



Item 6: Operational and Financial Performance and Investment Programme Reports – Third Quarter 2013/14

This paper will be considered in public

1 Summary

- 1.1 This paper provides details of TfL's Operational and Financial Performance (OFR) (Appendix 1) and Investment Programme (Appendix 2) in the third quarter of 2013/14 (16 September – 7 December 2013).

2 Recommendation

- 2.1 **That the Board note the reports.**

3 Updates to the Operational and Financial Performance Report format

- 3.1 The Quarter 3 report includes a number of improvements intended to increase clarity and transparency:
- (a) the addition of a one page summary of TfL's key performance highlights in the Quarter; and
 - (b) a detailed table and corresponding explanation included in the Executive Summary of TfL's cash variance against Budget.

4 Views of the Finance and Policy Committee

- 4.1 At its meeting on 12 March 2014, the Finance and Policy Committee noted the Operational and Financial Performance Report.
- 4.2 The Committee discussed the variance to target on the Transport for London Road Network (TLRN) reliability – AM peak measure. The variance was the result of a significant growth in traffic across London over the previous six months as a result of increased economic activity. Traffic volume was back to 2009-10 levels, although the comparable reliability figure was better than it was in 2009-10. The Committee discussed the work TfL was doing with the police to reduce the disruption to the TLRN when road traffic incidents were being investigated. Significant improvements had been made but further lessons could be learned from abroad. TfL was also looking at how it could improve the availability of real time information to road users when traffic incidents occurred.

5 Views of the Project and Planning Panel

- 5.1 At its meeting on 26 February 2014, the Projects and Planning Panel noted the Investment Programme Report.
- 5.2 The Panel discussed the review to be conducted by the Independent Investment Programme Advisory Group into the Sub-surface Railway Upgrade Programme (SUP). The Panel requested that future quarterly Investment Programme Reports group the SUP items together.

List of appendices to this report:

Appendix 1: Operational and Financial Performance Report, Third Quarter 2013/14

Appendix 2: Investment Programme Report, Third Quarter 2013/14

List of Background Papers:

Paper on the Operational and Financial Performance Report to the meeting of the Finance and Policy Committee held on 12 March 2014.

Paper on the Investment Programme Report to the meeting of the Projects and Planning Panel held on 26 February 2014.

Contact Officer: Steve Allen, Managing Director, Finance
Number: 020 3054 8907
Email: StephenAllen@tfl.gov.uk



Transport for London

Operational and Financial Performance Report

Third Quarter 2013/14

Operational and Financial Performance Report - Third Quarter, 2013/14

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Key

Financial tables

- ▲ Financial variance is positive: e.g. less expenditure or higher income than Budget/ forecast
- ▼ Financial variance is negative by less than 5%: e.g. more expenditure or less income than Budget/ forecast
- ▼ Financial variance is negative by more than 5%: e.g. more expenditure or less income than Budget/ forecast

Delivery and customer operational performance tables

- ▲/▼ Performance is better than target. A number of Key Performance Indicators (KPIs) are better when lower: e.g. Lost Customer Hours, Excess Journey Time
- ▼/▲ Performance is worse than target by less than 5%. A number of Key Performance Indicators (KPIs) are better when lower: e.g. Lost Customer Hours, Excess Journey Time
- ▼/▲ Performance is worse than target by more than 5%. A number of Key Performance Indicators (KPIs) are better when lower: e.g. Lost Customer Hours, Excess Journey Time

All tables are subject to rounding

Operational and Financial Performance Report – Third Quarter, 2013/14

Quarter 3 (Periods 7-9), 15 September 2013 – 7 December 2013

Executive summary

- In Quarter 3, TfL continued to perform exceptionally well against the performance measures in our Budget
- Reliability levels remained above or on target for all modes, except the TLRN during the AM peak, despite the significant challenges of the 28 October storm
- TfL is on track to reduce Tube delays by 30 per cent by 2015; this in addition to the almost 40 per cent reduction achieved between 2007/08 and 2011/12
- Customer satisfaction was above or met target across all modes of transport
- Crime rates and total number of incidents on the Tube, DLR and buses show further improvement
- TfL is on track to reduce the number of killed and seriously injured by 40 per cent by 2020
- TfL is now forecast to make an additional £87m of savings this year; this is on top of its efficiency programme that has secured savings of £12bn up to 2020/21
- These savings have helped us bear down on fares, limiting the average fares change to 2.7 per cent, a real terms reduction
- Fares income is almost exactly as budgeted, only 0.3 per cent higher than Budget over the full year
- TfL's total cash balances (including funds ring fenced for the Crossrail project) are forecast to be £566m higher than Budget by the end of the year, driven by:
 - £67m for payments accelerated into the end of 2012/13 after the 2013/14 Budget was set, including £39m for new Tube rolling stock and £28m for the East London Line commercial settlement
 - As with many major capital programmes, specific projects are rescheduled into future years. TfL has rephased £113m of committed investment to future years, including the London Overground Capacity Improvement Programme (LOCIP), structures and tunnels investment, and Barclays Cycle Superhighways. Almost £70m of this expenditure is for commercial investment, whereby TfL will secure better value over the long term
 - £100m from the DfT for Crossrail rolling stock procurement that was secured as part of the 2013 Spending review; this funding is ring-fenced
 - A £250m working capital upside – 2.5 per cent of the 2013/14 Budget - due to timing differences from payments and receipts that will reverse in the next financial year
- TfL's cash balance (up to a prudent minimum) is committed to delivering the improvements outlined in TfL's latest Business Plan, updated in the TfL Budget 2014/15, including:
 - Almost £1.5bn on the Sub-Surface Rail upgrade, delivering new rolling stock, increased train frequency, greater capacity and automated train control
 - Over £1bn on new Crossrail trains, with the contract now awarded to Bombardier
 - Over £900m for key cycling programmes
 - £150m for a further 400 New Buses for London by the end of 2015/16

Delivery

Reliability

Reliability	Quarter 3	Variance to Target
LU: lost customer hours	5.4	-0.4 ▼
LU: excess journey time	5.77	-0.11 ▼
Buses: excess wait time	1.2	- ►
DLR on-time performance	99.0	2.0 ▲
London Overground PPM	96.0	1.8 ▲
TLRN reliability – AM peak	87.6	-1.6 ▼

In Quarter 3, reliability remained high across most modes of transport, despite the impacts of the storm of 28 October 2013: Lost Customer Hours and Excess Journey Time were better than target on the Tube, although both down on the same quarter last year; DLR on-time performance was two percentage points better than target and equalled reliability levels from last year; London Overground's public performance measure, the industry standard for rail, was 1.8 points better than target, although down 0.8 points on the same quarter last year. TLRN journey time reliability in the morning peak was worse than both target and the same quarter last year; a result of increased traffic flows and an increased number and duration of incidents.

Safety and security

Recorded crime ¹	Quarter 3	Variance to Target
LU and DLR	7.5	-0.8 ▼
London Buses	7.6	-0.7 ▼

Crime has continued to fall on the LU/DLR network and on the buses. This is the result of additional measures put in place by the British Transport Police (BTP) to tackle crime on London Underground and DLR, and partnership working with TfL's policing partners to further reduce crime on London Buses.

Safety	Quarter 3	Variance to Target
Cumulative reduction in killed and seriously injured ²	37.1	15.1 ▲

The number of people killed and seriously injured (KSI) was 15.1 points better than target in Quarter 3. Over the full year, TfL forecasts a reduction of 31.7 per cent, exceeding the target by 10.4 points. TfL is on track to meet its long-term target of a 40 per cent reduction in KSIs by 2020.

¹ Recorded crime per million passenger journeys

² Cumulative percentage reduction from a baseline of the 2005-2009 average

Value

Financial summary

£m	Year to date	Variance to Budget	Full year variance to Budget
Fares income	2,825	18 ▲	10 ▲
Other income	442	18 ▲	-13 ▼
Operating expenditure	-3,975	14 ▲	-42 ▼
Group Items	-218	43 ▲	52 ▲
Net capital expenditure	-967	211 ▲	230 ▲
Crossrail expenditure	-1,152	-25 ▼	-78 ▼
DfT grants	1,489	2 ▲	4 ▲
GLA precept	4	0 ►	0 ►
Business rates retention	630	74 ▲	0 ►
Other grants	19	3 ▲	121 ▲
Crossrail funding sources	1,473	3 ▲	2 ▲
Working capital	26	378 ▲	250 ▲
Net borrowing	346	24 ▲	30 ▲
Cash movements	941	763 ▲	566 ▲

Fares income is almost exactly as budgeted. In the year to date fares income was £18m, or 0.6 per cent, higher than Budget. London Rail's income is out performing Budget due to increases in passenger numbers, despite lower than target passenger numbers in Quarter 3. Bus fares income has increased due to a higher number of fare paying passengers and a favourable ticket mix.

Over the full year, fares income is only 0.3 per cent higher than Budget. The £10m upside against Budget is driven by increased passenger numbers on London Overground and Buses, offset by lower than expected income on the Tube. The latest full-year forecast includes the effects of the January 2014 fares changes, with average fares increased by 2.7 per cent, a real terms fares reduction.

Operating expenditure (net of third-party contributions) was £14m, or 0.4 per cent, under Budget in the year to date. This under spend is driven by rephasing of £25m of minor Tube works and £16m of Surface Transport projects, including road capacity, road safety and cycling schemes. In addition, £10m of savings have been made on bus contract costs. These variances have been partly offset by the reclassification of £28m Jubilee, Northern and Piccadilly line costs from capital to operating expenditure, and a £17m Bus Services Operators' Grant (BSOG) payment, which transferred responsibility from the DfT to TfL from 1 October 2013.

Over the full year this position is expected to reverse, with operating expenditure forecast to be £42m over Budget. This is due to the transfer of BSOG payments of £46m, a voluntary severance provision, and increases in future commercial contractual arrangements. These increases are partly offset by £20m reductions in bus contract costs, £12m from further efficiencies and delayed recruitment within London Underground, £11m from lower electricity costs for the Tube and a further £11m of rephasing to future years.

In the year to date, net capital expenditure (excluding Crossrail) is £211m under Budget, with key drivers being the £28m for the commercial settlement for the East London

Line (ELL) incurred in the previous financial year and a further £13m rephased to later this year, and £48m from rephasing of projects within Surface Transport.

Over the full-year, net capital expenditure is forecast to be £230m under Budget, just under 13 per cent of this year's extensive programme. The main drivers are the early commercial settlement for ELL, an accelerated payment for Sub Surface Rail (SSR) rolling stock, £68m of reprofiling of commercial development investment initiatives whereby TfL will secure better value over the long term, and rephasing to future years of committed capital improvements including the London Overground Capacity Improvement Programme (LOCIP), structures and tunnels investment, and Barclays Cycle Superhighways.

Crossrail capital expenditure in the year to date is £25m over Budget from a combination of re-phasing of programme and project risk and upward revaluations on property acquisitions. These overspends will have no material impact on Crossrail's project costs, which will be delivered to time and within budget.

Cash balances

£m	Year to date	Variance to Budget	Full year variance to Budget
Crossrail SFA	1,944	90 ▲	142 ▲
Other TfL	2,890	673 ▲	424 ▲
Closing cash	4,834	763 ▲	566 ▲

Total TfL cash (including funds ring fenced for the Crossrail project) has increased by £941m in the year to date, £763m more than budgeted. This is driven by rephasing of capital expenditure to later this year and future years, an additional £100m from the DfT for Crossrail rolling stock, and a significant working capital upside of £378m that will start to reverse in the following quarter.

Cash movements

£m	Full year variance to Budget
Accelerated payments to 2012/13	67
Investment rephasing	113
DfT Crossrail rolling stock grant	100
Working capital	250
Other	36
Cash movements	566

Cash balances are now forecast to be £566m higher than Budget at the end of 2013/14, driven by:

- £67m for payments accelerated into the end of 2012/13 after the 2013/14 Budget was set, including £39m for new Tube rolling stock and £28m for the East London Line commercial settlement
- As with many major capital programmes, specific projects are rescheduled into future years. TfL has rephased £113m of committed investment to future years, including the London Overground Capacity Improvement Programme (LOCIP), structures and tunnels investment, and Barclays Cycle Superhighways. Almost £70m of this expenditure is for commercial

investment, whereby TfL will secure better value over the long term

- £100m from the DfT for Crossrail rolling stock procurement that was secured as part of the 2013 Spending review; this funding is ring-fenced
- A £250m working capital upside – 2.5 per cent of the 2013/14 Budget - due to timing differences from payments and receipts that will reverse in the next financial year

TfL’s cash balance (up to a prudent minimum) is committed to delivering the improvements outlined in TfL’s latest Business Plan, updated in the TfL Budget 2014/15, including:

- Almost £1.5bn on the Sub-Surface Rail upgrade, delivering new rolling stock, increased train frequency, greater capacity and automated train control
- Over £1bn on new Crossrail trains, with the contract now awarded to Bombardier
- Over £900m for key cycling programmes
- £150m for a further 400 New Buses for London by the end of 2015/16

Efficiencies

£m	Year to date	Variance to Budget	Full year variance to Budget
Efficiencies	152	49▲	87▲

At the time of publishing this year’s Business Plan, TfL had secured a total of £1.2bn of savings. TfL aims to secure a further £4.2bn to 2020/21, of which £137m was targeted in 2013/14. In the year to date, £152m has already been secured. Over the full year, TfL forecasts that £224m of savings will be secured, £87m more than Budget.

Customer

Passenger journeys

Million	Quarter 3	Variance to Target
London Underground	311.7	12.7 ▲
London Buses	577	1 ▲
DLR	24.4	0.4 ▲
London Overground	31.5	-0.7 ▼
Tramlink	7.6	0.1 ▲
Emirates Air Line	0.3	- ►

Passenger journeys are ahead of target on all modes of transport except London Overground and Emirates Air Line. Underground passenger journeys show underlying year-on-year growth, with a new non-Games daily record being set in December. London Overground passenger journeys are down on target in the quarter, driven by the storm on 28 October causing difficult railhead conditions and six days of disruption at the beginning of the quarter following a freight train derailment near Camden Road.

Cycling index	Quarter 3	Variance to Target
Cycling levels on TLRN ³	303	-3 ▼

Cycle flows on the TLRN were 13 index points up from the same quarter last year and are the highest Quarter 3 levels since the index began. Cycling levels are, however, 3 points (1 per cent) under target for the quarter and are not expected to reach target over the full year.

£913m will be spent on cycling schemes up to 2021/22, to boost cycling levels, delivering a step-change in cycling provision to support the growing numbers of cyclists in the capital.

Customer satisfaction and complaints

CSS score	Quarter 3	Variance to Target
London Underground	82	1 ▲
London Buses	83	1 ▲
DLR	86	4 ▲
London Overground	80	- ►
Tramlink	89	3 ▲
Emirates Air Line	93	8 ▲
Dial-a-Ride	92	- ►
Congestion Charge	87	5 ▲

Customer satisfaction was on or above target across all transport modes in Quarter 3. High customer satisfaction for buses has continued, retaining its record performance. Overground customer satisfaction is expected to deteriorate in the short-term, largely due to increased passenger demand and consequent crowding. The London Overground Capacity Improvement Project (LOCIP), currently underway, will provide 25 per cent more capacity upon completion by 2016.

³ Cycling levels on the Transport for London Road Network (TLRN), indexed at 100 in March 2000

Complaints per 100,000 journeys	Quarter 3	Variance to last year
London Underground	1.14	0.02 ▲
London Buses	2.70	0.29 ▲
DLR	2.36	-0.34 ▼
London Overground	3.03	0.65 ▲
Tramlink	0.95	N/A ►
Congestion Charge	13.94	1.41 ▲
Barclays Cycle Hire	4.85	2.69 ▲
Dial-a-Ride ⁴	145.28	78.38 ▲

Customer complaints over the Quarter have increased for most modes of transport, with only the DLR showing a improvement against last year. The most significant increase is in Dial-a-Ride, partly a result of last year's exceptional performance; Dial-a-Ride continued to schedule 90 per cent of journey requests in the quarter. Barclays Cycle hire has also seen an increase of complaints due primarily to billing issues; new software in development will look to address these complaints in the future. Peaks in complaints on most modes have also been the result of the 28 October storm and weather conditions.

The DLR has recorded its lowest complaints rate for over a year, with a comprehensive programme to tackle customers' most common complaints being implemented. There were no complaints relating to River Services.

People

FTE	Quarter 3	Variance to Budget
London Underground	21,145	-227
London Rail	216	27
Surface Transport	3,257	-115
Corporate	3,486	231
Crossrail	886	-23
Total TfL	28,990	-107

TfL employed 28,990 full time equivalent (FTE) staff (excluding those on maternity leave) at the end of Quarter 3, 107 fewer than Budget. This is driven by vacancies being held in London Underground, pending an organisational restructure, and Surface Transport, predominantly due to longer than anticipated recruitment lead times and strict headcount controls. These variances have been partly offset by increases across the Corporate directorates, including 154 temporary project roles working on IM and payment technology projects, the latter including implementation of contactless payments across TfL's rail network.

⁴ Per 100,000 journey requests

Delivery

Reliability





Performance indicator	Unit	Quarter 3, 2013/14			Full year 2013/14			
		Actual	Variance to target	Variance to last year	Quarter 3 Forecast	Variance to target	Variance to last year	2010 – 2014
▼ lower is better								
London Underground: total lost customer hours	Millions of hours	5.4	-0.4 ▼	0.7	22.0	-3.0 ▼	-0.9	
London Underground: excess journey time	Minutes	5.77	-0.11 ▼	0.24	5.12	-0.56 ▼	-0.15	
London Buses: excess wait time	Minutes	1.2	- ►	0.1	1.0	- ►	-	
TLRN: serious and severe disruption	Hours	572	N/A ►	156	2,030	- ►	-220	
▲ higher is better								
DLR: on-time performance	%	99.0	2.0 ▲	-	98.7	1.7 ▲	-0.1	
London Overground: public performance measure	%	96.0	1.8 ▲	-0.8	95.2	1.0 ▲	-1.4	
Emirates Air Line: availability	%	95.6	-0.9 ▼	1.9	94.8	-1.7 ▼	0.9	
TLRN: journey time reliability (AM peak)	%	87.6	-1.6 ▼	-1.6	89.0	-0.5 ▼	-0.2	

- 1.1** Tube reliability has improved significantly over recent years. From 2007/08 to 2011/12, lost customer hours (LCH) were reduced by 40 per cent, despite increases in passenger numbers. In Quarter 3, London Underground LCH were 5.4 million; 0.4 million better than target, but 0.7 million worse than the same quarter last year. There was a dip in performance in the quarter, partly from the storm of 28 October 2013 which contributed 0.34 million more LCH. Future plans to minimise the impact of storms include new equipment for clearing rail lines of fallen trees and the placement of work gangs in the more heavily-wooded and exposed areas of the network. Based on the current reliability plan, with adjustments for seasonal factors, full-year performance is forecast to be 22 million, 3.0 million LCH better than target, but 0.6 million down on the previous forecast. LU remains on track to achieve its goal of reducing lost customer hours by a further 30 per cent by the end of 2015.
- 1.2** London Underground excess journey time averaged 5.77 minutes in Quarter 3; this was 0.11 minutes better than target, but 0.24 minutes worse than the same quarter last year. Excluding the impact of the storm, excess journey time was 5.70 minutes for the Quarter. Full-year performance is now forecast to be 0.56 minutes ahead of target at 5.12 minutes.
- 1.3** Bus excess wait time was in line with target in Quarter 3, but slightly down from the same quarter last year (see Section 1.10 for events affecting bus services). The enhanced service control facilities

available to bus operators through iBus have helped maintain the high levels of reliability. It is anticipated that the full-year target of 1.0 minutes will be achieved.

- 1.4** Serious and severe disruption on the TfL Road Network (TLRN) for Quarter 3 was 156 hours worse than the same quarter last year. This was driven by a combination of increases in the number of incidents (262 events in 2013/14 compared to 205 events in 2012/13), and an increase in duration of disruption per incident (2 hours 2 minutes duration per event in 2013/14 compared to 1 hour 48 minutes duration per event in 2012/13). The main drivers since last year include increased traffic volumes, infrastructure issues (including traffic signals and signal timing), unplanned emergency works and hazards. Quarter 3 saw a number of incidents that were not only disruptive but had a wide area impact, including the closure of Whitehall due to a collapsed crane. Other significant one-off incidents included the storm on 28 October 2013, closure of the A316 Hogarth Flyover for repairs on 29 October 2013, a burst water main on the North Circular road on 7 October 2013 and emergency water works on the A501 Pentonville Road on 13 November 2013. Action has been taken to reduce breakdowns in tunnels under TfL control, for example using Variable Message Signs (VMS), and this has proved successful. TfL is currently negotiating its truck recovery contracts and these will enhance capability to reduce the disproportionate impact of HGV breakdowns within the overall breakdown disruption figures.
- 1.5** DLR on-time performance in Quarter 3 was better than target on all routes, resulting in performance of 99.0 per cent. This is 2.0 per cent up on target and equals that from Quarter 3 last year.
- 1.6** The London Overground public performance measure was 96.0 per cent in Quarter 3, down by 0.8 per cent against the same quarter last year, but 1.8 per cent better than target. The drop in performance since last year is due to the impact of the storm on 28 October 2013 and a 6-day closure following a freight train derailment at Camden Road, closing services between Gospel Oak and Highbury and Islington at the start of the Quarter. Full-year performance is forecast to be 1.0 per cent above target at 95.2 per cent.
- 1.7** Emirates Air line availability was 95.6 per cent in Quarter 3, 0.9 per cent below target, but 1.9 per cent higher than last year. High winds, particularly from the 28 October 2013 storm, and closures requested by the Port of London Authority to allow large vessels to pass underneath, accounted for the downtime. The expected full-year position has now reduced to an availability of 94.8 per cent, largely a result of the exceptional weather.
- 1.8** The TLRN Journey Time Reliability (JTR) was 1.6 percentage points below target in Quarter 3, with decreases in all three periods. Increased traffic flows on the TLRN, believed to be from increased economic growth, have affected all corridors, and are a significant factor in the deterioration. Traffic flows increased by an average of 4.5 per cent across all corridors in the pre-AM peak hour of 06:00 to 07:00, which in turn impacted JTR in the AM peak. The full-year forecast has been reduced to reflect the increase in traffic flows and improved modelling of the impacts of urban realm and Barclays Cycle Superhighways works.

Scheduled services operated

Per cent	Quarter 3, 2013/14			Full year 2013/14			
	Actual	Variance to target	Variance to last year	Quarter 3 Forecast	Variance to target	Variance to last year	2010 – 2014
▲ higher is better							
London Underground	97.6	0.4 ▲	-0.6	97.7	0.5 ▲	0.1	
London Buses	97.1	- ►	-0.4	97.8	0.2 ▲	0.2	
DLR	98.9	0.7 ▲	-0.1	98.8	0.6 ▲	0.3	
London Tramlink	98.8	0.8 ▲	1.9	98.5	0.5 ▲	0.6	




1.9 In Quarter 3, London Underground scheduled kilometres operated was 97.6 per cent, 0.4 per cent better than target, but down 0.6 per cent from the same quarter last year. Performance in the quarter was adversely affected by the storm of 28 October when 82.6 per cent of the scheduled kilometres were operated. Excluding the effects of the storm, scheduled kilometres were 97.8 per cent in the Quarter. Due to London Underground's reliability programme the full-year forecast is unchanged from last quarter.

1.10 The percentage of bus scheduled services operated in Quarter 3 was 97.1, lower than the same quarter last year, but on target. The increase in kilometres lost due to traffic delays was mainly due to higher traffic volumes. Events causing significant operational issues for buses included multiple roadworks on the Tottenham Court Road/Camden Town corridor and in Kingston, the closure of Uxbridge Road and Portman Street due to burst water mains, and particularly high volumes of disruptive incidents on 11 October 2013 and 8 November 2013. Efforts to keep disruption to a minimum during the storm on 28 October 2013 were largely successful, although there were prolonged delays due to the closure of Whitehall following a crane collapse, and Bath Road in Hounslow due to a gas explosion. Nevertheless, scheduled services operated in the year to date were 97.7 per cent, 0.2 points better than target; the full-year target is forecast to be achieved. London Buses continues to work with the bus operators to improve control of services during periods of disruption from road works, including introduction of more resilient schedules where necessary.

1.11 Scheduled kilometres on the DLR in Quarter 3 reached 98.9 per cent, 0.7 per cent better than target. This is the sixth consecutive quarter where the per cent of scheduled services operated was above 98 per cent. The full-year forecast remains at 98.8 per cent at Quarter 3, reflecting fewer service recovery options in the latter part of the year due to the operation of more services.

1.12 London Tramlink scheduled kilometres operated was 98.8 per cent in Quarter 3, 0.8 per cent better than target and 1.9 per cent up on the same quarter last year.

Safety and security

Performance indicator	Unit	Quarter 3, 2013/14			Full year 2013/14			
		Actual	Variance to target	Variance to last year	Quarter 3 Forecast	Variance to target	Variance to last year	2010 – 2014
▼ lower is better								
LU and DLR recorded crime *	Million passenger journeys	7.5	-0.8 ▼	-2.2	8.5	-0.1 ▼	-1.1	
London Buses: recorded crime 5*	Million passenger journeys	7.6	-0.7 ▼	-1.1	7.9	-0.7 ▼	-0.7	
LU and LR Major Injury Frequency Rate	Major injuries/ m hours	0.31	0.04 ▲	- ►	0.27	- ►	0.02	
▲ higher is better								
Cumulative reduction in KSI Londonwide 6	%	37.1	15.1 ▲	19.0	31.7	10.4 ▲	14.8	
Vehicles operated by FORS accredited companies 7	No.	139,868	-132 ▼	-	162,300	- ►	67,101	

1.13 The rate of crime per million passenger journeys on the LU/DLR and bus network in Quarter 3 saw a significant improvement against target and the same quarter last year. The level of crime on the LU and DLR network was 20.3 per cent lower in Quarter 3 than the same period last year, with 678 fewer offences. The most notable reduction was seen in theft of railway property (15.9 per cent, 636 fewer offences). The British Transport Police (BTP), which has responsibility for policing the LU/DLR networks, has put additional measures in place to deal with the increase in theft experienced in 2012/13 which have been successful. These include the redeployment of officers to theft hotspots, a new crime reduction and awareness campaign, and targeted police enforcement activity against organised thieves operating on the network as part of Operation Magnum.

1.14 The level of crime on the bus network was 7.8 per cent lower in Quarter 3 than the same period last year, with 401 fewer offences. Notable reductions were seen in robbery (25.3 per cent, 146 fewer offences) and criminal damage (24.5 per cent, 95 fewer offences). These results build on the significant reductions in bus-related crime over recent years and reflect the work done by TfL and its policing partners to ensure that the bus network remains a safe, low crime environment.

1.15 The London Underground major injury rate in Quarter 3 was 0.31 major injuries per million passenger journeys, 0.04 worse than target. However, TfL expects to make inroads into reducing major injuries

* Quarter 3 refers to snapshot crime figures for September – November 2013. The information reported here may be different to other Quarter 3 crime information published by TfL which covers October – December 2013. Quarter 3 crime forecasts have been calculated on the basis of the latest passenger projections and projected crime levels for the year based on year-to-date crime trends

⁵ London buses recorded crime target been revised upwards since the TfL 2013/14 target to reflect better than forecast performance in 2012/13

⁶ Cumulative reduction from a baseline of the 2005–2009 average, Quarter 3 refers to June – August 2013

⁷ Cumulative from 2008

over the next quarter and is forecast to hit target over the full year. Safety awareness campaigns using both PA announcements and posters are being implemented across the network, targeted at locations where most incidents occur. Where accidents occur, the site is visited and recommendations are agreed by the local management with assistance from the Safety managers; actions are tracked against threshold and long term action to prevent reoccurrence. Staff engagement has been developed through the requirement that all staff in both Assets and Operations attend a weekly 'Safety Hour'.

- 1.16** Provisional data for Quarter 3 of 2013/14 shows that the number of people killed or seriously injured (KSI) on London's roads was 37.1 per cent below the 2005-2009 baseline during Quarter 3. The full-year forecast for 2013/14 is a reduction in KSIs of 31.7 per cent from the baseline, significantly up on the target of 21.3 per cent. The full-year forecast is, therefore, ahead of target, with one further quarter to report. TfL is still on track to meet its long-term target of a 40 per cent reduction in KSIs by 2020.
- 1.17** The Fleet Operators Recognition Scheme (FORS) is a unique industry-led accreditation scheme that aims to transform freight delivery in London by encouraging freight companies in London to become safer, more efficient and more environmentally friendly. At the close of Quarter 3, FORS accreditation has been granted to over 139,868 vehicles. The full-year target of 162,300 vehicles is forecast to be achieved.

Value

The operating budget below shows financial variances for year-to-date actuals and the latest full-year forecast as of Quarter 3, both against Budget. The table highlights TfL's operating contribution to fund investment, after revenue grants, including DfT general grant, Business Rates Retention and Greater London Authority (GLA) precept. The operating contribution is used to help fund investment and is allocated to projects through the annual business planning process.

A consistent table format is adopted across the Business Plan, TfL Budget and OFR. This will ensure consistent in-year reporting as well as comparisons across years.

Operating budget ⁸

TfL group (£m)	Year to date			Full year 2013/14					
	Actual	Variance to Budget		Quarter 3 forecast	Variance to Quarter 2 forecast	Variance to Budget			
Fares income	2,825	18	▲	4,093	-6	10	▲	0%	
Other operating income	442	18	▲	645	3	-13	▼	2%	
Total income	3,268	36	▲	4,738	-3	-3	▲	0%	
Operating expenditure (net of third-party contributions)	-3,975	14	▲	-5,939	-8	-42	▼	1%	
Operating margin	-707	50	▲	-1,201	-12	-45	▼	3%	
Interest income ⁹	14	4	▲	19	-2	5	▲	32%	
Debt interest	-242	-12	▼	-345	3	-12	▼	4%	
Contingency and group items	10	51	▲	-	13	59	▲	100%	
Margin	-926	94	▲	-1,527	2	7	▲	1%	
Finances sources									
General grant	757	2	▲	1,094	-	3	▲	0%	
Overground grant	20	-	▶	29	-	1	▲	2%	
GLA precept	4	-	▶	6	-	-	▶	0%	
Business Rates Retention	630	74	▲	803	-	-	▶	0%	
Other revenue grants	19	3	▲	42	5	21	▲	100%	
Total revenue grants	1,430	80	▲	1,973	5	24	▲	1%	
Operating contribution to fund investment	504	174	▲	446	7	31	▲	9%	

⁸ The Operating and Capital budget tables differ in approach to the Balance Sheet and the Cash Summary (Appendix C). These exclude London Transport Museum (LTM) activity; LTM cash balances as well fair value adjustments for long-term investments

⁹ Includes interest on the Crossrail Sponsors' Fund Account

Capital budget

TfL group (£m)	Year to date		Full year 2013/14				
	Actual	Variance to Budget	Quarter 3 forecast	Variance to Quarter 2 forecast	Variance to Budget		
Capital expenditure	-1,055	180 ▲	-1,673	76	223 ▲	12%	
Third-party contributions – capital	71	37 ▲	86	1	16 ▲	23%	
Sales of property and other assets	17	-7 ▼	55	-16	-9 ▼	14%	
Net capital expenditure excl. Crossrail	-967	211 ▲	-1,533	61	230 ▲	13%	
Crossrail capital expenditure	-1,152	-25 ▼	-1,692	64	-78 ▼	5%	
Net capital expenditure incl. Crossrail	-2,119	185 ▲	-3,225	125	152 ▲	4%	
Finance sources							
Operating contribution to fund investment	504	174 ▲	446	7	31 ▲	9%	
Crossrail funding sources	1,473	3 ▲	2,053	2	2 ▲	0%	
Investment grant	620	- ►	895	-	- ►	0%	
Metronet grant	92	- ►	184	-	- ►	0%	
Other capital grants	-	- ►	100	-	100 ▲	N/A	
Working capital	26	378 ▲	-222	154	250 ▲	57%	
Net borrowing and cash movements	-595	-739 ▲	-230	-287	-535 ▲	184%	
Total	2,119	-185 ▲	3,225	-125	-152 ▲	4%	

Fares income

Fares income (£m)	Year to date			Full year 2013/14			
	Actual	Variance to Budget		Quarter 3 forecast	Variance to Quarter 2 forecast	Variance to Budget	
London Underground	1,579	1	▲	2,290	0	-15	▼
London Rail	210	14	▲	305	3	21	▲
Emirates Air Line	4	-3	▼	5	0	-3	▼
London Buses	1,032	6	▲	1,493	-8	8	▲
Total fares income	2,825	18	▲	4,093	-6	10	▲

- 2.1** Both the year-to-date and the full-year forecast fares income are almost exactly as budgeted; £10m, or 0.3 per cent, higher than Budget over the full year. The Quarter 3 full-year forecast has been updated to reflect the effects of the January 2014 fares changes, with average fares increased by 2.7 per cent, a real terms fares reduction.
- 2.2** London Underground fares income in the year to date was £1m, or 0.04 per cent, more than Budget. Whilst passenger journeys are higher than Budget, the average yield per journey has fallen since the Budget was produced, as customers continue to make better use of the products available (e.g. Travelcards), and journeys on the 60+ Oystercard continue to rise from increased take up of the scheme. Underlying year-on-year passenger growth was at 3.9 per cent after taking into account Games-related journeys in 2012/13.
- 2.3** London Underground's latest full-year forecast fares income of £2,290m is 7.9 per cent higher than last year, but £15m (0.5 per cent) less than Budget, largely from lower than average yield and the effects of the January 2014 fares changes.
- 2.4** London Rail fares income in the year to date was £14m (7 per cent) higher than Budget. This upside was almost entirely from higher than Budget passenger demand on London Overground. London Overground revenue is £14m (16 per cent) ahead of Budget; DLR is £1m (1 per cent) ahead with Tramlink £1m (4 per cent) lower.
- 2.5** The strong year-to-date London Overground performance is reflected in the latest full-year forecast which shows an increase of £21m, with a further increase of £1m on the DLR, partly offset by a reduction of £1m for Tramlink.
- 2.6** Emirates Air Line fares (EAL) income in the year to date was £3m (39 per cent) lower than Budget. The absence of non-Games comparative passenger number data for the Emirates Airline resulted in a higher fares income Budget being set than will be realised. Emirates Airline's latest full-year forecast is now £3m below Budget. Despite this, EAL is forecast to make an operating surplus over the full year.
- 2.7** Bus fares income in the year to date was £6m, or 0.6 per cent, higher than Budget, reflecting 5 million higher fare-paying passengers, combined with a favourable ticket mix, with higher on-bus cash income, which is the highest yielding fare, partly offset by £1m travel card retrospective adjustments. Year-on-year passenger journey growth remains positive, with the underlying growth in journeys running at 1.4 per cent.

2.8 The full-year bus fares income is now forecast to be £8m higher than Budget, with additional revenue being driven by underlying passenger growth and updated economic and population projections, partly offset by the introduction of discounted ticket prices for apprentices. The decrease against the Quarter 2 forecast reflects recent underlying trends, the reduction in fare increases from January 2014, and higher take up of the free 60+ scheme than forecast.

Other operating income

Other operating income (£m)	Year to date			Full year 2013/14			
	Actual	Variance to Budget		Quarter 3 forecast	Variance to Quarter 2 forecast	Variance to Budget	
London Underground	133	6	▲	197	1	10	▲
London Rail	8	1	▲	18	-4	4	▲
Congestion Charge, LEZ and Road Network Compliance	200	11	▲	287	11	16	▲
Barclays Cycle Hire	10	-2	▼	13	-3	-3	▼
Other Surface Transport	64	1	▲	90	-4	-2	▼
Corporate	27	1	▲	40	1	-38	▼
Total other income	442	18	▲	645	3	-13	▼

2.9 In the year to date, LU other operating income is £6m higher than Budget, driven by additional property rental income from the early purchase of properties required for the Bank station project, and higher advertising revenues from increased availability of the advertising estate. As a result, full-year other operating income is now expected to be £10m over Budget.

2.10 London Rail year-to-date other operating income is £1m over Budget, primarily a result of phasing of property income. The full-year forecast is expected to be £4m over Budget, mainly due to additional Network Rail discretionary fund contributions, for works on London Overground stations.

2.11 Congestion Charge (CC), Low Emission Zone (LEZ) and Road Network Compliance income in the year to date is £11m higher than Budget, driven by a combination of increased Penalty Charge Notice volumes for CC and LEZ and higher CC income, particularly Fleet and Autopay detections and registrations, driven by higher than expected traffic volumes, possibly linked to the improving economy. The full-year forecast incorporates current trends and is £16m higher than Budget.

2.12 Barclays Cycle Hire income in the year to date is £2m down as a result of rephasing of sponsorship income due to a change in accounting treatment from that used in the Budget. Sponsorship income has now been evenly spread over the life of the contract. This is also reflected in the full-year-forecast.

2.13 Other Surface Transport operating income is slightly up in the year to date, but is expected to be £2m down over the full year. This is driven by a change in the accounting treatment for Victoria Coach Station ticket sales income to be consistent with statutory accounts. This has no net impact on TfL's cash position and is offset against operating expenditure.

- 2.14** Other operating income in the Corporate Directorates was £1m higher than Budget in the year to date, largely due to higher supplier rebates as a result of high user volumes on the new TfL website.
- 2.15** The full-year forecast is £38m lower than Budget. This is primarily due to the reprofiling of Commercial Development income of £30m into future years while TfL further develops its commercial plans for retail and property income. Forecast income of £13m from advertising, property rental and other contracts has been transferred to London Underground. This is partly offset by higher income of £4m; an improvement of £1m compared to last quarter, predominantly from Oyster card schemes, the new Travel Information Centre booth in Victoria, property lettings and Community Infrastructure Levy (CIL).

Operating expenditure

Operating expenditure (£m)	Year to date			Full year 2013/14			
	Actual	Variance to Budget		Quarter 3 forecast	Variance to Quarter 2 forecast	Variance to Budget	
London Underground	-1,520	5	▲	-2,251	-19	-10	▼
London Rail	-235	5	▲	-376	-20	-23	▼
Surface Transport	-1,819	3	▲	-2,711	19	-4	▼
Corporate	-402	2	▲	-600	11	-5	▼
Total operating expenditure	-3,975	14	▲	-5,939	-8	-42	▼

2.16 London Underground operating expenditure was £5m, or 0.03 per cent, less than Budget. The primary driver is the rephasing of £25m of minor works to later this year and future years. In addition, £11m underspend is from traction energy savings from favourable pricing and volume changes, £3m from rail replacement services following reduced numbers of closures, £3m from a release of overprogramming, and £6m from the rephasing of other operating costs to the end of 2013/14. These underspends have been partly offset by £10m of Northern Line Extension expenditure, which has been transferred from the Corporate directorates and reclassified as operating expenditure, and the reclassification of £28m Jubilee, Northern and Piccadilly line expenditure from capital to operating expenditure.

2.17 Over the full-year, this position is expected to reverse, with operating expenditure forecast to be £10m over Budget. This is due to a combination of: an increase in wage awards of £6m from April 2014, driven by an increase in the February 2013 RPI rate from that previously assumed; a voluntary severance provision for Fit for the Future Stations; £10m for the Northern Line extension which was transferred from the Corporate Directorates and which has no net effect on TfL; and the reclassification of Fit for the Future Stations programme and some renewal elements of Infrastructure works which were transferred from capital to operating expenditure. This is partially offset by increased efficiencies and delayed recruitment of £12m, lower electricity costs of £11m, reductions in rail replacement services of £4m following reduced number of closures, lower back office expenditure of £6m, and £11m of rephasing into future years.

2.18 London Rail expenditure is £5m under Budget in the year to date, following the decision not to proceed with the proposed devolution of South Eastern Rail franchise and the rephasing of Access for All projects to next year. The latest full-year forecast is £23m over Budget due to increases in commercial contractual arrangements.

2.19 Surface Transport operating expenditure in the year to date was £3m below Budget. This was from a combination of rephasing to future years of £16m, £6m of in-year rephasing works accelerated to earlier in the year, and net bus operating costs increases of £3m. Project spend of £16m was rephased to future years, including £12m for new projects added to the 2012 TfL Business Plan (such as road capacity, road safety, cycling schemes and bus pinch point activities) where delivery plans are being refined and £3m on Barclays Cycle Superhighways following the finalisation of the Mayor's Vision for Cycling. In-year rephasing was mainly due to accelerated expenditure of £13m on Local

Implementation Plans (LIP) and Borough Programme works, which was partly offset by the reprofiling of highways maintenance delivery through the London Highways Alliance Contracts (LoHAC) of £5m and other minor movements. Bus contract cost movements were due to £17m of Bus Service Operators' Grant (BSOG) costs, which transferred responsibility from the DfT to TfL from 1 October 2013, which were partly offset by savings of £10m on bus contracts, the latter from the impact of significantly lower than budgeted earnings index, one of the components used to calculate the annual bus Contract Price Adjustment (CPA), which determines contract prices. The BSOG payment was included in Group Items when setting the Budget, but was transferred to Surface Transport in the Quarter 1 forecast. This will, therefore, have no net impact on TfL.

- 2.20** The full-year forecast is £4m higher than Budget, due to the administration of the Bus Service Operations Grant (BSOG). This payment is partially offset by £20m bus contract savings from the impact of the significantly lower than budgeted earnings index, and £10m of project spend re-phased to future years, principally relating to projects added to the 2012 TfL Business Plan where delivery plans are now being refined. There was also a £6m reduction due to a change in the accounting treatment for Victoria Coach Station ticket sales (see Section 2.13).
- 2.21** Surface Transport's operating costs for the full year are £19m less than that forecast in the previous quarter. This is largely due to rephasing, primarily of cycling scheme programmes such as Quietways and Mini Hollands, following the revised timing of activities relating to the Mayor's vision for cycling, to future years.
- 2.22** In the year to date, operating expenditure for the Corporate Directorates was £2m lower than Budget. This is due to £9m of savings from property, insurance, consultancy and staff cost reductions, £5m of project rephasing and consultancy costs and £3m of contingency for project risk being reprofiled to future years. These are broadly offset by higher costs of £4m for the New Website Project (NWP) and additional staffing for the new Travel Demand Management (TDM) team, new planning activity of £3m relating to the Garden Bridge and HS2 projects, the transfer in of the Surface Commercial and Employee Communications and Engagement teams of £5m, ITSO costs for ticketing development of £3m and the reclassification of capital to operating expenditure of £2m.
- 2.23** In the full year, the Corporate Directorates are forecast to exceed Budget by £5m. This is driven by higher costs of £10m from additional activity including supporting new teams in TDM and Corporate Affairs and project work for Garden Bridge, Crossrail 2 and HS2, internal transfer of departments of £15m and £14m additional costs including British Transport Police CCTV support, and additional requirements for IM licences and contracts. These are partially offset by savings of £18m delivered across insurance, staff, consultancy, legal, and audit activities, and £7m of costs which are now expected in future years such as the Future Ticketing Programme (FTP), contactless payments campaign, River Crossings, HR Transformation and IM Strategic Sourcing. There are also project risk and net reclassifications to capital of £2m and £7m respectively.

Interest income, debt service and other group items

Interest income, debt service and other group items (£m)	Year to date			Full year 2013/14			
	Actual	Variance to Budget		Quarter 3 forecast	Variance to Quarter 2 forecast	Variance to Budget	
Interest income	14	4	▲	19	-2	5	▲
Debt service	-242	-12	▼	-345	3	-12	▼
Contingency and other group items	10	51	▲	-	13	59	▲
Total interest, debt service and other group items	-218	44	▲	-326	14	52	▲

2.24 Interest income is £4m up in the year to date, largely due to higher than expected cash balances and from TfL earning better rates than assumed in the Budget. This has been reflected in the Quarter 3 forecast, which now shows an upside of £5m over the full year. TfL continues to invest in accordance with the Board-approved Investment Strategy, prioritising security of principal and liquidity of investments over financial return.

2.25 Debt service is £12m over Budget in the year to date. This is caused by the £23m premium paid for the early redemption of Tube Lines debt earlier in the year. The future refinancing of this debt was at a lower interest rate, creating almost £36m in net present value benefits. This cost has been partly offset by an £11m favourable variance to Budget, from borrowing at better rates than previously expected. Debt service levels are forecast to be £12m over Budget in the full year.

2.26 Contingency and other group items are forecast to be £59m under Budget over the full year. This was driven by the transfer of £44m of BSOG payments to Surface Transport, non-utilisation of £49m of general contingency, including a further release of £15m release in the Quarter 3 forecast, offset by £33m savings to be found that were transferred to the business units in Quarter 1.

Capital expenditure

Gross Capital expenditure (£m)	Year to date			Full year 2013/14			
	Actual	Variance to Budget		Quarter 3 forecast	Variance to Quarter 2 forecast	Variance to Budget	
London Underground	-816	40	▲	-1,236	55	-15	▼
London Rail	-47	63	▲	-98	2	61	▲
Surface Transport	-146	59	▲	-258	16	77	▲
Corporate	-46	18	▲	-80	3	100	▲
Gross capital expenditure	-1,055	180	▲	-1,673	76	223	▲

2.27 London Underground's capital expenditure is tracking close to Budget. In the year to date, LU is £40m under Budget, a variance of less than five per cent. This is driven by a £48m underspend on Sub Surface Railway Upgrades, with a £39m accelerated payment made after the 2013/14 Budget was set, combined with planned deferral of Neasden Depot Phase B works to future years. An additional £33m underspend within Legacy Train Systems – renewal projects associated with legacy fleets – was due to rephasing of tunnel cleaning and Track Monitoring & Evaluating Systems, combined with unutilised risk for the Victoria Line upgrade. There was almost £10m of rephasing on stations projects, with £6m relating to Baker St Station Stabilisation and £3m on the Vauxhall Station Upgrade. A further £28m of expenditure, predominantly relating to Jubilee, Northern and Piccadilly lines, has been reclassified as operating expenditure. These variances have been offset by the release of £90m of overprogramming.

2.28 By the end of 2013/14, this position is expected to reverse, with full-year capital expenditure forecast to be £15m – just over one per cent – over Budget. This is driven by; £30m on SSR mainly due to accelerated payments brought forward to 2012/13; £39m for the Legacy train system which includes the rephasing due to suspension of tunnel cleaning and Track Monitoring & Evaluating Systems and unutilised risk for the Victoria Line upgrade, £22m from rephasing of infrastructure renewal projects; £10m reduction in scope from Civils Earth Structure and Bridges work; SSR Powerlink rephasing; rephasing of £14m of stations stabilisation expenditure into future years due to design delays, the largest being the Baker Street station stabilisation project;; re-scoping of the Vauxhall Station Upgrade following the contract award; and £20m of costs relating to Jubilee, Northern and Piccadilly lines has been reclassified to operating expenditure. This was offset by the transfer of £11m of capital expenditure for the Northern Line Extension (NLE) from the Corporate directorates, and the release of £173m of overprogramming.

2.29 In the year to date, London Rail is £63m under Budget. This is predominantly due to the settlement of claims of £28m for the East London Line (ELL) in late 2012/13 after the Budget was set, with a further £13m provision rephased to later this year. In addition, £16m of London Overground Capacity Improvement Programme (LOCIP) costs have been rephased to future years.

2.30 The latest full-year forecast for London Rail is £61m under Budget, mainly due to the ELL commercial settlement of £28m together with £25m from rephasing of LOCIP and Gospel Oak to Barking line,

with the balance being made up of minor variances. The LOCIP project will deliver as per the overall project milestone date.

- 2.31** Surface Transport capital expenditure in the year to date was £59m below Budget, largely due to in-year rephasing of £25m including £16m Transport for London Road Network (TLRN) Capital Renewals rescheduling, of this £9m related to delivery works rescheduled following mobilisation of the new London Highways Alliance Contracts (LoHAC) and £7m as a result of network access issues, delays in lighting design and in order to coordinate activity with other streetworks. Further in-year slippage included £3m for the Barclays Cycle Hire phase 2 new finance & billing system, following successful implementation in September it is now at the bedding-in stage prior to completion of the final milestone, £3m for the energy efficient street lighting programme following delay in the contract award and £3m due to the slight delay in commencement of the Road Space Management Split Cycle Offset Optimisation Technique (SCOOT) programme for upgrade to traffic signal technology. Spend of £14m reprofiled to future years included rephasing of Barclays Cycle Superhighways (£11m) and Better Junctions (£3m), following the finalisation of the Mayor's Vision for Cycling. Savings of £7m have been realised on Barclays Cycle Hire Expansion and Intensification (CHEI) project equipment, construction and contract variation and £3m on the removal of the Congestion Charge retail channel following consultation in January 2013.
- 2.32** Surface Transport's full-year forecast is £77m below Budget mainly due to rephasing to future years. This includes: £17m for Structures and Tunnels Investment Portfolio (STIP) projects, mainly for Hammersmith Flyover phase II following contractor appointment after the Budget was set, and increases in the time expected to gain Network Rail possessions (e.g. permission to access bridges); Safety Camera Replacement Project due to contract awards delays at the tendering stage of £14m; Barclays Cycle Superhighways of £14m, to align with the Mayor's vision for cycling, and the Electronic Ticket Machine (ETM) replacement project of £11m, as we expect to extend the life of the current ETMs.
- 2.33** The full-year Surface forecast is £16m below Quarter 2, due to rephasing of £8m, including £3m for the completion of remaining SCOOT sites in 2014/15, and savings of £7m, including a further £3m of savings from the Barclays CHEI project.
- 2.34** Capital expenditure in the Corporate Directorates was £18m lower than Budget in the year to date. This is driven by the transfer of £11m NLE expenditure to LU. In addition, £7m for payment technology projects, (including FTP) and New Growth Areas has been reprofiled to future years, and £2m for the New Website Project was reclassified as operating expenditure. These variances have been partly offset by in-year rephasing of £3m for Property, IM and CEM&C projects, where work was brought forward and completed earlier than budgeted.
- 2.35** These drivers are also reflected in the full-year forecast, which is £100m lower than Budget. The main driver is the reprofiling of £68m Commercial Development investment programme initiatives, to increase future income from retail, property and other commercial ventures, into future years. In addition, £25m of capital expenditure for the NLE has been transferred to London Underground; £10m of this transfer has also been reclassified as operating costs, and £3m has been rephased to future years. In Quarter 3, an additional £6m of payment technology projects and IM projects were reprofiled, in addition to the reprofiling of £7m at Quarter 2. This reflects the revised activity schedule for the FTP and IM projects.

Capital third-party contributions

Third-party contributions (£m)	Year to date		Full year 2013/14		
	Actual	Variance to Budget	Quarter 3 forecast	Variance to Quarter 2 forecast	Variance to Budget
London Underground	29	16 ▲	30	2	7 ▲
London Rail	28	25 ▲	36	-1	26 ▲
Surface Transport	15	8 ▲	20	1	10 ▲
Corporate	-	-11 ▼	-	-	-27 ▼
Third-party contributions	71	37 ▲	86	1	16 ▲

2.36 London Underground third-party contributions in the year to date and the full-year forecast are over Budget due to increased recoverable costs, relating for the most part to Crossrail interface projects.

2.37 London Rail third-party contributions in the year to date are £25m up on Budget due to the earlier than budgeted recognition of East London Line RAB (Regulatory Asset Base of Network Rail) funding of £20m and European Regional Development Fund contribution of £8m towards the capital costs of Emirates Air Line. The latest full-year forecast is £26m better than Budget, due to the earlier than budgeted recognition of RAB funding of £20m and LOCIP funding from Network Rail of £8m.

2.38 Surface Transport capital third-party contributions in the year to date were £8m higher than Budget. This was due to an additional £4m for CHEI, where contributions from London boroughs have been brought forward in line with the planned delivery schedule, and DfT funding of £3m for carriageway works, following the 2012 Autumn Statement. The full-year forecast is £10m above Budget due to DfT funding for carriageway works of £4m, Traffic Signal Modernisation additional funding of £3m for Borough and Developer Funded Schemes, and CHEI of £3m. The movement from the Quarter 2 forecast is due to DfT funding for carriageway works which has been reclassified from operating expenditure.

2.39 Capital third-party contributions across the Corporate directorates were £11m lower than Budget in the year to date, unchanged since the previous quarter, and are forecast to be £27m lower than Budget in the full year. This is driven by the reclassification of £25m of Northern Line Extension (NLE) developers' contributions, which will now be received directly from the Greater London Authority (GLA) as grant funding. This funding has also been rephased to future years, with payments expected from 2014/15. The total level of funding for the NLE remains the same as assumed in the Budget, but will now be received in later years.

Sales of property and other assets

Sales of property and other assets (£m)	Year to date		Full year 2013/14		
	Actual	Variance to Budget	Quarter 3 forecast	Variance to Quarter 2 forecast	Variance to Budget
Total sales of property and other assets	17	-7 ▼	55	-16	-9 ▼

2.40 In the year to date, sales of property and other assets were £7m lower than Budget. £15m of property sales were reprofiled into future years: sales of Dalston Western Curve and Hillingdon following planning consent delays; the delayed sale of Fleet Street to investigate opportunities to increase revenue streams in future years; and Whitechapel which is required for future development. This rephasing was partly offset by higher income of £8m, from the sale of Wembley Park due to earlier vacancy than expected, the compulsory purchase orders at Blackfriars and Farringdon, the sale of Orion Business park and a higher than budgeted receipt for the sale of Princelet Street.

2.41 Full-year income is forecast to be £9m lower than Budget. This reflects the year to date position at Quarter 3, as detailed above. Additionally, Edgware Road and Debden have been reprofiled to future years, income for the A40 Sites was received in the last financial year, earlier than expected, and the sale of Landrick Road has been delayed as it is now required for A13 site works.

2.42 The reduced income forecast has been partially offset by the sale of Shepherds Bush Market, where sales income was budgeted in earlier years, the unbudgeted sale of Hanger Lane / Inglis Road, and the reprofiling of income from East Finchley substation, from a previous year, and Kidbrooke, which was brought forward from 2016.

Crossrail

Crossrail (£m)	Year to date		Full year 2013/14		
	Actual	Variance to Budget	Quarter 3 forecast	Variance to Quarter 2 forecast	Variance to Budget
Crossrail	-1,152	-25 ▼	-1,692	64	-78 ▼

2.43 In the year to date, Crossrail spent £25m more than Budget. Direct construction costs are £10m over Budget, principally due to the re-phasing of programme and project risk. Property costs are £33m over Budget principally due to upward revaluations notably at Paddington, Ealing Broadway, Liverpool Street, Slough Station, Whitechapel, Hayes and Harlington, Southall Station, Kensal Green and Maidenhead Station, offset by downward revaluations movements at Farringdon and Romford. Indirect project costs are £18m under Budget, principally due to the delays in recruiting technical and corporate staff.

2.44 The full-year forecast is now £78m over Budget, predominantly due to re-phasing of programme and project risk, and property revaluations. The latest full-year forecast is £64m less than forecast at Quarter 2. The reduction is driven by a review of work on the Network Rail Traction Control and Thames Tunnel project, reduced staff costs, and savings on instrumentation and monitoring from better than expected ground conditions at the Fisher Street Shaft. These variances have no material impact on Crossrail's overall project costs, which will be delivered to time and within budget.

Working capital

Working capital (£m)	Year to date			Full year 2013/14		
	Actual	Variance to Budget		Quarter 3 forecast	Variance to Quarter 2 forecast	Variance to Budget
Working capital	26	378	▲	-222	154	250 ▲

2.45 In the year to date, working capital is £26m, £378m higher than Budget. This is due to a combination of: a £76m earlier than expected receipt for concessionary fares from London Councils (which was budgeted to arrive in Quarter 4, but was received in late Quarter 3); £73m advanced receipt of commercial non-fares income; £37m from unused portions of tickets, Oyster balances and card deposits; £80m of capital creditors due to the withholding of payments to suppliers pending achievement of specific project milestone; and £44m of trade creditors from invoices being received later than expected.

2.46 Over the full year, working capital is forecast to be £222m, £250m higher than Budget. This is from £28m of capital creditors due to the withholding of payments to suppliers pending completion of specific project milestones; £38m from unused portions of tickets, Oyster balances and card deposits; £56m from accruals, including a provision for voluntary severance; and £49m for Crossrail property payments.

Government grants and funding

Government grants and funding (£m)	Year to date		Full year 2013/14		
	Actual	Variance to Budget	Quarter 3 forecast	Variance to Quarter 2 forecast	Variance to Budget
General Grant	757	2 ▲	1,094	-	3 ▲
Metronet Grant	92	- ►	184	-	- ►
Investment Grant	620	- ►	895	-	- ►
Overground Grant	20	- ►	29	-	1 ▲
GLA precept	4	- ►	6	-	- ►
Business Rates Retention	630	74 ▲	803	-	- ►
Crossrail Funding Sources	1,473	3 ▲	2,053	2	2 ▲
Revenue grants	19	3 ▲	42	5	21 ▲
Capital grants	-0	- ►	100	-	100 ▲
Total grants and funding	3,614	83 ▲	5,205	7	126 ▲

2.47 Government grants and funding are £83m higher than Budget in the year to date. This is largely driven by a £74m favourable variance from timing differences from Business Rates Retention (BRR) payments, which have been received earlier than assumed. This is expected to be corrected by the end of the year.

2.48 Over the full year, grants and funding are forecast to be £126m more than budgeted. This is largely the result of an additional £100m funding from the Department of Transport (DfT) for Crossrail rolling stock procurement, which was agreed as part of the 2013 Spending Review and included in TfL's latest business plan. This sum will be held in the Crossrail Sponsors' Funding Account until 2015/16. A further £15m of one-off funding has been provided from the DfT in lieu of TfL applying for planning obligations for the costs of services to free schools for the duration of the current parliament.

Net borrowing, cash balances and cash movements

Borrowing, repayments and cash reserve movements (£m)	Year to date		Full year 2013/14		
	Actual	Variance to Budget	Quarter 3 forecast	Variance to Quarter 2 forecast	Variance to Budget
Borrowings Raised	440	95 ▲	438	1	93 ▲
Borrowings Repaid	-94	-71 ▼	-105	2	-63 ▼
Net borrowing	346	24 ▲	333	3	30 ▲
Cash movements	-941	-763 ▲	-564	-290	-566 ▲
Net borrowing and cash movements	595	739 ▲	230	287	535 ▲

2.49 In the year to date, borrowings raised were £95m above Budget. This is due to the refinancing of Tube Lines debt. Borrowings repaid were £71m higher than Budget, also largely due to the refinancing of Tube Lines debt.

2.50 Over the full year, borrowings raised are forecast to be £93m above Budget, while borrowings repaid are £63m higher. Both of these variances represent additional borrowing and repayments undertaken as a result of the refinancing of scheduled debt repayments on the Tube Lines debt, which was not included in the Budget. The overall effect of the refinancing is that borrowings raised will be £30m higher than Budget.

Cash balances (£m)	Year to date		Full year 2013/14		
	Actual	Variance to Budget	Quarter 3 forecast	Variance to Quarter 2 forecast	Variance to Budget
Crossrail Sponsors' Funding Account	1,944	90 ▲	1,972	197	142 ▲
Other TfL cash balances	2,890	673 ▲	2,485	94	424 ▲
Closing cash	4,834	763 ▲	4,457	290	566 ▲

2.51 TfL's closing cash (including Crossrail's cash balances) at the end of Quarter 3 is £763m more than that expected at the time of the Budget. This is driven by rephasing of capital expenditure to later this year and future years, an additional £100m from the DfT for Crossrail rolling stock, and a significant working capital upside of £378m that will start to reverse in the following quarter.

2.52 Cash balances are now forecast to be £566m higher than Budget at the end of 2013/14, driven by:

- £67m for payments accelerated into the end of 2012/13 after the 2013/14 Budget was set, including £39m for new Tube rolling stock and £28m for the East London Line commercial settlement

- As with many major capital programmes, specific projects are rescheduled into future years. TfL has rephased £113m of committed investment to future years, including the London Overground Capacity Improvement Programme (LOCIP), structures and tunnels investment, and Barclays Cycle Superhighways. Almost £70m of this expenditure is for commercial investment, whereby TfL will secure better value over the long term
- £100m from the DfT for Crossrail rolling stock procurement that was secured as part of the 2013 Spending review; this funding is ring-fenced
- A £250m working capital upside – 2.5 per cent of the 2013/14 Budget – due to timing differences from payments and receipts that will reverse in the next financial year

2.53 TfL's cash balance (up to a prudent minimum) is committed to delivering the improvements outlined in TfL's latest Business Plan, updated in the TfL Budget 2014/15, including:

- Almost £1.5bn on the Sub-Surface Rail upgrade, delivering new rolling stock, increased train frequency, greater capacity and automated train control
- Over £1bn on new Crossrail trains, with the contract now awarded to Bombardier
- Over £900m for key cycling programmes
- £150m for a further 400 New Buses for London by the end of 2015/16

Efficiencies

Efficiencies Programme ¹⁰ (£m)	Year to date		Full year 2013/14		
	Actual	Variance to Budget	Quarter 3 forecast	Variance to Quarter 2 forecast	Variance to Budget
Progress towards TfL's total efficiency programme	152	49 ▲	224	39	87 ▲

2.54 In the 2013 Business Plan, TfL has identified more than £16bn of efficiencies which has allowed us to invest in infrastructure while holding down fares and managing with lower Government grant levels. We have already secured nearly £12bn of savings, leaving £4.2bn still to be secured. This will be achieved by reducing back-office expenditure and driving out inefficient activity to protect front-line services and our capital investment programme.








2.55 The 2013/14 Budget set a target to secure £137m of efficiencies. In the year to date, TfL has increased its level of savings by an additional £49m against target. Secured efficiencies to date include energy savings for traction current, savings on rolling stock spares, a cheaper solution on dust cleaning, and the removal of the Congestion Charge retail channel following consultation in January 2013.

2.56 Over the full year, TfL now forecasts to achieve an additional £87m of savings against Budget. Additional efficiencies have been secured through savings from signalling and infrastructure renewals, the release of the Piccadilly Line signalling provision within London Underground, asset refresh and operational savings from re-letting the Congestion Charge contract and extending the Cycle Hire contract in Surface Transport. Corporate have identified additional staff and consultancy savings along with insurance re-tender efficiencies. There are plans in place to deliver the remaining unsecured efficiencies for the year.

¹⁰ Efficiencies are quoted net of implementation costs

Customer

Passenger journeys

Millions	Quarter 3, 2013/14			Full year 2013/14			
	Actual	Variance to target	Variance to last year	Quarter 3 Forecast	Variance to target	Variance to last year	2010 – 2014
▲ higher is better							
London Underground	311.7	12.7 ▲	14.9	1,269.0	30.0 ▲	39.7	
London Buses	577	1 ▲	11	2,390	3 ▲	55	
DLR	24.4	0.4 ▲	1.1	100.9	0.8 ▲	0.8	
London Overground	31.5	-0.7 ▼	1.9	139.9	10.6 ▲	15.4	
London Tramlink	7.6	0.1 ▲	0.5	30.9	-0.3 ▼	0.8	
Emirates Air Line	0.3	- ►	-0.2	1.6	0.1 ▲	-0.4	
Dial-a-Ride	0.3	- ►	-	1.4	- ►	-	
London River Services	1.6	0.1 ▲	0.3	8.5	1.3 ▲	2.2	

3.1 London Underground passenger journeys exceeded target by 12.7 million in Quarter 3, and were 14.9 million better than the same quarter in 2012/13. A new non-Games daily record was set on Friday 6 December with 4.53 million journeys made; only 14,000 less than the record set in August 2012. Year-to-date passenger journeys are 2.2 per cent higher than last year, without adjusting for journeys made on Olympic and Paralympics tickets. Once prior year demand is adjusted for Games related journeys, underlying year-on-year growth is 4.1 per cent.

3.2 Bus passenger journeys in Quarter 3 were slightly ahead of target and 1.9 per cent above last year; November 2012 suffered from severe weather, adjusting for exceptional events and the 2012 Games underlying passenger growth is 1.4 per cent. The full-year forecast is for 2.4 per cent growth, with Quarter 4 benefiting from timing of Easter and an assumption of more seasonal weather.

3.3 DLR passenger numbers were 0.4 million better than target in Quarter 3 and demand is 1.1 million up on last year. Year-to-date passenger journeys were one per cent above target and 5.5 per cent better than last year once prior year demand is adjusted for Games related journeys. Full year demand is forecast to surpass full-year target by 0.8 million.

3.4 London Overground journeys in Quarter 3 were 1.9 million up on the same period last year, but 0.7 million behind target. There were some significant challenges to London Overground due to the storm on 28 October causing difficult railhead conditions which affected other operators' services over shared infrastructure and six days of disruption at the beginning of the quarter following a freight train

derailment near Primrose Hill. Full year demand is forecast to surpass the full-year target by 10.6 million

- 3.5** In Quarter 3 Tramlink saw 7.6 million passenger journeys, up 0.5 million on last year and 0.1 million better than target. Full-year passenger journeys are now forecast to be 0.3 million lower than target.
- 3.6** The Emirates Air Line carried 0.3 million passengers in Quarter 3 which is slightly below target and 0.2 million lower than the same quarter last year. Full-year performance is expected to beat target by 0.1m.
- 3.7** Passenger journeys on London River Services during Quarter 3 were higher than target and last year. From 1 April 2013 a new methodology was introduced to calculate river passenger journeys as the number of passengers boarding all vessels, as recorded by the Automatic Identification System (AIS), plus the number of foot and vehicle passengers boarding the Woolwich Ferry, which is recorded manually by the ferry contractor. In previous years, passenger numbers were based on ticket sales by the principal boat operators excluding Woolwich Ferry passengers. The new counting method gives a more accurate picture of river usage.
- 3.8** There has also been underlying growth in demand for river services with the favourable late summer weather and the high visitor numbers to London sustaining the high tourist demand experienced in earlier in the year. Passenger journeys remain on forecast to reach over 8 million in 2013/14.









Cycling levels

Cycling index	Quarter 3, 2013/14			Full year 2013/14			
	Actual	Variance to target	Variance to last year	Quarter 3 Forecast	Variance to target	Variance to last year	2010 – 2014
▲ higher is better							
Cycling levels on the TLRN ¹¹	303	-3 ▼	13	276	-19 ▼	-	

- 3.9** Cycle flows on the TLRN in Quarter 3 of 2013/14 were 12.9 index points (4.6 per cent) higher than the same quarter last year; these represent the highest Quarter 3 cycle flows since the index began. However this is 3.4 index points (1.1 per cent) below the target set for Quarter 3. The full year forecast for 2013/14 is that target cycling levels will not be met and that across the full year cycle flow is not expected to change significantly from that recorded last year. There are a number of reasons for the slowdown in cycling growth. In addition to the weather, which can impact on cycle flows, delivery of new cycling infrastructure slowed in 2012/13 in the run up and during the Games period, following a moratorium on new project construction. Further, the implementation of the Better Junctions cycle safety review has impacted on the pace of delivery of major new cycle programmes, including both the Barclays Cycle Superhighway and Better Junctions programmes.
- 3.10** The Mayor published his Vision for Cycling in March 2013. In it he outlined plans for spending £913m on cycling over the next 9 years to 2021/22. This investment will deliver a step-change in cycling provision that will support the growing numbers of cyclists in London.
- 3.11** TfL have developed a new cycling key performance indicator (KPI) which will measure the daily average number of kilometres cycled in central London each quarter. This will be presented as the number of kilometres cycled per day in thousands, which is in line with the methodology used by DfT in their national traffic counts. The KPI will capture the outcomes of the investment in cycling infrastructure as set out in the Mayor's Vision for Cycling. It will also be able to report all cycle journeys on those parts of the Barclays Cycle Superhighways that fall within central London, the Central London Grid and the Quietways.
- 3.12** The number of journeys cycled are now being measured by quarterly on-street manual counts at 200 sites in central London. The new KPI will be monitored during 2014/15 to evaluate its robustness, and in the meantime we will continue to report the existing TLRN cycling index in parallel. The information will be published in the quarterly Operational and Financial Performance report from Quarter 1 2014/15 onwards.

¹¹ Cycling levels on the Transport for London Road Network (TLRN), indexed at 100 in March 2000

Customer satisfaction

Score (out of 100)	Quarter 3, 2013/14			Full year 2013/14			
	Actual	Variance to target	Variance to last year	Quarter 3 Forecast	Variance to target	Variance to last year	2010 – 2014
▲ higher is better							
London Underground	82	1 ▲	-2	82	1 ▲	-1	
London Buses ¹²	83	1 ▲	2	83	1 ▲	1	
DLR	86	4 ▲	-2	85	3 ▲	-2	
London Overground	80	- ►	-1	80	- ►	-2	
London Tramlink	89	3 ▲	-	88	2 ▲	-1	
Emirates Air Line	93	8 ▲	-	92	7 ▲	-1	
Dial-a-Ride	92	- ►	1	92	- ►	-	
Congestion Charging	87	5 ▲	6	82	- ►	-1	

3.13 LU customer satisfaction remained at 82 in Quarter 3, one point over target, but two points down from the same quarter last year. Full-year performance is forecast to be one point above target at 82, based on current reliability trends.

3.14 Overall customer satisfaction with bus services has been on a general trend of improvement since Quarter 4, 2011/12. The overall satisfaction score in Quarter 3 was one point better than target and two points better than last year. On specific measures, satisfaction with waiting times declined slightly, falling one point compared with the same quarter last year, whilst satisfaction with journey time improved by one point. Based on year to date performance, the full-year forecast has now been increased to 83, one point up from the previous quarter.

3.15 DLR customer satisfaction was 86 in Quarter 3, down two points from the previous quarter and the same quarter last year. The poor score coincided with a number of ticket vending machines being out of service following a spate of vandalism, and lower than expected train frequency on the Woolwich and Stratford to Lewisham routes.

3.16 London Overground customer satisfaction was 80 in Quarter 3, on target but three points down from the previous quarter. This is due to overcrowding and poor service punctuality. Over the full year, the CSS score is expected to be 80 as overcrowding from extra demand continues. The LOCIP project is expected to improve on this as extra capacity is delivered.

3.17 In Quarter 3, Tramlink customer satisfaction remained at 89 for the fourth consecutive quarter.

¹² The London buses CSS target has been revised upwards since the TfL 2013/14 Budget to reflect better than forecast performance in 2012/13

- 3.18** Customer satisfaction for the Emirates Air Line remained at 93 in Quarter 3, continuing the record performance.
- 3.19** The Quarter 3 overall satisfaction score for Dial-a-Ride continues to be in line with target. Satisfaction with the helpfulness and courtesy of the driver remained the highest of the individual service attributes and increased by one point compared to the same quarter in the previous year.
- 3.20** Overall satisfaction for Congestion Charging has increased significantly for general customers from 84 in the February 2013 survey to reach a record high level of 87 in the October-November 2013 survey. Satisfaction with almost every aspect of the service has increased significantly among general customers. Most aspects have now reached historically high levels. Staff measures show the greatest improvement, especially the way queries/issues/complaints are dealt with and the ability to resolve them quickly. Satisfaction with the website (which tends to have lower scores than for other areas of the experience) has also improved significantly.

Customer complaints

No. complaints per 100,000 journeys	Quarter 3, 2013/14	
	Actual	Variance to last year
▼ <i>lower is better</i>		
London Underground	1.14	0.02 ▲
London Buses	2.70	0.29 ▲
Docklands Light Railway	2.36	-0.34 ▼
London Overground	3.03	0.65 ▲
Tramlink ¹³	0.95	N/A ►
Emirates Air Line	5.37	N/A ►
Congestion Charge	13.94	1.41 ▲
Barclays Cycle Hire	4.85	2.69 ▲
Dial-a-Ride ¹⁴	145.28	78.38 ▲
Oyster	1.33	-0.57 ▼
River	0	-0.24 ▼

3.21 London Underground continues to record one of the lowest complaint rates in the rail industry at one per 100,000 passenger journeys, despite record passenger numbers and the effects of the storm on 28 October. In Quarter 3, there was a slight increase in complaints compared to the same quarter last year, predominantly relating to delays and planned engineering works.

3.22 London Buses complaints rate continues to be one of the lowest of any of our services at 2.70 per 100,000 passenger journeys. Complaints about gaps in service and reliability increased in Quarter 3. This is related to a seasonal deterioration in traffic conditions. We work closely with the bus operators to minimise the impact on passengers. Around half of all expressions of dissatisfaction by customers are about bus drivers but so are 90 per cent of commendations. Plans are being developed for further improvements to driver training and communication with a strong emphasis on customer service.

3.23 The DLR has recorded its lowest complaints rate for over a year. A comprehensive programme to tackle customers' most common complaints, which relate to ticket vending machines, is being implemented, with more improvements planned during 2014. TfL meets regularly with the concessionaire, Serco, and the manufacturer, Atos, to review the performance of the machines. During 2013 TfL has borne down on areas of dissatisfaction for customers by ensuring the machines are floated more regularly at key locations and a more efficient fault reporting regime has been

¹³ Tramlink complaints have been recategorised from Quarter 3, 2013/14. There is no directly comparable data from 2012/13

¹⁴ Per 100,000 journey requests

introduced. In the coming months a further four machines at Woolwich Arsenal station will be added and DLR will review ticket machine locations to reflect passenger numbers.

- 3.24** London Overground remains the train operating company with the lowest complaints rate in the Office of Rail Regulation's national rankings. In Quarter 3, London Overground was awarded Commuter Train Operator of the Year by the European Rail Congress. This recognised a strong growth in passenger numbers while maintaining high levels of punctuality and customer satisfaction. There was a spike in complaints about train service performance, which was linked to the disruption caused by the storm on 28 October 2013 and a derailed freight train. The derailed freight train caused severe damage to the infrastructure in the Camden Road area, which took six days to repair. As a result of the storm, lines were blocked by fallen trees or damaged power lines at multiple locations.
- 3.25** Tramlink's complaints have been recategorised from Quarter 3. Previously, any customer contact was classified as a complaint; complaints data is now based on genuine complaints only. Issues relating to overcrowding continue to form the bulk of passenger complaints. During November there was a planned closure between Sandilands and New Addington, with some complaints relating to delays to rail replacement bus services.
- 3.26** The complaint rate on the Emirates Air Line (EAL) remains low, with the majority of complaints relating to fares issues. We are always looking at ways to improve the customer experience and this quarter have began to distribute sightseeing maps onboard, which highlight points of interest during the flight. Passenger feedback to this initiative has been very positive.
- 3.27** There was a slight increase in the complaints rate for the Congestion Charge this quarter, compared with the same time last year. The most common sources of complaint were about enforcement and Auto Pay. The former was linked to more Penalty Charge Notices being issued, while the latter correlated with a greater number of people taking advantage of the more efficient way to pay.
- 3.28** Barclays Cycle Hire continues to record a complaints rate in the same order of magnitude as the best performing TfL services. To reduce the number of complaints about how much customers are charged, we have commissioned new software, which tells us when bikes have not been docked correctly. This helps to ensure those using the scheme are charged the correct amount.
- 3.29** Customer complaints in Dial-a-Ride (DaR) during Quarter 3 are significantly higher than last year. Last year's Quarter 3 complaints were exceptionally low compared to prior years; the trend continues to show ongoing reductions in complaints. DaR's customer satisfaction scores are among the highest of all TfL modes (92 per cent in Quarter 3), although due to the door to door nature of the service its complaint rate is relatively high, and reflects the fact that DaR is the only transport option for many of its customers. Booking refusals continue to be the main source of complaints; however, DaR continued to schedule 90 per cent of journey requests in this quarter.
- 3.30** Complaints about Oyster have fallen when compared with the same quarter last year. In that time we launched a high profile campaign to help educate passengers about how to use Oyster and ensure they pay the lowest fare. Due to the campaign we have seen more customers contacting us to check their Oyster balance and ask for our assistance in resolving those journeys that are recorded as incomplete.
- 3.31** There were no complaints about River Services this quarter.

People

Staff

Full-time equivalent	Year to date		Full year 2013/14		
	Actual	Variance to Budget	Quarter 3 forecast	Variance to Quarter 2 forecast	Variance to Budget
London Underground	21,145	-227	21,446	112	198
London Rail	216	27	225	-18	30
Surface Transport	3,257	-115	3,414	-8	50
Corporate	3,486	231	3,597	66	397
Crossrail	886	-23	898	0	0
Total FTE	28,990	-107	29,580	153	675

- 4.1** At the end of Quarter 3, TfL (including Crossrail) employed 28,990 full-time equivalent staff, 107 under Budget. By the end of 2013/14, TfL forecasts it will employ 29,580 staff, an increase of 590 FTEs, 675 FTEs more than budgeted at the start of the year. This increase is due to a combination of new projects added in the new Business Plan published in December 2013, and existing projects where programme budgets have been approved, but the specific resourcing requirements were not finalised when the Budget was set.
- 4.2** London Underground total headcount at the end of the third quarter was 21,145. This is 227 less than Budget (after adjusting for 80 staff currently on maternity leave). The main driver is permanent staff vacancies resulting from attrition, delays in recruitment and positions held pending conclusion of reorganisational changes. This is partially offset by temporary headcount being over Budget by 182 FTE, this is due to 80 temporary staff covering permanent vacancies, 55 required for extended projects including Railway Engineering Workshop and Work Instruction Project and 68 relating to Maximo systems development and operations.
- 4.3** The full-year forecast for London Underground total headcount is 21,446, 198 FTE over Budget, with permanent FTE below by 78 and temporary above Budget by 276. The lower permanent FTE is the result of a 150 FTE over programming adjustment to reflecting the challenging recruitment plans, offset by additional Operations and Capital Programmes resource due to programme demands. Temporary FTEs are driven by 90 additional Operations resource for extended projects including Railway Engineering Workshop and Fleet Reliability, additional Capital Programmes resource of 100 to meet programme demands and 95 FTE to support JNP projects.
- 4.4** London Rail total headcount at the end of the third quarter was 216, which is 27 FTE above Budget in the year to date (after adjusting for maternity). This is predominantly driven by London Overground Capacity Improvement Programme (LOCIP) projects. The full year forecast is 30 FTE over Budget, due to LOCIP project staff.
- 4.5** Surface Transport was 115 FTE below Budget at Quarter 3. This was partly due to the transfer of 59 budgeted FTE to the Commercial team in Corporate to better reflect the dual reporting nature of this

function. There were 35 unfilled vacancies in Enforcement and On Street Operations resulting from longer than anticipated recruitment lead times and strict headcount controls. In addition, Dial-a-Ride had 20 driver vacancies, with the shortfall covered by Community Transport drivers.

- 4.6** The full-year forecast for Surface is 50 FTEs higher than Budget. This is due to an increase of 108 FTEs that have been added to Asset Management mainly for the in-house design and traffic infrastructure and design teams, which is more cost effective than employing external consultants. In addition, 61 FTEs are required to support the delivery of the Surface Transport investment programme. Both of these increases are funded from existing programme budgets. These increases are partly offset by the transfer of 59 budgeted FTEs to the Corporate Commercial team and the inclusion of a vacancy factor overlay of 55 FTEs to reflect the significant recruitment challenge, and that a proportion of new positions will be filled by internal recruitment creating a vacancy elsewhere in the organisation.
- 4.7** At the end of Quarter 3, staff numbers in the Corporate Directorates exceeded Budget by 231 FTE. The majority of the increase is due to 154 FTE temporary staff funded through existing approved budgets for IM and Customer Experience to support payment technology workloads. Additionally, 75 FTEs were transferred into Corporate from the Surface Commercial team and consolidation of internal communications staff (reported in Quarter 2) and a further 90 FTE are required for new activities, projects and increased demand across HR, Accounting, Treasury, IM and CEM&C, and the establishment of TDM and Corporate Affairs teams. This is offset by 88 FTEs from a combination of maternity leave, project rephasing, staff vacancies and declared efficiencies.
- 4.8** For the full year, staff levels are forecast to be 397 FTE higher than Budget, an increase of 66 FTE from Quarter 2. This reflects 307 FTE funded by projects or existing budgets as detailed above, resulting in no financial variance. These increases are due to temporary project resources required in IM, Planning and CEM&C, the Commercial Development investment programme, and fixed term contractors to support the Commercial Operations teams. 97 FTEs have transferred into the Corporate Directorates, with a further 100 FTEs required for projects, new activities and increased demand. These were partly offset by 107 FTE reflecting other minor movements across the corporate directorates, including maternity leave and estimated of vacancies at the year end.
- 4.9** At the end of Quarter 3, Crossrail employed 886 FTE staff, which was 23 FTE less than Budget. This was driven mainly by lower than anticipated FTEs in Central and Technical areas. Programme critical roles in these areas have been filled by agency staff in the short term.

Appendix A: Business Unit financial tables

Rail and Underground

London Underground (£m)	Year to date		Full year 2013/14			Section
	Actual	Variance to Budget	Quarter 3 forecast	Variance to Quarter 2 forecast	Variance to Budget	
London Underground	1,579	1 ▲	2,290	0	-15 ▼	2.1; 2.3
London Rail	210	14 ▲	305	3	21 ▲	2.4; 2.5
Emirates Air Line	4	-3 ▼	5	0	-3 ▼	2.6
Total fares income	1,793	12 ▲	2,600	3	3 ▲	
Other operating income	142	7 ▲	215	-3	14 ▲	2.9; 2.10
Total operating income	1,935	19 ▲	2,815	0	17 ▲	
Chief Operating Officer	-1,078	14 ▲	-1,581	-2	-4 ▼	2.16; 2.17
Other Operational Expenses	-315	34 ▲	-492	-3	28 ▲	
London Rail Operations	-235	5 ▲	-376	-20	-23 ▼	2.18
Renewals and reliability Projects	-127	-43 ▼	-177	-14	-34 ▼	2.16; 2.17
Total operating expenditure	-1,755	10 ▲	-2,627	-39	-33 ▼	
Capital expenditure						
London Underground	-816	40 ▲	-1,236	55	-15 ▼	2.27; 2.28
aLU third party contributions	29	16 ▲	30	2	7 ▲	2.36
London Rail	-47	63 ▲	-98	2	61 ▲	2.29; 2.30
London Rail third party contributions	28	25 ▲	36	-1	26 ▲	2.37
Net capital expenditure	-806	144 ▲	-1,269	57	79 ▲	
Net Service Expenditure	-627	173 ▲	-1,081	18	63 ▲	

Surface Transport

Surface Transport (£m)	Year to date		Full year 2013/14			Section
	Actual	Variance to Budget	Quarter 3 forecast	Variance to Quarter 2 forecast	Variance to Budget	
Bus fares income	1,032	6 ▲	1,493	-8	8 ▲	2.7; 2.8
Bus contract costs & ticket commission	-1,277	-3 ▼	-1,873	-	-19 ▼	2.19; 2.20; 2.21
Direct Bus Subsidy	-244	3 ▲	-380	-8	-11 ▼	
Other Bus Income	19	2 ▲	26	-	1 ▲	2.13
Bus operating Expenditure (net of third-party contributions)	-64	2 ▲	-95	-1	2 ▲	2.19; 2.20; 2.21
Bus Capital Expenditure	-46	- ►	-76	3	3 ▲	2.31; 2.31; 2.33
Net Bus Service Expenditure	-336	5 ▲	-524	-6	-5 ▼	
Other Surface Transport						
Other Operating Income	249	7 ▲	356	3	8 ▲	2.13
Other Operating Expenditure (net of third-party contributions)	-473	6 ▲	-736	20	16 ▲	2.19; 2.20; 2.21
Other Capital Expenditure (net of third-party contributions)	-86	67 ▲	-162	14	84 ▲	2.31; 2.31; 2.33
Net Service Expenditure	-645	85 ▲	-1,066	31	102 ▲	

Corporate directorates

Corporate (£m)	Year to date		Full year 2013/14			Section
	Actual	Variance to Budget	Quarter 3 forecast	Variance to Quarter 2 forecast	Variance to Budget	
Other Operating Income	27	1 ▲	40	1	-38 ▼	2.14; 2.15
Operating Expenditure (net of third-party contributions)	-402	2 ▲	-601	11	-5 ▼	2.22; 2.23
Net Capital Expenditure	-29	- ►	-26	-13	64 ▲	2.34; 2.35
Net Service Expenditure	-404	2 ▲	-586	-1	20 ▲	

Appendix B: Balance Sheet ¹⁵

TfL Group Balance Sheet at Quarter 3	Year to date		Full year		
	Actual	Variance to Budget	Quarter 3 forecast	Variance to Quarter 2 forecast	Variance to Budget
Non-current assets (-higher / lower than budget)	29,825	24	30,765	107	(16)
Current assets (exc. cash & investments) (-higher / lower than budget)	591	(93)	572	(71)	(26)
Cash & short-term investments (-higher / lower than budget)	4,500	(638)	4,197	(303)	(515)
Creditors (higher / -lower than budget)	(3,038)	326	(2,890)	174	156
Derivative liabilities (higher / -lower than budget)	(73)	(43)	(76)	3	(40)
Borrowings (higher / -lower than budget)	(7,879)	29	(7,867)	6	32
Provisions (higher / -lower than budget)	(3,097)	109	(3,016)	29	49
Total Net Assets – (higher) / lower than budget	20,829	(286)	21,685	(55)	(360)

5.1 Non-current assets were £24m higher than Budget at the end of Quarter 3, with lower activity capital expenditure of £155m being offset by higher long-term cash investments of £125m and prepayments of £6m, and minor disposal and depreciation variances. The Quarter 3 forecast assumes non-current assets will outturn £16m above Budget. Although the forecast assumes lower capital spend activity of £144m, the net of lower spend across the Group (£219m) offset by higher spend on the Crossrail project (£74m) and lower prepayments of £7m (mainly within Crossrail for Network Rail works), these are offset by higher long-term invested balances (£51m), as well as non-activity variances such as depreciation, disposals and capitalised interest (£116m).

5.2 Current assets were £93m higher than Budget at the end of Quarter 3. Of this, £58m was for trade and other debtors, including £11m higher Pass Agent debtors (where an expected reduction from the introduction of contactless transactions has not yet materialised) and higher property debtors of £8m, both items in TTL. In LU a £10m higher variance included disputed cost recoveries (received in period 10) and there was a further £12m in the Insurance Captive relating to re-insurance of Crossrail works, with the remaining balance comprised of minor variances in other companies.

5.3 Prepayments and accrued income were £26m higher than Budget, of which £10m was in TfL (where the budgets for certain IT, comms and insurance payments were incorrectly phased), and £10m was in Surface, including a £7m prepayment for hybrid buses (budgeted for within the periodic contract payment).

5.4 Finally, stock levels were £9m above Budget, primarily in Underground and Tube Lines.

5.5 Total creditor balances for the year to date position were £326m higher than Budget, £113m of which was for higher receipts in advance in TTL. Of this, £76m was for an earlier than expected receipt of Concessionary Fares income from the Boroughs (budgeted to arrive in Quarter 4 but actually received

¹⁵ The Balance Sheet and the Cash Summary (Appendix C) show the full consolidated accounts for TfL. This includes London Transport Museum (LTM) activity; cash balances as well as fair value adjustments for long-term investments.

late in Quarter 3). Additionally, both unused portions of period tickets (£13m) and Oyster balances and deposits (£24m) were higher than Budget as a result of the delay in launching contactless payments across the network.

- 5.6** Receipts in advance were £73m above Budget, due to the advanced receipt of commercial non-fares income.
- 5.7** Creditors and accruals were £140m higher than Budget at Quarter 3. Within Underground, capital creditors were £80m higher due to the withholding of payments pending achievement of specific project milestones, whilst trade creditors were £44m where invoices continue to be received later than assumed in the Budget. In Surface, accruals were £18m higher than Budget for Borough Services due to invoices not yet received.
- 5.8** The forecast position at Quarter 3 shows creditors at £170m above Budget, of which £122m is within LU, where capital creditors are expected to be £28m higher than Budget due to the withholding payments. Receipts in advance are forecast to be £38m being the remainder of the non-fares income referred to above, and revenue creditors and accruals are forecast at £56m over Budget, due to an accrual for voluntary severance payments in respect of the Customer Service Transformation Programme, allied to higher general accruals. Elsewhere across the group creditors and accruals are generally above Budget reflecting the increased revenue activity spend in the final quarter.
- 5.9** The derivatives position at Quarter 3 is based on market values. TfL is obliged to record the fair value of its derivatives on the balance sheet. However, as TfL only enters into such contracts to fix interest rates on its future borrowings, hedge accounting applies and any movement in the fair value of the derivative liability is recognised directly in reserves. The fair value liability is expected to reverse by maturity in future years.
- 5.10** External borrowings at Quarter 3 were £29m above Budget and the full-year borrowing position is forecast to be £24m above Budget. These variances are a result of the refinancing of Tube Lines scheduled debt repayments. This is permitted by TfL's funding settlement with Government and has already been factored into the operational boundary for prudential indicators.
- 5.11** Provisions at the end of Quarter 3 were £109m higher than Budget, primarily due to £60m lower payments against property claims and £53m higher anticipated property purchase costs for the Crossrail project.
- 5.12** Provisions are forecast to be £49m higher than Budget at the year end, due to higher anticipated costs for Crossrail property payments.

Balance Sheet (£m)	Year to Date			Full Year		
	Actual	Budget	Variance to Budget	Quarter 3 forecast	Budget	Variance to Budget
Intangible assets	112	108	(4)	168	119	(49)
Property, plant & equipment	28,540	28,695	155	29,428	29,509	81
Investment properties	424	428	4	429	425	(4)
Long term investments	334	209	(125)	260	209	(51)
Long term debtors	415	409	(6)	480	487	7
Non Current Assets	29,825	29,849	24	30,765	30,749	(16)
Stocks	51	42	(9)	50	42	(8)
Short term debtors	540	456	(84)	522	504	(20)
Cash and Investments	4,500	3,862	(638)	4,197	3,682	(515)
Current Assets	5,091	4,360	(731)	4,769	4,228	(541)
Short term creditors	(2,120)	(1,800)	320	(1,996)	(1,835)	161
Short term borrowings	(710)	(1,138)	(428)	(727)	(1,138)	(411)
Short term lease liabilities	(33)	(43)	(10)	(70)	(70)	-
Short term provisions	(175)	(102)	73	(136)	(86)	50
Current Liabilities	(3,038)	(3,083)	(45)	(2,929)	(3,129)	(200)
Long term creditors	(77)	(60)	17	(65)	(60)	5
Long term borrowings	(7,169)	(6,712)	457	(7,140)	(6,697)	443
Long term lease liabilities	(808)	(809)	(1)	(759)	(769)	(10)
Long term derivatives	(73)	(116)	(43)	(76)	(116)	(40)
Other provisions	(119)	(79)	40	(82)	(79)	3
Pension provision	(2,803)	(2,807)	(4)	(2,798)	(2,802)	(4)
Long Term Liabilities	(11,049)	(10,583)	466	(10,920)	(10,523)	397
Total Net Assets	20,829	20,543	(286)	21,685	21,325	(360)
Capital and Reserves						
Usable reserves	4,641	4,046	(595)	4,533	3,774	(759)
Unusable reserves	16,188	16,497	309	17,152	17,551	399
Total Capital Employed	20,829	20,543	(286)	21,685	21,325	(360)
Cash and Investments						
CRL Sponsor funding account	1,944	1,854	(90)	1,972	1,830	(142)
Other cash and investments	2,890	2,217	(673)	2,485	2,061	(424)
Total as above ¹⁶	4,834	4,071	(763)	4,457	3,891	(566)

¹⁶ Includes Cash and Investments, and long-term investments

Appendix C: Cash summary

Cash Summary In / (Out) Flow (£m)	Year to Date			Full Year 2013/14		
	Actual	Budget	Variance to Budget	Quarter 3 forecast	Budget	Variance to Budget
£m						
Margin	(926)	(1,019)	(93)	(1,527)	(1,534)	(8)
Working Capital Movements	181	(193)	(374)	(87)	(245)	(158)
Cash Spend on Operating Activities	(745)	(1,212)	(467)	(1,613)	(1,779)	(166)
Net Capital Expenditure	(996)	(1,178)	(182)	(1,533)	(1,762)	(228)
Crossrail	(1,152)	(1,127)	25	(1,692)	(1,615)	77
Working Capital Movements	(100)	(71)	29	(102)	(63)	39
Cash Spend on Capital Activities	(2,219)	(2,376)	(157)	(3,328)	(3,440)	(112)
Cash Settlement of derivatives	-	-	-	-	-	-
Non-cash items included in activity	83	48	(35)	106	52	(54)
Fair value adjustment for long term investments	(2)	-	2	-	-	-
Loans to third parties (paid) / repaid	(136)	(136)	-	(139)	(216)	(77)
Non-Activity Cash Movements	(55)	(88)	(33)	(33)	(164)	(131)
Grants, Precept & other contributions	3,614	3,532	(82)	5,205	5,078	(127)
Borrowings Raised	440	345	(95)	438	345	(93)
Borrowings Repaid	(94)	(23)	71	(105)	(42)	63
Total Funding	3,960	3,854	(106)	5,538	5,381	(157)
Net Movement in Cash	941	178	(763)	564	(2)	(566)

Glossary

Term	Description
<p>Overprogramming</p>	<p>Over-programming is designed to address excess optimism for how quickly projects can be delivered. Outputs are often slowed, for example by political decisions or more complex delivery situations than anticipated. We accommodate this by assuming that expenditure will be lower than forecast, and add a credit to the forecast. In general the credit is held centrally, however for certain projects including the Sub-Surface Railway Upgrade, a specific provision is held.</p> <p>The provision reflects timing differences and delay, meaning that the money is simply spent later in the Plan and there is real cost saving. The credit is therefore reversed when the spend is realised and there is no change to the total cost of the Investment Programme. We do however expect that some spend will slip beyond the Plan, meaning that the provision doesn't fully net off in the 10 year periods compared in the next answer.</p>

Measure	Unit	Description
<p>London Underground: total lost customer hours</p>	<p>Hours</p>	<p>The total additional journey time, measured in hours, experienced by all customers as a result of delays that lasted two minutes or longer. A delay at a busy location or during peak hours results in more 'lost customer hours' because more customers are affected.</p>
<p>London Underground: excess journey time</p>	<p>Perceived minutes</p>	<p>The average extra time that it took to complete a journey, compared to the time it would have taken if there were no delays. This can be affected by many things, such as queues to buy tickets or board trains, escalators being out of service, delays to trains, longer walking routes within stations, or planned weekend closures. A lower EJ' figure means customers experience less delay whether planned or unplanned.</p> <p>TfL weigh' the figures according to when and where the delay occurred. For example, we know that for customers, waiting on a train that is delayed in the tunnel feels longer than waiting on a platform for a delayed train to arrive, even if the total length of delay is the same. This means that the</p>

'minutes' used in the measure are not actual minutes, but reflect customers' perception of the delay they experience.

London buses: excess wait time

Minutes

Excess wait time (EWT) represents the amount of time that a passenger has had to wait in excess of the time that they should expect to wait if buses ran as scheduled. EWT is the key measure of reliability of high frequency bus services as experienced by passengers and is also used to calculate operator performance bonuses or penalties.

Transport for London Road Network (TLRN): serious and severe disruption

Hours

The KPI measures the numbers of hours of serious and severe disruption on the Transport for London Road Network (TLRN) as a result of planned and unplanned interventions.

Docklands Light Railway: on-time performance

%

The number of valid train departures expressed as a percentage of the base service departures: valid departures must have a minimum dwell of 5 seconds, the correct number of carriages and complete the whole of the scheduled route.

London Overground: public performance measure

%

The Public Performance Measure (PPM) shows the percentage of trains which arrive at their destination on time. The PPM combines figures for punctuality and reliability into a single performance measure. It is the rail industry standard measurement of performance.

PPM measures the performance of individual trains advertised as passenger services against their planned timetable as agreed between the operator and Network Rail at 22:00 the night before. PPM is therefore the percentage of trains 'on time' compared to the total number of trains planned.

In London and the South East, a train is defined as on time if it arrives at the destination within five minutes (ie 4 minutes 59 seconds or less) of the planned arrival time. Where a train fails to run its entire planned route calling at all timetabled stations it will count as a PPM failure.

Emirates Air Line:

%

Operating availability is the ratio of actual operating hours /

availability		planned operating hours. Planned operating hours are not necessarily the same as scheduled due to instances when the EAL is open outside of schedule in support of local events – particularly those at the O ₂ .
TLRN: journey time reliability (am peak)	%	The key measure for monitoring smoothing traffic flow is journey time reliability (JTR). It is defined as the percentage of journeys completed within an allowable excess of 5 minutes for a standard 30 minute journey during the AM peak.
Scheduled services operated	%	The amount of service that TfL actually operated, compared to what we planned beforehand – comparing peak and off-peak times. (Peak times are 07.00 – 10.00 and 16.00 – 19.00 Monday – Friday.) This helps us check whether the service we operate at the busiest times of day is as good as during quieter periods.
Recorded crime	Per million passenger journeys	The number of recorded (or notifiable) crimes per million passenger journeys on the appropriate network.
LU and LR major injury frequency rate	Major injuries/ million hours	The KPI records the number of serious injuries to customers, employees and contractors using or working on London Underground and London Rail as a measure of customer and employee safety. A major injury is one classified as ‘major’ under schedule 1 of RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations). Injuries arising from criminal acts, alleged suicide attempts, and medical conditions are excluded.
Cumulative reduction in killed and seriously injured (KSI) Londonwide	%	The percentage reduction in Killed or Seriously injured (KSI) KPI relates to personal injury road traffic collisions occurring on the public highway, and reported to the police, in accordance with the Stats 19 national reporting system. The KPI measures the percentage change in KSI casualties on London's roads compared to the baseline average number of KSI casualties between 2005 and 2009. The Safe Streets for London (SSfL) Road Safety Action Plan published on 6

June 2013 sets out the target of a 40 per cent reduction in KSI casualties by 2020 against the 2005-09 baseline.

Vehicles operated by FORS accredited companies

Number

The KPI measures the cumulative total of vehicles operated by Fleet Operators' Recognition Scheme (FORS) accredited companies. The numbers of vehicles recognises those from at all levels (bronze, silver & gold) of accreditation. The cumulative total starts from 2008.

Passenger journeys

Millions

It's important to know how much people are travelling on TfL services. We use this information to plan for the future.

Cycling levels on the TLRN

Index

The purpose of this indicator is to assess the level of cycle use on the TLRN. The overall ambition is to increase cycling levels by 400% such that by 2025 cycling will equate to a 5% mode share of all journey trips. This indicator does not represent cycling across London as a whole; It only represents cycling on the 5% of London's roads that are the TLRN. The indicator is presented as an indexed flow relative to a baseline of March 2000 (a flow level that is represented as 100 on the index). Sixty automatic cycle counters on the TLRN provide sample counts of cyclists using the network. The indicator converts these counts into an index that is used to represent increases in cycle flows on the TLRN over time. It does not represent the total number of cyclists in London. Automatic cycling counters are pieces of monitoring equipment that emit a magnetic field that detects the presence of a moving cycle.

Customer satisfaction

%

One of our most important performance measures is customer satisfaction; this helps us understand what the people who use our services really think.

An independent research company interviews around 10,000 customers every year, as they complete their trip. They are asked to make an 'overall evaluation' of their journey experience, by giving a score out of 10. We take the average of everybody's scores and multiply it by 10, to give a final result out of 100.



Victoria Station Upgrade piling rig working at the South Ticket Hall

Investment Programme Report Third Quarter September – December 2013/14

MAYOR OF LONDON

Transport for London



TfL Capital Programmes

Investment Programme Report

TfL's Investment Programme contains a range of programmes and projects with an estimated final cost (EFC) of over £50m, in addition to a multitude of smaller activities. These are delivered by TfL directly, through partners in the London boroughs, or through long-term partnerships with the private sector such as Private Finance Initiatives (PFIs). Any values not included in this report for reasons of commercial confidentiality are marked as *.

The structure of the report covers:

- Executive Summary and Programme Headlines
- Detailed Programme Report
- Cost and Schedule Variance Analysis

Committed schemes and milestones listed in Annex B of the 2013 Spending Review funding settlement letter are included in this report. The milestones contained in Annex B are identified with the note '(Annex B: date)' listed after the description.

Executive Summary

The quarter saw significant progress in the delivery of the TfL Investment Programme, with major achievements across the London Underground (LU) line modernisation work, station developments, track and cycling portfolios. 110 Budget milestones were completed by the end of the quarter, exceeding the target of 103. The year-end forecast currently indicates that 159 of the 170 planned Budget milestones will be completed on or ahead of schedule.

Major achievements in the quarter included:

- The Track Partnership delivered five kilometres of Ballasted Track Renewal which included innovative overnight re-ballast works during mid-week, never undertaken on the LU network previously.
- Northern line upgrade Migration Area 3 (Camden Town area) entered revenue service six months ahead of programme and will now be followed by the two Central London branches.
- The roll out of S7 trains into operational service has increased by another ten in the quarter, bringing the total to 27 by the end of the quarter. (This has risen to 35 by early February 2014.)

At the end of quarter 3 the Investment Programme net year to date actual spend is £992m against a budget of £1,117m (an underspend of £125m). The full year forecast is currently £1,740m against a budget of £1,907m (an underspend of £167m). This forecast underspend at year end is primarily a timing difference with expenditure being reprofiled into future years of the Investment Programme. This includes expenditure on the road investment programme, for which expenditure profiles on elements such as the Structures and Tunnels Investment Programme, improvements to network performance and major highways enhancements have been refined as the detailed delivery plans have further developed.

As a result of forecast delays on the Sub-Surface Automatic Train Control Signalling contract it was decided to terminate the contract by mutual agreement and seek a new contractor while holding to the delivery date.

Executive Summary

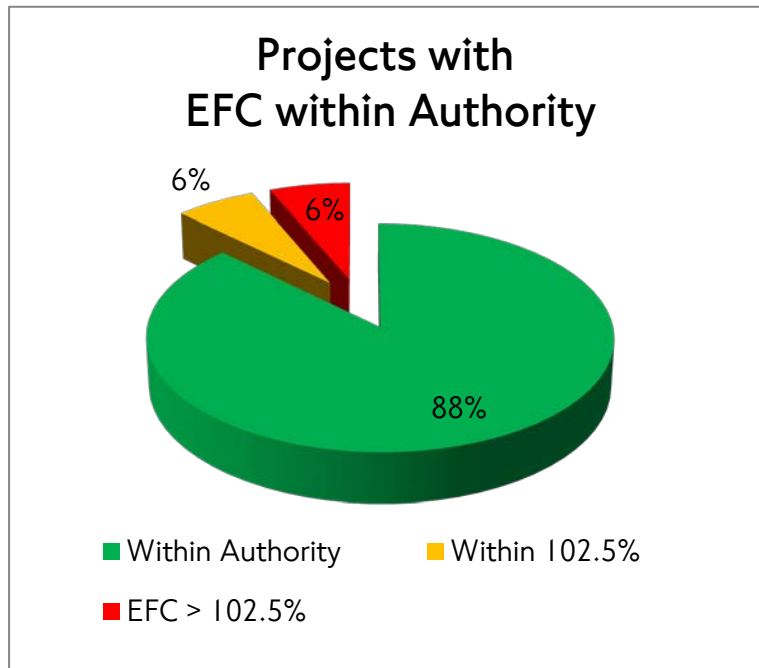
DELIVERY - COST

Projects with EFC within Authority

Projects and programmes must obtain the appropriate authorities before they spend money, incur a financial liability or make a binding contractual commitment for the purchase of goods, services, land or works.

This section compares the project's approved authority against its current EFC. 88 per cent of all projects have an EFC within authority. Details of projects with EFC exceeding authority are provided in the Cost and Schedule Variance Analysis Section.

Those outside authority will be required to resubmit authority requests to appropriate board governance.

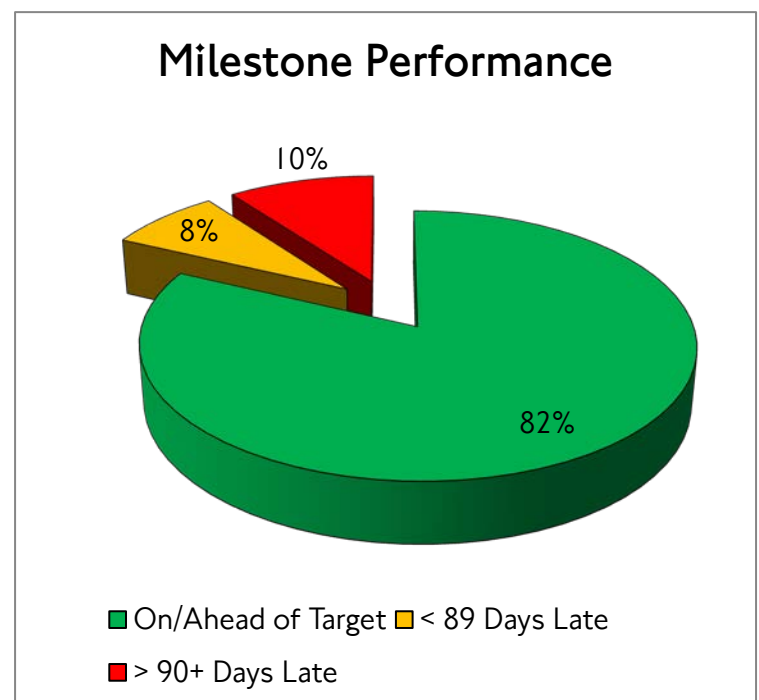


DELIVERY - SCHEDULE

Milestone performance

Each year the programme and project teams publish which milestones their progress will be reported and monitored against. 82 per cent of the milestones reported in the detailed pages are on or ahead of target.

Details of late milestones are provided in the Cost and Schedule Variance Analysis Section.



Programme Headlines

The main body of this report (Detailed Programme Report) covers discrete projects with a total cost greater than £50m and programmes spending over £10m per annum. For each project, key milestones are listed with a forecast date compared against the March 2013 baseline. If appropriate, milestones listed as deliverables for the year in the 2013/14 Budget document are included.

Sub-Surface Railway Upgrade Programme (SUP)

24 of the 58 S8 trains have now been through the enhancement programme.

The supply of new seven-car S Stock trains (S7) continues and the number now delivered to London is 39. The roll out of S7 trains into operational service has increased by another ten in the quarter, bringing the total to 27. This number will eventually rise to 133 S7 trains in total.



First trial S stock on the District line

All significant close-out activities have now been completed on the new lifting and maintenance facility at Neasden and three of the five berths are in use.

Enabling the depot yard at Ealing Common to accept S stock has been completed and the North sidings at Upminster have been brought into use.

SUP Automatic Train Control (ATC): Following several months of intensive senior level discussions with Bombardier on the significant challenges to delivery of the ATC signalling system within programme schedule, it has become apparent that, for the work to be completed within or close to the planned deadline, TfL must do so with another signalling contractor. TfL is seeking expressions of interest from other signalling contractors and at this stage there is no change to the original delivery timetable of 2018.

Programme Headlines

SSR Power

Three major milestones have been achieved in the quarter: availability of power to run trains in ATC mode on the Metropolitan line north of Baker Street, completion of the new Bulk Supply Point at Edgware Road, and the provision of power capacity to support the provision of 57 S7 trains to Upminster.

Infrastructure Track Renewals

The Track Partnership (TP) delivered five kilometres (750 metres above the programme) of Ballasted Track Renewal (BTR) which included innovative overnight re-ballast works during mid-week, never undertaken on the LU network previously.

The Track Partnership also achieved 3.5 kilometres of drainage improvement works (approximately 1.2 kilometres more than originally planned).

The Track Delivery Unit (TDU) achieved over two kilometres (93 metres above plan) of Deep Tube Renewal (DTR) in the quarter and maximised opportunity works during other



Track work on the Metropolitan line

programmes' possessions to complete over 48 kilometres of rail grinding (14 kilometres more than initially planned).

Crossrail & LU Works

LU advised Crossrail (CRL) that piling was unnecessary for Barbican station platform strengthening, thereby saving CRL approximately £250k and removing the need for a ten week platform closure.

Programme Headlines

Station Developments and Upgrades

Tottenham Court Road Station: The critical elements of the Goslett Yard box were successfully handed over to Crossrail on 26 November as planned, which safeguarded the programme for Crossrail's Spray Concrete lined (SCL) tunnelling in this area.



Victoria Station plunge column being installed

Bond Street Station: Re-sequencing of the construction schedule has mitigated delay to future tunnelling activities which were impacted by delays to the over site development concrete frame.

Victoria Station Upgrade: The North Ticket Hall piling is complete and the site is being configured for roof slab construction. A recent ingress of foam concrete into the Signalling Equipment Room caused a line closure, but remedial works throughout the night meant that the service could resume the following morning.

Bank Waterloo & City Entrance: The developer (which is constructing the station box on LU's behalf) is suffering engineering challenges on the development and these continue to result in delay, which is now estimated to be in excess of 12 months. LU's fit-out contract has been delayed as a result.

Northern Line Upgrade

Northern Migration Area 3 (Camden Town area) entered revenue service on 26 October, six months ahead of programme.

Programme Headlines

Jubilee & Northern Lines Mid-life refurbishment

Successful completion of the refurbishment of Northern line trains 10 to 16 in the quarter, with 17 to 20 completed by calendar year end. (This has increased to 23 by early February.)

Barclays Cycle Hire Expansion and intensification (CHEI)

CHEI was launched successfully on 13 December taking Cycle Hire to south-west London into parts of Wandsworth, Hammersmith & Fulham and additional areas of Lambeth and Kensington & Chelsea. This added more than 2000 new bikes and 5000 additional docking points to the scheme.



Mayor of London at south-west expansion launch site

Barclays Cycle Hire Phase 2

The final core stage of the system improvements went live in September, improving customer usability and billing.

New Bus for London Vehicle Purchase



Training run for Route 9 at Marble Arch

There are now four full route conversions to New Bus for London in operation (three achieved in the Quarter) with a total of 114 buses in service.

An aerial photograph of a construction site in a city. A tall, white lattice crane stands prominently in the center. To the left, a busy street with red double-decker buses and pedestrians is visible. To the right, there are several multi-story brick buildings with many windows. The ground is a mix of dirt, construction materials, and some structures under construction. The sky is overcast and grey.

Detailed Programme Report

Detailed Investment Programme Report

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For reasons of commercial confidentiality some Authority and EFC values have been removed from the report and marked thus, *.



Sub-Surface Railway (SSR) Upgrade

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
2806.0	4259.1	4258.9

The first phase of the upgrade (SUP) of Sub-Surface Railway (consisting of the Circle, District, Hammersmith & City and Metropolitan lines) is to replace the rolling stock on all lines, which provides new, longer air-conditioned through-carriage trains (S Stock). This will be completed by 2016. The second phase of the upgrade will increase capacity (32 trains per hour) and reduce journey times through implementation of a new automated train control signalling system (ATC) and associated control centre, revised track layouts at key junctions, and increased electrical power supply. These benefits will be delivered by 2018.

Train roll-out

The Metropolitan line train fleet has already been replaced with 58 new eight-car S Stock trains (S8) and the associated infrastructure works completed, apart from minor snagging and recovery of redundant assets. The S8 stock is undergoing a train enhancement programme to improve the interior aesthetics of the passenger saloon and drivers cab as well as modifying some components to improve their longevity; 24 trains have now been completed.

The supply of new seven-car S Stock trains (S7) for the Hammersmith & City and Circle lines has continued this quarter putting the number now delivered to London at 39. The roll out of S7 trains into operational service has increased by another ten, bringing the total to 27. The start of S Stock passenger service on the Wimbledon to Edgware Road, District line service remains on forecast for Quarter 4 2013/14. This will leave only the remainder of the District line to enable for S Stock use.

There is a focus to continually improve the reliability of the S stock and particularly to reduce faults associated with the One Person Operation (OPO) system, which accounts for the highest number of train failures.



S Stock on the Circle line



Two new S7's at Hammersmith

Depots

Work on the depots to support train roll-out include enhancements to Neasden, Ealing Common, Upminster, and Hammersmith depots that will enable stabling and maintenance of the new longer trains. All significant close-out activities have now been completed on the new lifting and maintenance facility at Neasden and three of the five berths are in use. In addition, enabling the depot yard at Ealing Common to accept S stock has been completed and the North sidings at Upminster have been brought into use. The condition of some of the existing assets and utility services at depots has been particularly poor, adding cost and schedule pressure to these projects and causing a number of milestones (including those for Neasden depot winterisation and the overall sub programme completion) to be forecast as late, but this does not impact the DfT milestone dates to complete replacement of C and D stock.

To enable operation of the new S Stock trains on the Sub-Surface Railway (SSR) network, work is required to immunise LU and Network Rail track circuits and other signalling equipment from electro-magnetic interference from the new trains. Completion of these works has been delayed in three Network Rail inter-running areas (Wimbledon Branch, Richmond Branch and the east end of the District line) due to design issues. The work on the Wimbledon Branch has been completed and the work on the Richmond branch is scheduled to be completed next quarter. Whilst immunisation is on the critical path, confidence is high that the 2016 DfT date to complete replacement D stock is not compromised, and further mitigation actions are planned to minimise the impact of the delay.

Due to S Stock being longer than legacy stock and having different station stopping positions, a large number of station infrastructure and existing signalling modifications are required to roll-out the trains, as well as a number of platforms lengthened (which have now all been completed). At the end of this quarter, most of the infrastructure work had been completed to run S Stock trains in service on the District line between Wimbledon and Edgware Road.

Automatic Train Control

Post quarter update: following several months of intensive senior level discussions with Bombardier on the significant challenges to delivery of the Automatic Train Control (ATC) signalling system within programme schedule and cost, it has become apparent to both parties that, for the work to be completed within or close to the planned deadline and budget, it must be delivered with another signalling contractor. LU are seeking expressions of interest from other signalling contractors and at this stage there is no change to the original delivery timetable of 2018.

Croxley

The Croxley Rail Link is the proposed extension of the London Underground Metropolitan line from Croxley to Watford Junction via Watford High Street. The scheme is being led by Hertfordshire County Council (HCC) with their principal contractor Vinci, and supported by London Underground. In December 2011, the Department for Transport (DfT) announced funding of £76m, towards a total project cost of £117m. However, this commitment is contingent on HCC demonstrating that the delivery schedule for the line opening in 2016 is viable. The LU costs included in this total are understood to be £30m, and are fully recoverable.

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Hammersmith to Barking (Wembley Park Sidings) approval to operate in passenger service	17-May-13	17-May-13	Complete
Extended Circle approval to operate in passenger service	30-Aug-13	30-Aug-13	Complete
Roll out of new air-conditioned trains on the Circle, Hammersmith & City Lines complete	31-Dec-14	31-Dec-14	●
Roll out of new air-conditioned trains on the District Line complete	31-Dec-16	31-Dec-16	●
Sub-Surface Upgrade complete delivering 33% capacity increase	31-Dec-18	31-Dec-18	●
Full signalling upgrade across the Sub-Surface network complete (Annex B:2018)	31-Dec-18	31-Dec-18	●
Depots	Current Plan Date	Actual/Forecast Date	RAG
Upminster Depot North Sidings Signalling Brought into Use	22-Jun-13	15-Dec-13	Complete
Upminster Depot Yard Enabling Brought into Use	01-Sep-13	01-Sep-13	Complete
Neasden Depot Winterisation Works Complete	31-Oct-13	27-Jun-14	■
Ealing Common Depot Yard Enabling Brought into Use	14-Nov-13	07-Dec-13	Complete
Neasden Depot Heavy Maintenance Facility Concept Design Complete	04-Jan-14	20-Dec-13	Complete
SUP Depots Sub-programme Completion	31-Mar-15	22-Sep-16	■



Automatic Train Control	Current Plan Date	Actual/Forecast Date	RAG
DC Traction ETE – Electrical Traction Equipment - Feeder Cable Plaistow – Finish on Site	21-Aug-13	14-Jun-13	Complete
ATC Signalling – Complete retrospective documentation of VATCRATP product software baseline	29-Sep-13	06-Dec-13	Complete
ESTL RUB approval of End State Track Layout Closure Programme	13-Dec-13	15-Oct-13	Complete
ATC Signalling – Service Control Centre – Concept layout complete	25-Dec-13	11-Dec-13	Complete
ATC Signalling – Old Dalby Test Track – S Stock S8 Onboard equipment Installed at Test Track location	12-Jan-14	02-Sep-13	Complete

All future ATC milestones and any impact on EFC have been removed from this section as they are to be subject to a programme re-scheduling exercise once the contract for these works is re-let.



Rolling Stock	Current Plan Date	Actual/Forecast Date	RAG
17 th S7-Stock Contractual Acceptance for Service (AFS)	19-Jul-13	26-Apr-13	Complete
Vehicle Maintenance Instructions accepted from BTUK	14-Sep-13	27-Sep-13	Complete
22 nd S7-Stock Contractual Acceptance for Service (AFS)	27-Sep-13	25-Mar-13	Complete
27 th S7-Stock Contractual Acceptance for Service (AFS)	01-Nov-13	04-Jun-13	Complete
Modification Workbank Package Complete	28-Feb-14	18-Mar-14	▲
S7 28 day integrated train reliability achieves 15,000km mean distance between failures	28-Feb-14	11-Oct-13	Complete
SUP Rolling Stock Sub-programme Completion	31-Mar-19	24-Dec-15	●
Signal Immunisation	Current Plan Date	Actual/Forecast Date	RAG
Wimbledon Branch Immunisation Restriction (R214) lifted.	04-Jan-14	31-Jul-13	Complete
SUP Signalling Immunisation Sub-programme Completion	30-Jun-14	06-Feb-15	■
Infrastructure Other	Current Plan Date	Actual/Forecast Date	RAG
Block 14 Earls Court - Ready For Integration Test	22-Jun-13	14-May-13	Complete
Extended Circle – Completion of Integration & Testing	03-Aug-13	02-Aug-13	Complete
Hammersmith to Barking – Infrastructure Full Completion	14-Sep-13	13-Sep-13	Complete
Baker Street to Wembley Park Sidings – Infrastructure Full Completion	14-Sep-13	13-Sep-13	Complete

Infrastructure Other	Current Plan Date	Actual/Forecast Date	RAG
Wimbledon to Edgware Road – Completion of Integration Testing	10-Jan-14	08-Jan-14	●
SUP Enabling Other Sub-programme Completion	31-Dec-17	31-Dec-17	●
Croxley	Current Plan Date	Actual/Forecast Date	RAG
Croxley Rail Link – LU formal submission of Development Agreement to HCC for sign off	15-May-13	17-Apr-13	Complete

Track Renewal

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
120.8	188.2	188.2

Track Programme

The programme remit is to deliver track, drainage and points and crossing renewals to a five year schedule of work. By 2018 the target is that 25 per cent of track on Bakerloo, Central, Victoria and sub surface lines will have been replaced. Jubilee, Northern and Piccadilly lines will deliver to work-bank, budget and contractual commitments.

Track Partnership

During quarter three, the Track Partnership (TP) delivered five kilometres of Ballasted Track Renewal (BTR). This included innovative overnight re-ballast works during mid-week, never undertaken on the LU network previously; this assisted in TP achieving 750 metres above the quarter three baseline programme.

The Track Partnership also achieved 3.5 kilometres of drainage improvement works (approximately 1.2 kilometres more than originally planned), this was an exceptional delivery amount.

Also in the quarter the Track Partnership completed the planned renewal of four points and crossings units, two at Leytonstone and two particularly complex points at Acton Town.

Track Delivery Unit:

The Track Delivery Unit (TDU) achieved over two kilometres (93 metres above plan) of Deep Tube Renewal (DTR) in quarter three.

TDU were also instrumental in the successful installation and commissioning of a new crossover at Upminster sidings.

The TDU maximised opportunity works during other programmes' possessions to complete over 48 kilometres of rail grinding, this quarterly total of rail grinding was 14 kilometres more than initially planned.

The extensive delivery completed in quarter three saw TDU achieve two programme milestones for track life extension works and also track reconditioning metreage. These milestones were met several months before the target dates.



The remodelling and installation of a critical section of the network at Acton Town

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Completion of 4000 Metres of UV Lining (Drainage)	30-Mar-14	30-Mar-14	●
18,018m of Track replaced (total 8 per cent replaced)	31-Mar-14	31-Mar-14	●
Deep Tube Class I Renewal – Achieve 3,510m P13	31-Mar-14	31-Mar-14	●
Points & Crossings – Achieve 14 units P13	31-Mar-14	03-Mar-14	●
Ballasted Track Replacement & Re-ballast Metres – Achieve 15,279m P13	31-Mar-14	03-Mar-14	●
Complete 1750 Metres of Track reconditioning (full year)	31-Mar-14	25-Nov-13	Complete
Complete 3600 Metres of Track life extension (full year)	31-Mar-14	07-Nov-13	Complete
Track Drainage – Replace 8,232m replaced P13	31-Mar-14	03-Mar-14	●

Civils (BCV/SSR)

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
18.3	35.5	25.4

The programme involves the strengthening, renewal and refurbishment of the Bridges and Structures and Earth Structures assets. The works are required to reduce asset risk, lower whole life costs and to extend residual asset life.

A TFL milestone was achieved in December with the successful project completion of embankment stabilisation between Chalfont & Latimer to Chesham. This work was carried out efficiently by piggy-backing a track possession.

Practical Completion of embankment stabilisation was achieved as scheduled between Barkingside to Newbury Park to deliver an LU milestone.

Practical Completion was completed on scour works on a bridge over the River Gade near Rickmansworth in December on schedule. This was a complex and difficult project requiring the diversion of a river to expose the shallow foundations and bolster its structure below the waterline. In addition to the complex physical and logistical works there were many stakeholders actively engaged, including local fishing clubs, the Environment Agency and Natural England whose different requirements needed to be recognised, respected and remediated. The project was completed on programme and to all stakeholder satisfaction, without any accident, incident or injury.

Civils (BCV/SSL)



Diversion of River Gade for bridge scour works



Installation of reinforcement bars before concrete pour



Concrete pour complete and settling prior to rediverting the river to flow as normal

Civils (BCV/SSL)

Programme level	Current Plan Date	Actual/Forecast Date	RAG
M074 EM1 & EM2 Harrow on the Hill North Harrow (Practical Completion)	27-Apr-13	19-Apr-13	Complete
Start on Site MLNE7,9,10 – (Budgetary PAM)	25-May-13	25-May-13	Complete
M032 CTS8 & CTS13 Chalfont & Latimer to Chesham (Practical Completion)	17-Aug-13	16-Aug-13	Complete
Practical Completion (PCR) (CTS1 & CTS2A & B Barkingside to Newbury Park)	24-Aug-13	23-Aug-13	Complete
MR61 – Detail Design – Parapet and Bridge approaches replacement.	14-Sep-13	16-Aug-13	Complete
M032 EM10 Chalfont & Latimer to Chesham (Project Completion)	07-Dec-13	06-Dec-13	Complete
Covered Way Strengthening of CW101 (Practical Completion)	01-Mar-14	01-Mar-14	●

Cooling the Tube Programme

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
173.8	184.8	189.5

This is a long term programme to control ambient temperatures on the Underground to stop them increasing as the train service increases. Without intervention, temperatures will rise as more energy is dissipated within the tunnels due to increased train service capability delivered by the deep-tube line upgrades.

Since the start of the programme, the investment in cooling and ventilation infrastructure has acted as an enabler for the upgrade of the Victoria line, allowing for a 30 per cent increase in train services without impacting platform and tunnel temperatures. While the line upgrade is due to implement full train service capacity in 2014, platform temperatures are currently assessed to be around two degrees centigrade below their pre-line upgrade conditions.

The Cooling the Tube Programme, in collaboration with the Railway Systems Group, continues this work developing cost effective, targeted, cooling and ventilation solutions as the enablers to allow other deep tube programmes to increase service levels and implement new rolling stock to meet ever increasing customer expectations.

Work progressed to programme this quarter. Following the award of contract for further out-of-service fans, conceptual design statements have now been received from the contractor Mansell for Quick Wins Fans, and site visits are in progress for Complex Fans. The design for Complex Fans will be undertaken internally within LU, which will achieve cost efficiencies without affecting the delivery date. The new Centralised Cooling Control System, which enables real-time monitoring of fan conditions across the network in order that remedial works can be carried out quickly when required, is now in the user-testing phase

The Estimated Final Cost (EFC) exceeds authority due to an increase in scope and new authority will be sought as and when required for Out of Service fans and existing fan renewals.

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Reinstatement of Out of Service Fans – Issue ITT for final design contract for next phase of fan upgrades	24-Jun-13	12-Apr-13	Complete
Complex Fans: Award design contract	06-Dec-13	18-Oct-13	Complete
Central Cooling System Virtualisation complete (beneficial use)	31-Dec-13	13-Dec-13	Complete
Quick Win Fans Beneficial Use	13-Oct-14	01-Sep-14	●



SSR Major Power Works (Signalling)

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
8.9	43.9	37.3

This project will provide the main power supplies for the SSR signalling (local distribution of signalling power is covered elsewhere) and associated station lighting mains.

Progress this quarter has been to programme. All transformer room civils and bases and all cabling route enabling works have been completed. Plant has been delivered at all Transformer room sites and Glass-Reinforced Plastic (GRP) enclosures installed at all six sites, having made cost savings through using innovative lifting methods.

The programme is on track to deliver all the Sub-Surface Upgrade Programme requirements on time.

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Start of Construction – Cable Route and Transformer Rooms	29-Jul-13	10-Jun-13	Complete
Section 1 Substantial Completion (Part 8)	30-May-14	07-Apr-14	●
Section 2 Substantial Completion (Part 8)	28-Jul-14	10-Jun-14	●
Section 3 Practical Completion (Stepney Green Part 8)	28-Oct-14	13-Aug-14	●
Finish on Site – Cable Route & Transformer Rooms – All Sites	20-Nov-14	23-Oct-14	●
Project Financial Close	31-Mar-18	01-Mar-18	●

SSR Major Power Works (Traction)

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
360.9	521.4	507.4

This programme will deliver the upgraded power supply capacity to support the entire SSR line upgrade. Capacity is in place to support the entire S8 fleet in pre-ATC mode. Work is now underway to support the introduction of the S7 fleet and the move to full performance under ATC.

Three major milestones have been achieved in the quarter: availability of power to run trains in ATC mode on the Metropolitan Line north of Baker Street (all main power equipment is now energised and in service for the Metropolitan line project), completion of the new Bulk Supply Point at Edgware Road, and the provision of power capacity to support the provision of 57 S7D trains to Upminster. Contracts have been awarded for the last of the packages comprised within this programme, the 132kV grid connection from Neasden to Willesden Bulk Supply Point, to the contractors Murphy, Freedom and Siemens.

The programme is on track to deliver all the Sub-Surface Upgrade Programme requirements on time.

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Issue ITT for 132kV Cable Route to Neasden Bulk Supply Point	02-Apr-13	02-Apr-13	Complete
West Ham (New) – Building Brickwork Complete	08-Jul-13	17-May-13	Complete
Power Capacity to support Full S7 Fleet (pre-ATC) on Circle + Paddington – Hammersmith	30-Jul-13	19-Jun-13	Complete
Power Available for ATC mode north of Baker Street	20-Nov-13	20-Nov-13	Complete
Provision of (Firm) Power capacity to support 57 S7D to Upminster	06-Dec-13	22-Nov-13	Complete
New Bulk Supply Point at Edgware Road	01-Mar-14	08-Nov-13	Complete
Power available to support full S7 stabling of trains (Ealing Common Depot).	05-Mar-14	11-Feb-14	●
Programme Stage Gate 6 Review (SSR PU Programme Close)	15-Jun-18	04-May-18	●

World Class Capacity

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
1.0	*	*

Victoria

A feasibility study to define the scope, cost and business case for delivering world class levels of capacity on the Victoria Line. Gate B was achieved on 4 December. A concept and detail design funding paper was submitted to the Rail & Underground Board on 7 January 2014 .

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Stage Gate B Review	19-Nov-13	04-Dec-13	Complete

Jubilee

The final feasibility study is progressing to plan while delivery mobilisation plans continue in parallel.

The specification for modern day equivalent of the 96 tube stock is complete as a first draft. Discussions continue to ensure the opportunity of further innovation is not lost as the procurement process develops.

Legacy Train Systems

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
116.4	N/A	N/A

This is a portfolio of projects to upgrade and improve rolling stock, signalling systems and other train system assets that are not covered by the line upgrades. It would be misleading to quote an EFC or Authority for this unrelated portfolio of works.

'92 Tube Stock Refresh

691 body ends complete against a period target of 689 and a total of 795.

Automatic Track Monitoring System – ATMS

72 tube stock design work complete.

New Tunnel Cleaning Train (TCT)

The scoping of tunnel infrastructure works has commenced. The TfL milestone for the Motive Power Unit was achieved on target 15 November.

Battery Loco Life Extension

Locomotives 9 and 10 are in work at Acton and are on target.

Central Line Bogie Modifications

Gearbox overhauls and associated bearing replacement work progressing to programme at an enhanced rate of 20 per week with completion of 1,943 gearboxes by January 2016.

72ts life extension (weld repairs)

Validating fleet repair pre-production modifications and carrying out survey and design of enabling works for sheds AC 10 & 15 at the Railway Engineering Works (REW) in Acton in preparation for the implementation programme.



'92 tube stock cab end replacement in progress

Legacy Train Systems

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Inner Inter Car Barriers – Bring In To Beneficial Use (Central & W&C Line)	09-May-13	09-May-13	Complete
Battery Loco Refurbishment – 7 th Loco Complete	09-Aug-13	24-Jun-13	Complete
ATMS – In Service Audio Visual & Noise & Vibration	20-Sep-13	20-Sep-13	Complete
TCT – Motive Power Unit Ready for Railway Trials (Consent to Test in Acton Works)	15-Nov-13	15-Nov-13	Complete
ATMS – Acceptance of Automatic Track Monitoring System on Bakerloo Line	07-Feb-14	07-Feb-14	●
Battery Loco Refurbishment – Loco 9 Complete	10-Mar-14	27-Jan-14	●
92 Tube Stock Refresh – Finish on Site 218 CarBody Ends	31-Mar-14	31-Mar-14	●

New Tube for London

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
16.7	*	*

As a co-ordinated series of line upgrades for the Piccadilly, Central, Bakerloo and Waterloo & City lines, the New Tube for London programme will form the next generation of line upgrades and aims to deliver asset renewals in a more comprehensive, consistent and systematic manner.

The programme provides a unique opportunity for Rail and Underground to deliver long-term business transformation through the introduction of more efficient maintenance models and higher levels of automation. Technology-enabled change and asset renewals will enhance the customer experience and improve the operating and maintenance model of the 'Deep Tube' lines, creating a paradigm shift for the future operating and business model of LU.

During the quarter, the programme completed the main elements of the Feasibility programme and successfully passed Stage Gate B and the Integrated Assurance Review in October. In addition to progressing the governance and funding process (Finance & Policy Committee on 23 January 2014) for the next 24 months of design work, work-stream activities being progressed include benchmarking visits, the inverting substation trial design, unattended train operation obstacle detection trials and hybrid air cooling design. The issues around Piccadilly/SSR upgrade interfaces are also being worked through in more detail. Staff recruitment for mobilisation of the NTfL Design and Specification phase has commenced. To mark the transition to the commercial phase of contractor engagement, a week of Rolling Stock supplier familiarisation activities took place.

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Proof of Concept Study for Saloon Air-Cooling in a Deep Tube Train Application – Complete	26-Jul-13	28-May-13	Complete
Commencement of the First Obstacle Detection Trial	19-Aug-13	18-Apr-13	Complete
Programme Feasibility Complete (Programme Gate B)	22-Oct-13	10-Oct-13	Complete
TfL to issue ITT for the first phase of a new generation of low-energy, high-capacity deep tube rolling stock which would ultimately be applicable to the Bakerloo, Piccadilly and Central lines	29-Dec-15	09-Dec-15	●

Crossrail London Underground Works

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
202.7	225.1	285.5

This project provides LU delivery capability and support, as well as infrastructure protection to the Crossrail Programme delivered by Crossrail Limited (CRL). The vast majority of the expenditure is reimbursed by CRL.

Tunnel Drive X (Royal Oak to Farringdon) is scheduled to be complete in January 2014. Tunnel Boring Machines have passed through LU Zones of Influence with no adverse impact on LU infrastructure.

CRL has issued an instruction to LU to proceed with Phase I of the Paddington Bakerloo Line Link.

Barbican station platform strengthening – LU advised CRL that piling was unnecessary, thereby saving CRL approximately £250,000 and removing the need for a ten-week platform closure.

The handover of critical elements of CRL's Goslett Yard Box was completed on the agreed date. The complete handover of this site is due in January 2014.

The Final Design Statement for Farringdon and Whitechapel has been approved by LU. The Final Design Statement for Liverpool Street is expected to be approved early 2014.

A Whitechapel 'Oversight Panel' has been established to oversee improvement of compliance with procedures and protocols for CRL works on LU assets.

The EFC exceeds current authority due to the inclusion of future uncommitted expenditure not yet instructed by a Crossrail purchase order.

Programme level	Current Plan Date	Actual/Forecast Date	RAG
LU Support Complete for Crossrail Trial Running Stations (Central Section)	28-Feb-19	31-Dec-18	●

Station Developments

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
1227.2	2330.8	1328.0

Optimising opportunities to work with third parties (property developers, business interest groups and local authorities) to identify opportunities for investment in station access and capacity. The aim is to be pro-active in seeking collaborative partnerships which both unlock investment and ensure operational objectives are effectively considered.

55 Broadway: design works have now commenced following the award of design packages to two successful tenderers.

Elephant and Castle: the strategy group have agreed to look at over-site development (OSD) proposals to help strengthen the business case.

Finsbury Park spiral staircases: work is progressing to plan and the Station Works Improvement Programme (SWIP) is proceeding with rectification work as agreed with Network Rail.

Bromley-by-Bow: the architect has not delivered the design as envisaged and the commission has been concluded. The design is to be re-tendered.

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Bromley-by-Bow Step Free Access (SFA) – Commence Detailed Design	27-Jan-14	30-Jul-14	■
Gunnelsbury Station Refurbishment – Bring into Beneficial Use	08-Nov-13	28-Oct-13	Complete

Vauxhall Station Upgrade

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
3.2	35.1	35.1

The aim of the project is to reduce congestion and queuing at Vauxhall station through increased station capacity and reduce the risk of unplanned station closures. The project delivers additional gate line and ticket hall capacity and step-free access from ticket hall to platform level.

The third party surveyor is preparing a schedule of adjoining owners who will require legal notices. The asbestos survey report has been received and asbestos removal activities have been aligned with the construction sequence. Work has begun to establish the site compound on the area of derelict land between Wandsworth Road and the Bondway (close to Vauxhall bus station) following approval of road closures. Design is now fully complete for the Congestion relief element of the scheme and 80 per cent complete for the step-free element. Construction work on the station will commence in early January.

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Vauxhall Station Capacity & SFA – Bring Into Use (SFA Lift and Stairs)	23-Oct-15	01-Sep-15	●

Stations Stabilisation Programme

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
26.7	176.2	459.0

LU's station Stabilisation programme will undertake station-wide asset stabilisation for 74 LU stations across BCV/SSR, providing interventions to; ensure station assets are brought up to a "fair for ten years" condition; prevent degradation of the assets; and ensure safety critical systems are in full working/compliant order.

Work Progresses to plan at Baker Street station where the new STAKE arrangements have been cited as an example of best practice by Infrastructure UK. (STAKE engages directly at trade contractor level avoiding the need for tier 1 and 2 contractors). Work has also commenced on site at South Kensington, Embankment, Paddington and Earl's Court stations. Detailed design has commenced at St James's Park, and Harrow-on-the-Hill. Financial approval has been received for the second phase of Farringdon train shed roof.

The EFC exceeds Authority because the Stations Stabilisation Programme is authorised in phases; EFC matches authority for the current phase. Future works will be submitted for authorisation as required.

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Earls Court Station Commence Detailed Design	12-Jun-13	16-Apr-13	Complete
South Kensington Station Start On Site	28-Oct-13	28-Oct-13	Complete
Paddington Station Start On Site	15-Nov-13	21-Sep-13	Complete
Earls Court Station Start On Site	23-Dec-13	25-Nov-13	Complete

LU Lifts and Escalators

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
32.5	*	*

The lift and escalator portfolio delivers the cyclical renewal of lifts and escalators to:

- Ensure safety critical systems are functional and compliant with standards and legislation; and
- Prevent the degradation of assets through whole life asset management decisions and modelling.

Escalators were brought into use (on or ahead of plan) at London Bridge, Old Street, Highgate, Highbury & Islington, Waterloo and Bank.

The Primary Means of Vertical Transportation (PMVT) Lift replacement programme has received financial approval.

The reprioritisation of the Kone escalator programme across Old Street, Waterloo, Angel, and Tottenham Court Road stations to meet operational requirements has resulted in a minor delay to the completion of Old Street escalator no. 3.

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Bank Start On Site – (Closure)	28-May-13	18-Apr-13	Complete
Bring Into Use (BIU) Canary Wharf escalator 13	06-Sep-13	23-Aug-13	Complete
Bring Into Use Westminster escalator 4	28-Sep-13	30-Aug-13	Complete
Greenford PAM Phase 1 – Escalator Start on Site	02-Oct-13	04-Sep-13	Complete
Bring Into Use Waterloo escalator 10	28-Oct-13	14-Oct-13	Complete
Highbury & Islington escalator 3 Return To Service (RTS)	02-Nov-13	08-Oct-13	Complete
Edgware Road Station Lift No. 1 & 2 Refurbishment – Bring into Beneficial Use (Return to Service (RTS))	18-Jan-14	20-Dec-13	Complete
Bring Into Use (BIU) Old Street escalator E3	21-Mar-14	03-Jul-14	■

Tottenham Court Road Station Upgrade

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
330.9	538.0	485.0

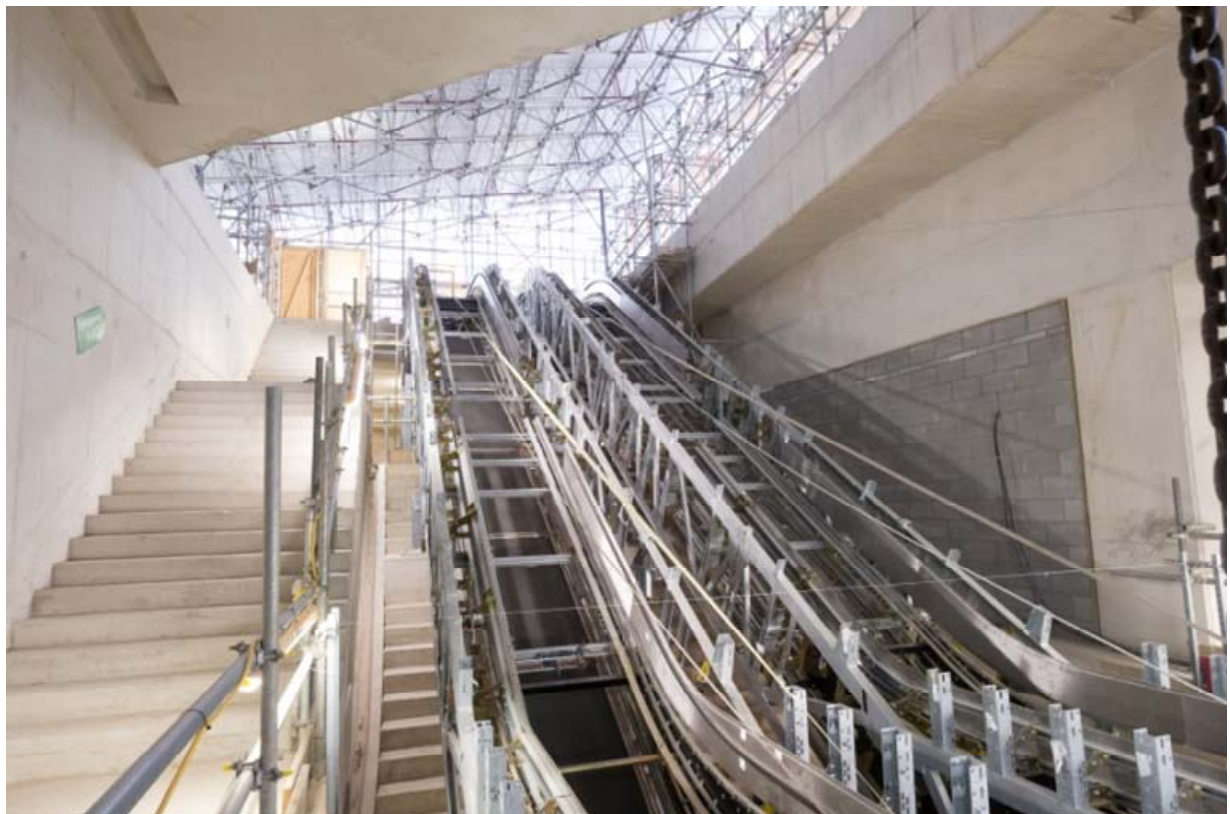
The project will provide:

- a new ticket hall (six times larger than the existing);
- three new escalators serving the Northern line;
- improved access from street to ticket hall and from ticket hall to platform level (five new lifts);
- provision for a new public square at St. Giles Circus; and
- a significant portion of the structural works for the new Crossrail station (by LU).

All major tunnelling work on the has been successfully completed and the project has moved to the fit-out stage.

The critical elements of the Goslett Yard box were successfully handed over to Crossrail on 26 November as planned, which safeguarded the programme for Crossrail's Spray Concrete lined (SCL) tunnelling in this area.

The installation of weather protection scaffolding over escalators 10 and 11 has been completed and escalator installation is progressing to plan. The Northern line tunnels have been handed over for fit-out, and the painting of walls in the new Ticket Hall has commenced.



Southern plaza escalator installation



Northern line passage linking through to Crossrail

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Section 1 Completion (Handover part Astoria site)	09-Oct-13	03-Jun-13	Complete
Start NL Concourse Fit Out	25-Nov-13	22-Nov-13	Complete
Completion of Goslett Yard Box	13-Feb-14	06-Jan-14	●
Section 3 Completion (Consolidated Piling)	19-Sep-14	25-Jul-14	●
Completion of Phase 1 (Partial Opening of the New Plaza Ticket Hall)	31-Mar-15	09-Jan-15	●
TCR – New Passenger Facilities Open – (Annex B: 2016)	20-Nov-16	06-Sep-16	●

Paddington Station Upgrade

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
51.1	62.2	53.3

Paddington (Hammersmith & City line) station is one of LU's top priorities for congestion relief due to demand growth associated with local area redevelopment and the Sub-Surface Railway upgrade. The project will provide:

- a new ticket hall;
- significantly enlarged passenger concourse with three staircases to platform level;
- provision of new step-free access from street to platform level (H&C platforms); and
- the East and West Plazas have now been brought into use.

Fit-out works continue to progress ahead of programme and the scheme is expected to be delivered early in the spring of 2014, considerably ahead of target.

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Lifts 3 & 4 Installed	02-Aug-13	19-Jun-13	Complete
Acceptance of Mandatory Asset Information Deliverables (MAID) by LU	08-Oct-14	30-Apr-14	●
LU Fit Out Work Complete (Annex B:2014)	01-Nov-14	10-Mar-14	●
Paddington (H&C) Congestion Relief – Final Fit Out BIU (Practical Completion)	28-Jul-14	24-Feb-14	●

Bond Street Station Upgrade

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
171.5	298.8	291.9

Bond Street station is a key interchange between the Jubilee and Central lines. Long term demand and congestion are forecast to increase further as a result of growth in employment and leisure travel and the completion of Crossrail in 2018. The scheme provides:

- two additional escalators from the interchange level to the Jubilee line;
- a low-level interchange route between the Central and Jubilee lines;
- a new step-free entrance and ticket hall on Marylebone Lane;
- four new lifts, allowing step-free access to platforms on both the Central and Jubilee lines; and
- a step-free route to Crossrail.

Re-sequencing of the construction schedule has mitigated delay to future tunnelling activities and the project end date, and as a result the tunnelling set-up decommissioning is no longer a critical path activity. 75 per cent (of 97) grouting tubes have been successfully installed. Excavation for the new electrical sub-station has commenced. The project has received a considerate contractor scheme score of 44/50 which reflects the reputation the project has with the public.



Substation piling broken down



Substation silo steelwork-lower platform



View over site

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Demolition of sub-structure Complete	02-Feb-13	03-May-13	Complete
Start of main tunnelling operations (Annex B:2013)	14-Oct-13	05-Jul-13	Complete
Close escalators 1 & 2 for tunnelling	28-Apr-14	01-Feb-14	●
Early hand back Jubilee Line Platforms, Escs 6,7,&8, 3,4,&5, 4/092 into public use	02-May-15	02-Mar-15	●
Tunnelling Set Up Decommissioned	28-Sep-15	07-Apr-16	■
SC03 OSD Frame to be handover to Developer – Planned Date	06-May-16	13-May-16	▲
Bond St Station Upgrade – Practical completion (Annex B:2017)	28-Apr-17	20-Mar-17	●

Bank Waterloo & City

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
17.0	*	*

The Bank (Bloomberg Place) project will provide easier access to streets south and south-west of the station, reduce congestion on the Waterloo & City line platforms, and provide step-free access to the Waterloo & City line. LU is making a fixed contribution to the funding of the construction of the station box shell, which will be delivered by the developer (Bloomberg). LU will fit out the station box to complete the new entrance. The project schedule is highly dependent on the developer.

The developer (who is constructing the station box on LU's behalf at a considerably lower cost than LU could deliver independently) is suffering engineering challenges on the development and has recently advised of a substantial delay to their programme. The programme remains ill defined. LU has instigated a schedule risk review and a peer review which is due to start imminently. The uncertainty around the delays and the potential for further delays makes the eventual impact on the completion date for the scheme uncertain. This has led to the deferral of the award of the Implementation Contract.

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Contract Award for Implementation Works	03-Feb-14	TBC	■
Bank Stn (W&C) – Bring Into Use (Stage 5) (Annex B:2015)	31-Dec-15	TBC	■

Victoria Station Upgrade

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
295.1	677.4	603.1

The Victoria Station Upgrade project will deliver:

- a new underground north ticket hall at the junction of Bressenden Place and Victoria Street, with an entrance at street level;
- a capacity increase in the existing Victoria line ticket hall (south ticket hall);
- nine new escalators;
- a new interchange tunnel connecting the two ticket halls;
- new lifts providing step-free access between street, ticket hall and Victoria line platform levels;
- new lifts providing interchange between the Victoria line and District and Circle lines platforms; and
- improved access and new lifts between the National Rail and Underground stations.

In the North Ticket Hall all secant piles, bearing piles and plunge columns have been completed and the site is being configured for roof slab construction (the minor delay to the London Fire and Emergency Planning Authority [LFEPA] shaft in 2016 is expected to be recovered). Jet grouting is 88 per cent complete (1926 of 2,200 columns).

Changes to the method of working on the South Ticket Hall (craning in of the piling rig rather than construction of an access ramp) has saved four weeks on the programme. The protection deck has been successfully erected in the South Ticket Hall and the demolition contractor is clearing the site ahead of main piling. District and Circle refurbishment proposals have received funding approval.

A recent ingress of foam concrete into the Signalling Equipment Room caused a line closure, but remedial works throughout the night involving the project team, operational staff and the contractor meant that the service could resume the following morning.

Victoria Station Upgrade

Protection decking being installed for architectural domes

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Complete PAL 1618 Squarework Tunnelling	12-Jul-13	28-Jun-13	Complete
Commence South Ticket Hall Demolition	07-Aug-13	08-Jul-13	Complete
Complete North Ticket Hall Piling	06-Dec-13	21-Nov-13	Complete
Shaft 29 (Allington Street) complete	13-May-14	21-Oct-13	Complete
Ground Treatment Complete	11-Nov-14	15-Aug-14	●
North Ticket Hall Civils Complete (inc removal of Traffic Management)	13-Mar-15	21-Jan-15	●
North Ticket Hall, access to Vic Line, LFEPA Shaft (Sectional Completion S1) – DIS (Annex B:2016)	23-Oct-16	31-Dec-16	▲
VSU – South Ticket Hall and remainder of VSU works (Sectional completion S4) – DIS (Annex B:2018)	04-Jun-18	04-Sept-17	●

Bank Station Capacity

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
76.7	177.5	562.9

The Bank Northern line congestion relief project will relieve current and expected congestion in Bank station, by having a new southbound running tunnel and platform with the existing platform utilised as a concourse area. By mitigating increasingly frequent congestion of the Northern line/DLR area, station closures will be reduced.

The public consultation on the plans for the re-development of the station closed on 8 November with over 500 responses received with the vast majority positive. A memorandum of understanding has been signed by the Bishop of London, on behalf of the Diocese of London and TfL, to work to support the Transport and Works Act Order (TWAO) for the Station.

The project has been shortlisted in the Engineering Business Excellence Category at the 2013 Rail Business Awards.

The project is currently only authorised for its current phase but the Estimated Final Cost encompasses the whole project and reflects the substantial cost savings achieved through the Innovative Contractor Engagement procurement approach.

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Submit for Transport & Works Act Order (TWAO)	27-Aug-14	16-Jul-14	●
TWAO Grant of Powers	15-Jun-16	21-Apr-16	●
Completion of all designs to Compliance to S1538	23-Feb-16	23-Feb-16	●
Start on Site	16-Jun-16	21-Apr-16	●
New Ticket Hall Open to Public	14-Sep-21	25-Aug-21	●
Works to relieve station congestion on the Northern Line at Bank Complete (Annex B:2021)	31-Dec-21	31-Dec-21	●

Jubilee Line Upgrade (JNP)

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
53.9	77.6	70.1

To upgrade the Jubilee line with new signalling systems and other asset improvements to provide faster journey times for customers, enabling a 30 trains per hour peak service.

Transmission Based Train Control (TBTC) reliability on the Jubilee line continued around four minutes delay against a target of two minutes delay per day. Solutions to further improve reliability include a software fix (ready for testing) which corrects a rare engineering vehicle operating scenario and the relocation of the heads of the axle counter at Stanmore.

Decommissioning activities continue as part of the final close out of the Jubilee Line Upgrade.

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Complete Axle Counter Block modification	30-Nov-13	30-Sep-13	Complete
Decommissioning and removal of old assets	30-Jun-14	30-Jun-14	●

Northern Line Upgrade (JNP)

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
230.5	464.4	400.9

The Northern line Upgrade 1 (NLUI) involves the replacement of life-expired signalling assets that date back to the 1960s. As well as re-signalling the line with a moving-block Automatic Train Control (ATC) signalling system, the programme also includes the replacement of some conductor rail and track.

Northern Migration Area 3 (Camden Town area) entered revenue service on 26 October, six months ahead of programme. This will now be followed by the two Central London branches.

Building on this success the remainder of the Upgrade is on programme for completion at the end of April, seven months ahead of programme.

Reliability in the combined Northern Migration Areas NMA1 (High Barnet to West Finchley), NMA2 (High Barnet Branch) and NMA3 (Camden Town) has been within the 12 minutes delay/day target. New software was introduced during the quarter to remove a number of localised failure modes, with further improvements planned in January.

Fleet Mean Distance between Failures (MDBF) continues to be around the 25,000 kilometres target.

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Commence ML3 System Testing NMA4 (Old Street/Euston to Oval)	12-Jul-13	12-Jul-13	Complete
Commence ML3 System Testing NMA5 (Stockwell to Morden)	19-Jul-13	18-Jul-13	Complete
Ready for Operational Proving NMA2 (Mill Hill East to Highgate)	27-Jul-13	12-May-13	Complete
Commence ML3 System Testing NMA6 (Edgware to Belsize Park)	02-Oct-13	02-Oct-13	Complete
In Revenue Service NMA2 (Mill Hill East to Highgate)	25-Nov-13	23-Jun-13	Complete
Ready for Operational Proving NMA3 (Archway/Chalk Farm to Angel/Euston)	30-Nov-13	20-Sep-13	Complete
Ready for Operational Proving NMA4 (Old Street/Euston to Oval)	08-March-14	17-Jan-14	●
Northern line upgrade complete, delivering 20% increase in capacity (Annex B: 2014)	31-Dec-14	31-Dec-14	●

Jubilee and Northern Lines Mid Life Refurbishment (JNP)

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
5.9	67.0	57.0

This Project will deliver the Mid Life Refurbishment of the 63 Trains on the Jubilee line and 106 Trains on the Northern line. The Mid-life refurbishment is required to preserve fleet saloon condition and to meet residual life, performance (ambience) and Rail Vehicle Access Regulations (RVAR) 2010 requirements.

Within the quarter Alstom successfully completed the refurbishment of Northern line trains 10 to 16, with 17 to 20 completed by calendar year end.

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Northern Line Mid-life refurbishments complete	31-Dec-14	31-Dec-14	●
Jubilee Line Mid-life refurbishments complete	05-Feb-17	05-Feb-17	●

Bond Street to Baker Street Tunnel Lining (JNP)

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
16.3	34.4	39.5

To remediate 215 metre length of concrete tunnel lining rings that are showing signs of deterioration on the Jubilee line between Bond Street and Baker Street.

In total there are 359 rings to be replaced over 215 metres in the Baker Street to Bond Street tunnel section. Since the physical site works commenced in June 2013, a total of 30 rings have been replaced. In addition a second segment removal vehicle has been manufactured which is now operational, thus allowing concurrent working in the tunnel section which will improve productivity.

Despite a challenging period caused by known but difficult ground conditions, the project has continued with its high level of safety performance with no impact on passenger service.

EFC is greater than Authority due to the increase in risk to include the unavailability of Transplant (engineering) trains and further additional works for Charing Cross trials. Additional funding will be sought.



Gauging survey following ring installation



Post installation of 15 rings

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Start on Site (SOS) Specialised Segment Removal Plant – Baker Street to Bond Street Tunnel Relining	16-Jun-13	16-Jun-13	Complete
Replace 25 No of Baker Street to Bond Street Tunnel rings (mid year)	15-Nov-13	25-Dec-13	Complete
Replace 50 No of Baker Street to Bond Street Tunnel rings (full year)	30-Mar-14	30-Mar-14	●

Northern Line Extension (JNP)

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
20.0	*	*

The Northern Line Extension (NLE) will extend the Northern line Charing Cross branch from Kennington to a new southern terminus within the Battersea Power Station site with an intermediate station within south Lambeth.

The public inquiry commenced on 19 November and is planned to complete on 20 December 2013. Post Quarter update: the public inquiry sat for 16 days, closing on Friday 20 December 2013. The inspector will now write his reports to the Secretaries of State for Transport and Communities and Local Government and a decision on the Transport and Works Act Order (TWAO) is expected in summer 2014.

The Invitation to Tender (ITT) documentation for the main design and build works was issued on 9 December 2013, following extensive internal and external reviews.

The TfL milestone for 'Define the delivery model for non-civil works' was achieved on 11 December, ahead of programme. The model will be a combination of variations to existing contracts and PFIs, programme managed by LU and will include key work streams such as TBTC Signalling, additional Rolling Stock, PFI works (Connect, prestige etc.), Kennington loop and cross passageway enabling works.

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Define Programme Management methodology	30-Apr-13	30-Apr-13	Complete
Issue Invitation to Tender (ITT) for Innovation Contractor Engagement contract	30-Sep-13	09-Dec-13	Complete
Define Delivery Model for non-civils works	20-Dec-13	11-Dec-13	Complete

London Tramlink Wimbledon Line Enhancements

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
3.6	30.0	30.0

The London Tramlink Wimbledon Line Enhancement Programme is a programme of works to address congestion on services between Therapia Lane and Wimbledon. To provide these improvements, the programme comprises three work streams:

- twin tracking of existing single track sections of the Tramlink network between Beddington Lane and Mitcham Junction and associated infrastructure enhancements;
- delivery of an additional platform and new tram infrastructure at Wimbledon Station, including extension of running rights at the station; and
- procurement of four additional trams to facilitate the increased services into Wimbledon Station.

South West Trains have agreed and accepted the Wimbledon Station Change application. This approval is the last of the statutory approvals required for the programme.

The infrastructure tender returns were received on 3 December 2013 and the tender review process is progressing well and will be complete by the end of the year. Post quarter update: the tender reviews have been completed and clarification questions sent back to respective contractors. The evaluation and recommendation report is being drafted and on programme for review on 27 January 2014.

The systems and signal contract has been signed with Thales. The outline design will be the first deliverable under this contract prior to Christmas.

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Issue Invitation to Tender for twin tracking	10-Dec-13	24-Sep-13	Complete
Place order for additional trams complete	31-Mar-14	02-Aug-13	Complete

London Overground Capacity Improvement

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
30.3	174.7	174.7

The London Overground Capacity Improvement Programme is a programme of works addressing the increasing demand on the London Overground network. It includes conversion of the existing fleet of 57 London Overground Class 378 four car trains to five car trains on all routes. To achieve this increase in capacity, a series of infrastructure enhancements are required including:

- additional stabling at Silwood Triangle and Willesden and the associated connections to the network;
- reconfiguration of New Cross Gate Depot and Willesden Train Maintenance Depot to enable maintenance of the five car fleet;
- platform extensions, signalling and associated systems works;
- infrastructure changes to support additional capacity (including enhancement of existing turn-back sidings); and
- procurement of 57 new Class 378 rolling stock cars to extend the existing four-car units to five-car units plus potentially two additional five-car units to increase peak service frequency.

In readiness for the Christmas closure, significant progress has been made at Silwood sidings and in implementing the design approval process for platform extension work at Highbury & Islington, Canonbury, Canada Water and Surrey Quays. Post quarter update : Installation of the track crossover at Silwood sidings and the planned platform extension works were successfully completed during the Christmas possession and the railway handed back to operational use on schedule.

At New Cross Gate Depot, installation of the two temporary berths is complete with just minor snagging remaining.

The North London Line Platform Extensions contract has been awarded to Dyer & Butler and the detailed design stage is underway. Tenders for the North London Line signalling contract, and the Willesden stabling work have been received and the evaluation process is ongoing.

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Award ELL Stabling infrastructure contract	01-Oct-13	28-Jun-13	Complete
Completion of ELL Stabling enabling works	01-Nov-13	18-Oct-13	Complete
Completion of ELL Depot enabling works	01-Mar-14	03-Feb-14	●

Integrated Transport Smartcard Organisation

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
62.3	67.2	65.9

ITSO (Integrated Transport Smartcard Organisation) is the smartcard specification mandated by the DfT for rail franchises and for the national bus concessionary scheme. Enabling the acceptance of ITSO specified tickets requires changes to TfL's ticketing systems, including a card reader capable of processing both Oyster and ITSO tickets, establishment of a Head Office Processing System (HOPS), new and upgraded communications links and other system changes. The project is responsible for the technical changes required to support ITSO acceptance on the TfL controlled reader estate but a live operational system is dependent on Train Operating Companies (TOCs) being capable of integrating with the system and appropriate commercial agreements. The project is being funded by the DfT under an agreement with TfL dated 28 May 2009.

The TfL HOPS is working in the live environment and is successfully communicating with the Southern HOPS. A customer launch at six stations within London took place on 21 October.

Stage 3 formal certification is two months later than originally planned, this activity is planned for completion for 20 December, and the delay in this area has not impacted the completion date. Post quarter update: witness testing with the DfT was completed successfully on 20 December. The project will now be closed.

Rights functionality has been agreed as removed from scope of the project.

The project has engaged with other parties and the DfT to discuss deployment options across the rail industry once the project is complete. Central to delivery of live operational schemes is agreement of the Commercial Agreements that are being progressed by the Department for Transport outside the scope of this project.

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Reader hardware rollout complete	30-Apr-13	01-Nov-13	Complete
ITSO on Prestige (IoP+) Stage 3 certification	30-Sep-13	20-Dec-13	▲
ITSO on Prestige Project Complete	24-Dec-13	24-Dec-13	●



Future Ticketing Project

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
53.0	67.1	68.5

The Future Ticketing Programme introduces the acceptance of contactless bank cards and compatible devices as payment for travel, improving customer convenience and enabling cost savings for TfL through reduced card issuance and commission costs.

Phase 1, acceptance of contactless payment cards for single journeys on TfL bus services, was successfully launched on 13 December 2012.

Phase 2 – the system has been switched on at all Tube, Docklands Light Railway, and London Overground stations, tram stops and National Rail stations where Oyster is currently accepted. TfL has been working with the payment card industry from early November to prove the system using a limited set of live credit, debit and charge cards. This has demonstrated correct billing and daily and seven day capping of charges. The public launch for up to 5,000 staff, key stakeholders and members of the public will now take place after the January 2014 annual fares and ticketing updates. This is expected to be followed by a full rollout, incorporating bus travel, to give full multi-modal capping, from end March 2014.

Estimated Final Cost exceeds authority as £380k of existing authority relates to phase 3 of the project and will be reassigned shortly, meaning true authority is £66,756k.

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Phase 2 - start of integration of TfL and 3rd party back office systems	14-Jun-13	14-Jun-13	Complete
Phase 2 - introduction of contactless bank card acceptance for multi-modal daily travel, with daily and 7 day capping (Annex B: 2014)	31-Jan-14	11-Dec-13	Complete



Cycle Superhighways

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
33.3	37.8	136.5

The Cycle Superhighways programme is delivering radial cycle commuter routes from outer to central London. The first four routes (CS2, CS3, CS7, and CS8) were opened in 2010 and 2011.

CS2 Extension, from Bow to Stratford, was opened for service on 31 October. CS5 is under construction, although potential additional scope to be defined and agreed.



*CS2 Extension, from Bow to Stratford –
opened for service on 31 October*

Concept design has commenced for the upgrades to the existing route 2 and for routes 1, 4, 5 Inner, 5 Extension and 11. A number of new routes are also planned to be delivered during the current mayoral term and feasibility has commenced for east-west and north-south routes.

Route 5 construction complete milestone forecast completion date extended to capture additional green surfacing requirement.

The EFC now includes the cost of the upgrades, plus increased cost and scope on route 2 Extension.

Cycle Superhighways

Programme level	Current Plan Date	Actual/Forecast Date	RAG
CS Route 2 Extension – preliminary design complete	31-Jan-13	07-Jan-13	Complete
CS Route 2 Extension – detailed design complete	30-Apr-13	13-Sep-13	Complete
CS Route 2 Extension – route open	31-Aug-13	31-Oct-13	Complete
CS Route 5 – construction started	31-May-13	01-July-13	Complete
CS Route 5 – construction complete	31-Oct-13	01-Apr-14	■

Barclays Cycle Hire Scheme

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
128.2	157.1	136.8

The Barclays Cycle Hire scheme launched successfully to registered members on 30 July 2010 and was opened up to all users on 3 December 2010. The scheme costs annual members less than 25 pence per day, as the vast majority of their trips are less than 30 minutes. This is a low-cost and convenient alternative for many travellers.

Phase 1 – launched in July 2010 and the project formally concluded on 4 July 2012.

Phase 2 – geographic expansion launched on time in March 2012, increasing the number of bicycles to 8,333. Major system improvements were delivered in stages; with the final stage going live in September 2013, improving customer usability and billing. The two project closure milestones have been reforecast to mid 2014 to align with the contractual milestones agreed with Serco.

Cycle Hire Expansion and Intensification (CHEI) – successful launch on 13 December 2013, taking Cycle Hire to southwest London into parts of Wandsworth, Hammersmith and Fulham, and additional areas of Lambeth, and Kensington and Chelsea. The expansion added more than 2,000 new bikes and approximately 5,000 additional docking points to the scheme. Planning permissions are being sought for remaining sites to improve the network in some areas, with completion of all sites planned for spring 2014.

Barclays Cycle Hire Scheme

Programme level	Current Plan Date	Actual/Forecast Date	RAG
CHEI: Contract variation signed	15-May-13	09-May-13	Complete
CHEI: Start of construction programme	03-Jun-13	04-Apr-13	Complete
CHEI: Start of installation programme	30-Aug-13	19-Aug-13	Complete
CHEI: Operational commencement	13-Dec-13	13-Dec-13	Complete
Phase 2: Start of Phase 2 Close (Gate 2)	20-Jan-14	30-Jun-14	■
CHEI: All sites complete	31-Mar-14	31-Mar-14	●
Phase 2: End of Phase 2 Close (Gate E)	30-Apr-14	30-Sep-14	■
CHEI: Project closure approved	31-Jul-14	31-Jul-14	●



Mayor of London at southwest expansion launch site

Transport for London Road Network Capital Renewal Programme

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
30.0	54.9	57.5

The annual budget for the Transport for London Road Network (TLRN) Capital Renewals Programme is based on long-term asset investment modelling and an objective risk-based assessment of the renewals required to deliver a safe and reliable network.

Capital Renewals is a rolling programme of schemes that maintain the physical infrastructure of the TLRN, including carriageways, footways, structures, tunnels, lighting, drainage, green estate and street furniture. The programme consists of schemes that lengthen the useful life of an asset, either by replacing it with a new one, or by some other intervention such as reconstruction or refurbishment. £4.1m additional DfT funding has been received for carriageway resurfacing for which authority will be sought.

Schemes are identified, prioritised and programmed using a risk-based approach. An additional 10 per cent of schemes were identified from the forward programme to act as reserves. The reserves create flexibility that caters for unplanned scheme deferrals, caused by factors such as adverse weather (impacting asset deterioration and deliverability), permit refusals, and utility and other works.

Programme outputs

Output	Unit	Annual target	YTD actual	YTD forecast **	Commentary
Carriageway resurfacing	m ²	650,000	411,780	341,063	63 per cent of annual target achieved - on course to achieve full year target.
Footway resurfacing	m ²	58,000	8,303	6,947	14 per cent of annual target achieved - on course to achieve full year target.
Lighting columns	Nr.	900	2	182	0 per cent of annual target achieved - the delivery of Q1 schemes was deferred so they could be designed to the new British Standard which allows lower lighting levels for the TLRN. Designs are progressing and delivery will start in Q4. On course to achieve full year targets.
Vehicle restraint barriers	m	5,000	640	640	13 per cent of annual target achieved - on course to achieve full year target.
Pumping station upgrades	Nr.	7	0	0	0 per cent of annual target achieved - sites identified and investigations progressing; designs started in Q2 with delivery planned to start in Q4. On course to achieve full year targets.
Expansion joints replaced	Nr.	6	0	0	0 per cent of annual target achieved - sites identified and designs progressing; delivery planned to start in Q4. On course to achieve full year targets.

**The forecasts were set prior to the appointment of the delivery contractors.

Although a number of the deliverables are behind the original forecasts, they remain on plan to achieve the full year targets. On review, the forecasts were optimistic and reflected the delivery profile of a mature contract rather than the first year of a major new contract, the London Highways Alliance Contract (LoHAC).



Completed resurfacing works on the A406 North Circular Road / Gunnersbury Avenue

New Bus for London (NBFL) Vehicle Purchase

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
43.7	219.9	220.1

This programme will deliver 600 NBFL buses into London by the end of April 2016. The buses are being built by Wrightbus in Ballymena, Northern Ireland, to the same generic design as the prototypes that were introduced onto route 38 in February 2012.

The fixed price contract with Wrightbus is for £212.7m equating to an average price per vehicle throughout the contract of £354,500. This price includes upgrade requirements to Euro VI engines during 2014.

There are now four full route conversions in operation with a total 114 buses in service. The first route to be converted was route 24 on 22 June 2013, operated by Metroline with the second route, route 11 operated by Go Ahead, converted on 21 September as planned. Route 9 operated by London United converted on 26 October and route 390 operated by Metroline converted on 7 December. The next route is the 148 operated by London United scheduled for February 2014. Other routes are being evaluated and negotiations are taking place with a number of operators. Further routes for conversion will be announced in due course.



A training run for route 9 at Marble Arch

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Conversion of first route completed	30-Jun-13	22-Jun-13	Complete
Conversion of second route completed	31-Oct-13	21-Sep-13	Complete
Delivery of 600 buses into service	30-Apr-16	30-Apr-16	●

New Investment SCOOT

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
17.1	27.4	17.2

The Split Cycle Offset Optimisation Technique (SCOOT) programme will upgrade traffic signal technology to help meet the Mayoral objective of smoothing traffic flow. Costs shown are for the New SCOOT Investment project, which will deliver 528 sites of a planned 1,000 sites. The remaining sites are funded and delivered by business-as-usual activities across Surface Transport.

Under the New SCOOT Investment project, 240 sites were planned to be installed in the 2011/12 financial year, bringing the total to 413 sites of the 528 the project will contribute towards the planned 1,000 total. These sites were delivered by the end of May 2012.

The remaining 115 sites have been installed in the 2012/13 financial year, taking the total to the full 1,000 sites. At the end of the fourth quarter, 115 design briefs had been completed, 115 detailed designs completed, 115 civil engineering sites completed, 115 SCOOT loops installed and 115 sites commissioned. These sites have been enabled and a total of 1000 were enabled as planned by 31 July 2013.

*A change request has been approved to move the 'Project closure approved' milestone date from December 2013 to July 2014 to allow for full financial closure to be completed.

Programme level	Current Plan Date	Actual/Forecast Date	RAG
240 Sites commissioned onto UTC (FY 11/12) 413 Cumulative	30-May-12	30-May-12	Complete
115 UTC Design Briefs complete (FY 12/13)	08-Dec-12	08-Dec-12	Complete
115 Sites civil engineering complete (FY 12/13)	01-Mar-13	01-Mar-13	Complete
115 Sites SCOOT Loops installed (FY 12/13)	18-Mar-13	18-Mar-13	Complete
115 sites commissioned onto UTC (FY 12/13) 528 cumulative	31-Mar-13	31-Mar-13	Complete
115 Sites infrastructure installed (FY 12/13)	31-Mar-13	31-Mar-13	Complete
Final signal technology enabling completed (Annex B: 2015)	31-Jul-13	24-Jul-13	Complete
Project closure approved	31-Jul-14*	31-Jul-14	●

Road Space Management SCOOT

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
0.5	21.1	57.1

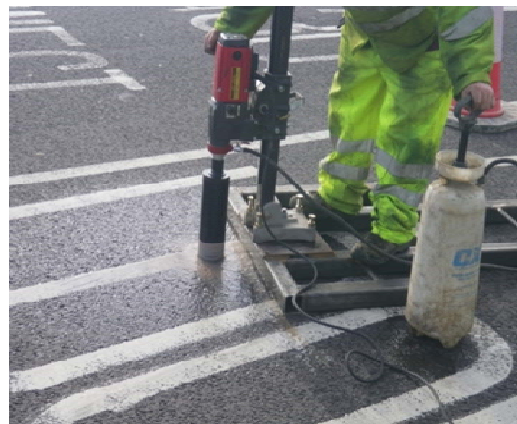
The Road Space Management SCOOT delivery portfolio will upgrade the traffic signal technology at a further 1,500 sites. This will allow TfL to manage traffic in a more policy responsive manner.

Due to a slight delay in commencement the commissioning of 150 sites will be achieved by 31 March 2014 and the milestone for 200 sites commissioned by 31 May 2014.

New Traffic Signal Vehicle Detection Technology



Access point which receives the vehicle, detected from the in-road magnetometer



Drilling a hole in the carriageway for an in-road magnetometer



A magnetometer in the carriageway



Protective sealant applied

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Feasibility approved	30-Jul-13	18-Jul-13	Complete
200 sites commissioned	31-Mar-14	31-May-14	▲

Hammersmith Flyover Phase 2

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
7.6	76.8	76.8

The Hammersmith Flyover project is part of a portfolio investment in eight specific road tunnels and structures on the Transport for London Road Network (TLRN) that have been identified as requiring capital investment in order to improve road network safety, network resilience and stability, and reduce the whole-life costs.

The first phase of works, addressing immediate risks to the safety of the structure, was completed in May 2012. The second and final phase of works, developing and implementing a long-term strengthening solution, commenced shortly thereafter and design activities have been progressed following the appointment of the designer, Ramboll, in October 2012.

Following successful completion of the tender process and evaluation results in March 2013 the contractor has been awarded the Framework Agreement for Early Contractor Involvement. The contractor is engaged through a call-off contract and has worked with the designer to progress concept and detailed design phases to allow the possession of site to be taken on 28 October 2013.



Site establishment with erection of hoarding and scaffolding to access the flyover from underneath



Hoarding design – ready to be erected

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Designer appointed	25-Oct-12	25-Oct-12	Complete
Award of framework agreement or contract	31-Mar-13	28-Mar-13	Complete
Approval of concept design (design stage 2)	28-Jun-13	28-Jun-13	Complete
Approval of detailed design (design stage 3)	03-Sep-13	18-Oct-13	Complete
Approval to Award Design and Build Work Package	17-Oct-13	17-Oct-13	Complete
Possession of site	04-Nov-13	28-Oct-13	Complete
Construction complete	21-Apr-15	21-Apr-15	●
Project close	09-Oct-15	09-Oct-15	●

Better Junctions

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
10.8	16.5	95.0

The programme comprises a set of high-profile junctions which are recognised barriers to cycling, and where substantial changes could be made to improve vulnerable road user safety and utility. The junctions are typically complex with either high cyclist/pedestrian flows or recognised as having negative effects on cycling, and walking.

The below targets are not achievable due to a change in strategy – the programme was reviewed following the Mayor’s Cycling Vision and a revised programme of 33 junctions has been agreed with the Cycling Commissioner.

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Top 100 reviews completed	31-Dec-13	Under review	■
First 50 schemes delivered	31-Dec-13	Under review	■

London Road User Charging and Traffic Enforcement Notice Processing Contract re-let Project

Spend to end Q3 2013/14 £m	Authority £m	EFC £m
2.6	15.2	72.2

The upcoming expiry of both the London Road User Charging (LRUC) and Traffic Enforcement Notice Processing (TENP) contracts provides TfL with an opportunity to maximise efficiency by grouping common activities while enhancing customer satisfaction. These contracts contribute to smoothing traffic flows and improving bus journey time reliability on the Transport for London Road Network (TLRN). LRUC includes the central London Congestion Charging and Greater London Low Emission Zone and TENP provides the notice processing services for decriminalised traffic offences on the TLRN.

In order to align the LRUC and TENP contracts, the current LRUC contract with IBM has been extended by 12 months to October 2015. A procurement process is underway with the objective of the new services having a staggered go-live in 2015, with the new TENP service coming on line in June 2015 and the LRUC service in November 2015.

All milestones remain on track. The Preferred Supplier was agreed at Invitation to Submit (ITS) Decision Panel on 15 October. The project successfully underwent a Contract Award Integrated Assurance Review (IAR) and received TfL Board approval for contract award and additional project authority to deliver the project to completion on 11 December. The Preferred Supplier has been informed. Standstill ended on 23 December. Contract confirmation and finalisation work has started ahead of signing (scheduled for mid January 2014). A formal press announcement is planned at contract signature.

The EFC has revised from £99.4m at Q2 to incorporate significant savings recognised as a result of the commercial off-the-shelf-based solution and lower risk base of the successful bidder. Future authority submissions will be made as the project requires.

Programme level	Current Plan Date	Actual/Forecast Date	RAG
Invitation to Participate issued	18-Feb-13	18-Feb-13	Complete
Invitation to Submit issued	20-Aug-13	20-Aug-13	Complete
Evaluation of ITS bids complete	23-Oct-13	15-Oct-13	Complete
Approval to award contract	19-Nov-13	25-Oct-13	Complete
Contract signed	13-Jan-14	13-Jan-14	Complete
Traffic Enforcement Notice Processing go-live	21-Jun-15	21-Jun-15	●
Business Operations service go-live	01-Nov-15	01-Nov-15	●
Enforcement Operations service go-live	01-Nov-15	01-Nov-15	●



Cost and Schedule Variance Analysis

Newly installed power cables on the Metropolitan line

Cost and Schedule Variance Analysis

87 per cent of all projects have an Estimated Final Cost (EFC) within authority and 82 per cent of milestones reported in the detailed pages are on or ahead of target.

There are three fully authorised projects where EFC exceeds authority by more than 2.5 per cent. Projects that are only partially authorised, e.g. feasibility stage only, or those where EFC has increased with additional scope, are not classified as being in excess of authority.

EFC exceeds authority by more than 2.5 per cent

Project Name	RAG	% over	Variance Commentary
SSR Upgrade - Depots	■	7	SUP in total remains within authority. EFC is £23.7m in excess of sub-programme authority due to cost increases from asset condition, prolongation and emerging issues during detailed design and construction at Ealing and Upminster Depots. Potential offsetting savings elsewhere in the programme are being reviewed.
SSR Upgrade - Infrastructure Other	■	4	The EFC is £9.2m above authority for this sub-programme increasing costs in installing One Person Operation CCTV and stopping systems at stations and prolongation due to signalling immunisation issues. The sub-programme is exploring risk mitigation opportunities.
Bank Waterloo & City	■	8	The delay to the developer's basement work will delay the LU fit-out contract. This mounting delay pressure has currently led to an increase of £4.6m in forecast EFC (considerably less than the savings being made by the development approach). Work is underway to challenge the assumptions that have led to this increase and to develop options to mitigate. The developer is delivering the station box at a considerably lower cost than LU could deliver independently.

Significant changes in EFC this quarter

Projects contained in this report, with an EFC that has changed by more than 2% in the quarter, are included in the table with variance commentary to explain. A negative in the % change column indicates a reduction in EFC. For reasons of commercial confidentiality some items are marked as *.

Project Name	EFC (£m)	% change	Variance Commentary
London Road User Charging and Traffic Enforcement Notice Processing Contract re-let	72	-27	EFC revised down to incorporate significant savings recognised as a result of the commercial off-the-shelf based solution and lower risk base of the successful bidder.
Cycle Hire Expansion and Intensification	20	-26	£3.6m Civil construction, asset infrastructure and site installations and risk savings of £3.3m.
Civils (BCV/SSL)	25	-16	The main reason for the reduction is due to re-phasing £-1.3m and re-scoping of works £-1.9m on Bridges and Structures.
Cycle Hire Phase 2	9	-6	Savings due to milestone, construction and risk savings.
Paddington Station Upgrade	53	-5	Savings achieved across all three LU/CRL contracts.
London Overground Capacity Improvement	175	-4	Following the Baseline 2 exercise, EFC has been brought back in line with authority and this is reflected in the Q3 forecast numbers.
Jubilee Line Upgrade	70	-4	The £2.6m decrease is due to a risk reduction of £1m following a review and transfer of costs to the Northern Line Upgrade and reduced costs on JL works.
Lifts and Escalators (L&E)	*	-4	Jubilee, Northern and Piccadilly lines L&E - unbudgeted escalator interventions have been postponed to minimise impact on Central line closure at Tottenham Court Road.
Victoria Station Upgrade	603	2	Following TfL Board approval of District & Circle platform works, power supply upgrades and ventilation works are now included. EFC remains within authority.
Crossrail	285	4	Moorgate Asset Stabilisation scope transferred to Station Works Improvement Programme. Tottenham Court Road Goslett Yard additional mitigation.
Northern Line Extension	1,017	5	Revised property forecast and increase in escalation and risk. EFC increase following risk review – EFC remains within authority.
Track	188	9	The main reasons for the increase relates to new works on the Rail Defect Programme £+7.1m, additional drainage at Uxbridge £+7.7m, introduction of overnight Ballast Track Renewals (BTR) and BTR at Earls Court £+3.0m.

Significant changes in EFC this quarter

Project Name	EFC (£m)	% change	Variance Commentary
Bank Waterloo & City	*	9	The delay to the developer's basement work will delay the LU fit-out contract. This mounting delay pressure has currently led to an increase in forecast EFC. Work is underway to challenge the assumptions that have led to this increase and to develop options to mitigate. The developer is delivering the station box at a considerably lower cost than LU could independently.
Bond Street to Baker Street Tunnel Lining	39	11	Variance is due to the increase in risk to include the unavailability of Transplant trains and further additional works for Charing Cross trials.
Legacy Train Systems	*	48	EFC has increased since the budget was set as a result of provisions for life extension works, including funds transferred from New Tube for London for Bakerloo Extension of Life
New Tube for London	*	164	The EFC has been increased to now cover works planned through to March 2016.

Year End Forecast v Budget

The Budget is an agreed funding of annual expenditure for specified works which is established around period 9 of the previous financial year and forms part of the TfL Group Budget. Variances greater than £5m (+/-) are included.

Project Name	Year Forecast (£m)	Year Budget (£m)	Variance	Variance Commentary
SSR Upgrade - Rolling Stock	280	323	-43	Budget decrease is due to accelerated payments brought forward to 2012/13.*
Legacy Train Systems	23	44	-21	Rephasing due to suspension of tunnel cleaning and Track Monitoring & Evaluating Systems.*
London Overground Capacity Improvement	53	73	-20	Reduced 2013/14 Q3 forecast reflecting lower spend to date and lower expected activity on North London line this year. No impact to overall programme.
Stations Stabilisation Programme	27	42	-15	Rephasing of expenditure into future years due to design delays, the largest being the Baker Street station stabilisation project.*
Hammersmith Flyover Phase 2	20	34	-14	Rephasing of £14m expenditure into future years, following contractor appointment after the Budget was set.*
Cycle Superhighways	14	27	-13	£13.3m has been carried forward to future routes as a result of changes in the Mayor's Vision for Cycling.
Civils (BCV/SSL)	25	36	-11	The main reasons for the reduction is a reduction in scope of Earth Structures and Bridges and Structures £-7.1m and a transfer of works to Asset Performance £-2.4m.
SSR Power	61	70	-9	The main reasons for the reduction is due to works now planned to be delivered next year £-6.4m and savings on the programme £-2.7m.
Cycle Hire Expansion and Intensification (CHEI)	17	24	-7	Savings of £7m have been realised on the Barclays Cycle Hire Expansion and Intensification project equipment, construction and contract variation.*

* Some text in this section was amended after initial publication, to provide greater clarity.

Year End Forecast v Budget

Project Name	Year Forecast (£m)	Year Budget (£m)	Variance	Variance Commentary
London Tramlink Wimbledon Line Enhancements	5	11	-6	Programme of works extended since the Budget set resulting in works and costs moving from current to future years (no change to current end date).
London Road User Charging and Traffic Enforcement Notice Processing Contract re-let	3	9	-6	(£5.2m) Lower Implementation costs and savings attributed to legal costs has resulted in a lower forecast in year.
SSR Upgrade – Depots	45	33	12	Due to risk exposure on asset condition, prolongation and emerging issues during detailed design and construction at Ealing Common and Upminster depots.
New Bus for London Vehicle Purchase	68	56	12	£10.5m brought forward from future years in the Q1 forecast based on the contractual Wrightbus delivery plan. £1.4m carried forward from 2012/13 for four buses.
Northern Line Extension	17	0	17	Driven by the reclassification of Northern Line Extension (NLE) developers' contributions, which will now be received directly from the Greater London Authority (GLA) as grant funding. This funding has also been re-phased to future years, with payments expected from 2014/15. The total level of funding for the NLE remains the same as assumed in the Budget, but will now be received in later years. £3m of expenditure has been re-phased to future years.*
Northern Line Upgrade	102	81	21	Variance is due to £15m new works not in the budget or Quarter 2 forecast, acceleration of Northern Migration Area 4 & 5 testing and transfer from Jubilee line to Northern line track works.

* Some text in this section was amended after initial publication, to provide greater clarity.

Actual v Budget Variance (in year)

London Underground

Type of Variance:	YTD Bud Var £m
Acceleration	20.9
Additional scope	25.0
Release of over programming (provision for schedule slippage)	81.3
Sub Total Increases	127.2
Commercial leverage	-47.4
Re-phasing	-2.1
Schedule slippage	-68.9
Savings	-21.7
Sub Total Decreases	-140.1
*Net Budget underspend	-12.9

*Net Investment expenditure was £12.9m less than budget year to date.

Acceleration is mainly due to SSR Upgrade £13.2m acceleration in the Bombardier Trains and Bombardier signalling supply contracts and Stations Bank Congestion with the recently appointed main contractor for stage 1 works.

Additional scope is driven by the reclassification of £15m of Northern Line Extension (NLE) developers' contributions, which will now be received directly from the Greater London Authority (GLA) as grant funding. This funding has also been rephased to future years, with payments expected from 2014/15. The total level of funding for the NLE remains the same as assumed in the Budget, but will now be received in later years. In addition, there has been a £10m cost increase in Track Partnership due to a programme change and increased unit rates from the impact of more complex works.*

Over Programming £81.3m released in the year to date.

Commercial leverage is mainly due to the advance payment to Bombardier made last year under the rolling stock contract as part of a commercial negotiation.

Re-phasing Infrastructure Renewals (under by £2.1m) mainly caused by SSR Power £1.5m due to Contractor not adhering to programme and Civils £0.6m work re-phased to avoid winter weather and associated risks.

* Some text in this section was amended after initial publication, to provide greater clarity.



Re-phasing due to schedule slippage includes a variance on the SSR Upgrade (under spent by £18.9m) mainly as a result of the Bombardier train milestone for maintenance manuals not being met. Other slippage variances are Legacy Train Systems (£17.1m under) as tunnel cleaning train on hold due to design issues and Automatic Train Monitoring System (ATMS) delay in materials from suppliers and delays to unapproved works.

Savings includes £13m savings from the Victoria Line Upgrade risk provision, for events which have either not materialised or been mitigated (included in the Q1 forecast). Vauxhall Station Upgrade £2.1m saving following the contract award to Bechtel, the EFC has been reduced in line with Procurement/Tendering authority. Infrastructure Renewals (under by £4.5m) due to Civils £3m after detailed asset physical condition and risk review, works have been de-scoped from the Earth Structures Programme as cost saving and SSR Power £1.5m cost reduction, now embedded as efficiencies.

London Rail

Type of Variance:	YTD Bud Var £m
London Tramlink Wimbledon Line Enhancements – re-phasing	-1.0
London Overground Capacity Improvement – programme change	-13.9
*Net Budget underspend	-14.9

*This table represents variances on major capital delivery projects only. It excludes closed projects such as the ELL which is the majority of the total LR budget underspend. It also excludes other minor capital projects.

London Tramlink: Year to date (YTD) underspend due to re-phasing of Wimbledon Enhancement costs into 2014/15 due to earlier slippage that has no overall impact on the delivery of the project.

London Overground Capacity Improvement Programme: YTD underspend due to a programme change since production of the budget as no contract programmes were available at that time (mainly reflecting delays to Silwood finishing works and slower commencement of Willesden depot works). The project is still expected to deliver on schedule.

Actual v Budget Variance (in year)

TfL Surface

Type of Variance:	YTD Bud Var £m
Re-phasing – in-year slippage	-20.2
Re-phasing – slippage into future years	-36.9
Re-phasing – across year acceleration	9.0
Savings	-13.1
Other	-0.7
*Net Budget Underspend	-61.9

*The above variance is made up of £58.7m Capital expenditure and £3.1m Operating Expenditure. Investment Programme expenditure is gross of income and third party contributions.

Re-phasing in-year slippage (-£20.2m) – includes £16m Transport for London Road Network (TLRN) Capital Renewals rescheduling. Of this, £9m relates to delivery works rescheduled following mobilisation of the new London Highways Alliance Contracts (LoHAC) and £7m as a result of network access issues, delays in lighting design and as a requirement to coordinate activity with other street works.

Further in-year slippage of £19m includes; £3m for the Barclays Cycle Hire phase 2 new finance and billing system following successful implementation in September, £3m for the energy efficient street lighting programme following delay in the contract award and £3m due to the slight delay to commencement of the Road Space Management Split Cycle Offset Optimisation Technique (SCOOT) programme for traffic signal technology upgrade.

These were partly offset by £15m of in-year accelerated spend on Local Implementation Plan (LIP) and Borough programme works (£12m) and the Tottenham Hale Gyratory (£3m).

Re-phasing slippage into future years (-£36.9m) includes £17m for Barclays Cycle Superhighways and Better Junctions following the finalisation of the Mayor's Cycling Vision and £14m for new projects added to the 2012 TfL Business Plan, such as road capacity, road safety, cycling and bus pinch point activities, where delivery plans are being refined. There was also re-profiling of £9m for Hammersmith Flyover Phase 2 following development of the detailed construction programme, £6m for Electronic Ticket Machine (ETM) replacement and £6m for the Safety Camera Replacement Project



due to contract award delays (at the tendering stage). Slippages were partially offset by over programming.

Re-phasing across year acceleration £9.0m was due to the revision of the New Bus for London schedule, which led to the earlier delivery of vehicles.

Savings (-£13.1m) – were mainly due to £8m Cycle Hire Enhancement and Intensification realised on Barclays Cycle Hire equipment, construction and contract variation and £3m on the removal of the Congestion Charge retail channel following consultation in January 2013.

Significant Late Milestones

All programme milestones in the detailed report with a variance of 90 days or more outside the scheduled target date are included in the table (future ATC milestones are excluded pending the re-schedule which will be part of the re-let contract).

Project Name	Milestone Description	Target Date	Milestone Bud Var (Days)	Milestone Commentary
SSR Upgrade – Depots	SUP Depots Sub-programme Completion	31-Mar-15	-541	Milestone target date set in July 2012 on the basis of the Ealing Common and Upminster Depots modification contract dates. The condition of some of the existing assets and utility services at depots has been particularly poor (with no safety risk), adding cost and schedule pressure to these projects and causing a number of milestones to be forecast as late, but this does not impact the DfT milestone dates to complete replacement of C and D stock.
SSR Upgrade - Signal Immunisation	SUP Signalling Immunisation Sub-programme Completion	30-Jun-14	-221	Milestone target date set in July 2012 when a swift resolution to the signalling immunisation design issue was anticipated. As identified on page 4 of the Detailed Programme Report “to enable operation of the new S Stock trains on the Sub-Surface Railway (SSR) network, work is required to immunise LU and Network Rail track circuits and other signalling equipment from electro-magnetic interference from the new trains. Completion of these works has been delayed in three Network Rail inter-running areas (Wimbledon Branch, Richmond Branch and the east end of the District line) due to design issues. The work on the Wimbledon Branch has been completed and the work on the Richmond branch is scheduled to be completed next quarter. While immunisation is on the critical path, confidence is high that the 2016 DfT date to complete replacement D stock is not compromised, and further mitigation actions are planned to minimise the impact of the delay.

Significant Late Milestones

Project Name	Milestone Description	Target Date	Milestone Bud Var (Days)	Milestone Commentary
Civils	Bridge Replacement D76b - Possession	29-Mar-14	-261	A value management approach has delivered reduced time and cost savings by avoiding a total bridge replacement.
SSR Upgrade – Depots	Neasden Depot Winterisation Works Complete	31-Oct-13	-239	The aim was to complete these works before winter 2013/14. Design issues have delayed the installation works, so these have been re-scheduled for summer 2014.
SSR Upgrade – Depots	Upminster Depot North Sidings Signalling Brought into Use	22-Jun-13	-176	Although the sidings have been brought into use, issues with the design and restrictions on availability of depot access have delayed the commissioning of the signalling.
Station Developments	Bromley-by-Bow Step Free Access (SFA) - Commence Detailed Design	27-Jan-14	-184	Architect has not delivered the design as envisaged and commission has been concluded. Design to be re-tendered.
Lifts and Escalators	Bring Into Use (BIU) Old Street escalator E3	21-Mar-14	-104	The reprioritisation of the Kone escalator programme across Old Street, Waterloo, Angel, and Tottenham Court Road stations has resulted in a minor delay to the completion of Old Street escalator no. 3. No operational impacts are foreseen.
Bond Street	Tunnelling Set Up Decommissioned	28-Sep-15	-192	Re-sequenced due to earlier delays to tunnelling. No longer a critical activity.
Bank Waterloo & City	Bank Stn (W&C) - Bring Into Use (Stage 5) (Annex B:2015)	TBC		The delay to the developer's basement work will delay the LU fit-out contract. This mounting delay pressure will impact the completion date for the scheme. The completion date cannot be accurately forecast currently.
Bank Waterloo & City	Contract Award for Implementation Works	TBC		The delay to the developer's basement work has delayed the award of the LU fit-out contract. The date cannot be accurately forecast currently.
Integrated Transport Smartcard Org.	Reader hardware rollout complete	30-Apr-13	-185	Revised timescales due to access issues on the DLR and Train Operating Company estate.
Cycle Superhighways	CS2 Extension - detailed design complete	30-Apr-13	-136	Finalisation of concept design delayed to accommodate additions to scope. Reflects the current programme following mobilisation of the LoHaC contractor.



Significant Late Milestones

Project Name	Milestone Description	Target Date	Milestone Bud Var (Days)	Milestone Commentary
Cycle Superhighways	CS2 Extension - service commences	02-Aug-13	-90	Completion of detailed design delayed due to scope changes and unidentified service diversions resulting in late completion of the detailed design and late start on site for construction. Reflects the rebaselined milestone as agreed with the Sponsor.
Cycle Superhighways	Route 5 construction complete	31-Oct-13	-152	Forecast completion date extended to capture additional green surfacing.
Cycle Superhighways	Cycle Superhighway Route 5 (Phase 1) - route open	31-Dec-13	-121	Forecast completion date extended to capture additional green surfacing.
Cycle Hire Phase 2	Phase 2 Start of Phase 2 Close (Gate 2)	20-Jan-14	-161	Start of Close now 30.06.14 after completion of final Phase 2 contractual milestone in May 2014.
Cycle Hire Phase 2	Phase 2 End of Phase 2 (Close)	30-Apr-14	-153	End of Close now 30.09.14 following change to Start of Close. Agreement made to change target dates to reflect forecast dates. Action required to formalise.

Significant quarterly milestone movements

Q3 milestone forecast dates that have significantly moved (greater than 60 days) since Q2 are included in the table. A positive movement indicates an improvement in the forecast.

Project Name	Milestone Description	Target Date	Q3 Forecast Date	Movement since last Qtr (Days)	Movement Commentary
SSR Upgrade - Rolling Stock	S7 28 day integrated train reliability achieves 15,000km mean distance between failures	28-Feb-14 ●	11-Oct-13	140	Performance level achieved earlier than previously forecast due to S Stock modifications to improve reliability.
SSR Upgrade – Depots	Ealing Common Depot Yard Enabling Brought into Use	14-Nov-13 ▲	07-Dec-13	122	Successful close out of design issues resulted in significant recovery to complete earlier than previously forecast.
SSR Power	New Bulk Supply Point at Edgware Road	01-Mar-14 ●	08-Nov-13	112	Milestone achieved ahead of target due to use of late notice engineering trains, weekend working to avoid Christmas shut down, undertaking some cabling works during Traffic Hours instead of Engineering Hours, and allowing two existing HV feeders to be out of service concurrently instead of one.
Road Space Management SCOOT	200 sites commissioned	31-Mar-14 ▲	31-May-14	-61	Amber status as a result of resource procurement issues.
Victoria Station Upgrade	Ground Treatment Complete	11-Nov-14 ●	15-Aug-14	-63	Slippage due to some minor re-prioritisation of the grouting sequence but still significantly ahead of programme.

Significant quarterly milestone movements

Project Name	Milestone Description	Target Date	Q3 Forecast Date	Move ment since last Qtr (Days)	Movement Commentary
SSR Upgrade – ATC	ATC Signalling - Complete retrospective documentation of Vehicle Automatic Train Protection/Region Automatic Train Protection product software baseline	29-Sep-13 ▲	06-Dec-13	-68	Delayed due to further schedule slippage by Bombardier, before decision to re-let ATC signalling contract.
Northern Line Extension (JNP)	Issue Invitation to Tender (ITT) for Innovation Contractor Engagement contract	30-Sep-13 ▲	09-Dec-13	-70	RUB and the NLE Programme Board agreed to extend the duration for completing the ITT which offered greater benefits with minimal negative effects. The ITT was issued on 9 December 2013.
Bond Street	Tunnelling Set Up Decommissioned	07-Apr-16 ●	07-Apr-16	-76	Re-sequenced as part of tunnelling programme mitigation strategy. Options to recover delay being reviewed.

Significant quarterly milestone movements

Project Name	Milestone Description	Target Date	Q3 Forecast date	Movement since last Qtr (Days)	Movement Commentary
SSR Upgrade - Signal Immunisation	SUP Signalling Immunisation Sub-programme Completion	30-Jun-14 ■	06-Feb-15	-101	Resolution of technical and commercial issues with the signalling immunisation has taken longer than previously forecast, and so the forecast to close out this work has been extended since the last Quarter.
Cycle Superhighways	Route 5 construction complete	31-Oct-13 ■	01-Apr-14	-113	Forecast completion date extended to capture additional green surfacing.
SSR Upgrade – Depots	Neasden Depot Winterisation Works Complete	31-Oct-13 ■	27-Jun-14	-164	The aim was to complete these works before winter 2013/14. Design issues have delayed the installation works, so these have been re-scheduled for summer 2014.
Cycle Superhighways	Cycle Superhighway Route 5 (Phase 1) - route open	31-Dec-13 ■	01-May-14	-164	Forecast completion date extended to capture additional green surfacing.

Future ATC milestones are not reported here pending the re-schedule which will be part of the re-let contract.

Key to milestone RAG status:

Status	Discrete Projects
●	On time or early
▲	Between 1 and 89 days late
■	Greater than 90 days late