

Board

Date: 29 March 2017



Item: Report of the meeting of the Programmes and Investment Committee held on 8 March 2017

This paper will be considered in public

1 Summary

- 1.1 To report to the Board on the meeting of the Programmes and Investment Committee held on 8 March 2017.

2 Recommendation

- 2.1 **That the Board notes the report.**

3 Background

- 3.1 The main matters considered by the Committee are listed below. The items marked with an asterisk appear elsewhere on the agenda for this meeting.

- (a) Investment Programme Report - Quarter 3, 2016/17;
- (b) London Underground Rolling Stock Renewals Programme;
- (c) Deep Tube Upgrade Programme: Update;
- (d) DLR Rolling Stock Replacement Programme;
- (e) Procurement Authority for the maintenance of London Overground trains;
- (f) Healthy Streets Programme;
- (g) Surface Transport Asset Capital Programme;
- (h) Silvertown Tunnel;
- (i) High Level Output Specification (HLOS) - TfL proposals for London*
- (j) Project Monitoring - Project Approvals;
- (k) Crossrail Transition Update*;
- (l) Elizabeth Line - Increasing Service Frequency*;
- (m) Crossrail - Report on Sponsor Board Proceedings; and
- (n) Crossrail 2.

4 Issues Discussed

Investment Programme Report - Quarter 3, 2016/17

- 4.1 The Committee noted the Investment Programme Report (IPR) for Quarter 3, 2016/17 covering the months of October to December 2016. The Quarter 3 IPR detailed the progress and performance of a range of projects that will deliver world-class transport services to London.
- 4.2 The Committee received an update on key aspects of TfL's investment programme. Members noted the achievements made with investment in London Underground and that improvement to bus journey times and reliability would be a key challenge in raising customer satisfaction levels. A significant delivery of investment would take place over the next year and Members noted the work taking place to embed TfL knowledge in the boroughs to address local capacity issues. In terms of the quarterly reporting arrangements, the Committee requested that they be provided with commentary on any implications to the investment cycle and cash management going forward.

London Underground Rolling Stock Renewals Programme

- 4.3 The Committee approved Programme and Project Authority for the London Underground Rolling Stock Renewals Programme and Procurement Authority for the award of a design, manufacture and supply contract for a replacement propulsion system for the Central line fleet.
- 4.4 It was agreed that further details on the assurance process would be shared with Committee Members. It was also agreed that Members would be updated on how TfL ensured that investment projects displayed joined up thinking in meeting the Mayor's wider priorities e.g. how low carbon technology would be incorporated into the new train workshop in Acton.

Deep Tube Upgrade Programme: Update

- 4.5 The Committee noted the update and considered the financial details contained in the supplementary exempt information in Part 2 of the meeting. Members had received detailed briefings on the Deep Tube Upgrade Programme and would continue to be briefed on this key investment programme.

DLR Rolling Stock Replacement Programme

- 4.6 The Committee granted additional budgeted Programme and Project Authority to undertake a procurement process to appoint a manufacturer for the Docklands Light Railway (DLR) trains and the supporting work streams, including expansion of the DLR depot at Beckton. Members expressed support for the planned investment in the new rolling stock which would bring about performance improvements in a cost effective manner.

Procurement Authority for the maintenance of London Overground trains

- 4.7 The Committee approved an increase in Procurement Authority, as detailed in exempt information considered in Part 2 of the meeting, for the Class 378 Train Services Agreement up to the next contract break-point in 2023. The decision

consolidated a number of existing commitments into a single Procurement Authority and would enable purchase orders to be raised efficiently for the maintenance of London Overground trains in financial year 2017/18.

Healthy Streets Programme

- 4.8 The Committee noted the strategic case for the Programme, its constituent projects and the proposed governance arrangements. It also agreed to the award of overall Programme and Project Authority of £439m for the delivery of priority projects in 2017/18 and subsequent years. The Committee also heard from Will Norman, the Mayor's Walking and Cycling Commissioner, on work taking place around the mapping of demand for walking and cycling, particularly in relation to key transport hubs. These plans would be shared with Members later in the year.
- 4.9 The Committee expressed strong support for the Healthy Streets Programme. Members were keen that the momentum of the Programme be maintained, with the potential for even more ambitious programmes in future being welcomed. This would include the impact of both large scale projects, such as Oxford Street and the Rotherhithe Tunnel, being combined with local improvements across London shopping and residential areas to make a difference to Londoners' lives. Members looked forward to the contribution that the Programme could make, in combination with the Air Quality Programme later in the year, towards the Mayor's commitment to tackling air quality.

Surface Transport Asset Capital Programme

- 4.10 The Committee approved budgeted Programme and Project Authority of £83m in the financial year 2017/18. Members expressed support for work to align the programme of renewals with the Healthy Streets Programme. This was noted to be an example of the way in which programmes should be taken forward as part of a joined up approach to maximise available opportunities in future.

Silvertown Tunnel

- 4.11 The Committee endorsed the continuation of a competitive procurement process and the issuing of tender documents for a contract to design, build, finance, undertake some aspects of operation and maintain the Silvertown Tunnel. Members noted that pricing shown was indicative and that the opportunity to consider the final pricing model was some way off.

High Level Output Specification (HLOS) - TfL proposals for London*

- 4.12 The Committee supported the issues and proposals, including extending the number of stations with step free access. Following further engagement with stakeholders, it requested TfL consider prioritising the key recommendations.
- 4.13 A paper on the HLOS appears elsewhere on the agenda for this meeting.

Project Monitoring – Project Approvals

- 4.14 The Committee noted the forward approval programme for projects with a value in excess of £50m and details of the Project Authority granted by the

Commissioner and the Managing Director Finance in accordance with delegated authority under TfL's Standing Orders.

Crossrail Transition Update*

- 4.15 The Committee noted the paper and the progress on the testing of the new rolling stock and signalling software and both Mike Brown's and Mark Wild's involvement in ensuring a smooth transition, including Mark's role as a member of the Board of Crossrail Limited. Members congratulated the team on the momentum of the project and the significant improvement in the reliability of the existing railway service between Liverpool Street and Shenfield since TfL had taken over responsibility, which had been achieved without any new capital investment.
- 4.16 A paper on the Crossrail Transition appears elsewhere on the agenda for this meeting. There were no specific issues raised by the Committee for the attention of the Board. Further information in respect of project progress was included in the Crossrail Sponsor Board Update submitted to the Committee.

Elizabeth Line - Increasing Service Frequency*

- 4.17 The Committee noted the proposals and endorsed the recommendations in the paper to the Board.
- 4.18 A paper on the Elizabeth Line appears elsewhere on the agenda for this meeting. There were no issues raised to draw to the attention of the Board.

Crossrail - Report on Sponsor Board Proceedings

- 4.19 The Committee noted the paper and the supplementary exempt information provided in Part 2 of the meeting.

Crossrail 2

- 4.20 The Committee noted the paper and the supplemental paper included on Part 2 of the agenda and approved an increase in total Programme and Project Authority for Crossrail 2 to £66.68m. The Board had expressed strong support for Crossrail 2 and the increase in authority would enable the project to continue and facilitate additional months of planned activities prior to a final decision to proceed from central Government.

List of appendices to this report:

None

List of Background Papers:

Papers submitted to the Programmes and Investment Committee on 8 March 2017

Contact Officer: Howard Carter, General Counsel
Number: 020 3054 7832
Email: HowardCarter@tfl.gov.uk