

Agenda

Meeting: Board

Date: Wednesday 20 November 2019

Time: 10.00am

Place: Chamber - City Hall, 110 The Queen's Walk, London, SE1 2AA

Members

Sadiq Khan (Chair)

Heidi Alexander (Deputy Chair)

Kay Carberry CBE

Prof Greg Clark CBE

Bronwen Handyside

Ron Kalifa OBE

Dr Alice Maynard CBE

Anne McMeel

Dr Mee Ling Ng OBE

Dr Nelson Ogunshakin OBE

Mark Phillips

Dr Nina Skorupska CBE

Dr Lynn Sloman

Ben Story

Copies of the papers and any attachments are available on tfl.gov.uk [How We Are Governed](#).

This meeting will be open to the public, except for where exempt information is being discussed as noted on the agenda. There is access for disabled people and induction loops are available. A guide for the press and public on attending and reporting meetings of local government bodies, including the use of film, photography, social media and other means is available on www.london.gov.uk/sites/default/files/Openness-in-Meetings.pdf.

Further Information

If you have questions, would like further information about the meeting or require special facilities please contact: Shamus Kenny, Head of Secretariat; telephone: 020 7983 4913; email: ShamusKenny@tfl.gov.uk.

For media enquiries please contact the TfL Press Office; telephone: 0343 222 4141; email: PressOffice@tfl.gov.uk

Howard Carter, General Counsel
Tuesday 12 November 2019

**Agenda
Board
Wednesday 20 November 2019**

1 Apologies for Absence and Chair's Announcements

2 Declarations of Interests

General Counsel

Members are reminded that any interests in a matter under discussion must be declared at the start of the meeting, or at the commencement of the item of business.

Members must not take part in any discussion or decision on such a matter and, depending on the nature of the interest, may be asked to leave the room during the discussion.

**3 Minutes of the Meeting of the Board held on 18 September 2019
(Pages 1 - 14)**

General Counsel

The Board is asked to approve the minutes of the meeting of the Board held on 18 September 2019 and authorise the Chair to sign them.

**4 Matters Arising, Actions List and Use of Delegated Authority
(Pages 15 - 20)**

General Counsel

The Board is asked to note the updated actions list and the use of authority delegated by the Board.

5 Commissioner's Report (Pages 21 - 76)

Commissioner

The Board is asked to note the Commissioner's Report, which provides an overview of major issues and developments since the report to the meeting on 18 September 2019 and updates Members on significant projects and initiatives.

6 Crossrail Update (Pages 77 - 82)

Commissioner

The Board is asked to note the paper.

7 Crossrail Limited - Re-appointment of Non-executive Director
(Pages 83 - 84)

General Counsel

The Board is asked to approve the reappointment of the non-executive director identified in the paper on Part 2 of the agenda to the Board of Crossrail Limited from 1 January to 31 December 2020.

8 2019/20 Scorecard update (Pages 85 - 92)

Chief Finance Officer

The Board is asked to approve amendments to the 2019/20 TfL Scorecard.

9 Quarterly Performance Report (Pages 93 - 156)

Chief Finance Officer

The Board is asked to note the Quarterly Performance Report, which sets out TfL's financial results for Quarter 2, 2019/20.

10 Delegations to the Finance Committee (Pages 157 - 158)

Chief Finance Officer

The Board is asked to delegate authority to the Finance Committee to approve changes to the Treasury Management Strategy – Liquidity Policy (minimum cash), the TfL Business Plan 2019 and the Capital Strategy.

11 Board Effectiveness Review (Pages 159 - 166)

General Counsel

The Board is asked to discuss the proposed actions arising from the independent review of Board effectiveness.

12 Report of the meeting of the Audit and Assurance Committee held on 26 September 2019 (Pages 167 - 170)

Committee Chair, Anne McMeel

The Board is asked to note the summary report.

13 Report of the meeting of the Finance Committee held on 9 October 2019 (Pages 171 - 174)

Committee Chair, Ron Kalifa OBE

The Board is asked to note the summary report.

14 Report of the meeting of the Programmes and Investment Committee held on 23 October 2019 (Pages 175 - 180)

Committee Chair, Prof. Greg Clark CBE

The Board is asked to note the summary report.

15 Report of the meeting of the Remuneration Committee held on 6 November 2019 (Pages 181 - 182)

Committee Chair, Ben Story

The Board is asked to note the summary report.

16 Report of the meeting of the Safety, Sustainability and Human Resources Panel held on 13 November 2019 (Pages 183 - 186)

Panel Chair, Kay Carberry CBE

The Board is asked to note the summary report.

17 Any Other Business the Chair Considers Urgent

The Chair will state the reason for urgency of any item taken.

18 Date of Next Meeting

Wednesday 22 January 2020 at 10am.

19 Exclusion of Press and Public

The Board is recommended to agree to exclude the press and public from the meeting, in accordance with paragraph 2 of Schedule 12A to the Local Government Act 1972 (as amended), in order to consider the following items of business.

Agenda Part 2

Papers containing supplemental confidential or exempt information not included in the related item on Part 1 of the agenda.

20 Crossrail Limited - Re-appointment of Non-executive Director (Pages 187 - 190)

Exempt supplemental information relating to the item on Part 1 of the agenda.

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Transport for London

Minutes of the Meeting

**City Hall, The Queen's Walk, London, SE1 2AA
10.00am-1.31pm, Wednesday 18 September 2019**

Members

Sadiq Khan (Chair)
Heidi Alexander (Deputy Chair)
Kay Carberry CBE
Bronwen Handyside
Ron Kalifa OBE
Dr Alice Maynard CBE
Anne McMeel
Dr Mee Ling Ng OBE
Dr Nelson Ogunshakin OBE
Mark Phillips
Dr Lynn Sloman

Executive Committee

Mike Brown MVO	Commissioner
Howard Carter	General Counsel
Graeme Craig	Director of Commercial Development
Michele Dix	Managing Director, Crossrail 2
Vernon Everitt	Managing Director, Customers, Communication and Technology
Stuart Harvey	Director of Major Projects
Simon Kilonback	Chief Finance Officer
Gareth Powell	Managing Director, Surface Transport
Simon Kilonback	Chief Finance Officer
Lilli Matson	Chief Safety, Health and Environment Officer
Alex Williams	Director of City Planning
Tricia Wright	Chief People Officer

Also in attendance

Tony Meggs	Chair, Crossrail Limited
Simon Dixon	Deloitte
Jane Taylor	Deloitte

Staff

Andy Brown	Head of Corporate Affairs
Tanya Coff	Finance Director, London Underground
Oana Ford-McNicol	Head of Financial Planning and Analysis
Jackie Gavigan	Secretariat Manager
Shamus Kenny	Head of Secretariat
Antony King	Finance Director, MPD and Statutory Chief Finance Officer
Howard Smith	Chief Operating Officer, Elizabeth Line
Clive Walker	Director of Risk and Assurance

72/09/19 Apologies for Absence and Chair's Announcements

Apologies for absence had been received from Prof Greg Clark CBE and Dr Nina Skorupska CBE. Mark Wild, Crossrail CEO, was unable to attend the meeting.

The Chair welcomed everyone to the meeting, including the press and the public.

He extended his deepest condolences to the family and friends of the contractor who had lost his life overnight at Waterloo station. An urgent joint investigation was underway with the British Transport Police and the Office for Rail and Road to look into what had happened, and to put any new protocols and additional controls in place to prevent such a tragedy happening in future.

There had been recent changes to some key posts. On behalf of the Board, the Chair expressed his thanks to Jill Collis, the former Director of HSE, for her 22 years of service to London Underground and within the TfL Health, Safety and Environment team.

The Chair welcomed Lilli Matson to the meeting, who had recently been appointed to the new post of Chief Safety, Health and Environment Officer. Mike Brown had created the role as part of the drive to make a step change in TfL's approach to safety and it would report directly to him and sit on his Executive Committee.

The Chair invited Members to raise any issue of safety or security at the Board meeting, either under a specific agenda item or with the appropriate member of the Executive Committee after the meeting.

73/09/19 Declarations of Interests

Howard Carter reminded the Board that Members' individual register of interests were published on the website at www.tfl.gov.uk

There were no interests to declare that related specifically to items on the agenda.

74/09/19 Minutes of the Meeting of the Board held on 24 July 2019

The minutes of the meeting of the Board held on 24 July 2019 were approved as a correct record and the Chair was authorised to sign them, subject to the amendment to Minute 58/07/19, page 9, 10th paragraph, delete the words "...to make it fit for purpose".

75/09/19 Matters Arising, Actions List and Use of Delegated Authority

Howard Carter introduced the item. There had been no use of Chair's Action exercising authority delegated by the Board since the last meeting.

All of the actions in the action list were either completed or being addressed.

The Board noted the actions list.

76/09/19 Commissioner's Report

Mike Brown introduced the report, which provided an overview of major issues and developments since the meeting of the Board held on 24 July 2019 and updated the Board on significant projects and initiatives.

The key issues arising from the overview and discussion were:

- 1 **TfL Scorecard 2019/20, Period 5:** The report covered the Period 5 Scorecard results (21 July to 17 August 2019, which showed that TfL was ahead of target on 16 out of 18 measures.
- 2 Although 32 fewer people were killed or seriously injured on the road network, compared to the same period last year, TfL had not met its full target reduction for the period although it was still above its year-to-date base targets.
- 3 There had been a number of significant incidents involving the bus network during this period, which meant the periodic target in that more focused measure had not been met. Every incident on the network was taken very seriously. Every time someone was killed in an incident that involved one of TfL's buses, the Director of Bus Operations or another senior person from her team visited personally to see the location and understand what had happened.
- 4 With more incidents this period, TfL had taken a close look at whether there was any connection or systematic issue involved; while this did not appear to be the case, TfL would continue to closely monitor this along with all its safety trends.
- 5 With 92 people already killed and more than 2,570 seriously injured on London's roads in 2019, TfL remained committed to ensuring the whole organisation was focussed on improving its safety performance. TfL remained committed to maintaining efforts to make Vision Zero a reality, as even one death or serious injury on London's roads was too many.
- 6 In response to a Member's question around the scorecard safety measures, Mike Brown would provide the Board with more visibility on fatality figures and data, separate from those seriously injured, particularly on bus collisions. The measure on reduction in customer workforce killed or seriously injured to show as a safety measure, rather than a public transport accessibility measure would also be marked. **[Action: Gareth Powell/Mike Brown]**
- 7 Customer safety targets had been delivered in all key investment milestones so far this year. Excess Journey Time on the Tube, which measured reliability on services, was tracking behind target but the main underlying causes had been identified with actions plans in place that were starting to show good results. Recent unexpected equipment failures had disrupted some services and consequently TfL was reviewing its maintenance of all similar equipment across the network.
- 8 TfL had delivered all of its key investment milestones and remained on track for delivering more than 50 per cent affordable homes as part of all its planning applications submitted.

- 9 The annual Viewpoint and employee engagement survey had recently been launched which ran until 27 September 2019. The Board would be updated once the results were available later this year.
- 10 TfL had shown good performance in meeting both of its primary financial targets despite the uncertain economic climate, with a more detailed update provided as part of the Finance Report later on in the agenda.
- 11 In response to a discussion around the investment programme measure, Simon Kilonback confirmed that the measure contained renewals and enhancements so had an element of both savings and spending slippage. The root causes would be looked at so that an improved measure could be brought next year.
- 12 **Safety and security:** The report provided an update on the latest work in response to the tram overturning at Sandilands in 2016, with a more detailed update provided as part of the separate report later on in the agenda, to discuss the progress made three years on from the tragedy.
- 13 The first ever Vision Zero action week began on 22 July 2019, a year after the launch of the Mayor's Vision Zero action plan. The week of communications activity highlighted the impact road trauma had and the human cost attached to it. Five powerful stories were released of people whose lives had been impacted due to road trauma with coverage on the BBC, Evening Standard and LBC radio, helping to raise awareness of the action plan and the work being done with policing partners to achieve Vision Zero.
- 14 TfL also held its first Vision Zero reference group meeting on 26 July 2019. The group brought together policing partners and key stakeholders, such as London Councils and Road Safety Great Britain, to create and promote a collaborative approach to delivering Vision Zero.
- 15 On 6 September 2019, following a public consultation, TfL announced that it would progress proposals to introduce 20mph roads across its road network. TfL would implement 20mph limits on all of its roads within the Congestion Charging Zone in early 2020.
- 16 TfL was also working with the Police to trial a new tactic to reduce road danger by more accurately targeting high risk individuals using London's roads. In the first two weeks of the targeted operation, 23 arrests were made for a variety of offences including drug driving, vehicle theft, domestic assault and grievous bodily harm. The operation also led to five stolen vehicles being identified.
- 17 Tragically in July 2019, there was the first fatal collision in Britain involving an e-scooter, when a young woman died in Wandsworth. TfL was working with the Government to tighten up the regulations and controls around the use of e-scooters. In the meantime, the Met Police and City of London Police were carrying out targeted enforcement activity to remind riders that they are illegal outside of private land and were not permitted on public roads or footways. During the first month of the operation, the Police issued over 200 warnings and seized 30 vehicles.

- 18 There had been an increase in recent years in suicides on the Underground network, which unfortunately reflected the national trend. TfL had developed and rolled out a plan to frontline staff to help them recognise customers in distress and who may be considering suicide. It had now trained over 2,300 station staff and over the past year, had seen an increase in interventions of 69 per cent and as a result a decrease in the number of people who were seriously injured or killed from attempting suicide on the Underground.
- 19 TfL was working closely with partners including trade unions to help reduce workplace violence and aggression on the Underground. A trial was recently completed into using body-worn cameras on the network, which had generated some useful feedback to take on board as the cameras were rolled out more widely, and staff were given the skills and support they needed should they encounter aggression and violence at work.
- 20 More than 800 new buses had been fitted with Intelligent Speed Assistance to reinforce compliance with TfL's bus safety standard. Over 2,000 drivers had received safety training in recent months, which included the latest virtual reality technology to help drivers understand and reduce the different safety risks that could arise when they were driving on the road.
- 21 Independent research into bus driver fatigue had been published, which provided a valuable contribution to improving fatigue management in the bus sector. The report was available on TfL's website and outlined 28 recommendations to help make the network safer. TfL was working with Unite and its bus operators to review the findings and consider how to implement them in managing the network.
- 22 Call-cancelling was being trialled at traffic lights where cameras identified if the need for a green phase was no longer required. In response to a query from Dr Alice Maynard CBE, Gareth Powell would check that the cameras were positioned so that all people, including very small people, would be seen by the cameras.
[Action: Gareth Powell]
- 23 **Healthy streets:** Work continued to accelerate the delivery of cycling schemes across London. Following the launch of the 'Summer of Cycleways' in June 2019, Cycleway 17 between Elephant Park and Burgess Park in Southwark would open this month.
- 24 The most recent analysis showed that the investment in cycling infrastructure had resulted in the highest ever growth in kilometres cycled last year. On average four million kilometres were cycled each day in 2018, which was five per cent higher than the year before.
- 25 A range of other work was underway on cycleways, future routes, mini-Hollands, Quietways and the central London grid. On Cycleway 4, between Tower Bridge and Greenwich, works were progressing well along Jamaica Road and Rotherhithe Roundabout. Further detailed design work was underway on Cycleway 9 for the Kew Bridge and London Borough of Hounslow sections, with a final decision on the scheme expected very soon. Works also continued on walking and cycling improvements between Acton and Wood Lane, to deliver 3.5km of upgraded shared use facilities.

- 26 On 1 August 2019, TfL launched the world's largest database of cycling infrastructure, containing more than 240,000 items ranging from cycle parking spaces to cycle lanes. The database had also been added to the Journey Planner tool, meaning Londoners could now also see the nearest cycle lanes and cycle parking spaces for every journey.
- 27 On 3 and 4 August 2019, the Prudential RideLondon festival of cycling took place for the seventh year running. With over 100,000 people taking part over the weekend, it had become a highlight in the annual cycling calendar.
- 28 TfL also recently celebrated the ninth anniversary of its cycle hire scheme and offered free guided rides throughout August and September as part of its Summer of Cycleways campaign.
- 29 A huge programme of work was underway to improve London's air quality and reduce emissions across a range of different transport modes. There were now 202 rapid charging points for electric vehicles in place across London, with 73 dedicated to taxi use. TfL was on track to deliver its target of 300 points by December 2020.
- 30 On 5 September 2019, TfL launched its final two Low Emission Bus Zones from Chiswick High Road to Kensington High Street and from Uxbridge Road to Shepherds Bush, with 12 zones now in place a year earlier than planned.
- 31 The zones were served by more than 3,000 ultra-clean diesel buses and were a huge improvement to address bus emissions, with the zones cutting nitrogen oxide emissions by up to 95 per cent. The new zero-emission double-decker buses were also introduced which would operate on routes 43 and 134, and would make those the first bus routes in the UK to use only electric double-deckers, and was a key part of plans to make the whole bus fleet zero-emission by 2037 at the latest.
- 32 The Nissan Dynamo taxi had become the second taxi vehicle to meet TfL's requirement for all new taxis to be zero emission capable, so added valuable choice and competition to the market for taxi drivers and vehicle rental companies.
- 33 The target of installing driver toilets for all 42 prioritised bus routes by the end of July 2019 was met. The facilities enabled drivers to carry out their jobs in comfort and helped them drive more safely and without distraction. All of the bus driver toilets would be made permanent fixtures for those routes by the end of this financial year.
- 34 Recent successes with supporting businesses to reduce freight traffic by consolidating their delivery and servicing activities included a range of trials, including with businesses based in Somerset House. A report on a number of core conditions for success had been produced, and TfL would work with its partners to help them take advantage of the findings more widely.
- 35 Work was completed at 30 of the most dangerous junctions and consultation and engagement had started on a further six locations. A review of the projects so far had found an average 25 per cent reduction in collisions at the completed junctions.
- 36 TfL had worked with Hammersmith & Fulham Council, as the owners of Hammersmith Bridge, to agree a way forward to restore the bridge for general traffic, with a 7.5 tonne weight limit. TfL had committed £25m to progress with the

concept and detailed design phases, together with the early works that needed to be carried out.

- 37 TfL had managed many events and activities across the network over a very busy summer. The Notting Hill Carnival, which took place on 25 and 26 August 2019, was a big undertaking as more than a million people attend over the weekend. Mike Brown extended his thanks and congratulations to all staff across different teams who helped to make this year's carnival run smoothly.
- 38 **A good public transport experience:** A detailed update on the Elizabeth line was included on the agenda later in the meeting.
- 39 The Gospel Oak to Barking Overground line was now operating exclusively with the new four-car electric air-conditioned trains, doubling capacity and restoring a 15 minute frequency. It was expected that the month of free travel, paid for by the train manufacturer, would encourage customers to try the new trains which were a great improvement.
- 40 The new and improved White Hart Lane Overground station opened on 26 August 2019. The new design allowed for quicker and easier access for both local commuters and visitors attending matches or events at the new Tottenham Hotspur stadium. It also added step-free access to the station for the first time, along with a host of other customer benefits such as cycle parking and extra ticket machines.
- 41 Work continued on the Northern line extension and plans had been firmed up with suppliers to ensure the new part of the line would be ready for service in Autumn 2021.
- 42 The team working to bring in new signalling across the Metropolitan, Circle, District and Hammersmith & City lines had successfully delivered a complex weekend of work at the end of August 2019, which had allowed two more sections of the new signalling system to be switched over.
- 43 The next section of commissioning from Euston Square to Stephany Green & Monument was extremely complex and required intense scrutiny on both software and operational readiness elements. Current plans were being reviewed to ensure that the commissioning date would accommodate all that had been learnt so far regarding safety and safeguarded the reliability of the new signalling system.
- 44 On the Central line, after more than two years of planning and preparation, the new traction system to improve performance and reliability was now ready for testing. This work was part of the £450m upgrade plan for the central line and was due to be completed by the end of 2023.
- 45 The necessary infrastructure was being installed ahead of launching the trial to provide 4G mobile signal on the eastern half of the Jubilee line in March 2020. This would allow TfL to gain valuable experience ahead of awarding the concession next year to deliver coverage across the whole of the Underground.
- 46 **New homes and jobs:** On Crossrail 2, the next step following the submission of the Strategic Outline Business Case to Government in June 2019, was for it to be reviewed by the Infrastructure and Project Authority's Project Assessment Review team. A report on the review's finding was expected in early October 2019, after

which the Board would be updated. TfL had taken the opportunity at meetings with the Government to discuss the project and the importance of progressing quickly with safeguarding the route, as had the Chair in conversations with the new Transport Secretary.

- 47 Plans had been submitted to Barking and Dagenham Council for 196 new homes for local people and new shops in London Road, 35 per cent of which would be affordable. TfL had recently announced that it would be consulting on 800 new homes at Bollo Lane in Ealing, 50 per cent of which would be affordable.
- 48 Plans to modernise Colindale station were approved by Barnet Council in July 2019 which, as well as the modernisation of the station, would allow for the creation of 300 new homes around the station, 50 per cent of which would be affordable.
- 49 Construction had now started on the Blackhorse View site, which would provide 350 new homes, half of which would be affordable. The site was an example of TfL's wide-ranging property development programme following a period of forming developer partnerships, working up designs and working closely with the London Borough of Waltham Forest to secure planning permission.
- 50 **Our people:** 109 new apprentices and 32 graduates joined TfL on 9 September 2019. Five new interns were welcomed on the Stuart Ross BAME Communications Internship programme, which had been running in the press office since 2006. The programme was expanded this year to include wider communications and marketing teams, all industries which typically had poor representation from BAME communities.
- 51 TfL's annual employee engagement survey, Viewpoint, was now open and would run until the end of next week. The responses would be reviewed and come back to the Board with the results and the actions to be taken forward.
- 52 In response to a question from a Member around consultation with Trade Unions on the Transformation programme, Tricia Wright would look into recognition of union membership. **[Action: Tricia Wright]**
- 53 **Securing value:** TfL's transformation programme continued with consultation with trade unions progressing in 10 business areas. A new Business Services function was being created, which would achieve further cost reduction by simplifying end-to-end processes.
- 54 Operation Dustin, which was targeted fare evasion enforcement through high visibility policing alongside the Revenue Protection team, ran in July and August 2019 and led to 346 penalty fares, 68 reports for prosecution and seven arrests.
- 55 Front-door only boarding on bus routes 8 and N8 had been introduced, which was expected to reduce fare evasion but also allow for a better service to customers who needed to use the accessibility ramp at the middle doors. These activities were part of a renewed focus on tackling fare evasion which was estimated to cost more than £100m per year, which was money needed to reinvest into services.

56 Since the report was published, TfL had secured the sale of a 150-year long lease of the building at 55 Broadway complex to Integrity International Group. Some staff would be staying in the office for a short period on a leaseback arrangement, before it was fully vacated and the new leaseholder would begin their investment to breathe new life into the historic building. The income from the sale would be more than £120m, which formed part of TfL's Business Plan and overall long-term estate management strategy.

The Board noted the Commissioner's Report.

77/09/19 Crossrail Update

Tony Meggs introduced the item, which updated the Board on the Crossrail project.

At the meeting of the Board of Crossrail Limited on 15 August 2019, the baseline plan was approved to deliver the central section within the opening window of October 2020 to March 2021. The Delivery Control Schedule contained 120 key programme milestones that enabled the programme to progress to operational service. The focus was now on incorporating and managing critical risks and focusing on the key areas of improvement.

Tony Meggs told the Board that safety remained a vital area of focus across the project. Two recent incidents that resulted in staff injury had led to a stand down across all sites to remind staff of the importance of safety inspections and site clear up.

Installation of the train operating system remained complex and ongoing. Progress was being made with multi-train testing with signalling systems linked in. Equipment in tunnels was being installed and handover of shafts and portals was expected in the next few months. The system would then be tested in preparation for the planned opening.

The delivery window for Stage 3 would be clearer within the next six months though this remained high risk as the timetable was challenging. Outstanding risks included software development, Bond Street station and the scale of the handover stage.

The current position was that the costs were forecast close to the top of the funding envelope, with the primary financial risk being prolongation of the project. Performance would be reviewed against the schedule over the next two periods.

The project remained focussed on openness and transparency, with regular communication channels in operation including updated website information, quarterly press releases, engagement with the Department of Transport team and community drop-in events.

In response to Member questions regarding measures to keep costs within the funding envelope, Tony Meggs told the Board that it was important to move to the trial running stage in order to manage the costs down, as this was the best use of resources and would shorten the programme. Achievements against the key milestones over the Autumn would demonstrate the deliverability of the plans.

In response to questions from the Board, he further advised that the level of quality of stations and assets, against the impact of schedules and budget, remained high. A senior productivity tsar was overseeing productivity levels with contractors, due to the added complexity of the linked contractor resources in Tiers 2 & 3.

The Board thanked Tony Meggs for the update and welcomed the current level of candour and oversight being undertaken with the project.

The Board noted the paper.

78/09/19 Finance Report – Period 5, 2019/20

Simon Kilonback introduced the report, which set out TfL's financial results for period 5, 2019/20, the year-to-date period ending 17 August 2019. The report provided a summary of year-to-date financial performance in 2019/20, as well as against last year. It also incorporated trends on passenger journeys. A full Quarterly Performance Report for Quarter 2 (covering periods 1 to 6, 2019/20) would be submitted to the next meeting of the Board.

TfL's strong business performance had continued since the last update to the Board; income was up on last year and like-for-like operating costs were lower than 2018/19. The net cost of operations had also improved, with a plan to reach breakeven by 2022/23.

TfL was currently developing its Business Plan for the next five years, to be published in December 2019. The priority was to establish a realistic financial forecast, with the right balance of risks and opportunities. The next Plan would mark a step change in planning and making critical decisions based on more accurate financial forecasts. This work would be reported to the Finance Committee meeting in October 2019.

The Board noted the report.

79/09/19 Tram Overturning at Sandilands, Croydon on 9 November 2016 - Update

The third anniversary of the tragic accident of the tram overturning at Sandilands, Croydon on 9 November 2016 was approaching, when seven passengers had lost their lives, 62 people were injured, with 19 seriously. The thoughts of the Chair, the Commissioner and the Board remained with the families, friends, loved ones and members of staff that were and continued to be affected to this day, particularly those who had died.

TfL continued to do all that it could to support those affected and the Sarah Hope Line remained available. TfL was committed to ensuring that it never happened again and was determined to learn every lesson from the incident, apply them as appropriate across all of its services and share those lessons with other operators. Updates on the progress against the independent investigations were reported to the Safety, Sustainability and Human Resources Panel in the quarterly HSE report.

Mike Brown and Gareth Powell introduced the report, which provided an update on progress with the recommendations put forward by the thorough investigations carried out following the tragedy. These included those of the Rail Accident Investigation Branch (RAIB) to make London Trams safer and the independent investigation into Sandilands that TfL commissioned, alongside the separate audit of the management of fatigue by the Tram operator, Tram Operations Limited (TOL).

Mike Brown reported that the delay in providing the fatigue audit report to the investigating bodies had received some attention recently, including the London Assembly calling for an independent investigation into why the audit report was not shared more quickly with the RAIB. The Deputy Chair had appeared before the Assembly's Transport Committee to explain that the report related to a separate incident on the tram network and that TfL had apologised unreservedly for the human error that meant it was not immediately shared with the bodies investigating the Croydon incident. TfL had cooperated fully with all the investigating bodies and they had been notified of the incident that led to the audit as soon as it happened. The error in not providing the audit report was rectified as soon as it was identified. TfL had already taken steps to ensure that relevant assurance reports were provided to regulators whenever appropriate and in a timely manner and review would be undertaken of the assurance and audit processes relating to health and safety issues to ensure that any lessons were learned. The RAIB had since confirmed that the audit report identified no evidence of additional factors beyond what they had already identified in its investigation.

Gareth Powell set out the progress made in acting on the RAIB's recommendations following the Sandilands tragedy. There were several investigations following the incident, and TfL had cooperated fully with all of them. The RAIB had published its report in December 2017. That report included 15 recommendations to address safety on London's tram network as well as other networks across the country. Of the 15 recommendations, 13 were directly applicable to TfL and TOL, with the two that remained addressed to the ORR. TfL had worked hard, with a firm focus and at pace to implement the RAIB recommendations quickly to make London's transport network safer. Many of the most important recommendations were completed with plans to finish all that remained outstanding. The Office of Rail and Road (ORR) had confirmed earlier this month that it was happy with the progress being made.

TfL was very aware of the wider role it played in ensuring other tram networks across the UK learn from its experiences, and did not suffer such a tragic incident. It continued to work closely with the wider tram industry and had held two tram summits, where it collectively considered progress to date and possible further improvements.

TfL also played a key part of the ORR's/UK Tram Industry's steering group (and working groups), which had culminated in the creation of the Light Rail Safety Standards Board. This was formally established in February 2019, and TfL had allocated funding for the first three years of its operation. Jonathan Fox, Director of Rail and Sponsored Services, had been appointed as one of its four Non-Executive Directors.

The Chair of the Safety, Sustainability and Human Resources Panel, Kay Carberry CBE, advised that the Panel had requested a report giving more detail on progress with the risk model for monitoring and managing fatigue risks, and on the risk analysis for not pursuing use of the Guardian device, to go to the next Panel meeting.

Members also agreed that a report would be considered by the SSHRP on pan-TfL lessons learnt and changes to processes arising from the information from the Bus Fatigue study, which brought together the relevant parts of the operating business.

[Action: Lilli Matson]

The Board agreed that a report be taken to the Audit and Assurance Committee on any lessons to be learnt for the audit process and assurance that there was integrity in the process, including explanations of what the safeguards were, how they operated and the lessons learnt.

[Action: Howard Carter]

The Board noted the paper.

80/09/19 Board Effectiveness Review

The Chair welcomed Simon Dixon and Jane Taylor from Deloitte to the meeting to talk through their independent review of the Board's effectiveness. He was pleased that the review report recognised the significant improvements in the operation and culture of the Board since the last independent review in 2015. On behalf of the Board, he noted the importance of reflecting and seeking to improve how the Board performed its role.

Howard Carter set out the background to the review, which covered the role of the Board, its composition, culture and relationships, and its committees, panels and reporting and progress made in these areas since the 2015 review.

Simon Dixon introduced the report and thanked all those who had taken the time to be interviewed for the review. In addition to interviews with Members and key stakeholders, the review methodology had included a desktop review of governance documentation, an online survey and observations from Board and committee meetings.

Key strengths and areas of good practice identified were clarity in the role of the Board and the expectations of Members; healthy levels of respect and support among Members and Chief Officers; diversity of experience provided by Board Members with good levels of insight; and ongoing commitment to transparency.

Areas identified for improvement were to balance time spent on progress updates at Board meetings with greater opportunities for scrutiny of TfL's performance; more informal engagement with an emphasis on plan development and horizon scanning; reflection on Board impact and effectiveness and associated governance processes. Consideration given to staggering the length of Member tenures to enable greater continuity of Board membership, and annual assessment of individual Member performance and contribution were also suggested improvements.

Members discussed the key findings and welcomed the opportunity for horizon scanning and a mid-year strategic review. It was suggested that a strategic review at the beginning of the year would also be helpful that focussed more on demographics and longer term financial and operational issues and was less tied to the business planning cycle.

Members welcomed the suggestion of more informal time together that was less topic focussed and presentation heavy, to enable Member thought, discussion and engagement.

The Chair thanked Deloitte and Members for their participation in the review. The Board would consider a further paper on specific actions and a programme of implementation at its next meeting.

The Board:

- 1 noted the Board Effectiveness Review report produced by Deloitte and discussed the key findings and areas for the Board to consider; and**
- 2 noted that a further paper will be submitted to the Board meeting in November 2019 addressing any of the actions arising from the discussion.**

81/09/19 Report of the meeting of the Safety, Sustainability and Human Resources Panel held on 4 September 2019

The Chair of the Panel, Kay Carberry CBE, introduced the item. A number of the main items considered by the Panel had already been discussed at this meeting. The Panel had commended the HR team for the Pan-TfL People Plan and looked forward to its further development throughout the organisation.

The Board noted the report.

82/09/19 Report of the meeting of the Customer Service and Operational Performance Panel held on 12 September 2019

The Chair of the Panel, Dr Mee Ling Ng OBE, introduced the item. The Panel had urged for closer working with the Police on intelligence led information to reduce the rise in organised crime on the network, such as pickpocketing.

The Panel was pleased to note that the Gospel Oak to Barking line was now fully operational and had requested a future update on whether the month of free travel had helped to bring customers back to the service.

The Panel also noted that negotiations were continuing with the provider and the union around the London Overground ticket office proposals.

The Board noted the report.

83/09/19 Any Other Business the Chair Considers Urgent

There was no urgent business.

84/09/19 Date of Next Meeting

The date of the next meeting was scheduled for Wednesday 20 November 2019 at 10.00am.

The meeting closed at 1.31pm.

Chair: _____

Date: _____

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Board



Date: 20 November 2019

Item: **Matters Arising, Actions List and Use of Delegated Authority**

This paper will be considered in public

1 Summary

- 1.1 This paper informs the Board of actions agreed at previous meetings and the use of delegated authority since the last meeting.
- 1.2 Appendix 1 provides an update on the actions, all of which are completed or being addressed.
- 1.3 There have been no uses of Chair's Action exercising authority delegated by the Board since the last meeting.

2 Recommendation

- 2.1 **The Board is asked to note the Actions List.**

List of appendices to this report:

Appendix 1: Board Actions List

List of Background Papers:

Minutes of previous meetings

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Board Actions List (reported to the meeting on 20 November 2019)

Actions from the meeting held on 18 September 2019

Minute No.	Item/Description	Action By	Target Date	Status/Note
76/09/19 (1)	Commissioner's Report – Scorecard Measures Mike Brown would provide the Board with more visibility on fatality figures and data, separate from those seriously injured, particularly on bus collisions. The measure on reduction in customer workforce killed or seriously injured to show as a safety measure, rather than a public transport accessibility measure would also be marked.	Mike Brown and Gareth Powell	November 2019	A paper on changes to the Scorecard is on the agenda.
76/09/19 (2)	Commissioner's Report – Pedestrian Crossing Call Cancelling Camera Positioning Gareth Powell would check that the cameras were positioned so that all people, including very small people, would be seen by the cameras.	Gareth Powell	September 2019	Completed. The technology captures any person within its field of range and we regularly check signals where this technology is installed. If pedestrians experience an issue and believe there is a fault this can be reported to us and we will take prompt remedial action.
76/09/19 (3)	Commissioner's Report – Consultation with Trade Unions on Transformation Tricia Wright would look into recognition of union membership.	Tricia Wright	September 2019	Completed. Tricia Wright provided information to Bronwen Handyside.
79/09/19 (1)	Tram Overturning at Sandilands, Croydon on 9 November 2016 - Update – pan-TfL Lessons Learnt Members also agreed that a report would be considered by the Safety, Sustainability and Human Resources (SSHR) Panel on pan-TfL lessons learnt and changes to processes arising from the information from the Bus Fatigue study, which brought together the relevant parts of the operating business.	Lilli Matson	February 2020	On the forward plan for the SSHR Panel.

79/09/19 (2)	Tram Overturning at Sandilands, Croydon on 9 November 2016 - Update – Audit of Fatigue Management The Board agreed that a report be taken to the Audit and Assurance Committee on any lessons to be learnt for the audit process and assurance that there was integrity in the process, including explanations of what the safeguards were, how they operated and the lessons learnt.	Howard Carter	December 2020	On the forward plan for the Audit and Assurance Committee.
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Actions from previous meetings:

Minute No.	Item/Description	Action By	Target Date	Status/Note
07/01/19 (1)	HSE Annual Report – Reducing Road Injuries Members suggested that the Safety, Sustainability and Human Resources (SSHR) Panel look at how local borough strategies were performing against the Mayor’s Transport Strategy.	Gareth Powell	February 2020	On the forward plan for the SSHR Panel.
07/01/19 (2)	HSE Annual Report – Waste Strategy Members recommended that TfL consider developing a waste strategy so that it was a leader in reducing green house emissions in its operations and also in the work it was doing to support housing. TfL would look at how it captured that information and report back to the Safety, Sustainability and Human Resources (SSHR) Panel.	Lilli Matson	February 2020	The waste strategy is being developed as part of the corporate environment framework The corporate environment strategy will be presented to the SSHR Panel.
56/07/19	Matters Arising – Crime Reduction Initiatives Information on how TfL and its policing partners engaged with race equality organisations on crime reduction initiatives would be provided to Dr Alice Maynard CBE.	Siwan Hayward OBE	September 2019	Completed. Additional information was provided to Members.
57/07/19 (2)	Commissioner’s Report – ULEZ monitoring information Monitoring information on the effects and benefits of the ULEZ would be included in the annual Travel in London report.	Alex Williams	January 2020	On forward plan.
57/07/19 (5)	Commissioner’s Report – Fare Evasion and Ticket Fraud To submit a report on how TfL protects its revenue and what more could be done in this area, to the next meetings of the Audit and Assurance Committee and the Finance Committee.	Simon Kilonback	September / October 2019	Completed.

57/07/19 (6)	Commissioner's Report – High Speed 2 An update on High Speed 2 would be provided for members at a future Programmes and Investment Committee meeting.	Alex Williams	March 2020	On the forward plan for the Programmes and Investment Committee.
61/07/19 (2)	HSE Annual Report – Carbon Reduction Initiatives Future reports would contain information on carbon reduction initiatives, including work with TfL's contractors.	Marian Kelly	July 2020	To be addressed in the 2020 report.

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Board



Date: 20 November 2019

Item: Commissioner's Report

This paper will be considered in public

1 Summary

- 1.1 The Commissioner's Report provides an overview of major issues and developments since the meeting of the Board held on 18 September 2019 and updates the Board on significant projects and initiatives.

2 Recommendation

- 2.1 **The Board is asked to note the report.**

List of appendices to this report:

Commissioner's Report – November 2019

List of Background Papers:

None

**Mike Brown MVO
Commissioner
Transport for London
November 2019**

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Commissioner's Report

20 November 2019

About Transport for London (TfL)

Part of the Greater London Authority family led by Mayor of London Sadiq Khan, we are the integrated transport authority responsible for delivering the Mayor's aims for transport.

We have a key role in shaping what life is like in London, helping to realise the Mayor's vision for a 'City for All Londoners'. We are committed to creating a fairer, greener, healthier and more prosperous city. The Mayor's Transport Strategy sets a target for 80 per cent of all journeys to be made on foot, by cycle or using public transport by 2041. To make this a reality, we prioritise health and the quality of people's experience in everything we do.

We manage the city's red route strategic roads and, through collaboration with the London boroughs, can help shape the character of all London's streets. These are the places where Londoners travel, work, shop and socialise. Making them places for people to walk, cycle and spend time will reduce car dependency and improve air quality, revitalise town centres, boost businesses and connect communities.

We run most of London's public transport services, including the London Underground, London Buses, the DLR, London Overground, TfL Rail, London Trams, London River Services, London Dial-a-Ride, Victoria Coach Station, Santander Cycles and the Emirates Air Line. The quality and accessibility of these services is fundamental to Londoners' quality of life. By improving and expanding public transport, we can make people's lives easier and increase the appeal of sustainable travel over private car use.

We are moving ahead with many of London's most significant infrastructure projects, using transport to unlock growth. We are working with partners on major projects like Crossrail 2 and the Bakerloo Line Extension that will deliver the new homes and jobs London and the UK need. We are in the final phases of completing the Elizabeth line which, when open, will add 10 per cent to central London's rail capacity.

Supporting the delivery of high-density, mixed-use developments that are planned around active and sustainable travel will ensure that London's growth is good growth. We also use our own land to provide thousands of new affordable homes and our own supply chain creates tens of thousands of jobs and apprenticeships across the country.

We are committed to being an employer that is fully representative of the community we serve, where everyone can realise their potential. Our aim is to be a fully inclusive employer, valuing and celebrating the diversity of our workforce to improve services for all Londoners.

We are constantly working to improve the city for everyone. This means freezing TfL fares so everyone can afford to use public transport, using data and technology to make services intuitive and easy to use, and doing all we can to make streets and transport services accessible to all. We reinvest every penny of our income

None of this would be possible without the support of boroughs, communities and other partners who we work with to improve our services. We all need to pull together to deliver the Mayor's Transport Strategy; by doing so we can create a better city as London grows.

1	Introduction	6
2	Scorecard	7
3	Safety and security	12
4	Healthy Streets and healthy people	21
5	A good public transport experience	34
6	New homes and jobs	45
7	Our people	49
8	Securing value	54

This paper will be considered in public

I Introduction

This report provides a review of major issues and developments since the Board meeting of 18 September.

2 TfL Scorecard

Period 7

Breakdown of scorecard measures categories:













Safety and Operations: **25%** Customer: **25%** People: **25%** Financial: **25%**

■ Achieved ■ Partially achieved ■ Not achieved

Long-term objectives	2019/20 scorecard	Period 7		Year to date	
Outcome	Measure	Actual	Target	Actual	Target
Healthy Streets and healthy people (12.5%)					
London's transport system will be safe and secure	Reduction in people killed or seriously injured on the roads, from 2005-09 baseline ¹	43.6% (56 fewer people than in Sep 2018) ■	41.9% (47 fewer people than in Sep 2018)	39.3% (126 fewer people than YTD 2018) ■	42.2% (267 fewer people than YTD 2018)
	Reduction in people killed or seriously injured involving buses, from 2005-09 baseline ¹	63.3% (2 more people than in Sep 2018) ■	68.4% (11 less person than in Sep 2018)	61.6% (7 fewer people than YTD 2018) ■	60.8% (4 fewer people than YTD 2018)
London's streets will be clean and green	Number of London buses that are Euro VI compliant ²	100 ■	n/a	7,800 ■	7,800
London's streets will be used more efficiently and have less traffic	Traffic signal changes to support healthy streets (person hours per day)	1,439 ■	1,500	9,369 ■	8,500
More people will travel actively in London	Healthy Streets check for designers (average % uplift) ³	n/a	n/a	14 ■	10

Safety and operations (25%)

1. Measured in calendar years and a month in arrears. Period 7 shows September 2019 data. Year to date is January to September 2019. These are provisional estimates and may be subject to change. In September, 311 people were killed or seriously injured on the roads, compared to 367 in September 2018. Between January and September 2019, 2,881 people were killed or seriously injured on the roads compared to 3,007 between January and September 2018. In September, 21 people were killed or seriously injured in collisions involving buses, compared to 19 in September 2018. Between January and September 2019, 170 people were killed or seriously injured in collisions involving buses compared to 177 between January and September 2019
2. The full year target for this measure is 8,350 buses. There are no periodic targets due to the unpredictability of when operators will offer new buses. The retrofitting programme is on track
3. This a cumulative measure so periodic targets are not set

Long-term objectives	2019/20 scorecard	Period 7		Year to date	
Outcome	Measure	Actual	Target	Actual	Target
A good public transport experience (30%)					
Public transport will be accessible to all	Reduction in customer and workforce killed or seriously injured (compared to 2018/19) ⁴	17 fewer people 	9 fewer people (2.4% reduction)	91 more people 	57 fewer people (2.4% reduction)
	Additional time to make step-free journeys (minutes)	Qtr'ly	n/a	9.1 	9.1
Journeys by public transport will be fast and reliable	Tube excess journey time (minutes)	5.66 	4.81	4.81 	4.40
	Weighted bus customer journey time (minutes)	33.4 	34.4	31.9 	33.3
	Customer satisfaction (percentage of Londoners who agree we care about our customers) ⁵	Qtr'ly	n/a	53 	53
The public transport network will meet the needs of a growing London	Deliver key investment milestones (%)	100 	90	100 	90
	Key Elizabeth line delivery milestone: start of TfL Rail/Elizabeth line services between Paddington and Reading	On track 	Dec 2019	On track 	Dec 2019

4. The methodology by which these figures are derived is currently being reviewed to remove the possibility of over-reporting serious injuries. Any subsequent required changes in methodology and reporting will be introduced from the start of the 2020/21 financial year. The last Commissioner's Report included an early version of the actual figures that has been subject to this review. The figures here reflect the methodology we have used since the beginning of 2019/20 to enable consistent comparison.

157 people have been killed or seriously injured in period 7, and 1,303 between periods 1 and 7 2019. In period 7 2018/19 174 were people killed or seriously injured, and 1,212 between period 1 to 7 2018.

5. The target shown is a revised target following a change in methodology. The change was noted at the 9 October Finance Committee meeting, and is subject to approval by the Board.

Long-term objectives	2019/20 scorecard	Period 7		Year to date	
Outcome	Measure	Actual	Target	Actual	Target
New homes and jobs (2.5%)					
Transport investment will unlock the delivery of new homes and jobs	The cumulative percentage of affordable homes on TfL land with planning applications submitted – post May 2016 (%)	n/a	n/a	55 ■	50
Mode share (5%)					
80% of journeys will be made by sustainable modes in 2041	Public transport trips (millions)	327 ■	323	2,140 ■	2,100
	Average kilometres cycled per day (thousands) ⁶	Qtr'ly	n/a	521 ■	519
People (25%)					
A capable and engaged workforce representative of London	Workforce representativeness				
	– all staff (%)	Qtr'ly	n/a	70.8 ■	70.4
	– director/band 5 (%)	Qtr'ly	n/a	37.9 ■	38.1
	Inclusion index (%)	Annual	n/a	Annual	n/a
	Total engagement (%)	Annual	n/a	Annual	n/a
Financial (25%)					
We cover our costs and we are prudent	Net operating surplus (£m)	82 ■	29	346 ■	125
	Investment programme (£m)	118 ■	108	754 ■	1,001

6. Measured in calendar quarters. Year to date is January to June 2019

Our Period 7 scorecard covers 15 September to 12 October 2019.

Safety and Operations

This Period we met our overall target for reducing the number of people killed and seriously injured on London's roads. We did not meet our focused target for people killed or seriously injured in incidents involving buses, but we remain ahead of our year-to-date target. We met our Period target for deaths and serious injuries to our customers and workforce on our public transport network.

A recent review of our data has identified that the number of people seriously injured is being overestimated due to how the term was being defined. The results of this review were presented to the Safety, Sustainability and HR Panel on 13 November. Revised targets and 'backcast' actuals will be recommended to the Finance Committee in December.

Reliability continues to be behind target on London Underground. Action plans are improving train operator attendance and overall rolling stock availability, but there has recently been an impact from trespassers on the tracks and from faults identified on some Jubilee line trains.

We remain on target so far this year for our other Safety and Operations measures. The Period target for road traffic signal timing improvements was only partially met, but our performance is well ahead of the year-to-date target and we are confident that the full-year target will be met.

Customer

All of the key investment milestones have been delivered, and we remain on track for more than half of the homes in the planning applications we bring forward to be affordable.

The 2019/20 key Elizabeth line delivery milestone was agreed by the Finance Committee on 9 October. We are on course to start operating the stopping services from Paddington to Reading under the TfL Rail brand next month.

Public transport trips remain on target, and more than 2.1 billion journeys have now been made on public transport since 1 April.

People

Our annual Viewpoint survey, which measures staff inclusion and engagement, closed on 27 September. The results were not available for our Period 7 scorecard but it has been confirmed that both inclusion and total engagement have increased and met their targets (of 47 and 57 per cent, respectively). These are therefore the first scorecard measures to be confirmed as fully met for 2019/20.

Our latest workforce diversity results were measured in Period 6. We have made good progress on overall workforce diversity but fallen slightly behind our target for senior management.

Financial

Our strong financial performance has continued and we are ahead of target on both of the financial measures in the scorecard.

We are now halfway through the year and our fare revenues are tracking marginally above our conservative forecasts for the year-to-date.

3 Safety and security

Croydon tram overturning

Saturday 9 November marked the third anniversary of the tragic tram overturning at Sandilands where seven people lost their lives and a further 62 people were injured. We worked with First Group, as the operator, to support the memorial services that were led by the London Borough of Croydon.

The Rail Accident Investigation Branch (RAIB) conducted an independent investigation and published its report in December 2017. It included 15 recommendations to address safety on London's tram network as well as other networks across the country. We have made significant progress to implement these recommendations. The vast majority have been completed and the remaining are in the late stages of implementation, including the installation of a new automatic braking system at key locations on the tram network, which we are due to complete next month. This will be the first such system on a tram network in the UK.

We are working closely with the Office of Rail and Road (ORR) to ensure that they remain satisfied with the progress we are making. We are not complacent and are implementing these recommendations by working with all parties concerned, including the RAIB, ORR, Light Rail Safety and Standards Board and the wider UK tram industry.

The Crown Prosecution Service has carefully reviewed all the available material in this case in accordance with the Code for Crown Prosecutors and concluded that the evidence does not support a prosecution of the driver for the offence of gross negligence manslaughter. They considered other criminal offences but the evidence did not support a prosecution.

As well as the work on our network we are helping to improve safety standards in the tram industry overall, and ensuring we apply the knowledge we gain across all our activities. To achieve this, we are proactively sharing any lessons we have learnt with the wider UK tram industry.

The victims and all others affected remain in our thoughts. We continue to provide support to those directly affected as well as the wider community.

Waterloo fatality

On Wednesday 18 September 2019, Christian Tuvi, a colleague working for one of our contractors at Waterloo Underground station, died as a result of an injury he sustained while working at the station. We are deeply saddened by this tragic accident and have been working closely with the British Transport Police (BTP) and the ORR as part of their investigations to understand why this terrible accident happened. Support is being provided to Christian's family by his

employer, and we have also offered any support necessary to others who were involved in the incident.

Following the accident, we immediately stopped all similar work across our network (including on Crossrail sites) to allow us to review our activities, and work was paused until we were confident our working practices were safe. We have also commissioned an internal investigation into the incident and will carefully review its findings.

Bus incident in Orpington

Our sympathies go out to the family and friends of Kenneth Matcham, our colleague, a bus driver working for Metroline (part of Go Ahead) who tragically died in a traffic collision involving a car and two buses in Orpington on 31 October 2019, after the car failed to stop at a junction.

We are working with Go Ahead and the Metropolitan Police Service (MPS) to ensure we find out what happened and will continue to assist with the police investigation that is underway.

Tackling knife crime in the Capital

There have been three tragic murders on our network since September. On 1 September, two men were stabbed on the platform at Elephant and Castle station, and one, 24-year-old Norman Joseph Bertran Tavarez, later died of his injuries.

A young man, Tashan Daniels, was murdered in an unprovoked attack at Hillingdon station on Tuesday 24 September. At the time of writing, two suspects had been arrested for his murder. There was a third tragic murder on our network on 10 October. Two victims were stabbed on a route 241 bus from Canning Town to Stratford, with one, Baptista Adjei, suffering fatal injuries. A 15-year-old male has been charged with his murder and a second 15-year-old was charged with conspiracy to murder.

While our transport network remains a low-crime environment, we are continuing to work closely with our policing partners to prioritise keeping knives and weapons off our public transport network. Targeted high-visibility patrols and the use of weapon detection arches have been carried out to provide a visible deterrent to violent offenders on the transport network, and regular weapons sweeps at transport hubs have taken place.

The police use stop and search powers to allay or confirm their suspicions about an individual without having to arrest them while recognising that, to maintain public confidence in this activity, this power must be used in a fair and effective manner that stands up to public scrutiny.

During September 2019, 1471 weapons sweeps were carried out at various pan-

London locations on an intelligence led basis. These resulted in 5,737 stops and searches, and 698 vehicle searches. A total of 219 knives were seized overall, alongside 79 offensive weapons. As a result of stop and search powers, 127 people were arrested for weapons and there were 366 arrests for drug offences.

The MPS continually monitor the impact that stop and search has on communities and individuals through both community engagement and community accountability. Since January 2012, there has been a significant reduction in the volumes of searches carried out, increased arrest rates and reduced complaints.

We supported a Home Office trial of new detection technology for weapons and other metal items, by assessing how the equipment worked during busy times at Stratford Underground station for five days from 16 September.

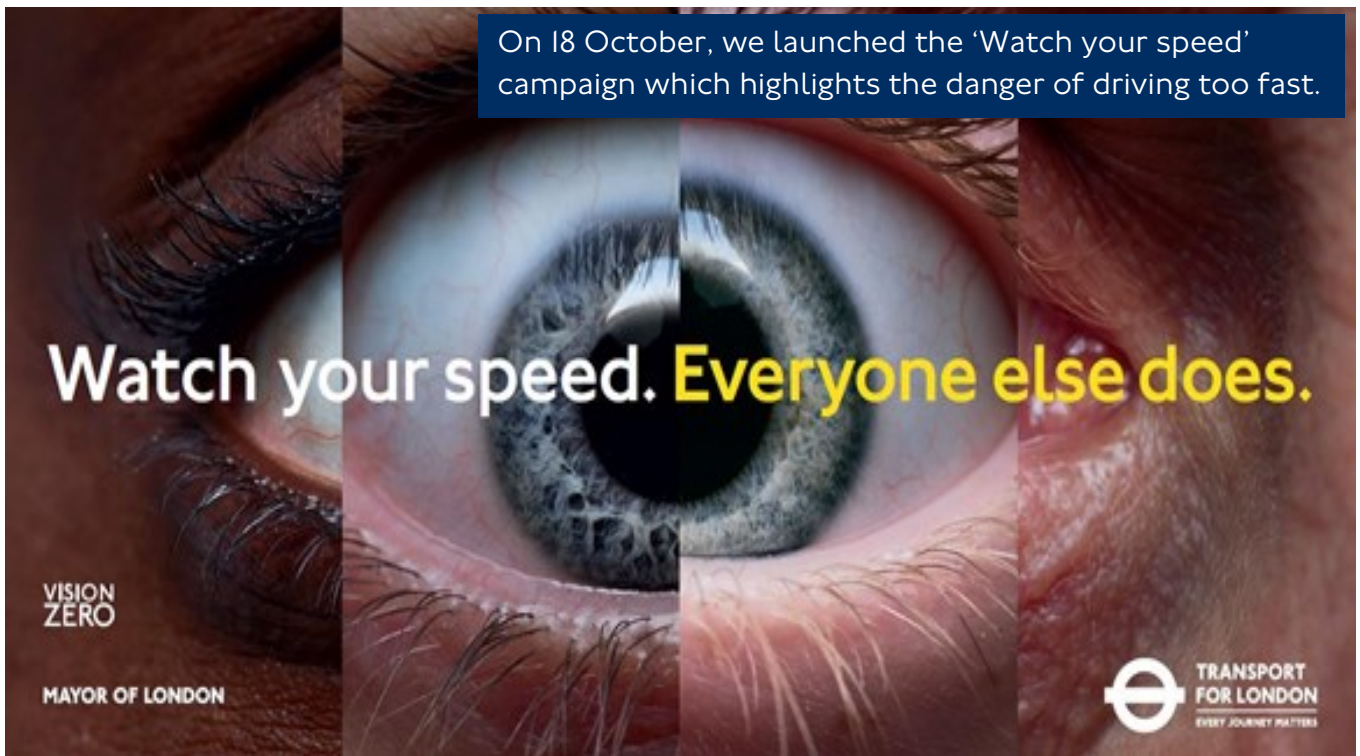
Police activity to support Vision Zero

We continue to work with the MPS to support the Mayor's Vision Zero target to eliminate death and reduce serious injury on London's roads by 2041, through a number of initiatives aimed at making London's roads safer. The MPS have continued increased enforcement on the A10 and A12, to address speeding, anti-social behaviour and other public concerns.

Thursday 26 September 2019 marked European Day Without A Road Death (E.D.W.A.R.D.). We worked with officers from the MPS's Roads and Transport Policing Command (RTPC) to launch a new virtual reality video to warn drivers, motorcyclists and people cycling about the dangers of 'dooring' – when drivers and passengers open their car doors in the path of people who cycle and motorcyclists. As well as the new video, officers from the RTPC held a focused day of action tackling dangerous drivers on more than 100 priority roads within the MPS's jurisdiction. This day of action saw 125 Traffic Offence Reports issued, including 40 traffic light contraventions, 30 for speeding and 10 for no insurance. In London, we received no reports of anyone being killed or seriously injured across our rail or London's wider road network.

On Tuesday 2 October 2019, 300 officers from the RTPC commenced a day of action to target uninsured drivers. Officers issued more than 270 Traffic Offence Reports for offences ranging from driving while using a mobile phone, to excess speeding and dangerous driving. Additionally, 67 vehicles were seized for being driven without insurance, or not being in accordance with the conditions of a licence.

On 18 October, we launched the 'Watch your speed' campaign which highlights the danger of driving too fast.



Direct Vision Standard

The Direct Vision Standard (DVS) is improving the safety of all road users – particularly the most vulnerable, such as people walking and cycling and motorcyclists – by assessing vehicle blind spots. The Safety Permit scheme for heavy goods vehicles (HGVs) requires all HGVs weighing more than 12 tonnes to obtain a permit to operate in London and all those with an unacceptably low DVS rating to fit additional safety equipment.

Following consultation earlier this year on the proposals, we launched the HGV permitting scheme on 28 October 2019, and scheme enforcement will begin in October 2020.

Safer Travel at Night

Our Safer Travel at Night (STaN) campaign relaunched in September, delivering targeted police enforcement and engagement activity to identify, disrupt and deter illegal cab operators and inform people of how best to travel safely at night. The campaign ran from 16 to 29 September to coincide with the start of

college and university terms when many young people arrive in London for the first time, unaware of the rules governing the operation of taxi and private hire. Our teams carried out 32 unannounced inspections of private hire operators, resulting in 750 driver and vehicle records being checked and the distribution of more than 280 STaN leaflets to operators in the process.

We also worked with the MPS to set up 21 roadside check sites to stop and inspect drivers and vehicles, and ran around 100 high-visibility patrols as part of the initiative to protect the public and educate on the ways to get home safely using taxi or private hire vehicles.

20mph speed limit in central London

On 6 September, we announced that we will be taking forward proposals to lower speed limits on our roads across central London, following a positive response to our public consultation earlier in the year. We will introduce 20mph speed limits on all our roads in the Congestion Charge Zone by early 2020 – mirroring the lower

speed limits already in place on most borough roads in the central London area.

The lower speed limit will be supported by new 20mph signage and road markings, as well as raised pedestrian crossings in seven locations where a high number of people walk, including near Embankment and Tower Hill stations and outside Tate Britain. We will recalibrate all speed cameras in central London and use mobile speed cameras to ensure that drivers are complying with the new safer speed limit. We will aim to complete work overnight to minimise the impact on road users and will use single lane closures, avoiding fully closing any roads, subject to permits.

We also undertook research which showed that the majority of car passengers (61 per cent) have felt uncomfortable with the speed at which they have been driven. Thirty per cent of passengers indicated that they would feel uncomfortable asking a friend or family member to slow down – raising the need to change wider attitudes about the acceptability of speeding. This research supported our new hard-hitting ‘Watch your speed’ campaign, which we launched on 18 October. The campaign, which is running across TV, radio and posters, highlights the danger of driving too fast and urges people to speak up and challenge unsafe speeds.

Vision Zero Innovation Challenge

The Vision Zero Innovation Challenge is an opportunity for our employees to pitch and develop new and innovative ideas for reducing road danger in London that will help achieve our Vision Zero ambition. Ideas need to be aligned to the principles of the Safe System approach, outlined in the Vision Zero action plan, and focus on tackling those behaviours that put the most vulnerable road users at risk. People walking, cycling and motorcycling make up approximately 80 per cent of all fatal and serious injuries in London, so developing new and innovative ways to reduce road danger for these modes of travel will be essential to achieving Vision Zero.

Customer safety on London Underground

As we approach the festive season, we are increasing our focus on safety, particularly for those who travel on the Underground after a night out. We have launched two new campaigns this month – one with Soho Angels, who offer support and information to those who need help while out at night, and another on customer safety and alcohol.

We continue to focus on keeping our customers safe as they board and alight our trains. A key part of our safety plan is to improve the cameras that train operators use to make sure that it is safe to close the train doors. We have

completed the design work for these cameras on the Central line and we are currently working on cameras at Stratford, Liverpool Street, Canning Town, West Ham and Oxford Circus stations.

Work-related violence and aggression

For several months, we have been focussing on the issue of work-related violence and aggression and how we can strengthen our approach across our network.

Following the attacks in September on three members of London Underground (LU) staff at West Ham station, we are accelerating elements of our strategy to tackle work-related violence. To help reassure and support station staff, we provided additional uniformed enforcement officers for six weeks at stations on the east end of the District Line, including West Ham. The BTP led a successful investigation and appeal for witnesses, with all three suspects now arrested. The BTP also enhanced local patrols and carried out additional knife crime and revenue protection operations.

This type of additional operational support to our frontline staff across the bus, rail and Underground networks – providing visible reassurance and deterrence, and enforcing our byelaws – is a key element in the package of measures to address the growing concern about

safety at work from threatening behaviour, aggression and abuse.

Later this year, we will publish the first pan-TfL strategy which sets out how we will deliver our vision to eradicate workplace violence and aggression through strong leadership, prevention, support and learning across our services, operators and contractors.

National Hate Crime Awareness Week

Between 12 and 19 October, we worked with police services and partners to support National Hate Crime Awareness Week, which raises awareness of hate crime and how to report it. Our message is clear: everyone is welcome on London's public transport network and we will not tolerate any hateful abuse of our customers or staff. We stand together with all communities against intolerance and ignorance.

More than 120 engagement events were held throughout the week, including over 30 at community centres and places of worship, and 40 transport hubs and stations across the network. We worked with our police partners to raise awareness and highlight the message that we never tolerate hostility towards anyone using our services.

This year, our Staff Network Groups have been supporting National Hate Crime Awareness Week using their advice and

expertise to offer peer-to-peer support, ensuring improved engagement with a wide range of London's community groups.

Police action targeted pickpocketing and theft offences

Our public transport network remains a low crime environment. However, we have seen a growth in the overall volume of crime this year, largely driven by increases in reports of theft and pickpocketing and we know that our public transport networks are being targeted by prolific thieves working as part of organised criminal networks. In September, we supported our partners in the BTP and MPS in a significant joint operation to take action against theft and organised crime gangs on our network. Over five days, hundreds of officers worked with our staff at twenty of our busiest stations. Customers were given advice on how to protect their belongings and avoid becoming a victim of theft, and warrants were executed for known suspects.

Thousands of crime prevention leaflets and a number of card protectors – protecting against wireless skimming and card fraud – were handed out. In addition, digital screens were used at Liverpool Street and Victoria mainline stations to display crime prevention advice. This operation resulted in 48 arrests.

First Bus Safety Standard buses

There are now 45 buses operating in London with better visibility mirrors, enhanced anti-slip floors, intelligent speed assistance, early warning of unintended acceleration, and with features that make people more aware of their presence. These are being used alongside conventional vehicles on routes such as the 232 from Turnpike Lane station to Mitchell Way, near Wembley.

Bus operators are also planning the work to bring in mandated elements planned for early 2021, such as camera monitoring systems which will replace conventional mirrors and reduce protrusion from the side of the bus by using recessed digital cameras. These not only make risk of collision with pedestrians less likely, they also give better visibility in low light, as brightness and contrast are added to give a view almost as good as normal daylight.

The Bus Safety Standard is our most important single mitigation to help us achieve our target of no-one being killed on or by a bus by 2030, and no-one being killed or seriously injured on our road network by 2041. The new technology and better vehicle design have been proven to help avoid or reduce the severity of collisions in relation to certain types of incidents.

We continue to develop a new sound for quiet-running buses in London so that

they are detectable and can warn visually-impaired road users of their approach. The sound they will play is being modified to address feedback from a broad group of stakeholders including disability groups. It is on schedule to be introduced from the end of this year – two years earlier than required by new laws.

As Intelligent Speed Assistance was ready ahead of the Bus Safety Standard, it has now been fitted to around 900 buses – or 10 per cent of the overall fleet – and prevents vehicles exceeding the speed limit.

Alongside new technology and improved designs, we continue to roll out innovative safety training to all our contracted bus drivers in London. Around 4,000 of our 24,500 drivers have now attended the new course and participants have rated it extremely highly. The learning material includes virtual reality headsets and digital films to assess potential dangers to road users such as people walking or cycling, and motorcyclists. Course attendees have to select the best course of action in these circumstances. Because of the sheer number of drivers, the course will run through to autumn next year and help raise awareness among drivers of our wider Vision Zero work.

Third Bus Safety Summit

We are proposing the roll out of Intelligent Speed Assistance and the wider introduction of buses with the Bus Safety Standard at our third Bus Safety Summit on 27 November 2019. The event, which is being sponsored by Go Ahead London, highlights the joint work being done to reduce casualties as quickly as possible and harness a range of safety technologies that will help us to achieve Vision Zero.

CollisionSTATS

On 1 October 2019, we implemented the CollisionSTATS app which will also play a part in achieving the Mayor's Vision Zero strategy. CollisionSTATS is a newly developed web app that allows us to gain insights into collisions on London's road network and take preventive measures.

Once embedded across our organisation, we will provide access to London boroughs to give them detail collision hotspots on their roads. This will allow them to take similar appropriate measures to make travelling on London's roads safer.

Highest roadworks site safety pass rates in four years

We have witnessed the highest roadworks site safety pass rates (94 per cent measured over a 6-period average) on our roads since April 2015, and BT, the telecoms company, achieved a 100 per cent pass rate for the first time ever in mid-September. We have been working with companies who regularly carry out works on our network to produce bespoke action plans and industry-wide initiatives to ensure that works on the road network are as safe as they can be, with a focus on safety for people walking and cycling around work sites. Our expectations for roadworks in London are set out in the Temporary Traffic Management Handbook and in the Road Works Charter, which was signed by all the big utility companies in September.

4 Healthy streets and healthy people

Walking and cycling

Cycleway 4 from Tower Bridge to Greenwich

We are making good progress with the latest construction phases of Cycleway 4, which started on 5 July 2019. The works run along A200 Jamaica Road, Rotherhithe Roundabout and Tooley Street, and are anticipated to complete by May 2020. We are also planning the construction phases for the Lewisham and Greenwich sections of the project. The Greenwich section is currently planned to start before the end of November 2019. Consultation for the Lower Road section of the route, led by Southwark Council, was completed on 4 October and includes their proposals to make some roads in the area two-way.

Cycleway 9 from Olympia to Brentford

Having re-consulted on two elements of the scheme in February, we published the 'Response to issues raised' report in July 2019 and completed the detailed design for the Kew Bridge section in early September. The London Borough of Hounslow approved their section of the scheme on 3 September 2019, and we are expecting a decision from the London Borough of Hammersmith and Fulham on their section next month. Subject to the remaining stages of the decision-making process, construction work is scheduled to commence soon.

Cycleway between Hackney and Westferry

We published the results of our public consultation for this route on 3 October. Detailed design for the first section of Burdett Road has been completed ahead of the start of advanced works at the end of November. We have secured planning permission for a relocated cycle hire station, and made arrangements for advanced utility works and the relocation of assets including bus shelters. Main construction works could start later in Winter. We are continuing to work closely with the London Borough of Tower Hamlets to coordinate the Grove Road proposals with their proposed Liveable Neighbourhood scheme in the same area.

The northern section of the route is being led by the London Borough of Hackney who are still finalising plans for the first section (Frampton Park Road, Ainsworth Road and Skipworth Road) and discussing next steps within the Council. A decision on the first section is expected to be made later this year.

The Isle of Dogs section has now been de-scoped from the main project as traffic and cycle flows are too low to justify a fully segregated layout. Improvements in the Isle of Dogs will be progressed as part of the Cycleway network development with Tower Hamlets Council.

Future Cycleway routes

Design work continues on several major new cycle routes identified in the 2017 Strategic Cycling Analysis. In addition to the public consultation for the first route between Hackney and the Isle of Dogs, other public consultations that have recently closed include the proposed Cycleway between Ilford and Barking Riverside, and the first section of the Cycleway between Lea Bridge and Dalston, which was followed by the second section in early November. We also plan to consult the public on a Cycleway between Greenwich and Woolwich in January.

Cycleway between Camden and Tottenham Hale

We have begun full re-modelling of the scheme following a design review of the route which will run between Camden and Tottenham Hale. This review has enabled us to further refine the proposals and to engage with key stakeholders including the relevant local councils. These activities aim to ensure the scheme which will be consulted on in summer 2020 is the best that can be achieved for the local communities and road users along this route and in surrounding areas.

Proposed improvements between Wood Lane and Notting Hill Gate

We have now set out the next steps for improvements in west London between Wood Lane and Notting Hill Gate, which

would make the area a more pleasant place to be and make it much easier and safer for people to get around on foot and by bike.

More than 5,000 people responded to the consultation which closed on 16 June. Of those who provided a view, over 70 per cent thought that the proposals would enable more people to walk, with 58 per cent saying the same about cycling. A majority of people responding also believed that the changes would reduce the number of private car journeys in the area.

We have had initial discussions with the borough regarding these potential improvements and will now widen the discussions to include local residents' groups, businesses and other organisations. We will set out its proposed way forward for the scheme within the borough after these discussions.

Mini-Hollands and Cycleway Network development

We continue to make good progress on the Mini-Hollands programme, and the development of the wider Cycleway network, with a focus on completing and opening whole or significant sections of these routes. We have constructed more than 140km of cycle routes and have a further five kilometres under construction through inner and outer

London. All newly completed routes will now be signed as Cycleways.

The Mini-Hollands programme involves 98 infrastructure schemes and five behaviour change schemes across three outer London boroughs – Waltham Forest, Enfield and Kingston. Thirty-two of the 103 Mini-Holland schemes are now complete, including the A105 Green Lanes scheme, a five-kilometre protected cycle route linking Enfield Town to Palmers Green and The Kingston Station Plaza, which sees improved accessibility for people walking or cycling. Schemes currently under construction include protected cycle routes on Wheatfield Way in Kingston, the A1010 in Enfield and Lea Bridge Road in Waltham Forest. Further schemes are progressing through design and consultation, including several cycle links and Enfield's Quieter Neighbourhoods project.

Liveable Neighbourhoods

Liveable Neighbourhoods are a key part of how we work with boroughs to deliver the Mayor's Transport Strategy, by creating locally-led, attractive, healthy and safe neighbourhoods which encourage walking, cycling and public transport use and reduce car journeys. In 2018/19, feasibility funding was awarded for the first phase of the programme.

There are now 18 projects in progress across eighteen boroughs. The phase one projects are:

- West Ealing, London Borough of Ealing
- Greenwich Town Centre, Royal Borough of Greenwich
- Hackney Central, London Borough of Hackney
- Crouch End, London Borough of Haringey
- Romford Town Centre, London Borough of Havering
- Deptford Parks, London Borough of Lewisham
- Coppermill Village, London Borough of Waltham Forest

Over the last six months, early works commenced on Essex Road in the London Borough of Waltham Forest and public consultation was launched on the West Ealing project.

In March 2019, we awarded feasibility funding for 11 new projects. Proposals for the phase two projects are:

- Shortlands, London Borough of Bromley
- Holborn, London Borough of Camden
- Old Town, London Borough of Croydon

- Enfield Town, London Borough of Enfield
- South Chiswick, London Borough of Hounslow
- Brixton, London Borough of Lambeth
- Custom House, London Borough of Newham
- Bramcote Park, London Borough of Southwark
- Bow, London Borough of Tower Hamlets
- Ilford, London Borough of Redbridge
- City Cluster, City of London

Improving signal timings for cyclists in partnership with cyclist groups

Following the success of our partnership with Living Streets, whose members identify various locations where a review of the traffic light timings would benefit pedestrians, we will be embarking on a similar collaboration with cyclist campaign groups, including the London Cycling Campaign.

We hosted a successful ‘behind the scenes of network management’ session where we demonstrated the benefits which could be achieved quickly on streets for people cycling through our traffic light timing review process. We used changes made across 20 junctions in Aldgate as an example, as this work had been done following complaints on

Twitter from people who cycle about vehicles blocking access to Cycleway 2. Harnessing the local experience of London’s cyclists will allow timing reviews to be focused on issues in areas with the most benefit.

Air quality and the environment Ultra Low Emission Zone

The Ultra Low Emission Zone (ULEZ) has now been in place for six months and the latest figures show that there are now 13,500 fewer polluting cars being driven into central London every day and there has been a significant drop in harmful air pollution. Since the ULEZ was introduced, roadside nitrogen dioxide (NO₂) pollution has reduced by 36 per cent within the zone and carbon emissions are four per cent lower.

The £25m ULEZ car and motorcycle scrappage scheme was launched at the World Air Quality Conference on 23 October 2019. It is now available to help eligible low-income and disabled Londoners scrap older, more polluting vehicles. More information is available on our website.

We are now working to deliver the expansion of the ULEZ to the North and South Circular Roads. The Mayor announced the scheme on 8 June 2018, for delivery in October 2021.

A feasibility study to understand the options for delivering the systems and services has now concluded and key decisions on the delivery strategy were approved at the Programmes and Investment Committee in May 2019. The project is now in design phase with work ongoing to define the system, infrastructure and operations, and progress the supply chain commercial agreements that are required. Survey work has begun on all camera and signage infrastructure work streams and the signage designs have been agreed and submitted to the Department for Transport for approval. The first phase of traffic modelling has been completed. Work also continues to develop marketing and communications plans.

Rapid electric vehicle charging

To support the growing number of Zero Emission Capable (ZEC) taxis and the wider take-up of electric vehicles, we are spending £18m and working with the boroughs and other organisations to build a network of rapid charge points across London. The total number of charge points installed is currently 213 and we are on track to achieve 225 by December, which will be a major step towards our target of having 300 rapid charge points on the streets by December 2020.

At present, there are more than 2,625 ZEC taxis licensed in London. Of the rapid charge points that have been installed under this scheme 73 are dedicated to taxi use. We are working with the taxi trade to identify the most favourable locations and are focusing on the central charging zone for taxi-dedicated sites following feedback from the taxi trade. We are also developing designs for two hub sites, one in Greenwich and another in the City of London. The hubs will consist of a cluster of rapid charge points to support both taxi and public electric vehicle users.

Taxi vehicle age limits

From 1 November 2019, the maximum taxi operating age has been mandated so that no taxi will be licensed to operate over its relevant age limit. This applies to all licensed taxis. Between 1 November 2020 and 1 November 2022, the age limit of Euro 3, 4 and 5 diesel taxis will be reduced by one year, each year. The age limit for ZEC and Euro 6 vehicles and taxis newly converted to run on liquid petroleum gas will remain at 15 years throughout this period.

The Mayor's Transport Strategy makes it clear that air pollution caused by diesel emissions, high levels of nitrogen dioxide and particulate matter exacerbate poor health conditions and shorten the lives of Londoners. London's transport network must contribute to meeting legal air quality levels as soon as possible, and



these changes in taxi vehicle age limits have been brought in to reduce harmful emissions from taxis and improve air quality in London.

Significant communications activity was undertaken with licensees in advance of the changes, through our weekly bulletins, OnRoute magazine, social media and trade meetings. We also launched a taxi age limits calculator, which sets out the last date a licensee can renew their vehicle, based on the DVLA date of registration.

Nissan Dynamo taxi launch

On 23 October 2019, the Mayor launched the new Nissan Dynamo taxi as part of the World Air Quality Conference. We also met with the manufacturers and the driver/owner on 8 November 2019. This new vehicle, initially licensed in August 2019, is the first pure electric taxi licensed

in London and the second taxi model to meet our ZEC requirement, which was introduced for all newly licensed taxis in January 2018. The Dynamo taxi also offers additional choice and competition for drivers and taxi rental companies. Along with the London Electric Vehicle Company's TX, this vehicle will help to accelerate the growth of green taxis on London's roads to meet our air quality targets.

Dial-a-Ride vehicles

We are starting to see the first of 166 new ultra-clean minibuses join the Dial-a-Ride fleet with the first vehicle having joined the fleet on 24 September. These have been ordered to allow us to operate uninterrupted door-to-door services for passengers with the greatest accessibility needs within the expanded ULEZ from 2021. This follows an earlier order of 90

vehicles to comply with the introduction of the current ULEZ area in April this year. As of 11 November 2019, 28 of the 166 new vehicles have entered the fleet.

Cleaning the bus fleet

We are building on our successful delivery of all 12 Low Emission Bus Zones with a much larger upgrade of the entire fleet to the same emission standard or better by autumn 2020. We are already 85 per cent of the way there as we continue to retrofit and replace buses in the fleet at a rate of around 100 buses a month.

Our more far-reaching plans to make the bus fleet zero tailpipe emission no later than 2037 continues with around 200 zero-emission buses, and routes 43 and 134 being converted from now to the end of this year to become the UK's first entirely double-deck electric routes. Both north London routes head to the heart of the capital, the 43 from Friern Barnet to London Bridge and the 134 from North Finchley to Warren Street. This number makes the electric fleet one of the largest in Europe and will continue to grow to around 300 by the first half of next year. The buses are quieter as they make less noise than a diesel engine and they have other features like USB charging points.

Water fountains

We are continuing our work to support the Mayor's goal of installing water fountains to help to reduce single use plastic consumption and waste. We are currently working on 15 sites for potential installation, in conjunction with Thames Water. We are shortly due to complete two new installations at Highbury & Islington and West Hampstead stations.

Sustainable drainage systems

To help improve the road network's resilience to flooding, we have worked with the Greater London Authority (GLA) to deliver a training programme on Sustainable Drainage Systems. These are currently being proposed as part of the design of several highway schemes including Edgware Road, Old Street and Morden Road.

Reducing the carbon footprint of our head office estate

As part of our commitment to reduce our carbon footprint, our head office buildings have been recertified to the Carbon Trust Standard. We have taken real action on climate change by reducing our carbon emissions by 11.2 per cent between 1 April 2017 and 31 March 2019. The Carbon Trust Standard requires us to keep reducing our carbon emissions and to recertify every two years.

Lane rental scheme

On 10 October 2019, we launched a five-week public consultation to modify our lane rental scheme, one of the many tools we use to manage the impact of roadworks. The framework for the scheme has not been updated since it first went live in June 2012, with the subsequent publication of the Mayor's Transport Strategy which focuses on a Healthy Streets approach and features a Vision Zero action plan.

The proposals for the new scheme have been tailored to reflect these ambitions and the way the road network now operates, with more cycleways included in the charging area, along with 20 of London's busiest footways – an industry first. We are also committing to offering discounts when roadworks are delivered to the highest safety and congestion management performance standards.

The extent of the new scheme's network is set to increase from the current 56 per cent coverage of our road network to 72 per cent. Charging hours will be reduced in many locations to offer utility companies and our own contractors more opportunities to work outside the most impactful times and avoid incurring excessive charges.

Following the consultation period, an application will be made to the Secretary of State for Transport with the aim of operating the new scheme from April 2020.

New road maintenance methods save more than two weeks' disruption

Planned maintenance works on the A20 in southeast London were completed more than twice as quickly thanks to a new way of working.

Using traditional methods of road closures along the A20, the planned annual maintenance works would have taken up to 25 nights to complete. After working closely with the London boroughs of Greenwich and Bexley and their contractors, we were able to reduce this to just 10 nights – saving more than two weeks of disruption to road users. Sections of road that might have otherwise been inaccessible due to traffic management constraints were also made available for repair.

The works were part of scheduled maintenance carried out annually to make sure the roads remain safe to use and in a good state of repair. This includes resurfacing, repainting road markings and repairing any defective street lighting.

Works carried out included:

- Resurfacing 10,500 square metres of road and repairing defective potholes
- Cleaning 656 signs and refreshing 65,689 metres of road markings to improve visibility and wayfinding
- Cutting 55,282 square metres of grass and weeding to keep the area looking clean and tidy
- Repairing defective street lighting to improve safety and accessibility
- Cleaning 1,026 gullies to reduce the risk of flooding
- Replacing 5,103 road studs to provide effective lane markings for road users at night and during severe weather conditions
- Carrying out repairs to the road's vehicle restraint system, which can be lifesaving in the event of a collision

Following the success of the planned maintenance works on the A20 and A2, we are looking to roll out similar methods in other boroughs to minimise disruption across the capital.

Safer Junctions

In April 2017, the Safer Junctions list highlighted the 73 most dangerous junctions on our road network (defined as those with the highest vulnerable road user collision rates between 2013 and 2015). Following completion of Highbury Corner in September, we have now constructed 31 of these junctions and all of them have had mitigation measures introduced to reduce road danger. Construction of the Safer Junction at Camberwell Green began in October, and work continues on the Rotherhithe tunnel junction as part of Cycleway 4. The programme is currently on target to complete 41 junctions by May 2020, in line with the Mayor's Vision Zero commitment.

Public consultation reports have been completed on the following Safer Junction projects:

- The junction at Kingsland Road and Balls Pond Road
- The junction at Kennington Park Road and Braganza Street
- The junction at East India Dock Road and Birchfield Street
- The junction at Edgware Road and Harrow Road
- The junction at Clapham Road and Union Road

- The junction at Holloway Road, Drayton Park Road and Palmer Place
- The junction at Camden Street and Camden Road

In summary, respondents said they would feel safer when walking or cycling around the junction as a result of the proposals. We have made some changes to the designs at some locations following analysis of the consultation responses, and will be going ahead with construction later in 2019/20.

Hammersmith Bridge closure

The London Borough of Hammersmith and Fulham has now confirmed that it intends to restore the bridge, with a 7.5 tonne limit for general traffic and future proofing for a limited number of electric buses. We have committed £25m to progress with the concept and detailed design phases, together with advanced works. While this activity continues, we will work with the borough to provide greater clarity on the likely final cost and where the balance of funding will come from.

We are using our network data to make informed decisions on traffic light timings and implement contingency plans to manage unplanned events: for example, we have completed a significant redesign of timings around Hogarth Roundabout,

a comprehensive change to timings around Hammersmith, and the rebalancing of priorities at Chalkers Corner and Lower Richmond Road. Journey times are showing some improvement because of these traffic light changes.

There have been further bus service changes arising from the Hammersmith bridge closure. Following requests by stakeholders and the public, on 28 September 2019 we extended route 419 to restore the direct link between Roehampton and the south end of Hammersmith Bridge, which had been previously provided by route 72.

The frequency of the 419 bus route was also increased during the day (Mondays to Saturdays).

Rotherhithe tunnel

A concept design for the refurbishment of the Rotherhithe tunnel has begun and is due to be completed in summer 2020. A separate work stream to install additional protective measures at the tunnel entrances, to prevent over-height vehicles entering the tunnel, has started and is planned to open by summer 2020.

Rotherhithe to Canary Wharf crossing

We are continuing to examine options for a new ferry service, with work focused on route planning, fares, vessels, piers and connectivity to the local area. Initial

feasibility work has been completed and an informal update was provided to the Programmes and Investment Committee in October. We are now continuing work to develop our requirements for the service, identify preferred infrastructure options, and determine a suitable delivery and operating model. By the end of November 2019 we expect to appoint a specialist consultant to support us in the next stages of work and have recently issued a Prior Information Notice seeking feedback from industry on how best to take forward the scheme.

The work on a new ferry to improve connectivity for people who walk or cycle between Rotherhithe and Canary Wharf is alongside the wider investment we are making in walking and cycling across the area, including delivery of Cycleway 4 and new cycle routes from Rotherhithe to Peckham and from Hackney to the Isle of Dogs.

Bus priority

We have now completed the second scheme on our road network this year, at the A10 Kingsland Road in Hackney. A further project is on site and another four projects are currently programmed for delivery by the end of the year.

We completed the delivery of 62 of 135 traffic signal technology projects throughout London – including the 'call cancel' mechanisms that will stop the

green man signal when the person who has pushed the button has already crossed or walked away.

We continue to work with the boroughs to progress delivery of more than 100 bus priority schemes on their road network this financial year.

Bus driver facilities

Work continues to ensure that our bus drivers have basic toilet facilities. This also helps improve the service to our customers by avoiding the need for unscheduled, mid-route stops, which can cause delays.

Most of these new facilities will be standalone permanent toilet units, adjacent to the bus stands where they are required. Where possible, we are adapting existing infrastructure to ensure integration with the local environment.

We are now working towards the final target of having permanent facilities on all 42 priority bus routes by the end of March 2020. Of the facilities installed to date, 25 are temporary units. We plan to connect these to utilities and construct permanent foundations. One of the 25 temporary units has recently been made permanent (route 163) and a further four (routes 174, 368, E5 and 415) only require final Thames Water connections.

Protests and events on our network

During two weeks of action from climate activists Extinction Rebellion, from 5 to 19 October 2019, officers from the RTPC were deployed to minimise disruption to the bus and road network, following extensive planning in partnership with our key stakeholders.

Extinction Rebellion protestors targeted our network over the two-week period. Bus services were disrupted, with over 50 bus routes diverted or curtailed as well as traffic being displaced throughout this period. On the morning of the 17 October 2019, three separate incidents reported in the media caused severe disruption of services at Stratford (Central Line), Shadwell (DLR) and Canning Town (Jubilee Line). A total of 160 BTP officers were deployed in anticipation of the activity, including trained officers with expertise in known tactics such as the use of adhesive substances. Eight arrests were made, and we worked with the BTP to quickly restore services.

Heathrow Airport expansion

The Heathrow judicial review appeals were heard from 17 – 18 October and 22 – 25 October 2019 in the Court of Appeal. The Mayor and TfL are parties to one of the appeals alongside five boroughs and Greenpeace. There are two grounds of appeal in the Mayor/TfL's appeal both of which relate to the environmental assessments that were undertaken by the

Government. Three other appeals were heard at the same time, two of which focussed on climate change and the other on competition law. Judgment has been reserved and is expected to be given before the end of the year.

Congestion Charging private hire exemption removal

On 24 July 2019, the High Court dismissed a judicial review challenge which had been brought by the Independent Workers Union of Great Britain (IWGB) against the Mayor's decision to remove the exemption from the Congestion Charge for private hire vehicles. TfL was an interested party. The IWGB made an application to the Court of Appeal for permission to appeal. Permission has been granted and the hearing of the appeal will be expedited.

Uber London Limited operator's licence

On 24 September 2019, we granted a private hire operator's licence to Uber London Limited (ULL) for a two-month period, subject to conditions. The licence has the same conditions that were attached to the previous licence granted in June 2018, in addition to various new conditions to ensure passenger safety. We are requesting additional material from ULL which will form part of any re-licensing decision.

Topographical and English language tests for PHV drivers

There has been recent media coverage of a BBC 'Inside Out' programme concerning the topographical skills assessment and the English language test for PHV drivers. The programme claimed that qualifications can be purchased at colleges without the candidate passing the assessment themselves or undertaking the required training.

Approximately three percent of the 108,000 licensed PHV drivers have been licensed on the basis of having a relevant vocational qualification which provides an exemption from the need to undertake the topographical test and provides evidence of attainment of the English language requirement. There are also over 1,600 current applications pending based on such qualifications.

In light of the allegations we have suspended all current licence applications where the applicant has not taken topographical skills assessment at our assessment centre. Any applicant who wishes us to consider a licence application in the meantime can still undertake a TfL assessment directly so this will not be a barrier to entry.

In terms of next steps, we are:

- undertaking an investigation of individual applications in the light of any evidence received;
- liaising with Ofsted and Ofqual and the college concerned to understand what actions they may be taking;
- reviewing the fitness of any licensed driver found to have obtained a qualification fraudulently and liaising with the police as appropriate;
- reviewing the appropriateness of continuing with the vocational qualification exemption; and
- engaging with the PHV trade as appropriate.

We will provide a full update on this issue and progress with the actions taken to the next meeting of the Customer Service and Operational Performance Panel of the TfL Board.

5 A good public transport experience

Elizabeth line

At the Crossrail Board on 7 November, the Crossrail team informed us that they will need further time and funding to complete the complex testing of trains and managing the handover of the railway safely and reliably into passenger service.

Full testing is due to get underway next year and there can be no shortcuts on this hugely complex project. The latest assessment is that the opening of the central section of the Elizabeth line will not occur in 2020. It will open as soon as practically possible in 2021.

The latest cost projections indicate that Crossrail will need a further £400 million to £650 million over the revised capital funding that was agreed with the Mayor and Government in December 2018.

We are currently discussing with the Department for Transport (DfT) how these additional costs will be funded. Any potential financial impacts to revenue will be considered in our 2019 Business Plan.

While this is disappointing news, as joint sponsors with the DfT, we will continue to work closely with Crossrail Ltd to ensure this vital project is delivered safely and as quickly as possible.

The project's health and safety performance remains stable but is still under scrutiny following the serious accident at Farringdon station where two

scaffolders were injured when the scaffolding they were installing collapsed. The stand down safety briefing was well received and improvement action plans are being implemented across the whole programme. The investigation is nearing completion and the wider knowledge gained will be shared. The safety alert ensured immediate action was taken to check all works taking place at height.

As TfL, we have taken on landlord responsibilities for Victoria Dock Portal and Pudding Mill Lane following a successful handover from the project in August and September, respectively. As the first elements to be handed over, we have been able to test the handover completion process with Crossrail Ltd and learn lessons which will be used for the remaining elements.

The hoarding in the ticket hall at Farringdon station was removed in September and the Crossrail worksite subsequently went 'PPE-free', which means that most major work at the station is now complete and hard hats and hi-vis jackets are no longer necessary for everyone on-site.

Siemens and Bombardier collaboration remains strong, with senior resources sharing a location in Westferry Circus and with the right level of CEO engagement, including recent meetings in Germany

with senior officials from Crossrail, Siemens and Bombardier.

We are on course to start operating the stopping services from Paddington mainline station to Reading as TfL Rail in December this year. It is likely that the service will start with the seven-car units currently used between Liverpool Street and Shenfield, swapping to the full-length units once the necessary software updates have been tested and then become available for use in passenger services.

London Overground to run Boxing Day services for the first time

We have announced we will run Boxing Day services on parts of London Overground this year, for the first time.

Two services will operate as follows:

- Four trains per hour between Clapham Junction and Hackney Wick on the east London line
- Four trains per hour between Highbury & Islington and West Croydon, via Canada Water on the north London line

These services will improve the accessibility of various key shopping and leisure destinations, including Westfield White City and Camden, Hackney and Croydon town centres. These services will be available during the operating hours

that normally apply on Sundays on these routes.

We will now operate services 364 days a year, excluding Christmas Day, on London Overground, London Underground, London Trams, DLR, London Buses and the Emirates Air Line. Santander Cycles continue to be available every day.

Since we launched London Overground in 2007, it has been a huge success and grown to become the third largest operator in the UK in terms of passenger numbers (not including London Underground). The introduction of Boxing Day services continues to build on the increasing demand, which has seen passenger numbers rise from 33 million in 2008/09 to more than 190 million a year today.

Free travel to celebrate the new trains on London Overground's Gospel Oak to Barking line

The month of free travel on London Overground's Gospel Oak to Barking line – to mark the arrival of the new trains and thank customers for their patience during the delay in bringing the trains into service – ran until Tuesday 1 October 2019. The highest numbers of refunds were in the fourth week, due to two additional weekdays of travel (Monday 30 September and Tuesday 1 October) to compensate for the weekend closure in the final week.

New London Overground ticket machines make it easier to support Railway Children charity

Supporters of international charity Railway Children are now able to make donations at London Overground stations, after a new feature was added to ticket machines across the network.

The 131 ticket machines will now have the option to add a donation when buying tickets or topping up Oyster cards, with 100 per cent of the donation paid directly to the charity. The feature has been developed in partnership with Railway Children, Arriva Rail London (operators of the London Overground network) and ticket machine manufacturer Worldline.

The charity started working in London in 2018, alongside the BTP and the main transport hubs in the capital. Railway Children has been working on the ground in India and East Africa for more than 20 years and, in 2017, launched its first UK-based project in Manchester, where an average of 15 reports are received each week of children considered to be in a vulnerable position in and around the city's rail stations.

Last year, Railway Children's London project supported 163 young people, referred by the BTP, by providing information, advice and guidance, one to one support and family work. The majority of referrals were for young

people who had runaway, were at risk or being exploited or abused, and those who were victims or suspects of crime. Project workers for Railway Children support these children for as long as is necessary to address the complex issues faced and make long lasting, positive changes in young people's lives.

London Underground Northern Line Extension

The Northern Line Extension project includes a twin-tunnelled extension from Kennington to a new terminus at Battersea Power Station, via a new station at Nine Elms. It is expected to be completed in autumn 2021.

Good progress continues on all work sites. Civils work is nearing completion and fit-out of the two new stations, and two new head houses, continues. At the new stations, we are installing the power supply.

At Nine Elms station, the eastern head house roof is complete and waterproofing of the western head house roof is progressing. Cladding of the escalator atrium is complete as is the over-track glazing. Drainage to the south of the eastern superstructure and drainpipes for the western superstructure are complete. The switch room construction and finishes were completed and the substation room is being fitted-out.



Progress continues on the Northern Line Extension with branding now in place at Nine Elms station.

At Battersea, escalator installation has begun with the lowering of the truss (frame) into position. The signalling equipment room construction has been completed. Cladding of the eastern core has started and the first steel beams have arrived on site for construction of the station entrance.

Work continues on making the Kennington head houses watertight and fitting the architectural cladding. The transformer room construction and finishes have been completed now that the specialist doors are in place. The installation of the cable management system has been completed at track level at Kennington Green.

The installation of (wayside) signalling has begun. High voltage cable was installed in the northbound tunnel, which has enabled handover to our radio supplier, Connect, which continues fibre optic and copper cable installation. Six kilometres of cable has been installed, which

completes cabling in both tunnels. The remaining high voltage cable to be installed is in the connections from the tunnels to the substations. Direct current cable has been delivered to site by engineering train, and will be used to make the connections between the substations and the conductor rail to power the trains.

Spare parts, for maintaining the “diamond” crossing once operational, were delivered by engineering train to the storage area within the Battersea crossover box.

The Northern Line Extension has been shortlisted in two categories for the New Civil Engineer’s Tunnelling Awards. The results will be announced at the awards ceremony in December.

Modernising the Circle, District, Hammersmith & City and Metropolitan lines

We are installing a new digital signalling system on the Circle, District, Hammersmith & City and Metropolitan lines. The first section of the new signalling system was successfully introduced earlier this year. This quarter, operation of the new signalling system has been extended to Euston Square on the Circle and Hammersmith & City lines, and from there to Finchley Road on the Metropolitan line, and to Paddington on the District and Circle lines. This section has included the major junctions at Baker Street and Edgware Road, with the latter allowing the closure of a signal cabin that had routed trains manually for 94 years.

We have already introduced 192 new S-stock trains on the Circle, District, Hammersmith & City and Metropolitan lines and installation of the new signalling system equipment to the entire fleet has been completed. Ealing Common and Upminster depots have been upgraded in support of maintenance and storing of the District line trains.

The new signalling system will enable trains to run closer together on the four lines, meaning train frequency will increase in central London from 28 to 32 per hour when complete. It will also improve the reliability of these lines. The frequency increases will be introduced

from 2021, with the project targeted for completion in 2023. This will lead to a capacity increase of a third on the four lines, equivalent to the space for an extra 36,500 customers during peak times.

This modernisation programme will eventually transform the oldest parts of the underground network into one of the most modern railways in the world, providing nice trains, better customer information and making journeys quicker and more comfortable.

Bank station

We are boosting capacity at Bank station by 40 per cent. This includes creating a new Northern line tunnel, platform and circulation spaces, a new entrance on Cannon Street, introducing step-free access to the Northern line, creating an additional interchange between the DLR platforms, and two new moving walkways between the Central and Northern lines to reduce customer journey times.

The modernisation of Bank station has reached a significant landmark, with the roof on the new station entrance, located on Cannon Street, complete earlier than planned. Work will now continue on the entrance, with the next stage focused on creating the dividing walls and operational rooms, which are spread across 11 floors, before the construction moves to the fit-out stage in mid to late December.

We have completed the excavation of the new escalator barrel to the Central line and have started the last of the new cross passages for the Central line to connect with the new escalator barrel. Secondary lining works to the new southbound Northern line platform tunnel have begun and are progressing well with the running tunnel secondary lining now completed.

Within the existing station, we have now finished the enabling works to support the closure of the DLR central concourse, which is necessary for the start of the final escalator barrel to be constructed from the Northern line to the DLR.

Victoria station

At Victoria station, we have built a new north ticket hall, 300 metres of subways and increased the size of the south ticket hall by 50 per cent. Step-free access to all platforms is now meeting the needs of the 83 million customers (increasing to approximately 105 million when interchange flows are included) who use the station each year.

The remaining works on the District and Circle line platforms are now finished. The overall completion of the station and surrounding buildings is also largely complete.

A design study is under way to identify how best to use the space at ground level which was formerly occupied by retail

units (175-179 Victoria Street). The delivery and funding mechanism for any future project here (which must be acceptable to Westminster City Council) have yet to be determined.

Paddington station

We have constructed a new step-free pedestrian walkway tunnel at Paddington to link the Bakerloo line platforms with the new Elizabeth line station. Two new escalators and a new lift have also been installed. These facilities will be operational once the Elizabeth line is opened. All works were completed in July 2019.

High Speed 2

In August, the Prime Minister initiated a review of whether and how to proceed with High Speed 2 (HS2) due to cost and schedule pressures. The independently-led review will enable the government to make decisions on the future of Phases 1 and 2 of the project. In parallel with the review, we continue to work with HS2 Ltd to deliver all agreed scope and information required for the HS2 programme.

We met with Doug Oakervee, chair of the HS2 review, on 23 September 2019. We highlighted the key issues for London, and that stations are needed at both Old Oak and Euston to maximise passenger benefits, ensure effective capacity relief

and support growth in jobs and homes in these areas.

We are supportive of the benefits that HS2 can deliver for London and the UK but, given the statement by the Secretary of State for Transport on 3 September 2019 that HS2 will be delayed and that total costs have risen by approximately £20bn, we support the review to ensure it continues to deliver value for money.

Step-free access at Cockfosters and Amersham stations

The new lift shaft has been craned into position at Cockfosters station, on the Piccadilly line. This is an important construction phase which takes the station a step closer to becoming step-free. The station is a Grade II listed building and the work has involved working closely with Enfield Council. While most lifts are usually silver in colour, the final lift will have bronze doors and metalwork to reflect the station's heritage.

Two lift towers have also been craned into position at Amersham station, on the Metropolitan line, along with an overbridge between the platforms to connect them.

Both stations are on the outskirts of the underground network and, once installations are complete early next year, will give important step-free access

routes into central London, unlocking our city for more of our customers. These are two of 15 stations that will be step-free to customers by Spring 2020, which will make a third of the network step-free.

Bakerloo Line Extension consultation

We launched a public consultation on the Bakerloo Line Extension on 14 October. The consultation is seeking feedback on proposals for the scheme, including a new combined Northern and Bakerloo line station at Elephant & Castle, work sites, station sites on Old Kent Road and at New Cross Gate, the route of the new tunnels between Lambeth North and Lewisham and infrastructure at the end of the line to store trains. It also invites suggestions for names of the two proposed stations on Old Kent Road.

In addition to these proposals for the extension to Lewisham, we are also consulting on a potential further extension to Hayes and Beckenham Junction. The public consultation closes on 22 December 2019.

Progress at Tottenham Hale

The gateline for customers accessing Network Rail services at Tottenham Hale tube station has been moved into a temporary position. This is an important step for the multi-million-pound station upgrade, as it allows major construction work to begin at the rear of the building. The entrance is already well underway



On 22 September 2019, over 70,000 people took part in the largest ever celebrations for World Car Free Day including a yoga session on Tower Bridge.

and customers can now see the dramatic new glass-fronted building taking shape. The gateline will stay in its temporary position for the next nine months for the construction work to take place. After that it will be relocated within the new station interchange building.

Once the upgrade is complete, Tottenham Hale will have:

- Step-free access
- A ticket hall that is double the size of the previous layout, to reduce congestion
- Retail premises in the station front

Barking Riverside Extension

We are delivering a 4.5km rail extension to serve the 10,800 new homes that are planned for the Barking Riverside development area. We will build a spur from the Tilbury Loop line east of Barking, to extend our Overground service from

Gospel Oak to Barking Riverside. Train services are planned to start in December 2021.

Our main works contractor has successfully completed piling works during the Network Rail blockade in July and August. This was an important milestone for the project, maximising the opportunity for works to continue while the mainline was temporarily closed for public use. Despite extensive searches during early stages of the project, the amount of underground utilities over such a large site (the new viaduct is 1.5km long) present an ongoing challenge to the programme.

World Car Free Day

On 22 September, an estimated 70,000 people took part in the Mayor's Reimagine event, London's largest ever celebrations for World Car Free Day. The event, which encouraged Londoners to imagine their city without cars, included a number of

free activities for people of all ages and abilities taking place over 27km of roads closed around Tower Bridge, London Bridge and the City of London. The day started with 600 people taking part in a sunrise yoga session on Tower Bridge, with guided walks and bike rides on traffic-free roads, pop up playgrounds, and many other activities taking place throughout the day.

There were also a number of pop up stages across the area, which hosted performances by 137 different groups, from jazz to gospel music, street dance to jive. As well as extensive activities in central London, 27 boroughs participated by hosting their own car free events or supporting play streets. London Play – a charity providing play opportunities for the Capital’s youngsters, outside their homes – helped to deliver 385 play streets.

A monitoring site led by the London Air Quality Network noted a 32 per cent reduction in nitrogen oxides in the event’s footprint, and early polling suggests 65 per cent of attendees said they were inspired to use a car less frequently. The event was also used to launch our new behaviour change campaign, ‘Swap a car trip every week’, encouraging Londoners to commit to changing one trip in the car every week for a more sustainable mode of transport.

Continuing to improve our bus network

Our next stage of central London bus route changes was introduced on 12 October. Over the last few years, the use of bus route 48 had fallen by about 25 per cent, so we restructured a number of bus services in the area to match bus frequencies to demand more effectively between the areas of Leyton, Hackney and the City. As well as withdrawing route 48, we extended route 55 from Leyton to Walthamstow Central and route 388 from Liverpool Street to London Bridge Station, and increased the frequencies on route 26. These changes may mean that some customers will now need to change buses, but this can be done easily at either the same or adjacent stops.

The new bus route 335, linking Kidbrooke to North Greenwich, was successfully introduced on 29 October, following full consultation, giving new direct links between these growing areas of southeast London. This is one of a number of new bus routes being introduced in the coming months.

On 7 December, we are introducing a major new bus route scheme in northwest London, including the new bus route XI40 – with parts of the route being non-stop – which links Heathrow and Harrow via Hayes, Northolt, Yeading and South Harrow, as well as new bus route 278 which will give new direct links between Ruislip and Heathrow. We are

also restructuring several other routes in the Harrow area including route 140.

We are also making changes in the Acton and Hammersmith areas to improve reliability of a number of routes. This includes restructuring the 266 so it will run between Acton and Brent Cross, and introducing new bus routes 218 and 306 to maintain through links and provide new journey opportunities. As part of this scheme we are also changing bus routes 391 and 440.

On 28 October 2019, we completed a consultation on extending bus route 112 to North Finchley. We plan to announce the outcome at the beginning of next year. This proposed enhancement to the outer London bus network would provide new orbital links to Ealing via Brent Cross and Neasden. We hope to introduce this change in spring 2020.

Victoria Coach Station to stay

One of our most iconic transport hubs, which serves around 14 million passengers a year, is to stay at its 87-year-old base in central London following a review of its future.

Victoria Coach Station will need to gradually consolidate activities to live within a smaller operating site as land leased from Grosvenor Estates returns to its owner in the early 2020s. This will entail changes to the layout of the

terminal which serves up to 1,200 destinations in the UK and up to 400 cities abroad, and represents an opportunity to enhance customer facilities. We will continue to look for smaller sites outside of central London, where pressure can be taken off Victoria Coach Station and passengers can depart closer to their next destinations. Our decision to stay has been welcomed by the Confederation of Passenger Transport, which views it as good move, providing continuity for coach operators and affordable connectivity in the UK and beyond, as well as London TravelWatch, which recognises the particular advantage to elderly and disabled passenger groups.

Improving customer information using Wi-Fi data

Following the collection of depersonalised Wi-Fi data earlier this year, on 5 November, we have updated our Journey Planner to more accurately reflect the time it takes to travel through stations during busy periods. The project uses existing Wi-Fi connection data from more than 260 London Underground stations to help us better understand how customers move across the network. Following the analysis of 2.7 billion pieces of depersonalised data, we have been able to adjust Journey Planner timings for journeys involving 55 stations. This includes major interchange stations such as Baker Street, Canada Water and

Earl's Court to reflect busy station times, as well as high tourist areas like Bond Street and Covent Garden to take account of higher usage outside of peak periods.

These changes are part of a wider programme of customer information improvements which will be delivered over the next 12 months. Customers will see further planned benefits throughout 2020 including the provision of updated crowding data via our website to help customers better plan their route across London, and the incorporation of this updates data into our free open-data API, which could allow app developers, academics and businesses to further utilise the data for new products and services.

All data collected is automatically depersonalised to ensure we are unable to identify any individual. We have worked closely with key stakeholders and the Information Commissioner's Office to ensure privacy concerns and transparency were actively considered and addressed. Any customers who do not wish for their Wi-Fi connection data to be collected are required to turn Wi-Fi off on their devices in order to opt out.

Art on the Underground in Brixton

Art on the Underground has unveiled a large-scale public commission by Grenada-born, British artist Denzil Forrester at Brixton station. This work will be on view until September 2020. Forrester's is the third commission in a new series at Brixton, following on from Njideka Akunyili Crosby in 2018 and Aliza Nisenbaum in 2019.

For his first major UK public commission, Forrester has reinterpreted his work *Three Wicked Men* (1982) into an immersive, large-scale painting. The title was borrowed from a track by Reggae George, and Forrester identifies the three men as a policeman, a politician and a businessman. Forrester recreates the essence of contemporary urban life – the sounds, lights and police sirens – with sharp, angular lines and imposing figures.

Late Night Transport Working Group

In September, we convened the first meeting of our Late Night Transport Working Group. This was a commitment made by the Mayor in his response to recommendations from London's Night Time Commission. Representatives from across our business, as well as from policy teams at the GLA are working to identify short- and medium-term initiatives that we can deliver to improve and enable travel at night, including those linked to existing/ongoing work.

6 New homes and jobs

Crossrail 2

Following the submission of the Strategic Outline Business Case (SOBC) to Government in June 2019, a Crossrail 2 Project Assurance Review (PAR) took place in September on behalf of the Cabinet Office and HM Treasury. The Review findings will be shared with the DfT's Board Investment & Commercial Committee (BICC), TfL Programmes & Investment Committee (PIC) and HM Treasury so they can be assured of the quality and robustness of the SOBC. Government will take on board the PAR's advice when making a decision on the best way to take the project forward.

Work continues to ensure Crossrail 2's assurance processes are fit for purpose. In support of the work of the Independent Assurance Panel which is being led by David Orr, a number of Expert Review Groups have been convened to test, challenge and scrutinise the work of the team with a particular focus, at present, on the Cost and Risk, Tunnelling and Digital work-streams.

Affordable homes

Canada Water masterplan

The masterplan for Canada Water was unanimously approved by London Borough of Southwark's Planning Committee on 30 September. The plan creates a blueprint for a new town centre that will provide more than 3,000 new homes, space for 20,000 new jobs, along

with space for retail, leisure and entertainment. Our team has worked hard on supporting this masterplan over the last few years and on securing substantial developer contributions to support transport infrastructure in the area, including improvements to Canada Water and Surrey Quays stations and increasing bus capacity.

Southwark over station development

We launched a consultation in October asking local people for their views on our proposals to deliver a new development above Southwark Tube station. Our early designs include office as well as retail space, and affordable workspace for independent businesses. This builds on feedback from the local community earlier in the year.

We are also committing to create a new sustainable office building, which will achieve a Building Research Establishment Environmental Assessment Method (BREEAM) Outstanding rating and, importantly, be net zero carbon.

We anticipate submitting a planning application in early 2020.



Construction has started on 97 homes at Beechwood Avenue in Barnet, of which 50 per cent are affordable.

West Ham station

We are soon to sign a development with Berkeley Homes on the development of the old Parcelforce site next to the Jubilee line eastbound track at West Ham station. It will enable Berkeley Homes to develop close to 4,000 new homes as well as community facilities.

To make the development viable, Berkeley Homes will fund and build a new London Underground station entrance on a cantilevered deck above the Jubilee line eastbound track, as well as two new pedestrian bridges and a road bridge. For the air rights associated with the development, which includes the right to use and develop the space above the land, we will receive a cash receipt from the GLA, anticipated to be in the order of £26m.

High Barnet

Earlier this year we selected Taylor Wimpey to help us improve the area around High Barnet station and to deliver

much needed new housing. We held an exhibition in June to showcase our early plans for the site, asking the community what they thought was most important about the area.

In November we held a second exhibition to show how our plans have responded to the community. We are now proposing up to 300 new homes, with 40 per cent affordable housing and a number of improvements to the local area. These plans will change in response to the consultation and we expect a submission in early 2020.

Beechwood Avenue

Construction has started on 97 homes, 50 per cent of which are affordable, at Beechwood Avenue in Barnet.

This site is being delivered by Kuropatwa Property Development who were selected as part of the GLA's Small Sites, Small Builders programme.

Construction is due to be complete by the middle of 2021, with people moving in shortly afterwards.

Bollo Lane

We launched a consultation on our proposals for 800 homes, 50 per cent affordable, at our site in Ealing, alongside new commercial and employment space. Our site at Bollo Lane is a 5.4-acre linear site running from Acton Town station in the north, to the Acton Works car park in the south.

Alongside hundreds of new homes, our proposals also include improvements to the public realm and creating a pedestrian-friendly green link to Chiswick Park with public spaces and ground floor commercial uses.

Build to Rent programme

Our long-term partnership with Grainger plc, called Connected Living London, is progressing well. This partnership will create over 3,000 new rental homes at seven sites across London. We are approaching an important stage as we hold a series of local consultations before the detailed designs are produced. There will then be further consultations before planning applications are submitted in early 2020.

Small Business 100

We are proud that 86 per cent of businesses on our estate are small businesses. We were delighted when Small Business Saturday selected one of our tenants, Active360, to feature in its list of the top 100 small businesses in the UK. Active360 is a company that promotes stand up paddle boarding, and offers Londoners the chance to try something different and get active, while also leading on initiatives to improve the environment.

Retail Innovation Competition

We recently announced Sook Retail as the winner of Connected Retail London, a retail innovation competition that encouraged retailers to think differently about how they could use our spaces. Sook Retail offers fully tailored retail space that adapts to different usage during the course of a day. Sook Retail combine this with flexible options for businesses or individuals to book a space only for the hours when they need it. As the prize for winning the competition, Sook Retail will be awarded up to twelve-months free retail space on our estate.

Construction skills

We have now had over 860 people come through our construction skills programme that helps Londoners access training and employment opportunities across the capital. By 2021, over 7,000 people will be employed in construction on our development sites. We are actively targeting under-represented groups in construction, such as women, those from black, Asian and minority ethnic backgrounds, and ex-offenders.

7 Our people

PR Week UK award

On the 15 October, our Press Office won the award for 'Best in-house team of the year (Public Sector)' at PR Week UK's annual award ceremony. The PR Week awards celebrate the best teams, consultancies and PR campaigns over the year.

Best LGBT Advertising Campaign

On the 16 October, we won the Advertising Campaign of the year award, hosted by PinkNews for our annual Pride campaign. We celebrated Pride this year with station roundels made over with the colours of the LGBT+ Pride flag, the trans Pride flag and, for the first time, the bisexual Pride flag.

The LGBT+ Pride flag roundels this year featured black and brown stripes to represent BAME communities and our #EveryStoryMatters campaign also included posters of its LGBT+ employees in stations around the city.

Good Work Standard

On the 25 October, we received confirmation that we had been recognised as an Excellent employer, under the Mayor's new initiative; the Good Work Standard.

The Good Work Standard sets the benchmark for the best employment standards and helps employers contribute to a fairer and more inclusive London economy. This means the economy works

for all Londoners and more Londoners can access good jobs, in workplaces that support their health and wellbeing.

We demonstrated excellence as an employer in all areas of the standard: pay and conditions, contracts, workplace wellbeing, skills and development, and diversity and recruitment. We will be reviewed against this standard on an annual basis as we continue to strive to be an excellent employer for our employees and for London.

Raising the flag for World Mental Health Day

To mark World Mental Health Day on 10 October, we raised a green flag from our offices at 55 Broadway with our theme focusing around suicide prevention. To support this theme, we organised a number of events across our offices and stations to engage staff and raise their awareness. This included an event with our Graduate and Apprentice Committee where apprentices had the opportunity to hear about the importance of having a healthy work-life balance from our Director of Bus Operations, Claire Mann.

Black History Month 2019

Throughout October we showcased archives of black, Asian and minority ethnic employees through the years as well as features on current colleagues, highlighting the positive contribution our

black, Asian and minority ethnic colleagues have made to our organisation.

Scheduled events included a 'Let's talk about race' workshop on 28 October, in partnership with Business in the Community; an ethnicity pay gap 'lunch and learn' session on 30 October, hosted by Staynton Brown, our director of diversity, inclusion and talent; and the launch of a new Women's Staff Network Group subgroup on 31 October, focused on promoting awareness of intersectionality – the understanding that different aspects of someone's social or cultural identity can combine and overlap – and celebrating, supporting and empowering black, Asian and minority ethnic women in our organisation.

Viewpoint 2019

Our annual employee survey took place from 9 September to 1 October 2019, inviting our people to have their say about what it is like to work here. We recorded a 64 per cent response rate, with over 17,600 people responding to the survey. That is 2 per cent lower than last year, but still 7 per cent higher than 2017 and provides a solid picture of our people's views.

Total Engagement has improved this year by 1 per cent to 57 per cent, which means we have met our annual scorecard target (57 per cent). Our Inclusion index has also

increased by 4 per cent to 47 per cent, exceeding our target (46 per cent).

These results are positive news, but there is still a lot more work to do, to act on what our people are telling us and make this a great place to work for everyone.

The results were shared with our people on 12 November 2019 and over the coming weeks managers will discuss the results with their teams, ahead of agreeing local actions.

A full update will be presented to the Board in January, where we will also focus on how we will respond to our people's feedback.

Reach Mentoring Programme

On 11 October 2019, we launched the second year of Reach, our inter-company mentoring programme, at an event in Fujitsu's offices in Baker Street.

The programme, which currently works with colleagues in our Technology and Data department, launched for the first time last year and has proven to be a popular initiative.

Through mentoring, coaching and giving advice from experience, Reach supports our objective to provide a greater diversity of people looking to reach leadership positions. Like us, Fujitsu is dedicated to diversity and inclusion in the workplace, and demonstrates the positive



A special fundraising event took place at Liverpool Street station to help collect donations on 31 October.

work we are progressing with our supply chain partners.

Combined human resources

On 15 October 2019, we held the first event combining our human resources (HR) expertise at the HR GLA Collaboration event at City Hall. This event was the first of its kind and brought together senior human resources (HR) colleagues from across London, including the London Fire Brigade, the MPS, the Mayor's Office for Policing and Crime, London Ambulance Service, London Councils, the Old Oak Common Development Corporation and the London Legacy Development Corporation.

The event included a keynote presentation from the civil service's chief people officer, Rupert McNeil, who shared his experiences in bringing together the different HR departments within individual government departments.

This provided useful examples of how the HR functions across the GLA might work together and promote a more collaborative approach going forward.

Ethnic diversity in advertising

Our 2019 Diversity in Advertising competition is now open. This year we are challenging media, advertising and creative agencies, as well as brand marketing teams to create a campaign which reflects London's Black, Asian or Minority Ethnic communities. A panel of industry experts will judge the entries and are looking for a campaign that acts as a catalyst to change perceptions and challenges stereotypes – whilst genuinely marketing the brand or product behind it. Last year's competition focused on challenging attitudes around gender inequality; won by Holland & Barrett for its Me.No.Pause campaign. The winning campaign will receive £500,000 of digital advertising value and will be displayed

across the TfL Rail and Bus Shelter networks during the first quarter of 2020. This builds on the inaugural competition. The competition closes on 12 December 2019. Judging takes place in late December and the winner will be announced in early 2020.

Poppy Day

We again supported the Royal British Legion's fundraising for London Poppy Day on 31 October 2019. Recordings of Stephen Fry could be heard across the Underground network, encouraging members of the public to donate and support the legion's important work to help the armed forces community and their families.

Throughout the day, an estimated 1,200 members of the Royal Navy, British Army and Royal Air Force collected donations across 40 stations on our network. A special fundraising event also took place at Liverpool Street station supported by volunteers, including actor and investigative journalist Ross Kemp and Lance Corporal Richard Jones, the 2016 Britain's Got Talent winner.

Single poppies appeared on the front and rear of trains on the Underground, Overground, DLR, and Trams, as well as on the front of selected Santander Cycles. Our network also included other displays of poppies to raise awareness of the campaign and celebrate our staff

members who have armed forces experience. This included poppy roundels at 10 Underground stations and 15 London Overground stations, poppy flags on our piers, and six buses which were fully wrapped in poppy vinyls.

London Transport Dinner

The 14th annual London Transport Dinner and Auction took place at the Guildhall on the 22 October 2019, in support of London Transport Museum. The evening saw 450 people from transport businesses across our supply chain and wider industry join together to raise essential funds for the Museum's charitable work. Each year the Museum reaches more than 150,000 children, young people, parents and teachers through its learning and employment programmes, inspiring a love of transport and engineering, and promoting active, safe and sustainable travel. Thanks to all the generous donations and support, the museum were able to raise of £350,000 to continue their charitable work; developing the skills and talents of tomorrow's transport professionals.

Open House

On 22 and 23 September 2019, we took part in Open House Weekend – an annual celebration of architecture during which members of the public were given free access to buildings across London. More than 700 people were taken on guided, behind-the-scenes tours at four TfL

locations by staff who had volunteered to share their knowledge and love of our heritage. Members of the public were given access to South Kensington and Earl's Court stations in continuation of our District 150 celebrations, celebrating 150 years of the line, tours of 55 Broadway as well as a night time journey of stations along the Jubilee line extension, now celebrating their 20th anniversary.

National Poetry Day

On Thursday 3 October 2019, we partnered with the Poetry Society to bring poetry to customers on National Poetry Day. At Covent Garden station, poets John Hegley, Mona Arshi, Imtiaz Dharker, and Maura Dooley recorded poems – both their own works and classic poems they admire – which were projected onto the walls of London's Tube carriages. They were ably assisted in the recording by station supervisor Jonathan Byrne, who is known for his calligraphic work writing the quote of the day at the station. On the day itself, Covent Garden station distributed books of verse from Poems on the Underground. The Poetry Society and Underground staff also broadcast poems at Walthamstow Central and Moorgate stations, so our customers got a steady dose of poetry throughout the day.

Epping locomotive and signal cabin museum

On Sunday 22 September, senior London Underground staff attended the opening of the Locomotive L11 & Epping Signal Cabin Museum. The museum was set up to preserve a unique example of Tube rolling stock and the now disused signal cabin at Epping, which is leased from London Underground.

The electric Locomotive L11 was created in the early 1960s from pre-World War II standard stock and used for shunting at London Underground's Acton and Ruislip depots until the late 1980s. It is now a static exhibit which has undergone extensive restoration by railway enthusiast volunteers.

The Epping signal cabin opened in 1949 and was in use until 1996. A team of volunteers have re-built the original 47 lever frame mechanism using components from a decommissioned lever frame in the Hainault signal cabin. There is also a small museum of London Transport signalling and other artefacts, with space to display guest model railways on open days.

8 Securing value and generating income

Separate reports on the agenda set out our financial results, including further extensive cost savings, and the work underway to update our five-year Business Plan.

Transformation

Our ongoing programme to improve the efficiency and effectiveness of our organisation continues. This is critical to delivering our Business Plan and achieving a net operating surplus by 2022/23.

We have begun consultation with our people and trade unions in four further business areas. Two of these focus on reducing operating costs, two on improving safety.

We are also reducing costs in our performance analysis and improvement team in London Underground, improving capability and aligning with the new Safety, Health and Environment function.

A new, single Safety, Health and Environment Directorate will enable us to make faster progress on reducing road death, meeting our Vision Zero ambitions and improving the health and wellbeing of our staff and our corporate environmental performance.

This change is focused on driving a step change in performance and will further strengthen our capability in construction and project safety and assurance.

We are also taking a new approach to tackling workplace violence and aggression and developing the first TfL-wide strategy to eradicate this, which will be delivered by a dedicated team.

New Routemaster front-door boarding

To ensure everyone pays the correct fare and encourage greater uniformity in the way people board buses in London, we will continue to pilot front-door boarding on New Routemaster buses on bus routes 8 and night route N8 from Bow Church to St Giles High Street. We intend to roll out this change across our fleet and will be reviewing how best to achieve this.

Delivering this change will help minimise fare evasion on these routes and provide a more consistent experience for all bus customers, especially by providing priority boarding for users of the accessibility ramp.

Fare evasion documentary

We have worked closely with Production Company Middlechild and Channel 5 on a new programme, Fare Dodgers: At War with the Law, a four-part documentary exploring how our revenue inspectors are tackling fare evasion.

The documentary, broadcast over October and November, follows individual stories including both our staff and cases of fare evaders. It focuses on how we are proactively tackling fare

evaders on the underground and bus network, using new innovative technology to identify offenders, and follows prosecutions to raise awareness that fare evaders will be pursued through the legal system, and risk a criminal conviction.

The financial impact of fare evasion on us is an estimated net revenue loss of around £116m every year. This is money that could and should be reinvested in services for our customers.

55 Broadway

We have sold a 150-year lease on 55 Broadway to Integrity International Group. We put the Grade I-listed office complex on the market in May this year to reduce our office administration costs and to provide revenue to reinvest into our transport network. The leasehold also includes both 100 Petty France and Wing Over Station and the ground floor retail units, but not the ticket hall and other operational property. There will be no material impact on the operation of St James's Park station.

The sale of the 55 Broadway lease has raised more than £120m. We are on track to deliver savings of £120m on our accommodation by 2022, which will be invested back into the transport network.

Waste

Reusable water bottles are now available to London Underground frontline station employees, after a successful trial on the Jubilee and Bakerloo lines last year, significantly reducing our consumption of single-use plastics – and saving money. The reusable bottles are set to replace all plastic cups in our stations, reducing our waste from single-use plastics by 3.6 million cups, which cost us almost £70,000 to purchase a year.

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November 2019
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Board



Date: 20 November 2019

Item: Crossrail Update

This paper will be considered in public

1 Summary

- 1.1 This paper addresses the information provided by the Board of Crossrail Limited (CRL) at its meeting on 7 November 2019 and as announced on 8 November 2019 on its progress to complete the Elizabeth line, including an overview of the independent cost review commissioned with the Department for Transport (DfT) as joint sponsors.
- 1.2 An update on the status of the Crossrail project is provided, including the readiness of the Infrastructure Managers (IM) for the operations and maintenance of the railway after handover from the Crossrail project.
- 1.3 On 23 October 2019, the Programmes and Investment Committee was provided with an update on the periodic reports from the Project Representative (P-Rep) that included the latest P-Rep reports. The reports are published on our website¹. The views of the Committee will be reported to the Board.

2 Recommendation

- 2.1 **The Board is asked to note the paper.**

3 Recent Crossrail Announcement

- 3.1 At the meeting of the Board of Crossrail Limited (CRL) on 7 November 2019, the Board identified the need for more funding to complete the project including complex testing of trains and managing the handover of the railway safely and reliably into passenger service.
- 3.2 CRL's latest assessment is that the opening of the central section will not occur in 2020, which was the first part of the previously declared opening window. The Elizabeth line will open as soon as practically possible in 2021 and CRL will provide Londoners with further certainty about when the Elizabeth line will open early in 2020.
- 3.3 CRL's detailed cost forecasts continue to show that the project's costs will increase due to programme risks and uncertainties. The latest projections indicate a range of between £400m to £650m more than the revised funding we

¹ <https://tfl.gov.uk/corporate/publications-and-reports/crossrail-project-updates>

agreed with the Mayor and Government in December 2018². We are in discussions with the DfT and GLA regarding how funding of these additional costs will be resolved.

- 3.4 While this is of course disappointing, it is only over the last year that the new Crossrail leadership has established the full complexity of finishing the software development and signalling systems, while getting the necessary safety approvals to complete the railway. TfL and DfT, as joint sponsors, will continue to work closely with CRL to ensure this vital project is delivered safely and as quickly as possible.

4 Independent cost review

- 4.1 The DfT and TfL, as joint sponsors, commissioned KPMG to carry out an independent review of CRL's financial projections in the autumn of 2018. That report was used to inform the negotiation of the loan agreements, necessary to continue the project.
- 4.2 The joint sponsors have now commissioned KPMG to provide an updated view of their previous cost scenarios, taking into account the cost and schedule analysis that CRL presented to its Board on 7 November 2019. Once available, Sponsors will compare KPMG's findings with the views of the P-Rep and the Crossrail Executive, in order to determine the scale of the revised funding facility to be negotiated.
- 4.3 KPMG has recently received the significant volume of analysis presented by CRL to its Board. The joint sponsors have asked that KPMG concludes its work as a priority and it is expected that KPMG will report back in the coming weeks.

5 Crossrail update

- 5.1 Health and safety remains CRL's number one priority and overall performance remains under scrutiny as three recent accidents resulted in injuries requiring treatment. With every incident, CRL will establish the root causes of the incident and will share the learning across the programme and with the wider industry.
- 5.2 CRL has recently released a new health and safety induction film that has been viewed by every person across the project. The 'One Team for Health & Safety' film precedes the launch of the next Stepping Up Week, which is running from 18 to 24 November 2019. Stepping Up Week provides an opportunity to focus attention on personal safety and acknowledge the importance of highlighting best safety practice.
- 5.3 Following recent concerns regarding air quality at Bond Street, continued actions by CRL include a full dust management review with a detailed report that has been shared with the Health and Safety Executive. Client-led assurance of the arrangements will be in place for dust management and continued air quality monitoring will be carried out.

² <https://tfl.gov.uk/info-for/media/press-releases/2018/december/new-financing-agreement-confirmed-for-crossrail-proje>

- 5.4 The Crossrail project has made good progress over recent months as the new plan to complete the Elizabeth line is implemented by the supply chain. The two critical paths for the project remain the complex assurance and handover process for the railway and software development for the signalling and train systems. Both involve safety certification for the Elizabeth line. These must be done to the highest quality standards to ensure the reliability of the railway from day one of passenger service.
- 5.5 A key focus during 2019 has been finalising the stations, tunnels, portals and shafts. The challenge remains the volume of handover assurance and documentation required to bring these assets into passenger operation. Nearly 200,000 documents need to be completed as part of the assurance and handover process and safety certification for the Elizabeth line.
- 5.6 By the end of the year, Custom House, Farringdon and Tottenham Court Road stations will be complete and the project is on track to finish the fit-out of the tunnels in January 2020. The central section will be substantially complete by the end of the first quarter of 2020, except for Bond Street and Whitechapel stations where work will continue.
- 5.7 Bond Street and Whitechapel stations have now achieved higher levels of productivity and have a clear path to completion. Whitechapel station has reached the Staged Completion 1 point, which is a significant achievement for the programme. This means that Whitechapel has reached a sufficient level of completion to support the entry into Trial Running in 2020.
- 5.8 Following on from handing over Victoria Dock portal and Pudding Mill Lane portal to the IM, some issues remain with Mile End shaft which was due to be the next shaft to be handed over. One cause of this is a fire alarm controller which needs to be upgraded to meet the standards required for the railway. Replacements are being ordered but will then need to be installed and tested. There are 31 instances of these fire panels across the rest of the stations, shafts and portals.
- 5.9 CRL has developed a Handover Strategy and Plan which sets the way forward for the production of 30 individual Handover Execution Plans (HEPs) for each Station, Shaft, Portal and Railway System. The HEPs set out the configuration of each element of the railway at each stage of completion. The strategy is based on starting Trial Running as soon as possible. Five of the first elements to be handed over have been identified as 'nursery' elements from which key lessons for handing over the later, more complicated stations, shafts and portals will be learned.
- 5.10 Custom House station is due to be handed over by the end of the year. As it is one of the 'nursery' handovers, CRL has prioritised the installation of the new fire panel and testing is underway.
- 5.11 To further streamline the handover of the remaining 28 major assets, local lesson sharing sessions have been held following the successful handover to the infrastructure manager of Victoria Dock and Pudding Mill Lane portals. These sessions allow for collating and disseminating lessons learned on the handover process and sharing best practice with contractors in a collaborative environment.

One action identified was to prepare standard templates for each type of assurance document.

- 5.12 CRL has identified the need for more time to complete software development for the signalling and train systems and the safety approvals process for the railway. The Trial Running phase is still expected to begin at the earliest opportunity in 2020, followed by testing of the operational railway to ensure it is safe and reliable.
- 5.13 The Siemens software configuration (PD+10) was planned to be the first version capable of supporting the Trial Running though testing in the Crossrail Integration Facility has identified some missing functionality and some defects. The next version (PD+11) will therefore be used for the start of Trial Running.
- 5.14 Version PD+10 of the train and signalling software was installed for testing in the central section in early October 2019 as planned and valuable reliability and functionality testing continues while we await the next configuration. PD+11 is planned to be delivered for testing on the central section in early December 2019. CRL report that the use of PD+11 should not delay the start of Trial Running, though if another version of the software configuration is required (i.e. to PD+12), increased risk will be added. The nature of software development means uncertainty will remain until each version is tested.
- 5.15 Significant work has taken place within the tunnel to support readiness for Trial Running, including connecting the central section to the GSM-R (the national railway radio system) and assurance by the London Fire and Emergency Planning Authority of the public address system which is now in use in the majority of the tunnel. The overall programme of work in the tunnel is due to complete by the end of this year.
- 5.16 Siemens and Bombardier collaboration remains strong with senior resources collocated in Westferry Circus and with the right level of CEO engagement, including recent meetings in Germany with senior officials from Crossrail, Siemens and Bombardier. This has been a major achievement for the programme and will ultimately de-risk the development and assurance process. Specific progress has been made in mitigating problems encountered in automatically switching between the two signalling computers on-board each train.
- 5.17 The transitions between the eastern and western interfaces with Network Rail (NR)'s sections of the route are complex and securing availability of test slots from NR has been challenging. There is now access booked for both transitions (Great Eastern and Great Western Main Lines) but testing will continue and further access may be required.

6 Operational Readiness

- 6.1 TfL and MTR-Elizabeth Line are on course to start operating the stopping services from Paddington mainline station to Reading on 15 December 2019 under the TfL Rail brand (referred to by the project as Stage 5A). MTR-Elizabeth Line already staff 11 of the 15 stations between Paddington and Reading, after taking over the running of these from Great Western Railway in December 2017. The full plan is to use the full-length (nine-car) trains but it is unlikely that the

software updates necessary will be tested and available in time for the introduction of service. It is likely that the service will start with the seven-car units currently used between Liverpool Street and Shenfield and the full-length units will be swapped in when available.

- 6.2 NR has completed the remaining driver CCTV works and all certification to support handover is now submitted and under review to enable the delivery of the TfL Rail service between Paddington mainline and Reading from December 2019. The final platform extension at Maidenhead is now complete (following West Drayton and Slough) with a plan to bring the platforms into use in late November 2019.
- 6.3 Key construction works will be undertaken over the Christmas period as part of the Station Enhancement works on the west of the route. These works include installation of platform structures and link bridges at Acton Main Line and West Ealing, and access structures on Platform 4 at Ealing Broadway.
- 6.4 Following the handover of the first two sites, Rail for London (Infrastructure) Limited is preparing for the handover of Mile End shaft and Custom House station.
- 6.5 To achieve the necessary levels of competence in maintenance delivery ahead of further handovers, the Maintenance and Training teams are using the sites that have been handed over (Victoria Dock and Pudding Mill Lane portals). The Maintenance team is also providing track inspection support to the Crossrail contractors to become familiar with the assets and locations prior to becoming the Infrastructure Manager.
- 6.6 Further training is being carried out for Traffic Managers to allow sufficient flexibility to operate the railway. In addition, an updated training programme is planned to cover any skills gaps due to agreed changes to functionality of the railway.
- 6.7 At Ilford and Romford stations, station enhancement works continue and are on track to be completed in December 2020.
- 6.8 NR is progressing with the Great Eastern Main Line traction power upgrade with a target completion date of May 2020. Contract awards for remaining scope required to support the running of trains from Shenfield directly into the central tunnels are currently being programmed.

List of Appendices:

None

List of Background Papers:

None

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Board



Date: 20 November 2019

Item: Crossrail Limited – Re-appointment of Non-executive Director

This paper will be considered in public

1 Summary

- 1.1 The purpose of this paper is to seek the Board's approval for the reappointment of a non-executive director to the Crossrail Limited (CRL) Board.
- 1.2 A paper is included on Part 2 of the agenda, which contains exempt supplemental information. The information is exempt by virtue of paragraph 2 of Schedule 12A of the Local Government Act 1972 in that it contains information that reveals an individual's identity, prior to a decision being taken on their appointment. Any discussion of that information must take place after the press and public have been excluded from this meeting.

2 Recommendation

- 2.1 **The Board is asked to approve the reappointment of the non-executive director identified in the paper on Part 2 of the agenda to the Board of Crossrail Limited from 1 January until 31 December 2020.**

3 Background

- 3.1 As Sponsors, both TfL and the Department for Transport (DfT) have to approve appointments to the CRL Board. The approval of the DfT is being sought in parallel to the request to TfL.

Non-executive director appointment

- 3.2 The CRL Board supports the reappointment. Approval is sought for the reappointment of that director until 31 December 2020. A short biography is provided in the exempt paper on Part 2 of the agenda.

List of appendices to this report:

Supplemental information is included on Part 2 of the agenda.

List of Background Papers:

None.

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Board

Date: 20 November 2019

Item: 2019/20 TfL Scorecard Update



This paper will be considered in public

1 Summary

- 1.1 The TfL scorecard for 2019/20 was approved by the Board on 27 March 2019.
- 1.2 This paper seeks to update some of the approved targets for 2019/20 following the release of 2018/19 year end results in July 2019. The approved targets were based on a forecast year end position, and in certain areas where the actual result differs significantly from the forecast, it is necessary to revise the targets for this year.
- 1.3 On 9 October 2019, the Finance Committee noted these changes and recommended them to Board for approval.

2 Recommendation

2.1 **The Board is asked to note the paper and:**

- (a) **note the approval of the 2019/20 Elizabeth line milestone and target, by the Finance Committee, in accordance with authority delegated by the Board on 27 March 2019;**
- (b) **approve the revised 2019/20 TfL Scorecard targets set out in this paper.**

Summary of changes:

Measures	Change type	Current target	New target
Elizabeth line	New measure	TBC	Dec-2019
Customer Care metric	Revised target	50%	53%
	Revised floor	48%	50%
Healthy Street Check for Designers	Revised floor	11%	9%
Average kilometres cycled per day (thousands)	Revised floor	513	529
Net operating surplus	Revised target	£191m	£625m
Investment programme	Revised target	£1,888m	£1,679m
	Revised floor	£1,888m	Range +/- 3%

3 Elizabeth line measure for the 2019/20 Scorecard

3.1 At its meeting on 27 March 2019, the Board delegated authority to the Chair of the Finance Committee to approve the inclusion of a milestone and target date relating to the Elizabeth line, once the delivery programme had been approved. The revised delivery programme was approved by the Crossrail Board in August 2019, and this was reported to the Board on 18 September 2019 in the Crossrail Update item; more recently, Crossrail Limited has advised TfL that their latest assessment is that the opening of the of the central section will not occur in 2020 and will open as soon as practically possible in 2021. The new proposed scorecard measure was approved by the Finance Committee at its meeting on 9 October 2019. The measure is:

‘Start of TfL Rail/Elizabeth line services between Paddington and Reading’ – December 2019.

3.2 This delivers an extension to the existing TfL Rail services, by extending services that currently terminate at Hayes & Harlington to serve all stations to Reading. This is a clear, public facing milestone and one that will allow the Board to track the progress of the project in 2019/20.

4 Revised targets for the 2019/20 Scorecard

Revised Target – Customer Care metric

4.1 From Q1 2019/20, we transitioned our reputation tracking (including Care) to a new, more robust methodology with a new supplier as part of a wider consolidation of customer perceptions monitoring. The new methodology means that fieldwork now runs continuously throughout the quarter among a sample of 3,000+ Londoners each quarter (previously 1,000 over one week per quarter). This significantly improves the robustness of the data, as it should even out the impact of short-term events, which can be disproportionate when they coincide with a short fieldwork period. In addition, Care and our key customer metrics have moved to the start of the survey – giving a cleaner read in line with evolving best practice

4.2 Following the methodology change, Care scores are several points higher on the new survey. Parallel runs of the old and new surveys indicate this is a result of the transition. Analysis shows the uplift is largely driven by the questionnaire improvements – respondents are less ‘primed’ by earlier questions.

4.3 The rationale for the current targets still stands, but an uplift is needed to maintain the same level of challenge with the new methodology. Our recommendation is conservative since the methodology is new and we have limited data for forecasting.

	TfL Care
New target	53% agree
New floor target	50% agree
Previous target	50% agree
Previous floor target	48% agree

Revised Floor Target – Healthy Street Check for Designers

- 4.4 The original Board paper set a floor target for this measure, which was to be no worse than the 2018/19 year end position. We performed better than target in 2018/19 and achieved a score of 11 percentage points uplift.
- 4.5 In response to a desire to see more checks included, we have broadened the criteria for the Check for 2019/20. This means we should see more checks reported in 2019/20, which is a positive move to demonstrate our commitment to embedding the Healthy Streets Approach within TfL. However, this also means that the 2018/19 and 2019/20 datasets are not explicitly comparable and thus neither are the targets/actuals.
- 4.6 Widening the baseline programme for 2019/20 will mean that we are now including smaller value schemes which are likely to produce a smaller uplift (the value related to the scope of improvement on the street environment). This will impact the overall average uplift (the figure reported on the scorecard), making it difficult to achieve as high a score as we did in 2018/19. Therefore, the 10 percentage point target and 9 percentage point floor target are still appropriate, and so recommend a change to the rationale for the floor target for this year.

Revised floor target – Average kilometres cycled per day (thousands)

- 4.7 This is a new measure on the TfL Scorecard. At the point the targets were set, we did not have an actual historical comparator. The floor target was set at 5 per cent less than the approved target of 540,000km, which is at 513,000km. The final result for 2018/19 was 529,000km. This puts the floor lower than the actual results for last year. Therefore, we recommend a reset of the floor target to 529,000km in 2019/20, so it is set to be no worse than the 2018/19 actual.

Revised Targets – Net operating surplus and Investment programme

- 4.8 The Board approved the 2019/20 budget as the target for the two financial measures in the scorecard: net operating surplus and investment programme. We have significantly outperformed our Budget in the first six periods of this financial year. In view of the scale of these variances we carried out an exercise to review the budgetary assumptions. The proposed targets, as set out below, rebase the budget to align with the Q2 forecast.
- 4.9 For the Investment Programme measure, it is proposed that a ceiling and floor target of +/- 3 per cent is applied, which allows for a portion of the weighting to be given if the target is narrowly missed but is above a minimum performance level.
- 4.10 More detail is provided in section 2 of the slides accompanying the Finance Report, elsewhere on the agenda for this meeting.
- 4.11 The revised financial targets will feed through to the Surface, London Underground, and Commercial Development and Major Project Directorate scorecards. The relevant executive body will be informed of their revised financial targets.

	Current target	Current floor	Proposed target	Proposed ceiling /floor
Net operating surplus	£191m	£191m	£625m	£625m
Investment programme	£1,888m	£1,888m	£1,679m Range +/- 3%	£1,679m Range +/- 3%

4.12 Table 1 shows the TfL scorecard for 2019/20. The revisions outlined above are shown in red text.

5 Reduction in people killed and seriously injured

5.1 The paper presented to the Finance Committee on 9 October 2019 outlined a number of presentational changes to the KSIs targets, which the Finance Committee noted. There are no changes to the targets agreed by the Board as part of our original scorecard paper.

6 Reduction in Customer and workforce killed and seriously injured

6.1 A paper has been submitted to the meeting of the Safety, Sustainability and Human Resource Panel on 13 November 2019, that sets out our way forward for reporting customer and workforce serious injuries. The Board will not be required to approve a change in target for 2019/20 as we do not intend to adjust our serious injury definition until 2020/21.

Table 1: 2019/20 TfL Scorecard

Long-term objectives		2019/20 Scorecard Measures			
Theme	Outcome	Measure	2019/20 Target	2018/19 year end actual	Category (weighting)
Healthy streets and healthy people	London's streets will be clean and green	The number of London buses which are Euro VI compliant or better; which measures the number of buses in our fleet that meet the latest emissions regulations	8,350	6,950	Safety & Operations (25%)
	London's streets will be used more efficiently and have less traffic on them	Traffic signal changes to support Healthy Streets; which measures the time saved for pedestrians, cyclists and bus users as a result of changes to traffic signal timings	15,000 person hours per day	16,985 person hours per day	
	London's streets will be healthy and more Londoners will travel actively	Healthy Streets Check for Designers; which measures through ten Healthy Streets indicators how proposed changes to street layouts and use will deliver improvements and create street conditions that engender active travel	Average 10 percentage point uplift Floor target: average 9 percentage point uplift	Average 11 percentage point uplift	
	London's streets will be safe and secure	Reduction in people killed and seriously injured on roads, against 2018; which measures our progress to achieving the Vision Zero aim of all deaths and serious injuries eliminated from London's transport network by 2041	371 fewer people killed or seriously injured (9.1% reduction)¹	36.5% reduction against 2005-09 baseline	
Reduction in people killed and seriously injured on roads, against 2018 (incidents involving buses); which measures our progress to achieving the Vision Zero aim of no one killed in or by a London bus by 2030		No more killed or seriously injured than in 2018²	59.3% reduction against 2005-09 baseline		

¹ The 2019 target equates to a 42.3% reduction against 2005-09 baseline, and a reduction from 4,065 people killed or seriously injured in 2018 to 3,694 in 2019.

² The 2019 target equates to a 58.7% reduction against 2005-09 baseline, and no more people killed on seriously injured than the total of 239 in 2018.

Table 1: 2019/20 TfL Scorecard (continued)

Long-term objectives		2019/20 Scorecard Measures				
Theme	Outcome	Measure	2019/20 Target	2018/19 year end actual	Category (weighting)	
06 e6a4 Mayor's Transport Strategy (MTS)	A good public transport experience	Public transport will be safe, affordable and accessible to all	Reduction in customers and workforce killed and seriously injured ; which measures our progress to achieving the Vision Zero aim of all deaths and serious injuries eliminated from London's transport network by 2041	56 fewer people killed or seriously injured (2.5% reduction)	New measure	Safety & Operations (25%)
			Additional time to make step-free journeys ; which measures our progress to halving by 2041 the additional journey time for people using the step free network.	8.3 minutes	9.1 minutes	
		Journeys by public transport will be pleasant, fast and reliable	Tube excess journey time ; which measures performance of the Tube and the level of delay to our customers	2018/19 year end actual³	4.49 minutes	
			Weighted bus customer journey time ; which measures bus performance and the journey experience of our bus customers	33.5 minutes	32.5 minutes	
		Public transport will be safe, affordable and accessible to all	Reduction in customers and workforce killed and seriously injured ; which measures our progress to achieving the Vision Zero aim of all deaths and serious injuries eliminated from London's transport network by 2041 ⁴	56 fewer people killed or seriously injured (2.5% reduction)	New measure	Customers (25%)
		Journeys by public transport will be pleasant, fast and reliable	Percentage of Londoners who agree we care about our customers ; which measures how well we are meeting customer expectations during every interaction with us, not just their last journey experience	53% Floor target: 50%	49%	
		The public transport network will meet the needs of a growing London	Deliver key investment milestones ; which measures how well we are progressing with our key delivery programmes	90%	81%	
			Key Elizabeth line milestone - Start of TfL Rail/Elizabeth line services between Paddington and Reading ; which measures our progress in delivering the Elizabeth line	December 2019	New measure	

³ Performance to be no worse than 2018/19 year end actual, for which the year end result is 4.49 minutes

⁴ We are currently reviewing our approach and will recommend changes to SSHR Panel and Board once an improved approach has been developed and tested.

Table 1: 2019/20 TfL Scorecard (continued)

Long-term objectives		2019/20 Scorecard Measures				
Theme	Outcome	Measure	2019/20 Target	2018/19 year end actual	Category (weighting)	
(MTS)	New homes and jobs	Transport investment will unlock the delivery of new homes and jobs	The cumulative percentage of affordable homes on TfL land with planning applications submitted (post May 2016); which measures our progress in delivering affordable homes on TfL land	50%	New measure	Customers (continued)
	Mode Share	80% of trips will be made by active, efficient and sustainable modes by 2041	Public transport trips (millions) Average kilometres cycled per day (thousands) ⁵ measures how we are increasing the use of sustainable modes of travel	3,967 540 Floor target: 529	4,022 529	
Corporate	People	A capable and engaged workforce representative of London	Workforce representativeness – all staff	1.0% ⁶	69.9%	People (25%)
			Workforce representativeness – director / band 5	0.5% ⁴	37.8%	
			Inclusion index; which measures how staff feel about working at TfL	46%	43%	
	Total engagement; which measures how well our staff are engaged with working life at TfL	57%	56%			
Financial	We cover our costs and we are prudent	Net operating surplus / (deficit); which measures our progress in delivering a net surplus of operations by 2022/23	£625m	£421m	Financial (25%)	
		Investment programme; which measures the delivery of our investment programme to budget ⁷	£1,679m +/- 3%	22% under budget		

⁵ Cycling trips in central London

⁶ Percentage point improvement over 2018/19 end of year position

⁷ A paper is submitted to Board on 20 November 2019 to approve changes to our financial targets for this financial year.

List of appendices to this report:

None.

List of Background Papers:

2019/20 TfL Scorecard
22 May Commissioner's Report on 18/19 Scorecard
27 March 2019 Board paper on 2019/20 Scorecard
Mayor's Transport Strategy
TfL Business Plan 2018
2019/20 Budget

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Board

Date: 20 November 2019

Item: Quarterly Performance Report – Quarter 2 2019/20

This paper will be considered in public

1 Summary

- 1.1 The Quarterly Performance Report sets out TfL's financial results for Quarter 2, 2019/20 – the period ending 14 September 2019.

2 Recommendation

- 2.1 **The Board is asked to note the Quarterly Performance Report.**

3 Financial Reporting to the Board

Quarterly Performance Report

- 3.1 The QPR presents year-to-date performance against budget, as well as year-on-year and four year trend analysis.

Quarterly results presentation

- 3.2 Accompanying the QPR is a quarterly results presentation, which contains the same financial information but presented in a more visual way which summarises the story behind the numbers, and provides additional analysis.
- 3.3 The quarterly results presentation includes a section on our revised financial targets for 2019/20, which we are proposing for Board's approval. Our approach to reviewing our budgetary assumptions was discussed with the Finance Committee on 9 October 2019.

List of appendices to this report:

- Appendix 1: Quarterly Performance Report, Quarter 2 2019/20
Appendix 2: Quarterly results presentation, Quarter 2 2019/20

List of Background Papers:

None.

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Transport for London quarterly performance report

Quarter 2 2019/20 (1 April – 14 September 2019)

About Transport for London (TfL)

Part of the Greater London Authority family led by Mayor of London Sadiq Khan, we are the integrated transport authority responsible for delivering the Mayor's aims for transport.

We have a key role in shaping what life is like in London, helping to realise the Mayor's vision for a 'City for All Londoners'. We are committed to creating a fairer, greener, healthier and more prosperous city. The Mayor's Transport Strategy sets a target for 80 per cent of all journeys to be made on foot, by cycle or using public transport by 2041. To make this a reality, we prioritise health and the quality of people's experience in everything we do.

We manage the city's red route strategic roads and, through collaboration with the London boroughs, can help shape the character of all London's streets. These are the places where Londoners travel, work, shop and socialise. Making them places for people to walk, cycle and spend time will reduce car dependency and improve air quality, revitalise town centres, boost businesses and connect communities.

We run most of London's public transport services, including the London Underground (LU), London Buses, the DLR, London Overground (LO), TfL Rail, London Trams, London River Services (LRS), London Dial-a-Ride, Victoria Coach Station (VCS), Santander Cycles and the Emirates Air Line (EAL). The quality and accessibility of these services is fundamental to Londoners' quality of life. By improving and expanding public transport, we can make people's lives easier and increase the appeal of sustainable travel over private car use.

We are moving ahead with many of London's most significant infrastructure projects, using transport to unlock growth. We are working with partners on major projects like Crossrail 2 and the Bakerloo line extension that will deliver the new homes and jobs London and the UK need. We are in the final phases of completing the Elizabeth line which, when it opens, will add 10 per cent to central London's rail capacity.

Supporting the delivery of high-density, mixed-use developments that are planned around active and sustainable travel will ensure that London's growth is good growth. We also use our own land to provide thousands of new affordable homes and our own supply chain creates tens of thousands of jobs and apprenticeships across the country.

We are committed to being an employer that is fully representative of the community we serve, where everyone can realise their potential. Our aim is to be a fully inclusive employer, valuing and celebrating the diversity of our workforce to improve services for all Londoners.

We are constantly working to improve the city for everyone. This means freezing TfL fares so everyone can afford to use public transport, using data and technology to make services intuitive and easy to use, and doing all we can to make streets and transport services accessible to all. We reinvest every penny of our income to continually improve transport networks for the people who use them every day.

None of this would be possible without the support of boroughs, communities and other partners who we work with to improve our services. We all need to pull together to deliver the Mayor's Transport Strategy; by doing so we can create a better city as London grows.

Contents

4	Introduction	20	Buses
6	Business at a glance	22	Streets
8	Financial summary	24	Rail
10	Financial trends	26	Other operations
12	Debt and cash	28	Major projects
14	Passenger journeys	30	Property
16	Underground	32	Media
18	Elizabeth line	34	Appendices

The financial information included in the report is unaudited and does not constitute TfL's statutory accounts. TfL's last audited **Statement of Accounts** for the year ending 31 March 2019 was published in July 2019.

Introduction

The good progress made in Q1 has continued, with the net operating surplus ahead of budget and last year.

Passenger income is £63m above budget with strong performance on the London Underground. London Buses revenue continued to perform ahead of budget, with a lower than expected decline in off-peak journeys.

Other operating income is £3m below budget driven by high Ultra Low Emission Zone (ULEZ) compliance rates, resulting in income being lower than anticipated. This is a great policy outcome and an important step towards cleaner air for Londoners.

Operating costs continue to outperform budget and are £142m (five per cent) below budget. As in the first quarter, variances against budget are from a combination of lower than expected costs and timing differences on projects, and restructuring costs.

Key highlights in the capital investment programme in Q2 include commissioning of the

signalling upgrade from Latimer Road to Euston Square, and the opening of a more accessible and larger Overground station at White Hart Lane both in August 2019.

The underlying business performance remains strong. Year-on-year income is up and like-for-like operating costs are down, despite a tough external environment and delays to the Crossrail project.

The Budget was written in January on the expectation that the UK would leave the EU on 29 March 2019. Our demand and cost assumptions were cautious reflecting uncertainty in the wider economy. We are now performing significantly better than our Budget, despite continuing economic uncertainty. This performance sets us in a stronger position to face the challenges ahead.

We have reviewed our budgetary assumptions and will ask the Board to approve a revised set of targets for 2019/20. We will report against this set of revised targets from Q3.

Simon Kilonback
Chief Finance Officer

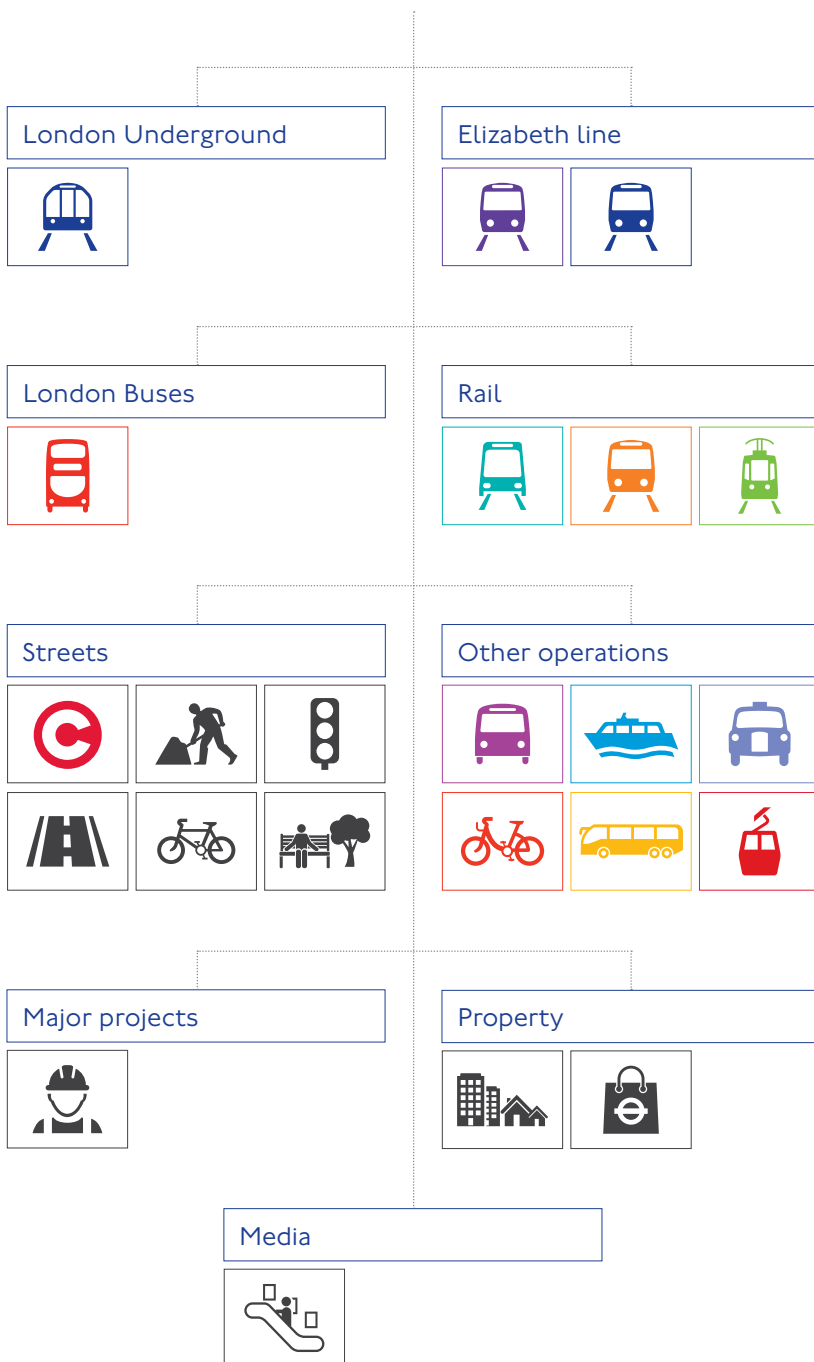
Tony King
Group Finance Director



Business at a glance

Keeping London moving, working and growing to make life in our city better

How we report on our business



Facts and figures

945 Trains on the TfL network



580km

TfL-operated highways



720km

TfL-operated Rail and London Underground routes



9,330

Buses on the TfL network

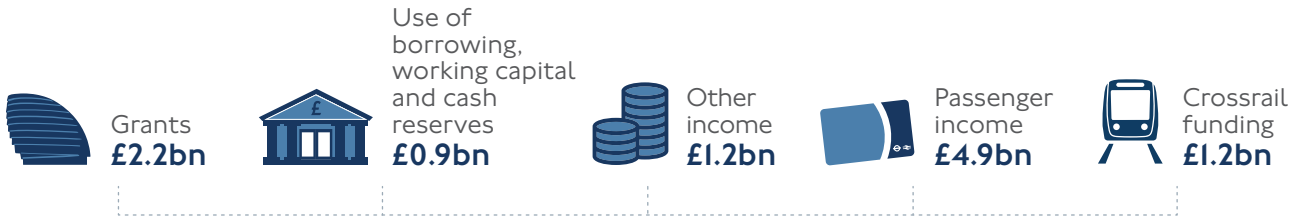


6,365

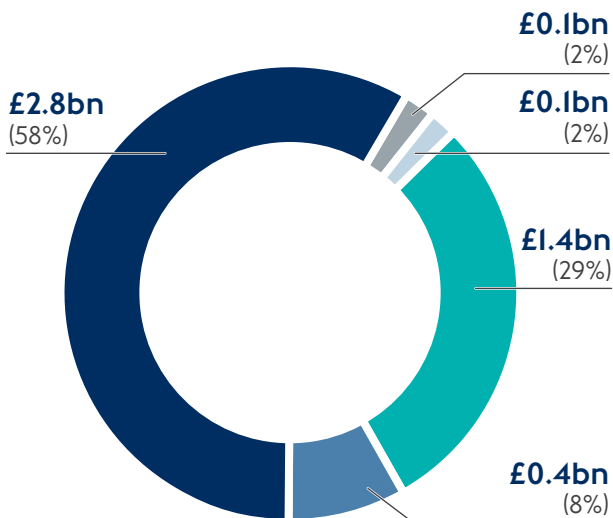
Traffic signals operated by TfL



Budget at a glance



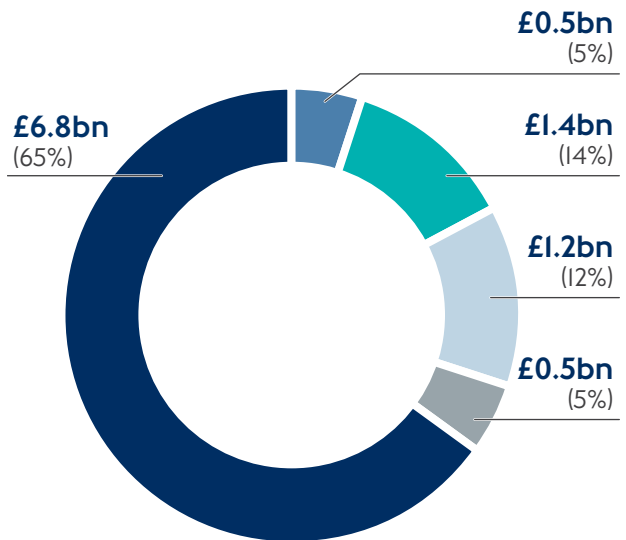
Total passenger income



Total: **£4.9bn**

- London Underground
- Buses
- Rail
- TfL Rail
- Other operations

Total costs



Total: **£10.3bn**

- Operating cost
- New capital investment
- Capital renewals
- Crossrail
- Net financing

Financial summary

Performance in the year to date

Operating account

TfL Group (£m)	Q2 YTD 2019/20	Budget YTD 2019/20	Variance	Q2 YTD 2018/19	Variance
Passenger income	2,220	2,157	63	2,171	49
Other operating income	453	456	(3)	372	81
Total operating income	2,673	2,613	60	2,543	130
Business Rates Retention	420	420	-	417	3
Other revenue grants	39	38	1	29	10
Total income	3,132	3,071	61	2,989	143
Operating cost	(2,868)	(3,010)	142	(2,805)	(63)
Net operating surplus	264	61	203	184	80
Capital renewals	(170)	(220)	50	(178)	8
Net cost of operations before financing	94	(159)	253	6	88
Net financing costs	(205)	(213)	8	(205)	-
Net cost of operations	(111)	(372)	261	(199)	88

Capital account

TfL Group (£m)	Q2 YTD 2019/20	Budget YTD 2019/20	Variance	Q2 YTD 2018/19	Variance
New capital investment	(466)	(673)	207	(672)	206
Crossrail	(488)	(615)	127	(669)	181
Total capital expenditure	(954)	(1,288)	334	(1,341)	387
Financed by:					
Investment grant	393	393	-	429	(36)
Property and asset receipts	141	23	118	4	137
Borrowing	30	274	(244)	335	(305)
Crossrail funding sources	443	785	(342)	62	381
Other capital grants	84	124	(40)	78	6
Total	1,091	1,599	(508)	908	183
Net capital account	137	311	(174)	(433)	570

Cash flow summary

TfL Group (£m)	Q2 YTD 2019/20	Budget YTD 2019/20	Variance	Q2 YTD 2018/19	Variance
Net cost of operations	(111)	(372)	261	(199)	88
Net capital account	137	311	(174)	(433)	570
Working capital movements	(30)	(283)	253	(92)	62
Decrease in cash balances	(4)	(344)	340	(724)	720

Passenger journey analysis

TfL Group (£m)	Q2 YTD 2019/20	Budget YTD 2019/20	Variance	Q2 YTD 2018/19	Variance
Number of passenger journeys (millions)	1,799	1,764	35	1,810	(11)
Average yield per passenger journey (£)	1.23	1.22	0.01	1.20	0.03
Operating cost per journey (£)	(1.59)	(1.71)	0.12	(1.55)	(0.04)

The year-to-date net operating surplus is £203m better than budget and £80m higher than last year. The continued strong performance indicates we are on track to outperform our full-year budget.

Total income for the first half of the year is £61m favourable to budget and £143m higher than last year. Passenger income growth is driven by Underground journeys, while bus and rail journeys remain subdued. Other operating income is £81m higher than last year owing to the launch of the ULEZ in April 2019. Compliance levels are higher than budget, which was based on modelling from previous schemes, resulting in lower income than anticipated.

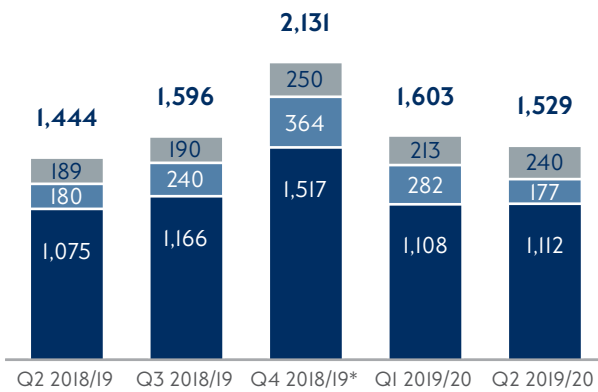
Year-to-date operating costs are £142m lower than budget, driven by underlying cost reductions and the timing of project and restructuring costs. Around 50 per cent of this represents savings which we expect to carry through to the end of the year.

Total capital renewals and investment are £257m lower than budget, but we do not expect this to affect final delivery dates. Key programme spend is below budget from a combination of timing, rephasing and some savings.

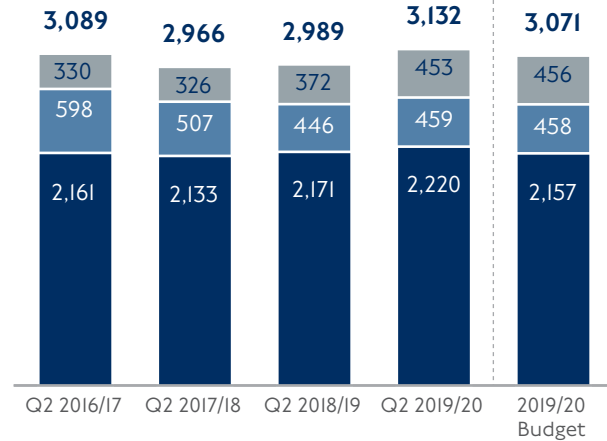
Cash balances are £340m higher than budget, boosted this quarter by the sale of a long lease of our 55 Broadway office building.

Financial trends

Total income Quarterly (£m)



Year to date (£m)



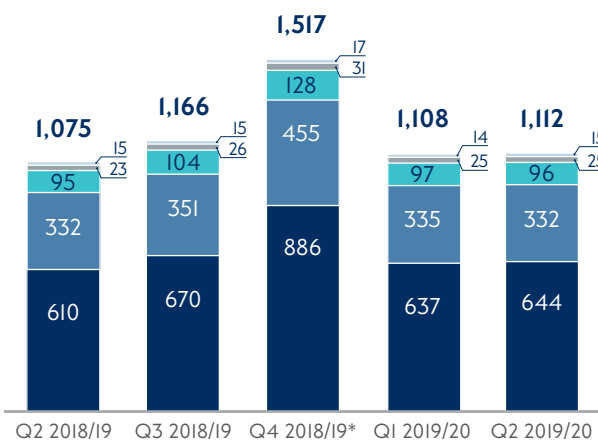
- Passenger income
- Grants
- Other income

Total income £61m above budget

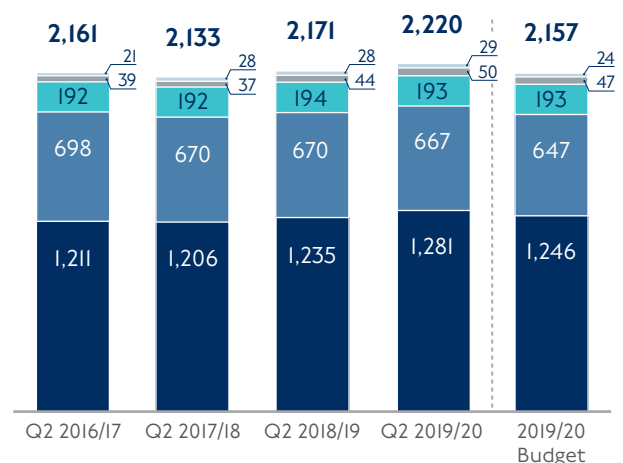
5% ▲ year on year

Total income is better than budget, mainly owing to higher passenger income from increased demand on London Underground. The launch of the ULEZ in April 2019 has contributed to the year-on-year increase.

Total passenger income Quarterly (£m)



Year to date (£m)



- London Underground
- Buses
- Rail
- TfL Rail
- Other operations

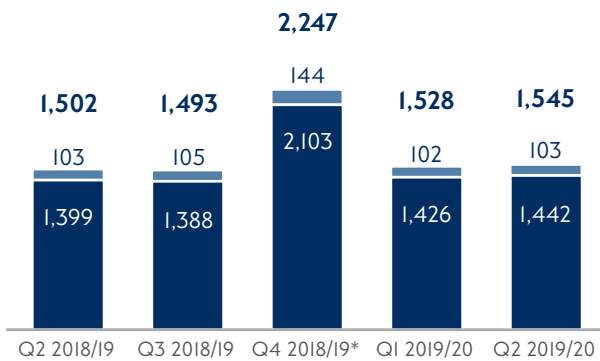
Passenger income £63m above budget

2% ▲ year on year

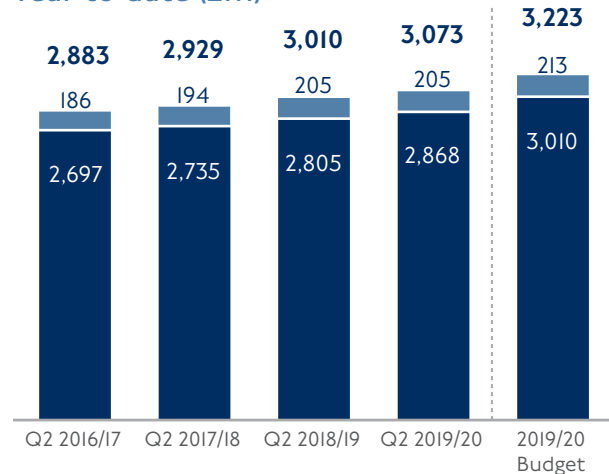
Passenger income is outperforming budget in both LU and Buses – our Budget assumptions were cautious given macroeconomic conditions and uncertainty on Brexit.

* Q4 is longer than quarters 1 to 3 (16 weeks and one day vs 12 weeks)

Total cost
Quarterly (£m)



Year to date (£m)



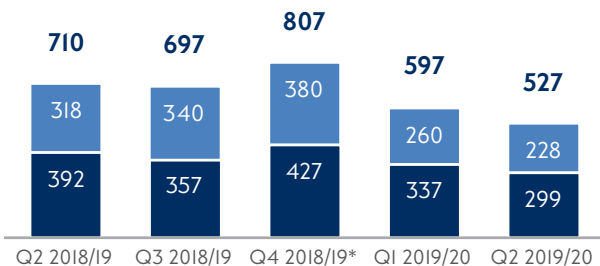
- Operating costs
- Net financing costs

Operating costs
£142m below budget

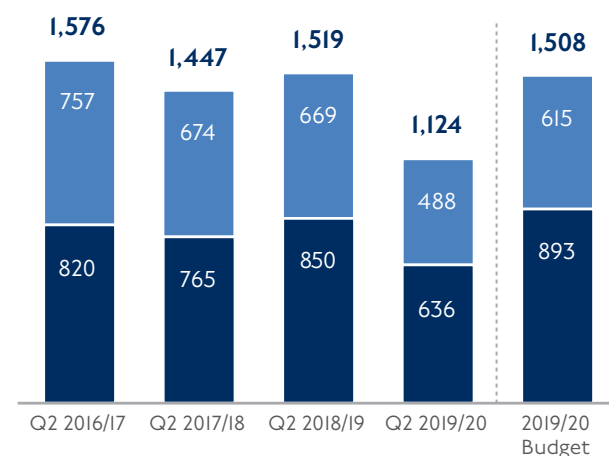
2% ▲ year on year

Once operating costs are adjusted for one-offs, growth (including Elizabeth line, ULEZ and new LO services) and restructuring costs. Like-for-like operating costs are down £29m on 2018/19.

Total capital expenditure (including Crossrail)
Quarterly (£m)



Year to date (£m)



- Capital investment and renewals
- Crossrail

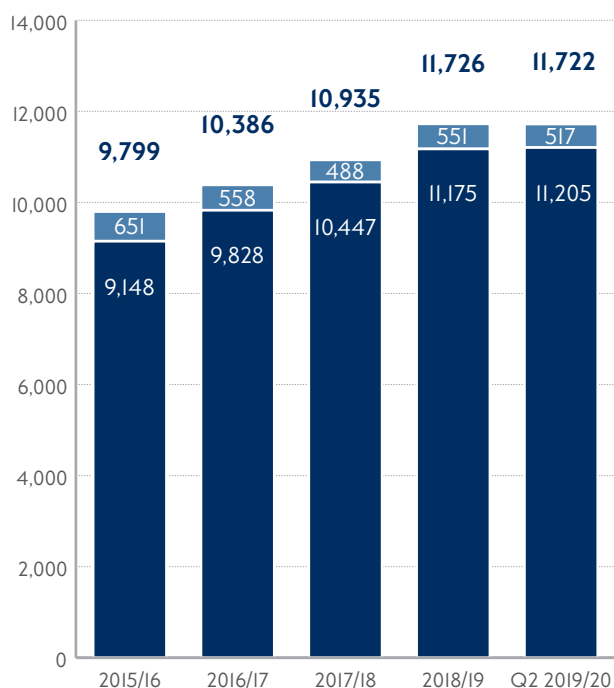
£3.1bn full year budget

26% ▼ year on year

Capital expenditure is below budget, owing to combinations of timing and rephasing on key programmes, as well as some savings which will have no impact on delivery dates.

Debt and cash

Total nominal value of debt (£m)

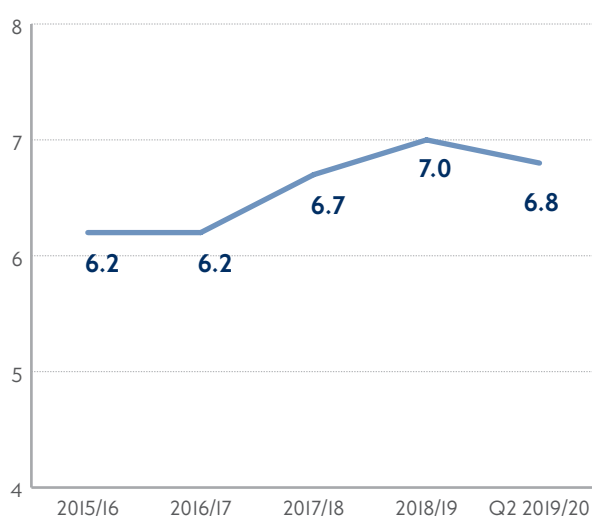


- Borrowing
- Finance leases and other financing liabilities

The Budget assumes that our borrowing will grow by £845m by 31 March 2020, within the limits agreed with the Government. At the end of Q2, our borrowing had increased by £30m, reflecting £100m of long-term borrowing partially offset by long-term debt repayments and a reduction in our outstanding commercial paper balance.

The total nominal value of borrowing outstanding at the end of the quarter was £11,205m, of which £10,500m was long term.

Financing costs (% of total income)*



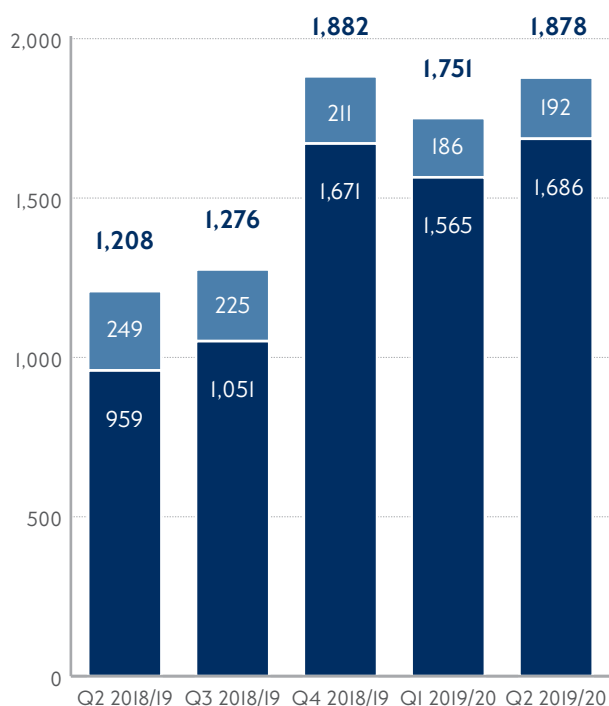
The ratio of financing costs to total income, including operating grants, helps TfL to monitor the affordability of its debt.

Financing costs and income (£m)

Year to date	Q2 2019/20	Q2 Budget	Variance
Interest income	9	8	1
Financing costs	(214)	(221)	7

* Financing costs include interest costs for borrowing, finance leases and other financing liabilities

Cash balances (£m)



- TfL cash balances
- Crossrail, LTM and LTIG cash balances

£4m

Decrease in cash over the year to date

Total cash balances have increased by £127m over the quarter, to stand at £1,878m. The increase is primarily because of the sale of a long lease of our 55 Broadway office building.

Of the total cash balance, £192m is held for the Crossrail project, the London Transport Museum (LTM) and London Transport Insurance Guernsey (LTIG). We aim to hold a prudent minimum level of non ring-fenced cash for exceptional circumstances and to retain a high credit rating, in line with our liquidity policy approved by the TfL Board. This level of cash reserves – currently around £560m – is driven by the size of our operating costs and the level of our debt.

We expect to continue to use our balances to fund the improvements outlined in our Business Plan and in our Budget.

Credit ratings

We are rated by the three leading international rating agencies. Our rating with Fitch remains on Rating Watch Negative, reflecting the Rating Watch Negative on the UK Government because of the ongoing uncertainty over Brexit and the likely impact on the UK economy.

Credit ratings	
Moody's	Aa3 stable outlook
Standard & Poor's	AA- negative outlook
Fitch	AA- Rating Watch Negative

Passenger journeys

Q2, year to date

1,799m total journeys **1,764m** budget **1,810m** prior year



London Underground

629m

2.5%▲
budget

1.4%▲
prior year



Buses

993m

1.9%▲
budget

1.8%▼
prior year



DLR

55m

1.1%▲
budget

0.3%▼
prior year



London Overground

84m

1.0%▲
budget

2.2%▼
prior year



London Trams

12m

3.9%▼
budget

6.4%▼
prior year



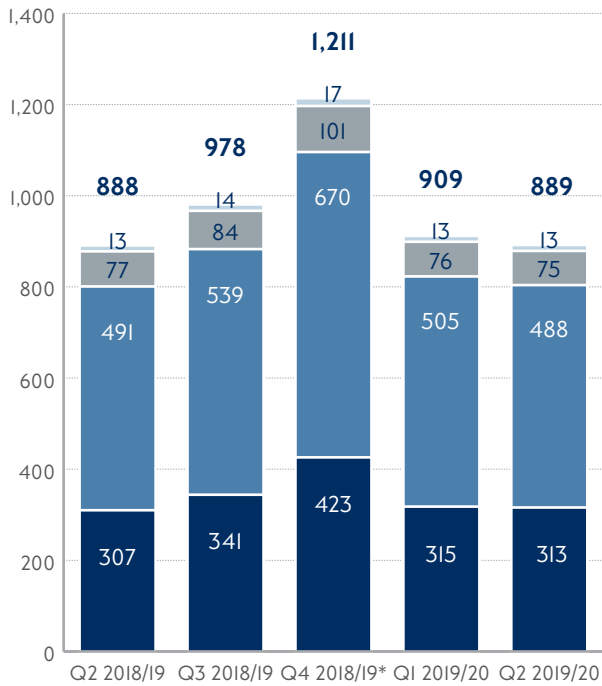
TfL Rail

26m

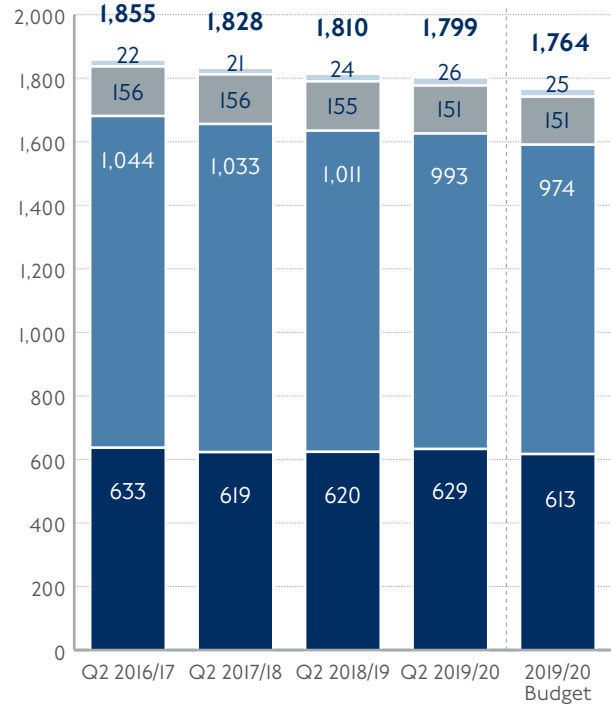
3.6%▲
budget

8.4%▲
prior year

Quarterly (millions)



Year to date with Budget (millions)



London Underground
 Buses
 Rail
 TfL Rail

London Underground passenger volumes are 16 million better than budget and nine million better than last year. Demand remains strong, with year-on-year journeys up by 1.4 per cent.

Bus passenger journeys are 19 million higher than budget, but 18 million lower than last year. This is a 1.8 per cent decline year on year, but there has been a slightly improving trend over the last quarter.

Rail passenger journeys are broadly in line with budget. There has been a decrease in London Tram journeys against budget, owing to a 10-day closure on the Croydon central section and reduced services to Wimbledon. Year-on-year London Tram journeys are down 6.4 per cent.

* Q4 is longer than quarters 1 to 3 (16 weeks and one day vs 12 weeks)

Underground

London Underground

Financial summary

London Underground has benefited from a trend of increasing passenger income coupled with a focus on continued savings.

London Underground (£m)	Q2 YTD 2019/20	Budget YTD 2019/20	Variance	Q2 YTD 2018/19	Variance
Passenger income	1,281	1,246	35	1,235	46
Other operating income	19	15	4	14	5
Total operating income	1,300	1,261	39	1,249	51
Direct operating cost	(911)	(941)	30	(936)	25
Direct operating surplus	389	320	69	313	76
Indirect operating cost	(158)	(190)	32	(158)	-
Net operating surplus	231	130	101	155	76
Capital renewals	(119)	(149)	30	(116)	(3)
New capital investment	(24)	(32)	8	(17)	(7)
Total capital expenditure	(143)	(181)	38	(133)	(10)

Total operating income is £39m higher than budget and £51m better than last year. This reflects an improvement in customer demand of 2.5 per cent against budget and, compared to last year, underlying demand of 2.2 per cent.

Direct operating costs are £30m lower than budget and £25m lower than last year. This is owing to the deferred start of the Victoria line overhaul programme and the timing of maintenance costs which are expected to be completed later in the year, without impacting front line services.

Capital expenditure is £38m lower than budget but £10m higher than last year. The year-to-date underspend is owing to operational delays to the planned completion of the Track Maintenance Unit workshop, and slippage on capital programmes on the Central and Bakerloo lines. The expectation is the new maintenance, technology and networks projects will enter delivery in the latter part of the year.

Passenger journeys analysis

	Q2 YTD 2019/20	Budget YTD 2019/20	Variance	Q2 YTD 2018/19	Variance
Number of passenger journeys (millions)	629	613	16	620	9
Average yield per passenger journey (£)	2.04	2.03	0.01	1.99	0.05
Operating cost per journey (£)	(1.70)	(1.84)	0.14	(1.76)	0.06

Passenger journeys

Passenger journeys are 16 million better than budget and nine million higher than last year as underlying demand is showing positive growth.

Average yield per passenger journey

Underlying fare income per journey has improved compared to last year. This is partly owing to the increase in National Rail average fares in January 2019 which has an impact on a proportion of TfL tickets, for example Travelcards.

Operating cost per journey

Operating cost per journey is significantly below budget and last year, owing to increased passenger journeys and savings delivered while maintaining a safe and reliable network.

Underlying passenger journeys year-on-year change (%)



2.2% ▲



0.1% ▼



0.6% ▼

Compares underlying year-to-date passenger journey numbers with those in the previous year. Actual journey numbers are adjusted for one-off events (such as strike days), timing of Easter holidays and the number of days in each quarter.

Elizabeth line

Currently operating as TfL Rail 

Financial summary

The focus is on successfully introducing Elizabeth line services.

Elizabeth line (£m)	Q2 YTD 2019/20	Budget YTD 2019/20	Variance	Q2 YTD 2018/19	Variance
Passenger income	50	47	3	44	6
Other operating income	5	4	1	14	(9)
Total operating income	55	51	4	58	(3)
Direct operating cost	(155)	(169)	14	(87)	(68)
Direct operating deficit	(100)	(118)	18	(29)	(71)
Indirect operating cost	(5)	(5)	-	(5)	-
Net operating deficit	(105)	(123)	18	(34)	(71)
New capital investment	(9)	(18)	9	(207)	198
Crossrail construction cost	(488)	(615)	127	(669)	181
Total capital expenditure	(497)	(633)	136	(876)	379

An increase in both passenger journeys and the average yield per passenger journey has resulted in passenger income being £3m higher than budget and £6m higher than last year. The increase compared to last year is impacted by a full Q1 of the Paddington to Hayes & Harlington and Heathrow services which began in May 2018.

The £9m reduction in other operating income compared to last year relates to one-off third party income received in 2018/19.

Operating costs are £14m lower than budget, mainly owing to lower than expected train maintenance, train leasing and concession costs. Operating costs are £68m higher compared to last year owing to the introduction of train leasing costs following the sale and leaseback of the rolling stock fleet, charges paid to Network Rail and concession costs.

New capital investment is £9m lower than budget, mainly owing to the timing of spend on station improvements. Expenditure in 2018/19 included rolling stock production costs prior to the sale of the fleet.

Passenger journeys analysis

	Q2 YTD 2019/20	Budget YTD 2019/20	Variance	Q2 YTD 2018/19	Variance
Number of passenger journeys (millions)	26.1	25.2	0.9	24.1	2.0
Average yield per passenger journey (£)	1.91	1.86	0.05	1.82	0.09
Operating cost per journey (£)	(6.13)	(6.90)	0.77	(3.82)	(2.30)

Passenger journeys

Passenger demand is four per cent better than budget, owing to underlying demand showing positive growth. This year had a full Q1 of the Paddington to Hayes & Harlington and Heathrow services, as well as one extra Easter bank holiday compared to last year.

Average yield per passenger journey

Passenger income per journey is 2.7 per cent better than budget and 4.9 per cent better than last year. This increase is mainly driven by a higher yield from the Paddington to Hayes & Harlington and Heathrow services.

Operating cost per journey

Operating cost per journey is 11 per cent lower than budget, mainly owing to train maintenance, train lease and concession savings. The increase from last year is mainly owing to train lease costs and Network Rail charges.

Underlying passenger journeys year-on-year change (%)



Compares underlying year-to-date passenger journey numbers with those in the previous year. Actual journey numbers are adjusted for one-off events (such as strike days), timing of Easter holidays and the number of days in each quarter.

Buses

London Buses

Financial summary

Higher passenger income has contributed to the net operating deficit being £18m lower than budget. Total operating costs are increasing compared to last year, owing to the annual contract price inflation in our bus contracts.

Buses (£m)	Q2 YTD 2019/20	Budget YTD 2019/20	Variance	Q2 YTD 2018/19	Variance
Passenger income	667	647	20	670	(3)
Other operating income	4	5	(1)	6	(2)
Total operating income	671	652	19	676	(5)
Direct operating cost	(986)	(984)	(2)	(968)	(18)
Direct operating deficit	(315)	(332)	17	(292)	(23)
Indirect operating cost	(11)	(12)	1	(12)	1
Net operating deficit	(326)	(344)	18	(304)	(22)
Capital renewals	(1)	(3)	2	(1)	-
New capital investment	(6)	(11)	5	(10)	4
Total capital expenditure	(7)	(14)	7	(11)	4

Passenger income is £20m higher than budget, primarily as a result of a lower year-on-year reduction in demand than previously assumed. Underlying year-on-year demand shows a 1.2 per cent decline in the year to date, but is 1.4 per cent above budget.

Direct operating cost is in line with budget, but is £18m higher year on year. This is primarily owing to the annual contracted price inflation within the bus

operators' contracts which we estimate will drive a cost increase of £57m in the full year. We are continuing to deliver savings in our contracting activities.

Capital expenditure is £7m under budget as we have rescheduled some of our capital works to later in the financial year.

Passenger journeys analysis

	Q2 YTD 2019/20	Budget YTD 2019/20	Variance	Q2 YTD 2018/19	Variance
Number of passenger journeys (millions)	993	974	19	1,011	(18)
Average yield per passenger journey (£)	0.67	0.66	0.01	0.66	0.01
Operating cost per journey (£)	(1.00)	(1.02)	0.02	(0.97)	(0.03)

Passenger journeys

Total passenger journeys are two per cent higher than budget and two per cent lower than the previous year. This was mostly owing to Q1 having one less day than the previous year. On a normalised basis, passenger journeys were one per cent lower.

Average yield per passenger journey

The average yield per passenger journey is one pence higher than budget. Compared to the same period last year, average yield has increased by one pence. This is primarily owing to an increase in fares on Travelcards in January 2019.

Operating cost per journey

Operating cost per journey is two pence lower than budget owing to higher passenger journeys. It is three pence greater than last year owing to a decrease in passenger journeys and an increase in operating costs, primarily because of annual contract price inflation within the bus operators' contracts.

Underlying passenger journeys year-on-year change (%)



1.2% ▼



1.8% ▼



0.4% ▲

Compares underlying year-to-date passenger journey numbers with those in the previous year. Actual journey numbers are adjusted for one-off events (such as strike days), timing of Easter holidays and the number of days in each quarter.

Streets

Transport for London Road Network (TLRN)



Financial summary

Operating performance is tracking ahead of budget as a result of increased income.

Streets (£m)	Q2 YTD 2019/20	Budget YTD 2019/20	Variance	Q2 YTD 2018/19	Variance
Passenger income	-	-	-	-	-
Other operating income	168	144	24	151	17
Total operating income	168	144	24	151	17
Direct operating cost	(205)	(207)	2	(204)	(1)
Direct operating deficit	(37)	(63)	26	(53)	16
Indirect operating cost	(34)	(38)	4	(35)	1
Net operating deficit	(71)	(101)	30	(88)	17
Capital renewals	(11)	(18)	7	(17)	6
New capital investment	(48)	(66)	18	(35)	(13)
Total capital expenditure	(59)	(84)	25	(52)	(7)

Other operating income is up £24m against budget and £17m against 2018/19. This is because of changes made to the Congestion Charge scheme, to encourage a reduction in the use of cars in central London, and the removal of the Private Hire Vehicle exemption. Continuation of our improved efficiency in Road Network Compliance is also increasing our income.

Direct operating costs are £2m better than budget and £1m higher than last year. The small year-on-year increase is owing to higher levels of cost required to support the growth in operating income.

Capital costs have increased compared to last year, owing to the delivery of cycling and other road schemes. The focus is on reducing the number of people killed or seriously injured while using London's road network and promoting healthy modes of transport such as walking and cycling.

Volume analysis

	Q2 YTD 2019/20	Budget YTD 2019/20	Variance	Q2 YTD 2018/19	Variance
Congestion Charge volumes (thousands)	7,400	6,144	1,256	6,620	780
Congestion Charge and enforcement income (£m)	119.1	104.0	15.1	108.6	10.5
Traffic volumes – all London (index)	97.0	-	-	97.0	-
Cycling growth in CCZ (%)*	10.1	10.0	-	13.0	-

Cycling

A daily average of 563,922km was cycled in the congestion charging zone during Q2, which is a 1.6 per cent decrease compared to the same quarter last year. However the long-term trend in cycling remains upwards and the growth from the baseline is roughly the same as that of recent quarters.

Traffic flow

Q2 London-wide flows have remained similar to last year. Flows in central London have been impacted by the introduction of ULEZ, which operates at all times. However outer London is the key driver and this has shown very modest growth which has offset the decline in central London.

Traffic flow (volume) year-on-year change



0.1% ▲



1.1% ▲



0.2% ▲

* Cycling data is based on calendar quarters rather than financial quarters ie Q2 is April to June and is the latest available data. It is presented as a percentage change from the previous year

Compares traffic flow volumes for the year to date with the corresponding quarters in the previous year.

Rail

DLR, London Overground and London Trams



Financial summary

Total operating income is lower than budget and in line with last year.

Rail (£m)	Q2 YTD 2019/20	Budget YTD 2019/20	Variance	Q2 YTD 2018/19	Variance
Passenger income	193	193	-	194	(1)
Other operating income	14	16	(2)	13	1
Total operating income	207	209	(2)	207	-
Direct operating cost	(214)	(230)	16	(199)	(15)
Direct operating (deficit)/surplus	(7)	(21)	14	8	(15)
Indirect operating cost	(9)	(10)	1	(10)	1
Net operating deficit	(16)	(31)	15	(2)	(14)
Capital renewals	(18)	(17)	(1)	(11)	(7)
New capital investment	(21)	(21)	-	(13)	(8)
Total capital expenditure	(39)	(38)	(1)	(24)	(15)

Passenger income is in line with budget, but slightly below last year as there was one less operating day this year.

Operating costs are lower than budget as the roll out of new trains on the Overground is slower than expected. Contract savings on the Overground and DLR have also contributed to the year-to-date underspend.

A more accessible and larger Overground station is now open at White Hart Lane. The transformation includes a new ticket hall, two new entrances, new cycle parking, more ticket machines and two new lifts. The new station directly supports the regeneration in the area, which includes the new Tottenham Hotspur Stadium and museum as well as plans for a hotel and new homes.

Passenger journeys analysis

	Q2 YTD 2019/20	Budget YTD 2019/20	Variance	Q2 YTD 2018/19	Variance
London Overground					
Number of passenger journeys (millions)	84.5	83.6	0.9	86.4	(1.9)
Average yield per passenger journey (£)	1.22	1.24	(0.02)	1.21	0.01
Operating cost per journey (£)	(1.69)	(1.90)	0.21	(1.54)	(0.15)
DLR					
Number of passenger journeys (millions)	55.4	54.8	0.6	55.6	(0.2)
Average yield per passenger journey (£)	1.44	1.43	0.01	1.41	0.03
Operating cost per journey (£)	(1.13)	(1.13)	-	(1.05)	(0.08)
London Trams					
Number of passenger journeys (millions)	12.3	12.8	(0.5)	13.2	(0.8)
Average yield per passenger journey (£)	0.85	0.82	0.03	0.83	0.02
Operating cost per journey (£)	(1.35)	(1.38)	0.03	(1.27)	(0.08)

Underlying passenger journeys year-on-year change (%)



0.3% ▼



2.8% ▲



1.1% ▼

Compares underlying year-to-date passenger journey numbers with those in the previous year. Actual journey numbers are adjusted for one-off events (such as strike days), timing of Easter holidays and the number of days in each quarter.

Other operations

London Dial-a-Ride, London River Services, London Taxi and Private Hire, Santander Cycles, Victoria Coach Station, Emirates Air Line and others      

Financial summary

As well as the operations named above, we include the costs of the Crossrail 2 project team and the Planning team, together with certain group items in this category.

Other operations (£m)	Q2 YTD 2019/20	Budget YTD 2019/20	Variance	Q2 YTD 2018/19	Variance
Passenger income	29	24	5	28	1
Other operating income	132	163	(31)	69	63
Total operating income	161	187	(26)	97	64
Direct operating cost	(116)	(149)	33	(119)	3
Direct operating deficit	45	38	7	(22)	67
Indirect operating cost	(23)	(27)	4	(24)	1
Net operating deficit	22	11	11	(46)	68
Capital renewals	(10)	(18)	8	(22)	12
New capital investment	(40)	(62)	22	(37)	(3)
Total capital expenditure	(50)	(80)	30	(59)	9

Other operating income is significantly higher than last year, owing to the introduction of the ULEZ. High compliance rates have resulted in ULEZ income being £32m below budgeted levels.

The higher than budgeted ULEZ compliance rates have contributed to the year-to-date direct operating cost

underspend as the reduced income has seen our exposure to bad debts decrease.

New capital investment is lower than budget, owing to in-year timing differences on the Emergency Services Network project, the mobile network project and other technology work streams.

Volume analysis

	Q2 YTD 2019/20	Budget YTD 2019/20	Variance	Q2 YTD 2018/19	Variance
Santander Cycles					
Number of hires (millions)	5.6	5.9	(0.4)	6.0	(0.4)
Average income per hire (£)	1.31	1.22	0.09	1.24	0.07
Operating cost per hire (£)	(2.23)	(2.15)	(0.08)	(2.17)	(0.06)
Victoria Coach Station					
Number of coach departures (thousands)	104.0	106.0	(2.0)	106.0	(2.0)
Average income per departure (£)	38.45	39.76	(1.31)	36.26	2.19
Operating cost per departure (£)	(38.31)	(36.22)	(2.09)	(36.38)	(1.93)
London River Services					
Number of passenger journeys (millions)	6.0	6.1	(0.2)	6.1	(0.2)
Average income per journey (£)	0.28	0.28	-	0.23	0.05
Operating cost per journey (£)	(0.94)	(0.88)	(0.06)	(1.45)	0.51
London Dial-a-Ride					
Number of passenger journeys (thousands)	441.0	463.0	(22.0)	470.5	(29.5)
Operating cost per trip (£)	(47.78)	(46.42)	(1.36)	(48.69)	0.91
Taxi and Private Hire					
Number of private hire vehicle drivers	107,123	-	-	109,192	(2,069)
Taxi drivers	22,922	-	-	23,501	(579)
Total income (£m)	16.2	16.3	(0.1)	16.5	(0.3)
Total costs (£m)*	(14.0)	(15.7)	1.7	(15.5)	1.5
Emirates Air Line					
Number of passenger journeys (thousands)	710.3	731.0	(20.7)	742.7	(32.4)
Average income per journey (£)	4.65	4.63	0.02	4.48	0.17
Operating cost per journey (£)**	(2.73)	(2.29)	(0.44)	(2.17)	(0.56)

* Operating costs exclude depreciation and the management fee, which are also charged to the licence fee

** Costs of Emirates Air Line are shown net of sponsorship Income.

Major projects



Financial summary

Major projects is responsible for our largest and most complex projects. It comprises line upgrades, network extensions and major stations.

Major projects (£m)	Q2 YTD 2019/20	Budget YTD 2019/20	Variance	Q2 YTD 2018/19	Variance
Passenger income	-	-	-	-	-
Other operating income	1	-	1	-	1
Total operating income	1	-	1	-	1
Direct operating cost	(5)	(5)	-	(10)	5
Direct operating deficit	(4)	(5)	1	(10)	6
Indirect operating cost	(13)	(15)	2	(14)	1
Net operating deficit	(17)	(20)	3	(24)	7
Capital renewals	(11)	(15)	4	(11)	-
New capital investment	(287)	(390)	103	(323)	36
Net capital expenditure	(298)	(405)	107	(334)	36

Four Lines Modernisation

The signalling upgrade from Latimer Road to Euston Square was commissioned on 31 August 2019. A change in contractor on some of our infrastructure works has led to a year-to-date underspend of £22m, but is forecast to be near to budget by year end. Following detailed management reviews of the estimated final cost (EFC) we are forecasting an increase of £78m, but are still within overall spend authority.

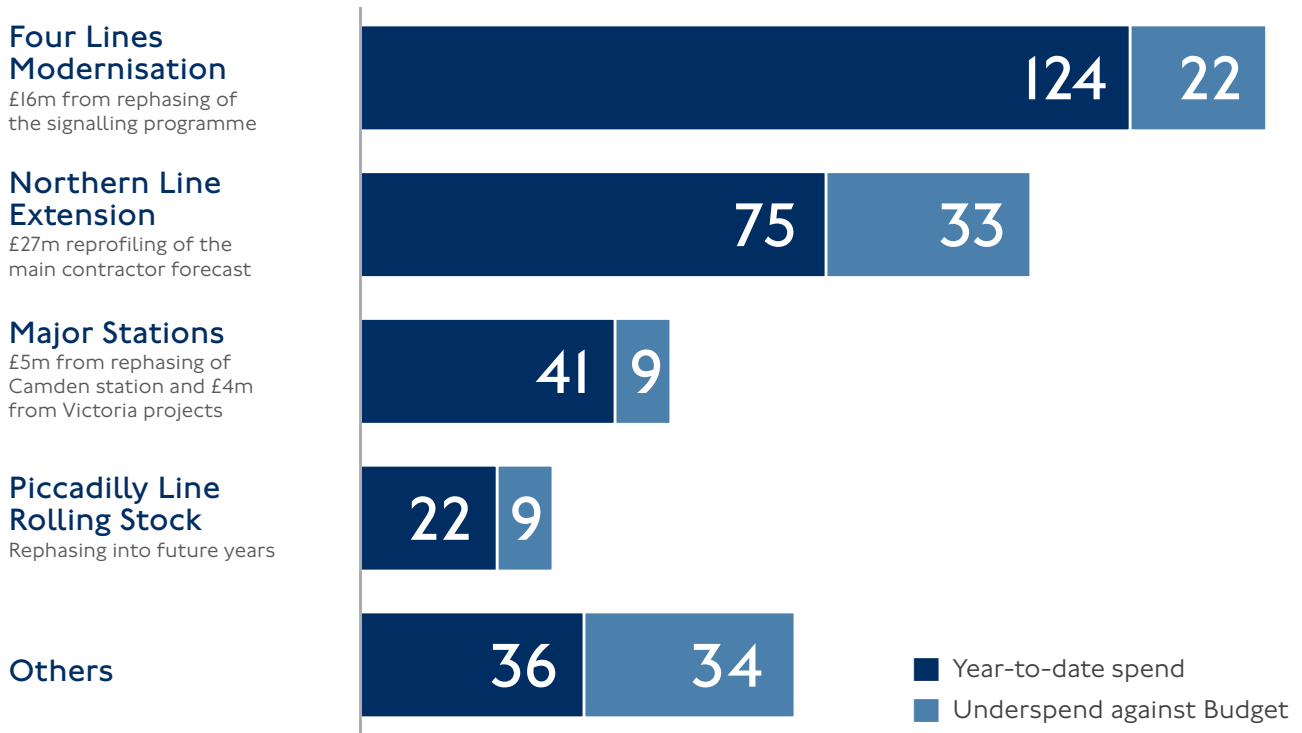
Piccadilly Line Rolling Stock

Following the award of the Piccadilly line trains contract, Siemens is developing a concept design and the supporting activities remain on target. The year-to-date underspend reflects the revised value of activities from having a greater understanding of the main contractor.

Northern Line Extension

As part of the signalling main works the Vehicle Control Centre detailed design has been completed. We are forecasting a reduction of £92m in the EFC, reflecting a reduced risk profile as the project progresses.

Year-to-date capital spend by programme (£m)



Barking Riverside Extension

This is a new rail link to serve the 10,800 new homes that are planned for the Barking Riverside development area. The works to support a new viaduct have been completed following the 16 days Network Rail blockage.

Railway System Enhancements

This programme includes upgrades to signalling, power, trains and track, with the target of maximising capacity on the Jubilee and Northern lines with the existing train fleets. Enabling work to enhance the power supply started this quarter.

Major stations

At Bank station, the breakthrough between the new entrance on Cannon Street and the newly constructed Northern line tunnel will make further construction work easier, helping to ensure the important upgrade is delivered by 2022. Concrete works on the Northern line running tunnel have been completed.

Property



Financial summary

Net operating surplus is slightly higher than budget and last year, owing to lower operating costs.

Property (£m)	Q2 YTD 2019/20	Budget YTD 2019/20	Variance	Q2 YTD 2018/19	Variance
Passenger income	-	-	-	-	-
Other operating income	45	47	(2)	44	1
Total operating income	45	47	(2)	44	1
Direct operating cost	(12)	(17)	5	(14)	2
Direct operating surplus	33	30	3	30	3
Indirect operating cost	(4)	(4)	-	(4)	-
Net operating surplus	29	26	3	26	3
New capital investment	(27)	(67)	40	(18)	(9)
Property receipts	141	23	118	4	137
Crossrail over site development	-	59	(59)	16	(16)
Net capital expenditure	114	15	99	2	112

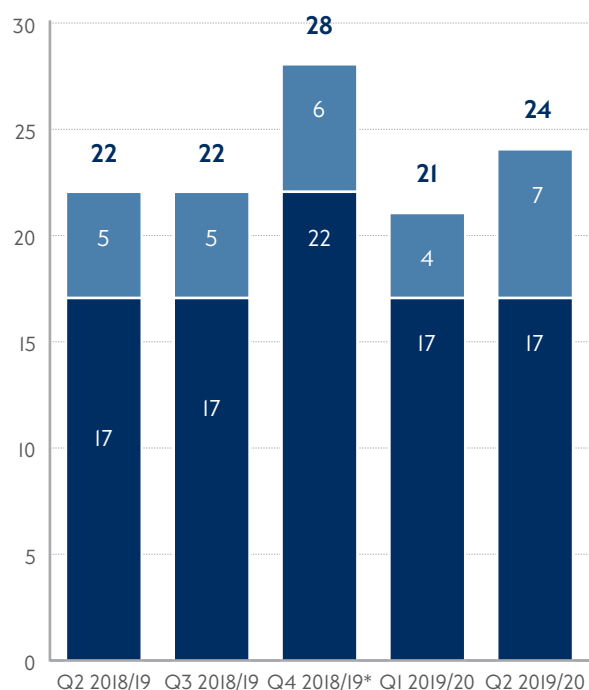
Other operating income is lower than budget, owing to growth being lower than our budget assumptions.

Operating costs are lower than budget and last year, owing to reduced feasibility activity and lower property expenses. These are currently forecast to occur later in the year.

Capital receipts are higher than budget as a result of the earlier than budgeted disposal of 55 Broadway, partly offset by the delayed disposal of Crossrail sites at Paddington and 65 Davies Street.

Capital investment is lower than budget mainly because of the delayed Crossrail site sales, in addition to the rephasing of costs across a number of projects.

Property income (£m) Quarterly



- Property
- Car parking

* Q4 is longer than Q1 to Q3 (16 weeks and one day vs 12 weeks)

Car parking income is higher compared to Q2 last year because of tariff increases after November 2018. Property income is in line with Q2 last year with income losses owing to the disposal of Kingsbourne House being offset by rent increases and new lettings.

Building homes on our land

In Q2 groundworks at Blackhorse Road began. Working with Barratt London and L&Q, we are building 350 homes, 50 per cent of which are affordable, alongside new commercial space including affordable workspace targeted at small businesses.

We are continuing to progress planning applications and recently had two successes in Barnet. The first is at Beechwood Avenue, a site brought forward through the Mayor's Small Sites, Small Builders programme. Working with Kuropatwa, a south London-based developer, we are able to deliver 97 homes, 50 per cent of which are affordable. We were also granted planning permission at Colindale. This site will provide 313 homes and a major station upgrade, including step-free access.

We appointed Grainger as our Build to Rent partner. Our partnership, called Connected Living London, is now working on seven sites across London to deliver more than 3,000 high quality rental homes with a minimum of 40 per cent affordable, and a long-term stable income stream. We have also signed Catalyst as our partner for three more sites in Harrow, delivering more than 450 affordable homes in Rayners Lane, Stanmore and Canon's Park. Consultation and engagement is under way ahead of submitting planning applications for these sites.

Media



Financial summary

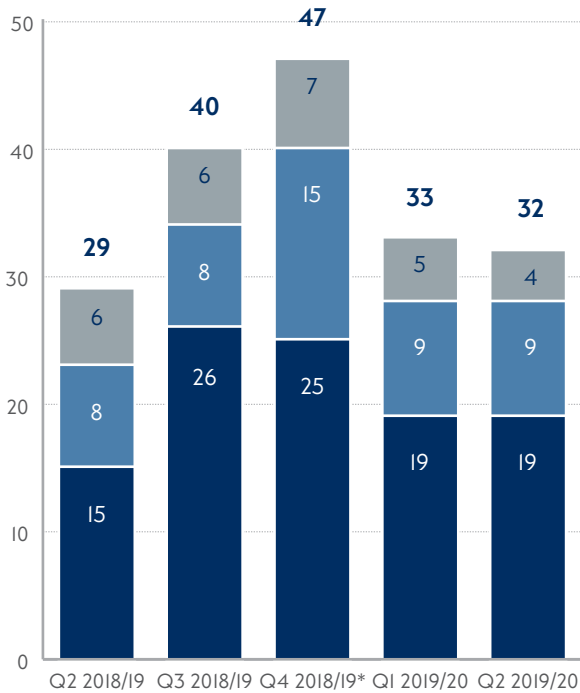
Overall performance in the year to date is slightly ahead of budget and last year.

Media (£m)	Q2 YTD 2019/20	Budget YTD 2019/20	Variance	Q2 YTD 2018/19	Variance
Passenger income	-	-	-	-	-
Other operating income	65	62	3	61	4
Total operating income	65	62	3	61	4
Direct operating cost	(2)	(2)	-	(1)	(1)
Direct operating surplus	63	60	3	60	3
Indirect operating cost	(1)	(1)	-	(1)	-
Net operating surplus	62	59	3	59	3
Capital renewals	-	-	-	-	-
New capital investment	(4)	(6)	2	(12)	8
Net capital expenditure	(4)	(6)	2	(12)	8

Operating income is £3m higher than budget, with a strong performance on the Rail estate following the continued placement of higher quality, higher impact digital advertising across the network.

Capital investment in new assets for the Rail estate continues with the programme scheduled for conclusion in early 2020. We are currently proceeding at a slightly slower rate than budgeted, owing to the design and access issues that are being addressed across some of our most complex sites on the DLR, London Overground and Crossrail.

Advertising income (£m) Quarterly



- Underground and Rail
- Buses
- Other

* Q4 is longer than Q1 to Q3 (16 weeks and one day vs 12 weeks)

Advertising income is higher in Q3, owing to Christmas trading. Q4 sees a further increase, owing to the extra weeks and the receipt of annual volume incentives from the two main advertising contracts.

During Q2 we continued our roll out of high quality digital assets across our rail network. Our new runs of digital ribbons were delivered at Bank, London Bridge and Euston. We also completed a full refresh of our digital escalator panels at Paddington, Victoria and Knightsbridge.

The delivery of our core digital portrait screens continued, with assets starting to be deployed across DLR and London Overground. More than 90 per cent have been delivered from our programme of 403 assets.

The delivery of a new series of larger format 98" digital landscape screens is also close to completion, with 52 out of 54 assets delivered across London Underground.



Appendices

TfL Group balance sheet

Balance Sheet (£m)	14 Sept 2019	Q2 Budget	Variance	31 March 2019	Variance
Intangible assets	105	113	(8)	113	(8)
Property, plant and equipment	41,513	41,930	(417)	40,815	698
Investment property	492	493	(1)	492	-
Investment in associate entities	219	236	(17)	233	(14)
Long-term derivatives	5	7	(2)	7	(2)
Long-term finance lease receivables	32	43	(11)	39	(7)
Long-term debtors	95	116	(21)	113	(18)
Long-term assets	42,461	42,938	(477)	41,812	649
Stocks	63	61	2	61	2
Short-term debtors	596	647	(51)	697	(101)
Assets held for sale	122	122	-	122	-
Short-term derivatives	18	12	6	12	6
Short-term finance lease receivables	18	13	5	13	5
Cash and short-term investments	1,878	1,538	340	1,882	(4)
Current assets	2,695	2,393	302	2,787	(92)
Short-term creditors	(2,049)	(1,878)	(171)	(2,167)	118
Short-term borrowings	(703)	(746)	43	(746)	43
Short-term finance lease liabilities	(48)	(52)	4	(70)	22
Short-term derivatives	(2)	(3)	1	(3)	1
Short-term provisions	(323)	(306)	(17)	(346)	23
Current liabilities	(3,125)	(2,985)	(140)	(3,332)	207
Long-term creditors	(96)	(223)	127	(61)	(35)
Long-term borrowings	(10,472)	(10,673)	201	(10,399)	(73)
Long-term finance lease liabilities	(335)	(336)	1	(348)	13
Long-term financing liabilities	(134)	-	(134)	(133)	(1)
Long-term derivatives	(50)	(44)	(6)	(46)	(4)
Long-term provisions	(56)	(53)	(3)	(55)	(1)
Pension provision	(5,368)	(5,371)	3	(5,371)	3
Long-term liabilities	(16,511)	(16,700)	189	(16,413)	(98)
Net assets	25,520	25,646	(126)	24,854	666
Reserves					
Usable reserves	1,634	1,368	266	1,627	7
Unusable reserves	23,886	24,278	(392)	23,227	659
Total reserves	25,520	25,646	(126)	24,854	666

Headcount

Full-time equivalents (FTEs) including non-permanent labour (NPL)

	31 March 2019 Actual	YTD net (leavers)/joiners	End of Q2 Actual
Underground	18,442	(33)	18,409
Elizabeth line	263	4	267
Buses	465	19	484
Rail	274	1	275
Streets	1,307	56	1,363
Other operations	1,380	(75)	1,305
Professional services*	3,825	56	3,881
Property	140	10	150
Crossrail	541	135	676
Major Projects	614	27	641
Media	29	-	29
Total	27,280	200	27,480

TfL's organisational change programme is central to reducing cost and raising more revenue to hit the target of achieving a surplus on net cost of operations by 2022/23. The next phase of savings will come from delivering efficiencies, including reducing the cost of back and middle offices by 30 per cent.

* Professional Services comprises functions within TfL including Legal, Finance, Commercial, Human Resources, Procurement, and Customers, Communication & Technology where services are provided on a shared basis across all TfL divisions

NPL

It is important that we continue to make use of the flexibility offered by NPL, particularly through this time of change and temporary peaks in demand, such

as in recruitment resulting from our transformation programme. It is equally important that we do not limit our ability to hire talent in areas where skills are scarce.

Date	Number of NPL	Weekly cost (£)	Reduction since December 2015	
			Number of NPL	Weekly saving (£)
15 December 2015	3,092	5,249,002		
31 March 2017	1,742	2,544,009	1,350	2,704,993
31 March 2018	1,422	1,874,029	1,670	3,374,973
31 March 2019	1,192	1,688,494	1,900	3,560,509
14 September 2019	1,275	1,742,917	1,817	3,506,086

The above table shows the cost reduction made from actions taken to reduce NPL costs. The weekly cost assumes seven hours a day and five days a week worked.

NPL by length of service

Length of service	31 March 2019 Actual	YTD net (leavers)/joiners	End of Q2 Actual
0-6 months	342	114	456
6-12 months	183	19	202
1-2 years	282	(74)	208
2-3 years	220	(54)	166
3-5 years	100	31	131
5+ years	65	47	112
Total	1,192	83	1,275

There remain a large number of non-permanent contractors who have been working at TfL for more than two years. Many of these are working on large construction projects, but we continue to seek to reduce reliance on these resources as much as possible.

November 2019

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PUB19_054_QPR_Q2



TfL Board Finance report Quarter 2, 2019/20

Management results to 14 September 2019

20 November 2019



Section 1

Quarter 2 financial performance

Page 34

Quarter 2 financial performance	1
Review of Budgetary assumptions	2
Business Unit Review	3



Continued strong performance on day-to-day operations

Page 135

Budget outperformance driven by operating costs and passenger income better than expected

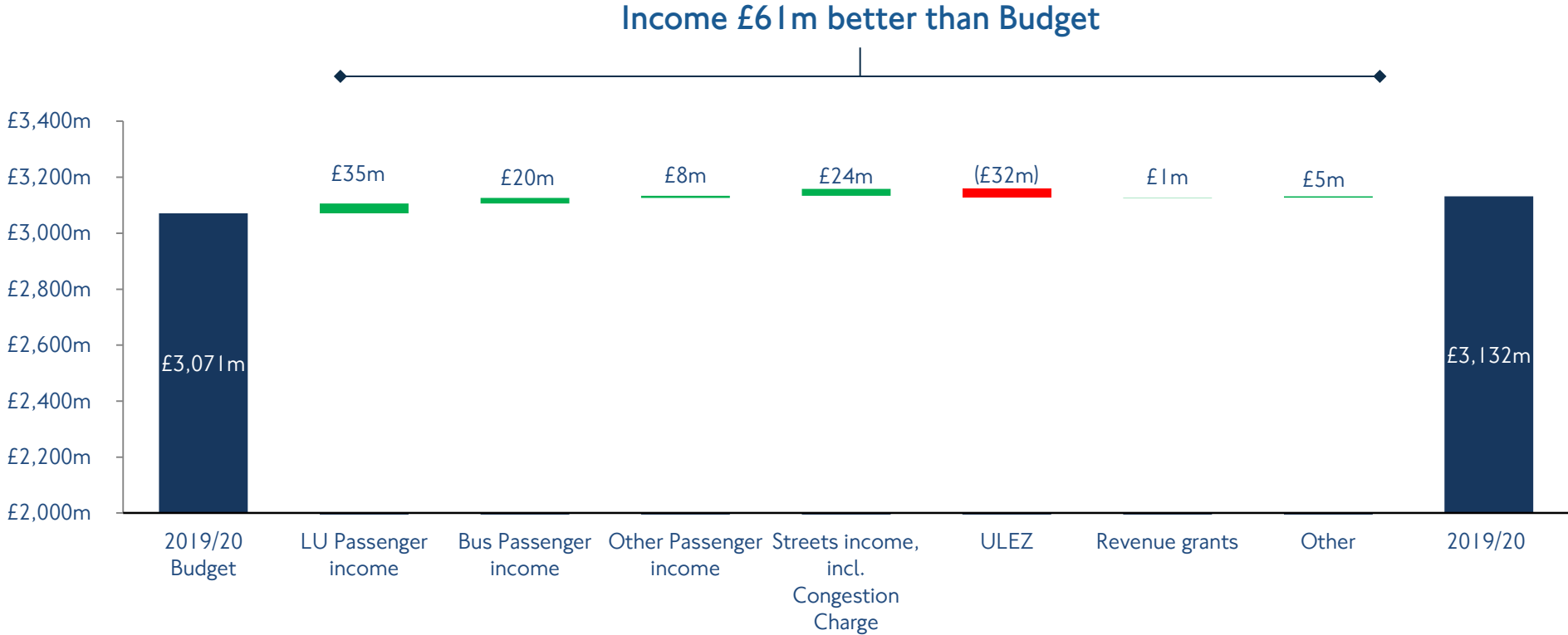
£m	2019/20 YTD				2018/19 YTD		
	Actuals	Budget	Variance to Budget	% variance to Budget	Last year actuals	Variance to last year	% variance to last year
Operating account							
Passenger income	2,220	2,157	63	3%	2,171	49	2%
Other operating income	453	456	(3)	-1%	372	81	22%
Total operating income	2,673	2,613	60	2%	2,543	130	5%
Business Rates Retention	420	420	-	0%	417	3	1%
Revenue grant	39	38	1	3%	29	10	34%
Total income	3,132	3,071	61	2%	2,989	143	5%
Operating costs	(2,868)	(3,010)	142	5%	(2,805)	(63)	-2%
Net operating surplus	264	61	203	333%	184	80	43%
Capital renewals	(170)	(220)	50	23%	(178)	8	5%
Net cost of operations before financing	94	(159)	253	159%	6	88	1,466%
Net financing costs	(205)	(213)	8	4%	(205)	-	0%
Net cost of operations	(111)	(372)	261	70%	(199)	88	44%

Income growth driven by better than expected demand

Page 136

Overall passenger income is 2% up on last year; we expect income to outturn better than both Budget and last year

Total income



- Passenger income is outperforming Budget in both LU and Buses – our Budget assumptions were cautious given macroeconomic conditions and uncertainty on Brexit
- ULEZ compliance levels are higher than Budget, which was based on modelling from previous schemes. Impacts on wider travel patterns less than expected, with Congestion Charge volumes 18.5% higher

ULEZ performance	2019/20	2019/20 Budget	Variance	% variance
Income (£m)	64.6	96.8	(32.2)	-33%
Vehicles in zone (millions)	18.2	17.2	1.0	6%
Non-compliant vehicles (millions)	4.5	6.4	(1.9)	-30%
Compliance rates (%)	74.9	70.7	4.2	6%

Passenger income growth driven by Underground journeys

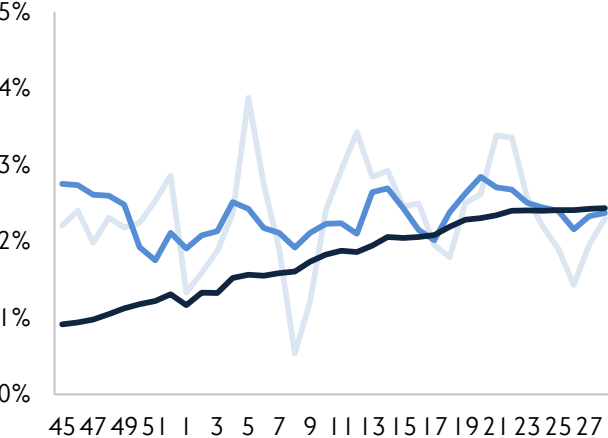
Page 137

Strong growth on the Underground, but bus and rail journeys remain subdued

Passenger journey trends

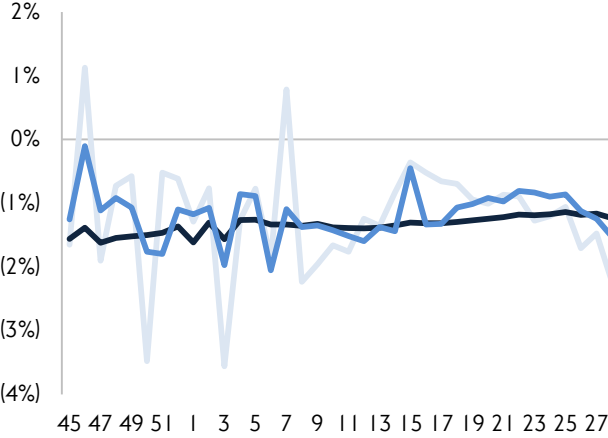
Updated for latest trends to end of Period 7, 12 October 2019

London Underground



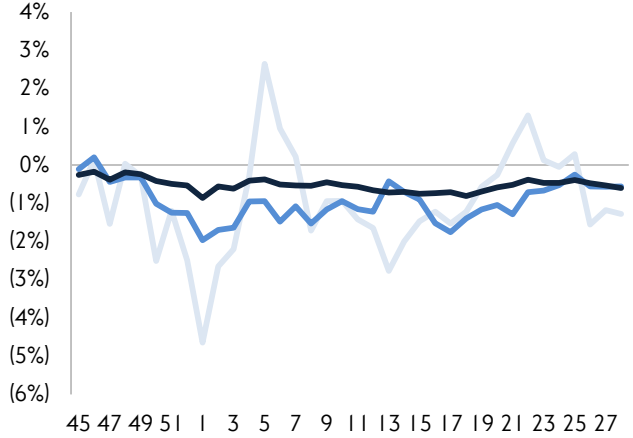
52 week	12 week	4 week
2.4%	2.4%	2.3%

Buses



52 week	12 week	4 week
(1.2%)	(1.5%)	(2.2%)

Rail



52 week	12 week	4 week
(0.6%)	(0.6%)	(1.3%)

- Journey demand growing at 2.4% over past 52 weeks; growth at 2.3% in latest period (compared to same period last year)
- Single biggest contributor to growth in LU demand has come from journeys involving terminus stations
- Journey growth out of Zone 1 is flat

- Journeys declined by 1.2% over past 52 weeks, less than anticipated
- Underlying demand slighter weaker last period (down 2.2% on last year), with year-on-year journeys down 4.2% in the last week as a result of climate change protests

- Rail demand is showing signs of strengthening; National Rail recently reported strong rebound on journeys, mainly from commuting
- Demand broadly in line with expectations

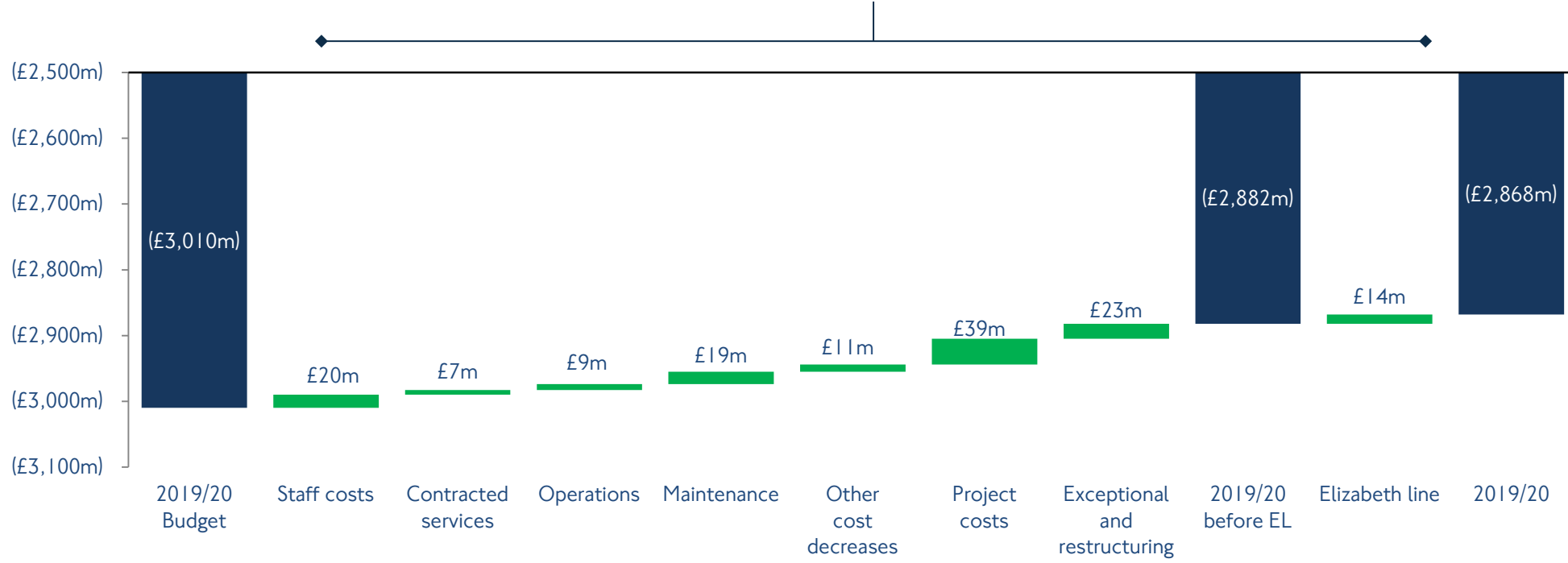
Note: includes London Overground, Trams and DLR

We continue to deliver ahead of Budget

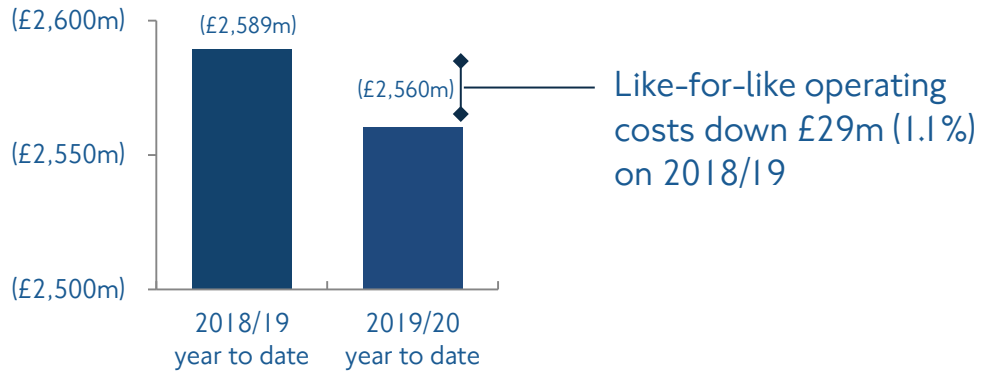
Operating costs are below Budget driven by underlying cost reductions and timing of project and transformation costs

Operating costs

Operating costs £142m better than Budget



Like-for-like operating costs



Like-for-like costs: operating costs adjusted for one offs, growth (including Elizabeth line, ULEZ and new London Overground services), and restructuring costs

50%
of upside to Budget from underlying cost reductions

Summary: underlying performance ahead of last year

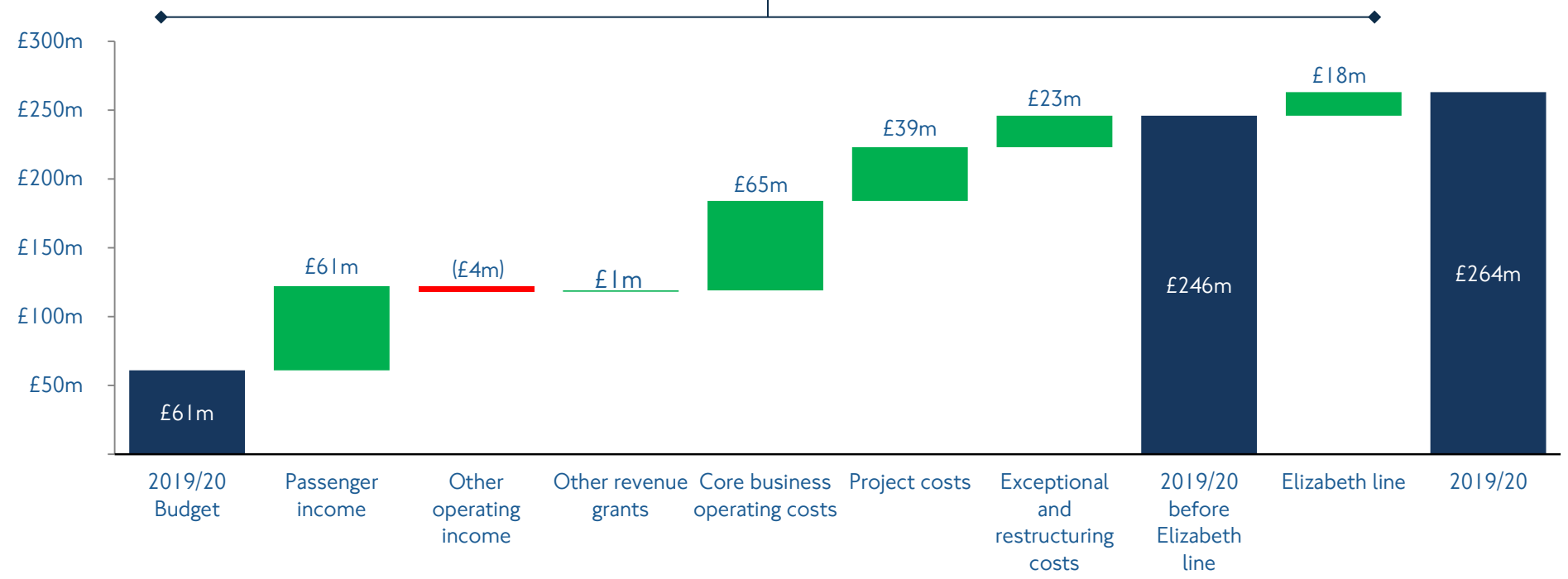
Page 139

Our Budget assumed flat journey growth and was over-optimistic on project delivery

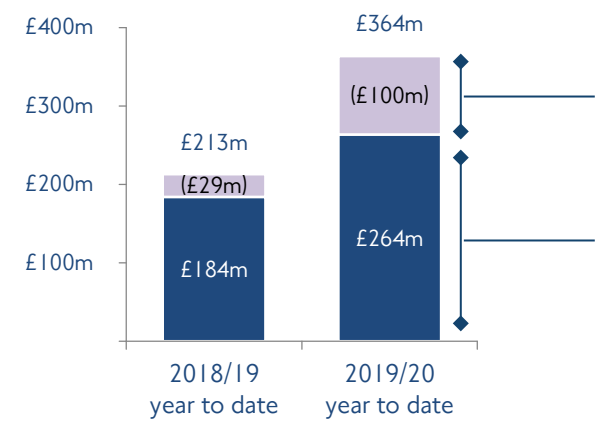
Net operating surplus

Our approximation for EBITDA

£203m ahead of budget



Core business excluding the Elizabeth line



Net surplus (after adjusting for removing Elizabeth line costs and income) up £150m on last year

Operating surplus incl. Elizabeth line

- Elizabeth line operating deficit
- Total TfL operating surplus

65%

of upside to Budget from higher income and underlying cost reductions



Capital spend continues to track below Budget

Page 140

We do not expect the final delivery dates to be impacted at this stage

£m	2019/20 YTD				2018/19 YTD		
	Actuals	Budget	Variance to Budget	% variance to Budget	Last year actuals	Variance to last year	% variance to last year
Capital account							
New capital investment	(466)	(673)	207	31%	(672)	206	31%
Crossrail	(488)	(615)	127	21%	(669)	181	27%
Total capital expenditure	(954)	(1,288)	334	26%	(1,341)	387	29%
<i>Financed by:</i>							
Investment grant	393	393	-	0%	429	(36)	-8%
Property and asset receipts	141	23	118	513%	4	137	3,425%
Borrowing	30	274	(244)	-89%	335	(305)	-91%
Crossrail funding sources	443	785	(342)	-44%	62	381	614%
Other capital grants	84	124	(40)	-32%	78	6	8%
Total	1,091	1,599	(508)	-32%	908	183	20%
Net capital account	137	311	(174)	-55%	(433)	570	132%
TfL capital expenditure							
Capital renewals	(170)	(220)	50	23%	(178)	8	5%
New capital investment	(466)	(673)	207	31%	(672)	206	31%
Total capital expenditure	(636)	(893)	257	29%	(850)	214	25%

Some costs pressures, but outweighed by opportunities in the long term

Key programme spend below Budget is from a combination of timing, rephasing, as well as some savings

£m

Capital account variance by key programme

Capital renewals and new capital investment

Major projects

	Actuals	Variance to Budget	% variance to Budget
Northern Line Extension	(75)	33	31%
Barking Riverside	(18)	-	0%
Major Stations *	(41)	9	19%
Railway Systems Enhancements	(6)	10	62%
Four Lines Modernisation	(124)	22	15%
DLR Rolling Stock	(8)	1	12%
Piccadilly line trains	(22)	9	28%
Elizabeth line – infrastructure	(9)	10	53%
Silvertown Tunnel **	(4)	23	84%

Other programmes

Healthy Streets	(42)	14	25%
LU capital	(143)	38	21%
Surface - assets	(13)	14	52%
Public Transport	(40)	(1)	-2%
Air quality schemes	(18)	3	15%
Other Surface	(4)	8	66%

Corporate and Commercial programmes

Tech & Data projects	(42)	15	26%
Growth engines – property	(26)	43	63%
Other Corporate projects	(2)	7	78%

Total capital expenditure (636) 257 29%

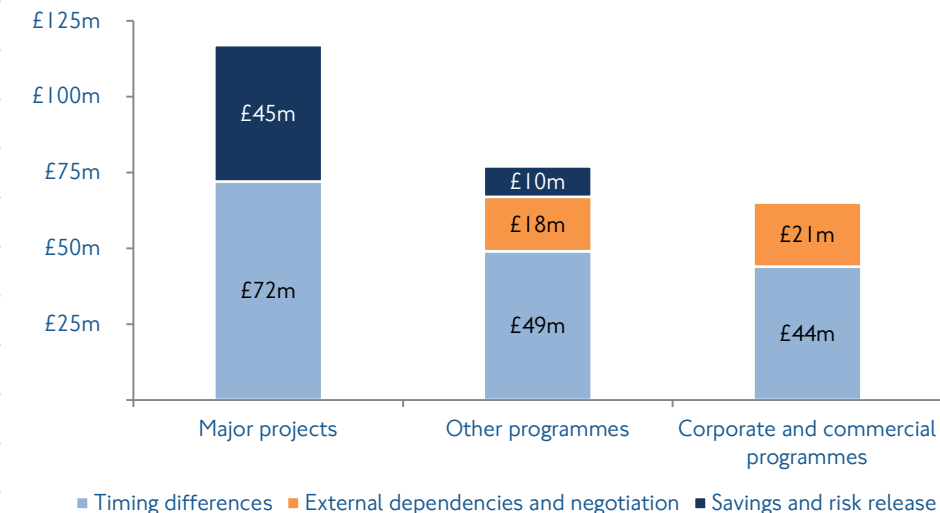
2019/20 YTD

Full programme costs

Total Costs to go spend to date	Estimated final cost (EFC)	EFC variance to 2018 Business Plan
---------------------------------	----------------------------	------------------------------------

(757)	(324)	(1,081)	92	8%
(31)	(73)	(103)	11	10%
(457)	(206)	(663)	(7)	-1%
(117)	(78)	(195)	12	6%
(4,793)	(565)	(5,358)	(78)	-1%
(22)	(577)	(599)	30	5%
(126)	(2,830)	(2,956)	135	4%
(78)	(24)	(102)	-	0%

Variance to Budget by programme and cause



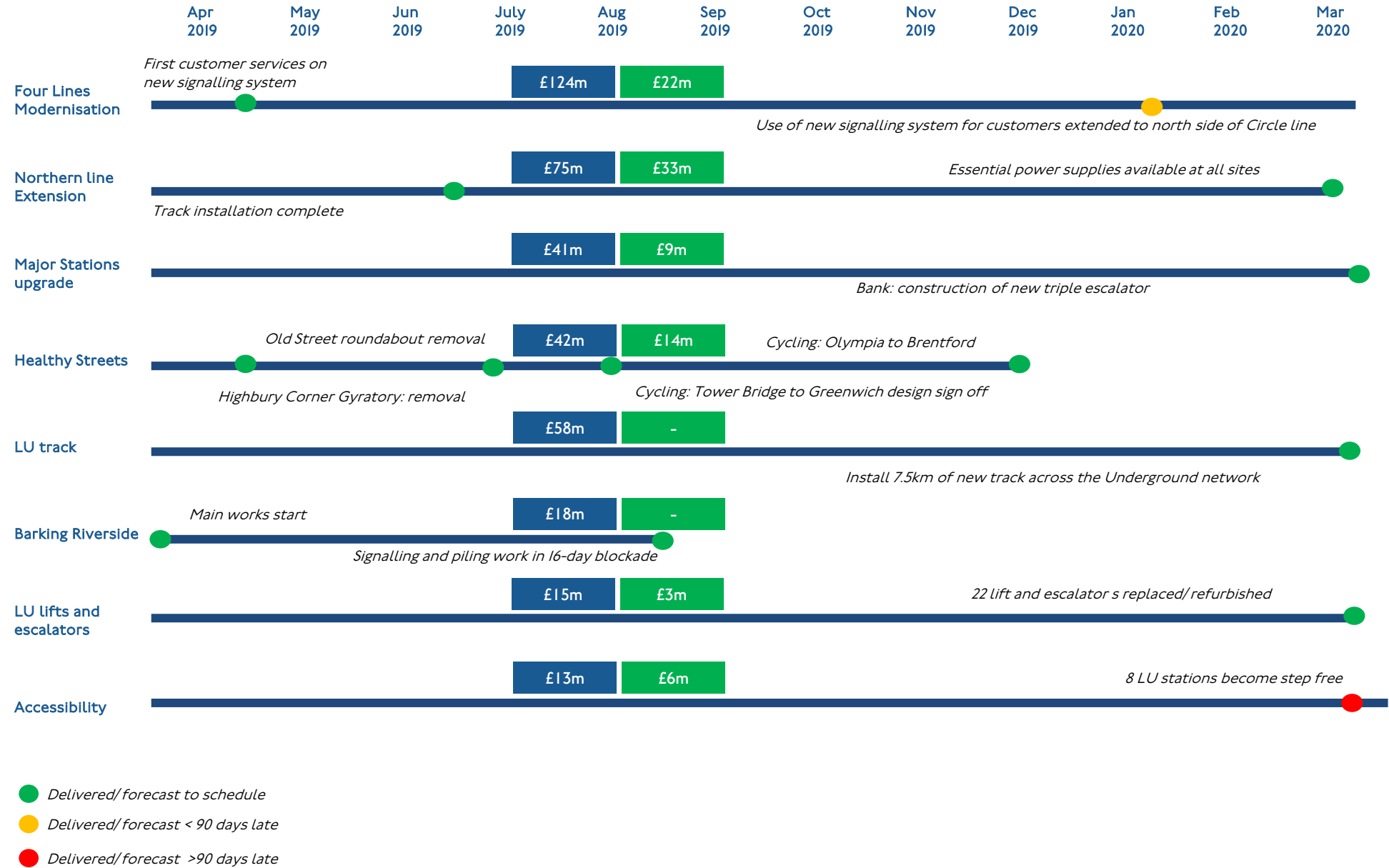
* Bank station estimated final cost

** Costs for 2019/20 include reimbursement of costs incurred in prior years EFC removed for commercial reasons

92% of the investment programme milestones are forecast to be achieved on time

Page 142

Budget milestones



Section 2

Review of Budgetary assumptions

Page 143

Quarter 2 financial performance	1
Review of Budgetary assumptions	2
Business Unit Review	3



Our approach to review the 2019/20 Budget assumptions

The revised targets have been discussed with the Finance Committee and presented for Board approval today



Our risk exposure is at its highest over the next 18-24 months in view of unprecedented uncertainty around the economy, UK's departure from the EU, as well as the opening of the Elizabeth line.

That notwithstanding, we recognise that the variance against our Budget is too high and committed to review the 2019/20 Budgetary assumptions.

Following a detailed review of our YTD run rates for our operating and capital costs, top down targets have been set and agreed with our operating businesses for the remainder of the year.

We discussed our approach with the Finance Committee in October.

Based on the Group targets, each business area reviewed its budgetary assumptions and submitted revised forecasts for operating & capital costs.

Deep dive reviews to pressure test our assumptions and challenge deliverability were carried out during August and September

We now have a revised view of 2019/20:

- a) The operating account shows a significant improvement compared to our 2019/20 Budget. The delivery of the operating account revised target is not without risk but it is a stretching and achievable projection.
- b) The capital spend year to date is significantly below our Budget driven by timing. We are reflecting this in our revised target proposal and recommend that a range of +/- 3% is agreed outside which the scorecard will return no reward.



Net operating surplus: our latest view of the full-year outturn

Page 145

£m	2019/20 FY				2018/19 FY		
	FY forecast	Budget	Variance to Budget	% variance to Budget	Last year actuals	Variance to last year	% variance to last year
Operating account							
Passenger income	4,970	4,856	114	2%	4,854	116	2%
Other operating income	1,007	1,050	(43)	-4%	812	195	24%
Total operating income	5,977	5,906	71	1%	5,666	311	5%
Business Rates Retention	954	954	-	0%	947	7	1%
Revenue grant	113	111	2	2%	103	10	10%
Total income	7,044	6,971	73	1%	6,716	328	5%
Operating costs	(6,419)	(6,780)	361	5%	(6,295)	(124)	-2%
Net operating surplus	625	191	434	227%	421	204	48%
Capital renewals	(480)	(458)	(22)	-5%	(388)	(92)	-24%
Net cost of operations before financing	145	(267)	412	154%	33	112	339%
Net financing costs	(452)	(474)	22	5%	(454)	2	0%
Net cost of operations	(307)	(741)	434	59%	(421)	114	27%



2019/20

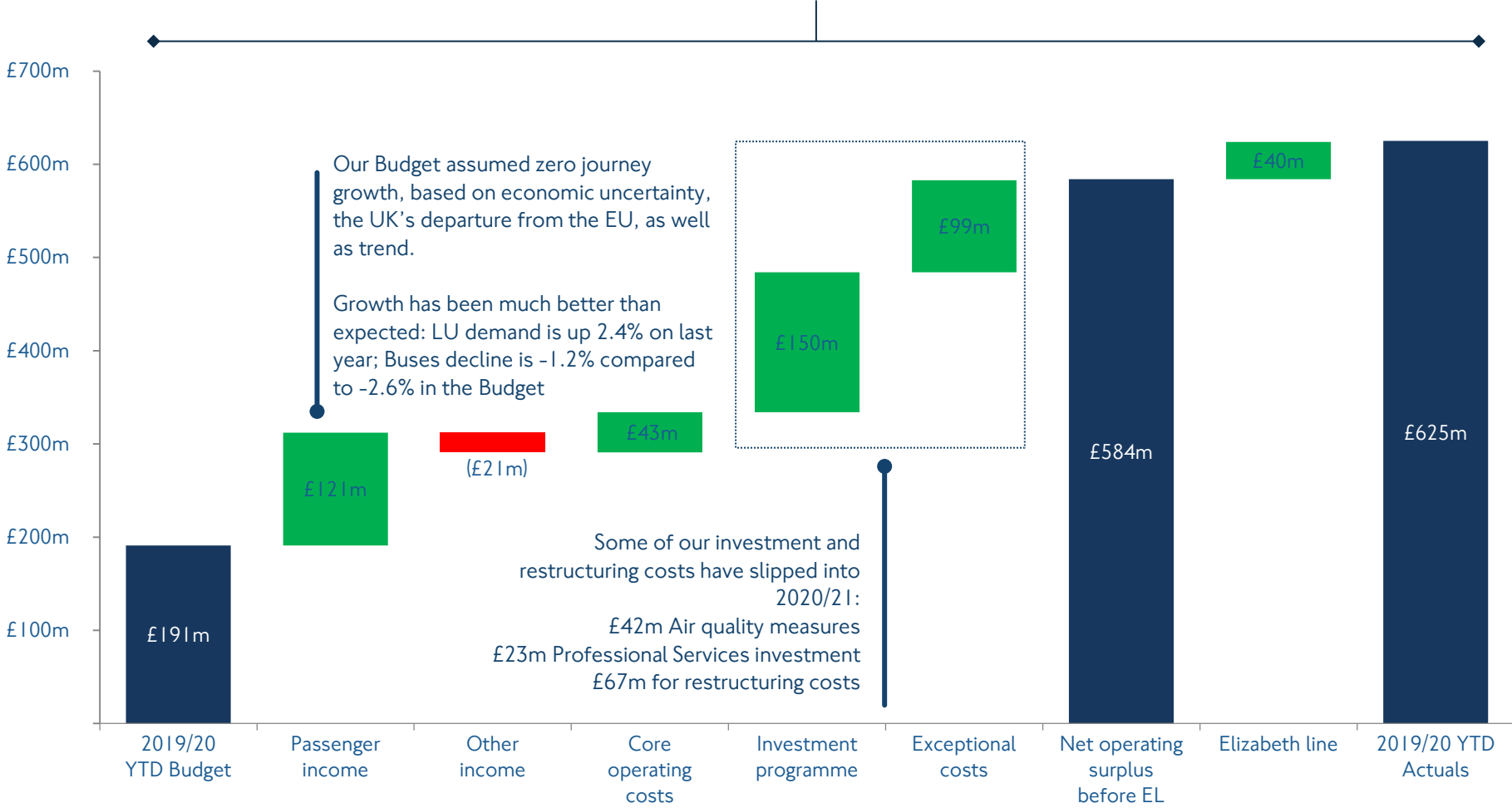
improvement driven by passenger journeys and rephasing on the investment programme

Page 146

Net operating surplus

Our approximation for EBITDA

Net operating surplus improved £434m



Capital spend full-year forecast: most programmes expect to ramp up spend over the remaining periods of 2019/20

Page 147

£m	2019/20 FY				2018/19 FY		
	FY forecast	Budget	Variance to Budget	% variance to Budget	Last year actuals	Variance to last year	% variance to last year
Capital account							
New capital investment	(1,199)	(1,430)	231	16%	(1,246)	47	4%
Crossrail	(991)	(1,196)	205	17%	(1,389)	398	29%
Total capital expenditure	(2,190)	(2,644)	454	17%	(2,635)	445	17%
<i>Financed by:</i>							
Investment grant	893	893	-	0%	976	(83)	-9%
Property and asset receipts	222	173	49	28%	650	(428)	-66%
Borrowing	545	845	(300)	-36%	728	(183)	-25%
Crossrail funding sources	1,053	1,216	(163)	-13%	795	258	32%
Other capital grants	209	250	(41)	-16%	218	(9)	-4%
Total	2,922	3,377	(455)	-13%	3,367	(445)	-13%
Net capital account	732	733	(1)	0%	732	-	0%
TfL capital expenditure							
Capital renewals	(480)	(458)	(22)	5%	(388)	(92)	-24%
New capital investment	(1,199)	(1,430)	231	16%	(1,246)	47	4%
Total capital expenditure	(1,679)	(1,888)	209	11%	(1,634)	(45)	3%



TfL Scorecard: revised 2019/20 financial targets

We are asking for Board's approval on these revised targets. Financial reporting from Q3 will be against this revised 2019/20 forecast

TfL Scorecard		Measure	2019/20 revised target	2019/20 Budget	2018/19 results	Weighting to overall TfL Scorecard
Financial	We cover our costs and we are prudent	<i>Net operating surplus / (deficit)</i> which measures our progress in delivering a net surplus of operations by 2022/23	£625m	£191m	£421m	17.5%
		<i>Investment programme</i> which measures the delivery of our investment programme to Budget	£1,679m Range +/- 3%	£1,888m	22% under budget	7.5%

* Investment programme target is 7.5% of total TfL Scorecard, which will only be achieved if within +/- 3% of above target

The revised targets have been discussed with the Finance Committee and presented for Board approval today



Section 3

Business Unit Review

Page 149

Quarter 2 financial performance	1
Review of Budgetary assumptions	2
Business Unit Review	3

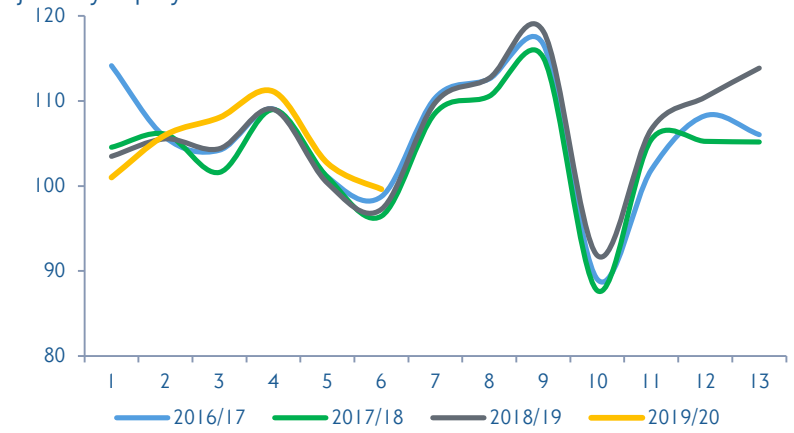


London Underground: good start to the year

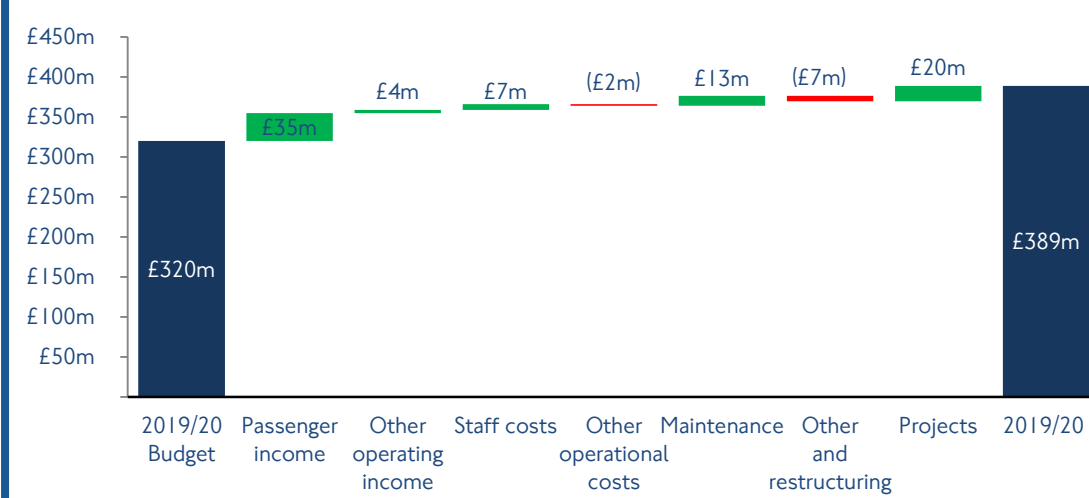
Passenger income ahead of Budget and last year. Operating costs favourable from timing of project and maintenance costs

£m	2019/20 YTD				2018/19 YTD		
	Actuals	Budget	Variance to Budget	% variance to Budget	Last year actuals	Variance to last year	% variance to last year
Operating account							
Passenger income	1,281	1,246	35	3%	1,235	46	4%
Other operating income	19	15	4	27%	14	5	36%
Total operating income	1,300	1,261	39	3%	1,249	51	4%
Direct operating cost	(911)	(941)	30	3%	(936)	25	3%
Direct operating surplus	389	320	69	22%	313	76	24%
Indirect operating cost	(158)	(190)	32	17%	(158)	-	0%
Net operating surplus	231	130	101	78%	155	76	49%
Capital renewals	(119)	(149)	30	20%	(116)	(3)	-3%
New capital investment	(24)	(32)	8	25%	(17)	(7)	-41%
Total capital expenditure	(143)	(181)	38	21%	(133)	(10)	-8%

Passenger demand
 LU passenger journeys are 16 million better than Budget and 9 million higher than last year. Demand remains strong, with year-on-year journeys up by 2.4%.



Direct operating surplus

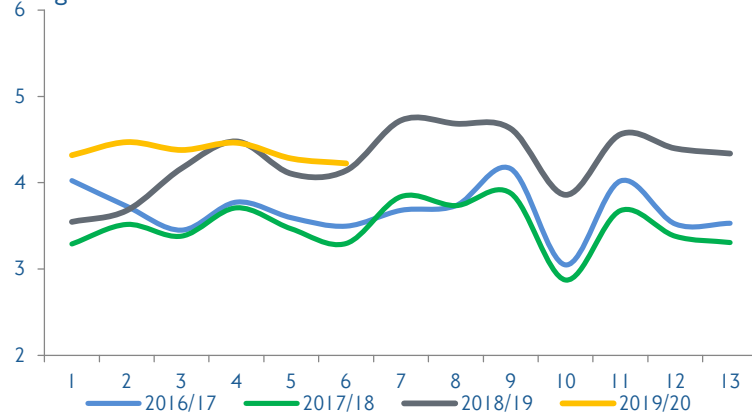


Elizabeth line: focus on opening of central section

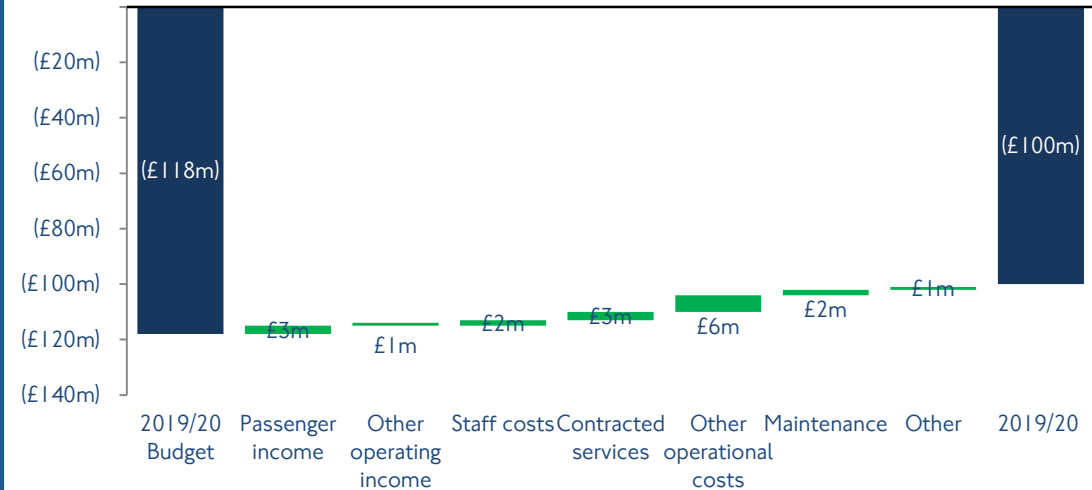
£m	2019/20 YTD				2018/19 YTD		
	Actuals	Budget	Variance to Budget	% variance to Budget	Last year actuals	Variance to last year	% variance to last year
Operating account							
Passenger income	50	47	3	6%	44	6	14%
Other operating income	5	4	1	25%	14	(9)	-64%
Total operating income	55	51	4	8%	58	(3)	-5%
Direct operating cost	(155)	(169)	14	8%	(87)	(68)	-78%
Direct operating deficit	(100)	(118)	18	15%	(29)	(71)	-245%
Indirect operating cost	(5)	(5)	-	0%	(5)	-	0%
Net operating deficit	(105)	(123)	18	15%	(34)	(71)	-209%
Capital renewals	(9)	(18)	9	50%	(207)	198	96%
New capital investment	(488)	(615)	127	21%	(669)	181	27%
Total capital expenditure	(497)	(633)	136	21%	(876)	379	43%

Passenger demand

Underlying demand is 10% up on last year and four per cent better than Budget. 2019/20 saw a full Quarter 1 of the Paddington to Hayes & Harlington and Heathrow services.



Direct operating deficit



Buses: ahead of Budget driven by demand

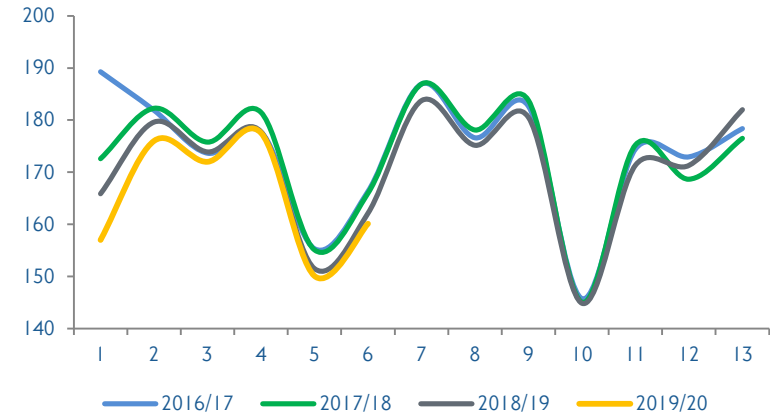
Underlying passenger journeys 1.2 % behind last year, but up against budget.

Direct operating costs up on last year, driven by bus operating contracts

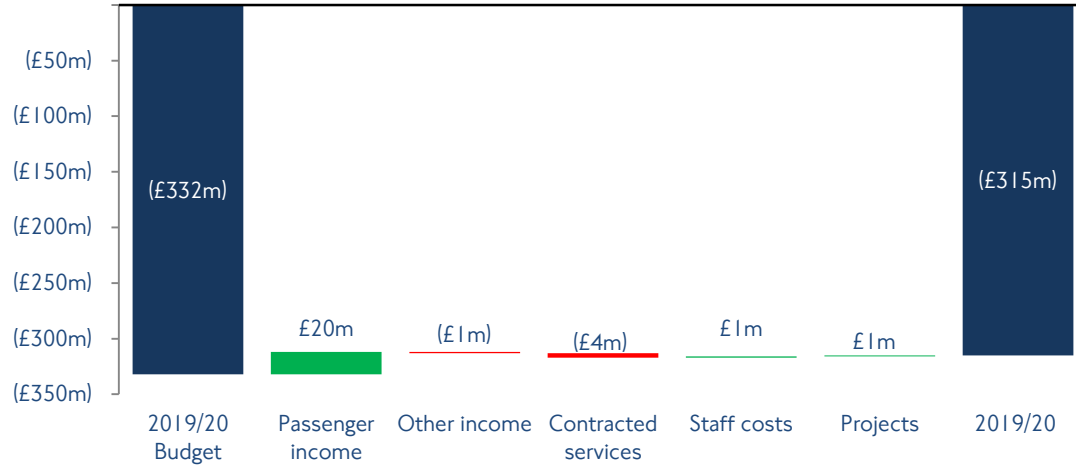
£m	2019/20 YTD				2018/19 YTD		
	Actuals	Budget	Variance to Budget	% variance to Budget	Last year actuals	Variance to last year	% variance to last year
Operating account							
Passenger income	667	647	20	3%	670	(3)	0%
Other operating income	4	5	(1)	-20%	6	(2)	-33%
Total operating income	671	652	19	3%	676	(5)	-1%
Direct operating cost	(986)	(984)	(2)	0%	(968)	(18)	-2%
Direct operating deficit	(315)	(332)	17	5%	(292)	(23)	-8%
Indirect operating cost	(11)	(12)	1	8%	(12)	1	8%
Net operating deficit	(326)	(344)	18	5%	(304)	(22)	-7%
Capital renewals	(1)	(3)	2	67%	(1)	-	0%
New capital investment	(6)	(11)	5	45%	(10)	4	30%
Total capital expenditure	(7)	(14)	7	50%	(11)	4	27%

Passenger demand

Bus journeys 19 million up on Budget, but 18 million lower than last year. Underlying journeys are 1.2% lower year-on-year, but have seen slightly improving trend over the last quarter



Direct operating deficit

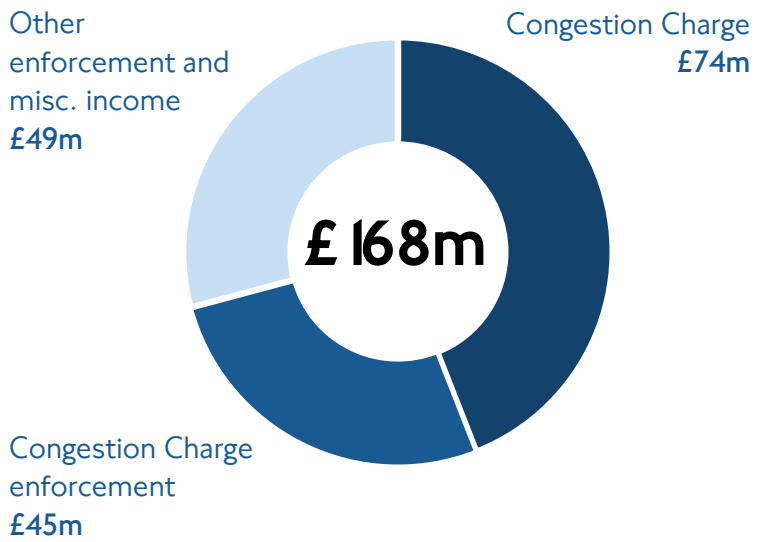


Streets: improved year- on-year performance but challenging fundamentals remain

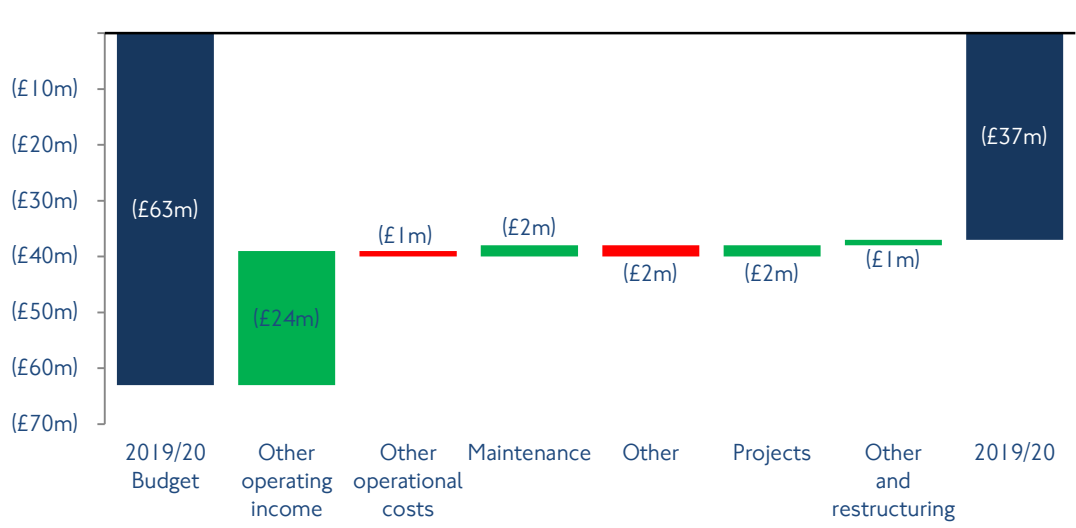
Income better than
Budget and last year.
Costs broadly in line
with Budget

£m	2019/20 YTD				2018/19 YTD		
	Actuals	Budget	Variance to Budget	% variance to Budget	Last year actuals	Variance to last year	% variance to last year
Operating account							
Other operating income	168	144	24	17%	151	17	11%
Total operating income	168	144	24	17%	151	17	11%
Direct operating cost	(205)	(207)	2	1%	(204)	(1)	0%
Direct operating deficit	(37)	(63)	26	41%	(53)	16	30%
Indirect operating cost	(34)	(38)	4	11%	(35)	1	6%
Net operating deficit	(71)	(101)	30	30%	(88)	17	20%
Capital renewals	(11)	(18)	7	39%	(17)	6	41%
New capital investment	(48)	(66)	18	27%	(35)	(13)	-37%
Total capital expenditure	(59)	(84)	25	29%	(52)	(7)	-13%

Operating income



Direct operating deficit



Rail: ahead of budget driven by operating costs

Operating cost below budget as roll out of new trains on the Overground is slower than expected

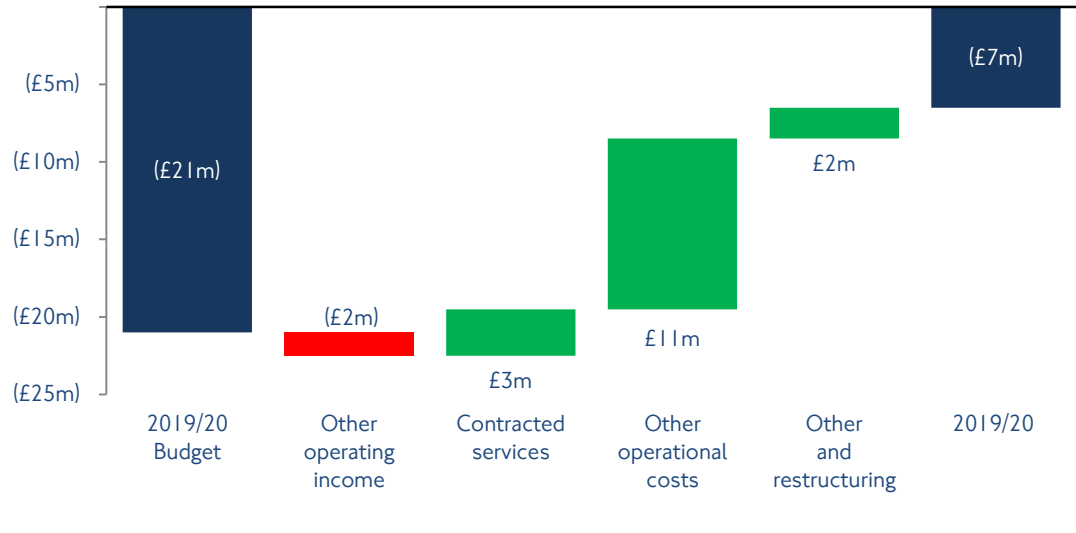
£m	2019/20 YTD				2018/19 YTD		
	Actuals	Budget	Variance to Budget	% variance to Budget	Last year actuals	Variance to last year	% variance to last year
Operating account							
Passenger income	193	193	-	0%	194	(1)	-1%
Other operating income	14	16	(2)	-13%	13	1	8%
Total operating income	207	209	(2)	-1%	207	-	0%
Direct operating cost	(214)	(230)	16	7%	(199)	(15)	-8%
Direct operating deficit	(7)	(21)	14	67%	8	(15)	-188%
Indirect operating cost	(9)	(10)	1	10%	(10)	1	10%
Net operating deficit	(16)	(31)	15	48%	(2)	(14)	-700%
Capital renewals	(18)	(17)	(1)	-6%	(11)	(7)	-64%
New capital investment	(21)	(21)	-	0%	(13)	(8)	-62%
Total capital expenditure	(39)	(38)	(1)	31%	(24)	(15)	-60%

Passenger journeys

Millions	2019/20	2019/20 Budget	Variance
London Overground	85	84	1
DLR	55	55	-
London Trams	12	13	(1)

Millions	2019/20	2018/19	Year-on-year variance
London Overground	85	86	(2)
DLR	55	56	(1)
London Trams	12	13	(1)

Direct operating deficit



Other operations: ULEZ introduced, high rates of compliance

Page 155

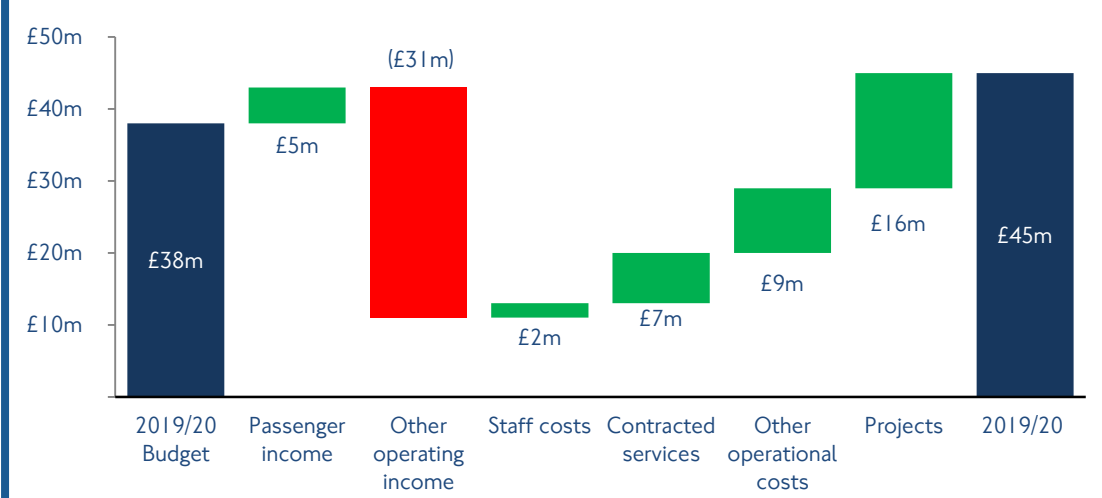
Income down on Budget, with higher rates of ULEZ compliance than expected. Costs down from lower bad debt exposure

£m	2019/20 YTD				2018/19 YTD		
	Actuals	Budget	Variance to Budget	% variance to Budget	Last year actuals	Variance to last year	% variance to last year
Operating account							
Passenger income	29	24	5	21%	28	1	4%
Other operating income	132	163	(31)	-19%	69	63	91%
Total operating income	161	187	(26)	-14%	97	64	66%
Direct operating cost	(116)	(149)	33	22%	(119)	3	3%
Direct operating surplus	45	38	7	18%	(22)	67	305%
Indirect operating cost	(23)	(27)	4	15%	(24)	1	4%
Net operating surplus	22	11	11	100%	(46)	68	148%
Capital renewals	(10)	(18)	8	44%	(22)	12	55%
New capital investment	(40)	(62)	22	35%	(37)	(3)	-8%
Total capital expenditure	(50)	(80)	30	38%	(59)	9	15%

ULEZ income and compliance

	2019/20	2019/20 Budget	Variance	% variance
Income (£m)	64.6	96.8	(32.2)	-33%
Vehicles in zone (millions)	18.2	17.2	1.0	6%
Non-compliant vehicles (millions)	4.5	6.4	(1.9)	-30%
Compliance rates	74.9	70.7	4.2	6%

Direct operating surplus



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Board



Date: 20 November 2019

Item: Delegations to the Finance Committee

This paper will be considered in public

1 Summary

- 1.1 This paper seeks a delegation of authority from the Board to the Finance Committee to approve changes to the Treasury Management Strategy – Liquidity Policy (minimum cash), the TfL Business Plan 2019 and the Capital Strategy.

2 Recommendations

- 2.1 **That the Board delegates to the Finance Committee authority to approve those matters reserved to the Board in relation to the approval of:**

- (a) **changes to the Treasury Management Policies – Liquidity Policy;**
- (b) **the TfL Business Plan 2019; and**
- (c) **the Capital Strategy.**

3 Background

- 3.1 Approval of the Treasury Management Policies, the TfL Business Plan and Capital Strategy are reserved to the Board.
- 3.2 It is proposed to amend the current Treasury Management liquidity policy to hold a more prudent cash minimum of 60 days' worth of operating costs for financial planning purposes – the current policy requires us to hold a minimum of 30 days' worth. This would normally be reviewed by the Finance Committee before going to the Board for approval. As the decision impacts on our Business Plan, the Board is asked to delegate the decision to the Finance Committee.
- 3.3 The Business Plan 2019 is being updated in alignment with the Mayor's Transport Strategy. The Plan will reflect the Mayor's Transport Strategy priorities and account for any other external factors which may occur over the lifetime of the plan period.
- 3.4 The proposed Plan will focus on maintaining financial sustainability, safety, and the continuation of the delivery of TfL's investment programmes in alignment with the Mayor's Transport Strategy.
- 3.5 Last year CIPFA's prudential code required all local authorities to produce a 20-year Capital Strategy. This is not constrained to existing funding (beyond the business plan period) and sets out TfL's Capital Strategy for the next 20 years.

- 3.6 The 2019 Capital Strategy is an evolution from last year's, which was approved by the Board in March 2019. That strategy was based on work from the development of the MTS and the National Infrastructure Commission's National Infrastructure Assessment, and set out for the first time our view of the capital costs necessary to deliver the Mayor's Transport Strategy through the 2020s and 2030s.
- 3.7 A significant focus for this year has been building a more granular understanding of our 'baseline' level of investment. This is defined as the cost required maintaining our current level of performance in terms of safety, reliability, capacity and asset condition.
- 3.8 A decision to approve the TfL Business Plan 2019 and Capital Strategy is required before the next meeting of the Board in January 2020, as the requirements for the GLA Budget process necessitate the plan to be approved in December 2019.
- 3.9 Subject to the approval to delegate authority to the Finance Committee, it is proposed that the TfL Business Plan and Capital Strategy are submitted to the Finance Committee for approval in December 2019.

List of appendices to this report:

None.

List of Background Papers:

None.

Contact Officer: Simon Kilonback, Chief Finance Officer
Number: 020 3054 8941
Email: SimonKilonback@tfl.gov.uk

Board



Date: 20 November 2019

Item: Board Effectiveness Review 2019

This paper will be considered in public

1 Summary

- 1.1 In 2019, Deloitte's Board Advisory Board team undertook an external review of the effectiveness of the Board. The full Review Report was presented to the meeting of the Board on 18 September 2019. Appendix 1 to this paper presents the key issues that the Board was asked to consider and the proposed actions to address these.

2 Recommendation

- 2.1 **The Board is asked to agree TfL's response to the discussion points raised by the Board Effectiveness Review 2019.**

3 Background

- 3.1 In line with good corporate governance practice, TfL reviews the effectiveness of its Board and its decision making structure periodically, including regularly commissioning an external review. The review reports are submitted to the Board for discussion.
- 3.2 Following a competitive tendering process, TfL appointed Deloitte's Board Advisory team to undertake the Board Effectiveness Review. The Review was completed over the Summer and Deloitte presented its Report to the meeting of the Board on 18 September 2019.

4 Proposed Actions Arising From The Outcome of the 2019 Board Effectiveness Review

- 4.1 The Review recognised a number of positive changes in relation to the Board's effectiveness and highlighted further areas for consideration to seek to achieve ever better practice.
- 4.2 Appendix 1 to this paper sets out the issues for consideration raised by the Review and the actions proposed to address these. The Board is asked to consider the response and agree or amend the actions to be taken.

List of appendices to this report:

Appendix 1: Board Effectiveness Review Report 2019 Response

Background Papers:

Board paper: Board Effectiveness Review 2019, 18 September 2019

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

TfL's draft response to the discussion points arising from the Board Effectiveness Review 2019

A.2. Providing strategic guidance and having a wider stewardship role

More time on potential areas of strategic risk or to provide strategic guidance:

Explore options to enable the Board to spend more time collectively exploring potential areas of strategic risk and to increase opportunities to provide strategic guidance throughout the year. This could include for example, time together prior to formal meetings, or an additional mid-year strategic review meeting.

Consider reviewing how the current processes which are utilised to update and brief Board Members can be further supplemented to enable coverage of the broader transport sector.

Response:

- The 2020/21 Calendar includes additional briefing half-days where these discussions can be programmed.
- At least one of those days will be for open discussion ahead of any business plan development (potentially January/February). That session and other informal sessions will encourage discussion on:
 - Developments across the broader transport sector
 - Longer-term scenarios (demography and demand changes, technology in transport provision, emerging sustainable transport methods)
 - Key strategic issues for TfL (workforce planning, organisational transformation, financial sustainability and increased use of technology).
- A session is also timetabled for July on the emerging Business Plan.

Review Forward Plans to ensure all aspects of MTS are covered

Consider undertaking a review of Board, Committee and Panel forward plans to ensure that all aspects of the MTS are afforded sufficient emphasis.

Response: An update on progress in implementing MTS is taken to the Board annually. This could include a specific discussion of areas to be followed up with more detailed discussion and allocate these to specific Committees and Panels. The Finance Committee will also be presented with more information on the New Homes and Jobs aspects of the MTS.

A.3. Board impact and engagement:

Review / enhance buddying arrangements

Consider whether additional buddying arrangements between Members and Management could be put in place (particularly across differing portfolio areas) to further enhance the use of Member skills within the Board environment.

Response: A meeting of the Deputy Chair and the Chairs of the Committees and Panels will review buddying/lead member roles and propose any appropriate changes.

Seek and respond to stakeholder views

Reflect on how the Board can further exemplify best practice through expanding opportunities to seek and respond to stakeholder views through the work of the Board. Specifically the Board might wish to reflect on questions set out within the Financial Reporting Council Guidance for Board Effectiveness (July 2018), specifically:

- Can we describe how stakeholders are prioritised and why?
- What are the key concerns of our workforce, our suppliers and our customers, and how are we addressing them?
- Does the workforce consider that customers and suppliers are treated fairly and that the organisation cares about its impact on the environment and community?
- Have we sought input from enough stakeholders to be comfortable that we have a rounded view?
- Have we listened properly to the stakeholder voice and what impact has this had on our decisions?

Response:

- Members will be more regularly invited to TfL stakeholder engagement events.
- A regular report will be submitted to the CSOP Panel on how TfL captures and responds to the views of Stakeholders.
- Investment Programme approval papers will include information on engagement with and the views of stakeholders to TfL's proposals.
- Reports in general will include, where appropriate, information on stakeholder engagement.

London Councils

Consider whether to include a representative of London Councils on the Board of TfL. Should this be agreed the selection of the nominated representative should take into account the composition of the Board and the length of the terms of appointment

Response: TfL will continue to follow advice from previous external Board reviews and its own experience and continue to hold a firm line on requests from external bodies for representation on the Board. Such requests impact on TfL's ability to:

- manage the size and diversity of the Board;
- ensure the appointment of people with the appropriate experience, knowledge and skills to meet statutory and advisory requirements; and
- manage potential conflicts of interest.

The appointment of a representative of London Councils is seen as an exception as it will provide the Board with current local government experience and access to the views and support of a key delivery partner.

London Councils will be asked to propose a candidate or a shortlist of candidates to be interviewed before a recommendation is made to the Mayor for an appointment.

Guidance will also be provided on managing conflicts of interest. It is proposed that an appointment be made until September 2022.

B.1. Skills, diversity and succession planning

Consider staggering the terms of Members to enable a greater degree of consistency to be maintained over the course of the election of the Mayor.

Response:

- Following the 2020 Mayoral Election, the Mayor will review the membership of TfL with a view to:
 - Maintaining the progress made on gender diversity;
 - Further improving the progress made on ethnic diversity;
 - Improving age diversity on the Board and how to better involve young people in the Board's decision-making; and
 - Using staggered terms of appointment to facilitate this and future succession planning.

B.2. Specific roles

Representing Customer Groups

Reflect as a Board how the principles behind the existing legislation can be used to better effect to ensure the needs of specific customer groups are taken into consideration and consider how the views of other stakeholders can be fully taken into account at the Board.

Response: This will be addressed as part of the work to better reflect stakeholder engagement and views (see A3 above).

In support of the work already undertaken to clarify Board Member roles and responsibilities, consider how the most effective aspects of the Vice Chair role can be replicated across all Committee meetings.

Response: The Deputy Chair and Chairs of the Committees and Panels will review ways in which the role of a Vice Chair could be enhanced.

B.4. Member assessment, training and development

In order to supplement the annual review of the effectiveness of the Board and in line with good practice, consider implementing a mechanism to provide feedback to individual Board Members on their contributions.

Response: An annual one-to-one meeting with the Deputy Chair will be arranged for each Member.

Explore options for the Board to spend greater informal time together, including time for development as a Board. This should be considered in line with the points outlined in A.2.

Response: See response to A2

C.2. Focus of Board debate

Strengthen Board debate

Explore opportunities to further strengthen the impact of Board debate, particularly within the public Board meeting, to enable a greater balance between providing an overview of progress and achievements related to priorities set out within the MTS, alongside time for debate and insights to be shared.

Response:

- We will review the length of time at meetings spent “presenting” papers (particularly at the Board) to allow more time for discussion.
- Members will be encouraged to submit general information type requests off line or in advance of meetings.
- The summaries in reports will aim to provide better signposting of key issues.

D.1. Committees and panels

Appropriate consideration of HR issues

Given the need for greater emphasis on culture and HR aspects of the organisation, debate as a Board whether greater focus on these aspects could be undertaken through a broader focus at the Remuneration Committee, or whether an additional panel meeting is required.

Response: Consideration will be given to how best to ensure the appropriate consideration of HR issues.

D.2. Quality and quantity of reporting and management information

Ensure Board papers cover both progress and key issues facing the organisation to guide Board debate

Taking into account the complexity of TfL and the commitment to transparency, how can Board papers better enable Members to have a sufficiently balanced overview of both progress and key issues facing the organisation in order to further guide Board debate?

Response: Papers will aim to provide a balance between marking achievements and narrative on emerging risks or issues.

Key Strategic Risks

Consider how the Board, including the Committees and Panels, can ensure that there is greater coverage of the key strategic risks facing TfL, aligned to the key strategic risk impact categories as set out within the TfL Enterprise Risk Management Framework.

Response: Significant progress has been made in reporting on risks and engagement with the Board on strategic risk management.

We will continue to refine the reporting of key strategic risks to each of the Committees and Panels, including through seeking feedback from the meetings and applying lessons learned. A report will be considered by the Audit and Assurance Committee in December 2019 a lessons learned and a new programme of reporting each strategic risk to a Committee or Panel will commence in January 2020.

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Board



Date: 20 November 2019

Item: Report of the Meeting of the Audit and Assurance Committee held on 26 September 2019

This paper will be considered in public

1 Summary

- 1.1 To report to the Board on the meeting of the Audit and Assurance Committee held on 26 September 2019.

2 Recommendation

- 2.1 **The Board is asked to note the report.**

3 Committee Agenda and Summary

- 3.1 The papers for the meeting of the Committee held on 26 September 2019 were published on 18 September 2019 and are available on the TfL website: <https://tfl.gov.uk/corporate/publications-and-reports/audit-and-assurance-committee>

- 3.2 The main matters considered by the Committee were:

- (a) Independent Investment Programme Advisory Group Quarterly Report;
- (b) Pan TfL Revenue Protection Programme;
- (c) Annual Audit Letter;
- (d) Risk and Assurance Quarter 1 Report 2019/20;
- (e) Counter-Fraud, Bribery and Corruption Strategy;
- (f) Effectiveness Review of the External Auditors;
- (g) TfL Statement of Accounts Year Ended 31 March 2019 – Changes Made Prior to Finalisation;
- (h) Freedom of Information Update; and
- (i) Register of Gifts and Hospitality for Members and Senior Staff.

- 3.3 A summary of the items discussed and decisions taken at the meeting is provided below. The more detailed minutes of the meeting will be published ahead of the meeting of the Committee on 3 December 2019.

4 Issues Discussed

Independent Investment Programme Advisory Group Quarterly Report

- 4.1 The Committee noted the quarterly update on work undertaken since the last report on 10 June 2019 and the Management progress.

Pan TfL Revenue Protection

- 4.2 The Committee noted the overview of the new programme of activity to reduce the amount of revenue lost to fare evasion and ticket fraud, and information requested at the Board meeting on 24 July 2019.

Annual Audit Letter

- 4.3 The Committee noted the annual audit letter prepared by EY, summarising their conclusions on the Annual Statement of Accounts and Value for Money. They identified no matters to report.
- 4.4 EY had issued a qualified opinion on Value for Money in relation to procurement processes. A number of actions were being taken to address this issue and a report would be submitted to the next meeting.

Risk and Assurance Quarter 1 Report 2019/20

- 4.5 The Committee noted the report, which provided details of the work completed by the Risk and Assurance Directorate in Quarter 1 of 2018/19, the work in progress and planned to start, and other information about the Directorate's activities.
- 4.6 All strategic risks will have been discussed at the appropriate Committee or Panel by the end of 2019, and a lessons learned review of the process submitted to a future meeting of the Committee.

Counter-Fraud, Bribery and Corruption Strategy

- 4.7 The Committee noted the Strategy and the steps being taken to implement it.

Effectiveness Review of the External Auditors

- 4.8 The Committee noted the report on the annual effectiveness review of the external auditors, EY. Overall, Members and TfL finance staff were satisfied with EY's performance during 2018/19 and comments were fed back to the External Auditor by the Chair.

TfL Statement of Accounts Year Ended 31 March 2019 – Changes Made Prior to Finalisation

- 4.9 The Committee noted the paper setting out any material changes to the Statement of Accounts for the year ended 31 March 2019 and as approved by the Board at its meeting of 24 July 2019. There were none to report.

Freedom of Information Update

- 4.10 The Committee noted the update on the overview of performance in processing Freedom of Information requests in 2018/19, as well as 2019/20 to date.
- 4.11 The Chair, on behalf of the Committee, congratulated staff on the significant and sustained improvement in the response rates to the Freedom of Information requests.

Register of Gifts and Hospitality for Members and Senior Staff

- 4.12 The Committee noted the standing item on details of gifts and hospitality declared by the Board senior staff from 1 May to 31 July 2019.

List of appendices to this report:

None.

List of Background Papers:

Papers submitted to the Audit and Assurance Committee on 26 September 2019.

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Board



Date: 20 November 2019

Item: Report of the Meeting of the Finance Committee held on 9 October 2019

This paper will be considered in public

1 Summary

- 1.1 To report to the Board on the meeting of the Finance Committee held on 9 October 2019.

2 Recommendation

- 2.1 **The Board is asked to note the report.**

3 Committee Agenda and Summary.

- 3.1 The papers for the meeting of the Committee held on 9 October 2019 were published on 1 October 2019 and are available on the TfL website: <https://tfl.gov.uk/corporate/publications-and-reports/finance-committee>
- 3.2 The main matters considered by the Committee were:
- (a) Use of Delegated Authority;
 - (b) Finance Report – Quarter 2, 2019/20;
 - (c) Treasury Activities;
 - (d) Prudential Indicators – Outturn for the Year Ended 31 March 2019;
 - (e) Foreign Exchange Risk Management;
 - (f) 2019/20 TfL Scorecard Update;
 - (g) Strategic Risk Update – Financial Sustainability (SR7); and
 - (h) Pan-TfL Revenue Protection Programme.
- 3.3 A summary of the items discussed and decisions taken at the meeting is provided below. The more detailed minutes of the meeting will be published ahead of the meeting of the Committee on 11 December 2019.

4 Issues Discussed

Use of Delegated Authority

- 4.1 The Committee noted the paper, which set out the use of delegated authority since the previous meeting.
- 4.2 There had been eight uses of Chair's Action since the last meeting of the Committee, relating to Consolidation of Commercial Property Assets, Statutory Chief Finance Officer (on two occasions), Docklands Light Railway Franchise, Build to Rent, Technical Facilities Management Services, RideLondon Cycling Event Delivery Partner Agreement and Deep Tube Rolling Stock.
- 4.3 There had been three Mayoral Directions to TfL since the last meeting of the Committee, relating to; fares for up to two time limited research trails of demand responsive bus services in outer London; preparing, financing and implementing the Ultra Low Emission Zone Support Scheme; and payment of the Mayor's legal costs of defending a legal challenge regarding a judicial review of the decision to remove the private hire vehicle exemption from the Congestion Charge, and any other costs arising as a consequence of challenge including any appeals.

Finance Report – Quarter 2, 2019/20

- 4.4 The Committee noted the report, which set out TfL's financial results to the end of Quarter 2, 2019/20 – the year-to-date period ending 15 September 2019.
- 4.5 Strong business performance had continued since the last update, with income up on last year, like-for-like operating costs lower than 2018/19, and improved net cost of operations, which would breakeven by 2022/23.
- 4.6 Against Budget, the direct net operating surplus was improved. Income was down with Ultra Low Emission Zone (ULEZ) income (£32m) lower and compliance levels much higher than expected. ULEZ costs were also down: £5m in contracted services and a further £8m in other operational costs from lower bad debt.
- 4.7 Costs of £16m for the diesel scrappage and taxi de-licensing projects are being moved into the next financial year, to reflect their spend profile.

Treasury Activities

- 4.8 The Committee noted the paper, which provided an update on the key treasury activities for the period from 21 February to 19 September 2019.
- 4.9 £1.9bn was invested across different instruments and counterparties. Due to Brexit uncertainty, contingency planning had been carried out to ensure liquidity and to reduce reliance on the UK market. Improvements in communication channels and the incorporation of more medium-term

forecasts had improved cash flow forecasting. £100m had been raised in borrowing so far and European investment bank facilities had been exhausted for now. Completion of the Medium Term Note programme in the summer allowed access to the capital markets, subject to market conditions. TfL's credit rating remained on negative watch.

- 4.10 TfL's Disclosure Procedures Policy had been updated based on current best practice to improve how it captured and monitored potential inside information, to increase market knowledge and provide a re-cap on its obligations across the organisation.

Prudential Indicators – Outturn for the Year Ended 31 March 2019

- 4.11 The Committee noted the paper, which reported on TfL's performance against the prudential indicators for the financial year 2018/19.
- 4.12 Details of the outturn prudential indicators were set out at Appendix 1. Key measures were the authorised limit and the operational boundary for external debt, each of which had direct and indirect components, which had been adhered to. The exception was the breach which reflected the additional spend incurred in delivering the Crossrail project where ongoing spend was being monitored.

Foreign Exchange Risk Management

- 4.13 The Committee noted the paper, which set out TfL's approach to managing foreign exchange risk due to exchange rate fluctuations in both the procurement of goods and services, and receipt of grants or revenues, in foreign currencies.
- 4.14 Foreign exchange risk in large procurements continued to be consistently managed where the risk was held by TfL until the point where it could be efficiently mitigated either by agreeing Sterling contract price with suppliers or through hedging internally. Decisions to accept or transfer risk were made on a case by case basis, taking a range of relevant factors into account.
- 4.15 There were a small number of contracts where TfL received revenues from overseas clients, which presented a relatively minor risk but would continue to be monitored. Benefits of aggregating foreign exchange risk for small projects was also being explored.

2019/20 TfL Scorecard Update

- 4.16 The Committee noted the paper and approved the 2019/20 Elizabeth line milestone and target under delegated authority by the Board. The approved Scorecard targets were based on a forecast year end position and it was necessary to revise the targets in certain areas where the actual result differed significantly from the forecast.

- 4.17 In response to a suggestion from a Member regarding the reduction in people killed and seriously injured measures, it was agreed that a note be added alongside stating that the real target was zero and that this would be built into the Scorecard.

Strategic Risk Update – Financial Sustainability (SR7)

- 4.18 The Committee noted the paper, which provided an update on the risks to TfL's financial sustainability, the causes and controls relating to the risk, and any mitigating actions to reduce the risk likelihood or impact.
- 4.19 TfL was operating in an unprecedented climate and the extent of the macroeconomic risks were challenging to mitigate. Prudent steps were being taken to improve its internal controls environment and forecasting process. Where certain influences were beyond its control, the consequences and impact reduction measures were considered. Recent discussions on risk would inform the emerging Business Plan, with an additional section on financial risks.
- 4.20 SR7 had numerous interdependencies and was impacted by, or impacted on, almost all other strategic risks. A lessons learned paper would be submitted to the Audit and Assurance Committee in March 2020 on developing the maturity of key risks and their interdependencies with other strategic risks, including the development of better post event controls reporting.

Pan-TfL Revenue Protection Programme

- 4.21 The Committee noted the paper, which provided an overview of TfL's new programme of activity to reduce the amount of revenue lost to fare evasion and ticket fraud.
- 4.22 Fare evasion was not a victimless crime as it took away re-investment in services for customers and visible prevention helped to maintain a safe and secure transport environment. TfL was taking a robust and systematic approach to tackling fare evasion and ticket fraud. It had developed a new model which would provide an evidence-based approach to making a sustainable impact on the level and cost of fare evasion.

List of appendices to this report:

None

List of Background Papers:

Papers submitted to the Finance Committee on 9 October 2019.

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Board



Date: 20 November 2019

Item: Report of the Meeting of the Programmes and Investment Committee held on 23 October 2019

This paper will be considered in public

1 Summary

- 1.1 This paper provides a short summary of the items considered by the Programmes and Investment Committee at its meeting on 23 October 2019.

2 Recommendation

- 2.1 **The Board is asked to note the report.**

3 Committee Agenda and Summary

- 3.1 The papers for the meeting of the Committee held on 23 October 2019 were published on 15 October 2019 and are available on the TfL website: <https://tfl.gov.uk/corporate/publications-and-reports/programmes-and-investment-committee>

- 3.2 The main matters considered by the Committee were:

- (a) Crossrail Update;
- (b) Investment Programme Report – Quarter 1 2019/20;
- (c) Independent Investment Programme Advisory Group Quarterly Report;
- (d) TfL Project Assurance Update – Quarter 2 2019/20;
- (e) Use of Delegated Authority;
- (f) London Underground Stations Renewals and Enhancements Programme;
- (g) London Underground Lifts and Escalators Renewals Programme;
- (h) London Underground Railway Systems Enhancements Programme;
- (i) Air Quality and Environment; and
- (j) TfL Growth Fund.

- 3.3 A summary of the items discussed is provided below. The more detailed minutes of the meeting will be published ahead of the meeting of the Committee on 18 December 2019.

4 Issues Discussed

Crossrail Update

- 4.1 The Committee noted the paper, which provided an update on the status of the Crossrail project.
- 4.2 Safety remained key for Crossrail Limited and it was working in lock-step with TfL to ensure employees were working safely to deliver a safe railway.
- 4.3 PD+11 (version 11) of the software was expected to be delivered in early December 2019 and, subject to testing, would allow trial running in early 2020.
- 4.4 TfL and MTR Crossrail were on course to start operating the stopping services from Paddington mainline station to Reading in December 2019, under the TfL Rail brand. Services to Heathrow were expected to start in the first part of 2020.

Investment Programme Report – Quarter 1 2019/20

- 4.5 The Committee noted the paper, which set out the progress and performance in Quarter 1 2019/20 of a range of major projects and sub-programmes delivering transport services to London.
- 4.6 The Piccadilly Line Upgrade programme was on track to complete the milestone for the train concept design prior to January 2020. The Northern line extension to Battersea Power Station was forecast for completion in September 2021. The award of the contract to design, build, operate and maintain the Silvertown Tunnel was forecast for 14 November 2019. The new South Bank entrance at Waterloo station was completed in May 2019.
- 4.7 The London Borough of Southwark had recommended that planning permission be granted for a new town centre at Elephant and Castle. It was anticipated that step-free access to the Bakerloo line would be included in the proposed Bakerloo line extension.
- 4.8 The Committee was updated on recent disruption to the Jubilee line service, as a result of cracks being found in a coupling plate between carriages during routine inspection. Detailed checks, including visual and ultrasonic tests, were carried out on the entire fleet. No other lines were affected. TfL was working with the fleet manufacturers to determine a solution and apologised for the inconvenience caused to customers.
- 4.9 Work had been completed at Highbury Corner, in June 2019, and at the Old Street Roundabout, over the late May 2019 bank holiday weekend. The main station entrance at Old Street station was on track to be completed at the end

of 2020. In May 2019, the length of protected cycle infrastructure surpassed the 2016 baseline. TfL was on track to deliver 41 Safer Junctions schemes by spring 2020.

- 4.10 TfL had been working with the London Borough of Hammersmith and Fulham on an appropriate solution to mitigate the impact of the closure of the Hammersmith Bridge. TfL had committed £25m for design costs and was engaging in ongoing discussions.

Independent Investment Programme Advisory Group Quarterly Report

- 4.11 The Committee noted the paper, which set out the Independent Investment Programme Advisory Group's (IIPAG's) quarterly report. I
- 4.12 Good work was taking place on the signalling strategy and encouraging progress on engineering resource. The action plan on engineering resource was being reviewed regularly and staff were adjusting to the change in resource model.

TfL Project Assurance Update – Quarter 2 2019/20

- 4.13 The Committee noted the paper, which provided an update on the project assurance work undertaken in Quarter 2 2019/20.
- 4.14 A total of 31 reviews were undertaken during the quarter, consisting of one programme and 30 project assurance reviews. Sixty-seven recommendations were made, of which seven were considered to be critical issues. The total number of overdue recommendations had reduced and Key Performance Indicators had been introduced to ensure that overdue recommendations were closed out within three months.

Use of Delegated Authority

- 4.15 The Committee noted the paper, which provided an update on the use of Chair's Action and of Programme and Project Authority in respect of matters within the Committee's remit, since the last meeting of the Committee.

London Underground Stations Renewals and Enhancements Programme

- 4.16 The Committee noted the paper and approved Programme and Project Authority for renewals and enhancements.
- 4.17 The purpose of the Programme was to deliver renewed and enhanced assets to improve safety, reliability, accessibility and customer satisfaction, whilst reducing maintenance costs.
- 4.18 The Programme comprised of three elements: Accessibility; Stations Enhancements; and Renewals.

London Underground Lifts and Escalators Renewals Programme

- 4.19 The Committee noted the paper and approved Programme and Project Authority for continued renewal of escalators from 2020/21 to 2022/23.
- 4.20 Members and staff expressed their condolences and sympathies to the family of Christian Tuvi, who had tragically died whilst working on a moving walkway at Waterloo station. Vernon Everitt, Interim Managing Director, London Underground, had attended and spoke at the funeral.
- 4.21 The Authority requested would be used for the new in-truss approach to escalator renewal. The in-truss approach was being trialled at Wood Green station. It reduced the need for civil construction works, which would deliver a saving of around £175,000 per machine. After the trial, the first in-truss installations would begin in late 2021.

London Underground Railway Systems Enhancements Programme

- 4.22 The Committee noted the paper, which updated the Committee on progress with delivery of the London Underground Railway Systems Enhancements (RSE) Programme, formerly known as the World Class Capacity Programme.
- 4.23 The Victoria Line Upgrade 2 was completed in July 2019. The RSE Programme would deliver up to 32 trains per hour during peak periods on the Jubilee line, between West Hampstead and North Greenwich, and 31 trains per hour during peak periods on the Morden branch of the Northern line. Increased capacity on the Morden branch would also deliver a small improvement in peak capacity on the Bank branch.

Air Quality and Environment

- 4.24 The Committee noted the paper and approved additional Procurement Authority to extend and vary the contract with Capita Business Services Limited.
- 4.25 The Programme was key in delivering aspects of the Healthy Streets Approach, outlined in the Mayor's Transport Strategy (MTS).
- 4.26 Members requested that officers liaise with Motability in the context of the Ultra Low Emission Zone (ULEZ) non-compliant cars, the length of leases and the five-year exemption from the ULEZ charge.

TfL Growth Fund

- 4.27 The Committee noted the paper and approved a reduction in Programme and Project Authority.
- 4.28 The Growth Fund was designed to unlock homes and regeneration in areas of London to deliver the objectives of the MTS and aimed to support sustainable transport schemes that directly unlocked homes and jobs. The Growth Fund was able to leverage third party funding worth over three times the cost of the Programme itself.

4.29 In 2019/20 the Growth Fund had helped to deliver step-free access and increased capacity across London. It had also supported the Housing Infrastructure Fund bids to increase the capacity of the DLR and East London lines.

4.30 The Growth Fund helped to unlock the delivery of projects or schemes that worked towards the MTS but might not happen otherwise.

List of appendices to this report:

None

List of Background Papers:

Papers submitted to the Programmes and Investment Committee on 23 October 2019

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Board



Date: 20 November 2019

Item: Report of the Meeting of the Remuneration Committee held on 6 November 2019

This paper will be considered in public

1 Summary

- 1.1 This paper provides a short summary of the items considered by the Remuneration Committee at its meeting on 6 November 2019.

2 Recommendation

- 2.1 **The Board is asked to note the report.**

3 Committee Agenda and Summary

- 3.1 The papers for the meeting of the Committee held on 6 November were published on 29 October 2019 and are available on the TfL website: <https://tfl.gov.uk/corporate/publications-and-reports/remuneration-committee>
- 3.2 The main matters considered by the Committee were the use of Chair's Action and Talent Management and Succession Planning.
- 3.3 A summary of the items discussed is provided below. The more detailed minutes of the meeting held on 6 November 2019 will be published ahead of the meeting of the Committee on 5 February 2020.

4 Issues Discussed

Use of Chair's Action

- 4.1 The Committee noted that since its last meeting on 11 July 2019, Chair's Action was used to approve salaries of £100,000 or more for 28 roles and to approve one exit payment of £100,000 or more.

Talent Management and Succession Planning

- 4.2 The Committee noted TfL's approach to talent management, how it ensured it had the right skills in place to deliver the Business Plan and the Mayor's Transport Strategy and the work to create succession plans for Executive Committee members.

- 4.3 The Committee supported development of a long-term plan and offered advice and support on how to develop this. It also discussed the turnover of senior staff and recommended that TfL work with other public sector and private sector bodies to see how they were addressing retention of senior talent.

List of appendices to this report:

None

List of Background Papers:

Papers submitted to the Remuneration Committee on 6 November 2019

Contact Officer: Howard Carter, General Counsel
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Board



Date: 20 November 2019

Item: Report of the Meeting of the Safety, Sustainability and Human Resources Panel held on 13 November 2019

This paper will be considered in public

1 Summary

- 1.1 This paper provides a short summary of the items to be considered by the Safety, Sustainability and Human Resources Panel at its meeting on 13 November 2019. As that meeting is held after this paper was published, a verbal update on the issues raised by the Panel will be provided to the Board.

2 Recommendation

- 2.1 **The Board is asked to note the report.**

3 Panel Agenda and Summary

- 3.1 The papers for the meeting of the Panel to be held on 13 November 2019 were published on 5 November 2019 and are available on the TfL website: <https://tfl.gov.uk/corporate/publications-and-reports/safety-sustainability-hr>
- 3.2 The main matters to be considered by the Panel are:
- (a) Quarterly Health, Safety and Environment Performance Report;
 - (b) Workforce Fatality at Waterloo Station on 18 September 2019;
 - (c) Annual Presentation from CIRAS;
 - (d) Defining and Measuring Serious Injuries;
 - (e) Vision Zero Update - 20mph Limit on the TLRN in Central London;
 - (f) TfL's Work-related Violence and Aggression Strategy;
 - (g) Air Quality Update and Roadmap to Zero Emission;
 - (h) Human Resources Quarterly Report; and
 - (i) Transformation Programme Update.

- 3.3 A summary of the items to be discussed at the meeting is provided below. The more detailed minutes of the meeting will be published ahead of the meeting of the Panel on 12 February 2020.

4 Issues To Be Discussed on 13 November 2019

Quarterly Health, Safety and Environment Performance Report

- 4.1 The Panel is asked to note the overview of health, safety and environment performance for London Underground, TfL Rail, Surface Transport and Crossrail services for Quarter 2 2019/20 (23 June – 14 September 2019).

Workforce Fatality at Waterloo Station on 18 September 2019

- 4.2 The Panel is asked to note a summary of the tragic accident at Waterloo Underground station and the action taken.

Annual Presentation from CIRAS

- 4.3 The Panel is asked to note the presentation from CIRAS (the Confidential Incident Reporting Service).

Defining and Measuring Serious Injuries

- 4.4 The Panel is asked to note the steps taken to ensure that the definition of serious injuries for customers and workforce is consistent across TfL.

Vision Zero Update - 20mph Limit on the TLRN in Central London

- 4.5 The Panel is asked to note the summary of the work to introduce the first phase of reduced speed limits on the TLRN (the Transport for London Road Network).

TfL's Work-related Violence and Aggression Strategy

- 4.6 The Panel is asked to note the work done to develop a pan-TfL Strategy to eradicate work-related violence and aggression against our directly employed staff and those of our operators and contractors.

Air Quality Update and Roadmap to Zero Emission

- 4.7 The Panel is asked to note the update on key proposals to improve air quality in London.

Human Resources Quarterly Report

- 4.8 The Panel is asked to note an update on key Human Resources led activities for Quarter 2 2019/20 (23 June – 14 September 2019).

Transformation Programme Update

4.9 The Panel is asked to note an update on the progress of the Transformation Programme.

List of appendices:

None

List of Background Papers:

Papers submitted to the Safety, Sustainability and Human Resources Panel on 13 November 2019

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