecast to be £20m lower than budget at year end due to less than anticipated project

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 upto Transport Works Act Order.

delivery. London Rail's year to date capital expenditure variance of £21m below budget reflects lower spend on the DLR upgrades and rephasing of the East London Line Extension and is forecasted to be £12m below budget at year end. Although Group Directorates capital expenditure was £3m below budget for the year to date, it is forecast to increase to £13m higher than budget at year end partly due to higher than budgeted expenditure on the Customer Services Integration Project.

Further information on Directly Managed expenditure can be found in the Operational and Financial Report.

Indirectly Managed

Expenditure on indirectly managed projects at the end of the second quarter was £56m below budget with the full year forecast showing an underspend of £15m. Refer to section 4 for detailed information.

Appendix Three:

Transport for London Olympic Transport Portfolio Executive Report

Transport for London



TfL's Olympic Transport Portfolio Executive Report

Quarter 2
2006/07



TfL Olympic Transport Portfolio Report

Report Details: Period Covered: 20 August 2006 to 16 September 2006

Owner: Jay Walder

Introduction:

The following report highlights progress towards delivery of the Olympic 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 Olympics 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:

- The East London Line main works contract was awarded to a consortium comprising Balfour Beatty and Carillion on 23 October.
- The rolling stock contract for the East London Line Extension was awarded to Bombardier.
- On the Stratford International DLR extension the pre-qualification evaluation of Package 6 (Line Extension Main Works) has been completed and five contractors have been short-listed.
- TfL welcomed Professor Bovey and his IOC delegation to London on 22 September. During his trip he visited the London Traffic Control Centre and received presentations on the Olympic Transport Operations Centre and London Olympic Route Network projects.
- On the North London Railway Infrastructure Project a technical advisor has been selected from the TfL supplier framework and will commence next period.
- The North London Railway station asset surveys were satisfactorily completed during the period.
- The planning application for the Stratford Regional Station Upgrade was formally submitted to the ODA on 15 September 2006.
- TWA order received for Stratford International on 25 October
- A full business case for the DLR Infrastructure Works has been submitted to the ODA for approval.

TfL Olympic Transport Portfolio Report

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

London Rail

East London Line Extension *

Good progress has been maintained for the majority of workstreams during Period 6. Second Stage Enabling Works work continues on the remaining replacement and refurbishment structures and to the viaduct drainage and waterproofing. On 23 October the main works contract was awarded to a consortium comprising Balfour Beatty and Carillion. The Rolling Stock contract was awarded to Bombardier on 30 August. Work is proceeding on the Passenger Service Operation programme.

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

The scope of the station upgrade work and standards expected to be achieved by the London Rail Concession concessionaire within the first 3 years of the concession has been defined within the ITT. NLR station asset surveys are complete and power usage monitoring will be completed during November 2006. This will then enable the specification of the works to be fully determined by London Rail, prior to the start of the London Rail Concession in November 2007. Work on determining the longer term (2 to 6 year) enhancements to the NLR is ongoing and is due to report in Autumn 2006.

DLR Woolwich Arsenal/3 Car Railcars *

Bombardier has advised that the first painted car-body will be 10 weeks late with the same delay potentially on the first vehicle. This is due to errors in manufacturing of the car-body side wall and bolster. Bombardier is currently assessing the impact that this may have on the delivery schedule. A revised programme has been received from Bombardier following a level 1 meeting on 27 September 2006. It is not believed that this delay will impact on the overall completion date.

DLR 3 Car North Route **

The statutory consultation period ended on 13 September 2006 with only 51 objections received by the Secretary of State for Transport, some of which have already been withdrawn. Meetings have been held with the affected Boroughs to discuss issues relating to their prospective objections.

DLR 3 Car Bank-Lewisham *

An extension of time has been granted to the tenderers of Packages 1 and 2 (Bank to Mudchute and Mudchute to Lewisham) due to a request received from two of the bidders, with the returns now expected on 11 December 2006. Work continues on the Beckton Depot. The project completion date remains on schedule.

Stratford Regional DLR Station *

The construction of the main deck (viaduct) slab continued and is expected to be completed as per the programme in mid-October when the trackworks will commence. A revised programme has been received showing the southern platform completing in mid April 2007, due to the additional mechanical and engineering works that are required before the platform can become operational.

London City Airport DLR Extension *

The closure report has been received and is awaiting project closure review which is now scheduled to take place by the end of period 7.

TfL Olympic Transport Portfolio Report

Woolwich Arsenal DLR Extension *

Progress on the up-tunnel continued, but this has been slower than programmed due to maintenance on the cutting head taken longer than initially anticipated. At the end of the period, 661.5m had been constructed against the projected progress of 1650m. This reflected the most effective period of tunnelling since work began in the Spring, with work completed at a speed ahead of programme. The realistic date for completion is still late November, although this is not expected to affect completion date overall. Construction of the station continued to progress well, along with the intervention shaft, both of which are on programme.

Stratford International DLR Extension **

The pre-qualification evaluation of package 6 (line extension main works) has been completed and five contractors have been short-listed. The package 6 ITT documents will be issued in period 7. The evaluation of the package 8 (Stratford International station) tender returns has commenced and a tender review group has been set up.

DLR Railcar Refurbishment **

A total of 82 vehicles from the fleet of 94 are now back in service, following an additional 2 refurbished vehicles re-entering service during the period.

London Underground

LU Line Upgrades PPP BCV (Victoria Element)

The VLU programme has a contractual delivery date of 17 August 2013. The VLU is not an Olympic deliverable. Metronet has adopted an aggressive 2-year early delivery date. This accelerated target delivery date is slipping primarily due to delays in the signal component. The most current programme information indicates that barring future delays, the journey time capability will be available by February 2012. However, the only delivery date that can be enforced through the contract remains the contract commitment date. LU recognises its obligation to maintain the service level of the Victoria Line consistent with its Olympic commitments. Metronet has handed over nine out of fourteen Signal Equipment Rooms to Westinghouse which is installing equipment at five sites, two sites are almost complete. Signal Control Centre building is due for completion in December 2006.

LU Line Upgrades – PPP JNP (Jubilee Elements)

The current key project deliverables in this portfolio are signalling upgrades to the Jubilee Line. The Signal Equipment Room Programme is currently behind schedule [by three months] due to late Alcatel changes in requirements impacting design and construction activities. A revised signalling installation programme has been agreed between Tube Lines to be demonstrated by the end of November. On both Northern Line and Jubilee Line, trains are running 3 months behind the advance schedule [due to complexity in conversion and internal TLL assurance]. The slippage will not impact the contractual delivery dates for the upgrades.

LU Stations Modernisation and Refurbishments – PPP BCV (Metronet)

Metronet – BCV has a contractual obligation to modernise and refurbish 55 stations during the first 7.5 year review period. To date, BCV has delivered into service 5 stations with 50 remaining. Four stations have been submitted for practical completion.

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

Tube Lines has a contractual obligation to modernise and refurbish 97 stations during the first 7.5 year review period. To date, Tube Lines has delivered 20 stations into practical completion with 77 remaining. Tube Lines have declared a further 10 stations as practically complete and these are currently undergoing review.

LU Stations Modernisation and Refurbishments – PPP SSL (Metronet)

Metronet – SSL has a contractual obligation to modernise and refurbish 77 stations during the first 7.5 year review period. To date, Metronet has delivered into service 11 stations with 66 remaining. Putney Bridge has been declared as practically complete and is undergoing review.

TfL Olympic Transport Portfolio Report

CTRL at Kings Cross (Northern Ticket Hall)

The opening of the Western Ticket Hall and the Enlarged Tube Ticket Hall occurred on 28 May 2006. The forecast completion date of Phase 1 (expanded Tube ticket hall and new Western Ticket Hall) works remains on schedule against the baseline date of December 2006. Metropolitan & Circle Line platform refurbishment fit-out is continuing. Heritage works to St Pancras' Euston Road facade is completed. For Phase 2, excavation and structural works for the Northern Ticket Hall Link Passage has begun and the tower crane foundation is now completed with the installation of the crane to start. The main underpass was opened successfully on 8 October. This means that customers interchanging between the Tube and sub-surface lines can do so without passing through ticket gates, offering them a faster, easier connection.

LU Extensions – Piccadilly Line Extensions to Heathrow T5

Progress is on plan to deliver the Piccadilly Line Extension to Heathrow Terminal 5 Project (PiccEx) in March 2008. The main deliverables are the T4 Loop reopening in September 2006 and the commencement of Trial Operations in March 2007. The Loop reopened successfully on 17 September 2006 as planned.

Wembley Park

This project was completed on 15 May 2006.

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

Southfields Step Free Access (SFA) Conceptual Design was instructed and is ongoing during the period. Discussions to include the Ticket Hall reconfigurations works in the SFA programme are underway. Baker Street Step Free Access Options Analysis feasibility study was completed and is under review. The feasibility study for Green Park Step Free Access is ongoing with the final report due in January 2007.

North Greenwich Congestion Relief

This project is to provide additional access and egress to this station in anticipation of development underway including the construction of a stadium. Currently on site, the fixed stairs are complete apart from handrails and glass enclosures (the latter have been delivered). Work has commenced on fire systems.

Surface Transport

East London Transit *

Design incorporating the changes as a result of the LB Barking and Dagenham conditions has been submitted to them for approval and this is expected in October. A review of the programming impacts of the three month delay in the LB Barking and Dagenham approval and of the design changes is currently under way and is expected to be completed by the P7 report. The OJEU notice was dispatched on 15 September 2006 and the procurement workstream is on track to deliver the streets infrastructure in line with the programme.

Greenwich Waterfront Transit Phase 1

Nothing to report this period.

* Denotes: Projects in the guarantee from TfL

** Denotes: Other infrastructure projects that may support the Olympics

TfL Olympic Transport Portfolio Report

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

London Rail

North London Railway Infrastructure Project

Work continued with mobilisation of the team and initiation of workstreams with Network Rail. A technical advisor has been selected from the TfL supplier framework and will commence during the following period. The design for the Dalston Western Curve has commenced and a procurement strategy is being developed.

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. However, now that the order has been placed it is envisaged that the delivery will follow that of the Woolwich Arsenal / 3 Car railcars, which are scheduled for delivery in 2007/08.

DLR 3 Car Poplar – Woolwich Arsenal

The invitation to tender (ITT) for package 4 (Poplar to Woolwich Arsenal / Poplar to Canning Town) was issued on 25 July 2006 and tender returns are expected back on 11 December 2006. A full business case for the DLR Infrastructure Works has been submitted to the ODA for approval.

DLR Olympics Station Capacity Improvements

This is being progressed as part of the 3 Car North Route and 3 Car Poplar-Woolwich Arsenal TWA. Development work is currently being funded out of the main 3 Car budget.

DLR West Route Signalling Improvements

Costs are still awaited from Alcatel for this piece of work, however development work is not scheduled to commence until the latter part of 2006.

DLR West Route Resilience

This project is being procured as part of the 3 Car Bank-Lewisham project. For detailed project updates please refer to the 3 Car Bank-Lewisham report.

London Underground

LU West Ham (Station)

The LU West Ham (Station) project is anticipated to provide a new western entrance to address the increased demand from spectators for the Olympics Games as well as background increase anticipated as a result of the Parcellforce and Islamic Cultural Centre development sites located to the west of the Jubilee line. A Requirement Statement for design services up to Conceptual Design has been issued to Tube Lines and the feasibility study is anticipated to commence in October 2006.

Central Line Operational Enhancement Project (LU Resilience)

The Central Line Enhancement project was proposed to improve the operational resilience and reliability on the Central Line by providing additional reversing points and additional sidings. This would support the higher service frequencies expected by the Olympics and improve resilience. An understanding has now been reached with the ODA both that their Olympic resilience requirements can be better met with an operational plan and that there would be minimal legacy benefit to LU from the Capital works. **This project has been submitted to the ODA change control process and will not appear in future reports.**

TfL Olympic Transport Portfolio Report

Surface Transport

Cycle Route Enhancements and Walking Routes

A scoping document, setting out the principles and approach to planning for cycling and walking for the 2012 Olympic and Paralympic Games, has been produced and widely consulted upon. Initial walking and cycling route identification work is being pursued, including feasibility for using waterways and adjacent towpaths in the vicinity of the Olympic Park as natural navigation systems for walking and cycling to Olympic venues. The Active Spectator Programme and associated travel demand management initiatives are being explored to encourage spectators and the workforce to walk and cycle to the Olympics. Meetings with the Olympic Park master planning team and Arup, responsible for the Olympic Park Transport Assessment, have taken place. Two stakeholder groups have been set up to assist with the development of the Olympic cycling and walking programme: the Olympic Active Travel Advisory Group (OATAG) and a borough steering group. The TfL Cycle and Walking Accessibility team also attend monthly ODA Surface Transport Steering Group meetings.

Olympic Route Network (ORN) Carriageways

Work is proceeding on the London ORN Stage 1 & 2 consultancy commission (data gathering and journey time assessment) and for the preparation for an Olympic “toolkit” workshop with TfL stakeholders in November. The results of the August traffic surveys carried out in order to infill gaps in existing traffic data on the London ORN have been received and passed over to the consultants doing the Stage 1 & 2 work. Additional traffic data identified earlier from some of the London boroughs and other branches of TfL has also been collected and handed over. Road Network Development's ORN team has been strengthened by the addition of a Streets' Olympic Champion.

Enhancements to TfL Local Bus Services for Spectators

No significant events to report this period. The programme is on schedule. A scoping plan for the bus services and driver procurement is due in April 2007.

LTCC (London Traffic Control Centre) Development

The control centre co-location project continues, and a preferred option has been identified as a combination of the Palestra building at Southwark (Surface Transport) and the Broadway complex at St. James's Park (LUL). The project team will now develop a detailed implementation plan for the co-location. The project is scheduled to complete sometime after 2008.

Finance and Planning

Stratford Regional Station Upgrade

The Scheme has been presented to Treasury, DfT, DCMS and ODA, who agreed that there is no alternative scheme. This stage of the works is to programme. The procurement plan has been submitted to the ODA's rail steering group for approval. The implementation programme, whilst evolving, has been published and formal acceptance is awaited. The planning application was formally submitted to the ODA on 15 September 2006.

TfL Olympic Transport Portfolio Report

Key Programme Risks

East London Line

Issues remain with Network Rail over approval of the track access option, however Network Rail approval is expected imminently.

DLR Woolwich Arsenal / 3 Car Railways

Delivery of the first painted car-body will be 10 weeks late, although this time is already being recovered and there should be no delay to the overall project.

Woolwich Arsenal DLR Extension

Completion of the up-tunnel is now scheduled for mid-November due to maintenance on the cutting head taking longer than initially anticipated, however this delay will not impact on the project completion date.

Issues / Decisions

Stratford Regional Station Upgrade

The validated estimate for the Olympic Enhancements is £104m for the capital works: the funding gap remains £54m with discussions ongoing between ODA, DfT and DCMS to resolve.

Failure to secure the stated level of funding contribution for the works being undertaken by SCDL. The situation continues to be monitored.

There is a possibility of an issue over the boundaries of station upgrading. A non-compliance report is being developed.

Olympic Road Network Carriageways

Greater visibility of other plans & projects with potential impacts on the Olympic Route Network is required.

TfL Olympic Transport Portfolio Report





Independent Engineer Status Report	
Nothing to report this period	
Previous reviews	
Nothing to report this period	
Next Reviews	Date
3 Car North Route	Quarter 2 2006/7 *
3 Car Bank – Lewisham	Quarter 2 2006/7 *
DLR 3 Car Poplar – Woolwich Arsenal	Quarter 2 2006/7 *
Greenwich Waterfront Transit	Quarter 2 2006/7
Stratford Regional Station	Quarter 2 2006/7
Stratford International DLR Extension	Quarter 3 2006/7
East London Transit Phase 1a	Quarter 3 2006/7
East London Line	Quarter 3 2006/7
Woolwich Arsenal DLR Extension	Quarter 4 2006/7
* to be conducted as a joint review	

Milestones






	Project on schedule
	Project behind schedule
	Project behind schedule impacting Olympic delivery

TfL Funded





East London Line Extension (LR – PJ01)

	Current Plan	Actual/forecast date	RAG status
Rolling Stock award contract	12/07/2006	10/08/2006	Completed
Second Stage Enabling Works Complete	07/12/2006	22/12/2006	
Main works commence on site	08/02/2007	08/02/2007	
Test running commences	31/01/2010	14/05/2009	
Completion	29/06/2010	19/10/2009	







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

	Current Plan	Actual/forecast date	RAG status
First painted car body	30/09/2006	04/12/2006	
First train delivered	31/08/2007	31/05/2007	
18 th Car in Service	30/04/2008	24/03/2008	
Last train delivered	31/12/2008	20/05/2008	
All cars in service	28/02/2009	23/06/2008	

DLR 3 Car North Route (LR – PJ05)

	Current Plan	Actual/forecast date	RAG status
Powers / consents granted	31/03/2007	31/10/2007	
Contract award	01/09/2007	01/09/2007	
Construction work complete	31/12/2009	22/12/2009	
Operational date	31/03/2010	01/05/2010	

DLR 3 Car Bank – Lewisham (LR – PJ06)

	Current Plan	Actual/forecast date	RAG status
Beckton Depot completion	20/10/2006	30/11/2006	
Tender documents returned	30/11/2006	11/12/2006	
Contract award	29/01/2007	12/03/2007	
Construction work starts	30/04/2007	09/04/2007	
Construction/Trackwork/Signalling complete	30/09/2009	25/09/2009	
Service operational	31/10/2009	28/09/2009	

Stratford Regional DLR Station (LR – PJ07)

	Current Plan	Actual/forecast date	RAG status
Start works	30/08/2005	01/08/2005	Completed
Completion of phase 1 (South Platform)	31/12/2006	19/04/2007	▲
Canopy complete	27/02/2007	27/02/2007	●
Completion	31/03/2007	23/07/2007	▲

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

	Current 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)

	Current Plan	Actual/forecast date	RAG status
Appoint Concessionaire	31/05/2005	31/05/2005	Completed
Commence construction	31/03/2006	27/06/2005	Completed
Complete up tunnel	06/09/2006	24/11/2006	▲
Project completion	31/01/2009	31/01/2009	●

Stratford International DLR Extension (LR – PJ10)

	Current Plan	Actual/forecast date	RAG status
Submission of TWA application	30/09/2005	31/08/2005	Completed
Contract award package 8	01/12/2006	22/12/2006	▲
TWA order powers granted	31/12/2006	31/10/2006	●
Contract award package 7	29/01/2007	29/01/2007	●
Contract award package 6	28/05/2007	10/04/2007	●

DLR Railcar Refurbishment (LR – PJ15)

	Current Plan	Actual/forecast date	RAG status
Completion of 94 th vehicle	30/11/2006	06/03/2007	▲

East London Transit Phase 1a (ST – PJ24)

	Current Plan	Actual/forecast date	RAG status
Infrastructure works complete	22/01/2008	22/01/2008	●
Service starts	16/02/2008	16/02/2008	●

Greenwich Waterfront Transit (ST – PJ25)

	Current Plan	Actual/forecast date	RAG status
Phase 1 Engineering feasibility complete	31/05/2005	25/02/2006	Completed
Handover of phase 1 to Surface Transport	01/06/2006	01/06/2006	Completed
Complete construction	25/06/2010	25/06/2010	●
Service starts	31/08/2010	31/08/2010	●

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

	Current Plan	Actual/forecast date	RAG status
1 train accepted to run in LUL traffic hours	Spring 2009	Spring 2009	●
Commence rolling stock full production	Summer 2010	Summer 2010	●
Service control centre demo	Summer 2011	Summer 2011	●
JTC delivery	17/08/2013	17/08/2013	●

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

	Current Plan	Actual/forecast date	RAG status
LUL acceptance of first section	Summer 2008	Summer 2008	●
Delivery last train	Spring 2008	Spring 2008	●
LUL acceptance of entire line	14/11/2009	14/11/2009	●

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

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

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

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

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

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

CTRL at Kings Cross (Northern Ticket Hall) (LU – PF41)

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

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

	Current 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	Spring 2008	Spring 2008	●

Wembley Park Station (LU – PJ 34)

	Current 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)

	Current Plan	Actual/forecast date	RAG status
Completion of design for Green Park	Spring 2008	Spring 2008	●
Completion of construction of Green Park	Winter 2011	Winter 2011	●
Completion of design for Baker Street	Spring 2009	Spring 2009	●
Completion of construction for Baker Street	Winter 2010	Winter 2010	●
Completion of design for Southfields	Summer 2007	Summer 2007	●
Completion of construction for Southfields	Winter 2008	Winter 2008	●

North Greenwich Congestion Relief (LU – PJ30)

	Current Plan	Actual/forecast date	RAG status
Substantial completion of station congestion relief	31/12/2006	31/12/2006	●

PSFP Funded

DLR Olympic Additional Railcars – Part funded (LR – PJ20)

	Current Plan	Actual/forecast date	RAG status
Final railcar delivered	31/12/2009	31/12/2009	●
Complete testing and commissioning	31/03/2010	31/03/2010	●
All cars in service	30/06/2010	30/06/2010	●

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

	Current Plan	Actual/forecast date	RAG status
Submit planning application	31/08/2006	02/08/2006	Completed
Award design and construction contract	31/12/2007	01/09/2007	●
Service operational	31/03/2011	01/05/2010	●

DLR Olympic Stations Capacity Improvements (LR – PJ25)

	Current Plan	Actual/forecast date	RAG status
Submit planning application	31/12/2006	31/12/2006	●
Award construction contract	31/12/2008	31/12/2008	●
Works complete	31/03/2011	31/03/2011	●

West Route Signalling Improvements (LR – PJ23)

	Current Plan	Actual/forecast date	RAG status
Signal design	30/06/2006	31/12/2006	▲
Procure contract	31/05/2007	31/05/2007	●
Signal loop operational	31/03/2008	31/03/2008	●

Stratford Regional Station Upgrade (FP – PJ26)

	Current 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	▲
Complete Scheme Definition and Programme	30/03/2007	30/03/2007	●

Programme/Project	Directly Managed?	Schedule Dates		Schedule (Calendar Years)																				Independent Engineer Schedule		
		Type	Finish	2006				2007				2008				2009				2010					2011	2012
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
London Rail																										
LR-PJ01C East London Line Extension The East London Line Extension will extend and upgrade the existing East London Line and deliver interchange works around stations, particularly Dalston and Shoreditch High Street.	Y	BL (PIP) BL (CA) A/F	29/06/2010 29/06/2010 19/10/2009	◆							◆														Q1 2006 Q3 2007 Q4 2008	
LR-PJ03C North London Railway - Stations Improvement Programme Improve service levels in the off-peak and weekends together with more attractive and secure stations.	Y	BL (PIP) BL (CA) A/F	31/03/2008 31/03/2008 31/03/2008			◆								◆											Q3 2006 Q3 2008	
LR-PJ04C Woolwich Arsenal/3 Car Railcars Procurement of 18 new railcars for 3 Car upgrade, this will increase the AM Peak Capacity from 17 tph (2 Car) to 15 tph (3 Car). In addition, procurement of 6 vehicles required to operate the planned service to and from Woolwich Arsenal.	Y	BL (PIP) BL (CA) A/F	28/02/2009 28/02/2009 23/06/2008																						Q1 2007 Q1 2008	
LR-PJ05C 3 Car North Route This project will increase the capacity on the north route to Stratford by converting it to a double track route (it is currently partly a single track route).	Y	BL (PIP) BL (CA) A/F	31/08/2009 31/03/2010 01/05/2010																						Q2 2006 Q2 2007 Q2 2009	
LR-PJ06C 3 Car Bank-Lewisham This project covers the structural works (platform extensions, track realignment, viaduct strengthening) necessary for 3 car operations between Bank/Tower Gateway and Lewisham.	Y	BL (PIP) BL (CA) A/F	31/10/2009 31/10/2009 28/09/2009																						Q2 2006 Q2 2007 Q2 2009	
LR-PJ07C Stratford Regional DLR Station Provision of double track DLR platforms at Stratford Regional Station to replace existing single narrow platform.	Y	BL (PIP) BL (CA) A/F	30/03/2007 30/03/2007 23/07/2007																						Q1 2009	
LR-PJ08C London City Airport DLR Extension This project covers the extension of DLR to London City Airport including intermediate stations at West Silvertown, Pontoon Dock and King George V with passive provision for two other stations to be opened in line with development.	Y	BL (PIP) BL (CA) A/F	30/12/2005 15/12/2005 02/12/2005																							
LR-PJ09C Woolwich Arsenal DLR Extension This project comprises an extension of the railway under the Thames from King George V to Woolwich Arsenal with new combined station at Woolwich Arsenal linking with town centre, buses, Connex rail services and Waterfront Transit.	Y	BL (PIP) BL (CA) A/F	30/12/2008 05/01/2009 31/01/2009																						Q4 2007 Q4 2008	
LR-PJ10C Stratford International DLR Extension Extension of DLR from Canning Town using the existing North London Line alignment to Stratford Regional station with 3 new intermediate stations and new construction onwards to Stratford International Station.	Y	BL (PIP) BL (CA) A/F	31/12/2009 30/06/2010 30/06/2010																						Q3 2006 Q3 2007 Q3 2009	
LR-PJ15C DLR Railcar Refurbishment This activity covers the management of the contract with Alstom to refurbish the existing fleet of 94 vehicles to improve reliability maintenance and enhancements that contribute to DLRs duties under the Disability Discrimination Act. Examples include: full audio & visual announcements, colour contrasting fittings for visually impaired, compliant wheel chair bay with call-for aid and exterior livery contrasts for visually impaired.	Y	BL (PIP) BL (CA) A/F	30/03/2006 30/11/2006 06/03/2007																						Q1 2009	
London Underground																										
LU-PF20 LU Line Upgrades - PPP BCV (Victoria Element [Data shown is for Interim Upgrade - 5% capacity increase]) Increase capacity on an existing line. Infracos required to provide the capability for reduced journey times, to enable this. Achieved by co-ordinated renewal/replacement of assets, typically signals and rolling stock.	N	BL (PIP) BL (CA) A/F	31/12/2006 31/12/2006 31/12/2006																							
LU-PF21 LU Line Upgrades - PPP JNP (Jubilee Line Elements - 22% capability improvement eqv to capacity increase of 48%) Increase capacity on an existing line. Infracos required to provide the capability for reduced journey times, to enable this. Achieved by co-ordinated renewal/replacement of assets, typically signals and rolling stock.	N	BL (PIP) BL (CA) A/F	14/11/2009 14/11/2009 14/11/2009																							
LU-PF32 LU Modernisations and Refurb - PPP BCV Stations are subject to three types of work: 1) Station modernisation - a major upgrade to stations; 2) Station refurbishment - a package of works to ensure there is no insidious decline in condition of station; and 3) Enhanced Station Refurbishment - a package of works to enhance ambience, reduce future maintenance requirements and to ensure there is no insidious decline in condition of station.	N	BL (PIP) BL (CA) A/F	31/03/2010 31/03/2010 31/03/2010																						Q3 2007 Q1 2009 Q3 2010	
LU-PF33 LU Modernisations and Refurb - PPP JNP Stations are subject to three types of work: 1) Station modernisation - a major upgrade to stations; 2) Station refurbishment - a package of works to ensure there is no insidious decline in condition of station; and 3) Enhanced Station Refurbishment - a package of works to enhance ambience, reduce future maintenance requirements and to ensure there is no insidious decline in condition of station.	N	BL (PIP) BL (CA) A/F	31/03/2010 31/03/2010 31/03/2010																						Q1 2008 Q3 2009 Q4 2010	
LU-PF34 LU Modernisations and Refurb - PPP SSL Stations are subject to three types of work: 1) Station modernisation - a major upgrade to stations; 2) Station refurbishment - a package of works to ensure there is no insidious decline in condition of station; and 3) Enhanced Station Refurbishment - a package of works to enhance ambience, reduce future maintenance requirements and to ensure there is no insidious decline in condition of station.	N	BL (PIP) BL (CA) A/F	31/03/2010 31/03/2010 31/03/2010																						Q2 2012	
LU-PF41 CTRL at Kings Cross (Northern Ticket Hall) Increased capacity at King's Cross St. Pancras station (LU) in the form of an expanded Tube Ticket hall, new Western ticket hall, and Northern ticket hall integrated with the Network rail Western Concourse.	Y	BL (PIP) BL (CA) A/F	31/12/2009 31/12/2010 31/12/2010																						Q4 2005 Q1 2007 Q3 2008	
LU-PF45 LU Extensions - Piccadilly Line Extension to Heathrow T5 Extension to Piccadilly line west of the existing Heathrow airport Terminal 4 loop, via twin bored tunnels to serve a new station at Heathrow Terminal 5. The work is funded by BAA with LU contributing to the cost through a 30 year revenue sharing agreement	Y	BL (PIP) BL (CA) A/F	31/12/2010 31/12/2010 30/06/2008																						Q2 2006 Q1 2007 Q3 2008	
LU-PJ34C Wembley Park The scheme includes: • an enlarged ticket hall concourse; • widening of the existing staircase from Olympic Way to the 'events' ticket hall, plus provision of a step-free access lift; • a new overbridge to the rear of the commuter ticket hall, with re-loc	Y	BL (PIP) BL (CA) A/F	31/05/2006 31/05/2006 31/05/2006																						Q2 2007	

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

End 5 Year TfL Investment Programme

2012 Olympics/Paralympics

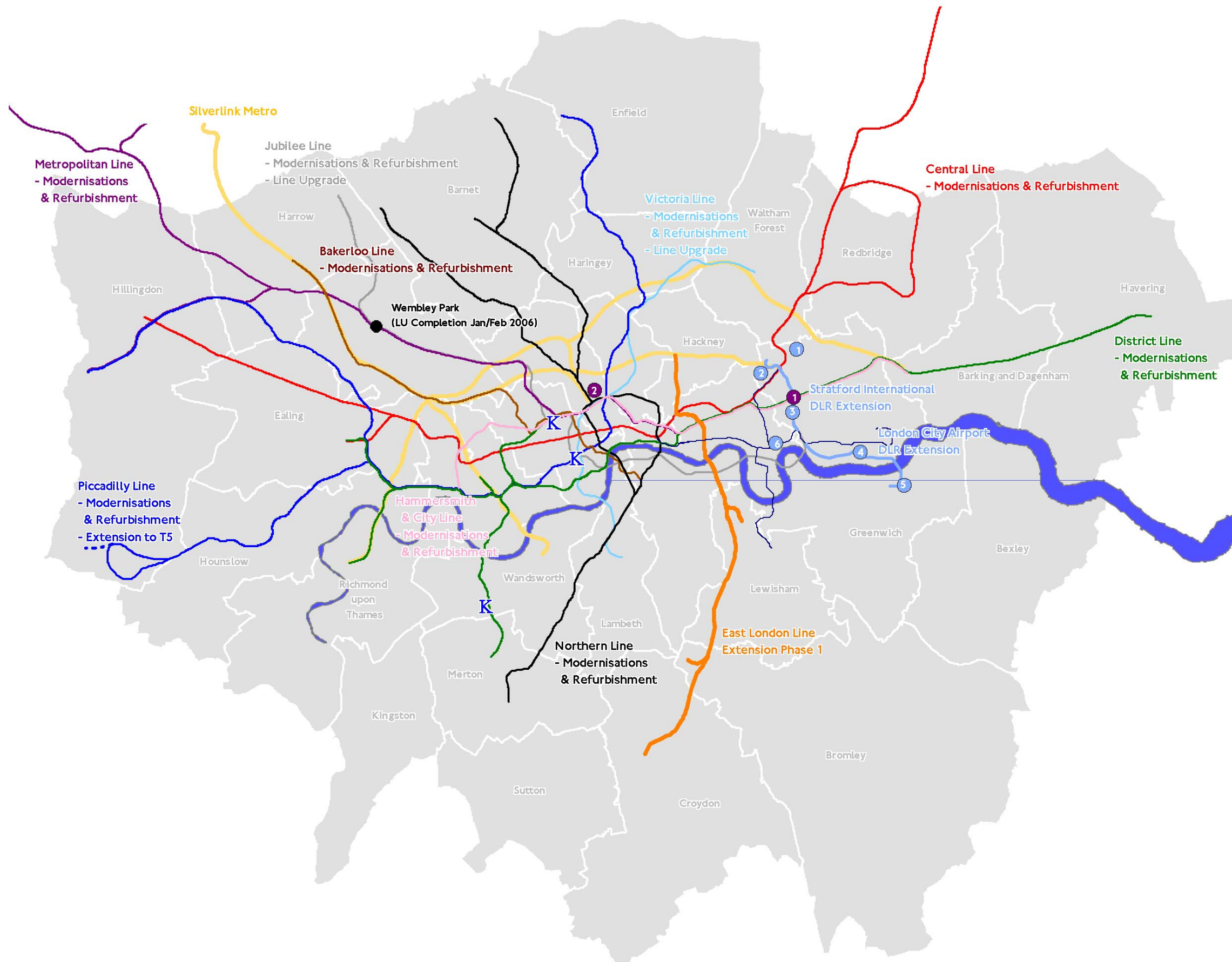
Note: All IE review dates are indicative

These indicative dates for the LU Line upgrades and Modernisation/Refurb programmes are based on the assumption of ongoing programme of works for the


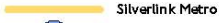
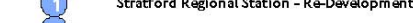


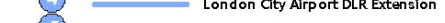
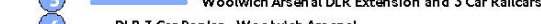

Programme/Project	Directly Managed?	Schedule Dates		Schedule (Calendar Years)																												Independent Engineer Schedule
		Type	Finish	2006				2007				2008				2009				2010				2011	2012	Indicative review dates						
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4								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

BL (PIP)
BL (CA)
Actual/Forecast
◆ Indicative IE review dates
 Public Sector Funding Package

TfL Olympic Transport Portfolio report - TfL Rail Schemes




London Rail




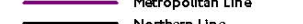





-  East London Line Extension Phase 1
-  Silverlink Metro
-  Stratford Regional Station - Re-Development
-  Stratford Regional DLR Station
-  Stratford International DLR Extension
-  London City Airport DLR Extension
-  Woolwich Arsenal DLR Extension and 3 Car Railcars
-  DLR 3 Car Poplar - Woolwich Arsenal



(1) Network Rail North London Line 3 Car 8 tph (Olympic Infrastructural)
 (2) 3 Car North Route (Double Tracking)
 (3) 3 Car Bank - Lewisham
 (4) DLR West Route Signalling Improvements (Signal Loop & New Siding)
 (5) DLR Railcar Refurbishment
 (6) DLR Olympics Additional Railcars
 (7) DLR Olympics Stations Capacity Improvements
 (8) West Route Resilience

London Underground


-  LUL 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

 LU West Ham (Stations)
 LU West Ham (Stations)

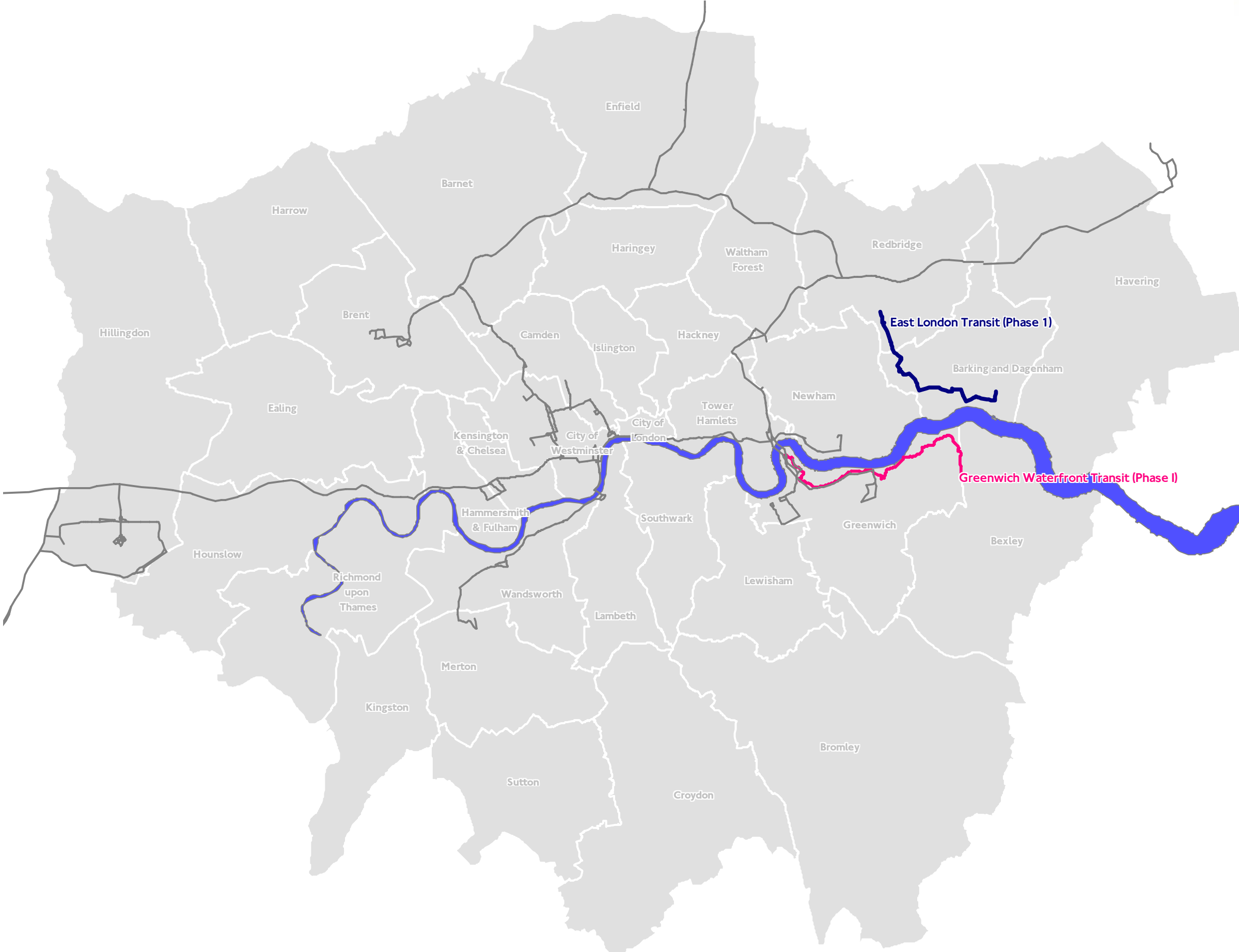
Station Improvement

-  Wembley Park

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


(1) Central Line Operational Enhancement Project (LU Resilience)
 (2) North Greenwich Congestion Relief

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

TRANSPORT FOR LONDON

BOARD MEETING

SUBJECT: Update on TfL's Investment Programme Oversight Function

MEETING DATE: 7 December 2006

1. PURPOSE

- 1.1 The purpose of this paper is to provide a summary report to the Board on the development of TfL's Investment Programme Oversight function.

2. DECISION REQUIRED

- 2.1 The Board is asked to note the contents of this report.

3. BACKGROUND

- 3.1 Towards the end of FY 04/05, against the backdrop of the impending TfL five-year Investment Programme (IP), the requirement to bolster TfL's management assurance capability at a senior level was identified. In response to this, the then Commissioner initiated an effort to develop an Oversight function, the primary remit of which would be to provide independent assurance in respect of IP delivery.
- 3.2 During the course of 05/06, a consultancy led interim team was charged with developing the Oversight function, in accordance with the findings of a benchmarking study conducted with a range of major public and private sector organisations engaged in the delivery of large scale and complex investment programmes (e.g. the UK Ministry of Defence, BAA, Orange, BP and the New York MTA). As part of this exercise, a permanent (i.e. TfL staffed) team was recruited, to whom responsibility for the Oversight function was 'handed over' with effect from April 2006.
- 3.3 The three primary roles of the Oversight team are to:
- Provide periodic progress reporting to the Commissioner on the delivery of the IP;
 - Commission Independent Engineer Reviews of projects and programmes within the IP; and,
 - 'Champion' improvements to TfL's project and programme management capabilities.

- 3.4 This paper provides the Board with a brief update in respect of each of these three functions.

4. Investment Programme Reporting

- 4.1 The first of Oversight's functions is to act as 'owner' in respect of TfL's IP reporting and progress tracking processes. These processes are now well established across the business. They focus on a subset of the IP comprising the fifty highest risk projects and programmes, as derived via a biannual IP risk categorisation exercise. This exercise scores the entire IP against a number of risk dimensions (e.g. financial, schedule, reputational, technical) in order to provide a ranking of all IP projects and programmes. The fifty highest risk projects (the "Oversight Top 50"), which in total account for circa half the total value of the IP, then become the focus of Oversight's reporting and assurance activities over the following six month period.
- 4.2 Reports on the progress of each of the projects and programmes within the "Oversight Top 50" (which is listed at [Appendix 1](#), for information) are submitted by the relevant modes to Oversight each reporting period. These reports - which provide a 'one page view' of financial and schedule status, as well as information on key issues and risks – are then briefed by Oversight to the Commissioner and subsequently discussed by him and each of the modal MDs at an Investment Management Review (IMR) meeting. The periodic IMR meetings are supplemented by a quarterly IP Chief Officer Meeting (IPCOM), at which the Commissioner and his Chief Officers review the overall status of the IP.
- 4.3 A summary of TfL's IP reporting output is provided each quarter to the Finance Committee.

5. Independent Engineer Reviews

- 5.1 The Independent Engineer Review programme is a key part of the Oversight function. This programme targets detailed reviews at the most critical IP projects. The reviews are undertaken by external expert consultancies to provide an independent assessment of the likely success of the projects and to identify areas for improvement. It is also the intention that they provide impartial and knowledgeable third-party input into the actual project teams.
- 5.2 Following an OJEU regulated procurement process led by the interim Oversight team during the course of FY05/06, TfL established a framework agreement for a period of four years (with an option to extend by a further year) with the following three suppliers:
- Parsons Brinkerhoff Ltd
 - Halcrow Group Limited
 - Scott Wilson Kirkpatrick & Co. Ltd

- 5.3 During 05/06 (i.e. under the tenure of the interim Oversight team) a total of five Independent Engineer reviews were undertaken (in large part as a means of proving the IE concept). A further 8 reviews having been undertaken this year (as at the end of Q2) with a further 20 reviews scheduled (or underway) across Q3 and Q4.
- 5.4 Each project reviewed is given a deliverability score on a scale of one to ten (one being the lowest). This score identifies the Independent Engineer's view of the likely success of the project based on the current approach by the project team. The average score for the projects reviewed during Q1 and Q2 of this financial year is 7, with none having scored less than 6. The Independent Engineer reviews also generally identify a range of suggested improvements to project delivery and these are always taken on board by the project teams.
- 5.5 Overall, good progress has been made in establishing the 3rd party assurance brought to bear by the Independent Engineers as part of TfL's 'business as usual' processes, with the modes developing an increasing understanding of the objectives and potential 'second opinion' value of these reviews. Progress in respect of the Independent Engineer Reviews will continue to be reported by Oversight to the Audit Committee.

6. Improving TfL's Project and Programme Management Capability

- 6.1 Oversight's third function is to champion improvements to TfL's medium and longer term project and programme management capabilities. Essentially, the objective here is to mitigate generic IP delivery risk by addressing the "systemic issues" which impact TfL's current delivery capability (in other words, what are our organisational weaknesses and how do we address them?).
- 6.2 Risks are identified through a variety of channels and are kept under review by a cross modal project management forum (comprising the Chief Programme Officers – or equivalent – from each of the modes, together with representatives from Oversight and Group Finance & Planning). The risks are grouped under six 'sub-risk' headings. These are detailed below, together with a summary of some of the main mitigations being pursued in each area:
- People: An initiative called "Project PYRAMID" was launched in early 2006 to develop a programme of training and development opportunities for TfL's project managers, structured around the industry standard (i.e. APM¹) competency framework. The objective is to address a perceived shortfall in TfL's 'in house' PPM capability – as evidenced by current over-reliance on external resources (i.e. contractors and consultants) – and thus enhance TfL's ability to deliver this and future IPs. By the end of FY06/07, some 300 TfL project managers will have achieved APM certification.

¹ APM = Association of Project Managers

- Supplier Management and Procurement: A study has been conducted into TfL's use of 'contract forms' in IP delivery, and how this compares with emerging industry best practice. The key recommendation emerging from this study was that TfL should begin moving towards use of the NEC 3 suite of contracts as its 'contract of first choice'. Work is now underway to establish how best this can be achieved. Work is also underway to understand how TfL's management of critical IP suppliers might be improved.
- Planning Consents: Early work by Oversight confirmed that a key risk to TfL's delivery of the Investment Programme is its ability to achieve the public consent approvals required to progress a number of IP projects and programmes. Work has therefore been undertaken (under the auspices of "Project ACORN") to bolster the ability of TfL's project teams to deal with political / consent issues. Under ACORN, a range of guidance notes and other consents related resource materials have been developed and are being made available via the TfL intranet and a dedicated training programme has been developed to support staff in use of the new guidance. In addition, a network of internal consents expertise is being developed to improve knowledge sharing across the organisation and appropriate procurement mechanisms are being put in place to facilitate access to specialist external consents expertise.
- Risk Exposure: New guidance has been developed to improve TfL's management of risk and contingency at project and programme level.
- PPM Controls and Processes: A number of initiatives are being pursued to develop TfL's project and programme management control processes. This included piloting the use of earned value analysis (EVA) as a key instrument in tracking progress across the IP. Although EVA is already widely used within LU, its use is less well developed in other modes. (Interestingly, the benchmarking exercise undertaken during the establishment of the Oversight function - see para 3.2 above - found its use to be mandatory in a number of the bench-marked organisations).
- IM/IS Support: A feasibility study is underway to explore how TfL could make better use of IT to support future project and programme delivery. This will make recommendations in January 07.

7. Recommendations

- 7.1 The Committee is asked to NOTE the contents of this report.

Appendix 1 - Oversight 'Top 50'

Finance and Planning (Major Projects)	
FP-PJ26C	Stratford Regional Station Upgrade
FP-PJ10C	Thames Gateway Bridge
FP-PJ11C	West London Tram
FP-PJ03C	Interchanges Development Projects
FP-PJ06C	Cross River Tram
FP-PJ07C	Croydon Tramlink Crystal Palace Extension
London Rail	
LR-PJ01C	East London Line Extension
LR-PJ10C	Stratford International Extension
LR-PJ06C	3Car Bank-Lewisham
LR-PJ09C	Woolwich Arsenal Extension - land systems
LR-PJ32C	NLR Infrastructure Project
London Underground	
LU-PF20	LU Line Upgrades - PPP BCV
LU-PF01	LU Track - PPP BCV
LU-PF32	PPP BCV Modernisations and Refurbishments
LU-PF22	LU Line Upgrades - PPP SSL
LU-PF03	LU Track - PPP SSL
LU-PF34	PPP SSL Modernisations and Refurbishments
LU-PF21	LU Line Upgrades - PPP JNP
LU-PF02	LU Track - PPP JNP
LU-PF33	PPP JNP Modernisations and Refurbishments
LU-PR07	LU Power
LU-PF50	LU Managed Enhancements (Connect)
LU-PJ111C	Victoria Cong Rel
LU-PJ32C	Tottenham Court Road Congestion Relief
LU-PJ31C	Paddington Congestion Relief (H&C)
LU-PJ110C	CTRL LU Wks@KingsX
LU-PF35	LU Managed Accessibility Works
LU-PF47	Operational Accommodation
LU-PJ49C	Tunnel Cooling
LU-PJ246	SSL Step-Free Access
LU-PJ218C	West Ham Olympics Works
LU-PJ219	Green Pk Step Free
LU-PJ30C	North Greenwich Congestion Relief
LU-PF31	LU Managed Information
LU-PF48	Business Support
Surface Transport	
ST-PJ15C	LEZ (Sustainability)
ST-PF39	Western Extension
ST-PF52	Congestion Charging Re-Let
ST-PJ173C	iBus Project
ST-PJ37C	TLRN Schemes
ST-PF05	Bus Priority - Flagship Schemes
ST-PF31	Road Safety Plan
ST-PR14	Sustainability
ST-PR10	Renewals (TLRN)
ST-PJ24C	East London Transit phase 1
ST-PJ05C	A406 Bounds Green
ST-PJ08C	Blackwall Tunnel (Northbound) Refurbishment
ST-PJ160C	Western Avenue
ST-PJ07C	A406 Hanger Lane Bridge
Boroughs	
BR-PF14	Borough Road Safety Plan

TRANSPORT FOR LONDON

BOARD

SUBJECT: Joint Arrangements with London Local Authorities for Traffic Enforcement

MEETING DATE: 7 December 2006

1. PURPOSE

1.1. As this subject is a matter reserved to the TfL Board for decision, the paper seeks authority from the Board to continue with the existing joint arrangement with the London Borough of Islington for vehicle removal services. It also seeks delegated authority for the Managing Director of Surface Transport to enter into a joint arrangement with Local Authorities for the purposes of enforcing traffic contraventions.

2. BACKGROUND

2.1. On 15 November 2004, TfL migrated from the criminal to the civil method of parking enforcement on the "red routes". TfL uses both cameras and on-street enforcement officers to carry out this activity. This change has aligned the powers with those of the London Boroughs and has seen an improvement in parking compliance and journey times. Details of these improvements are contained in the report "Traffic Enforcement: Impact Analysis and Future Strategies" which was launched at the Enforcement Task Force conference in July 2006.

2.2. Primary enforcement (e.g. issuing of a ticket) is not always a sufficient means of dealing with a parked/abandoned vehicles and these vehicles often need to be removed from the TLRN using vehicle removal services. A project to establish such a service has been approved and procurement is under way. It is anticipated that the service will commence in October 2007.

2.3. To facilitate research into the options for the project, the Board approved in May 2006 a joint arrangement with LB Islington to undertake pilot vehicle removals in north east London. This was successful in that improvements to bus journey times, general traffic flows, and parking compliance were recorded in the area covered. The costs of the pilot were fully covered by the penalty charges and release fees paid by drivers.

2.4. Having delivered improvements to traffic flow, TfL is keen to maintain the existing service and joint arrangement with LB Islington until the commencement of the London-wide Removals Service (LWRS) in October 2007. Continuation of the pilot will allow both service plans and operating procedures to be refined thus reducing overall risk in the introduction of TfL's removal service.

2.5. Providing the Managing Director of Surface Transport with delegated authority to enter into joint arrangement under section 101(5) of the Local Government Act 1972 for traffic enforcement purposes, will facilitate joint working between TfL and the boroughs on a range of activities, as envisaged in the Traffic Management Act

2004. Each of these will benefit the movement of traffic on the Transport for London Road Network (TLRN), the Strategic Road Network (SRN) and across London.

- 2.6. There are various circumstances where it is either necessary or useful to enter Joint Arrangements with other London Local Authorities in respect of different aspects of enforcement. One example is the City of London, which is not enforced by the Metropolitan Police Service and requires a separate arrangement to ensure that decriminalised parking enforcement takes place on the TLRN.
- 2.7. The requirements for cross-boundary cooperation under the Traffic Management Act, 2004 are likely to give rise to more occasions where TfL and the Local Authorities/Statutory Authorities will wish to coordinate activities either for special events or on specific routes, and this may be best achieved by one party taking responsibility for the entire operation. There is also the opportunity for TfL's advanced methods of enforcement to be used by the boroughs in response to specific challenges, especially on the SRN or on the Key Bus Corridors.
- 2.8. These joint arrangement approvals would potentially cover conventional enforcement by foot patrols, both mobile and static camera enforcement, and secondary enforcement such as that delivered by local removal operations.
- 2.9. Each of these examples involves activities that support the Mayor's Transport Strategy and in many cases are included in the approved Local Implementation Plans (LIPS).
- 2.10. Approval for "arrangements with one or more local authorities for the joint discharge of functions..." is a matter reserved to the Board under paragraph 4.2(n) of Standing Order No.2 (Scheme of Delegation). It is suggested, therefore, that authority be delegated to the Managing Director of Surface Transport to enter these Agreements with London Local Authorities for traffic enforcement purposes as and when the need arises, subject always to the requirements of TfL's standing orders relating to finance and procurement.

3. ALTERNATIVES

- 3.1. The alternative to continuing the joint arrangement with LB Islington, if the service is to be maintained, is to offer the work to the market by competitive tender. This would be a distraction from the main LWRS and is likely to be costly.
- 3.2. The alternative to the delegation would be to take each proposal to the Board, which might result in operational delays and additional administration.

4. FINANCIAL IMPLICATIONS FOR TFL

- 4.1. There are no cost implications to these proposals as civil enforcement allows the retention of income from Penalty Charges to offset operating costs. Each joint arrangement will be subject to financial approval in accordance with the financial authorisation described in the standing orders, prior to approval by the Managing Director of Surface Transport.

5. CRIME AND DISORDER IMPLICATIONS

- 5.1. In addition to improving traffic conditions, effective enforcement helps create a sense of order on the streets, improving the sense of wellbeing and contributing towards quality of life. This especially true of removals where adequately funding such a service allows abandoned or dangerous vehicles to be quickly removed.

6. RECOMMENDATION

6.1. It is recommended that the Board APPROVE:

- a authority to continue with the existing joint arrangement with the London Borough of Islington for vehicle removal services until the broader LWRS commences; and
- b delegated authority for the Managing Director of Surface Transport to enter into joint arrangements for the purposes of enforcing traffic contraventions.

Patrick Troy
Directorate of Transport Policing and Enforcement
November 2006

TRANSPORT FOR LONDON

BOARD PAPER

SUBJECT: Safer Transport Initiative

MEETING DATE: 7 December 2006

1. INTRODUCTION

- 1.1. This paper, endorsed by Surface RISC and the TfL Commissioner, provides an overview of the Safer Transport Initiative.
- 1.2. The TfL Board is asked to note the objectives and arrangements for the Safer Transport Initiative.

2. BACKGROUND & OBJECTIVES

- 2.1. A joint Safer Transport initiative between TfL and the Metropolitan Police Service (MPS) will provide an additional 375 Police Community Support Officers (PCSOs) dedicated to improving safety and security and the perception of safety and security on London's transport network. The PCSOs, working in Safer Transport Teams, will provide a dedicated, high visibility presence at key transport locations in areas of London which have previously received limited attention from existing transport policing resources and often where the fear of crime is highest. The Mayor announced the proposal on the 3rd October 2006.
- 2.2. The MPS approached TfL in September 2006 with a unique proposal to deploy additional PCSOs for two years to key transport locations across London. These PCSOs will be part funded by the Home Office as part of the National Reassurance Programme. Home Office funding is guaranteed for two years from April 2007 with a possible extension of a third year. This offer provides a unique opportunity to expand TfL's policing provision on the network over the next two years.
- 2.3. The initiative builds on TfL's crime and disorder strategy to provide a visible, reassuring police presence on the network at locations where it is most needed by passengers, staff and the local community. It ensures a partnership approach to tackling crime and disorder, improve local transport environments and the feeling of safety and security on and around the transport network in outer London.
- 2.4. The overall objectives of the initiative include:
 - Improve staff and passenger perception of safety and security on public transport

- Reduce crime and disorder on and around the transport network
- Reduce anti-social behaviour on and around the transport network
- Increase public confidence in and satisfaction with policing of the transport network
- Tackle locally defined crime and disorder priorities on and around the transport network

2.5. The Safer Transport Teams, will be attached to the MPS Borough Operational Command Units (BOCUs) and will be deployed alongside and with the support of the MPS Safer Neighbourhoods Teams (SNTs) to address local transport priorities in 21 outer London Boroughs. The teams will be pan-modal and will tackle local transport crime and disorder issues identified by TfL, police partners, transport operators and those that use and work on London's transport network. The likely locations include transport interchanges, bus stations, schools and identified hotspots.

2.6. PCSOs have a range of powers very well suited to the visibility and patrolling needs of outer London transport interchanges and networks, dealing with local transport priorities and reassuring passengers, staff and local communities. The Safer Transport Teams will focus on low level crime, disorder and anti-social behaviour that often plague the transport network and communities in outer London areas. These issues lead to an increased fear of crime and impact on the quality of life of staff, passengers and local communities.

2.7. The teams will be deployed in 21 outer London Boroughs allowing teams of 17 to 18 PCSOs deployed to each Borough. Each Safer Transport Team will have one sergeant (as a minimum) responsible for the team. These sergeants will be dedicated to Safer Transport Team duties. Additional police support will be provided according to the operational need of each borough. The Safer Transport initiative will provide a dedicated resource in London's outer boroughs and will not be used to as an additional resource in Central London.

2.8. It has been agreed that the Safer Transport Teams will be deployed in the following boroughs:

1. Barking and Dagenham
2. Barnet
3. Bexley
4. Brent
5. Bromley
6. Croydon
7. Ealing
8. Enfield
9. Greenwich
10. Haringey
11. Harrow
12. Havering
13. Hillingdon
14. Hounslow
15. Kingston upon Thames

- 16. Merton
- 17. Newham
- 18. Redbridge
- 19. Richmond upon Thames
- 20. Sutton
- 21. Waltham Forest

2.9. The map below shows the 21 outer London Boroughs where Safer Transport Teams will be deployed.



2.10. The teams will be rolled out in four stages to allow recruitment and training of staff. The rollout will be done on a regional basis beginning with the Southeast area and followed by the Northeast, Southwest and Northwest areas. The teams will be rolled out from February 2007 with a complete rollout expected by summer 2007.

Southeast region – February 2007
(Bexley, Bromley, Croydon, Greenwich)

Northeast region – April 2007
(Barking and Dagenham, Enfield, Haringey, Havering, Newham, Redbridge, Waltham Forest)

Southwest region – June 2007
(Hounslow, Kingston upon Thames, Merton, Richmond upon Thames, Sutton)

Northwest region – July 2007
(Barnet, Brent, Ealing, Harrow, Hillingdon)

- 2.11. The Transport Policing and Enforcement Directorate (TPED) will work closely with TfL's operational businesses and partners, staff and passengers to identify local transport priorities in the deployment boroughs. The teams will be ring-fenced from abstractions and will focus only on transport-related issues. These services contracted and managed by TPED, will give TfL a higher profile role in addressing local crime and disorder issues in outer London.
- 2.12. Transparent performance management is being built into the arrangements between the MPS and TfL. TPED is establishing 'Compstat' type performance management systems to oversee the work of the Safer Transport Teams that will provide a transparent and accountable framework for assessing the success of local policing. This structure will be based on the very successful British Transport Police (BTP) Compstat performance model used on London Underground. The initiative will be reviewed annually to evaluate its impact on crime and disorder levels and on perception of safety and security.
- 2.13. The investment is in line with a move towards further integration of the policing of all networks. The Safer Transport Teams will establish a strong link between TfL, MPS BOCUs, TOCU and BTP on local crime and disorder agenda around the transport system. TPED is working to ensure deployment decisions are made on a joint basis between the MPS and BTP to ensure the most effective use of transport police resources in London.

3. FINANCIAL IMPLICATIONS

- 3.1. A total of £15 million is required to deliver this Safer Transport Initiative over the next two years.

2007/8 - £7.5m

2008/9 - £7.5m

- 3.2. The arrangements will be contractually linked (which in practice means that the provision of MPS resources will be ensured by the contract) and covered under a new Special Services Agreement (SSA) between TfL and the MPS.
- 3.3. The initiative will initially run for two years. Funding may be sought for a third year but this will be subject to Home Office funding being made available in 2009/10.

4. CRIME AND DISORDER IMPLICATIONS

- 4.1. The Safer Transport Initiative will make a positive contribution to community safety by addressing crime and disorder issues on and around the transport network in 21 London Boroughs. The initiative aims to improve safety and security on and around the public transport network by providing a visible uniformed presence that both reassures staff and passengers and deters potential offenders. The Safer Transport Teams will work closely with existing transport police and local police teams further enhancing the integration of policing and providing real benefits for passengers across the whole journey and for local communities.

- 4.2. A number of key performance indicators are being developed to measure the success of the initiative in reducing crime, disorder and anti-social behaviour and improving perception of safety and security on and around the network.

5. EQUALITIES AND INCLUSION

- 5.1. There are no negative implications anticipated in the progression of this initiative.
- 5.2. PCSOs more closely reflect the diverse make-up of local communities and are improving the links between local communities and the police. Across the MPS as a whole, 9.6 % of Police officers and PCSOs are from minority ethnic communities. However, within Safer Neighbourhoods teams, 20.3% of police officers and PCSOs are from minority ethnic communities. In terms purely of PCSOs within the teams, this figure rises still further to 32%. In terms of officers on the street interacting with local communities, this initiative is anticipated to continue to provide a workforce that increasingly reflects the communities it serves.

6. RECOMMENDATIONS

- 6.1. The TfL Board is asked to note the objectives and arrangements for the Safer Transport Initiative.

TRANSPORT FOR LONDON

BOARD

SUBJECT: Partnership in Parking Agreements with London Boroughs

MEETING DATE: 7 December 2006

1. PURPOSE

- 1.1. As this is a matter reserved to the Board for decision, the paper seeks the TfL Board's approval in principle to enter into the Partnerships in Parking agreement joint arrangement with a group of London Boroughs. It also asks that the TfL Board delegates to the Managing Director of Surface Transport powers to negotiate any detailed terms and conditions.

2. BACKGROUND

- 2.1. Partnerships in Parking Programme (PiP) is an Exemplar Programme initially funded in 2005 by the London Centre of Excellence (LCE) which provides funding for projects that will aid in realising efficiencies. The LCE, is one of nine regional Centres of Excellence created by the Office of the Deputy Prime Minister (ODPM) (now the Department for Communities and Local Government (DCLG)) in February 2004 to deliver the National Procurement Strategy and the Gershon Review. The LCE acts as a catalyst to help the thirty-two London boroughs, the City of London and the Greater London Authority (GLA) in delivering efficiencies.
- 2.2. The purpose of the PiP programme is to develop best practice and to gain economies of scale and efficiencies by grouping the procurement of parking related equipment, supplies and services and specifying new technologies, equipment and processes.
- 2.3. The existing partnership consists of the London Borough of Camden, London Borough of Islington, Royal Borough of Kensington & Chelsea, London Borough of Lambeth, City of London and City of Westminster (Lead) but could potentially expand across London and beyond.
- 2.4. The draft PiP Agreement identifies the purpose of the Partnership, the roles and responsibilities of the parties, entry and exit of Partners and general governance and administrative provisions.
- 2.5. The Programme is being delivered by four inter-related projects:
 - Project 1 –Standardise the layout and wording of all parking-related stationery.

- Project 2 - A joint specification and procurement of State of the Art Pay and Display parking technology which will bring together and update parking technology across councils to deliver an Open Standard Specification and procurement model.
- Project 3 - Harmonisation of parking payment processing and debt management across London boroughs.
- Project 4 - Harmonisation and standardisation of parking policies and processes and benchmarking of existing to identify areas of best practice and to agree standard policy positions for central London.

2.6. There is the potential for significant benefits for TfL including the value of working with and influencing the main parking Authorities in Central London. Furthermore, as TfL Traffic Enforcement brings forward proposals for paid for parking on the TLRN, there may be considerable savings in procuring payment equipment in larger quantity as well as customer benefits in achieving some standardisation of payment equipment in London's streets. There are also benefits in standardising parking stationery and general parking policy and processes.

2.7. As the PiP programme is to be entered into as a joint arrangement with local authorities under section 101(5) of the Local Government Act 1972 it is a matter reserved to the Board under paragraph 4.2(n) of Standing Order No.2 (Scheme of Delegation).

2.8. In addition, TfL's Congestion Charging division is engaged with the Partnership on Project 2.

3. FINANCIAL IMPLICATIONS

3.1. The savings gained through entering the joint arrangement may assist TfL in delivering efficiencies, thus contributing to the programmes initiated under the Gershon review.

4. CRIME AND DISORDER IMPLICATIONS

4.1. This proposed partnership is at a very early stage and therefore there are no crime and disorder implications at present. However, in relation to procurement when the partnership progresses, it may be beneficial to include or be aware of issues relating to crime reduction. In particular, in relation to any meters / street based machines or other street based furniture, consideration should be given to the use of CCTV to cover their location; the robustness and theft deterrence of the equipment, the treatment of furniture to ease the removal of stickers or graffiti; and the use of crime prevention signage.

5. RECOMMENDATIONS

5.1. It is proposed that the Board APPROVE in principle TfL entering into Partnership in Procurement programme joint arrangement and any further negotiations be delegated to the Managing Director of Surface Transport.

TRANSPORT FOR LONDON

BOARD MEETING

SUBJECT: New TLRN Highways Term Maintenance and Works Contracts 2007

MEETING DATE: 7 December 2006

1. PURPOSE

- 1.1 The purpose of this paper is to advise the TfL Board of the nature and intentions of the new TLRN Highways Term Maintenance and Works Contracts (TMC); of the outcome in broad terms of the tender process; and that the Board will be requested to approve the award of three area-based contracts in the following Closed Session.

2. BACKGROUND

- 2.1 Maintenance, improvement and safe operation of the Transport for London Road Network (TLRN) has been carried out since April 2002 using a combination of Term Maintenance and Steward Consultancy contracts. The Directorate of Road Network Management (DRNM) has acted as highway authority and Client for these contracts since this date.
- 2.2 The existing contracts expire on 31 March 2007. Further extension of the arrangements is not possible due to contractual and legal constraints.
- 2.3 DRNM is taking the opportunity presented by the letting of new contracts to significantly improve service provision, and to achieve efficiencies and improved outcomes for users.

3. NEW CONTRACTS OVERVIEW

- 3.1 Learning from operation of the existing contracts has driven improvements within the new contracts arrangements. Particularly significant aspects include:
- Embracing new strategies (Equality, Diversity and Sustainability).

- Reducing service areas from 5 to 3 based on consolidating like network areas and environs.
 - Improved service standards (e.g. more frequent safety inspections) and appropriate risk transfer.
 - TfL hands-on management of the TLRN by direct oversight and instruction of the TMC through co-located TfL teams.
 - Removal of the Steward service thereby providing improved TfL control, knowledge, ownership and value.
 - Effective contractor performance management, default (penalty) and incentive regimes to achieve continuous improvement and efficiencies across the life of the contracts. Performance criteria are shown in Appendix A – Service Performance Indicators.
- 3.2 The new contracts will operate for six years with year on year extensions up to 10 years available based on performance. Termination is possible at any time solely at TfL’s discretion.
- 3.3 DRNM is in the process of re-organising to take on new roles and responsibilities. Limited Consultancy Support and Structures Inspection contracts will be let to provide assistance and help cover for initial staff and capability shortfalls.

4. PROCUREMENT AND TENDER PROCESS

- 4.1 Tenders for the three new areas, North, Central and South, were returned on 11 September.
- 4.2 Tender documents required a three part submission as below. Each submission was assessed by a separate panel:
- *Part A: Equality and Diversity (pass/fail)* – an initial first hurdle. Bidders were required to submit policies, procedures and action plans with aspirational targets for delivering against this agenda.
 - *Part B: Quality (75%)* – quality proposals were assessed under 14 headings covering service provision, capability, organisational arrangements etc. with marks weighted based on importance. The quality headings table is provided in Appendix B for information.
 - *Part C: Price (25%)* – prices were analysed using a model based on affordability against future anticipated budget and including sensitivity checking for strategic pricing.

5. TENDER OUTCOMES AND IMPACT ON FUNDING

- 5.1 Tender results and winning contractor information are contained in the Closed Session Board Paper.
- 5.2 Pre-tender affordability checking, works estimation and post tender price modelling has provided real confidence that the new contracts will support delivery of the Surface Business Plan programme commitments.
- 5.3 A simple comparison against our tender evaluation model projections shows average like for like savings of 21.9% over the six year contract term. This modelled projected saving has been born out by the comparison of expected new to existing revenue charges, and via the modelling of a small but balanced number of individual capital schemes priced at current and new rates.
- 5.4 A more detailed assessment of savings can be gained by comparing new contract rates to old contract rates against a real budget period, say the 2005/06 budget year.
- 5.5 DRNM's turnover through the existing TMC and Steward contracts in 2005-06 was £153m. This turnover can be re-baselined to the 2007/08 year, in an approximate fashion, by taking this figure and reducing it to allow for a saving in defunct Steward duties (a relatively small element of the old Steward duties are now embedded in the new TMC requirements) and adding 7.5% for construction inflation (the average annual Baxter Indices rate for the past four years). On this basis, this same works programme delivered in 2007/08 on a comparable basis to the new contracts may have cost TfL around £157m if delivered through the existing TMC arrangements.
- 5.6 Taking the combined value of the annual revenue prices for the new contracts and allowing for capital rates savings of around 20% (as predicted by the tender model), but also allowing for some additional increases in revenue and capital standards and an element of contract rate negotiation, together with a contingency amount of 10%, the total cost of the same work through the new TMCs could be in the region of £136m.
- 5.7 This attempt to re-baseline the 2005/06 turnover, shows that a saving of £21m could be achieved, even after delivery of significant service enhancement.
- 5.8 However, in 2007/08 actual turnover through the existing contracts will be lower due to reducing capital expenditure. A like for like projection for the existing contracts, similar to that carried out above, would predict turnover of about £131m. The new contracts will cost in the region of £113m for a comparable service, demonstrating a projected saving of £18m.

- 5.9 In 2007/08, revenue maintenance activity at new TMC prices is likely to cost £45.6m – producing savings in the region of £8.3m. Of this revenue maintenance spend, £40.2m relates to lump sum payments for specified activities and other ordered but critical activities (such as winter maintenance). This amount therefore represents the minimum annual TfL spend commitment (at 07/08 price levels).
- 5.10 The 2007/08 business plan anticipated approximately £34m of OPEX efficiencies deriving from the new contract arrangements for the 3 financial years 07/8 to 09/10 - based on savings on revenue maintenance estimated from the new tender submissions, the assumption in the business plan would now appear to be a little overstated. Surface Transport will be reviewing the position in the course of the new contracts and will address any revenue gap that might materialise.
- 5.11 In addition, as stated above, capital expenditure through the new TMCs in 2007/08 is expected to be lower at about £67.5m (compared with £90.3m in 2005/06). However, savings from new lower rates will generate an estimated capital saving of around £10m per annum compared to the old TMC prices. There is concern that, over the past few years, capital expenditure on TLRN structures has not been sufficient. In addition, there is a need for sustained expenditure on tunnels to meet current recommended standards. The estimated capital saving of £10m in year one represents a real efficiency saving but is being retained to support the necessary structural and tunnel systems improvement works.

6. KEY BENEFITS AND OUTCOMES

- 6.1 The new contract approach will deliver the following new outcomes:
- Standardised service delivery – providing consistency across all network areas.
 - Improved defect response and repair – leading to safer footways and carriageways and less unsightly asset damage.
 - Measurable continuous improvement – new requirements, performance standards and measurement mechanisms will promote striving for improvement and best value.
 - Improved network knowledge and understanding – will allow targeted preventative maintenance and assist with development of robust asset management plans.

- 24/7 presence – will assist with being more responsive to customers and stakeholders and collaboration with suppliers.

7. IMPACT ON EQUALITY, DIVERSITY AND SUSTAINIBILITY

- 7.1 Equality and Diversity has been approached very thoroughly within these new contracts. Future development of local suppliers and people will be managed through an improvement plan. TfL will monitor performance against agreed aspirational targets throughout the contract period.
- 7.2 Escalating target requirements (year on year) have been included within the contracts for carbon reduction, the re-use and recycling of materials, and the reduction of waste. These targets will deliver measurable results against the environmental and sustainability agenda.

8. SECTION 17 CRIME AND DISORDER ACT CONSIDERATIONS

- 8.1 In line with the Mayor's request and resultant TfL Board decision of the 24th May 2006 the TPED Crime and Disorder Partnership Manager has been consulted regarding the need to comply with the above legislation in relation to the award of these contracts.
- 8.2 Key potential areas for crime and disorder have been identified and the contracts will ensure that mitigating factors are inbuilt to reduce or remove resultant risks. The key areas of potential identified can be summarised as:
- Theft of Contractor Vehicles: GPS tracking facilities and on-site CCTV will reduce the risk of theft from site and assist in the detection of any crimes committed. The tracking of vehicles will also provide the spin-off benefit of improved prioritisation in response to emergencies.
 - On site signage will alert would-be thieves to the existence of both systems as an added deterrent.
 - Theft of Plant: All contractors will be contractually obliged to ensure that all movable plant will be secured out of sight in a suitably robust secure compound or on-site temporary building, with all plant being secondarily immobilised with suitable chains, wheel-locks or other anti-theft devices.
 - Contractor-responsibility and third party criminal damage: To reduce the likelihood of contractor staff committing deliberate acts of criminal damage, sabotage or other malicious acts and to encourage the pursuit of others causing damage to TLRN

assets, a system of third party claims rectification will be applied. The management of defect rectification and financial recovery for all third party damage to TfL assets up to a value of £10,000 will be undertaken by the contractors under their Lump Sum Obligations, thus ensuring an enhanced level of site supervision by the relevant contractors and vigorous pursuit in support of the authorities of third parties.

- **Public Order:** In order to ensure the appropriate level of customer care when dealing with individuals who may be inconvenienced by the works all contractors will demonstrate that they have in place an Operative Customer Care Training Scheme. This must include activities such as customer and public relations training and customer complaints management systems. In so doing the risk relating to outbreaks of public order incidents will be reduced.
- **General Crime Prevention Through Environmental Design (CPTED):** Contracts clearly contain a specific Service Performance Indicator relating to the provision of satisfactory levels of lighting to public highways which enhances not only safety, but also feelings of safety. It is proven that effective lighting reduces the likelihood of opportunistic acquisitive crime, and enhances perceptions of personal security.

9. SUMMARY

- 9.1 In awarding these contracts, TfL will achieve increases in service standards; more effective engagement with the local community; better 24/7 ownership of the TLRN; the development of in-house highways management capability; and the achievement of savings, enabling service improvements and additional capital works delivery over time.

10. RECOMMENDATION

- 10.1 The TfL Board is asked to:

- NOTE the nature and intentions of the new TLRN Highways Term Maintenance and Works Contracts.
- NOTE that the Board will be requested to approve contract award on the above terms, as detailed within the Closed Session Board Paper.

APPENDIX A – SERVICE PERFORMANCE INDICATORS

SPI	Outcome want to achieve	Service Performance Indicator	Unit of measurement	Reporting Frequency	Current Year Target	Future Year targets					Comments
						2008/9	2009/10	2010/11	2011/12	2012/13	
Strategic Theme : Minimising Disruption											
Management of Roadworks											
1	Reduced road closure at times critical to road traffic. Start and stop planned road-works on time	To be developed		4 Weekly	98	To be developed					SPI to be developed in association with TMC during Mobilisation period
2	Reduced road closures resulting from increased efficiency of working within allocated permits	To be developed		Quarterly	99	To be developed					SPI to be developed in association with TMC during Mobilisation period
Incident Management - Emergency Response											
3	Enabling Network Use	Percentage of Emergency Response call outs achieved within 1 hour response time	Percentage compliance	4 Weekly	96	96	98	99	99	99	
Strategic Theme : Safety											
Workforce Safety											
4	Reduction in contractor injuries at DRNM work sites	Area Injury Frequency Rate, based on the number of RIDDOR 'reportable' injuries.	Number	4 Weekly	< 600	<570	<540	<510	<485	<460	
5	Reduction in contractor and TIL staff injuries at DRNM work sites	The total number of contractor incidents reported at DRNM work sites.	Number	4 Weekly	<30	<28	<26	<24	<22	<20	
6	Improve Health and Safety	Variance to specified Health and Safety training days for TMC and design staff for each contractor as set out by TMC as target in their quality response	Percentage compliance to target days of H&S training	Annually	95	96	97	98	98	98	
Road Traffic accidents at roadworks											
7	Reducing Road Traffic accidents at roadworks	Number of RTA's reported at roadworks	Number	4 Weekly	<25	<20	<16	<13	<10	<10	
Strategic Theme : Asset State of Repair and Responsiveness											
Customer Satisfaction with Service Provision											
8	Monitor the reduction in third party claims for slips/trips/falls that are not repudiated.	To be developed	To be developed	Annually	99	To be developed					SPI to be developed in association with TMC during Mobilisation period
Asset Condition and Performance											
9	Well-lit carriageways - that foster feeling safe	Average number of streetlights working on the TLRN. $(W \times Y)/Z \times 100$, where: W is the total number of streetlight failures detected in a year by regular inspections and other reports divided by 356. Y is the average time taken to repair a streetlight following detection plus half the average time between inspections. (Time should be expressed in days) Z is the total number of street lights in the authority. Responsibility to be split by responsibility of TIL and DNO (Distribution Network Operator)	Percentage compliance	4 Weekly	98	98	98	98	98	98	
10	Light safety defects are responded to quickly (Percentage of outages fixed within target time)	Best Value Indicator 215 a Average days to repair street lighting under TIL control	No of days	4 Weekly	15	14	13	12	11	10	
Incident Management - Response to Emergency Defects											
11	Safe road network free of defects	Percentage compliance with 1 hour emergency response time for surface defects	Percentage compliance	4 Weekly	97	98	99	100	100	100	
Incident Management - Response to Category Classified Defects											
12	Safe road network free of defects	Percentage of Cat 1 defects made safe within 24 hour response time	Percentage compliance	4 Weekly	94	96	98	99	100	100	
13	Safe Road network free of defects	Percentage of Cat 1 defects Permanently Repaired within 28 days.	Percentage compliance	4 Weekly	94	96	98	100	100	100	
14	Safe road network free of defects	Percentage of Cat 2H defects permanently repaired within the 7 day response time.	Percentage compliance	4 Weekly	94	96	98	100	100	100	
15	Safe Road network free of defects	Percentage of Cat 2M defects permanently repaired within the 28 day response time.	Percentage compliance	4 Weekly	94	96	98	100	100	100	
TMC Prevention of Network Defects											
16	Decreased network defects resulting from work carried out by TMCs	Percentage of red-line and sign damage relevant to enforcement that requires rectification by TPED rectified by TMC within 7 days of being reported to TMCs. Indicator to be further refined during Mobilisation	Percentage compliance	4 Weekly	98	To be developed					Awaiting Targets from TIL Network Performance

APPENDIX A – SERVICE PERFORMANCE INDICATORS CONT'D

TMC Continuous Improvement												
17	Contractor delivers Quality Plan Objectives	Implementation and achievement of planned objectives and aspirational targets	Percentage compliance	Annually	90	92	94	96	98	100		
18	Contractor delivers Equality and Inclusion Plan Objectives	Implementation and achievement of planned objectives and aspirational targets contained in Diversity Training Plan, Supplier Diversity Plan and Communications Plan	Percentage compliance	Annually	90	92	94	96	98	100		
19	Contractor adds value, demonstrating that they can deliver continuous improvement in service standards	The number of agreed efficiency innovations per contractor agreed at the beginning of the year are delivered by year end. Details to be set in TMC contracts	Percentage compliance with agreed total	Annually	90	To be developed					SPI to be developed in association with TMC during Mobilisation period	
Winter Maintenance												
20	Safe road network free of weather hazards	Percentage of salt runs completed within two hours of instruction to grit Carriageways.	Proportion runs completed	4 Weekly	95	96	97	98	99	100		
21	Safe road network free of weather hazards	Percentage of salt runs completed within two hours of instruction to grit Footways.	Proportion runs completed	4 Weekly	90	92	94	96	98	100		
Strategic Theme : Environment												
22	Reduce pollutant emissions to air.	Percentage of the TMC and other contractors vehicle fleets that must meet latest Euro Standards	% of vehicles meeting latest Euro standard	Quarterly	100% EuroV	100% EuroV	50% EuroV	50% EuroV	100% EuroV	100% EuroV		
23	Reduce energy consumption	Percentage of the TMC and other contractors car fleets that meet energy-efficiency label A,B or C (must also meet Euro standard requirements)	% of cars meeting energy-efficiency band A,B or C	Quarterly	100% B or C	100% B or C	3% A 40% B 57% C	5% A 45% B 50% C	8% A 42% B 50% C	12% A 55% B 34% C		
24	Reduce consumption of resources by using the principles of Reduce, Re-use and Recycle	Tonnage Construction and Demolition Waste reused and recycled	% of total tonnage generated	4 Weekly	85	88	90	93	94	94		
25	Reduce consumption of resources by using the principles of Reduce, Re-use and Recycle	Tonnage Construction and Demolition Waste taken to landfill	% of total tonnage generated	4 Weekly	15	12	10	7	6	6		
26	Reduce consumption of resources by using recycled materials and following the principles of sustainable procurement	Percentage of recycled/green product used out of total volume material	% of total tonnage used	4 Weekly	35	40	45	50	55	60		
Strategic Theme : Business Performance and Programme Adherence												
Finance												
27	Accruals accuracy	Percentage accuracy of accruals at year end against actual out-turn cost for the accrued works. Split by current and closed projects as recorded at year end.	Percentage compliance	Annually	95	95	95	95	95	95		
TMC Programme Delivery												
28	Predictability of programme delivery	Compliance between the predicted and actual programme of lump sum activities	Percentage compliance	4 Weekly	90	92	94	94	95	95		
29	Predictability of programme delivery	Compliance between the predicted and actual programme for design and construction of schemes	Percentage compliance	4 Weekly	90	91	92	93	94	95		
30	Predictability of programme delivery	Compliance between the estimated and actual cost of design and construction of schemes	Percentage compliance	4 Weekly	90	91	92	93	94	95		
Quality of Service												
31	Defect Free Work	Number of defects present on completion of work (expressed as a % cost of rectification against construction cost)	Percentage	4 Weekly	5	5	4.5	4	3.5	3		
32	Defect Free Work	Number of defects present after one year of completion of works (expressed as a % cost of rectification against construction cost of scheme)	Percentage	4 Weekly	0	0	0	0	0	0		
Reporting / Management												
33	Number of reports delivered on time	The number of reports delivered on time as a percentage of those reports required in accordance with the Contract	Percentage compliance	4 Weekly	95	95	97	99	100	100		
34	Invoicing Accuracy	Percentage of Invoices and supporting data submitted to the Employer that are error free	Percentage compliance	4 Weekly	90	92	94	96	98	100		
35	That the AIMS system is updated promptly to provide an effective tool to monitor contractor and network performance	Compliance against Contract requirement timescales expressed as a percentage	Percentage Compliance	Quarterly	95	96	97	98	99	100		
36	That the AIMS inventory is updated accurately after completion of Network Maintenance activities, including the location and attribute information relating to the asset changed.	Compliance against asset attributes including location and classification that are recorded correctly as a percentage of the number audited	Percentage Compliance	Quarterly	90	91	92	93	94	95		
37	That the AIMS inventory is updated accurately after completion of Schemes works, including the location and attribute information relating to the asset changed.	Compliance against asset attributes including location and classification that are recorded correctly as a percentage of the number audited	Percentage Compliance	Quarterly	95	96	97	98	99	100		

APPENDIX B – QUALITY ASSESSMENT HEADINGS

Part B was scored out of 100 using a weighted table of 14 criteria:

Quality Statement Heading		Weighting
	Vision and overview proposal	0
1	Organisational Structure and Key Positions	10
2	Team Competencies, Capabilities and Experience	15
3	Depot and staff locations, accommodation and facilities	5
4	Emergency Response proposals	5
5	Winter Maintenance	5
6	Continuous Improvement and Performance Management	5
7	Traffic Management Act 2004 Permitting	2.5
8	Customer Care and Communications Framework	2.5
9	Quality Management Systems	10
10	Schemes Design & Delivery and Early Contractor Involvement	10
11	Mobilisation and Demobilisation	5
12	Selected Procedures <ul style="list-style-type: none"> ● 3rd Party Claim Recovery ● Inspection Management ● Lump Sum duties (programme & responsibility) ● Tunnel Maintenance and Management 	15
13	Operational Resilience and Contingency Planning	5
14	IT Systems and AIMS Interface	5
	Totals	100

For the South Area, tunnel maintenance and management was given a higher weighting due to the importance of Blackwall and Rotherhithe tunnels.

Scores were a measure of the Transport for London's level of confidence that the Tenderer will deliver the project objectives. The higher the score, the lower the risks to delivery and the more confidence Transport for London will have that best value will be delivered.

TRANSPORT FOR LONDON

BOARD

**SUBJECT: Appointments to Board Committees and Panels and
Revision of Standing Orders**

MEETING DATE: 7 December 2006

1. Purpose

- 1.1 This paper provides the Board with an update on the arrangements for the establishment of the Corporate Advisory Panel and the Strategic Planning Advisory Panel and asks the Board to make further appointments to complete the establishment of those Panels. The Board is also being asked to make a further appointment to the Audit Committee. A revision of Standing Orders is proposed to clarify the position with regard to the approval of matters relating to debt issuance.

2. Decision required

- 2.1 Approval of individuals to be appointed to the Audit Committee and the Corporate Advisory and Strategy Planning Advisory Panels. Approval of a revision to Standing Orders.

3. Background

- 3.1 The creation of and appointment of members to the Board's committees and panels is reserved to the Board

- 3.2 At its last meeting the Board received a paper regarding the creation of two additional panels, the Corporate and Strategic Planning Advisory Panels. It also contained a comprehensive statement of the current membership of Board committees and panels taking into account the three newly appointed Board members. A recruitment exercise to find two further Board members is expected to commence shortly.
- 3.3 The dates of all meetings of the Board, committees and panels in 2007 have now been distributed to members and work is in hand to extend the forward calendar until mid-2008. The two new Panels are both scheduled to meet for the first time in January 2007.
- 3.4 There will be an induction session for Corporate Advisory Panel members before the first meeting. This will include a visit to Empress State Building and an opportunity to discuss issues with relevant staff before the first meeting. It is not proposed to hold an induction session for Strategic Planning Advisory Policy members. Both panels will be asked to consider draft forward work plans at their first meetings.

4. Proposed appointments

- 4.1 All TfL's committees and panels currently have sufficient members to make meeting arrangements and quorum requirements manageable with the exception of Audit Committee where an additional member is required to bring the membership up to 5.
- 4.2 It is proposed that Paul Moore be appointed as a member of the Audit Committee.
- 4.3 The Corporate and Strategic Planning Advisory Panels need to have the appropriate Chief Officers appointed as members to complement the, already appointed, Board members.

4.4 It is customary to appoint those Chief Officers most directly involved in the work of a panel to be members. On that basis it is proposed that the following Chief Officers be appointed to the Corporate Advisory Panel –

- Valerie Todd, MD Group Services;
- Howard Carter, General Counsel;
- Ben Plowden, MD Group Communications; and
- Jay Walder, MD Finance and Planning.

4.5 It is proposed that the following Chief Officers be appointed to the Strategic Planning Advisory Panel -

- Ben Plowden, MD Group Communications; and
- Jay Walder, MD Finance and Planning.

4.6 In addition, in accordance with the practice for all Panels, it is proposed that Peter Hendy, Transport Commissioner, be a member of and chair both Panels.

4.7 In discussions subsequent to the last Board meeting Lynn Sloman expressed a desire to be appointed as an advisor to both CAP and SSAP and this action is proposed in the recommendations.

4.8 All appointments will take immediate effect. Appendix 1 provides an updated table of members' appointments to committees and panels including the recommendations in this report.

5. Revision of Standing Orders

5.1 During the course of the large scale revision of Standing Orders that was approved by your 20 September meeting it was agreed that Finance Committee would monitor the implementation of the annual

Treasury Management Strategy and to approve the implementation of borrowing and investments within the strategy agreed by the Board. The Board retained the power to approve transactions over £100 million except where otherwise specified by this SO and approve the Prospectus or Information Memorandum associated with debt issuance.

- 5.2 It is proposed to revise Standing Orders to clarify that the Finance Committee's role in the implementation of borrowing and investments within the strategy agreed by the Board includes approval of the documentation and terms of debt to be issued on behalf of the TfL Group. This will necessitate a change to the Finance Committee's terms of reference and a variation in the matters reserved to the Board for approval. These are set out in recommendation 2 of this report.

5. Implications for Equalities and Inclusion

- 5.1 Amongst other considerations the Mayor is required to give due regard to the principle of equal opportunity for all people when making appointments to the Board and similar significance is given to appointments to Board committees and panels. The formation of CAP and the proposed membership and advisors skills and experience are intended to give a significant boost to TfL's Equalities and Inclusion agenda and to provide a substantial additional resource to facilitate the Board's consideration and oversight of these issues.

6. Implications for Crime and Disorder

- 6.1 The new Corporate Advisory Panel to which some of the appointments in this report relate will provide, amongst other things, a focus for commenting and reporting on Crime and Disorder issues on a pan-TfL basis. The appointments to the panel reflect this.

7. Implications for Sustainability

7.1 The new Corporate Advisory Panel to which some of the appointments in this report relate will provide, amongst other things, a focus for commenting and reporting on sustainable issues, with particular reference to procurement activities, on a pan-TfL basis. The appointments to the panel reflect this.

8. Recommendations

8.1 The Board is asked to

1) approve the appointment to -

- a) the Audit Committee of Paul Moore;
- b) the Corporate Advisory Panel of -
 - Valerie Todd, MD Group Services;
 - Howard Carter, General Counsel;
 - Ben Plowden, MD Group Communications; and
 - Jay Walder, MD Finance and Planning.
- c) the Strategic Planning Advisory Panel of –
 - Ben Plowden, MD Group Communications; and
 - Jay Walder, MD Finance and Planning.
- d) the Corporate Advisory and Strategic Planning Advisory Panels as a member and chair –
 - Peter Hendy, Transport Commissioner.
- e) the Corporate Advisory and the Strategic Planning Advisory Panels as advisor –
 - Lynn Sloman.

2) approve the revision of Standing Orders as follows -

a) Terms of Reference for Finance Committee in Standing Order 1, Appendix 3 -

delete 2.1 (f) advise the Board re any Prospectus or Information Memorandum associated with debt issuance.

Delete current paragraph 3 and replace with the following replacement paragraph 3 –

The Committee will monitor the implementation of the annual Treasury Management Strategy and may approve, without further reference to the Board notwithstanding the value of any transaction

(1) the implementation of any borrowing and investments as permitted by the annual Treasury Management Strategy and/or Treasury Management Policy Statement or any Board approved borrowing and investment strategies; and

(2) any associated Prospectus or Information Memorandum.

This authority is concurrent with the authority of the Commissioner and/or Managing Director, Finance and Planning to enter into transactions relating to borrowing and investments.

b) Delete from matters reserved to the Board Standing Order 2 -

4.2 (g) approval of any Prospectus or Information Memorandum associated with debt issuance.

APPENDIX 1

Board Member and Special Advisers Membership of Committees and Panels

	Audit	Fin	SHEC	RemCom	RTAP	UAP	SAP	CAP	SPAP
<u>Board Members</u>									
Ken Livingstone				X(Ch)					
Honor Chapman		X				X			X
Stephen Glaister		X				X(Dep Ch)			X
Kirsten Hearn			X		X	X	X	X	
Sir Mike Hodgkinson	X	X(Ch)		X					X
Judith Hunt	X(Ch)	X						X(Dep Ch)	
Eva Lindholm		X			X				X
Paul Moore	X		X		X(Dep Ch)		X	X	
Sir Gulam Noon				X					
Patrick O’Keeffe	X						X		
Dabinderjit Singh Sidhu	X					X		X	
Tony West			X		X	X	X		
Dave Wetzel			X(Ch)				X(Dep Ch)		X(Dep Ch)
<u>Special Advisers</u>									
Bryan Heiser					X	X	X		
Murziline Parchment	X					X		X	
Lynn Sloman							X	X	X
Lord Tony Harris			X				X		

Meeting: Board

Date: 7th December 2006

Title: Appointments to Board Committees and Panels

Version: 1

Author	Jeff Pipe	
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TRANSPORT for LONDON

BOARD

SUBJECT: Finance Committee Report

MEETING DATE: 7 December 2006

1. PURPOSE

To report to the Board on matters discussed at the Finance Committee meeting on 15 November 2006.

2. BACKGROUND

- 2.1 The Finance Committee discussed a report on Operational and Financial performance in the second quarter of 2006/7 and the quarterly report on the progress of TfL's 5-year Investment Programme, which includes the latest monthly Olympic Transport Portfolio Executive Report to the Olympic Delivery Authority. The Committee welcomed the new format for these reports which has been adopted to improve the quality of report which is available to stakeholders. These reports are being considered under a separate agenda item at this Board meeting.
- 2.2 The Committee received a presentation from the Director of Road Network Management on the award of contracts for highways maintenance and renewal from 1 April 2007. He explained that existing arrangements involved TfL managing a series of term maintenance contractors through contractually appointed stewards. Experience of these arrangements, and their related contract terms, had shown that significant improvements could be made, and the opportunity had been taken in process leading to the award the new contracts to take advantage of these. The new arrangements involve the elimination of the steward role with a strengthened TfL team taking direct responsibility for managing and monitoring the term maintenance contractors. Activities within the contracts were to be split between those paid for through 'lump sums' (where the contractor delivers a specified service for a fixed price) and those which would be reimbursed based on a schedule of rates. A new performance regime was being introduced which it was believed would better incentivise the contractors to meet TfL's requirements. The new contracts would benefit TfL through efficiency savings, reduced complexity, improved pricing indexation and improved service standards. In the unexpected event of continued poor contractor performance, TfL had the right to terminate the contracts for any reason.
- 2.3 The Committee questioned the Director of Road Network Management and his team about the presentation and aspects of the contractual arrangements at some length. The results of the tender bids, which for commercial confidentiality reasons were considered in closed session, were also considered. In the light of the discussion, the Committee agreed to recommend to the Board the award of the Highways Term Maintenance and

Works Contracts for North, Central and South areas of the Transport for London Road Network.

- 2.4 The Finance Committee receives reports on approvals expected to be given in 2006/7 by the Commissioner (or in his absence, the Managing Director, Finance and Planning) for projects budgeted to cost between £25m and £100m. One project had been approved since the Committee's last meeting, namely the Tunnel Cooling Programme for the Underground. The Tunnel Cooling Programme seeks to continue design activities to identify how tunnel temperatures can be managed.

The next regular meeting of the Finance Committee will take place on 18 January 2007.

3. RECOMMENDATION

The Board is asked to NOTE the contents of this report.

Meeting: TfL Board Meeting

Date: 7 December 2006

Title: Report from the Finance Committee

Author	Stephen Critchley	
Sponsor	Sir Mike Hodgkinson	
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TRANSPORT FOR LONDON

TfL BOARD

SUBJECT: Report from Safety Health and Environment Committee Meeting – 15 November 2006

MEETING DATE: 7 December 2006

1. PURPOSE / INTRODUCTION

To update the Board on Health, Safety and Environmental (HSE), Sustainability and Resilience matters.

2. BACKGROUND

The main matters at the SHEC meeting of 15th November 2006 were the provision of the first HSE Assurance Letters from Surface Transport and the Corporate Directorates and the circulation of the draft TfL Environment Report 2005/06.

A closed session, for reasons of confidentiality and security, was also held following the open session.

• **Health and Wellbeing (oral)**

Olivia Carlton (Head of TfL Occupational Safety) presented the findings from the Health and Wellbeing pilots undertaken within TfL. 'Bad backs' and stress are the top causes of sickness absence and 'toolkits' for TfL managers and employees have been implemented to good effect.

The Health and Wellbeing pilot used questionnaires to provide focus and fairs and 'road-shows' to communicate self help information to employees. Opportunities to take this pilot further will be explored by Group HR Services in 2007/08.

• **LUL Tunnel Ventilation (oral)**

LUL presented on the work to investigate technologies to cool the LUL system. Since much of the system was constructed more than a 100 years ago it was stressed that this work would be very demanding. A variety of innovative technologies are being investigated, using international experience and it is likely that different solutions will be required to meet individual station/lines needs.

• **HSE Assurance Letters**

Members noted the HSE Assurance Letters from the Chief Officers for Surface Transport and the Corporate Directorates. The letters were produced following a successful pilot in 2005/06 and document the Chief Officers' commitment to HSE management and the status of their mode specific HSE management systems.

- **TfL Annual Environment Report**

The draft annual TfL Environment Report was reviewed and should be published by the end of 2006.

- **Influenza Pandemic Update**

SHEC members noted the paper presented by Richard Stephenson detailing plans that have been developed within TfL and the steering group established to keep plans under review as more information becomes available.

- **Business Q2 HSE reports**

LUL:

Members noted the report from Tim O'Toole which highlighted a decrease in platform / train interface incidents but an increase in escalator incidents. The LUL safety team are currently analysing the escalator incidents for root causes.

Tim O'Toole noted that LUL are continuing to work with the British Transport Police (BTP) to combat the use of falsified contractor licences.

Surface Transport:

Members noted the report from David Brown. Surface Transport is reviewing the number of pedestrian fatalities arising from bus collisions. This work will include addressing the quality of operator incident investigations and a report will be circulated to SHEC in due course. Separately, it was noted that all buses should be fitted with fire suppression equipment by April 2007.

Corporate Directorates:

Members noted the report from the Corporate Directorates.

London Rail:

Members noted the report from Ian Brown which highlighted the issue of copper being stolen from the DLR operational railway. Other local organisations and the BTP are aware of the issue and are investigating accordingly.

- **Other Matters**

The Chair thanked the two HSE advisers to SHEC (Stuart Nattrass and Richard Booth) for their advice to the members and their support in developing SHEC since its inception. The 2 posts will be advertised in due course.

3. IMPACT ON FUNDING

None.

4. RECOMMENDATIONS

The Board is requested to NOTE the content of the report.

Further details on the content of the report can be obtained from:
Richard Stephenson Director Group HSE (Tel: 0207 126 4905)

Meeting: TfL Board Meeting

Date: 7 December 2006

Title: Report from the Safety, Health & Environment Committee

Version: 1

Author	Richard Stephenson	
Sponsor	Howard Carter	
For queries please contact	Richard Stephenson	Tel: 020 7126 4905

TRANSPORT FOR LONDON

BOARD

SUBJECT: Audit Committee Report

MEETING DATE: 7 December 2006

1. PURPOSE

To update the Board on the meeting of the Audit Committee held on 2 November 2006.

2. BACKGROUND

The Committee held a scheduled meeting on 2nd November 2006 at which it considered the following matters:

The Head of Risk Management reported on progress with development and roll out of the risk management process. The Committee noted the significant progress that had been made in risk management generally in the last few years. Although risk management had been established in some parts of the business, particularly at the project level, the strategic risk map development has been a significant achievement bearing in mind it came from a "standing start". It was noted that a number of organisations have approached TfL to discuss and benchmark risk management processes and procedures and also that TfL strategic risk management has been featured as a case study in the October Financial Times risk supplement.

Internal Audit Matters:

The Committee noted that management is continuing to improve its clearance of recommendations on a timely basis. The report covered the first two quarters of 2006/07 during which 70 final audit reports were issued. Only two audits were not immediately closed because of outstanding items but these items had been cleared by the time of the meeting.

The Director of Internal Audit reported on the final audit reports that had been issued in response to Freedom of Information requests and confirmed that all requests received are considered in detail to ensure that any commercially sensitive information is properly considered as to whether or not it should be disclosed.

The Relationship Manager from the Audit Commission, Ken Davis, gave an oral update on the Annual Audit and Inspection Letter. This document is required to be produced by the Audit Commission by the end of the calendar year. The intent of the letter is to bring together all of the reports that have been issued in respect of TfL's business in the previous year. TfL's concern is that the document is produced so long after the financial year end that it is somewhat out

of date and yet it is a document that is made public. We do however need to fit into the timetable for the rest of the GLA group. It was agreed that the Audit Commission, KPMG, the Chief Finance Officer and the Director of Internal Audit would meet separately to discuss the timetabling of this letter and how better to identify reports received during the year that would be incorporated within it.

The Committee considered the external audit plan for 31 March 2007 for TTL and its subsidiaries having already considered the plan for TfL and the local authority elements of TfL's business at the March meeting. It also received the regular report on non-audit fees for the six months ended 30 September 2006.

KPMG had submitted their work on the Data Quality Review for 2006/2007. This is work that is performed on behalf of the Audit Commission and contributes to KPMG's conclusion that they will draw under the Code of Audit Practice on TfL's arrangements to secure value for money. The ratings allocated are from 1 (below minimum requirements – inadequate performance) to 4 (well above minimum requirements - performing strongly). Overall KPMG have assessed that TfL is 3 in this area which means that overall we are performing well. However, they have reported that further improvements could be made in respect of governance arrangements, development of policies and procedures and ensuring TfL's commitment to data quality is embedded within the roles and responsibilities of staff. The Audit Committee did discuss whether the amount of resource that would need to be invested by TfL to achieve an overall grading of 4 would be beneficial. Management has agreed to consider this.

The Audit Committee received an update on Audit Commission reporting matters from TfL's perspective and also an update on critical accounting policies and proposed amendments that will impact the March 2007 accounts.

The next scheduled meeting of the Committee is 24 January 2007.

3. RECOMMENDATION

The Board is asked to NOTE the content of this report.

TRANSPORT FOR LONDON

BOARD

SUBJECT: Mayoral Direction to TfL to Revise Fares

MEETING DATE: 7 December 2006

1. Purpose

- 1.1 To inform the Board of a Direction from the Mayor to implement revisions to fares on TfL services.

2. Background

- 2.1 Under TfL's Standing Order No. 1 paragraph 18, TfL is required to report any Directions from the Mayor at the next Board meeting.
- 2.2 The Mayor approved the publication of proposals for fare revisions on 9 September 2006. The proposals are broadly designed to encourage a shift away from cash fares to Oyster card use. The bulk of these proposals will commence on 2 January 2007. One proposal, in relation to Oyster card use on the Underground commenced on 19 November 2006. Details of the proposals are contained in Appendix 1.
- 2.3 On 14 November 2006 the Mayor issued a Direction to TfL to implement these proposals. A copy of the Direction is available from the Secretariat.

3. Legal Background

- 3.1 Under the Greater London Authority Act 1999, the Mayor is under a duty to exercise his power to issue directions to TfL in such a way to ensure that the general level and structure of fares for passenger transport services are determined. This applies to services provided by TfL and other parties who provide services acting under contracts with TfL.

4. Financial Implications

- 4.1 The total revenue increase for TfL will be £112m per year.

5. Recommendation

- 5.1 The Board is requested to NOTE the receipt of the Direction from the Mayor.

Appendix 1

Fare Revisions

The main changes to fares are:

19 November 2006

- If passengers fail to touch in or touch out at the beginning or end of an Oyster pay as you go journey on the Underground, they will be charged a maximum fare of £4.

2 January 2007

1. Underground Fares

- Simplification of child Oyster 'Pay as you go' Underground fares, with a flat charge of 50p per journey and a cap of 100p per day;
- Cash adult fares for journeys between Zones 1 and Zones 1,2, 3 or 4 will increase from 300p to 400p;
- Adult Oyster 'Pay as you go' fares are frozen;
- Travelcard ticket prices will increase by just over 5% on average.

2. Bus Fares

- Simplification of Oyster fares by making them a flat 100p across the day;
- 7 Day Bus Pass price will rise from 1350p to 1400p;
- Cash fares will increase from 150p to 200p.

3. Croydon Tramlink Fares

- Fares on Tramlink will change in line with the proposals for buses.

4. Docklands Light Railway Fares

- Fares on the DLR will generally increase in line with the proposals for the Underground. The 150p cash fare for travel outside Zone 1 is frozen.

5. Underground - Train Fares

- Restructuring of Underground - train fares for through journeys as full zonal fares, applying to journeys involving any number of interchanges between train and Underground services.

6. North London Railway (NLR) Fares

- All NLR fares from stations within Zones 1 to 6 put on a zonal basis consistent with that on the Underground.

April 2007

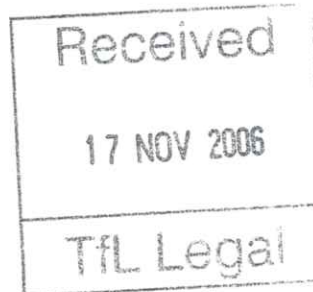
- Under 11s to travel free on the Underground at any time as opposed to during off-peak periods only – either accompanied by an adult or if in possession of a child Oystercard.

GREATER LONDON AUTHORITY

Mayor's Office

City Hall
The Queen's Walk
London SE1 2AA
Switchboard: 020 7983 4000
Minicom: 020 7983 4458
Web: www.london.gov.uk

Peter Henty
Transport Commissioner
Transport for London
Windsor House
42/50 Victoria Street
London
SW1H 0TL



Date:

I, KEN LIVINGSTONE, MAYOR OF LONDON, in exercise of the powers conferred on me by section 155(1)(c) of the Greater London Authority Act 1999 ("the Act") and in pursuance of my duty under section 174 of the Act, hereby direct Transport for London that the level and structure of fares to be charged for public passenger transport services provided by Transport for London or by any other person in pursuance of an agreement under section 156(2) or 3(a) of the Act or in pursuance of a transport subsidiary's agreement shall from the second day of January 2007 be in accordance with the schedule attached hereto. One proposal, in relation to Underground Oystercard use will commence on the 19th day of November 2006.

Dated this day *14th* of November 2006.

A handwritten signature in black ink, appearing to read "Ken Livingstone". The signature is fluid and cursive, with a large, sweeping flourish at the end.

KEN LIVINGSTONE
MAYOR OF LONDON

One Day and 3 Day Travelcard Prices from 2 January 2007

The following tickets are valid on all London Underground, Docklands Light Railway services and TfL bus and tram services:

	Adult price		Change (£)	Change (%)	Child price*		Change (£)	Change (%)
	Current	Jan-07			Current	Jan-07		
Day Travelcard (Off-Peak)								
12	4.90	5.10	0.20	4.1	n/a	n/a	n/a	n/a
1234	5.40	5.70	0.30	5.6	n/a	n/a	n/a	n/a
123456	6.30	6.70	0.40	6.3	2.00	2.00	-	-
123456D	7.40	7.80	0.40	5.4	2.60	2.60	-	-
23456	4.30	4.60	0.30	7.0	n/a	n/a	n/a	n/a
23456D	4.60	4.90	0.30	6.5	2.30	2.40	0.10	4.3
Day Travelcard (Peak)								
12	6.20	6.60	0.40	6.5	3.10	3.30	0.20	6.5
123	7.20	7.80	0.60	8.3	3.60	3.90	0.30	8.3
1234	8.40	9.00	0.60	7.1	4.20	4.50	0.30	7.1
12345	10.40	11.20	0.80	7.7	5.20	5.60	0.40	7.7
123456	12.40	13.20	0.80	6.5	6.20	6.60	0.40	6.5
123456D	13.60	14.50	0.90	6.6	6.80	7.20	0.40	5.9
23456	7.40	8.00	0.60	8.1	3.70	4.00	0.30	8.1
23456D	8.80	9.40	0.60	6.8	4.40	4.70	0.30	6.8
3 Day Travelcard (Off-Peak**)								
123456	18.90	20.10	1.20	6.3	6.00	6.00	-	-
123456D	20.00	21.00	1.00	5.0	6.80	7.10	0.30	4.4
3 Day Travelcard (Peak)								
12	15.40	16.40	1.00	6.5	7.70	8.20	0.50	6.5
123456	37.20	39.60	2.40	6.5	18.60	19.80	1.20	6.5
123456D	39.20	41.80	2.60	6.6	19.60	20.90	1.30	6.6

* An all-zones Day Travelcard (Off-Peak) priced at £1 is available for children accompanying the holder of any adult rate Travelcard.

** Off-Peak time restrictions are as Day Travelcard (Off-Peak)

Travelcard Season Prices From 2 January 2007

The following tickets are valid on all London Underground, Docklands Light Railway services and TfL bus and tram services:

	Adult price		Change (£)	Change (%)	Child/16-17* price		Change (£)	Change (%)
	Current	Jan-07			Current	Jan-07		
7 Day Travelcard								
12	22.20	23.20	1.00	4.5	11.10	11.60	0.50	4.5
123	26.00	27.40	1.40	5.4	13.00	13.70	0.70	5.4
1234	31.60	33.20	1.60	5.1	15.80	16.60	0.80	5.1
12345	37.80	39.80	2.00	5.3	18.90	19.90	1.00	5.3
123456	41.00	43.00	2.00	4.9	20.50	21.50	1.00	4.9
123456A	44.00	46.20	2.20	5.0	22.00	23.10	1.10	5.0
123456AB	47.60	46.20	-1.40	-2.9	23.80	23.10	-0.70	-2.9
123456ABC	51.30	53.60	2.30	4.5	25.60	26.80	1.20	4.7
123456ABCD	60.80	63.80	3.00	4.9	30.40	31.90	1.50	4.9
23,34,45,56	14.00	15.00	1.00	7.1	7.00	7.50	0.50	7.1
234,345,456	18.40	19.40	1.00	5.4	9.20	9.70	0.50	5.4
2345,3456	22.20	23.20	1.00	4.5	11.10	11.60	0.50	4.5
23456	27.20	29.20	2.00	7.4	13.60	14.60	1.00	7.4
23456A	31.50	29.60	-1.90	-6.0	15.70	14.80	-0.90	-5.7
23456AB	31.50	29.60	-1.90	-6.0	15.70	14.80	-0.90	-5.7
23456ABC	38.60	40.80	2.20	5.7	19.30	20.40	1.10	5.7
23456ABCD	38.60	40.80	2.20	5.7	19.30	20.40	1.10	5.7
3456A	27.40	29.60	2.20	8.0	13.70	14.80	1.10	8.0
3456AB	27.40	29.60	2.20	8.0	13.70	14.80	1.10	8.0
3456ABC	38.60	40.80	2.20	5.7	19.30	20.40	1.10	5.7
3456ABCD	38.60	40.80	2.20	5.7	19.30	20.40	1.10	5.7
456A	24.00	21.40	-2.60	-10.8	12.00	10.70	-1.30	-10.8
456AB	24.00	21.40	-2.60	-10.8	12.00	10.70	-1.30	-10.8
456ABC	34.80	36.60	1.80	5.2	17.40	18.30	0.90	5.2
456ABCD	34.80	36.60	1.80	5.2	17.40	18.30	0.90	5.2
56A	21.00	21.40	0.40	1.9	10.50	10.70	0.20	1.9
56AB	21.00	21.40	0.40	1.9	10.50	10.70	0.20	1.9
56ABC**	29.20	36.60	7.40	25.3	14.60	18.30	3.70	25.3
56ABCD**	29.20	36.60	7.40	25.3	14.60	18.30	3.70	25.3
6A**	14.00	21.40	7.40	52.9	7.00	10.70	3.70	52.9
6AB	21.00	21.40	0.40	1.9	10.50	10.70	0.20	1.9
6ABC**	23.00	36.60	13.60	59.1	11.50	18.30	6.80	59.1
6ABCD**	23.00	36.60	13.60	59.1	11.50	18.30	6.80	59.1
A***	14.00	<i>withdrawn</i>			7.00	<i>withdrawn</i>		
AB***	14.00	<i>withdrawn</i>			7.00	<i>withdrawn</i>		
ABC***	19.80	<i>withdrawn</i>			9.90	<i>withdrawn</i>		
ABCD***	19.80	<i>withdrawn</i>			9.90	<i>withdrawn</i>		
B***	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
BC***	14.00	<i>withdrawn</i>			7.00	<i>withdrawn</i>		
BCD***	19.80	<i>withdrawn</i>			9.90	<i>withdrawn</i>		
C***	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
CD***	14.00	<i>withdrawn</i>			7.00	<i>withdrawn</i>		
D	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

* 16-17 year old photocard holders are eligible for a child rate Travelcard

** Although prices for these zone combinations are increasing substantially, the corresponding Oyster pay as you

go fares will be frozen and will provide a significantly cheaper alternative for most users.

***These tickets (to be withdrawn) are not Travelcards but local season tickets valid on LU/Chiltern services only.

Monthly Travelcard season prices are 3.84 times the 7-Day price (rounded up to 10p multiples).

Adult Annual Travelcard season prices are 40 times the 7-Day price.

Travelcard Season Prices From 2 January 2007 (continued)

Student photocard holders are eligible for a Student Travelcard at 30% off the adult Travelcard rate as shown below:

	Current price	Jan-07 price	Change (£)	Change (%)
Discount Travelcard 7 Day Season				
12	15.50	16.20	0.70	4.5
123	18.20	19.10	0.90	4.9
1234	22.10	23.20	1.10	5.0
12345	26.40	27.80	1.40	5.3
123456	28.60	30.10	1.50	5.2
123456A	30.80	32.30	1.50	4.9
123456AB	33.30	32.30	-1.00	-3.0
123456ABC	35.90	37.50	1.60	4.5
123456ABCD	42.50	44.60	2.10	4.9
23,34,45,56	9.70	10.40	0.70	7.2
234,345,456	12.80	13.50	0.70	5.5
2345,3456	15.50	16.20	0.70	4.5
23456	19.00	20.40	1.40	7.4
23456A	22.00	20.70	-1.30	-5.9
23456AB	22.00	20.70	-1.30	-5.9
23456ABC	27.00	28.50	1.50	5.6
23456ABCD	27.00	28.50	1.50	5.6
3456A	19.10	20.70	1.60	8.4
3456AB	19.10	20.70	1.60	8.4
3456ABC	27.00	28.50	1.50	5.6
3456ABCD	27.00	28.50	1.50	5.6
456A	16.70	14.90	-1.80	-10.8
456AB	16.70	14.90	-1.80	-10.8
456ABC	24.30	25.60	1.30	5.3
456ABCD	24.30	25.60	1.30	5.3
56A	14.60	14.90	0.30	2.1
56AB	14.60	14.90	0.30	2.1
56ABC**	20.40	25.60	5.20	25.5
56ABCD**	20.40	25.60	5.20	25.5
6A**	9.70	14.90	5.20	53.6
6AB	14.60	14.90	0.30	2.1
6ABC**	16.00	25.60	9.60	60.0
6ABCD**	16.00	25.60	9.60	60.0
A***	9.70	<i>withdrawn</i>		
AB***	9.70	<i>withdrawn</i>		
ABC***	13.80	<i>withdrawn</i>		
ABCD***	13.80	<i>withdrawn</i>		
B***	n/a	n/a	n/a	n/a
BC***	9.70	<i>withdrawn</i>		
BCD**	13.80	<i>withdrawn</i>		
C***	n/a	n/a	n/a	n/a
CD***	9.70	<i>withdrawn</i>		
D	n/a	n/a	n/a	n/a

** Although prices for these zone combinations are increasing substantially, the corresponding Oyster pay as you

go fares will be frozen and will provide a significantly cheaper alternative for most users.

***These tickets (to be withdrawn) are not Travelcards but local season tickets valid on LU/Chiltern services only.

Monthly Travelcard season prices are 3.84 times the 7-Day price (rounded up to 10p multiples).

Adult Annual Travelcard season prices are 40 times the 7-Day price.

Underground Ticket Prices From 2 January 2007

The following tickets are valid on all London Underground and National Rail services where LU fares apply (except to Harrow and Wealdstone Station) and Docklands Light Railway services:

Ticket/Zones	Adult Price		Change (£)	Change (%)	Child Price		Change (£)	Change (%)
	Current	Jan-07			Current	Jan-07		
Underground Single								
12	3.00	4.00	1.00	33.3	1.50	2.00	0.50	33.3
123	3.00	4.00	1.00	33.3	1.50	2.00	0.50	33.3
1234	3.00	4.00	1.00	33.3	1.50	2.00	0.50	33.3
12345	4.00	4.00	-	-	2.00	2.00	-	-
123456	4.00	4.00	-	-	2.00	2.00	-	-
123456A	5.00	5.50	0.50	10.0	2.50	2.70	0.20	8.0
123456AB	5.00	5.50	0.50	10.0	2.50	2.70	0.20	8.0
123456ABC	6.00	7.00	1.00	16.7	3.00	3.50	0.50	16.7
123456ABCD	6.00	7.00	1.00	16.7	3.00	3.50	0.50	16.7
23*,34,45,56	3.00	3.00	-	-	1.50	1.50	-	-
234,345,456	3.00	3.00	-	-	1.50	1.50	-	-
2345,3456	3.00	3.00	-	-	1.50	1.50	-	-
23456	3.00	3.00	-	-	1.50	1.50	-	-
23456A	3.50	4.00	0.50	14.3	1.70	2.00	0.30	17.6
23456AB	3.50	4.00	0.50	14.3	1.70	2.00	0.30	17.6
23456ABC	4.50	5.50	1.00	22.2	2.20	2.70	0.50	22.7
23456ABCD	4.50	5.50	1.00	22.2	2.20	2.70	0.50	22.7
3456A	3.00	4.00	1.00	33.3	1.50	2.00	0.50	33.3
3456AB	3.50	4.00	0.50	14.3	1.70	2.00	0.30	17.6
3456ABC	4.00	4.00	-	-	2.00	2.00	-	-
3456ABCD	4.00	4.00	-	-	2.00	2.00	-	-
456A	3.00	3.00	-	-	1.50	1.50	-	-
456AB	3.00	3.00	-	-	1.50	1.50	-	-
456ABC	3.50	4.00	0.50	14.3	1.70	2.00	0.30	17.6
456ABCD	3.50	4.00	0.50	14.3	1.70	2.00	0.30	17.6
56A	3.00	3.00	-	-	1.50	1.50	-	-
56AB	3.00	3.00	-	-	1.50	1.50	-	-
56ABC	3.00	3.00	-	-	1.50	1.50	-	-
56ABCD	3.00	3.00	-	-	1.50	1.50	-	-
6A	3.00	3.00	-	-	1.50	1.50	-	-
6AB	3.00	3.00	-	-	1.50	1.50	-	-
6ABC	3.00	3.00	-	-	1.50	1.50	-	-
6ABCD	3.00	3.00	-	-	1.50	1.50	-	-
A	3.00	3.00	-	-	1.50	1.50	-	-
AB	3.00	3.00	-	-	1.50	1.50	-	-
ABC	3.00	3.00	-	-	1.50	1.50	-	-
ABCD	3.00	3.00	-	-	1.50	1.50	-	-
B	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
BC	3.00	3.00	-	-	1.50	1.50	-	-
BCD	3.00	3.00	-	-	1.50	1.50	-	-
C	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
CD	3.00	3.00	-	-	1.50	1.50	-	-
D	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

*Not DLR local journeys (see below)

Return tickets will be charged at twice the single ticket price

DLR Local Fares and Group Day Ticket

Ticket/Zones	Adult Price		Change (£)	Change (%)	Child Price		Change (£)	Change (%)
	Current	Jan-07			Current	Jan-07		
DLR local fares								
2,3	1.50	1.50	-	-	0.70	0.70	-	-
23	1.50	1.50	-	-	0.70	0.70	-	-
Group Day Ticket								
123456	3.50	3.50	-	-	1.00	1.00	-	-
123456ABCD	4.50	5.00	0.50	11.1	1.50	1.50	-	-

Tube-Train Zonal fares

From 2 January 2007, zonal single and return fares will replace the current joint Tube-Train fares. The new tickets will allow unlimited interchange between LU/DLR and TOC services within the specified zones while the current tickets allow for one change to or from TOC services only. Prices are shown in the table below.

Zones	Current Tube-Train single		Proposed new combined Zonal single		Proposed new combined Zonal return	
	Adult	Child	Adult	Child	Adult	Child
1	3.00	1.50	4.00	2.00	n/a*	n/a*
2	3.40	1.70	4.10	2.00	n/a*	n/a*
3	4.00	2.00	4.70	2.30	n/a*	n/a*
4	4.40	2.20	5.10	2.50	n/a*	n/a*
5	5.20	2.60	5.80	2.90	n/a*	n/a*
6	6.20	3.10	6.80	3.40	n/a*	n/a*
1	3.00	1.50	3.00	1.50	5.60	2.80
2	3.00	1.50	3.40	1.70	6.30	3.10
3	3.00	1.50	3.80	1.90	7.00	3.50
4	3.40	1.70	4.20	2.10	7.70	3.80
5	4.00	2.00	4.60	2.30	n/a*	n/a*

* TfL will not issue Tube-Train tickets for these zone combinations. Passengers will be advised to buy a One Day Travelcard (peak or off-peak, as appropriate) instead.

Oyster 'pay as you go' fares

The following prices will apply for Oyster 'pay as you go' journeys on all Underground and DLR services

Ticket/Zones	Oyster 'pay as you go' Standard*		Change (£)	Change (%)	Oyster 'pay as you go' Discount*		Change (£)	Change (%)
	Current	Jan-07			Current	Jan-07		
Adult								
1	1.50	1.50	-	-	1.50	1.50	-	-
12	2.00	2.00	-	-	1.50	1.50	-	-
123	2.50	2.50	-	-	2.00	2.00	-	-
1234	2.50	2.50	-	-	2.00	2.00	-	-
12345	3.50	3.50	-	-	2.00	2.00	-	-
123456	3.50	3.50	-	-	2.00	2.00	-	-
123456A	4.00	4.50	0.50	12.5	2.40	3.00	0.60	25.0
123456AB	4.50	4.50	-	-	2.40	3.00	0.60	25.0
123456ABC	5.00	5.50	0.50	10.0	3.00	3.00	-	-
123456ABCD	5.50	5.50	-	-	3.00	3.00	-	-
2,3,4,5,6	1.00	1.00	-	-	1.00	1.00	-	-
23,34,45,56	1.00	1.00	-	-	1.00	1.00	-	-
234,345,456	1.80	1.80	-	-	1.00	1.00	-	-
2345,3456	1.80	1.80	-	-	1.00	1.00	-	-
23456	1.80	1.80	-	-	1.00	1.00	-	-
23456A	2.80	3.00	0.20	7.1	1.70	2.00	0.30	17.6
23456AB	2.80	3.00	0.20	7.1	1.70	2.00	0.30	17.6
23456ABC	3.80	4.00	0.20	5.3	2.00	2.00	-	-
23456ABCD	3.80	4.00	0.20	5.3	2.00	2.00	-	-
3456A	2.30	2.50	0.20	8.7	1.30	1.00	-0.30	-23.1
3456AB	2.80	2.50	-0.30	-10.7	1.70	1.00	-0.70	-41.2
3456ABC	3.50	3.50	-	-	2.00	1.00	-1.00	-50.0
3456ABCD	3.50	3.50	-	-	2.00	1.00	-1.00	-50.0
456A	1.80	2.00	0.20	11.1	1.00	1.00	-	-
456AB	2.30	2.00	-0.30	-13.0	1.30	1.00	-0.30	-23.1
456ABC	3.20	3.00	-0.20	-6.3	1.70	1.00	-0.70	-41.2
456ABCD	3.20	3.00	-0.20	-6.3	1.70	1.00	-0.70	-41.2
56A	1.80	2.00	0.20	11.1	1.00	1.00	-	-
56AB	1.80	2.00	0.20	11.1	1.00	1.00	-	-
56ABC	2.30	2.50	0.20	8.7	1.30	1.00	-0.30	-23.1
56ABCD	2.80	2.50	-0.30	-10.7	1.70	1.00	-0.70	-41.2
6A	1.00	1.50	0.50	50.0	1.00	1.00	-	-
6AB	1.80	1.50	-0.30	-16.7	1.00	1.00	-	-
6ABC	2.00	2.00	-	-	1.00	1.00	-	-
6ABCD	2.30	2.00	-0.30	-13.0	1.30	1.00	-0.30	-23.1
A	1.00	1.00	-	-	1.00	1.00	-	-
AB	1.00	1.00	-	-	1.00	1.00	-	-
ABC	1.60	1.50	-0.10	-6.3	1.00	1.00	-	-
ABCD	1.60	1.50	-0.10	-6.3	1.00	1.00	-	-
B	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
BC	1.00	1.00	-	-	1.00	1.00	-	-
BCD	1.60	1.50	-0.10	-6.3	1.00	1.00	-	-
C	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
CD	1.00	1.00	-	-	1.00	1.00	-	-
D	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

*The standard fare is charged for journeys starting between 07:00 and 19:00 on normal weekdays. The Discount fare applies to weekday journeys outside these times and at any time at weekends and on bank holidays.

Oyster 'pay as you go' fares (continued)

Ticket/Zones	Oyster 'pay as you go' Standard*		Change (£)	Change (%)	Oyster 'pay as you go' Discount*		Change (£)	Change (%)
	Current	Jan-07			Current	Jan-07		
Child								
1	0.70	0.50	-0.20	-28.6	0.70	0.50	-0.20	-28.6
12	1.00	0.50	-0.50	-50.0	0.70	0.50	-0.20	-28.6
123	1.00	0.50	-0.50	-50.0	1.00	0.50	-0.50	-50.0
1234	1.00	0.50	-0.50	-50.0	1.00	0.50	-0.50	-50.0
12345	1.00	0.50	-0.50	-50.0	1.00	0.50	-0.50	-50.0
123456	1.00	0.50	-0.50	-50.0	1.00	0.50	-0.50	-50.0
123456A	1.50	1.00	-0.50	-33.3	1.00	1.00	-	-
123456AB	1.50	1.00	-0.50	-33.3	1.00	1.00	-	-
123456ABC	2.00	1.50	-0.50	-25.0	1.00	1.50	0.50	50.0
123456ABCD	2.00	1.50	-0.50	-25.0	1.00	1.50	0.50	50.0
2,3,4,5,6	0.50	0.50	-	-	0.50	0.50	-	-
23,34,45,56	0.50	0.50	-	-	0.50	0.50	-	-
234,345,456	0.90	0.50	-0.40	-44.4	0.50	0.50	-	-
2345,3456	0.90	0.50	-0.40	-44.4	0.50	0.50	-	-
23456	0.90	0.50	-0.40	-44.4	0.50	0.50	-	-
23456A	1.20	0.50	-0.70	-58.3	0.50	0.50	-	-
23456AB	1.20	0.50	-0.70	-58.3	0.50	0.50	-	-
23456ABC	1.20	1.00	-0.20	-16.7	0.50	1.00	0.50	100.0
23456ABCD	1.20	1.00	-0.20	-16.7	0.50	1.00	0.50	100.0
3456A	1.00	0.50	-0.50	-50.0	0.50	0.50	-	-
3456AB	1.00	0.50	-0.50	-50.0	0.50	0.50	-	-
3456ABC	1.00	1.00	-	-	0.50	1.00	0.50	100.0
3456ABCD	1.00	1.00	-	-	0.50	1.00	0.50	100.0
456A	0.90	0.50	-0.40	-44.4	0.50	0.50	-	-
456AB	1.00	0.50	-0.50	-50.0	0.50	0.50	-	-
456ABC	1.00	1.00	-	-	0.50	1.00	0.50	100.0
456ABCD	1.00	1.00	-	-	0.50	1.00	0.50	100.0
56A	0.90	0.50	-0.40	-44.4	0.50	0.50	-	-
56AB	0.90	0.50	-0.40	-44.4	0.50	0.50	-	-
56ABC	1.00	1.00	-	-	0.50	1.00	0.50	100.0
56ABCD	1.00	1.00	-	-	0.50	1.00	0.50	100.0
6A	0.50	0.50	-	-	0.50	0.50	-	-
6AB	0.90	0.50	-0.40	-44.4	0.50	0.50	-	-
6ABC	1.00	1.00	-	-	0.50	1.00	0.50	100.0
6ABCD	1.00	1.00	-	-	0.50	1.00	0.50	100.0
A	0.50	0.50	-	-	0.50	0.50	-	-
AB	0.50	0.50	-	-	0.50	0.50	-	-
ABC	0.80	0.50	-	-	0.50	0.50	-	-
ABCD	0.80	0.50	-0.30	-37.5	0.50	0.50	-	-
B	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
BC	0.50	0.50	-	-	0.50	0.50	-	-
BCD	0.80	0.50	-0.30	-37.5	0.50	0.50	-	-
C	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
CD	0.50	0.50	-	-	0.50	0.50	-	-
D	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

*The standard fare is charged for journeys starting between 07:00 and 19:00 on normal weekdays. The Discount fare applies to weekday journeys outside these times and at any time at weekends and on bank holidays.

Oyster 'pay as you go' fares (continued)

Ticket/Zones	Oyster 'pay as you go' Standard*		Change (£)	Change (%)	Oyster 'pay as you go' Discount*		Change (£)	Change (%)
	Current	Jan-07			Current	Jan-07		
16-17 and New Deal								
1	0.70	0.70	-	-	0.70	0.70	-	-
12	1.00	1.00	-	-	0.70	0.70	-	-
123	1.20	1.20	-	-	1.00	1.00	-	-
1234	1.20	1.20	-	-	1.00	1.00	-	-
12345	1.70	1.70	-	-	1.00	1.00	-	-
123456	1.70	1.70	-	-	1.00	1.00	-	-
123456A	2.00	2.20	0.20	10.0	1.20	1.50	0.30	25.0
123456AB	2.20	2.20	-	-	1.20	1.50	0.30	25.0
123456ABC	2.50	2.70	0.20	8.0	1.50	1.50	-	-
123456ABCD	2.70	2.70	-	-	1.50	1.50	-	-
2,3,4,5,6	0.50	0.50	-	-	0.50	0.50	-	-
23,34,45,56	0.50	0.50	-	-	0.50	0.50	-	-
234,345,456	0.90	0.90	-	-	0.50	0.50	-	-
2345,3456	0.90	0.90	-	-	0.50	0.50	-	-
23456	0.90	0.90	-	-	0.50	0.50	-	-
23456A	1.40	1.50	0.10	7.1	0.80	1.00	0.20	25.0
23456AB	1.40	1.50	0.10	7.1	0.80	1.00	0.20	25.0
23456ABC	1.90	2.00	0.10	5.3	1.00	1.00	-	-
23456ABCD	1.90	2.00	0.10	5.3	1.00	1.00	-	-
3456A	1.10	1.20	0.10	9.1	0.60	0.50	-0.10	-16.7
3456AB	1.40	1.20	-0.20	-14.3	0.80	0.50	-0.30	-37.5
3456ABC	1.70	1.70	-	-	1.00	0.50	-0.50	-50.0
3456ABCD	1.70	1.70	-	-	1.00	0.50	-0.50	-50.0
456A	0.90	1.00	0.10	11.1	0.50	0.50	-	-
456AB	1.10	1.00	-0.10	-9.1	0.60	0.50	-0.10	-16.7
456ABC	1.60	1.50	-0.10	-6.3	0.80	0.50	-0.30	-37.5
456ABCD	1.60	1.50	-0.10	-6.3	0.80	0.50	-0.30	-37.5
56A	0.90	1.00	0.10	11.1	0.50	0.50	-	-
56AB	0.90	1.00	0.10	11.1	0.50	0.50	-	-
56ABC	1.10	1.20	0.10	9.1	0.60	0.50	-0.10	-16.7
56ABCD	1.40	1.20	-0.20	-14.3	0.80	0.50	-0.30	-37.5
6A	0.50	0.70	0.20	40.0	0.50	0.50	-	-
6AB	0.90	0.70	-0.20	-22.2	0.50	0.50	-	-
6ABC	1.00	1.00	-	-	0.50	0.50	-	-
6ABCD	1.10	1.00	-0.10	-9.1	0.60	0.50	-0.10	-16.7
A	0.50	0.50	-	-	0.50	0.50	-	-
AB	0.50	0.50	-	-	0.50	0.50	-	-
ABC	0.80	0.70	-0.10	-12.5	0.50	0.50	-	-
ABCD	0.80	0.70	-0.10	-12.5	0.50	0.50	-	-
B	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
BC	0.50	0.50	-	-	0.50	0.50	-	-
BCD	0.80	0.70	-0.10	-12.5	0.50	0.50	-	-
C	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
CD	0.50	0.50	-	-	0.50	0.50	-	-
D	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

*The standard fare is charged for journeys starting between 07:00 and 19:00 on normal weekdays. The Discount fare applies to weekday journeys outside these times and at any time at weekends and on bank holidays.

Oyster 'pay as you go' caps

The following daily caps apply where any Oyster 'pay as you go' travel is made on Underground or DLR services, with or without bus and tram travel in addition.

Ticket/Zones	Oyster 'pay as you go' Peak*		Change (£)	Change (%)	Oyster 'pay as you go' Off-Peak*		Change (£)	Change (%)
	Current	Jan-07			Current	Jan-07		
Adult								
12	5.70	6.10	0.40	7.0	4.40	4.60	0.20	4.5
123	6.70	7.30	0.60	9.0	4.90	5.20	0.30	6.1
1234	7.90	8.50	0.60	7.6	4.90	5.20	0.30	6.1
12345	9.90	10.70	0.80	8.1	5.80	6.20	0.40	6.9
123456	11.90	12.70	0.80	6.7	5.80	6.20	0.40	6.9
123456D	13.10	14.00	0.90	6.9	6.90	7.30	0.20	5.8
23456	6.90	7.50	0.60	8.7	3.80	4.10	0.30	7.9
23456D	8.30	8.90	0.60	7.2	4.10	4.40	0.30	7.3
Child								
12	2.80	1.00	-1.80	-64.3				
123	3.30	1.00	-2.30	-69.7				
1234	3.90	1.00	-2.90	-74.4				
12345	4.90	1.00	-3.90	-79.6				
123456	5.90	1.00	-4.90	-83.1				
123456D	6.50	3.00	-3.50	-53.8	1.00	1.00	-	-
23456	3.40	1.00	-2.40	-70.6				
23456D	4.10	2.00	-2.10	-51.2				
16-17 and New Deal								
12	2.80	3.00	0.20	7.1	2.00	2.30	0.30	15.0
123	3.30	3.60	0.30	9.1	2.00	2.60	0.60	30.0
1234	3.90	4.20	0.30	7.7	2.00	2.60	0.60	30.0
12345	4.90	5.30	0.40	8.2	2.00	3.10	1.10	55.0
123456	5.90	6.30	0.40	6.8	2.00	3.10	1.10	55.0
123456D	6.50	7.00	0.50	7.7	2.60	3.60	1.00	38.5
23456	3.40	3.70	0.30	8.8	2.00	2.00	-	-
23456D	4.10	4.40	0.30	7.3	2.00	2.20	0.20	10.0

*The Off-Peak cap applies for journeys made on the same day entirely within the following hours:

- Mondays to Fridays: from 0930 and starting before 0430 the following day
- Saturdays, Sundays and public holidays: from 0430 and starting before 0430 the following day.

On normal weekdays the Peak cap will apply if any journey is started between 0430 and 0930 if this gives the lowest cost. The Off-Peak cap plus the separate fares for any journeys starting between 0430 and 0930 will be charged if the total cost is less than the Peak cap.

Bus and Tram tickets

The following tickets are valid on all TfL bus and tram services:

	Adult price		Change (£)	Change (%)
	Current	Jan-07		
Bus/Tram Single				
Any journey	1.50	2.00	0.50	33.3
One Day Bus Pass				
1234	3.50	3.50	-	-
7 Day Bus Pass				
All zones	13.50	14.00	0.50	3.7
Bus Oyster 'pay as you go' am Peak* fare				
Any journey	1.00	1.00	-	-
Bus Oyster 'pay as you go' fare at all other times*				
Any journey	0.80	1.00	0.20	25.0

Monthly bus season prices are 3.84 * 7-Day price (rounded up to 10p multiples). Annual season prices are 40 * 7-Day price.

*Currently the am Peak fare is charged for journeys on Monday to Friday starting between 07:00 and 09:30. At all other times including public holidays the lower rate is charged. From 2 January 2007 the same charge will be made at all times, subject to the daily cap.

Student photocard holders are eligible for Student Bus seasons at the following prices:

Ticket/Zones	Student price		Change (£)	Change (%)	16-17/New Deal price		Change (£)	Change (%)
	Current	Jan-07			Current	Jan-07		
7 Day Bus Pass								
	9.40	9.70	0.30	3.2	5.00	6.00	1.00	20.0

Discount bus season prices are calculated to ensure at least a 30% discount is given on equivalent adult bus seasons for all periods.

16-17 and New Deal Photocard holders are eligible for 'pay as you go' fares at the following prices:

	16-17/New Deal price		Change (£)	Change (%)
	Current	Jan-07		
Bus Oyster 'pay as you go' am peak fare				
Any journey	0.50	0.50	-	-
Bus Oyster 'pay as you go' fare at all other times				
Any journey	0.40	0.50	0.10	25.0

Saver tickets are valid on all TfL bus services:

	Adult price		Change (£)	Change (%)
	Current	Jan-07		
Bus Saver Ticket				
Book of 6 tickets	6.00	6.00	-	-

The following daily caps apply where Oyster 'pay as you go' travel is made on TfL bus or tram services:

	Adult price		Change	Change	16-17 and New Deal price*		Change	Change
	Current	Jan-07	(£)	(%)	Current	Jan-07	(£)	(%)
Bus and tram Oyster 'pay as you go' cap								
All journeys	3.00	3.00	-	-	1.50	1.50	-	-

The cap is the maximum cost for all journeys made during a 24 period from 0430 and before 0430 the following day using TfL bus and tram services only.

GREATER LONDON AUTHORITY

Request for Mayoral Approval – MA2854

Freedom of Information requirements:

Part 1 (factual background and non-confidential advice) applies
 Part 2 (confidential facts and advice) applies

If Part 2 applies (see page 5) you must submit both parts of this form for approval together.

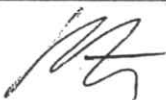

Deferred Publication – Part 1 of this MAF will be made available on request to the public through the GLA's publication scheme from one month after a decision is reported to the London Assembly unless it is deferred.

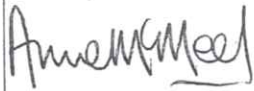
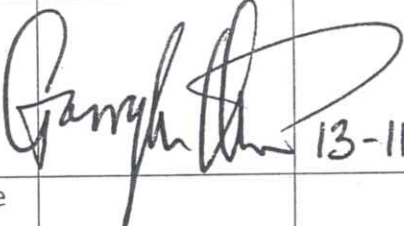
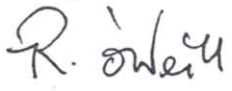


Is Part 1 of this paper to be deferred? No

Decision Required:

The Mayor is asked to:

Direct Transport for London to implement the enclosed revisions to fares on the London Underground (LUL), Docklands Light Railway (DLR), London Buses and Croydon Tramlink, to prices for Travelcards valid on all these modes and National Rail services in the London area, and for certain National Rail train-Tube combined fares. The bulk of these proposals will take place from 2 January 2007. One proposal, in relation to Underground Oystercard use will commence on 19 November 2006.

Name	Comment	Signature	Date
Originating Officer	Kevin Austin Head of Transport X4256		10/11/06
Anne McMeel Sponsoring Director	I have reviewed the request and am satisfied that <ul style="list-style-type: none"> the details are correct the proposal is consistent with the Mayor's vision and objectives and the business 		15/11/06

	<p>plan</p> <ul style="list-style-type: none"> the equalities issues/impact have been considered Freedom of Information, Data Protection and other information access issues have been considered and the information contained in Part 1 of this Form is suitable for publication Where release of Part 1 has been deferred I confirm that the reason given and the date stated for release are appropriate. 		
	<p>Anne McMeel Executive Director of Finance & Performance</p>	I have commented on the financial implications of the proposal	 10/11/06
PP.	<p>Kobina Hughes Interim Head of Law</p>	I have commented on the legal implications of the proposal	 13-11-06
	<p>Redmond O'Neill Policy Director or Mayoral Adviser</p>	I have been consulted about the proposal and agree the recommendations	 13.11.06
	<p>Simon Fletcher Chief of Staff</p>	I am satisfied that this is an appropriate request to be submitted to the Mayor	 14/11/06
	<p>Ken Livingstone Mayor of London</p>	<p>The above request has my approval and I confirm that I have no personal or prejudicial interests which need to be declared in respect of this matter.</p> <p>(NB, modify this section if you are setting out options)</p> <p>Comments:</p>	 14.11.06

Where this form is signed under delegated authority on behalf of the Mayor, please note the time of any discussion or correspondence with the Mayor:

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PART I - FACTUAL BACKGROUND AND NON-CONFIDENTIAL ADVICE TO THE MAYOR

Request for Mayoral Approval – MA2854

Supporting report

1. Purpose and decision required

1.1 The Mayor is asked to:

Direct Transport for London to implement the enclosed revisions to fares on the London Underground (LUL), Docklands Light Railway (DLR), London Buses and Croydon Tramlink, to prices for Travelcards valid on all these modes and National Rail services in the London area, and for certain National Rail train-Tube combined fares. The bulk of these proposals will take place from 2 January 2007. One proposal, in relation to Underground Oystercard use will commence on 19 November 2006.

2. Why approval is being sought

2.1 Overview of fares revision

2.1.1 The Mayor announced his proposals for the 2007 fares package (MA2817) in September 2006. In this Mayoral Approval Form the Mayor is asked to direct TfL to implement the fares package for 2007. No changes have been made to those proposals contained in MA2817. The details of the fares revision are described below.

2.1.2 In 2004 the Mayor announced that bus and tram fares would rise in line with the Headline Retail Price Index (RPI) + 10% for the following three years (2005, 2006 and 2007). This policy was followed in 2005 and 2006, however, efficiency savings and additional income secured by Transport for London mean that for 2007 TfL propose that bus and tram fares will on average increase by only RPI + 3.8%.

2.1.3 The proposals for Underground fares to increase by 1% more than inflation are in line with the Mayor's announcements made in 2004.

2.2 Buses

2.2.1 Building on the success of last year's fares changes which substantially reduced the proportion of passengers paying single cash fares, the January 2007 proposals for buses aim to simplify Oyster fares by making them a flat 100p across the day. The day cap for bus-only use will stay at 300p. The One Day Bus Pass price will remain unchanged at 350p, while the 7 Day Bus Pass price will rise from 1350p to 1400p.

2.2.2 The cash fare will increase from 150p to 200p, with the aim of further encouraging a shift away from cash towards Oyster.

2.2.3 Details of the proposed bus fare changes are summarised in Table 1.

Table 1: Proposed 2007 adult bus fares

		Current price	January 2007 price	Change %
Cash single		150p	200p	+33.3
Oyster 'pay as you go'	am peak	100p	100p	-
	other times	80p	100p	+25.0
	day cap	300p	300p	-
Saver	all times	100p	100p	-
Bus Passes	One Day	350p	350p	-
	7 Day Season	1350p	1400p	+3.7

2.2.4 A reduction in overall bus patronage of about 1% would be expected as a specific result of the fare changes. However, a number of other factors are expected to increase the demand for bus travel in 2007. These include the extension of free bus travel to 16 and 17s in full time education in September 2006 and rising population and employment in London. The net result is projected to be an increase in bus journeys of around 1% in 2007/08.

2.3 Croydon Tramlink

2.3.1 Fares on Croydon Tramlink are proposed to change in line with the proposals for buses.

2.4 The Underground

2.4.1 As with the buses, the use of single cash fares on LU has halved over the last year. A key theme of the fare changes is to reduce this further by encouraging passengers to switch into other ticket types and in particular into Oyster 'pay as you go'. All adult Oyster 'pay as you go' single fares within Zones 1-6 will be frozen. Proposed single and Oyster 'pay as you go' prices are set out in Table 2. Comprehensive details of all the proposed Tube fares are set out in Annex A.

2.4.2 Child Oyster 'pay as you go' Tube fares will be simplified, with a maximum charge per journey of 50p within Zones 1 to 6 and no difference between peak and off-peak prices. The cost of travel will be capped at 100p per day regardless of the number of trips made.

2.4.3 Adult Oyster daily caps for Tube and DLR travel will remain at 50p below the equivalent One Day Travelcard prices, depending on the time and zones of travel. These caps will also apply where bus or tram journeys are made in addition to Tube/DLR travel.

2.4.4 Currently, where a passenger fails to check out at the end (or in at the beginning) of an Oyster pay as you go journey, the minimum pay as you go fare from (or to) the station where the Oystercard was read is charged. It is proposed that on 19 November 2006 the charge made in these circumstances will be increased to £4 at all LU stations (£5 at selected NR stations with Oystercard readers).

2.4.5 Cash adult fares for Tube journeys between Zone 1 and Zones 2, 3 or 4 will increase from 300p to 400p, the current price between Zone 1 and Zones 5 or 6 will not change. All cash fares for journeys entirely within Zones 2 to 6 will remain at 300p.

2.4.6 Details of adult rates are set out in Table 2 below.

Table 2: Proposed 2007 Underground adult cash single/Oyster PAYG prices

Adult	Current price (p)		January 2007 price (p)		Change (%)				
	Cash single	Oyster 'pay as you go'	Cash single	Oyster 'pay as you go'	Cash single	Oyster 'pay as you go'			
Zone 1 to		Std	Disc		Std	Disc		Std	Disc
Z1	300	150	150	400	150	150	+33.3	-	-
Z2		200			200			-	-
Z3		250	200		250	200		-	-
Z4									
Z5	400	350		350		-	-	-	-
Z6									
No. of zones excl Zone 1									
1	300	100	100	300	100	100	-	-	-
2									
3		180			180			-	-
4									
5									

2.4.7 16/17 discount fares on pay as you go and season tickets will continue to be set at half the adult price, or move towards this amount where less. Day caps for these fares will be set at half the corresponding adult caps.

2.4.8 Travelcard season ticket prices will generally increase by an average of 5.2%, or nearly 2% more than inflation. Because all Travelcards are also valid over the entire bus network, the cheapest two zone (excluding Zone 1) variant is being increased slightly more than this to provide a £1 premium above the price of the 7 day bus season ticket.

2.4.9 Proposed prices for 7 Day Travelcard seasons are set out in Table 3. Prices for longer periods will increase by similar percentages.

Table 3: Proposed 2007 adult Travelcard season prices

Zones	Current price	January 2007 price	Change %
7 Day season			
12	£22.20	£ 23.20	4.5
123	£26.00	£ 27.40	5.4
1234	£31.60	£ 33.20	5.1
12345	£37.80	£ 39.80	5.3
123456	£41.00	£ 43.00	4.9
23,34,45,56	£14.00	£15.00	7.1
234,345,456	£18.40	£19.40	5.4
2345,3456	£22.20	£23.20	4.5
23456	£27.20	£29.20	7.4

2.4.10 Child rate Travelcard seasons and LU single tickets will remain at half the adult rate and so will increase by similar percentages. Student Travelcard Seasons will continue at 30% off the adult rate and so will increase by similar percentages.

2.4.11 Day Travelcards will increase by 5.3% on average, with adult off-peak prices increasing by 20-40p. Child off-peak prices will not change. Adult prices are set out in Table 4 below.

Table 4: Proposed 2007 adult Day Travelcard prices

Zones	Current price	January 2007 price	Change %
Day Travelcard (Off-Peak)			
12	£4.90	£5.10	4.1
1234	£5.40	£5.70	5.6
123456	£6.30	£6.70	6.3
23456	£4.30	£4.60	7.0
Day Travelcard (Peak)			
12	£6.20	£6.60	6.5
123	£7.20	£7.80	8.3
1234	£8.40	£9.00	7.1
12345	£10.40	£11.20	7.7
123456	£12.40	£13.20	6.5
23456	£7.40	£8.00	8.1
3 Day Travelcard			
12 Peak	£15.40	£16.40	6.5

123456 Peak	£37.20	£39.60	6.5
123456 Off-Peak	£18.90	£20.10	6.3

2.4.12 Since April 2006 children under the age of 11 have been allowed to travel free during off peak periods when they are accompanied by adult fare paying passengers. From Easter 2007 it is proposed to remove these restrictions so that all under 11s can travel free on the Underground at any time. Discussions are continuing with the Train Operating Companies in London with a view to their agreeing to extend this concession to National Rail services from the same date.

2.4.13 The changes in overall Underground journeys as a result of these fares proposals are expected to be broadly neutral.

2.5 Docklands Light Railway

2.5.1 Fares on the DLR will generally increase in line with the proposals for the Underground. For local travel on DLR in Zones 2 and 3, cash single fares will remain at 150p for adults and 70p for children.

2.6 Tube-Train Fares

2.6.1 The system of London-wide uniform, zone based Tube-Train fares for through journeys introduced in January 2005 is now operated by all the London Train Operating Companies and applies to most single journeys in the zonal area. Agreement has been reached with the Train Operating Companies to re-structure these from January 2007 as full zonal fares, applying to journeys involving any number of interchanges between TOC and Tube services.

2.6.2 The Train Operating Companies also intend to introduce zonal fares in January for single and return journeys just on their services entirely within the London area. Adult standard day single and return prices developed by the Operators are set out in Table 5. (Cheap day returns and child fares at half the adult rates will also be available.)

Table 5: Adult Zonal Fares from January 2007 – TOC services only

Zones		Standard Day Single (p)	Standard Day Return (p)
1	inc Z1	180	360
2		210	370
3		270	460
4		310	530
5		380	720
6		480	920
1	exc Z1	150	260
2		190	330
3		230	400
4		270	470
5		310	560

Note: fares to Zone 1 are valid to London rail terminals only

- 2.6.3 Agreement has been reached to create Tube-Train zonal single fares set at premiums over the train-only zonal prices of 200p for single journeys including Zone 1 and 150p for single journeys entirely outside Zone 1. In most cases the One Day Travelcard will serve as a return ticket. Child Tube-Train fares will be set at half the adult rate (rounded to 10p multiples). Prices are listed in Annex A.
- 2.6.4 Agreement has also been reached with the Train Operating Companies on the prices for single through Tube-Train journeys going outside the zonal area. Where these include Tube travel in Zones 1 to 4, the premium charged over the train-only fare to the London terminals is to remain at £3. Where Tube travel extends from Zone 1 to Zone 5 or 6, this premium will remain at £4.

2.7 Tube Fares outside the London fare zones (1-6)

- 2.7.1 Fares proposed for the Metropolitan Line from January 2007 will continue the simplification started in January 2006. The number of Travelcard and season ticket variants will be reduced and a greater emphasis placed on Oyster pay-as-you-go fares. Most notably, Zones A and B will be merged and season tickets for purely out of London travel will be withdrawn. The fares set out in the Annex will provide the basis for integration with the Watford Junction service in January 2008.

2.8 Fares on the North London Railway

- 2.8.1 It is proposed that from 2 January 2007 all NLR fares from stations within Zones 1 to 6 will become inter-available with those on the Underground.
- 2.8.2 Such inter-availability already exists on the North London Line but will be extended to include the West London and Gospel Oak Lines and the section of the Watford DC service within Greater London.
- 2.8.3 For shorter non-Zone 1 journeys, the NLR cash fare will be set at 150p (as on the DLR and NLL today). The fare of 220p for specified longer distance trips e.g. Richmond to Stratford will also be maintained.

2.9 Station rezoning

- 2.9.1 It is proposed to rezone stations on the Hainault Loop of the Central Line which are currently in Zone 5 to Zone 4. This includes Roding Valley, Chigwell, Grange Hill, Hainault, Fairlop and Barkingside. The change has been sought by a local transport group for some time. Loadings on this section of line are very light, with under 10,000 passengers per day (less than 0.4% of the Tube network total), so the effect on revenue will be minimal. Retailing and revenue control will be simplified.

3 Equalities Implications

- 3.1 The proposed changes in fares support the Mayor's objective in the London Plan to improve London's accessibility by helping raise funds for the continuing improvement of London's transport system.
- 3.2 The Mayor's Children and Young Peoples Strategy, Policy 5E.3, seeks to improve the access of young Londoners to transport in the capital, and states that:
 "the Mayor, with TfL, will examine further measures to reduce the cost barriers to young Londoners' access to transport in the capital."
- 3.3 The reduced Oyster 'pay as you go' fares for the under 16s on the Tube and the extension of the free travel for children under 11 from next Easter support the Mayor's commitment to equality of opportunity by significantly improving the affordability of public transport for children and young people, building on the major free bus travel initiatives now implemented for the under 16s and 16/17s in full time education.
- 3.3 The biggest Tube price increases will be for cash single fares in Zones 1-4. Table 6 below shows that there is little difference between the mix of social groups paying these fares and that for other ticket types. Hence the change (which is avoidable by switching to Oyster pay as you go fares anyway) will not fall disproportionately on the less affluent.

Table 6: Tube Journeys by ticket type and SEG

SEG	All journeys	Freedom Pass	Travelcard	Oyster PAYG	Cash single
AB	18%	19%	17%	20%	25%
C1	57%	33%	60%	53%	46%
C2	18%	31%	17%	21%	20%
DE	7%	16%	6%	7%	9%
Total	100%	100%	100%	100%	100%

- 3.4 Similarly, the biggest bus price increase is for the single cash fare but, as Table 7 below shows, this will not fall disproportionately on passengers from lower socio-economic groups. Again, the increase will be avoidable by switching to Oyster pay as you go fares.

Table 7: Bus Journeys by ticket type and SEG

SEG	All journeys	Freedom Pass	Travelcard	Bus Pass	Oyster PAYG	Cash single
AB	20%	14%	33%	17%	28%	19%
C1	38%	27%	43%	39%	46%	39%
C2	11%	11%	8%	11%	13%	16%
DE	30%	47%	16%	33%	13%	26%
Total	100%	100%	100%	100%	100%	100%

4 Health and Sustainable Development

- 4.1 These fares proposals will help raise funds to improve public transport, which in the long term will help encourage more people to use these modes and support the development of sustainable travel behaviour. The increased use of Oystercard will help make travelling in London an easier and more integrated experience for passengers.

5 Consultation

- 5.1 The Mayor is not required to conduct statutory consultation on fares. However, a major engagement was carried out in 2004 when the Mayor announced his fares policy for the next few years, including the overall levels of the bus and Tube fare increases through to 2007. The current proposals are in line with that policy for tube fares, which will increase by RPI+1%. It has proved possible to limit the bus fares increasing to RPI+3.8% over 6% less than previously planned.
- 5.2 London TravelWatch (The renamed London Transport Users Committee) has been briefed on the likely proposals and options for January 2007. The views of the Committee have been noted in formulating the fares revision proposals for 2007.

6 Strategy Implications

- 6.1 The overall aim of these fare proposals is to ensure that fare policy fully supports the objectives and policy criteria set out in the Mayor's Transport Strategy. The Mayor's criteria for achievement of these aims set out in the Transport Strategy include:
- promoting **social inclusion** by making access to public transport more affordable for less well off groups; this is contributed to by extending free bus travel to all those under 18 in full time education in September 2006, reducing the price and simplifying child Oyster pay as you go fares on the Tube and removing the restrictions on free Tube travel for the under 11s from next Easter. Freezing the price of the One Day Bus Pass will also help the less well off as users of that ticket tend to be poorer than users of other tickets (excluding Freedom Passes). This is demonstrated in Table 7.
 - making **public transport more efficient by simplifying fares** will be achieved by further reducing the number of single Tube fares within the zonal area and introducing a single rate for bus Oyster pay as you go fares. Further simplification will be achieved by rationalising the charges and range of child tickets on the Tube.
 - developing a common ticketing and fare system for rail in London, aiming for **simplification, integration and consistent Smartcard ticketing** will be brought a step nearer by the restructuring of Underground-Train into fully inter-available zonal fares.

7 Risk Management

- 7.1 The January 2006 fares revision included substantial increases in the differential between cash single fares and other ticket prices. This was expected to result in a significant reduction in the use of single tickets on buses and the Tube as passengers switched to cheaper alternative tickets. The biggest risk in achieving the projected revenue yield was that more passengers than expected would make this switch. In the event, the level of switching was close to that expected and the projected yield was achieved.
- 7.2 The fares proposals for January 2007 continue to increase the differential between cash single fares and other tickets on both bus and Tube, to encourage a further reduction in the proportion using cash fares. As last year, uncertainty in passengers' response to these changes provides the largest risk to achieving the projected yield. However, experience from last year's revision indicates that this risk is small – certainly less than it was then.
- 7.3 Nevertheless, the reaction of passengers to the fares changes will be closely monitored and if a significant shortfall on the projected revenue yield for this or any other reason becomes evident consideration could be given to an additional fares revision part way through the year.

8 Legal Implications

- 8.1 Under section 174(1) of the Greater London Act 1999, the Mayor is under a duty to exercise his power to issue directions to TfL under section 155(1) of the Act in such a way to ensure that the general level and structure of fares for passenger transport services, the general structure of routes and the charges for other facilities are determined. This applies to services provided by TfL and other parties who provide services acting under contracts with TfL.
- 8.2 Under section 178(1) of the Greater London Act 1999, Transport for London shall inform the London borough councils; the Common Council; the council of any relevant county or district and the London Transport Users' Committee (now London Travelwatch) of its current plans with respect to a number of specified matters, including the general level and structure of fares to be charged for such services. TfL has responsibility for publishing particulars of the general level and structure of fares in such manner as it thinks fit.

9 Financial Implications

- 9.1 There are no financial implications for the core GLA from these proposals.
- 9.2 TfL officers have advised that the proposed increased of 7.1% for London Buses and Croydon Tramlink, i.e. PRI+3.8% and 4.3% for LUL & DLR, i.e. RPI +1% are based upon current travel patterns and represent percentages of fares income, excluding income received from the London boroughs in respect of Freedom Passes for the elderly.
- 9.3 However, when taking the predicted loss of patronage resulting from these fares increases into consideration the projected increase in revenue for London Buses and

Croydon Tramlink is 5.8%, or £57m pa, including Freedom Pass payments. The package is also projected to increase LUL revenue by £55m p.a. (an increase of 3.9% on total revenue, including Freedom Pass payments), giving a total increase for TfL of £112 million per year.

Is Part 2 of this form applicable? No

One Day and 3 Day Travelcard Prices from 2 January 2007

The following tickets are valid on all London Underground, Docklands Light Railway services and TFL bus and tram services:

	Adult price		Change (£)	Change (%)	Child price*		Change (£)	Change (%)
	Current	Jan-07			Current	Jan-07		
Day Travelcard (Off-Peak)								
12	4.90	5.10	0.20	4.1	n/a	n/a	n/a	n/a
1234	5.40	5.70	0.30	5.6	n/a	n/a	n/a	n/a
123456	6.30	6.70	0.40	6.3	2.00	2.00	-	-
123456D	7.40	7.80	0.40	5.4	2.60	2.60	-	-
23456	4.30	4.60	0.30	7.0	n/a	n/a	n/a	n/a
23456D	4.60	4.90	0.30	6.5	2.30	2.40	0.10	4.3
Day Travelcard (Peak)								
12	6.20	6.60	0.40	6.5	3.10	3.30	0.20	6.5
123	7.20	7.80	0.60	8.3	3.60	3.90	0.30	8.3
1234	8.40	9.00	0.60	7.1	4.20	4.50	0.30	7.1
12345	10.40	11.20	0.80	7.7	5.20	5.60	0.40	7.7
123456	12.40	13.20	0.80	6.5	6.20	6.60	0.40	6.5
123456D	13.60	14.50	0.90	6.6	6.80	7.20	0.40	5.9
23456	7.40	8.00	0.60	8.1	3.70	4.00	0.30	8.1
23456D	8.80	9.40	0.60	6.8	4.40	4.70	0.30	6.8
3 Day Travelcard (Off-Peak**)								
123456	18.90	20.10	1.20	6.3	6.00	6.00	-	-
123456D	20.00	21.00	1.00	5.0	6.80	7.10	0.30	4.4
3 Day Travelcard (Peak)								
12	15.40	16.40	1.00	6.5	7.70	8.20	0.50	6.5
123456	37.20	39.60	2.40	6.5	18.60	19.80	1.20	6.5
123456D	39.20	41.80	2.60	6.6	19.60	20.90	1.30	6.6

* An all-zones Day Travelcard (Off-Peak) priced at £1 is available for children accompanying the holder of any adult rate Travelcard.

** Off-Peak time restrictions are as Day Travelcard (Off-Peak)

Travelcard Season Prices From
2 January 2007

The following tickets are valid on all London Underground, Docklands Light Railway services and TfL bus and tram services:

	Adult price		Change (£)	Change (%)	Child/16-17* price		Change (£)	Change (%)
	Current	Jan-07			Current	Jan-07		
7 Day Travelcard								
12	22.20	23.20	1.00	4.5	11.10	11.60	0.50	4.5
123	26.00	27.40	1.40	5.4	13.00	13.70	0.70	5.4
1234	31.60	33.20	1.60	5.1	15.80	16.60	0.80	5.1
12345	37.80	39.80	2.00	5.3	18.90	19.90	1.00	5.3
123456	41.00	43.00	2.00	4.9	20.50	21.50	1.00	4.9
123456A	44.00	46.20	2.20	5.0	22.00	23.10	1.10	5.0
123456AB	47.60	46.20	-1.40	-2.9	23.80	23.10	-0.70	-2.9
123456ABC	51.30	53.60	2.30	4.5	25.60	26.80	1.20	4.7
123456ABCD	60.80	63.80	3.00	4.9	30.40	31.90	1.50	4.9
23,34,45,56	14.00	15.00	1.00	7.1	7.00	7.50	0.50	7.1
234,345,456	18.40	19.40	1.00	5.4	9.20	9.70	0.50	5.4
2345,3456	22.20	23.20	1.00	4.5	11.10	11.60	0.50	4.5
23456	27.20	29.20	2.00	7.4	13.60	14.60	1.00	7.4
23456A	31.50	29.60	-1.90	-6.0	15.70	14.80	-0.90	-5.7
23456AB	31.50	29.60	-1.90	-6.0	15.70	14.80	-0.90	-5.7
23456ABC	38.60	40.80	2.20	5.7	19.30	20.40	1.10	5.7
23456ABCD	38.60	40.80	2.20	5.7	19.30	20.40	1.10	5.7
3456A	27.40	29.60	2.20	8.0	13.70	14.80	1.10	8.0
3456AB	27.40	29.60	2.20	8.0	13.70	14.80	1.10	8.0
3456ABC	38.60	40.80	2.20	5.7	19.30	20.40	1.10	5.7
3456ABCD	38.60	40.80	2.20	5.7	19.30	20.40	1.10	5.7
456A	24.00	21.40	-2.60	-10.8	12.00	10.70	-1.30	-10.8
456AB	24.00	21.40	-2.60	-10.8	12.00	10.70	-1.30	-10.8
456ABC	34.80	36.60	1.80	5.2	17.40	18.30	0.90	5.2
456ABCD	34.80	36.60	1.80	5.2	17.40	18.30	0.90	5.2
56A	21.00	21.40	0.40	1.9	10.50	10.70	0.20	1.9
56AB	21.00	21.40	0.40	1.9	10.50	10.70	0.20	1.9
56ABC**	29.20	36.60	7.40	25.3	14.60	18.30	3.70	25.3
56ABCD**	29.20	36.60	7.40	25.3	14.60	18.30	3.70	25.3
6A**	14.00	21.40	7.40	52.9	7.00	10.70	3.70	52.9
6AB	21.00	21.40	0.40	1.9	10.50	10.70	0.20	1.9
6ABC**	23.00	36.60	13.60	59.1	11.50	18.30	6.80	59.1
6ABCD**	23.00	36.60	13.60	59.1	11.50	18.30	6.80	59.1
A***	14.00	<i>withdrawn</i>			7.00	<i>withdrawn</i>		
AB***	14.00	<i>withdrawn</i>			7.00	<i>withdrawn</i>		
ABC***	19.80	<i>withdrawn</i>			9.90	<i>withdrawn</i>		
ABCD***	19.80	<i>withdrawn</i>			9.90	<i>withdrawn</i>		
B***	n/a	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	n/a	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
BC***	14.00	<i>withdrawn</i>			7.00	<i>withdrawn</i>		
BCD***	19.80	<i>withdrawn</i>			9.90	<i>withdrawn</i>		
C***	n/a	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	n/a	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
CD***	14.00	<i>withdrawn</i>			7.00	<i>withdrawn</i>		
D	n/a	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	n/a	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>

* 16-17 year old photocard holders are eligible for a child rate Travelcard

** Although prices for these zone combinations are increasing substantially, the corresponding Oyster pay as you go fares will be frozen and will provide a significantly cheaper alternative for most users.

*** These tickets (to be withdrawn) are not Travelcards but local season tickets valid on LU/Chiltern services only. Monthly Travelcard season prices are 3.84 times the 7-Day price (rounded up to 10p multiples).

Adult Annual Travelcard season prices are 40 times the 7-Day price.

Travelcard Season Prices From 2 January 2007 (continued)

Student photocard holders are eligible for a Student Travelcard at 30% off the adult Travelcard rate as shown below:

	Current price	Jan-07 price	Change (£)	Change (%)
Discount Travelcard 7 Day Season				
12	15.50	16.20	0.70	4.5
123	18.20	19.10	0.90	4.9
1234	22.10	23.20	1.10	5.0
12345	26.40	27.80	1.40	5.3
123456	28.60	30.10	1.50	5.2
123456A	30.80	32.30	1.50	4.9
123456AB	33.30	32.30	-1.00	-3.0
123456ABC	35.90	37.50	1.60	4.5
123456ABCD	42.50	44.60	2.10	4.9
23,34,45,56	9.70	10.40	0.70	7.2
234,345,456	12.80	13.50	0.70	5.5
2345,3456	15.50	16.20	0.70	4.5
23456	19.00	20.40	1.40	7.4
23456A	22.00	20.70	-1.30	-5.9
23456AB	22.00	20.70	-1.30	-5.9
23456ABC	27.00	28.50	1.50	5.6
23456ABCD	27.00	28.50	1.50	5.6
3456A	19.10	20.70	1.60	8.4
3456AB	19.10	20.70	1.60	8.4
3456ABC	27.00	28.50	1.50	5.6
3456ABCD	27.00	28.50	1.50	5.6
456A	16.70	14.90	-1.80	-10.8
456AB	16.70	14.90	-1.80	-10.8
456ABC	24.30	25.60	1.30	5.3
456ABCD	24.30	25.60	1.30	5.3
56A	14.60	14.90	0.30	2.1
56AB	14.60	14.90	0.30	2.1
56ABC**	20.40	25.60	5.20	25.5
56ABCD**	20.40	25.60	5.20	25.5
6A**	9.70	14.90	5.20	53.6
6AB	14.60	14.90	0.30	2.1
6ABC**	16.00	25.60	9.60	60.0
6ABCD**	16.00	25.60	9.60	60.0
A***	9.70	<i>withdrawn</i>		
AB***	9.70	<i>withdrawn</i>		
ABC***	13.80	<i>withdrawn</i>		
ABCD***	13.80	<i>withdrawn</i>		
B***	n/a	n/a	n/a	n/a
BC***	9.70	<i>withdrawn</i>		
BCD**	13.80	<i>withdrawn</i>		
C***	n/a	n/a	n/a	n/a
CD***	9.70	<i>withdrawn</i>		
D	n/a	n/a	n/a	n/a

** Although prices for these zone combinations are increasing substantially, the corresponding Oyster pay as you go fares will be frozen and will provide a significantly cheaper alternative for most users.

*** These tickets (to be withdrawn) are not Travelcards but local season tickets valid on LU/Chiltern services only. Monthly Travelcard season prices are 3.84 times the 7-Day price (rounded up to 10p multiples). Adult Annual Travelcard season prices are 40 times the 7-Day price.

Underground Ticket Prices From 2 January 2007

The following tickets are valid on all London Underground and National Rail services where LU fares apply (except to Harrow and Wealdstone Station) and Docklands Light Railway services:

Ticket/Zones	Adult Price		Change (£)	Change (%)	Child Price		Change (£)	Change (%)
	Current	Jan-07			Current	Jan-07		
Underground Single								
12	3.00	4.00	1.00	33.3	1.50	2.00	0.50	33.3
123	3.00	4.00	1.00	33.3	1.50	2.00	0.50	33.3
1234	3.00	4.00	1.00	33.3	1.50	2.00	0.50	33.3
12345	4.00	4.00	-	-	2.00	2.00	-	-
123456	4.00	4.00	-	-	2.00	2.00	-	-
123456A	5.00	5.50	0.50	10.0	2.50	2.70	0.20	8.0
123456AB	5.00	5.50	0.50	10.0	2.50	2.70	0.20	8.0
123456ABC	6.00	7.00	1.00	16.7	3.00	3.50	0.50	16.7
123456ABCD	6.00	7.00	1.00	16.7	3.00	3.50	0.50	16.7
23*,34,45,56	3.00	3.00	-	-	1.50	1.50	-	-
234,345,456	3.00	3.00	-	-	1.50	1.50	-	-
2345,3456	3.00	3.00	-	-	1.50	1.50	-	-
23456	3.00	3.00	-	-	1.50	1.50	-	-
23456A	3.50	4.00	0.50	14.3	1.70	2.00	0.30	17.6
23456AB	3.50	4.00	0.50	14.3	1.70	2.00	0.30	17.6
23456ABC	4.50	5.50	1.00	22.2	2.20	2.70	0.50	22.7
23456ABCD	4.50	5.50	1.00	22.2	2.20	2.70	0.50	22.7
3456A	3.00	4.00	1.00	33.3	1.50	2.00	0.50	33.3
3456AB	3.50	4.00	0.50	14.3	1.70	2.00	0.30	17.6
3456ABC	4.00	4.00	-	-	2.00	2.00	-	-
3456ABCD	4.00	4.00	-	-	2.00	2.00	-	-
456A	3.00	3.00	-	-	1.50	1.50	-	-
456AB	3.00	3.00	-	-	1.50	1.50	-	-
456ABC	3.50	4.00	0.50	14.3	1.70	2.00	0.30	17.6
456ABCD	3.50	4.00	0.50	14.3	1.70	2.00	0.30	17.6
56A	3.00	3.00	-	-	1.50	1.50	-	-
56AB	3.00	3.00	-	-	1.50	1.50	-	-
56ABC	3.00	3.00	-	-	1.50	1.50	-	-
56ABCD	3.00	3.00	-	-	1.50	1.50	-	-
6A	3.00	3.00	-	-	1.50	1.50	-	-
6AB	3.00	3.00	-	-	1.50	1.50	-	-
6ABC	3.00	3.00	-	-	1.50	1.50	-	-
6ABCD	3.00	3.00	-	-	1.50	1.50	-	-
A	3.00	3.00	-	-	1.50	1.50	-	-
AB	3.00	3.00	-	-	1.50	1.50	-	-
ABC	3.00	3.00	-	-	1.50	1.50	-	-
ABCD	3.00	3.00	-	-	1.50	1.50	-	-
B	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
BC	3.00	3.00	-	-	1.50	1.50	-	-
BCD	3.00	3.00	-	-	1.50	1.50	-	-
C	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
CD	3.00	3.00	-	-	1.50	1.50	-	-
D	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

*Not DLR local journeys (see below)

Return tickets will be charged at twice the single ticket price

DLR Local Fares and Group Day Ticket

Ticket/Zones	Adult Price		Change (£)	Change (%)	Child Price		Change (£)	Change (%)
	Current	Jan-07			Current	Jan-07		
DLR local fares								
2,3	1.50	1.50	-	-	0.70	0.70	-	-
23	1.50	1.50	-	-	0.70	0.70	-	-
Group Day Ticket								
123456	3.50	3.50	-	-	1.00	1.00	-	-
123456ABCD	4.50	5.00	0.50	11.1	1.50	1.50	-	-

Tube-Train Zonal fares

From 2 January 2007, zonal single and return fares will replace the current joint Tube-Train fares. The new tickets will allow unlimited interchange between LU/DLR and TOC services within the specified zones while the current tickets allow for one change to or from TOC services only. Prices are shown in the table below.

Zones		Current Tube-Train single		Proposed new combined Zonal single		Proposed new combined Zonal return	
		Adult	Child	Adult	Child	Adult	Child
1	inc Z1	3.00	1.50	4.00	2.00	n/a*	n/a*
2		3.40	1.70	4.10	2.00	n/a*	n/a*
3		4.00	2.00	4.70	2.30	n/a*	n/a*
4		4.40	2.20	5.10	2.50	n/a*	n/a*
5		5.20	2.60	5.80	2.90	n/a*	n/a*
6		6.20	3.10	6.80	3.40	n/a*	n/a*
1	exc Z1	3.00	1.50	3.00	1.50	5.60	2.80
2		3.00	1.50	3.40	1.70	6.30	3.10
3		3.00	1.50	3.80	1.90	7.00	3.50
4		3.40	1.70	4.20	2.10	7.70	3.80
5		4.00	2.00	4.60	2.30	n/a*	n/a*

* TfL will not issue Tube-Train tickets for these zone combinations. Passengers will be advised to buy a One Day Travelcard (peak or off-peak, as appropriate) instead.

Oyster 'pay as you go' fares

The following prices will apply for Oyster 'pay as you go' journeys on all Underground and DLR services

Ticket/Zones	Oyster 'pay as you go' Standard*		Change (£)	Change (%)	Oyster 'pay as you go' Discount*		Change (£)	Change (%)
	Current	Jan-07			Current	Jan-07		
Adult	-							
1	1.50	1.50	-	-	1.50	1.50	-	-
12	2.00	2.00	-	-	1.50	1.50	-	-
123	2.50	2.50	-	-	2.00	2.00	-	-
1234	2.50	2.50	-	-	2.00	2.00	-	-
12345	3.50	3.50	-	-	2.00	2.00	-	-
123456	3.50	3.50	-	-	2.00	2.00	-	-
123456A	4.00	4.50	0.50	12.5	2.40	3.00	0.60	25.0
123456AB	4.50	4.50	-	-	2.40	3.00	0.60	25.0
123456ABC	5.00	5.50	0.50	10.0	3.00	3.00	-	-
123456ABCD	5.50	5.50	-	-	3.00	3.00	-	-
2,3,4,5,6	1.00	1.00	-	-	1.00	1.00	-	-
23,34,45,56	1.00	1.00	-	-	1.00	1.00	-	-
234,345,456	1.80	1.80	-	-	1.00	1.00	-	-
2345,3456	1.80	1.80	-	-	1.00	1.00	-	-
23456	1.80	1.80	-	-	1.00	1.00	-	-
23456A	2.80	3.00	0.20	7.1	1.70	2.00	0.30	17.6
23456AB	2.80	3.00	0.20	7.1	1.70	2.00	0.30	17.6
23456ABC	3.80	4.00	0.20	5.3	2.00	2.00	-	-
23456ABCD	3.80	4.00	0.20	5.3	2.00	2.00	-	-
3456A	2.30	2.50	0.20	8.7	1.30	1.00	-0.30	-23.1
3456AB	2.80	2.50	-0.30	-10.7	1.70	1.00	-0.70	-41.2
3456ABC	3.50	3.50	-	-	2.00	1.00	-1.00	-50.0
3456ABCD	3.50	3.50	-	-	2.00	1.00	-1.00	-50.0
456A	1.80	2.00	0.20	11.1	1.00	1.00	-	-
456AB	2.30	2.00	-0.30	-13.0	1.30	1.00	-0.30	-23.1
456ABC	3.20	3.00	-0.20	-6.3	1.70	1.00	-0.70	-41.2
456ABCD	3.20	3.00	-0.20	-6.3	1.70	1.00	-0.70	-41.2
56A	1.80	2.00	0.20	11.1	1.00	1.00	-	-
56AB	1.80	2.00	0.20	11.1	1.00	1.00	-	-
56ABC	2.30	2.50	0.20	8.7	1.30	1.00	-0.30	-23.1
56ABCD	2.80	2.50	-0.30	-10.7	1.70	1.00	-0.70	-41.2
6A	1.00	1.50	0.50	50.0	1.00	1.00	-	-
6AB	1.80	1.50	-0.30	-16.7	1.00	1.00	-	-
6ABC	2.00	2.00	-	-	1.00	1.00	-	-
6ABCD	2.30	2.00	-0.30	-13.0	1.30	1.00	-0.30	-23.1
A	1.00	1.00	-	-	1.00	1.00	-	-
AB	1.00	1.00	-	-	1.00	1.00	-	-
ABC	1.60	1.50	-0.10	-6.3	1.00	1.00	-	-
ABCD	1.60	1.50	-0.10	-6.3	1.00	1.00	-	-
B	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
BC	1.00	1.00	-	-	1.00	1.00	-	-
BCD	1.60	1.50	-0.10	-6.3	1.00	1.00	-	-
C	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
CD	1.00	1.00	-	-	1.00	1.00	-	-
D	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

*The standard fare is charged for journeys starting between 07:00 and 19:00 on normal weekdays. The Discount fare applies to weekday journeys outside these times and at any time at weekends and on bank holidays.

Oyster 'pay as you go' fares (continued)

Ticket/Zones	Oyster 'pay as you go' Standard*		Change (£)	Change (%)	Oyster 'pay as you go' Discount*		Change (£)	Change (%)
	Current	Jan-07			Current	Jan-07		
Child								
1	0.70	0.50	-0.20	-28.6	0.70	0.50	-0.20	-28.6
12	1.00	0.50	-0.50	-50.0	0.70	0.50	-0.20	-28.6
123	1.00	0.50	-0.50	-50.0	1.00	0.50	-0.50	-50.0
1234	1.00	0.50	-0.50	-50.0	1.00	0.50	-0.50	-50.0
12345	1.00	0.50	-0.50	-50.0	1.00	0.50	-0.50	-50.0
123456	1.00	0.50	-0.50	-50.0	1.00	0.50	-0.50	-50.0
123456A	1.50	1.00	-0.50	-33.3	1.00	1.00	-	-
123456AB	1.50	1.00	-0.50	-33.3	1.00	1.00	-	-
123456ABC	2.00	1.50	-0.50	-25.0	1.00	1.50	0.50	50.0
123456ABCD	2.00	1.50	-0.50	-25.0	1.00	1.50	0.50	50.0
2,3,4,5,6	0.50	0.50	-	-	0.50	0.50	-	-
23,34,45,56	0.50	0.50	-	-	0.50	0.50	-	-
234,345,456	0.90	0.50	-0.40	-44.4	0.50	0.50	-	-
2345,3456	0.90	0.50	-0.40	-44.4	0.50	0.50	-	-
23456	0.90	0.50	-0.40	-44.4	0.50	0.50	-	-
23456A	1.20	0.50	-0.70	-58.3	0.50	0.50	-	-
23456AB	1.20	0.50	-0.70	-58.3	0.50	0.50	-	-
23456ABC	1.20	1.00	-0.20	-16.7	0.50	1.00	0.50	100.0
23456ABCD	1.20	1.00	-0.20	-16.7	0.50	1.00	0.50	100.0
3456A	1.00	0.50	-0.50	-50.0	0.50	0.50	-	-
3456AB	1.00	0.50	-0.50	-50.0	0.50	0.50	-	-
3456ABC	1.00	1.00	-	-	0.50	1.00	0.50	100.0
3456ABCD	1.00	1.00	-	-	0.50	1.00	0.50	100.0
456A	0.90	0.50	-0.40	-44.4	0.50	0.50	-	-
456AB	1.00	0.50	-0.50	-50.0	0.50	0.50	-	-
456ABC	1.00	1.00	-	-	0.50	1.00	0.50	100.0
456ABCD	1.00	1.00	-	-	0.50	1.00	0.50	100.0
56A	0.90	0.50	-0.40	-44.4	0.50	0.50	-	-
56AB	0.90	0.50	-0.40	-44.4	0.50	0.50	-	-
56ABC	1.00	1.00	-	-	0.50	1.00	0.50	100.0
56ABCD	1.00	1.00	-	-	0.50	1.00	0.50	100.0
6A	0.50	0.50	-	-	0.50	0.50	-	-
6AB	0.90	0.50	-0.40	-44.4	0.50	0.50	-	-
6ABC	1.00	1.00	-	-	0.50	1.00	0.50	100.0
6ABCD	1.00	1.00	-	-	0.50	1.00	0.50	100.0
A	0.50	0.50	-	-	0.50	0.50	-	-
AB	0.50	0.50	-	-	0.50	0.50	-	-
ABC	0.80	0.50	-	-	0.50	0.50	-	-
ABCD	0.80	0.50	-0.30	-37.5	0.50	0.50	-	-
B	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
BC	0.50	0.50	-	-	0.50	0.50	-	-
BCD	0.80	0.50	-0.30	-37.5	0.50	0.50	-	-
C	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
CD	0.50	0.50	-	-	0.50	0.50	-	-
D	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

*The standard fare is charged for journeys starting between 07:00 and 19:00 on normal weekdays. The Discount fare applies to weekday journeys outside these times and at any time at weekends and on bank holidays.

Oyster 'pay as you go' fares (continued)

Ticket/Zones	Oyster 'pay as you go' Standard*		Change (£)	Change (%)	Oyster 'pay as you go' Discount*		Change (£)	Change (%)
	Current	Jan-07			Current	Jan-07		
16-17 and New Deal								
1	0.70	0.70	-	-	0.70	0.70	-	-
12	1.00	1.00	-	-	0.70	0.70	-	-
123	1.20	1.20	-	-	1.00	1.00	-	-
1234	1.20	1.20	-	-	1.00	1.00	-	-
12345	1.70	1.70	-	-	1.00	1.00	-	-
123456	1.70	1.70	-	-	1.00	1.00	-	-
123456A	2.00	2.20	0.20	10.0	1.20	1.50	0.30	25.0
123456AB	2.20	2.20	-	-	1.20	1.50	0.30	25.0
123456ABC	2.50	2.70	0.20	8.0	1.50	1.50	-	-
123456ABCD	2.70	2.70	-	-	1.50	1.50	-	-
2,3,4,5,6	0.50	0.50	-	-	0.50	0.50	-	-
23,34,45,56	0.50	0.50	-	-	0.50	0.50	-	-
234,345,456	0.90	0.90	-	-	0.50	0.50	-	-
2345,3456	0.90	0.90	-	-	0.50	0.50	-	-
23456	0.90	0.90	-	-	0.50	0.50	-	-
23456A	1.40	1.50	0.10	7.1	0.80	1.00	0.20	25.0
23456AB	1.40	1.50	0.10	7.1	0.80	1.00	0.20	25.0
23456ABC	1.90	2.00	0.10	5.3	1.00	1.00	-	-
23456ABCD	1.90	2.00	0.10	5.3	1.00	1.00	-	-
3456A	1.10	1.20	0.10	9.1	0.60	0.50	-0.10	-16.7
3456AB	1.40	1.20	-0.20	-14.3	0.80	0.50	-0.30	-37.5
3456ABC	1.70	1.70	-	-	1.00	0.50	-0.50	-50.0
3456ABCD	1.70	1.70	-	-	1.00	0.50	-0.50	-50.0
456A	0.90	1.00	0.10	11.1	0.50	0.50	-	-
456AB	1.10	1.00	-0.10	-9.1	0.60	0.50	-0.10	-16.7
456ABC	1.60	1.50	-0.10	-6.3	0.80	0.50	-0.30	-37.5
456ABCD	1.60	1.50	-0.10	-6.3	0.80	0.50	-0.30	-37.5
56A	0.90	1.00	0.10	11.1	0.50	0.50	-	-
56AB	0.90	1.00	0.10	11.1	0.50	0.50	-	-
56ABC	1.10	1.20	0.10	9.1	0.60	0.50	-0.10	-16.7
56ABCD	1.40	1.20	-0.20	-14.3	0.80	0.50	-0.30	-37.5
6A	0.50	0.70	0.20	40.0	0.50	0.50	-	-
6AB	0.90	0.70	-0.20	-22.2	0.50	0.50	-	-
6ABC	1.00	1.00	-	-	0.50	0.50	-	-
6ABCD	1.10	1.00	-0.10	-9.1	0.60	0.50	-0.10	-16.7
A	0.50	0.50	-	-	0.50	0.50	-	-
AB	0.50	0.50	-	-	0.50	0.50	-	-
ABC	0.80	0.70	-0.10	-12.5	0.50	0.50	-	-
ABCD	0.80	0.70	-0.10	-12.5	0.50	0.50	-	-
B	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
BC	0.50	0.50	-	-	0.50	0.50	-	-
BCD	0.80	0.70	-0.10	-12.5	0.50	0.50	-	-
C	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
CD	0.50	0.50	-	-	0.50	0.50	-	-
D	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

*The standard fare is charged for journeys starting between 07:00 and 19:00 on normal weekdays. The Discount fare applies to weekday journeys outside these times and at any time at weekends and on bank holidays.

Oyster 'pay as you go' caps

The following daily caps apply where any Oyster 'pay as you go' travel is made on Underground or DLR services, with or without bus and tram travel in addition.

Ticket/Zones	Oyster 'pay as you go' Peak*		Change (£)	Change (%)	Oyster 'pay as you go' Off-Peak*		Change (£)	Change (%)
	Current	Jan-07			Current	Jan-07		
Adult								
12	5.70	6.10	0.40	7.0	4.40	4.60	0.20	4.5
123	6.70	7.30	0.60	9.0	4.90	5.20	0.30	6.1
1234	7.90	8.50	0.60	7.6	4.90	5.20	0.30	6.1
12345	9.90	10.70	0.80	8.1	5.80	6.20	0.40	6.9
123456	11.90	12.70	0.80	6.7	5.80	6.20	0.40	6.9
123456D	13.10	14.00	0.90	6.9	6.90	7.30	0.20	5.8
23456	6.90	7.50	0.60	8.7	3.80	4.10	0.30	7.9
23456D	8.30	8.90	0.60	7.2	4.10	4.40	0.30	7.3
Child								
12	2.80	1.00	-1.80	-64.3				
123	3.30	1.00	-2.30	-69.7				
1234	3.90	1.00	-2.90	-74.4				
12345	4.90	1.00	-3.90	-79.6				
123456	5.90	1.00	-4.90	-83.1				
123456D	6.50	3.00	-3.50	-53.8	1.00	1.00	-	-
23456	3.40	1.00	-2.40	-70.6				
23456D	4.10	2.00	-2.10	-51.2				
16-17 and New Deal								
12	2.80	3.00	0.20	7.1	2.00	2.30	0.30	15.0
123	3.30	3.60	0.30	9.1	2.00	2.60	0.60	30.0
1234	3.90	4.20	0.30	7.7	2.00	2.60	0.60	30.0
12345	4.90	5.30	0.40	8.2	2.00	3.10	1.10	55.0
123456	5.90	6.30	0.40	6.8	2.00	3.10	1.10	55.0
123456D	6.50	7.00	0.50	7.7	2.60	3.60	1.00	38.5
23456	3.40	3.70	0.30	8.8	2.00	2.00	-	-
23456D	4.10	4.40	0.30	7.3	2.00	2.20	0.20	10.0

*The Off-Peak cap applies for journeys made on the same day entirely within the following hours:

- Mondays to Fridays: from 0930 and starting before 0430 the following day
- Saturdays, Sundays and public holidays: from 0430 and starting before 0430 the following day.

On normal weekdays the Peak cap will apply if any journey is started between 0430 and 0930 if this gives the lowest cost. The Off-Peak cap plus the separate fares for any journeys starting between 0430 and 0930 will be charged if the total cost is less than the Peak cap.

Bus and Tram tickets

The following tickets are valid on all TfL bus and tram services:

	Adult price		Change (£)	Change (%)
	Current	Jan-07		
Bus/Tram Single				
Any journey	1.50	2.00	0.50	33.3
One Day Bus Pass				
1234	3.50	3.50	-	-
7 Day Bus Pass				
All zones	13.50	14.00	0.50	3.7
Bus Oyster 'pay as you go' am Peak* fare				
Any journey	1.00	1.00	-	-
Bus Oyster 'pay as you go' fare at all other times*				
Any journey	0.80	1.00	0.20	25.0

Monthly bus season prices are 3.84 * 7-Day price (rounded up to 10p multiples). Annual season prices are 40 * 7-Day price.

* Currently the am Peak fare is charged for journeys on Monday to Friday starting between 07:00 and 09:30. At all other times including public holidays the lower rate is charged. From 2 January 2007 the same charge will be made at all times, subject to the daily cap.

Student photocard holders are eligible for Student Bus seasons at the following prices:

Ticket/Zones	Student price		Change (£)	Change (%)	16-17/New Deal price		Change (£)	Change (%)
	Current	Jan-07			Current	Jan-07		
7 Day Bus Pass								
	9.40	9.70	0.30	3.2	5.00	6.00	1.00	20.0

Discount bus season prices are calculated to ensure at least a 30% discount is given on equivalent adult bus seasons for all periods.

16-17 and New Deal Photocard holders are eligible for 'pay as you go' fares at the following prices:

	16-17/New Deal price		Change (£)	Change (%)
	Current	Jan-07		
Bus Oyster 'pay as you go' am peak fare				
Any journey	0.50	0.50	-	-
Bus Oyster 'pay as you go' fare at all other times				
Any journey	0.40	0.50	0.10	25.0

Saver tickets are valid on all TfL bus services:

	Adult price		Change (£)	Change (%)
	Current	Jan-07		
Bus Saver Ticket				
Book of 6 tickets	6.00	6.00	-	-

The following daily caps apply where Oyster 'pay as you go' travel is made on TfL bus or tram services:

	Adult price		Change	Change	16-17 and New Deal price*		Change	Change
	Current	Jan-07	(£)	(%)	Current	Jan-07	(£)	(%)
Bus and tram Oyster 'pay as you go' cap								
All journeys	3.00	3.00	-	-	1.50	1.50	-	-

The cap is the maximum cost for all journeys made during a 24 period from 0430 and before 0430 the following day using TfL bus and tram services only.