

# TRANSPORT FOR LONDON

## AGENDA

### BOARD MEETING

**TO BE HELD ON THURSDAY 20 MARCH 2003  
IN COMMITTEE ROOM 5, CITY HALL, THE QUEEN'S WALK, LONDON SE1  
2AA , COMMENCING AT 10.00 A.M.**

A meeting of the Board will be held to deal with the following business. The public are welcome to attend this meeting, which has disabled access.

1. Procedural business
  - 1.1 Apologies for absence
  - 1.2 Minutes of the previous meeting held on 18 February 2003
  - 1.3 Matters arising, not covered elsewhere
2. Commissioner's Report
3. Adoption of 2003/04 Budget (*Refer to separate paper*)
4. Best Value Performance Plan Summary
5. DLR Capacity Enhancement (Bank – Lewisham) – Transport & Works Act Order application
6. Congestion Charging
7. A406 Bounds Green
8. Penalty Charge Notice Processing Service
9. Private Hire Vehicle Licensing
10. West London Tram Project Update
11. Audit Issues
  - 11.1 Terms of Reference
  - 11.2 External Audit Services Policy
  - 11.3 Risk Management Policy
12. Safety, Health & Environment Committee Report (*paper to follow*)
13. Any Other Business

Date of next meeting: Wednesday 28<sup>th</sup> May 2003 at 10:00a.m.

# **Transport *for* London**

Minutes of a meeting of the Board  
held on Tuesday 18 February 2003, commencing at 10.40 a.m.  
in The Chamber, City Hall, the Queen's Walk, London

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**Present:** Ken Livingstone (Chair)  
**Board Members:** David Begg  
Bob Crow  
Stephen Glaister  
Noël Harwerth  
Kirsten Hearn  
Mike Hodgkinson  
Oli Jackson  
Susan Kramer  
Paul Moore  
Murziline Parchment  
Tony West  
Dave Wetzel (Vice Chair)

**In attendance:**  
**Special Advisors** Bryan Heiser  
Lynn Sloman

**TfL Officers:** Robert Kiley  
Maggie Bellis  
Ian Brown  
Stephen Critchley  
Gareth Davies  
Isabel Dedring  
Peter Hendy  
Betty Morgan  
Tim O'Toole  
Derek Turner  
Jay Walder

**Other Attendees:** Nicky Gavron (Deputy Mayor)

**Secretary:** Alan Busson

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Ken Livingstone welcomed Tim O'Toole, Managing Director (Designate) of London Underground to the meeting

## **01/03 APOLOGIES FOR ABSENCE**

Apologies for absence had been received from David Quarmby.

## 02/03 **MINUTES OF PREVIOUS MEETING HELD ON 19 NOVEMBER 2002**

The minutes of the meeting held on 19 November 2002 were **agreed** as a true record of the meeting and signed by the Chairman.

## 03/03 **MATTERS ARISING**

There were no matters arising.

## 04/03 **DECLARATION OF INTERESTS**

The Chair reminded Board Members of the requirement to declare any interests in the matters under discussion. There were no interests declared.

## 05/03 **COMMISSIONER'S REPORT**

Bob Kiley amplified the contents of the Commissioner's Report for February 2003 which provided the meeting with an overview of major issues and developments since the November 2002 Board meeting.

The main points arising from the Commissioner's Report were as follows:

A new director is being appointed to head up the Transport Policing and Enforcement Department and a review of policing/security issues will be conducted.

The Chancery Lane derailment had caused the suspension of services on the Central Line and the Waterloo and City Line. TfL has assisted London Underground to manage the situation.

TfL gritting contractors gritted all TfL roads before, during and after the adverse weather conditions at the end of January. Road congestion on the Transport for London Road Network was exacerbated by closure of the M1, M11 and M25.

Congestion Charging was introduced on 17 February 2003 and a full report will be made later in the meeting.

At the present time, management of London's road network is fragmented with utility companies carrying out over 70% of all excavations on London's roads. TfL is working with government/boroughs and utilities to improve/rationalise the London road network, with the ultimate goal of seeking legislative change to ensure that the relevant highway authority has effective control over all street management issues in London.

It was noted that work to finalise the Crossrail business case is proceeding. The next step in the process is to gain government approval to enable the preparation and submission to Parliament of a hybrid bill in November 2003. It was stressed that there were substantial economic/regenerative benefits for London, to be gained from the Project. TfL's Rail Transport Advisory Panel would be discussing the business case at its March meeting.

On 4 February, Agreement was reached between TfL and the Department for Transport to transfer London Underground to TfL. It was noted that a transfer date had still to be set. The LUL/TfL integration process was proceeding well, although it was noted that this could be frustrated due to the possible delay in transferring LUL to TfL.

The Commissioner's Report was **noted**.

### 06/03 **3rd QUARTER FINANCE REPORT**

Jay Walder gave a presentation supporting and updating his written Finance and Performance Report to cover the third quarter of 2002/03 ended 31 December 2002.

The following key issues were highlighted:

Year on year Bus patronage had increased by 6%. Similarly the Docklands Light Railway (DLR) passenger numbers had increased by 17% over the same period in 2001/02. London Underground performance was affected by industrial action taken by RMT and Fire Brigades Union.

The major street management schemes at Vauxhall Cross, Trafalgar Square, Shoreditch and Blackheath had progressed well. All these road works had now been opened to traffic.

Good progress was being made with the Oyster Smartcard. The card is being used in trials by almost 80,000 tube and bus staff in advance of a phased introduction of the cards to the public in the Spring 2003.

The legal closing of the DLR City Airport extension project was imminent; it was anticipated that the extension would be open in late 2005.

The meeting discussed the likely out-turn for the financial year 2002/2003. Although it was anticipated that the results would be in line with expectations, this was as a result of some project under/overspends. Jay Walder indicated that contingencies had been established that would be set up to deal with any slippages in projects to ensure that resources were being properly utilised.

Disappointment was expressed at the failure of TfL to spend its budget on road safety, walking and cycling. Derek Turner explained that this was as a result of structural organisational issues, adding that one of the key objectives of the new Director of Strategy would be to progress safety/walking/cycling programmes. As a consequence, it was expected that the budget for these items would be delivered in future years.

Susan Kramer questioned the status of the West London Tram project ("WLT") and the Cross River Tram project ("CRT"). It was noted that a project team was working on the WLT project and that a project team was being formed for the CRT project. It was agreed that board members would be kept informed as to the progress of both projects which will be dealt with at future Surface Transport Advisory Panels and Finance Committee meetings.



The report was **noted**.

**07/03 TAXI FARES AND TAXI AND PRIVATE HIRE LICENSE FEE REVISIONS**

Peter Hendy presented a paper, referring to the section on Tariff Changes proposing the changes contained therein, to taxi fares and licence fees planned to be effective from April 2003.

The Board agreed:

1. the proposed taxi fares;
2. the making of a London Cab Order to implement the new tariffs with effect from 5 April 2003 to be signed by the Commissioner of Transport for London on behalf of Transport for London;
3. the proposed licence fee revisions for implementation with effect from 1 April 2003;
4. the making of a regulation to implement the new private hire operator licence fees and application fee with effect from 1 April 2003, to be signed by the Commissioner of Transport for London on behalf of Transport for London.

**08/03 CONGESTION CHARGING**

Derek Turner gave an oral report concerning the introduction of Congestion Charging on 17 February 2003. Day One was a success; there had been an approximate 25% reduction in traffic which was more than anticipated. The congestion charging system had worked well and 100,000 car owners had paid the charge. 15,000/20,000 fleets had participated in the charging scheme. 45,000 vehicle owners had applied for the exemption. Day One would see approximately 10,000 vehicle owners receiving penalty charge notices. A visual check will be made against DVLA data to try to keep to a minimum any mistakes made in sending out the penalty charge notices to individuals.

Ken Livingstone thanked and paid tribute to the dedicated and talented staff of TfL for their efforts in introducing the Congestion Charging scheme in London.

**09/03 SAFETY, HEALTH AND ENVIRONMENT COMMITTEE REPORT**

The Board noted the report of the Safety, Health and Environment Committee meeting that was held on 4 February 2003.

**10/03 ANY OTHER BUSINESS**

There was no other business

There being no further business, the meeting closed at 1.17 p.m.

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Chair

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Date

## COMMISSIONER'S REPORT FOR MARCH 2003

### 1. PURPOSE

This is the Commissioner's written report for March 2003. This report provides an overview of major issues and developments since the February Board meeting and updates the Board on significant projects and initiatives.

### 2. INTRODUCTION

The Mayor's final budget proposal was discussed and approved by the full Assembly on February 12<sup>th</sup>. This allowed for a reduced amount of precept available to TfL of £57.8m from the £88.8m included in the Mayor's consultation budget, but still represented an increase from that provided in 2002/03. The TfL budget has since been updated for this reduction, which has affected the package of fare reduction measures for under 18's as well as a number of other minor changes since the budget was last reviewed by the Board.

The final 2003/04 budget book has been circulated under separate cover for consideration and approval by the Board during the meeting.

### 3. TfL OPERATIONS

There are some operational issues to draw to your attention.

#### 3.1 *Congestion charging performance*

As you will be aware, the first several weeks since the launch of congestion charging have gone well. We continue to monitor the scheme very closely. There is a separate paper to the Board summarising congestion charging's performance in the first 2 weeks after launch. A further update will be provided to the Board when we meet.

Overall bus patronage throughout London was 9.5% higher in the first week of the scheme than the corresponding period in 2002 (compared to a corresponding growth level of 8.6% in the week prior to the scheme's introduction and a year to date growth level of 6.7%). Scheduled kilometres not operated throughout London due to traffic delays were 25% lower than the corresponding week the previous year and were half that of the levels being experienced in the four weeks prior to February 17th.

These passenger numbers have been adjusted to take into account the school holiday but not the effect of the Central Line closure, but caution should be taken as they are preliminary. As time passes, of course, more robust figures will become available.

#### 3.2 *DLR operational performance*

Passenger numbers on the Docklands Light Railway also continue to rise, with a 10-11% increase over last year (15% on the Lewisham Extension). Passenger forecasts show that there will be a need to

provide additional capacity on the railway with annual passenger numbers rising from 44m to 60m by 2006. The DLR has advanced plans to increase the length of trains from 2-car to 3-car to meet this demand. A TWA application will be considered at the Board meeting.

### **3.3 *Proposed changes to National Rail services***

SRA have announced some rationalisation of service on South West Trains with effect from September 2003. The only direct reduction of services within the GLA boundary are on routes between West Croydon and Epsom running to and from Guildford. However, cuts to through trains on the Reading and Woking lines are also in the package. As the reductions to the West Croydon line do not go below the target minimum for Metro services, TfL have not formally objected to this change. SRA have informed TfL that they will conduct a more formal consultation with stakeholders on any further service rationalisation proposals.

Following discussion at the Board on improving North London Line services, consultation with the SRA has commenced on examining the opportunities for investing in service and station improvements against a potential budget of £5m for the financial year 2003/4.

### **3.4 *Update on Central Line closure***

The Central Line continues to be completely closed as of this writing. Current plans are to introduce a limited local service between Woodford and Bethnal Green. A trial running on that route (without passengers) will take place on Wednesday 12 March; if the trial is successful, the service will carry passengers from late morning Friday 14 March. The timing for the reintroduction of full service has still not been determined.

The programme to provide replacement buses for the Central Line continues. This has involved major efforts by London Buses in the procurement of 120 extra buses, and comes in addition to ongoing demands from LUL for other bus replacement services to compensate for closures due to certain large-scale LUL engineering works.

### **3.5 *Launch of Streets fault reporting call centre***

TfL Street Management is launching a new Street Faults Contact Centre for Londoners to report any problems on TfL's roads and footways.

From March 12<sup>th</sup>, members of the public will be able to use this facility to report faults such as unclear road signs, damaged railings or broken traffic lights. Until now, members of the public have had to call separate numbers depending on the area. Now, with the launch of the Street Faults Contact Centre, the public need access only a single number (0845 305 1234) to report the problem, with an improved tracking capability aimed to ensure that follow-up action can be assured.

The public will also be able to report faults using an interactive map on the Street Management website, allowing customers to click through to their local area to report a fault.

### **3.6 *London River Services***

Collins River Enterprises (CRE) operates the river service from Savoy Pier to Isle of Dogs. They are currently experiencing financial difficulties in sourcing the funding for the purchase of the Hurricane Clipper. However they have achieved a stay of execution and discussions with their potential financial backers are continuing.

### **3.7 Security exercises**

TfL will be participating in two significant security exercises in March. The first one took place on Saturday March 8<sup>th</sup>. This was a multi-agency tabletop exercise which tested the communications processes between the various agencies. The scenario was a terrorist act at Bank affecting a tower block, followed by a second incident at Vauxhall Cross and a third incident at Lakeside shopping centre. All key areas of TfL were represented (Corporate, Street Management, and Surface) as well as National Rail and LUL.

The second exercise will take place on Sunday March 23<sup>rd</sup> at Bank on the Waterloo & City line platforms. This will be a live exercise and the key transport agency involved is LUL, which will provide the incident location and a train. TfL will assist in managing the associated closures of a number of streets in the area and diversion of certain bus routes. The Bank/Monument station complex will be completely closed during the period of the exercise.

## **4. TfL MAJOR PROJECTS AND INITIATIVES**

### **4.1 Major National Rail Projects**

The interim business case for Crossrail was despatched to the Secretary of State during February requesting that preparations be made to submit a Hybrid Bill to Parliament. Work will continue to finalise the business case. The final business case will address any open issues (specifically the route to Richmond) and will include a more detailed analysis of the project costs.

The East London Line extension business case is with the Secretary of State after confirmation by the SRA that the project remains on course for delivery by 2008 (following the affordability review). There was an area of concern around planning issues at the Bishopsgate Goodsydard, which adjoined the listed Braithwaite Viaduct. The Mayor met with the London Boroughs of Tower Hamlets and Hackney to determine whether, in planning terms, they would wish to see the project go ahead. Following this, LBTH have called an extraordinary meeting of their planning committee to agree a way forward, and Hackney are expected to take a similar course of action shortly.

### **4.2 Docklands Light Railway extensions**

The contract to design, build, make available and maintain the extension of the DLR from Canning Town to King George V via London City Airport was signed with CARE (Royal Bank of Scotland and AMEC) on Tuesday 25<sup>th</sup> February. A start of work ceremony attended by the Commissioner, the Mayor of Newham and CARE took place on Tuesday 4<sup>th</sup> March. The event attracted extensive and positive publicity including local television news.

The public inquiry for the extension to Woolwich Arsenal has completed its first phase. It is adjourned to allow representations from British Telecom who, at a very late stage, have expressed concern over the proximity of the extension to their exchange; discussions are continuing to resolve this issue as soon as possible.

A preliminary seminar on the further extension to Dagenham Dock has taken place with a preferred route emerging from the local stakeholders and authorities present. This will now be subject to formal consultation and detailed design.

### **4.3      *Integration with LUL***

We are completing the first phase of appointments to the new senior corporate roles across TfL and its operating businesses. Over 20 appointments have been made thus far, with roughly half going to internal TfL or LUL candidates and half to external candidates. They will be taking up their posts over the coming months. In the meantime we are about to start interviewing for a further 58 posts with the intention that appointments will start to be made from the end of April onwards.

We continue to be firmly convinced that all stakeholders, including the Government, the riding public, LUL and TfL, stand to realise material benefits if LUL is transferred as quickly as possible. These benefits range from near-term service improvements to the introduction of means for greater financial discipline to the implementation of a sound foundation to build for the long-term success of the PPP arrangements. TfL has invested significant effort in designing the programme control system for the PPP, which provides a common language for tracking the literally thousands of individual projects contained within the PPP contracts. It is now absolutely essential that LUL, Tubelines, Metronet, the Government and the Arbiter come together to institute this programme – otherwise an ad hoc, inefficient reporting discipline will develop which will be difficult to change.

Transition planning is well underway and we will shortly start final preparations for TfL and LUL to move to a new, integrated structure. Our intention remains that we complete the major organisational changes by the end of July 2003.

I will update the Board on any further developments regarding a firm date for transfer of LUL to TfL at the Board meeting.

Robert R. Kiley  
Commissioner for Transport  
March 2003

**TRANSPORT FOR LONDON**

**TfL BOARD**

**SUBJECT: SUMMARY BEST VALUE PERFORMANCE PLAN  
(BVPP)**

**MEETING DATE: 20 MARCH 2003**

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**1. INTRODUCTION**

- 1.1. TfL is a 'Best Value' authority under the Local Government Act 1999. The legislative aspects of Best Value are set out within the same Act and in related Statutory Instruments and guidance notes.
- 1.2. TfL is developing its third Best Value Performance Plan (BVPP) which it is required to publish by 30 June 2003. This will be the second time that the BVPP has been produced as an integral part of the Business Plan, and this accords with the Audit recommendation that the new business planning process is used to embed Best Value throughout TfL.
- 1.3. The TfL Board approved the draft Business Plan for 2003/04 – 2008/09 on 19 November 2002. Following approval of the 2003/04 Budget by the Board, TfL will publish this Business Plan, including a draft Best Value Performance Plan, by 31 March 2003. The finalised BVPP will be produced as an update to the Business Plan, and will be submitted to the Finance Committee and TfL Board during the May cycle, prior to publication on the TfL web site.
- 1.4. TfL is also required to publish a summary of its BVPP by 31 March 2003, which is discussed below.

**2. SUMMARY BEST VALUE PERFORMANCE PLAN (BVPP)**

- 2.1 Although the full BVPP is not published until June each year, Government believes that local people should have access to clear and relevant information at the beginning of the financial year, and ahead of local elections. This is to improve accountability, promote awareness among local people and encourage engagement in local government. Despite not having local elections, as a Best Value authority, TfL is still required to publish a Summary BVPP. Best Value authorities now have discretion over the contents of the summary, and also how it is presented and communicated, and the extent to which it is communicated.

- 2.2 Further guidance on the Summary BVPP was to have been published by Government in the summer 2002 but this is still awaited. Due to the uncertainty that remains over the requirements of the Summary BVPP, it follows a similar format to that published in 2002, and for continuity, includes the same service related performance data. A copy of TfL's proposed Summary BVPP is attached (**Appendix 1**).
- 2.3 It is proposed that to comply with the legislative requirements of Best Value that the Summary BVPP is published on the TfL web-site by 31 March 2003, and that it is included in a joint document to be prepared by the GLA group and be included in the Mayor's newsletter that is distributed in June 2003.

### **3. RECOMMENDATIONS**

- 3.1 The TfL Board is asked to:
- APPROVE the Summary BVPP and delegate finalisation of such to the Managing Director, Finance & Planning for publication on TfL web-site by 31 March 2003, and
  - ENDORSE the proposed TfL contribution to the GLA Best Value Summary document to be published in the Mayor's newsletter in June 2003.

**Jay Walder**  
**Managing Director, Finance and Planning**  
11 March 2003

## BEST VALUE PERFORMANCE PLAN SUMMARY

### *Transport for London ...improving London's transport system*

'To sustain London's place as a premier world city', Transport for London will be the world's leading transport authority, delivering safe, reliable and integrated transport to all those who live in, work in, or visit London.'

#### *We aspire to*

- Run safe, efficient, effective and economical operations, which deliver best value.
- Understand and focus on customer needs
- Maintain and improve safety, reliability, capacity, and ambience of the integrated transport network
- Plan and provide an integrated transport network
- Engage openly and effectively with stakeholders at all levels
- Anticipate London's future transport needs and respond with innovative solutions
- Attract, develop and retain people who have the customer service, technical and commercial skills we need to reflect the diversity of London
- Take account of inclusivity and social and environmental impacts and opportunities managing the transport network

#### Our Responsibilities

We are responsible for managing, providing and procuring a range of transport services and facilities on behalf of the Mayor. These include:

- London's bus services – over 1.5 billion passenger journeys a year
- Managing and maintaining 580km network of London's main roads and all London's traffic signals.
- Managing the Central London Congestion Charging Zone
- Docklands Light Railway – nearly 45 million passenger journeys a year
- Croydon Tramlink – nearly 16 million passenger journeys a year
- London River Services – around 2 million passenger journeys a year
- Dial-a-Ride – over 1.4 million trips a year
- Victoria Coach Station – about 189,000 coach departures a year
- Regulating London's taxi and private hire trades – around 156 million trips a year
- The Woolwich Ferry – about 302,000 vehicles and 720,000 passengers use the service a year
- London's Transport Museum

TfL also helps to co-ordinate schemes for transport users with disabilities. We work to improve conditions on all London's streets for pedestrians, cyclists and drivers, and are implementing a number of different types of schemes to reduce congestion.

London Underground will become part of TfL in 2003 after agreement was reached earlier in the year with the Secretary of State on funding and the basis of transfer.



### Improving London's Transport

Progress has been made in improving London's transport but much work still needs to be done to tackle London's deep-rooted transport problems and make the Mayor's Transport Strategy a reality. During the 2003/04 we will focus on:

- Improving the capacity, coverage and reliability of the bus network
- Further road improvements and better management of streetworks to improve travel conditions for all road users and in support of Congestion Charging.
- Increase in transport policing and traffic policing
- Continued support for the London Plan through the development of future projects such as Crossrail, the Thames Gateway Bridge and the DLR extensions to City Airport and Woolwich Arsenal

### *Working in Partnership*

Development of the Transport Strategy involved extensive consultation, so we can be confident that our plans for improving London's transport respond to the identified priorities of users and business. Consultation will remain central to the way we plan and undertake our activities.

We will not be able to improve London's transport system if we work in isolation. To provide integrated and effective solutions to London's transport crisis we will be seeking to work closely with the London Boroughs, Strategic Rail Authority, train operating companies, the GLA Group and other organisations.

### Delivering Best Value

Best value is an integral consideration in our business planning process. During the past year we conducted a number of reviews of our business. These included:

- Business Improvement reviews of our support functions as part of planning for the integration of London Underground with TfL
- Participating in the GLA Group-wide review looking at E-Government
- Walking and cycling, project identification and appraisal and road safety within Street Management,
- Consultation on bus service changes, East Thames Buses and Victoria Coach Station in Surface Transport.

We have identified opportunities to improve performance and service improvements are being introduced in response to review findings, and which will generate efficiency savings of £325 million over 6 years. Examples of these are:

- Commenced implementation of a Business Improvement Programme which will automate a number of day to day processes thereby streamlining support activities, provide faster access to data and improved management information.
- New and more efficient organisational structure for corporate support functions

The Audit Commission's Best Value Inspectors have conducted independent inspections of the Street Management activities of Maintaining the Streets, and Contracts and Procurement. The published results include an assessment of the service in respect of two criteria – How Good is the Service? and What are the Prospects for Improvement? Both are measured on a four point scale which for clarity, have been expressed as 0 to 3 stars.

Maintaining the Streets. The Audit Commission assessed the service as 'fair' (one star) with 'excellent' (three star) prospects for improvement.

Contracts and Procurement. The Audit Commission assessed the service as 'fair' (one star) with 'promising' (two star) prospects for improvement.

To seek opportunities for improving efficiency, performance and delivering better value, we are proposing to undertake further reviews of the business during 2003/04 including a review of the bus service network. Importantly, we are striving to implement the action plans arising from the significant amount review activity associated with the integration of London Underground.

### *Performance Monitoring and Management*

TfL is committed to continuous improvement and to help us deliver this we are implementing a comprehensive performance management framework. Below is a table of key performance indicators:

#### *Key Performance Indicators*

Service & Performance Indicator	How we perform				
	2001/02 actual	2002/03 budget	2002/03 forecast	2003/04 targets	2004/05 targets
<b>Corporate Health</b>					
Equality – the level of the Commission for Racial Equality's standard to which the authority conforms	Level 2	Level 3	Level 3	Level 4	Level 5
<b>Bus Services</b>					
Passenger journeys (millions)	1430	1478	1528	1601	1672
Bus km operated (millions)	373	391	394	423	438
% of scheduled bus km's operated after traffic losses	96.4	96.9	96.3	97.4	97.7
Excess waiting time on high frequency services (minutes)	2	1.8	1.8	1.7	1.6
% of low floor buses as a total of the weekday peak requirement	67	77	77	87	91
<b>Street Management</b>					
The number killed or seriously injured (ksi) (TLRN)	1606	1593	1563	1480	1414
The number killed or seriously injured (ksi) (London-wide )	6101	5929	5790	5438	5192
Cycling index on the TLRN (year 2000 = 100)	113	120	114	117	122
% of pedestrian crossings with disabled access	56.7	62.0	62.0	68.0	75.0
% of traffic signals working effectively	97.0	97.0	97.0	97.0	97.0
<b>Docklands Light Railway</b>					
Passenger journeys (millions)	41.2	45.2	44.7	51.1	55.8
Number of trains km's operated (millions)	2.9	3.9	3.2	3.4	3.4
Valid train departures (%)	98	98	98	98	98

On time performance / adherence to schedule (%)	97	96	96	96	96
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Note: 2002/03 Forecast figures are based on April - December 2002 performance  
(source: Management Accounts, GMA report)

**TRANSPORT FOR LONDON**

**STAFF SUMMARY  
TfL Board**

**SUBJECT: DLR Capacity Enhancement Project**

**MEETING DATE: 20 March 2003**

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**1. PURPOSE**

To seek approval for Docklands Light Railway (DLR) to submit an application for Powers under the Transport and Works Act to increase the capacity of the Bank-Lewisham line to allow the operation of 3 car trains, 50% longer than at present. This involves works to a number of stations between Bank and Lewisham in the form of:

- Platform extensions to accommodate longer trains (90m compared to the current 60m);
- New staircases and lifts where necessary as a result of the longer platforms;
- Expanded staircases where necessary to provide additional capacity;
- Extended canopies and other passenger facilities.

Other physical works to the railway will be required to accommodate longer trains including the strengthening of some bridges and viaducts and an expansion of the existing Beckton Depot to provide more stabling accommodation for a larger train fleet. The plans also include the purchasing of new rail cars to enable the operation of longer trains between Bank and Lewisham.

The proposed scheme is illustrated on Figure 1. A description of the proposals can be found in Appendix 1.

**2. BACKGROUND**

Since 1995 there has been continual and significant year-on-year passenger growth on the DLR network, with over 41 million passenger a year using DLR in 2001/02. Forecasts for the year 2002/03 are for 46 million passengers a year. Growth on the DLR network is driven largely by travel demand consequent on developments at Canary Wharf and within an increasingly developed catchment area including Lewisham and Beckton.

Employment on the Isle of Dogs is predicted to grow strongly supported by policies in the London Plan. At Canary Wharf, at least 20,000 additional jobs will be added by 2006 based on development that is under construction and

already let to tenants. Further phases of development at Canary Wharf are expected to increase total employment to over 120,000 by 2010. Outside Canary Wharf, developments at Millennium Quarter will add a further 25,000 jobs leading to an Isle of Dogs total working population of over 200,000 jobs by 2016<sup>1</sup>.

The proportion of people travelling by public transport to the area is among the highest in London with just under 80% of all peak hour journeys to the area made by rail based public transport in the form of the DLR or Jubilee Line. Transport capacity to the Isle of Dogs is constrained due to the unique geography of the area and unlike other business districts of Central London such as the City or Westminster, travel demand is focused on a small number of stations and routes.

The capacity of the existing rail network serving the Island is reaching capacity. At present the Jubilee Line is operating near capacity with no significant increase in capacity expected until the introduction of longer seven car trains in 2005 and the signalling upgrade now expected to be 2010 at the earliest<sup>2</sup>. CrossRail will have a major effect on the capacity of the rail network serving the Isle of Dogs, however, this is unlikely to be before 2012.

There is therefore a shortfall in the capacity of the rail network serving the Isle of Dogs from 2006 onwards. The 3-Car scheme will increase capacity on the most heavily loaded section of the DLR running through the Isle of Dogs by nearly 50%. This will provide sufficient capacity to accommodate forecast growth in the area until other schemes such as the Jubilee Line upgrade and CrossRail are delivered. In the absence of the 3-car upgrade, there will be a shortfall in rail capacity that would lead to an increasingly congested and unreliable rail network.

In the longer term, the DLR upgrade is required along with the Jubilee Line upgrade and CrossRail to provide the levels of capacity required to serve the regeneration aspirations for this area in terms of new jobs growth as set out in the London Plan.

### **3. ALTERNATIVES**

Services on the DLR were enhanced in August 2002 and during peak hours are operating at or near to the capacity of the current system and infrastructure. Further significant changes in service frequency between Bank and Lewisham would be dependant on changes to physical infrastructure such as the provision of grade separated junctions or major alterations to the existing timetable to reduce through services. These improvements would have significant costs/disbenefits associated with them and would not offer comparable benefits to the running of 3-car trains. The use of alternative higher capacity vehicles

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<sup>1</sup> London Plan

<sup>2</sup> Based on one year delay to PPP estimate

has also been explored, which would deliver only small capacity benefits, but with significant disbenefits for passengers.

#### **4. CONSULTATION AND OUTSTANDING ISSUES**

Consultation has been undertaken with 80,000 households living along the length of the route. Out of the 3000+ households who responded to the exercise, over 90% supported the principle of providing more capacity between Bank and Lewisham by running longer trains. Specific exhibitions and meetings have also taken place with each of the Boroughs affected and with the different communities along the route. Major landowners have been involved throughout the planning of the proposed scheme.

Before submitting the TWA Application there are a number of technical and administrative matters to be finalised. These include:

- Agreeing the final details of the necessary capacity enhancement works at Bank station with London Underground. This could affect costs and /or land take.
- Finalising issues connected with modifications to the tunnel ventilation system at Cutty Sark.
- Reaching an understanding with the HMRI and LFEPA as to the best approach at Lewisham where modifications to the station may result in it being reclassified as a 'Section 12' (underground) station.
- Reaching sufficient understanding with potential major objectors, including the Borough's/City Corporation, the existing Lewisham Concessionaire and Canary Wharf Group so as to mitigate, but not eliminate, the risk of substantive objections to the scheme at a Public Inquiry.
- Mayor's permission to submit the TWA application.

#### **5. IMPACT ON FUNDING**

There is currently £115.2 million of funding in the TfL Business Plan to undertake the works. Remaining within this budget requires a third party contribution of up to £9 million from developers in the Millennium Quarter towards a new station at South Quay (agreement expected to be signed in the next 4 weeks) and a London Underground contribution of £8.5 million towards the cost of improvements at Bank Station (included in LUL's investment programme for 2003/4 – 2006/7). Additional funding sources for the project will also be explored, including developer contributions through Section 106 agreements.

The scheme has been evaluated in a 'traditional' cost benefit analysis over a 30 year evaluation period with a year of opening of 2007 and, secondly, based on HMT's new 'Green Book' using a projected 44% optimism bias (for standard civil engineering projects) and six month overrun (modelled in this case as a one year overrun) but with a discount rate of 3.5%. Benefits of the scheme have been modelled taking into account the current network assumptions for

proposed increases in capacity on the Jubilee Line and the introduction of Crossrail via the Isle of Dogs. Future development assumptions are consistent with those in the London Plan.

**Table 1: Economic Appraisal Results**

<b>Scheme Scenario</b>	<b>'Conventional' Benefit Cost/Ratio</b>	<b>New Green Book</b>
Base Case	2.3	2.3 (1)
25% increase in costs	1.7	
Delay to 3 car to 2008	2.0	2.1
Delay to Crossrail to 2015	4.9	3.0

(1) Includes 44% increase in capital costs

Although TfL is clearly committed to the project through the Transport Strategy and Business Plan, submitting a Transport & Works Act application does not legally commit TfL to building the works, rather it moves the project on to the next stage in terms of securing the necessary powers and consents required to do so.

The outline timetable for the scheme is summarised below:

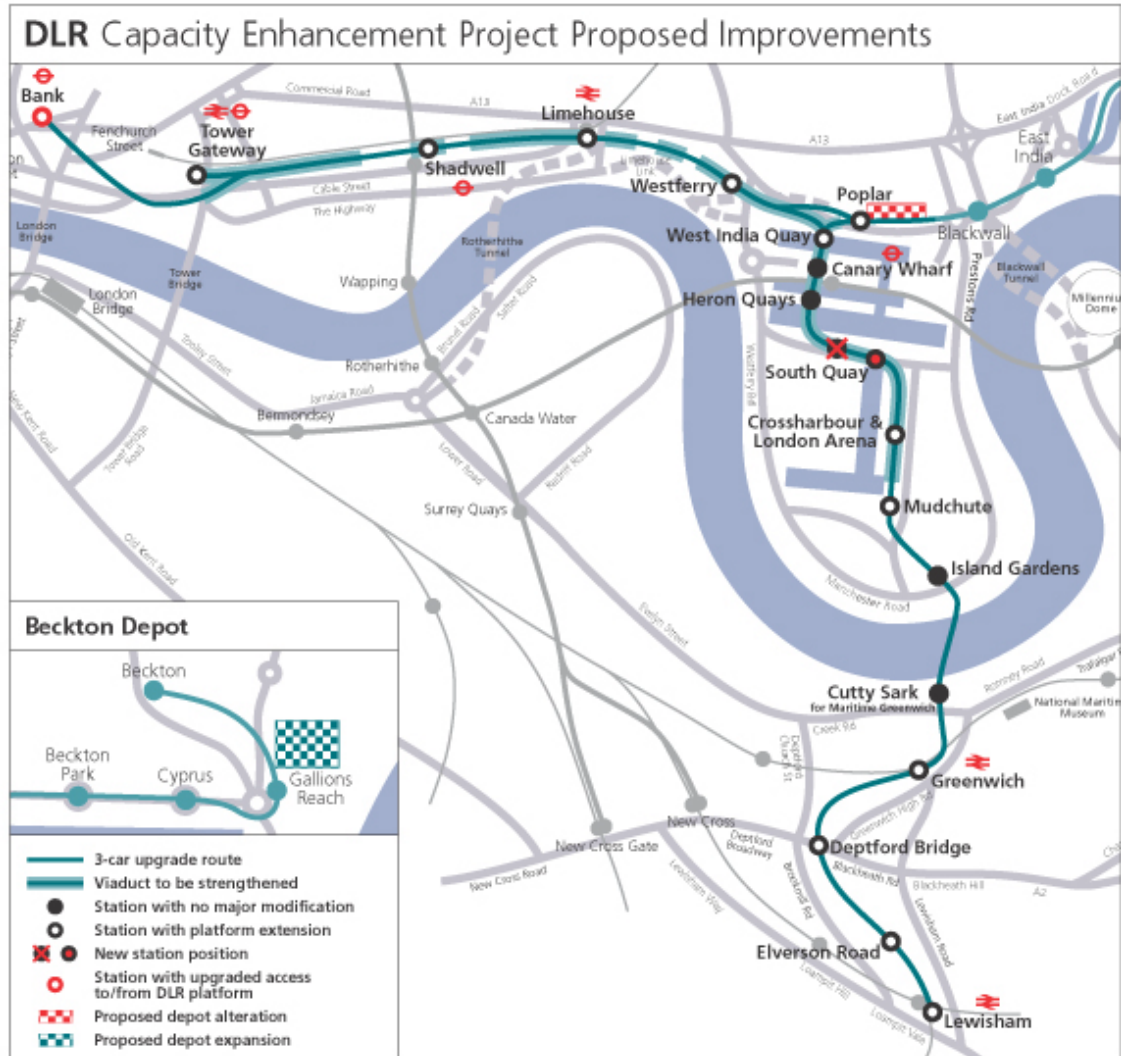
- Detailed scheme development and Environmental Impact Assessment complete – Early March 2003
- Transport & Works Act submission – April 2003
- Public Inquiry – Late 2003
- Secretary of State Decision – Autumn 2004
- Construction start – Early 2005
- Likely opening date – Early 2007

## **6. RECOMMENDATIONS**

The TfL Board is asked to note the above and approve submission of an application under the Transport & Works Act for powers to increase the capacity of the DLR Bank-Lewisham route.

# ATTACHMENTS

Figure 1 Plan of proposed improvements





## **Appendix 1**

### **Description of the Works**

The stations to be modified with platform extensions will include Tower Gateway, Shadwell, Limehouse, Westferry, Poplar, West India Quay, Crossharbour, Mudchute, Greenwich, Deptford Bridge, Elverson Road and Lewisham. Bank, Canary Wharf, Heron Quays and Island Gardens already have platforms that can accommodate 3 car trains. A new station will be built to replace the existing station at South Quay.

At Bank some works are required to provide additional capacity for passengers interchanging between the DLR and Northern Lines. This will be in the form of a new staircase link connecting the Northern Line and DLR platforms. The proposals have been developed in conjunction with London Underground.

It is not feasible to expand the existing South Quay Station for 3-car operation due to constraints on the existing alignment. A new station will be constructed to the east of the existing station with additional capacity to serve new development in the area.

Cutty Sark station is located deep underground in Greenwich town centre and extending the platforms would involve major disruption at street level with possible demolition of buildings and major disruption to passengers using the railway. For these reasons we have identified a solution involving selective door use that would enable a 3-car length train to stop in a 2-car length platform, with doors remaining closed at either end of the train. This approach has been agreed in principle with the Railway Inspectorate.

## AGENDA ITEM 6

### TRANSPORT FOR LONDON

#### TfL Board

**SUBJECT: CONGESTION CHARGING UPDATE**

**MEETING DATE: 20 MARCH 2003**

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#### **1. PURPOSE**

- 1.1 This paper updates the Board on the first two weeks of operation of congestion charging.

#### **2. UPDATES**

##### **2.1 Traffic conditions**

- 2.1.1 Traffic levels inside the zone remained light throughout the first two weeks of congestion charging. Observations indicate that traffic entering the zone is around 20% lower than in a typical working week in January, with the Central Line down. This is very encouraging and higher than the targeted 10-15% reduction in traffic but it is considered too early to draw any firm conclusions at this stage.
- 2.1.2 Traffic flowed well, including on the Inner Ring Road, the boundary road of the zone. In terms of congestion sample traffic speeds inside the zone have gone up by as much as 25%.
- 2.1.3 There was no evidence of increase in rat running in areas outside the zone and traffic conditions outside zone appear to be slightly better than pre charging conditions.
- 2.1.4 TfL, in partnership with the Metropolitan Police, are managing traffic conditions in the new London Traffic Control Centre. Where necessary minor adjustments are being made to traffic signals to optimise the management of the network.

##### **2.2 Traffic Management**

- 2.2.1 Boundary point signing and road markings were installed prior to start of charging. Temporary covers on the entry signs, reading "Congestion Charging Boundary Point - Charging Starts 17<sup>th</sup> February", were removed on Sunday 16 February to reveal the regulatory signs that facilitate enforcement of the charge.

- 2.2.2 Some 1000 signs altogether, were also installed prior to go-live. A small number of “Have You Paid?” reminder signs and some information boards for use in lay-bys are being installed to complete the signage strategy. An intensive monitoring and maintenance programme of sign inspections, and repairs where necessary, has commenced.
- 2.2.3 The on-going programme of complementary traffic management measures to help mitigate against any local adverse traffic parking or environmental impacts is continuing in partnership with the London Boroughs. These measures were not required for the start of charging.

## **2.3 Operations and systems**

### ***Cameras and Communications Links***

- 2.3.1 Camera installation and future optic comms links were 100% complete by the start of charging. There have been no significant problems with the operation or vandalism of the cameras or the comms links.

### ***Contact Centre***

- 2.3.2 To provide against any “bow-wave” of excessive calls to the Contact Centre at the start of charging, an extra 300-seat facility was established in Glasgow to supplement the existing 500-seat centre in Coventry.
- 2.3.3 Activity in the Contact Centre peaked at 167,000 calls in the first week of operation. Calls are currently running at some 100,000 calls per week.

### ***Payments and payment channels***

- 2.3.4 Payments of the charge for each day throughout the first two weeks have averaged around 95,000 per day. In week one 462,000 payments were made, in week two 488,000 payments were made. These exclude payments made through the fleet schemes.
- 2.3.5 1400 organisations have registered for the fleets scheme. All payment channels (text messaging, retail, web and call centre) worked satisfactorily. The channel mix for payments by the public has been an average of 17% paying through web, 37% at retail outlets including petrol stations, 31% via the call centre and 15% via text messaging (SMS).
- 2.3.6 Problems have occurred in the registration of some operations for the start of charging. To alleviate this problem temporary invoice arrangements were offered to those organisations whose accounts had not been activated by 17 February 2003. All direct debits are programmed to be activated by the end of March 2003.

### ***Discounts and registrations***

- 2.3.7 Discount applications awarded: 97,000 Blue Badge; 21,000 residents. Other registrations: 1,800 fleets, 98,000 SMS; 329,000 and 303,000 Fast Track (*all figures at Sunday 2 March 2003*)

### ***PCNs***

- 2.3.8 In total, just under 57,000 PCNs were issued in the first two weeks
- 2.3.9 A number of people have sent in representations against the Penalty Charge Notices that they have received. A significant number arise because customers have incorrectly entered their VRM, the date for the charge or have assumed that they have discounted status. Errors have also arisen in Capita's registration processing and data entry. They are working to rectify these issues as quickly as possible and all representations being reviewed and accepted or rejected.

## **2.4 Public transport**

- 2.4.1 In the first two weeks of congestion charging operation, the bus, tube and rail network did not show any adverse impact as a result of congestion charging. In particular, the bus network provided the necessary capacity to meet demand and initial data for week one indicated that delays to buses caused by traffic congestion more than halved.

## **2.5 Monitoring**

- 2.5.1 The Congestion Charging preview monitoring report was published at the beginning of February 2003. This report provides a preview of monitoring information assembled by Transport for London on conditions before the introduction of charging. The full Monitoring Report is to be published in April 2003.
- 2.5.2 There has been some anecdotal evidence in the media regarding the impact of the congestion charge on businesses in the zone. It is considered far too early to make any judgements regarding the impact on businesses and TfL will be monitoring this and other issues carefully over a 5-year programme with the results published in an annual report in the Spring of each year.

## **2.6 Public Information**

- 2.6.1 Since Christmas the Public Information Campaign has used a range of media and techniques to communicate with the general public and specific groups such as residents and blue badge holders. It has been focused around key messages relating to payment methods, discounts registrations and a reminder of the basics of the scheme. A programme for the rest of the year is currently being drawn up.

### **3 RECOMMENDATIONS**

3.1 The TfL Board is recommended to note the content of this report.

L5/13/12/37

**TRANSPORT FOR LONDON**

**TFL BOARD**

**SUBJECT: A406 NORTH CIRCULAR ROAD, BOUNDS GREEN**

**MEETING DATE: 20 MARCH**

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- 1.1 1. The Board is asked to endorse the following:
- a. That the Consultation Report, attached as Appendices A, B and C be approved for issue to local councils and other interested parties.
  - b. That the attached extract (Appendix D) from the confidential report on the Major Roads Schemes Review considered by the Street Management Board of 2 February 2001 should be made available to the affected Boroughs
  - c. That a dual 3-lane scheme not be progressed and that a dual 2-lane scheme be progressed. This will be largely as was submitted for consultation and as shown on the drawings attached as Appendix E, with a property implication as set out in Option a. of the table in Para 4.2.e.
  - d. That all surplus property should be disposed of.
  - e. That details of the scheme to be implemented be finalised and published in spring 2003/04.
  - f. That these decisions are advised to local councils and residents groups.
  - g. That discussions commence with affected Councils regarding the development of a package of potential traffic calming measures in the surrounding area.
  - h. That Accommodation Works, including construction of new, set back, frontage walls and public utilities diversions, should commence.

**2.0 Background**

- 2.1 TfL's Street Management Board considered a report on a Major Roads Schemes Review on 2 February 2001. They agreed that the former Highways Agency scheme should be abandoned and that smaller scale schemes should be developed that address the accident and congestion problems and that satisfies the Mayor's Transport Strategy. An extract from the report to the Board and the Minute is attached as Appendix D.
- 2.2 The proposed improvements comprise on-line safety and environmental measures on the North Circular Road including the provision of a minimum dual 2-lane carriageway between Bounds

Green Road and Green Lanes. Other improvements include the upgrading of junctions and new facilities for pedestrians, cyclists and buses.

- 2.3 The proposals also include working in partnership with affected local Councils on a package of traffic management / calming measures to discourage motorists from using residential areas as short cuts to avoid the North Circular Road.
- 2.4 Drawings (3No) outlining the proposals are attached as Appendix E. These drawings are substantially the same as those exhibited for public consultation. However, some minor alterations have subsequently been made to relax certain turning restrictions at side roads in response to local concerns and to provide extra capacity at the westbound approach to the Bowes Rd / Telford Rd junction.
- 2.5 A dual 2-lane scheme would allow all of the property owned by TfL to be disposed of, although parts of some gardens will be retained for highway purposes.

### 3.0 *Consultation*

- 3.1 A public exhibition was held in June 2002. It was promoted by leaflet, posters, free-standing displays and in the local press. Some 30,000 leaflets were distributed in the immediate area inviting residents to the exhibition and outlining the proposals. Some 800 visitors attended the exhibition, contributing over 200 comments in a Visitors Book and some 150 entries on Feedback Forms. A period of two months was allowed after the exhibition for receiving responses to the proposals and a further 100 submissions were received. They ranged from a brief comment by telephone to very detailed comments on the proposals. Some criticism of the consultation process was also received, despite the scale of the distribution and level of attendance at the exhibition. This mainly concerned the alleged lack of receipt of publicity information regarding the exhibition and consultation.
- 3.2 The local boroughs of Barnet, Enfield, Haringey and Waltham Forest have all responded formally to the proposals.
- 3.3 A report on the consultation together with a summary of the comments received and an indication of the number of respondents making each comment, is set out in the attached Appendices A, B and C.
- 3.4 On the basis of the responses received the overall consultation is generally considered to have been comprehensive and effective. In summary the principal comments received were:-
  - a. Two local MPs, Stephen Twigg and Barbara Roche, expressed views that the proposals are insufficient. One concentrated on the measures for the North Circular Road itself, the other on the side-roads strategy.
  - b. The Deputy Mayor of London, Nicky Gavron, considered the proposals to be insufficient, adding that the North Circular Road should be three lanes in each direction with one of those lanes reserved for a guided bus / transit system.
  - c. Enfield Council is strongly opposed to the proposals, suggesting instead that there needs to be an in depth study of the role of the North Circular Road with a view to reinstating the former Highways Agency scheme. They are also concerned that safeguarding lines should be maintained and that property in TfL ownership that allows for this should not be disposed of. Subject to this, the Council would not be opposed to short term measures akin to those

proposed provided substantial monies were set aside for hinterland traffic calming to be undertaken in parallel.

- d. Barnet Council supports the proposals as an interim measure and supports Enfield's view that property should be safeguarded such that a scheme similar in scale to that formerly proposed by the Highways Agency can be implemented in the longer term.
- e. Haringey Council joined with Barnet and Enfield Councils in a joint submission to the Mayor regarding the North Circular proposals in general as set out above. They have, however, raised specific concerns about traffic calming in the Alexandra Ward.
- f. Waltham Forest Council wished to be associated with the views of the other Councils and all of these Councils have requested access to the report which sets out the findings of the assessment of the original Highways Agency proposals. A copy of the report on this to the Street Management Board is attached as Appendix D.
- g. Five Councillors from these Authorities responded individually making similar points to those of their Local Authorities.
- h. A number of local organisations expressed views, both in favour of and against the proposals.
- i. Representatives of ten Residents Associations responded, most expressing particular concerns in respect of "rat-running".
- j. Bowes School generally indicated its lack of support for the proposals, expressing concern for environmental problems and advocating the former Highways Agency scheme.
- k. Many other contributions from individuals were received with wide-ranging views, often concentrating on very local issues.

#### **4.0 Detailed Considerations**

- 4.1 At the formation of TfL, the Mayor inherited a number of major highway scheme proposals from the Highways Agency. It was clear that a number of these schemes were not in line with the principles of the Mayor's Draft Transport Strategy and, as a result, the TfL Board's Major Roads Schemes Review of February 2001 decided that a smaller scale scheme should be developed for the A406 which was more in line with the Mayor's Transport Strategy.
- 4.2 The main principles upon which the current recommended proposals are based are as follows:-
  - a. Junctions rather than link width normally control urban road capacity (subject to compliance with kerbside controls). This is and will continue to be the case at Bounds Green. In the currently proposed "dual 2 lane" scheme junctions are being provided, generally with 4-lane approaches and 3 lane exits (7 lanes in total). Larger junctions are considered to be too intimidating for at grade pedestrian crossings.
  - b. A dual 2-lane link has a maximum unconstrained flow rate in each direction of 3600 vehicles per hour (1800 vehicles per hour per lane). This is considerably higher than both the demand flows and the supply flows that 4 lane signalled approaches can accommodate which, dependent on turning flows and signal green times, is in the region of 2200 vehicles per hour.
  - c. The provision of an orbital bus / transit scheme along the A406 corridor may be an option for future development. However, this is not a short term commitment and would require considerable development and funding in the longer term. Furthermore, the implications of



such a scheme in terms of property disposal are significant, as shown in the table below. Given the anticipated competition for TfL's resources this is unlikely to be achievable in the foreseeable future. However, the Deputy Mayor has indicated her clear support for such a position.

- d. Given the Deputy Mayor's view consideration has been given, as an alternative, to the provision of nearside bus lanes, within the narrower section of the proposed scheme i.e. between Green Lanes and Bounds Green Road. At present scheduled bus volumes on A406 Bowes Road are in the region of 18 vehicles per hour each way and there are no buses at all scheduled on the A406 Telford Road. Within Bowes Road, the design seeks to maintain short queue lengths avoiding the need for bus lanes. Thus within this section of the A406 construction of a third lane dedicated for "buses only" is difficult to justify and is not supported by Surface Transport, the client for Bus Priority, at present.
- e. The approximate implications as to disposal and retention of property are set out in the table below.

	<b>Option</b>	<b>(A) Properties to be Immediately Disposed of</b>	<b>(B) Properties to be Initially Retained Pending Completion of the Design / Works</b>	<b>(C) Properties from (B) to be Demolished if Bus Lane / Guided Bus Scheme Proceeds</b>	<b>Properties to be Acquired</b>
a.	2 lane consultation scheme	350	100	-	2*
b.	2 lane scheme + 3m wide nearside bus lanes	280	170	70	2*
c.	2 lane scheme + 4.2m wide (minimum) guided bus lanes	155	295	280	2*
d.	3 lane scheme (HA scheme)	310 properties in TfL ownership to be demolished + others not yet acquired			

(\*Assumes that any significant widening is limited to North side of NCR)

- f. It is proposed that a package of "in principle" traffic management / calming measures be prepared, in partnership with the affected local Councils, for the purpose of local consultation and discussion. A short list of schemes can then be prioritised and budgeted for each of the following stages:-
- i. Schemes to be implemented prior to commencement of the main road works where these are not affected by the main construction programme and where the scale and pattern of rat-running is unlikely to change as a result of the project.
  - ii. Schemes to be implemented by / at the end of construction of main road works where such schemes are precluded by main construction programme.
  - iii. Schemes where some uncertainty surrounds the scale and pattern of rat-running following main works construction and that are to be re-assessed / re-prioritised / re-consulted on, in light of the actual traffic conditions, once the main road scheme is complete and traffic patterns have become established.

It is probable that the majority of schemes will fall into the third category, as it will be difficult to assess which schemes are necessary until the major road improvement scheme is complete. It is inappropriate to make a detailed funding assessment at this stage as work on the need, scale and community acceptance of appropriate traffic calming measures has yet to be undertaken. This necessarily should be progressed by the relevant local Councils as Highway Authority although TfL would hope to be able to work in partnership on these. However, Haringey Council have already been advised that TfL will support funding of up to £100,000 worth of design / schemes, subject to justification, in the Alexandra Ward area, with other schemes also to be developed along the above lines as necessary / appropriate. It is suspected that a similar arrangement would be reached with the other affected boroughs as appropriate

## 5.0 The Next Steps

5.1 Subject to SMAP and the TfL Board decision the next steps are to proceed with:-

- a. Advance works comprising surveys, utilities diversions and accommodation works and to note that some works have already commenced.
- b. Discrete elements of design to facilitate the above using Framework Consultants.
- c. The appointment of a scheme consultant through the OJEC process for substantive design, contract documentation and supervision. Part of the consultant's work will also be to plan for the mitigation of the impacts of construction on traffic and bus flow.
- d. Discussions with local Councils regarding a package of traffic management / calming measures.
- e. Disposal of surplus properties.

5.2 A programme for these activities is included as Appendix F.

## 6.0 Financial Implications

6.1 The Business Case for the scheme presented for consultation has been approved for the design stage. The financial profile included in the Business Plan is as follows:-

2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	<b>Total</b>
£1.2M	£1.03M	£5.14M	£9.25M	£3.08M	£0.31M	£0.21M	<b>£20.22M</b>

6.2 It should be noted that this budget was based upon an average cost per metre of road construction and that a more detailed cost estimate will be provided once detailed designs are completed. The budget for the current financial year (2002/03) is for advance design, surveys, accommodation works and commencement of diversion of Thames Water mains in Telford Rd.

6.3 This budget also does not include for hinterland traffic management / calming measures which for budgeting purposes might be of the order of 10% of the total capital cost of the scheme (say £2M).

## 7.0 Recommendations

7.1 The board is asked to endorse the recommendations as laid out in 1.1 a-h.

A406 BOUNDS GREEN to GREEN LANES

**SAFETY & ENVIRONMENTAL PROPOSALS**

**REPORT ON CONSULTATION  
JUNE – AUGUST 2002**

*Transport for London Street Management*  
**North & East Sector Team**

A406 Bounds Green to Green Lanes

**Safety and Environmental Proposals.**

**Consultation Report**

**Contents**

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## **Background**

The A406 North Circular Road is a key orbital route in North London. As a GLA Road and hence part of the Transport for London Road Network, highway and traffic authority responsibilities for the A406 passed from the Highways Agency to Transport for London (TfL) on 03 July 2000.

The section of the A406 between Bounds Green Road and Green Lanes is a traffic bottleneck and has been a candidate for major improvement for some forty years. Whilst much of the property fronting this section has been purchased to facilitate major road construction, successive governments have failed to deliver such a scheme. Thus, this section of the A406 has suffered greatly from neglect. The housing stock is dilapidated, accident levels are high and the environment poor.

Following consultation, The Mayor of London published his Transport Strategy in July 2001. In this he indicated the abandonment of the major road improvement scheme for this section of the A406, proposed previously by the Highways Agency. The Strategy emphasises the need to focus on essential and deliverable improvements in safety and the environment to benefit residents and all road users. As a result, the current proposals for the A406 offer a smaller scale improvement that meets these objectives.

## **The Proposals**

The proposals include a number of safety and environmental improvements along Telford Road, Bowes Road and the North Circular Road between A109 Bounds Green Road/Station Road in the west and Chequers Way to the east, a length of approx. 3.0 km.

The measures include widening Telford Road to provide a dual carriageway throughout along with the provision of a dedicated cycle / footway; priority lanes at selected location; upgraded junctions and improved crossing facilities for pedestrians.

This section of the North Circular has an unacceptable accident record and measures are included to close some side-road junctions and restrict turning movements at others in addition to the road widening proposals.

In addition, it is proposed to upgrade street lighting, considered a contributory factor in 30% of the accidents occurring along the route. This will also improve pedestrian security.

The environmental proposals include upgrading and rationalisation of street furniture and greening of the route. It is intended to retain as many of the existing trees as possible and provide new tree and shrub planting. Further investigation will be undertaken to improve the environment for Bowes School which fronts Bowes Road and which suffers from noise and poor air quality.

Years of uncertainty about plans for the road have resulted in property being neglected and poorly maintained. A feature of the proposals is to return residential and commercial property to sustainable use.

Subject to funds being available the work is planned to commence in 2004.

The measures have the potential to reduce significantly the extent of “rat-running” through the adjacent residential area by motorists seeking to avoid this section of the A406. TfL, therefore, proposes to work in partnership with the local highway authorities to prepare a

package of “in principle” traffic management / calming measures for the purpose of local consultation and discussion. A short list of schemes can then be prioritised and budgeted for each of the following:-

- i. Implementation prior to commencement of the main road works.
- ii. Implementation by / at the end of construction of main road works.
- iii. Re-assessment / re-prioritisation / re-consultation in light of the actual traffic conditions once the scheme is complete.

## **Consultation**

With the level of local interest, a public exhibition of the proposals and a period of consultation were considered essential. It was further resolved to capture as much interest as possible by promoting the exhibition widely by different means.

Promotion for the exhibition included:

- Some 50 posters displayed in shops and other premises.
- Local press editorial / advertisements.
- Leaflet drop to residents (30,000) in an area bounded, approximately, by the A406/A10 roundabout to the east, Lordship Lane to the south, the railway to the west and Selborne Rd to the north.
- Unattended exhibition boards at selected locations: Arnos Grove underground Station, Tesco at Colney Hatch Lane, Palmers Green Library and Alexandra Park Library. These unattended displays were in place for one week before the exhibition and for its duration.
- Website.

## **Main Exhibition**

The exhibition was held in Trinity at Bowes Church in Palmerston Road.

The exhibition was opened on Monday 24 June with a preview for invited local dignitaries, chairpersons of residents associations and representatives of interested organisations.

The exhibition was open to the public from Tuesday 25 to Friday 28 June 12pm- 9pm, Saturday 29 June 12pm to 7pm, and Sunday 30 June 1230pm to 4pm.

Throughout the exhibition staff from TfL and Mouchel were available to help visitors, and on the Thursday and Friday evenings interpreters (Turkish, French, Bengali, Gujarati and Greek) were on hand if needed.

A Visitors Book was available for visitors to enter their details and add brief comments on the proposals. There were also Feedback Forms available for visitors wishing to make a lengthier contribution.

Following the exhibition the boards were put on display in Enfield Council’s offices and later transferred to offices of Haringey Council.

## Local Councils

The views of the local councils, Enfield, Barnet and Haringey were considered particularly important. They were therefore sent drawings of the proposals with a request for a formal response.

## Response

Visitors to the Exhibition	800 approx.
Visitors Book entries	over 200
Feedback Form entries	150 approx.

A two month response period followed the exhibition. During this period over 100 other submissions were received, ranging from simple queries to comprehensive engineering proposals.

In addition, TfL offered to give presentations to the following organisations that were either unable to attend the exhibition or that requested other opportunities to express their views:

LB Haringey/Residents Associations	24 July 2002
Officers of LBs Enfield, Barnet & Haringey	10 Sept 2002

## Analysis

Comments received are summarised in the Appendix. Key points are:

- Two local MPs expressed views that the proposals are insufficient. One concentrated on the measures for the North Circular Road itself the other on the side-roads strategy.
- The Deputy Mayor expressed the view that the proposals are insufficient, adding that the North Circular Road should be three lanes in each direction with one lane reserved for buses.
- Enfield Council is strongly opposed to the proposals, suggesting instead that the former Highways Agency scheme should be revisited with a view to implementation.
- Barnet Council support the proposals on the basis that they would be an interim measure culminating in a scheme akin to the former Highways Agency scheme.
- Haringey Council has not made an individual response to these proposals. The Council joined with Barnet and Enfield Councils in a submission to the Mayor regarding the North Circular Road in general.
- Waltham Forest Council have written to indicate that they wish to be associated with the views of the other three Councils
- Five other Councillors responded individually and did not support the proposals.
- A number of local organisations expressed views. Friends of the Earth and the London Transport Users Committee were generally supportive, although qualified.

- Ten representatives of Residents Associations responded. They were generally concerned that the side-road measures were inadequate for dealing with the local rat-running problems. One comprehensive submission included suggestions for major work including elements of the former Highways Agency scheme.
- Bowes School was generally negative, expressing concern for environmental problems and advocating the former Highways Agency scheme.
- Other contributions from individuals were received with wide-ranging views, often concentrating on very local issues.

### **Summary**

The Appendix summarises the comments made during the consultation with the initial TfL response and a proposal for moving forward.



## High Level Respondents

## Appendix B

High Level Respondent	Comment
S Twigg MP	Widening proposals too limited
Barbara Roche MP	TfL to ensure that prior to any work on A406, the surrounding roads will be fully prepared for the changes in traffic behaviour
N Gavron, Deputy Mayor	Widening proposals too limited, three lanes needed – one for buses.
Enfield Council	Provide the former HA scheme.
Barnet Council	Proposals acceptable as an interim measure pending a scheme akin to the former HA scheme.
Waltham Forest Council	Wish to be associated with the views of the other Councils
Cllr Zinkin, LB Enfield	A start is welcomed, but more is required
Cllr Featherstone, GLA Haringey	More required, particularly for Haringey
Cllr Neville, LB Enfield	Not impressed with the proposals.
Cllr Y Brett, LB Enfield	Pleased about Telford widening but concerned about congestion and rat running
Cllr David Schofield, LB Enfield	Provide the former HA scheme.
Muswell Hill & Fortis Green Assoc./Muswell Hill FOE (Eugene Myerson)	Proposals are encouraging but congestion and rat running not adequately addressed.
Bowes Park Community Assoc. (BPCA) (Catherine Herman)	Supportive but concerned that rat running is not addressed
BPCA-Traffic (Kevin Tipple)	Supportive but concerned that rat running is not addressed
Weir Hall Rate Payers Assoc. (WHRA) (Adrian Bishop Laggett)	The proposals will not satisfy residents.
FERAA.(Robert Taylor)	The proposals will not satisfy residents.
FERAA & WHRA (Ann Bishop Laggett)	The proposals will not satisfy residents.
Palmers Green Residents Assoc. (S Leonides, claims to represent 1500 residents)	The scheme will not work. Provide the underpass/flyover.
Broomfield House-Owners & Residents Assoc. (Tony Newton + 30 response cards)	RA proposals submitted. These included elements of the original scheme (underpass).
Palace Gates Residents Assoc. (Jimmy Athanassiou)	Rat running not adequately addressed.
Bounds Green & District Residents Assoc.(Barry James)	Rat running not dealt with and disagree with banned left turns.
Alexandra Residents Assoc, Muswell Hill (John Crosthwait)	Introduce measures to prevent rat running prior to scheme implementation.

**High Level Respondents****Appendix B**

Fox Lane & District Committee (Diana Day)	Generally supportive. Provide left in/left out at Evesham Rd.
Fox Lane & District (Asst Chair)	Provide the former HA scheme
Woodside Residents Assoc. (Peter Dawby)	Support for urgent closure of Melville Gdns. Support for N Gavron's views
R Dervish & petition signed by 39 other resident on A406 NCR.	Provide the former HA scheme. Proposals do not provide residents on NCR with access from NCR.
Haringey Residents meeting 24th July comprising Cllr's, officers and residents.	More needed, including measures to prevent rat running. Consider provision of a roundabout at Telford Rd/Wilmer Way.
London Transport Users Committee	Support dependent on assurance of no net increase in capacity for general traffic.
Ritz Parade Traders Assoc. (Jag Bulsara)	Would support proposals if better parking outside shops is provided.
Friends of the Earth, Wood Green	Supportive but rat running to be addressed.
Head Teacher, Bowes Primary School	Provide the former HA scheme to solve environmental and safety problems.
Enfield Cycling Campaign (Stephen Donnelly)	Comprehensive proposals for cyclists submitted.
English Heritage	Provided comments on the environmental proposals for Bowes School
M Freestone, Head of Planning, LB Barnet	Fails to address congestion and rat running
Chris Crystostomou, LB Barnet	Improvements welcome, but queuing at either end of scheme not addressed

**Consultation Response Summary**

(indicating the contributor or number of contributors making a similar point)

Item	Issue/Comment	Initial Response	Moving Forward
1	The former Highway Agency, or similar major scheme, should be provided (88No)	The former Government scheme was abandoned in the Mayor's Transport Strategy as being neither sustainable nor affordable. Instead the strategy emphasises the need to focus on essential and deliverable improvements in safety and the environment to benefit residents and all road users. It is notable that the Government scheme was not progressed whilst under the jurisdiction of the Highways Agency. The consultation made clear that this solution is no longer on the agenda.	No further action.
2	TfL to ensure that prior to any work on the A406, the surrounding roads will be fully prepared for the changes in traffic behaviour (MP)	The proposals will affect considerably the extent of rat-running and this is not easily modelled. It would be inappropriate to introduce measures now that might prove abortive and unduly constrain local access.	TfL will seek to work in partnership with the Boroughs developing appropriate traffic management / calming measures in the surrounding area.
3	Congestion problems not adequately addressed (35 No)	The proposals will reduce congestion within the narrow sections of Bowes Road and Telford Road by improving junction efficiency. Regrettably, previous widening schemes either side of this section have served only to exacerbate the congestion on the approaches.	TfL will examine how better to match demand to capacity throughout the length of the A406.
4	Rat-running problems not adequately addressed (26).	See Item 2 above.	See Item 2 above.

**Consultation Response Summary**

(indicating the contributor or number of contributors making a similar point)

Item	Issue/Comment	Initial Response	Moving Forward
5	Provide three lanes both directions, one a priority lane (Deputy Mayor)	Not effective without the provision of grade separated junctions. In an urban traffic network it is the junctions rather than the links that control capacity.	Within Bowes Road, the design seeks to maintain short queue lengths avoiding the need for bus lanes. Thus within this section of the A406 construction of a third lane dedicated for "buses only" is difficult to justify at present.
6	Take account of wildlife	Ecology will form part of the environmental considerations.	Detailed design to minimise disturbance to habitats.
7	Provide express bus route along NCR (Possibly part of IKEA development.)	The consultation was intended to capture views on public transport so the suggestion is welcomed.	The suggestion to be passed to London Buses who will review service provision on the North Circular.
8	Provide an orbital tram	Not within the remit of the improvement programme.	No further action.
9	Allow motorcycles to use priority lanes	The use of bus lanes by motorcyclists is presently being trialled by TfL.	Motorcycle use dependant on the results of the current trials.
10	Traffic noise levels not adequately addressed (5).		Measures will be taken to minimise noise, such as the provision of low-noise surfacing throughout.
11	The proposed cycle track is not needed	The Mayor is committed to the promotion of cycling.	Cycle tracks to be retained as integral elements of proposals.
12	Locate cycle tracks away from main roads	Cycle tracks will be located wherever practical and where they will be of greatest benefit to cyclists.	To be determined during detailed design with input from cycling representatives and the TfL Cycling Centre of Excellence.
13	Provide more cycle lanes	Cycling facilities are provided throughout the route.	The wider provision of cycle facilities in local roads is for the relevant Councils to consider.
14	Keep as many trees as possible (2).	The proposals require a number of trees to be removed, in particular those in the island at the Green Lanes junction. However, the environmental improvements will include planting to provide an overall increase in the number of trees.	The detailed design will recognise the requirement for tree loss to be kept to a minimum.

**Consultation Response Summary**

(indicating the contributor or number of contributors making a similar point)

Item	Issue/Comment	Initial Response	Moving Forward
15	Build a flyover over NCR from Bounds Green Rd to Station Rd.	This is unlikely to be a benefit. Queues would develop more quickly at downstream junctions in Bounds Grn Rd, Station Rd and Telford Rd.	No further action.
16	The left turn ban from Station Rd into Telford Rd to be removed (18).	A popular suggestion.	Subject to a review of safety implications this banned left turn will be removed in the detailed design.
17	Provide a left filter from Bounds Green Rd into Pinkham Way	A good suggestion.	To be studied during the detailed design phase and accommodated if possible.
18	Build a slip road from Bounds Green Rd to Pinkham Way	Considered to be a good suggestion (akin to that above)	To be studied during the detailed design phase and accommodated if possible.
19	Close Tewkesbury Terrace now, in advance of scheme implementation (2)	A good suggestion.	LB Enfield are aware that TfL have no objection to the early closure.
20	Do not close Evesham Rd at its junction with Telford Rd (6).	The junction is close to the LUL bridge and the reduced lane width of Telford Rd precludes the provision of a central safety reserve.	No further action.
21	Allow left turn from A406 Telford Rd into Bowes Rd (6)).	This is a long-standing restriction and demand for this turning movement is considered small given the left turn access from the A406 at Station Rd.	No further action.
22	Install a roundabout at the junction Telford Rd/Bowes Rd/Wilmer Way to allow eastbound movement for traffic restricted to left-out of side-roads (Cllr)	Roundabouts do not offer the scope for controlling traffic movement needed for this section of the A406.	The land constraints and control requirements preclude this suggestion.
23	Allow left turn into NCR from Wilmer Way	A good suggestion.	To be studied and accommodated if pedestrian movements and junction efficiency are not unduly compromised.
24	Provide a pedestrian bridge at the junction Bowes Rd/Wilmer Way	Crossings at junctions are proposed at road-level.	Signal controlled at-grade pedestrian crossings will be provided on all arms.

**Consultation Response Summary**

(indicating the contributor or number of contributors making a similar point)

Item	Issue/Comment	Initial Response	Moving Forward
25	Concern with proposed banned turning movements at Milton Grove (8).	The banned right turn out of Milton Grove is required for safety reasons.	The possibility of a new access from Bowes Rd into "Poets Corner" to be studied during the detailed design phase.
26	Build a new access into "Poets Corner"	Embodies concerns of residents regarding their access limitations.	
27	Do not close Ollerton Rd at its junction with Bowes Rd (4).	The junction is close to the Bowes Rd/Telford Rd/Wilmer Way junction and has a poor safety record.	No further action.
28	Add trees to screen off Bowes Primary School	A preliminary study has been carried out into environmental barrier options for reducing air and noise pollution.	Further study to determine a particular solution for Bowes Primary School, which is a listed building. Note that the proposals already include measures to reduce queueing outside the school which will provide environmental benefit.
29	Provide environmental screening at Bowes Primary School as soon as possible.		
30	Provide secondary glazing to windows of Bowes Primary School.		
31	Relocate footbridge outside Bowes Primary School	This was a request from the school, and as principal users of the footbridge the relocation option will be studied.	Options to be studied during the detailed design phase.
32	Connect the pedestrian and cycle crossing into river paths either side of NCR at Palmerston Crescent.	Agreed if practical	To be incorporated in detail design if practical.
33	Remove the right turn ban at Palmerston Rd (10) or close Palmerston Rd (3).	Mixed opinions received.	Right-turn movements to be provided.
34	The eastbound priority lane in Bowes Rd approaching the Green Lanes junction will not be a benefit.	Buses using the lane will avoid any intermittent queues as they approach the junction. Further, buses turning right into Green Lanes will be prioritised.	Proposals subject to refinement during detailed design phase.
35	Green Lanes south should be two lanes in each direction.	This is outside the scope of the scheme.	This is the responsibility of Enfield Council as highway authority.

**Consultation Response Summary**

(indicating the contributor or number of contributors making a similar point)

<b>Item</b>	<b>Issue/Comment</b>	<b>Initial Response</b>	<b>Moving Forward</b>
36	Do not close Melville Gdns at its junction with the North Circular Rd (2).	Melville Gdns is a principal source of traffic rat-running through side roads to avoid the North Circular Rd.	No further action.
37	Provide a roundabout at Powys Lane and Wilmer Way (not on TLRN)	This is outside the scope of the scheme.	This is the responsibility of Enfield Council as highway authority.
38	Revise the banned left turn at Bounds Green Station into Brownlow Rd.(LB Haringey)	This is not TfL's responsibility.	This is the responsibility of Haringey Council as highway authority.

**TRANSPORT FOR LONDON**  
**STREET MANAGEMENT**  
**BOARD PAPER**

**SUBJECT: MAJOR ROADS SCHEMES REVIEW**

**MEETING DATE: 2 FEBRUARY 2001**

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**1. INTRODUCTION**

1.1 This report provides an evaluation of road and bridge reconstruction schemes that have been inherited from predecessor bodies. The evaluation has been carried out against the emerging transport policy. Recommendations are made for the future of each scheme.

**2. BACKGROUND**

2.1 Transport for London has inherited a number of schemes from the Highways Agency forward programme of major trunk road projects, including some withdrawn from the programme but safeguarded pending the creation of the GLA. They were devised and approved to reflect the policies of previous national and local administrations. The schemes have been re-assessed against the Mayor's Draft Transport Strategy. Drawings will be displayed at the meeting.

**3. THE SCHEMES**

3.1 The schemes are described below with further details contained in Appendix 1

3.2 North Circular Schemes A406 – There were three schemes to provide a high standard dual carriageway route with two or three lanes in each direction and grade-separated junctions throughout. These were:-

- A502 Golders Green Road Junction Reconstruction
- A1 /A598 Regents Park Road Junction Reconstruction
- Bounds Green Road to Green Lanes Reconstruction

3.3 A406 Hanger Lane Bridges Replacement

3.4 A40 Western Avenue Bridges Replacement.

3.5 A23 Coulsdon Inner Relief Road This scheme provided a dual carriageway by-pass for the A23 through traffic of the local town centre at Coulsdon.

3.6 A13 Schemes. From July 2000 the day to day operation of the A13 became the responsibility of Road Management Services Ltd, who had been awarded a Design, Build, Finance and Operate (DBFO) contract by the Highway Agency. This includes the provision of five major construction schemes:-

- Ironbridge to Canning Town improvement
- A13/A112 Prince Regent Lane junction reconstruction
- A13/A117 Woolwich Manor Way junction reconstruction



- A13/ Movers Lane junction reconstruction.
- Roding Bridge replacement.

3.7 Catford A scheme to realign the A205 South Circular away from the Town Centre and remove the one-way scheme was developed and land and property was acquired. This scheme was removed from the list of trunk road schemes by the Highways Agency in 1998 but safeguarded pending the creation of the GLA.

#### 4. THE ASSESSMENT

- 4.1 The responsibility for the schemes currently lies within the Infrastructure Projects Division. The schemes have been re-assessed against criteria derived from the Mayor's Draft Transport Strategy by the Director and the Divisional Heads of Infrastructure Projects, Service Development and Performance and Street Management Services. The assessment was to ensure that schemes :-
- Do not increase the net traffic capacity of the corridor unless essential to regeneration;
  - Provide a net benefit to London's environment;
  - Improve safety for all users;
  - Improve conditions for pedestrians, cyclists, people with disabilities, and public transport; and
  - Integrate with local and strategic land use planning policies.
- 4.2 In addition the likely cost of the schemes in the context of the TfL budget and the blight effect of safeguarding have been taken into account.
- 4.3 The assessment reviewed the problems the original schemes were designed to address, what these schemes would achieve and how they match the Mayor's criteria. Alternatives to the original schemes are identified and assessed. A summary of this work is set out in the Appendix .

#### 5. OUTCOME AND PROPOSALS

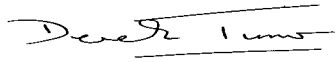
- 5.1 A406 schemes These schemes did not comply with the Mayor's criteria because they represent a substantial increase in capacity. They also involve major costs. The three schemes were estimated to cost £400m. There is a history of major civil engineering projects exceeding estimates made at the commissioning of works. As an example the North Circular A406 Falloden Way contract was tendered at £26m and there is now a post construction claim totalling £82m.
- 5.2 The proposal is to abandon these schemes and develop smaller scale schemes that address the accident and congestion problems and satisfy the Mayor's Draft Transport Strategy. The proposed timescale for reporting back on suitable smaller scale schemes is set out in the appendix. The abandonment of the original schemes would immediately free more than 200 properties owned by TfL from the threat of demolition. Additional properties would almost certainly be released as smaller scale schemes are developed.

- 5.3 The strategy for disposals of the properties depends on the approval of amendments of the GLA Act due in spring. These amendments, if approved, will give TfL greater powers over the property that it owns. The timetable for reporting back to the Board with specific proposals is August 2001.
- 5.4 A406 Hanger Lane Bridges Replacement. The inherited scheme is a single carriageway with five lanes for priority traffic, general traffic and turning movements. In principle the scheme passes the criteria provided that the additional road space is dedicated to buses and cyclists and the case is made to implement it. It is recommended that the inherited scheme together with two additional options with a narrower land take proceed to detail design and costing. The timetable for reporting back to the Board with specific proposals is June 2001
- 5.5 A40 Western Avenue Bridges Replacement The inherited scheme consists of new bridges of dual three lanes. In principle it passes the criteria provided that the additional road space is dedicated to buses and cyclists. The case is made to implement this scheme but it is recommended that this scheme plus dual two lane options of smaller widths proceed to detail design and costing together with the implications of disposal of surplus land for possible housing use. The timetable for reporting back to the Board with specific proposals is June 2001
- 5.6 A23 Coulsdon Inner Relief Road A substantially revised single carriageway scheme is being developed to satisfy the criteria. The proposal is to proceed with its design and report back to the Board with a specific proposal by May 2001.
- 5.7 A13 schemes The current Government judged the schemes essential to the regeneration of the Thames Gateway in 1997. However due to the scale of the extra capacity the assessment shows that they do not meet the Mayor's criteria. The legal opinion is that the contract that was signed by the Highways Agency prior to the formation of Transport for London would be difficult to break. There would be severe financial penalties from not proceeding with the approved schemes. A full report on these financial implications and the legal position has been commissioned from independent advisors.
- 5.8 The Mayor regards the existing conditions along this corridor to be unacceptable, especially in view of the regeneration programme for the Thames Gateway. The proposal is therefore to review the details of the new road layouts within the contractual arrangements to meet the Mayor's Draft Transport Strategy better. The timetable for reporting back to the Board on these proposals is March 2001.
- 5.9 Catford. The original dual two lane scheme does not meet the criteria because of the scale and cost of the works and the increase in traffic capacity together with the limited benefits. The proposal is to develop instead a smaller scale version of the alternative that has been proposed by the Borough of Lewisham within the existing land take. Abandoning safeguarding for the original scheme would free 27 properties from the threat of demolition. Further revision of the smaller scheme is required to ensure it meets the Mayor's criteria. The timetable for reporting back with specific proposals is July 2001.

**6. RECOMMENDATIONS**

The Street Management Board is asked to:

- (1) ENDORSE the action set out in section 5.



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Derek Turner  
**Director of Street Management**

## NORTH CIRCULAR ROAD (A406) IMPROVEMENT SCHEMES

### BACKGROUND

The North Circular Road (A406) is the main east-west orbital road between the M25 (to the North) and the Inner Ring Road (Euston Road/Marylebone Road) to the South. For longer distance traffic it provides a route across north London and enables switching between radial routes into and out of London, as well as catering for local orbital journeys.

Over the past 30 years or so it has been progressively widened to provide a dual, three lane carriageway in each direction mainly with grade separated junctions from the Hanger Lane gyratory (A40) in West London to the Beckton roundabout (A13) in East London. Three schemes to upgrade remaining lengths of the road to the same overall standard were assessed by DETR in 1998. They were withdrawn from the national trunk road programme and the proposals safeguarded in anticipation of the creation of the GLA. Meanwhile, the Government Office for London commissioned a preliminary analysis of more immediate traffic management measures by Mouchel.

Some of the measures arising from the Mouchel work have already been carried out to improve road safety – for example remarking the three lane single carriageway of Telford Road as “two plus one” with double white lines to remove the free-for-all overtaking lane locally known as the “suicide lane”.

### BOUNDS GREEN ROAD TO GREEN LANES RECONSTRUCTION

#### What are the problems?

- Heavy traffic through residential and shopping streets
- Varying road widths
- The North Circular Road (NCR) has been widened both to the east and the west of this length, so that this length acts as a bottleneck
- “Rat-running” traffic uses local roads to avoid delays.
- Above average accident rate.
- Delays to buses using and crossing the NCR.
- Hostile environment for pedestrians and cyclists

#### What would the inherited scheme have done?

- Widened the road and place it in new tunnels beneath the East Coast main line railway.
- Provide a bridge for Bounds Green Road/Station Road over the A406 and covered underpasses beneath the Bowes Road/Wilmer Road and Green Lanes junctions.
- Require the demolition of 312 properties, including 252 residential properties and take nearly 45 acres of land.
- Separate through and local traffic and provide substantially more capacity for through traffic.
- Reduce the amount of traffic on many local roads (but increase it on some others).
- Reduce the number of accidents.
- It would increase severance (reduce accessibility) in some places but improve conditions for pedestrians and cyclists in others.
- Cost well in excess of £250 million and is likely to be poor value for money.

### **Does it meet the Mayor's criteria?**

Overall the inherited scheme does not meet the draft criteria as it has:-

- A substantial increase the net traffic capacity of the A406 corridor
- A slightly negative environmental impact.
- A substantial loss of housing.
- Not been identified as being essential to regeneration in this part of North London.

The scheme is not supported by the neighbouring boroughs of Haringey and Barnet. LB Enfield is more concerned about the “rat running” traffic on local roads and the impact of any decision on the rented housing stock within the Borough.

### **What could be done to address the problems that does meet the Mayor's criteria?**

The Mouchel report identifies a wide range of measures over this length of the North Circular Road. Many of these could be carried out within the existing highway land, others would require some land take but much less than the inherited scheme. These schemes are mainly aimed at improving safety and providing better facilities for pedestrians, bus operations and cyclists. Some schemes are also intended to smooth the flow of traffic and improve the efficiency of the operation of the junctions. They include limiting turning or access at a number of side road junctions with the accompanied displacement to local roads and hence would need to be agreed with the borough. They need to be developed further by your officers before they can be brought to the Board.

### **Implications for property**

TfL Street Management currently owns some 438 properties associated with this scheme. The inherited scheme would require the demolition of 312 properties – both residential and commercial – leaving more than 100 to be disposed of.

At present 252 of the TfL properties are managed by LB Enfield.

Cancelling the inherited scheme could have a very notable impact on the local housing provision. The 252 properties constitute a integral part of Enfield's housing stock and disposal would have to be managed carefully to ensure TfL Street Management obtains best value for the properties without having an adverse effect on housing conditions locally. Similarly the other properties managed commercially would need to be disposed of in a way which did not depress the local market or create problems of disturbance or homelessness.

The smaller schemes referred to above would require far less land and property. As an example, a substantial scheme to widen the narrowest sections of the road, but without underpasses or flyovers, could require the demolition of 14 houses.

### **Recommendations and timescales**

- Confirm the abandonment of the inherited scheme and revise associated safeguarding in light of the next bullet point – **Feb 2001**
- Street Management Services Division to investigate options for smaller schemes to improve road safety and traffic flow and to control rat running on local roads, with particular regard to needs of pedestrians, cyclists, people with disabilities and buses. **And report back to the Board with a preferred option – August 2001**
- Infrastructure Project Division, Lands team to prepare a programme to dispose of the bulk of the properties not required for any future scheme – about 350 properties. **May 2001**

**TRANSPORT *for* LONDON**  
**STREET MANAGEMENT**  
**BOARD MEETING**

Friday 2 February 2001, Room 13B, Windsor House

Present: Paul Moore (Chair)  
Lynn Sloman  
Oli Jackson  
Derek Turner  
Robert Chapman  
Mick Hickford  
Peter Heather  
Richard Smith  
Amarjit Singh  
John Guttridge  
Kirsten Hearn

In attendance: Romek Knopp  
Nigel Hardy (for Item 6)  
Andrew Gallagher (for Item 7)

**Item 1 - APOLOGIES**

Apologies were received from Geoffrey Riesel, Dave Wetzell and Dick Halle.

**Item 2 - MINUTES OF THE LAST MEETING**

The Chair reported that the opening sentence of Item 7, the Enforcement Action Plan, had been slightly re-worded but this had not substantially changed the substance of what had been reported in December.

Otherwise the minutes of the last meeting were agreed.

**Item 3 – MATTERS ARISING**

Derek Turner discussed the Boards' previous request that the LCC be nominated to join the Litmus Group. This matter has been raised with The Chair of the Litmus Group who whilst recognising the important relationship between buses and cyclists, felt it was appropriate for the LCC to be included in the LBI programme management group instead.

**Item 4 – UPDATE ON STREET MANAGEMENT BUDGET 2000/01 – (SMB 01/01)**

Robert Chapman provided the meeting with an oral update of the budget position. A meeting was being arranged with DETR officials regarding the £24.7m shortfall. The Board noted the current position.

**Item 5 – Transport Strategy Consultation – (SMB 02/01)**

Derek Turner provided the meeting with an oral update.

Public Consultation on the Draft Transport Strategy has commenced, with leaflets being distributed to every household in London alongside an advertising campaign. A free summary of the strategy would also be available to the public on request.

The Board were given assurances that the consultation was being communicated with access issues having been fully considered. Consultation had ensured that a variety of formats would be available on request.

It was noted that TfL and the GLA were working together to ensure the process of consultation ran smoothly and to ensure that there was no duplication in work.

The Board noted the current position.

**Item 6 – BEST VALUE REVIEWS (SMB 03/01)**

Mick Hickford provided the meeting with a summary of work completed in the Pilot Reviews.

It was noted that the process was received well, although lessons should be learnt from the Pilot Review to ensure future processes were streamlined. Derek Turner discussed his reservations of future cross-cutting reviews as the work between groups within TfL differs. Street Management's Management team is encouraging work to continue on the Pilot Review to ensure a positive outcome.

The next stage of reviews will look at Contract Procurement, Major Projects, Maintaining the Streets and Land Management.

Derek Turner also highlighted the benefit of Best Value as management tool in bringing Street Management together, whilst being mindful of resource implications and the Board's concerns of efficiency and streamlining within the process.

The Board asked that proper consideration be given to Trade Union involvement in future processes.

It was agreed that the Board's involvement in future Best Value Reviews would benefit the process, and this should be sought near the beginning and at the end of future reviews.

**Item 7 – FEBRUARY REPORT – MAJOR SCHEMES REVIEW – (SMB 04/01 deferred from 6/10/00)**

Derek Turner provided the meeting with an oral report.

Approval was sought for rationalisation of Street Management's large portfolio of property, inherited from the Highways Agency and the government. The properties are in various states of repair and habitation and in some cases blight local areas.

It was suggested that humanitarian issues regarding tenancy and the emerging Spatial Development Strategy should be given full consideration. Derek Turner undertook to take full account of these issues.

It was clarified that funds from the disposal of part of the portfolio should stay nominally with Street Management's budget.

Derek Turner undertook to provide detail on rental income and any information available on property value.

Assurances were given that in the case of Catford Gyrotory, the proposals are directed at removing the blight of disused property and would not affect the existing bus contraflow scheme.

John Guttridge expressed concern that there was a lack of information in the report on business impact, spatial strategy and development strategy, and that decisions should not be led by financial considerations alone. Therefore decisions on disposal should not be made hastily. John Guttridge did not support the recommendations.

The Vice Chair approved of the proposal as sensible way of making improvements and that property should not be retained unless it is required. In addition, TfL's budget made revisiting cancelled schemes unlikely in the future.

The Chair cited a similar situation experienced under the GLC. He believed that cutting the nominal programme to a realistic size would result in more works on roads, not less. In light of his experience, he suggested that funding to review road building schemes was unlikely, and that a decision should be made to move forward.

Derek Turner undertook to arrange a personal briefing for Kirsten Hearn and apologised for the inevitable need for maps to illustrate locations.

John Guttrides concerns were noted and the Board endorsed the actions, set out in section 5 of the report.

### **Item 8 – EVIDENCE TO PARLIAMENTARY COMMITTEE ON WALKING – (SMB 05/01)**

The Board were invited by Derek Turner to comment on the paper and contribute further ideas.

Public footway obstructions, such as discarded shopping trolleys, inconsiderate parking and foliage from private residences were highlighted as a concern for public safety. It was noted that Street Management's public profile could be used to heighten public awareness to social responsibility.

'Streets for People' and 'Safe Routes to School' were recommended schemes to include in the paper, highlighting projects that benefit walking.

The Chair suggested that TfL could make all independent pedestrian crossings provide instant response to walkers.

Derek Turner gave assurances that improving conditions for pedestrians was a priority and that he would undertake to look at the issue of supermarket trolleys abandoned in Strowd Green Road.



# A406 Bounds Green to Green Lanes - safety and environmental proposals

## Scheme Proposals

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- KEY**
- FOOTWAY
  - PROPOSED BREEDON GRAVEL PATH
  - PROPOSED CYCLEWAY
  - PROPOSED SHARED FOOTWAY/ CYCLEWAY
  - PROPOSED GRASS
  - PROPOSED TREE PLANTING
  - PROPOSED SHRUB PLANTING
  - PROPOSED ORNAMENTAL BLOCK PAVING
  - PROPOSED BLOCKS FOR PARKING AREAS
  - EXISTING TREES/ VEGETATION
  - BUS STOP
  - PROPOSED PRIORITY LANES
  - PEDESTRIAN CROSSING FACILITIES



# A406 Bounds Green to Green Lanes - safety and environmental proposals

## Scheme Proposals

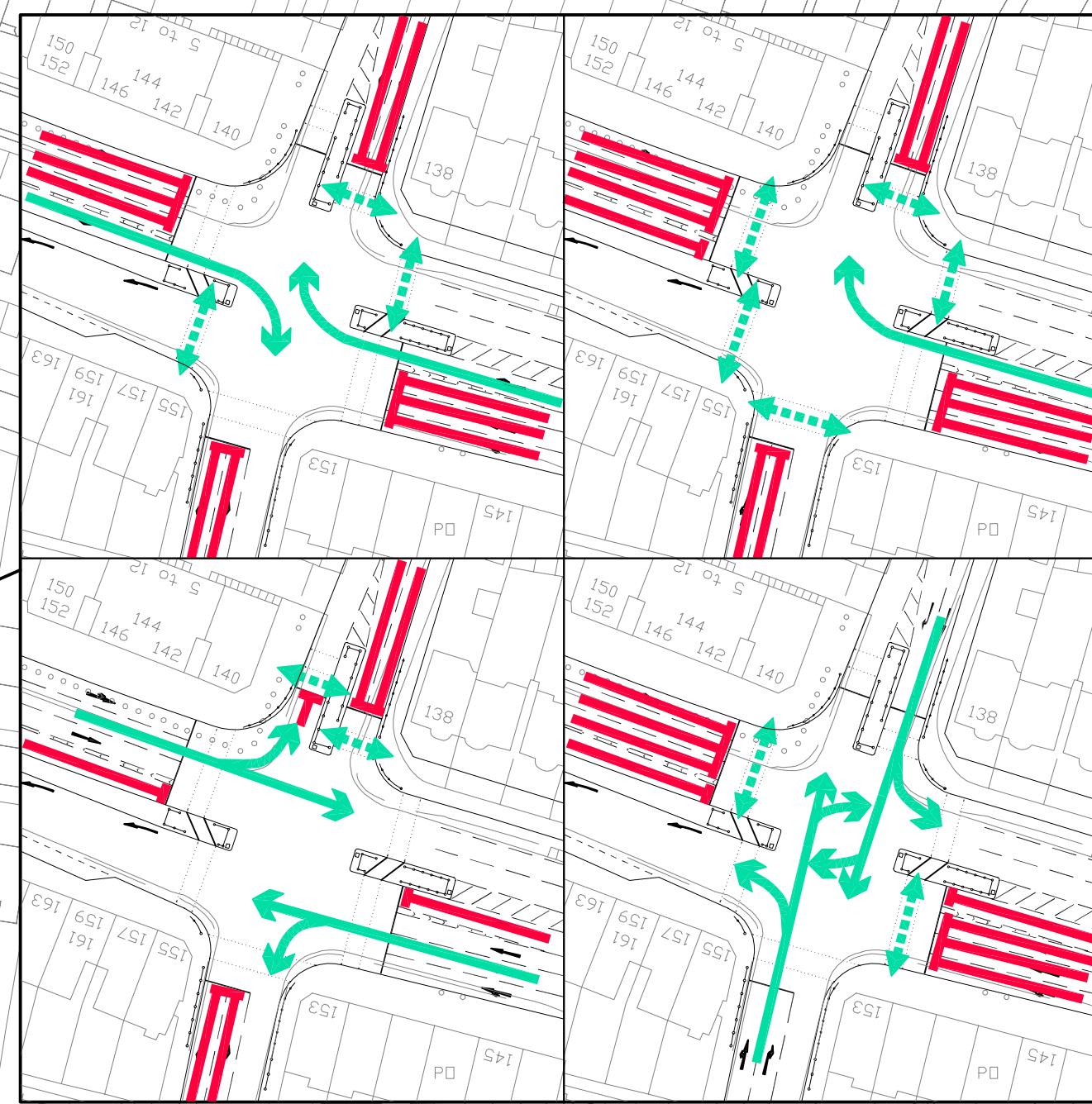
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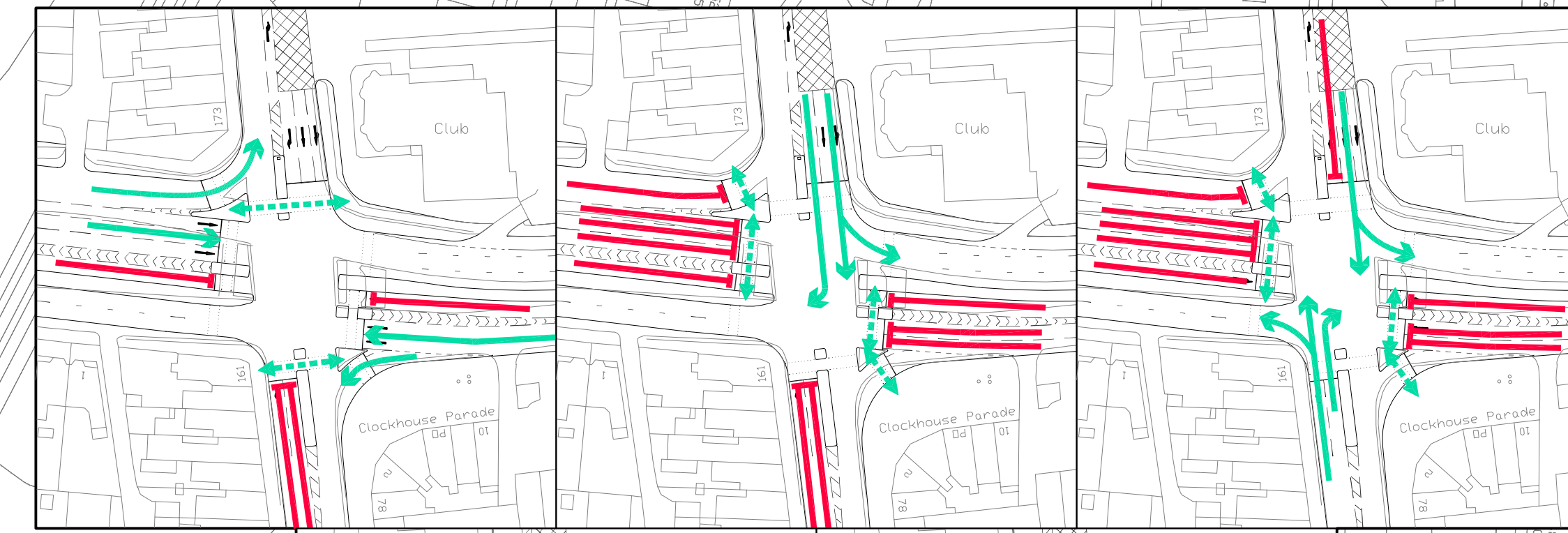
Artist's impression near Brownlow Road



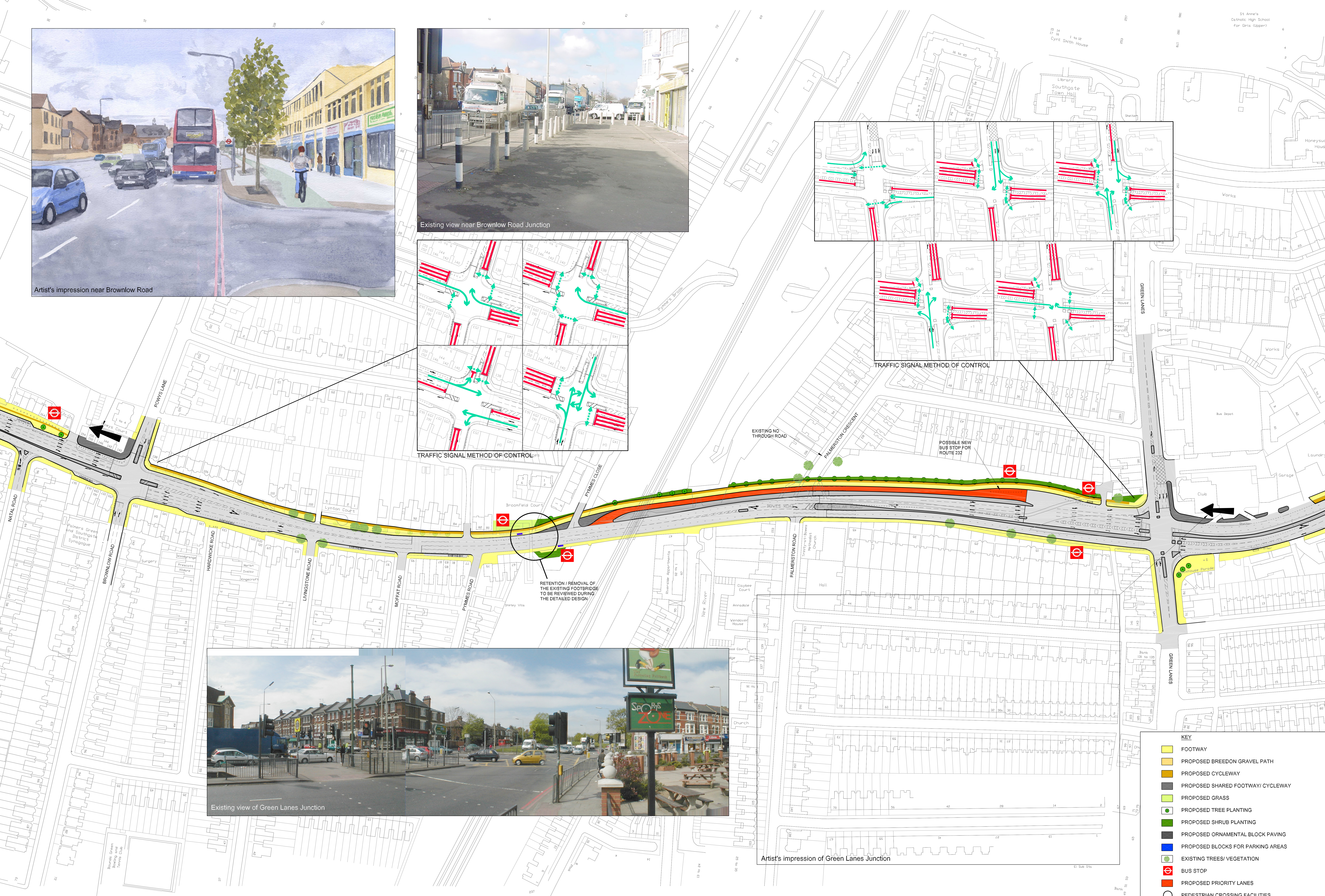
Existing view near Brownlow Road Junction



TRAFFIC SIGNAL METHOD OF CONTROL



TRAFFIC SIGNAL METHOD OF CONTROL



RETENTION / REMOVAL OF THE EXISTING FOOTBRIDGE TO BE REVIEWED DURING THE DETAILED DESIGN

EXISTING NO THROUGH ROAD

POSSIBLE NEW BUS STOP FOR ROUTE 232



Existing view of Green Lanes Junction

Artist's impression of Green Lanes Junction

- KEY**
- FOOTWAY
  - PROPOSED BREEDON GRAVEL PATH
  - PROPOSED CYCLEWAY
  - PROPOSED SHARED FOOTWAY/ CYCLEWAY
  - PROPOSED GRASS
  - PROPOSED TREE PLANTING
  - PROPOSED SHRUB PLANTING
  - PROPOSED ORNAMENTAL BLOCK PAVING
  - PROPOSED BLOCKS FOR PARKING AREAS
  - EXISTING TREES/ VEGETATION
  - BUS STOP
  - PROPOSED PRIORITY LANES
  - PEDESTRIAN CROSSING FACILITIES

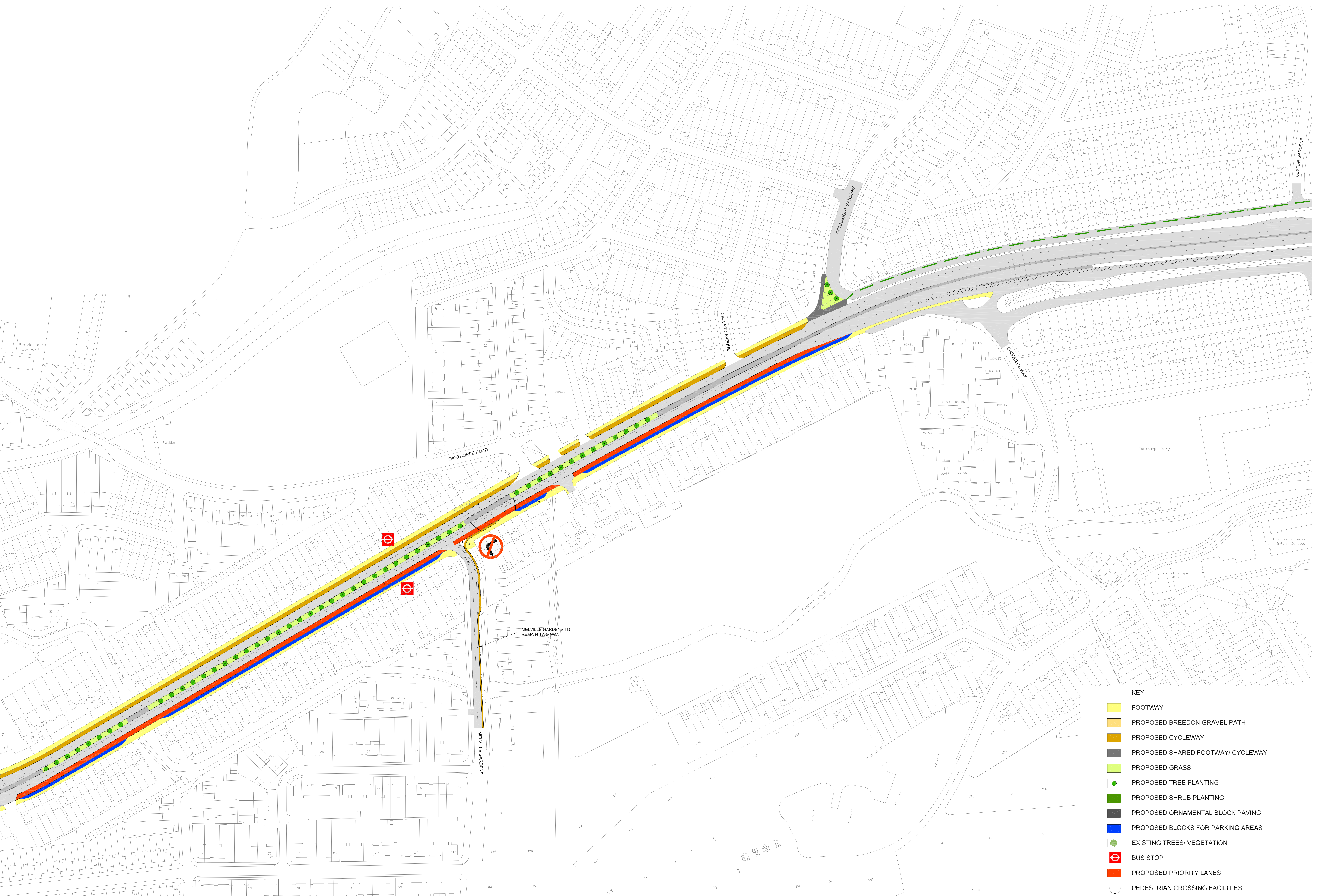


# A406 Bounds Green to Green Lanes - safety and environmental proposals

## Scheme Proposals

NOT TO SCALE

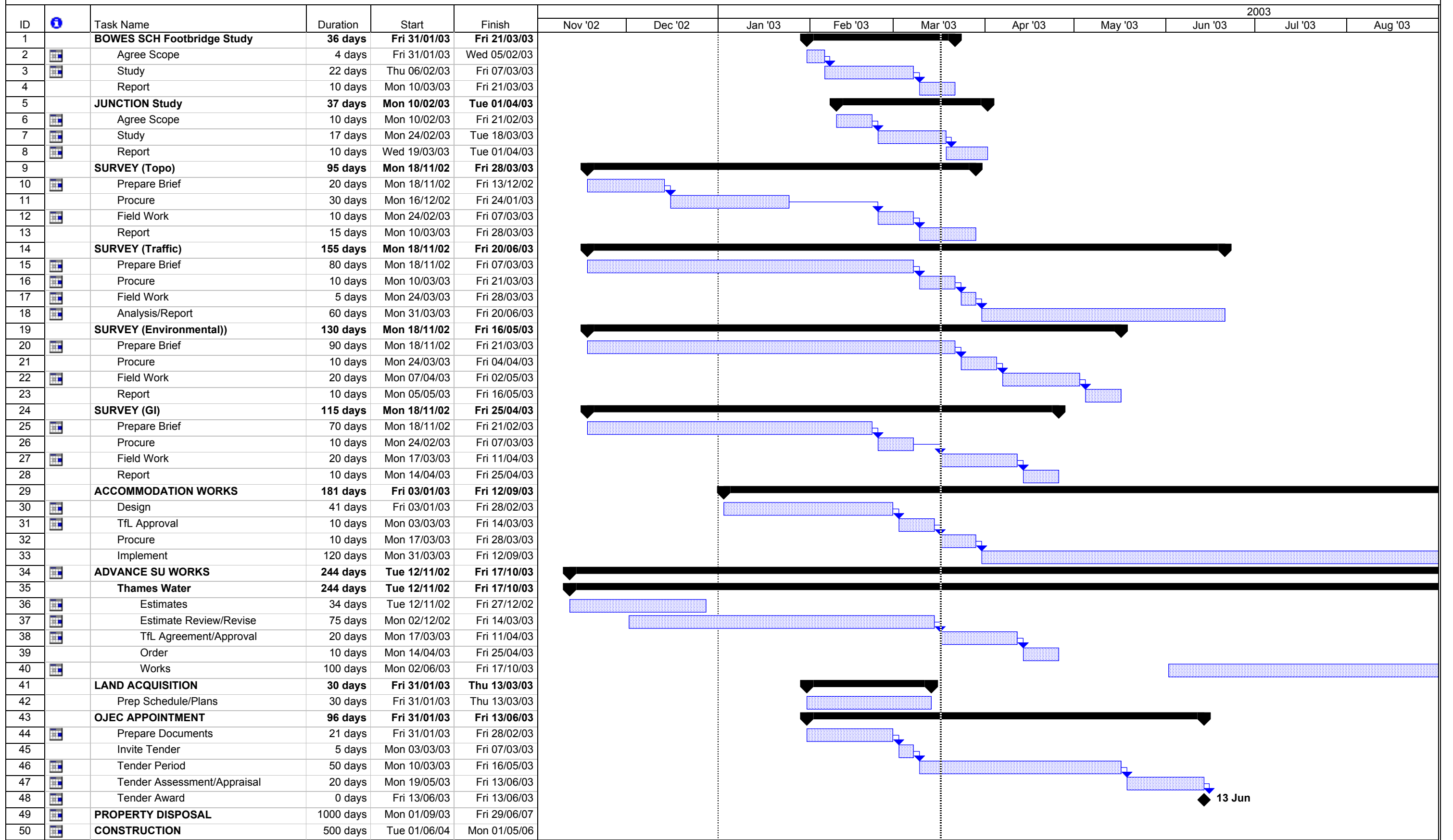
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**KEY**

- FOOTWAY
- PROPOSED BREEDON GRAVEL PATH
- PROPOSED CYCLEWAY
- PROPOSED SHARED FOOTWAY/ CYCLEWAY
- PROPOSED GRASS
- PROPOSED TREE PLANTING
- PROPOSED SHRUB PLANTING
- PROPOSED ORNAMENTAL BLOCK PAVING
- PROPOSED BLOCKS FOR PARKING AREAS
- EXISTING TREES/ VEGETATION
- BUS STOP
- PROPOSED PRIORITY LANES
- PEDESTRIAN CROSSING FACILITIES





Project: Short Term Programme  
Date: Mon 17/03/03

Task		Milestone		Rolled Up Split		External Tasks		Deadline	
Split		Summary		Rolled Up Milestone		Project Summary			
Progress		Rolled Up Task		Rolled Up Progress		External Milestone			

**TRANSPORT FOR LONDON**

**STAFF SUMMARY  
TfL BOARD MEETING**

**SUBJECT: PENALTY CHARGE NOTICE PROCESSING SERVICE**

**MEETING DATE: 20 MARCH 2003**

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**1. PURPOSE**

To seek approval for Transport for London to extend an existing Joint Arrangement with the London Borough of Croydon to deliver a penalty notice processing service in respect of bus lane enforcement from 1 October 2003 to 31 March 2004.

Furthermore, approval is sought to begin a tendering process to establish a contract for the continuation of this service beyond March 2004.

**2. BACKGROUND**

On 9 April 2002 the Board approved a recommendation for TfL to enter into a Joint Arrangement with the London Borough of Croydon. The relationship with Croydon has been good and, as at 14<sup>th</sup> February 2003, they have processed 357,582 PCNs on behalf of TfL. This work includes dispatch of statutory notices, handling of all incoming correspondence and telephone calls, receiving and banking monies on behalf of TfL, and recovering all outstanding debts. The level of debt collection is very high compared to similar operations, with 85% of the total issued resulting in payment.

Under Section 101 of the Local Government Act 1972, any Local Highway Authority may act by agreement on behalf of another Authority in respect of its highway services. Such an Agreement - or Joint Arrangement – must be approved by the Senior Committee of the Authorities involved. In the case of TfL, this is the TfL Board.

At its meeting last April the Board agreed to extend the agreement with Croydon to 30 September 2003 and specifically to judge at that time whether there were any benefits from merging the service with the notice-processing service being delivered to Congestion Charging. It is clear now that the timescale between now and September, is too short - both to comprehensively evaluate the Congestion Charging option or to re-tender the service. Additionally, with the creation of the new Transport Policing and Enforcement Directorate, and emerging enforcement strategies in respect of potential further use of the civil process (leading to an increase in notice-processing needs), a decision on how to continue this important bus lane enforcement service was postponed. I believe it is now possible to resolve this issue and I propose to tender the notice processing service with a view to appointing a contractor that can deliver the best value for money service. To do this properly will take approximately twelve months and I therefore seek the Board's approval for a six month extension to the existing Agreement with Croydon while the service is put out to tender. Subject to pre-qualification, Croydon along with a number of private sector organisations capable of delivering our requirements will have the opportunity to tender for this service. This is likely to include the congestion charge contractor, which now delivers a similar (though not identical) service.

As explained in previous reports, the choice will not simply be about costs. The quality of the service provided is key in this area of public sector activity and the need for the service supplier to act in TfL's interest in a customer-focussed way is paramount. The need to recover debt efficiently and effectively is also of key importance.

### 3. ALTERNATIVES

The alternatives would be:

- a) To extend the Agreement with Croydon for a longer period. This would not demonstrate best value for money for the service.
- b) To provide the service in-house. In developing a tender document it might be that at least some of the service is provided in-house.
- c) To merge the service with the Congestion Charging service. This would not demonstrate best value for money without a tendering process.

### 4. IMPACT ON FUNDING

The current year's forecast out-turn for income from PCN enforcement is £8,925,000, representing approximately 251,000 PCNs over the financial year. The level of enforcement activity is expected to increase to approximately 360,000 PCNs in 2003/4, estimated income of £13,500,000. This reflects increases in enforcement activity resulting from further roll-out of London's bus lane camera network.

### 5. RISK

The most significant risk is the number of PCNs issued and recovered, and the consequent effect on ensuring compliance through bus lane regulations. At all times it is essential to ensure there is no disruption to the service. Should the tendering process result in the migration to an alternative solution, we must be satisfied that it can be done without disruption and, more importantly, that it provides at least as effective a service as present.

### 6. RECOMMENDATIONS

It is **recommended** that the TfL Board **approve** the extension of the Joint Arrangement with the London Borough of Croydon for the operation of a Penalty Charge Notice processing and recovery system to 31 March 2004. Between now and then it will be **recommended** that TfL tender the processing service with a view to having an alternative contract in place, which can continue this work from 2004.

TRANSPORT FOR LONDON

STAFF SUMMARY

TfL BOARD

**SUBJECT: PRIVATE HIRE DRIVER LICENSING – FINAL REGULATIONS AND ADMINISTRATIVE FRAMEWORK**  
**MEETING DATE: 20 MARCH 2003**

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**1. INTRODUCTION**

**1.1 Background**

- 1.1.1 The purpose of this paper is to inform the Board of the proposals for introducing private hire driving licensing in London from 1 April 2003, and to outline the proposals for managing the implementation of this new licensing regime.
- 1.1.2 The Private Hire Vehicles (London) Act 1998 (the Act) provides for the licensing of London's private hire operators, drivers and vehicles. The Act is being implemented in three distinct phases which started with operators, will be followed by drivers and, finally vehicles.
- 1.1.3 The Act designates Transport for London as the Licensing Authority and empowers it to flesh out the requirements of the regime by making regulations for various matters (including medical standards, fees and the format of driver's ID badges). However, the Secretary of State, Department for Transport (DfT) retains the authority for making the transitional provisions **and** for making the Commencement Order, which will bring the relevant sections of the Act into force.
- 1.1.4 The proposals for driver licensing have been formulated as result of extensive public consultation in respect of the regulations and supporting administrative rules that the PCO will apply. In addition, the formal public consultation exercises have been supplemented with detailed discussions with the private hire trade associations, the DfT and the Mayor's policy advisers.

**1.2 Guiding principles**

- 1.2.1 The population of existing private hire drivers in London is estimated to be around 36,000. It is a long established industry, which provides a diverse and vital range of personal transport services to London's local, business and visitor communities. In passing legislation, Parliament was keen to ensure that the introduction of licensing should not impact adversely on the range and availability of those existing services.
- 1.2.2 In developing its proposals, the Public Carriage Office (PCO) has considered carefully the practical implications for drivers taking account of the wishes of Parliament and, wherever possible, is seeking to introduce the regulatory requirements incrementally.

## **2. CHAIR'S ACTION**

- 2.1 This paper was submitted to the Chair of the TfL Board on 3 March for Chair's Action to approve those regulations, which are the responsibility of TfL, in order to allow private hire driver licensing to be introduced from 1 April 2003.
- 2.2 It will be seen from paragraph 3.1.1 below that five regulatory instruments need to be brought into effect from the same date in order to give TfL authority to license private hire drivers in London. Responsibility for making the requisite regulations falls to three separate departments; TfL, DfT and Home Office.
- 2.3 DfT confirmed by letter on 28 February that they are on target for making their regulations (which are the transitional regulations and commencement order) to take effect from 1 April. They further advised that a minimum period of 21 days must be allowed between the date regulations are laid in Parliament and their coming into effect.
- 2.4 To achieve an implementation date of 1 April 2003, Chair's Action was required to ensure that the introduction of those regulations, which fall to TfL, could be harmonised with those regulations being effected by DfT.

## **3. STATUTORY REQUIREMENTS**

### **3.1 Regulatory Instruments**

- 3.1.1 PHV driver licensing is dependent on the following legislative instruments being brought into effect:

- (i) Private Hire Vehicles (London) Driver Licensing Regulations 2003
- (ii) Private Hire Vehicles (Operator's Licences) (Amendment) Regulations 2003
- (iii) Private Hire Vehicles (London) Driver Licensing Transitional Regulations 2003
- (iv) Private Hire Vehicles (London) Act 1998 (Commencement No 2) Order 2003
- (v) Amendment order to the Rehabilitation of Offenders Act 1974

TfL is responsible for bringing into effect those regulatory instruments identified at (i) and (ii) above; DfT is responsible for the instruments identified at (iii) and (iv) and the Home Office is responsible for (v).

The DfT is working closely with TfL and is making every effort to harmonise their actions, and those of Home Office colleagues, to ensure that they are able to make the necessary legislative powers by 1 April.

Other than (v) above, copies of these proposed legislative instruments are attached as Annex A.



## 3.2 Implementation proposals

3.2.1 The Transitional Regulations (identified under paragraph 3.1.1 above) provide for the relevant sections of the Act to be brought into effect in three stages. These three stages are described as:

- the 'first appointed date'
- the 'second appointed date'
- the 'third appointed date'.

3.2.2 In practical terms;

- the 'first appointed date', is the date when the PCO can first accept and start to process a PHV driver application. Additionally it is when the PCO can issue temporary permits to those existing drivers who have pre registered
- the 'second appointed date', (2 months after the first appointed date): is the date from when PHV driver licensing offences can be committed. In other words, unless a driver is either licensed **or** in possession of a temporary permit issued by the PCO, the driver is committing an offence
- the 'third appointed date' (three years from the first appointed date): is the date from which applicants (including those re-applying for the first time) will be required to meet the requirements in respect of topographical testing.

It is proposed, therefore, that all private hire drivers in London should be fully licensed by 31 March 2006.

## 3.3 Licensing standards

3.3.1 To apply for a licence, an applicant must:

- be aged 21 or over
- hold a full UK (or equivalent) driver's licence
- have held a full driving licence for three years
- be a fit and proper person to act as a PHV driver
- be physically fit to act as a PHV driver
- demonstrate an appropriate level of topographical skill.

3.3.2 The practical implications for applicants are determined by the requirements imposed by the Licensing Authority for making an application. In order to satisfy the requirements of the Act, the PCO considers that the requirements set out below represent the **minimum** requirements in order to judge an individual's suitability for licensing:

- complete an application form;
- submit payment for licence and Criminal Records Bureau check;
- provide evidence of identity with the application (photocopy of birth certificate or passport);
- provide a passport-sized photograph, endorsed by a person who is able to confirm that it is a true likeness;
- provide evidence of driving licence (photocopy);

- provide a declaration of any driving disqualifications;
- complete the Criminal Records Bureau ‘Disclosure Application Form’;
- provide evidence of medical fitness (DVLA Group 2 standard) from their GP or from a medical service provider designated by the PCO for the purpose as directed by TfL (approx cost £80);
- where appropriate, complete an ‘Exemption from wearing an identity badge’ form;
- where appropriate, complete an ‘Overseas employment and address’ form, where the applicant has lived and/or worked overseas for a period of more than 3 months during the last 3 years; and,
- where appropriate, provide details of previous unsuccessful PHV driver applications to this, or any other Licensing Authority.

**3.3.3** It is further proposed to introduce, within 3 years of the start date of licensing, a requirement for all applicants (other than ‘existing drivers’) to:

- pass a topographical knowledge test, administered by a person or agency approved by TfL for the purpose, and provide evidence thereof; or
- provide evidence to support an exemption from the requirement on the grounds that the applicant:
  - is a licensed London taxi driver;
  - is registered with a recognised London Tourist or Driver Guide Association;
  - has obtained an equivalent qualification or skills from a body approved by the PCO; or,
  - is deemed to be an ‘existing PHV driver’ and is in possession of a temporary permit.

### **3.4 ‘Existing’ drivers and ‘Grandfather rights’**

3.4.1 The transitional regulations identified at (iii) of paragraph 3.1.1 above provide for those private hire drivers working in the industry, with a licensed operator, up to and including the ‘second appointed date’ to be treated as ‘existing’ drivers.

3.4.2 ‘Existing’ drivers are identified as such by having registered with the PCO, through a licensed operator under the terms of an established pre-licensing registration scheme. At the start of licensing, those drivers who are registered will:

- be issued with a temporary permit which will entitle them to continue to work within the industry until such time as they become licensed or a licence is refused
- exempt them from having to demonstrate topographical skills for their first, or any subsequent licence.

## **4. LICENCE FEES**

4.1 The level of the fee is directly related to the scope of regulation and the Licensing Authority has a duty to recover the full operational costs of licensing through the licence fees. The cost of a 3 year private hire driver licence, therefore, is calculated to be:

- PHV driver licence application £131
- PHV grant of driver licence £87
- Criminal Record Bureau fee £12

Total fee payable to the PCO £230

4.2 This fee excludes the cost of a DVLA Group 2 medical (which can vary but is around £80), as the applicant is required to pay the medical examiner direct. In overall terms, therefore, the total cost for a driver to become licensed is around £310, which is equivalent to a little over £100 per year.

4.3 This fee compares very well with fees charged by licensing authorities outside London, and is £11 less than the London taxi driver licence fee (if the £100 'Knowledge' testing fee is excluded).

4.4 The cost of renewing a London PHV driver's licence will **exclude** the medical fee (for those under the age of 45).

4.5 The Private Hire Vehicles (London) (Operator' Licences) (Amendment) Regulations 2003 also brings into affect the revised level of operators fees approved by the TfL Board in February 2003.

## 5. IMPACT ON FUNDING

5.1 There is no impact on TfL. The proposed licence fees reflect the PCO's 2003/04 budget set out in its business plan for 2003/04 – 2008/09. The budget is set to recover the full cost of the PCO's licensing function.

## 6. RECOMMENDATION

The TfL Board is asked to **note** the Chair's Action in approving the private hire driver licensing regulations, and consequential private hire operator licensing regulations specified at paragraph 3.1.1 (i) and (ii) above.

The TfL Board is also asked to **note** that private hire driver licensing will start to be implemented with effect from 1 April 2003.

**GREATER LONDON AUTHORITY ACT 1999**  
**PRIVATE HIRE VEHICLES (LONDON) ACT 1998**

The Private Hire Vehicles (London PHV Driver's Licences)  
Regulations 2003

<i>Made</i>	2003
<i>Coming into force</i>	2003

Transport for London, in exercise of the powers conferred on it by sections 13(2), 14(2), 15(4)(a)(ii), 20(1) and (2), 23(1)(b) and 32(1) and (2) of the Private Hire Vehicles (London) Act 1998(a) and of all other powers enabling it in that behalf, hereby makes the following Regulations:—

**Citation and commencement**

1. These Regulations may be cited as the Private Hire Vehicles (London PHV Driver's Licences) Regulations 2003 and shall come into force on [INSERT DATE] 2003.

**Interpretation**

2. In these Regulations—

"the 1998 Act" means the Private Hire Vehicles (London) Act 1998;

"licence" except in regulations 3 and 5 mean a London PHV driver's licence or a driver's temporary permit;

"the register" means the register of licences which the licensing authority is required to maintain under section 23(1) of the 1998 Act;

"section 13(2)(b) requirement" means a requirement which, in accordance with section 13(2)(b) of the 1998 Act, the licensing authority must be satisfied has been met, before granting a London PHV driver's licence to an applicant; and

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(a) 1998 c. 34; sections 13, 14, 15, 20, 23 and 32 were amended by the Greater London Authority Act 1999 (c. 29), Schedule 21, paragraphs 2, 7, 8, 9 and 16 .

"driver's temporary permit" means a temporary permit issued under regulation 5 of the Private Hire Vehicles (London) (Transitional Provisions) Regulations 2003(a).

### **The physical fitness requirement**

3.—(1) The physical fitness requirement is hereby prescribed as a section 13(2)(b) requirement.

(2) The physical fitness requirement is that the applicant—

- (a) is the holder of a Group 2 licence; or
- (b) satisfies Transport for London that he meets the requirements as to physical fitness that he would be required to meet in order to be granted a Group 2 licence.

(3) A "Group 2 licence" means a licence to drive a motor vehicle granted under Part III of the Road Traffic Act 1988 which is a Group 2 licence as defined by regulation 70 of the Motor Vehicles (Driving Licences) Regulations 1999(b).

(4) In the application of the provisions of Part III of that Act and Part IV of those Regulations for the purpose of determining whether an applicant meets the requirements referred to in paragraph (2)(b), references in those provisions to the Secretary of State shall be treated as references to Transport for London.

### **Form of driver's badge**

4.—(1) The driver's badge shall be in a form which meets the requirements specified in paragraph (2).

(2) The requirements are that the badge—

- (a) states the name of the licence holder ("the holder") to whom it has been issued;
- (b) states the number and expiry date of the holder's licence;
- (c) includes a photographic image of the holder; and
- (d) states on the reverse that it is the property of Transport for London and is to be returned to a specified address in the event of its being found.

### **Fees**

5.—(1) The fee payable, on the making of an application, by an applicant for a London PHV driver's licence shall be £\*\*.

(2) The fee payable by a person granted a London PHV driver's licence ("the licence fee")—

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(a) S.I. 2003/\*\*\*\*.

(b) S.I. 1999/2864.

- (a) shall unless already paid, be payable on the grant of the licence; and
- (b) shall be £\*\*.

(3) Paragraphs (1) and (2) apply to the renewal of a licence as they apply to the grant of a licence.

(4) Where a London PHV driver's licence ceases to have effect (whether by revocation or otherwise) on the ground that—

- (a) the holder of the licence is no longer physically fit to hold such a licence;
- (b) the licence is surrendered by the holder; or
- (c) the holder dies,

a refund of a proportion of the licence fee shall be payable, in accordance with the following provisions of this regulation, to the holder, or in a case falling within sub-paragraph (c) the holder's personal representatives.

(5) A refund shall be payable upon receipt of a written request by the holder of the licence accompanied by the licence and the driver's badge issued to the holder.

(6) The amount refundable shall be equal to that proportion of the licence fee which the number of whole months remaining unexpired of the period for which the licence was granted bears to the whole of that period, rounded up to the nearest whole pound.

### **Register of licences**

6. The register shall contain, in addition to the particulars specified in section 23(1)(a) of the 1998 Act, an indication in relation to each licence as to whether—

- (a) it is a London PHV driver's licence or a driver's temporary permit; and
- (b) it is current, suspended or revoked.

Signed by authority of Transport for London

2003

Commissioner of Transport

**GREATER LONDON AUTHORITY ACT 1999**  
**PRIVATE HIRE VEHICLES ACT 1998**

The Private Hire Vehicles (London) (Operators' Licences)  
(Amendment) Regulations 2003

*Made* 2003

*Coming into force* 1 April 2003

Transport for London, in exercise of the powers conferred on it by section 4(3)(d) of the Private Hire Vehicles (London) Act 1998(a) and all other powers enabling it in that behalf, hereby makes the following Regulations:—

**Citation and commencement**

1. These Regulations may be cited as the Private Hire Vehicles (London) (Operators' Licences) (Amendment) Regulations 2003 and shall come into force on 2003.

**Preliminary**

2. The Private Hire Vehicles (London) (Operators' Licences) Regulations 2000(b) shall be amended in accordance with the following provision of these Regulations.

**Particulars of drivers**

3. In regulation 13(2) (particulars of drivers) the following sub-paragraph shall be inserted after sub-paragraph (c)—

“(ca) a copy of his London PHV driver's licence or temporary permit granted under the Private Hire Vehicles (London) (Transitional Provisions) Regulations 2003, as appropriate;”.

**Fees**

3.—(1) In regulation 4(a) for “£425” there shall be substituted “£619”.

(2) Regulation 7 (fees) shall be amended as follows.

(a) In paragraphs (1), (2), (4) and (5) for “£975” there shall be substituted “£1459”.

(b) In paragraphs (2) and (5) for “£375” there shall be substituted “£500”.

Signed by authority of Transport for London

2003

R.R. Kiley  
Commissioner of Transport

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(a) 1998 c. 34; the Private Hire Vehicles (London) Act 1998 was extensively amended by Schedule 21 to the Greater London Authority Act 1999 (c. 29)

(b) S.I. 2000/3146

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STATUTORY INSTRUMENTS

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**2003 No. \*\*\*\***

**METROPOLITAN AND CITY POLICE DISTRICTS  
PRIVATE HIRE VEHICLES**

The Private Hire Vehicles (London) Act 1998  
(Commencement No. 2) Order 2003

*Made*

*2003*

The Secretary of State for Transport, Local Government and the Regions, in exercise of the power conferred by section 40(2) of the Private Hire Vehicles (London) Act 1998(a), hereby makes the following Order:—

**Citation**

**1.**—(1) This Order may be cited as the Private Hire Vehicles (London) Act 1998 (Commencement No. 2) Order 2003.

(2) In this Order—

"the Act" means the Private Hire Vehicles (London) Act 1998;

"the first appointed day" means \*\*\*\* 2003;

"the second appointed day" means \*\*\*\* 2003; and

"the third appointed day" means \*\*\*\* 2006.

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(a) 1998 c. 34; the Private Hire Vehicles (London) Act 1998 was extensively amended by the Greater London Authority Act 1999 (c. 29), Schedule 21.





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STATUTORY INSTRUMENTS

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**2003 No. \*\*\*\***

**METROPOLITAN AND CITY POLICE DISTRICTS  
PRIVATE HIRE VEHICLES**

**The Private Hire Vehicles (London) (Transitional Provisions)  
Regulations 2003**

<i>Made</i>	2003
<i>Laid before Parliament</i>	2003
<i>Coming into force</i>	2003

The Secretary of State for Transport, Local Government and the Regions in exercise of the powers conferred by section 37 of the Private Hire Vehicles (London) Act 1998<sup>(a)</sup> and of all other powers enabling him in that behalf, and after consultation with Transport for London in accordance with section 37(3) of that Act, hereby makes the following Regulations:—

**Citation and commencement**

1. These Regulations may be cited as the Private Hire Vehicles (London) (Transitional Provisions) Regulations 2003 and shall come into force on 2003.

**Interpretation**

2. In these Regulations—

"the 1998 Act" means the Private Hire Vehicles (London) Act 1998;

"application deadline" in relation to an existing driver means the date specified under regulation 4(1) as the application deadline for that driver;

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(a) 1998 c. 34; sections 13(2), 14(1), 16 and 17 were amended, and section 37(3) was inserted, by the Greater London Authority Act 1999 (c. 29), Schedule 21, paragraphs 2, 7(2), 8(2), 10 and 18.

"existing driver" means an individual who is registered with Transport for London as an existing driver in accordance with article 3(1);

"the first appointed day" means \*\*\*\* 2003;

"the second appointed day" means \*\*\*\* 2003; and

"temporary permit" means a temporary permit issued under regulation 5(1).

### **Registration of existing drivers**

3.—(1) Subject to the provisions of this regulation, an individual who has been the driver of a vehicle used as a private hire vehicle on roads in London under a booking which was made—

(a) through a London PHV operator ("the relevant operator"); and

(b) at an operating centre specified in the relevant operator's London PHV operator's licence,

may apply to be registered with Transport for London as an existing driver by delivering to Transport for London the form provided by it for the purpose completed to show such particulars as Transport for London may reasonably require.

(2) The form shall be signed by the applicant and countersigned by the relevant operator.

(3) The form shall be treated as validly delivered to Transport for London if, and only if, it is received by Transport for London on the second appointed day or at any time before that day, whether before or after the making of these Regulations.

### **Application deadlines**

4.—(1) Transport for London shall by notice given to each existing driver specify an application deadline by which that driver is invited to submit an application for a London PHV driver's licence.

(2) Transport for London shall not be required to consider any application for a London PHV driver's licence from an existing driver until after the application deadline.

### **Issue of temporary permits**

5.—(1) Transport for London may issue a temporary permit to any existing driver.

(2) Subject to regulation 6 and, except for the purposes of section 14(1) (driver's badges) of the 1998 Act, a temporary permit shall have effect as if it were London PHV driver's licence and may in particular be suspended or revoked under section 16 of that Act accordingly.

### **Duration of temporary permits**

6.—(1) A temporary permit shall cease to have effect on whichever of the following dates falls first—

- (a) if a London PHV driver's licence is granted to the holder of the temporary permit, the date on which the licence was granted;
- (b) if an application for a London PHV driver's licence by the holder of the temporary permit is refused, the date on which the time for appealing against the refusal of the application expires or (where an appeal is brought) the date on which the appeal is disposed of or withdrawn;
- (c) if the temporary permit is revoked, the date on which the revocation takes effect in accordance with section 17(1) or (2) of the 1998 Act; or
- (d) if the temporary permit ceases to have effect in accordance with paragraph (3), the date specified or agreed as mentioned in paragraph (2).

(2) If an application for a London PHV driver's licence is not received from the holder of a temporary permit by the application deadline, Transport for London may give notice to the holder that, if an application is not received by Transport for London from him by the date specified in the notice or such later date as Transport for London may agree, the temporary permit is to cease to have effect.

(3) If no such application is received by the date so specified or agreed, the temporary permit shall thereupon cease to have effect.

#### **Modification of section 13 of the 1998 Act**

7.—(1) In relation to an applicant for a London PHV driver's licence who is an existing driver and the holder of a temporary permit or London PHV driver's licence, section 13 of the 1998 Act shall have effect subject to the following modifications.

(2) In subsection (2) for the words "the requirement mentioned in subsection (3), and any further" there shall be substituted "any".

(3) Subsection (3) shall be omitted.

Signed by authority of the Secretary of State

Parliamentary Under Secretary of State  
2003      Department of Transport, Local Government and the Regions

#### **EXPLANATORY NOTE**

*(This note is not part of the Regulations)*

These Regulations contain transitional provisions in connection with the introduction of private hire vehicle driver licensing under the Private Hire Vehicles (London) Act 1998 ("the 1998 Act"), the relevant provisions of which are brought into force by the Private Hire Vehicles (London) Act 1998 (Commencement No. 2) Order 2003 (S.I. 2003/\*\*\*\* C. \*\*).

Regulation 3 enables an individual to be registered by Transport for London as an "existing driver", if he has at any time before **[INSERT DATE]** driven a private hire vehicle under a booking made through an operator licensed under the 1998 Act.

In accordance with regulation 4 Transport for London must specify an application deadline for each existing driver and is not required to consider an application for a London PHV driver's licence from an existing driver until after that driver's application deadline. However, regulation 5 enables Transport for London to issue temporary permits to such drivers. Such a permit has effect under the 1998 Act as if it were a London PHV driver's licence and may be revoked or suspended accordingly, but the holder is not required to be issued with a driver's badge under section 14(1). A temporary permit ceases to have effect in the circumstances specified in regulation 6.

Regulation 7 modifies section 13 of the 1998 Act (requirements for the grant of a London PHV driver's licence) in relation to a licence application from an existing driver who is the holder of a temporary permit or is renewing a licence. Such an applicant need not meet the requirement imposed by section 13(3) (topographical knowledge).

# ADDENDUM

AGENDA ITEM 10

TRANSPORT FOR LONDON

SUBMISSION to TFL BOARD

**SUBJECT: West London Tram Project Update**

The Paper originally stated at Page 6, that the capital costs with HM Treasury Green Book 66% uplift are £564 million. **This should have read £641 million.** The Paper has been amended accordingly.

TRANSPORT FOR LONDON

SUBMISSION to TFL BOARD

**SUBJECT:** West London Tram Project (WLT)

**MEETING DATE:** 20 March 2003

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**1. PURPOSE**

This paper reports progress on the West London tram project and the proposed program to take the project to the next stage.

**2. THE ROLE FOR LIGHT TRANSIT IN LONDON**

Light transit (busway or tram) has been identified in the Mayor's Transport Strategy and the draft London Plan as having a key role to play in supporting the future public transport needs of London. In certain corridors light transit can meet a gap in the public transport market not well served by rail and bus.

Rail primarily serves longer distance commuting travel along dense corridors. Buses have the flexibility to serve more areas, shorter trips and feed fixed track modes. Significant improvements to bus services are being delivered across London. However, in many congested radial corridors, buses face increasing constraints to their reliability in moving large numbers of people.

As an intermediate mode, the tram offers a high capacity reliable facility that can achieve a step change in service quality and public transport use. Tram represents a natural evolution in road-based public transport to enhance existing services and increase capacity to meet long term growth and mode share targets.

To support the growth in the draft London Plan and enhance transport capacity, a 40% increase in rail capacity is proposed in London in key corridors. In certain high volume corridors where rail expansion is not a viable option, tram offers the highest capacity alternative. Light transit systems have many of the attributes of rail, in terms of capacity, reliability and quality of ride - but at lower cost.

Following a number of planning studies into intermediate mode options for Outer London, in 1996 London Transport published a report titled *New ideas for Public Transport in Outer London*. From original investigations of 45 areas and 9 case studies, a tram proposal from Uxbridge through to Shepherd's Bush was in the final four proposals recommended.

In May 2002, the Mayor gave the go-ahead to develop proposals for two new tram schemes and two new busway schemes. The projects are:

- The West London Tram Scheme from Uxbridge to Shepherds Bush – to be opened by 2009;
- The Cross River Tram Scheme running from Kings Cross and Camden, via Euston and Waterloo, to Peckham and Brixton – to be opened by 2011;
- The East London Transit (ELT) - a dedicated busway. The first stage will run between Ilford, Barking, Barking Reach and Dagenham Dock Station by 2006; and
- The Greenwich Waterfront Transit (GWT) – a dedicated busway operating between North Greenwich and Abbey Wood by 2008. The ELT and GWT busways will be linked via a busway on the Thames Gateway Bridge to achieve an integrated public transport network.

Common issues have arisen in delivering these light transit projects. These include the level of priority achievable, the commitment of boroughs, traffic impacts and the availability of depots. A key challenge for delivery is how best to increase the reliability of public transport in narrow road corridors where there are many competing demands on road space.

This paper focuses on the WLT scheme and reports on its current status, business case and next steps.

### **3. PROJECT DESCRIPTION**

The proposed tram route serves a key radial corridor within the Western sub-region, with key centres at Uxbridge, Southall, Ealing, Acton and Shepherd's Bush (see Annex 1). The primary objectives of the project are:

- to significantly improve the capacity and reliability of public transport services to support future growth;
- to attract existing car users to public transport, thereby reducing traffic and congestion in the corridor; and
- to support the regeneration and amenity of town centres.

The project would deliver a 20km tram facility that links Shepherd's Bush to Uxbridge. There would be up to 45 stops putting the tram within 10 minutes walking distance of 100,000 people living in the most densely populated areas of Southall, Ealing and Acton.

There would be 40 trams in service carrying around 50m passengers per annum in 2011. The trams would displace two major bus routes (207 and 60-7) currently carrying over 22m passengers per year. Fares would be similar to buses as part of an integrated fare and ticketing system in London.

The early WLT design in 2000 was aimed at maximising the commercial speed of the tram by providing a high degree of segregation from general traffic. This involved a substantial number of route sections permitting tram



and bus only. The most recent work since September 2002 has re-engineered the alignment to reduce the displacement of road vehicles by adopting a “tramway” approach. This involves a certain degree of controlled sharing with general road traffic, minimising the proposed road closures or part closures to 4.

The current route profile is as follows:

- Fully segregated (tram only) (60% of the route)
- Accessible (vehicles can access to pass major constraints) (33%)
- Shared (all vehicles) (7%)

This revised alignment, based on best practice European experience has resulted in:

- greater acceptance by all three Boroughs (Ealing, Hammersmith and Fulham and Hillingdon) due to the reduced traffic impacts of the scheme;
- a reduction in average speed of the tram by around 12% to 19kph
- an increase in the length of tram from 30m to 40m to accommodate additional capacity needs

#### 4. BUSINESS CASE

##### 4.1 Regeneration

The draft London Plan’s key focus is to support significant growth in housing and employment. After central and east London, west London will be the third biggest growth area in London. The West London sub-region will accommodate around 60,000 additional homes and 89,000 new jobs by 2016.

Although the wider area of West London and the Thames Valley has experienced high rates of economic growth during the past decade, and is a thriving part of London, many significant pockets of deprivation exist within the tram corridor, including Hayes, Southall, Hanwell, West Ealing, Acton and Shepherd’s Bush. For example, the Dormers Wells ward in Southall is ranked in the top 8% of deprived wards nationally. WLT will facilitate the regeneration of these local centres.

High levels of unemployment (particularly amongst ethnic minority and refugee communities) also exist along the tram corridor. Many of these areas of unemployment are within 400m walk of the proposed tram.

Figure 1: Opportunity Areas within the WLT Corridor

Opportunity Area	Area (ha)	New Jobs to 2016	New Homes to 2016
Hayes, West Drayton, Southall	371	35,000	5,800
White City	30	11,000	1,200

Particular opportunity areas within the tram corridor are Hayes, West Drayton and Southall, which all currently suffer from poor accessibility and contain a number of socially excluded communities. The British Gas site in Southall is

an important development site, potentially including a tram depot. Figure 1 summarises the expected job and housing growth in the corridor.

WLT will integrate with other proposed transport schemes, such as Crossrail and Orbirail, increasing catchments to other employment and regeneration areas, in areas such as Heathrow, Park Royal and Wembley. It will thus act as a catalyst to regeneration along the corridor, providing greater accessibility from and to areas of deprivation and development opportunity.

Further work is underway to quantify these regeneration benefits and the aim is to incorporate these benefits into future benefit cost analysis of the project.

## **4.2 Transport & Economic Case**

The overall transport case has been assessed using a Multi-Criteria Appraisal Framework (MCAF) (summarised in Annex 2).

The predicted morning one-way peak demand in 2011 has been estimated as 5,700 trips. The patronage of 50m per annum comes primarily from previous car users, previous bus users, new trips, and population/job growth. The breakdown is shown in Annex 3. The predicted mode shift from car is 16% .

The economic case is based upon a discount rate of 3.5% over a period covering the construction and operation of the scheme (2005 – 2039). The benefit cost ratio of the project is 1.7:1. The BCR compares favourably with other tram and public transport schemes in London and the UK, which generally range between 1.0 and 2.5. The BCR does not take into account external benefits such as reductions in air and noise pollution, and the regeneration benefits described in 4.1.

It is anticipated that the project delivers passenger benefits of £860m, comprised of travel time savings, savings in waiting, walking and interchange times, improvements in perceived comfort, improved reliability and reduced boarding penalties. The WLT scheme is also predicted to reduce the number of car trips in the corridor by 8m per annum.

Some of the major benefits would be:

- Capacity – an increase of 70% (from 2001 levels)
- Crowding – reduced crowding from additional capacity provided
- Travel times – average speeds improved by an average of 25%
- Reliability – reduced variation in journey times resulting from the segregation and tram priority
- Accessibility
  - over 300,000 extra people within 30 minute catchment of local centres
  - all services fully accessible
- Environment
  - Approximately 6500 properties benefiting from reduced noise pollution
  - Approximately 8500 properties benefiting from reduced air pollution

## **4.3 Other Options**

The main alternatives to the tram are:

Option A - continuation of the current bus improvement plan for the corridor;  
Option B - articulated buses with significant levels of priority; and  
Option C - trolley bus or guided bus.

Continuation of the current bus plan for the corridor involves ongoing improvements to vehicles, services, ticketing and passenger information. This includes retaining the current 207 and 607 routes and converting the majority of vehicles to articulated buses early in the business plan period. The economic analysis has been based on an assessment of the marginal costs and benefits of the tram compared to this “trend” bus scenario (more details are at Annex 4).

Option A does include some additional priority. The implementation of LBI1 to date has only managed to stabilise run times. This is characteristic of the effects of existing bus priority measures in London and limits modal shift.

Option B would involve all the improvements mentioned above with the addition of much higher levels of bus priority than currently envisaged under LBI1 and LBI 2. This option builds on the current bus improvement plan, and would be quicker to implement and have lower cost and impacts than the tram option. However, achieving the higher level of priority would involve higher costs and impacts than Option A, and implementation may not be possible without a significant shift in local political support. Work in the London Buses Strategic Review aims to test the affects, costs and acceptability of such radical measures on two similar corridors.

Under this option, passenger growth will continue but be limited because higher frequencies than 20-25 buses per hour will not be able to achieve total priority and tram-type speeds and therefore be slower and less attractive. Option B therefore caps the ability for modal shift and any further growth can only be achieved with trams (see Annex 6).

Initial assessment of a trolley-bus or guided bus alternative indicates that these options would be more costly than Options A and B but less costly than the tram. They would require most of the basic infrastructure of the tram and require more road space. Capacity improvements would be similar to the articulated bus option. There is no evidence to suggest that these options should be taken further forward.

Given the limited scope for more rail use and the limitations of the bus options, the higher capacity segregated tram option is considered to be the best mode for the long term future of this corridor. The tram also delivers environmental benefits over current bus options including noise reduction and improvements in air quality.

Detailed analysis of alternative options (and their patronage thresholds) will continue during the next stages of the project.

## 5. CAPITAL COSTS

The total capital cost of the project has been estimated as £425m. Detailed costing work has been done to derive this central estimate of £425m. The capital cost estimate has also been subject to an initial risk assessment, which has resulted in a cumulative variance from the central cost estimate of 39%. This takes into account the current knowledge of design and the extent of “unknowns” within it.

The Treasury Green Book requires consideration of “*optimism bias*” within capital projects in terms of capital and operating costs, and benefits including revenues and works programmes. An analysis of the full application of this principle on the capital cost and sensitivity of the BCR is shown below.

	<b>Central Estimate</b>	<b>Risk Premium by Component</b>	<b>Assuming Full Risk Premium Uplift</b>
<b>Capital Cost</b>	£425m	£537m	£641m*
<b>% increase over optimistic case</b>	10%	39%	66%
<b>Benefit Cost Ratio</b>	2.3	1.7	1.2

The 66% uplift case includes a 20% premium on projected operating costs for the project, in addition to the uplift on capital costs. Annex 5 shows a comparison of WLT with other tram schemes and indicates that the current cost estimate (averaging around £21m/km) is in line with the actual costs of similar tram projects.

## 6. FINANCING & RISKS

### 6.1 FINANCING

The project has a profile of capital expenditure and operating requirements that lends itself to investment from the private sector. It is likely that this investment will take the form of a Private Finance Initiative (PFI). Procuring the project through a PFI offers the opportunity for appropriate transfer of risk and better matching of capabilities to needs.

The recent experience of tram projects elsewhere in the UK indicates that it is unlikely that the market will accept any revenue risk on the project. Instead, it is anticipated that the PFI arrangements would need to be structured with unitary charges based on availability (similar to the PFI for the DLR City Airport Extension project).

In the event of revenue risk being retained by TfL, the project would be treated as “on balance-sheet”. For such projects, current capital finance

*\*The original Board paper had an incorrect figure of £564m. This should read £641m as amended above.*

regulations require a provision to be made within TfL's balance sheet to the full extent of the future availability payments due.

There is scope for the Government to grant exemptions to this requirement either on a one-off basis or through the provisions of the Local Government Finance Bill, which is likely to be submitted to Parliament in 2004. However, an exemption is by no means assured.

Initial assumptions to model a PFI structure for the WLT have indicated that the PFI payments to a concessionaire to cover capital expenditure would be approximately £60m per annum (2002 prices) in the early years of the tram operation, tapering to approximately £30m per annum in the later years of the concession period. Additionally, operating costs of approximately £14.2m p.a. (2002 prices) would be paid. TfL anticipates annual revenues of approximately £31.4m p.a. (2002 prices). This is based on tram fares similar to bus fares.

The net impact to TfL of the WLT project must take into account the displaced costs and revenues for services previously provided by London Buses. The current annual estimate of the cost of operating the 207 and 607 bus routes is £14.2m. The estimate of the displaced revenues on all public transport modes resulting from the tram is £25.07m per annum.

Therefore, the conservative net impact on TfL (assuming uplift factors of 66% for capital costs and 20% for operating costs) is £66m in the early years of the tram concession, tapering to £27m at the end of the concession (all at 2002 prices). These net costs fall outside the period of the TfL business plan. The impact on TfL is less if a lower risk uplift is used.

During the business plan period, £37.35m has been budgeted to progress the scheme and monitor the PFI concessionaire during construction. The allowance for project costs for the period up to the award of contract (winter 2005/6) includes provision for:

- project development costs including outline design, modelling and managing the TWO process;
- advanced utility design costs;
- procurement costs;
- commercial and legal costs associated with the award of the PFI concession; and
- advanced land and property costs (hardship and blight).

The provision for project costs for the period from 2006/7 through to 2008/9 covers the costs of supervision and on-site management costs.

Certain project costs such as land and property and utility diversions have on past projects been treated with caution by the private sector and resulted in the public sector largely underwriting these costs. However, over recent years these particular areas are better understood. Through a risk and value management based approach it is possible to create a mechanism whereby

there would be sufficient risk transfer to the private sector to ensure that these elements of the project could be treated "off balance sheet".

## **6.2 Cost and Revenue Risks**

The benefits of the WLT scheme result from its ability to deliver a better, more attractive and reliable mode of public transport, capable of meeting the anticipated growth in demand for transport. However, a large proportion of the project revenues and costs should be offset against the bus services the project would replace.

The revenues for buses and their costs are based on assumptions that will need to be reviewed further in subsequent analyses. One of the risks to be addressed is the possibility that bus services may not be able to be fully replaced by the tram. Were TfL to take the revenue risk for WLT, as is proposed, this might lead to a net increase in costs, without incremental revenues. A further risk is that the overall increase in passenger demand projected for the corridor may not occur. Scenarios of lower growth (e.g. 35m and 40m passengers) will be assessed together with higher demand scenarios that might impact on capacity. Costs per passenger will also be examined.

Bus revenues have been derived from modelling assumptions of revenue-per-passenger kilometre across TfL. Usage on this route is particularly intense, leading to potentially conservative assumptions in the estimate of higher lost revenues than displaced costs. The actual fares on the displaced services may be significantly different from the average. Were it found to be higher, the financial benefits of the tram would be lower (as will the BCRs presented above). If it were found to be lower, the benefits will be understated.

A smaller portion of revenue comes from projected mode shift of private vehicle drivers who change mode to the tram. This component is a large part of total passenger growth and incremental income to TfL. The modelling assumptions behind this estimate are consistent with the results of Croydon and other tram projects.

## **7. IMPACTS**

The proposed scheme runs along a congested, densely populated, busy road in West London. The tram would pass by around 3000 roadside businesses and 200 residential homes in diverse communities. WLT will therefore have a range of impacts. On the positive side, the project will greatly enhance the accessibility of centres and areas along the corridor. This will:

- attract new and expanding businesses;
- allow residents to gain easier access to job opportunities in employment centres such as Uxbridge;
- attract people from areas along the route to shop in local town centres; and
- enhance trade and generate new business opportunities.

A range of mitigation measures will be considered with the respective Boroughs during the next stages of the project. Studies to date have indicated that the key impacts to be managed will be:

- impacts on vehicle traffic along Uxbridge Road and surrounding roads;
- impacts on access, servicing and loading of business and residential properties;
- impacts during construction;
- the effect of the construction and land-take on the natural regimes existing on largely open land, Nature Conservation Areas and Green Belt; and
- the loss of trees adjacent to the road corridor.

The overall strategy to manage traffic involves the following elements:

- generating high mode shift from car to tram – thus reducing overall traffic volumes;
- making better use of regional road links to reduce longer distance trips in the corridor – protecting the capacity of Uxbridge Road for public transport, local traffic, access and servicing functions;
- introducing local traffic management schemes;
- adapting the design of the tram scheme to minimise impacts on traffic and access arrangements; and
- community education and local travel awareness programs to encourage changes to travel behaviour to reduce unnecessary car trips.

## **8. CONSULTATION & COMMUNICATIONS**

It is essential for the success of an application for powers under the Transport and Works Act 1992 that meaningful consultation occurs with affected parties during the detailed planning and environmental assessment work. The project team is developing a comprehensive consultation and communications strategy, which underpins the TWA process.

So far there has been broad consultation with major stakeholders, local resident groups and other statutory and non-statutory bodies on the project. Local consultation groups have also been established in Ealing.

The communications strategy is aimed at ensuring that all those likely to be affected are contacted through a variety of ways including exhibitions in local libraries, council offices and the London Transport Museum. A contact management system will be implemented to ensure that issues raised by stakeholders are effectively recorded, reviewed and resolved wherever practicable, in conjunction with the Boroughs.

A comprehensive opinion poll is currently being undertaken. Early results of over 400 people consulted show two-thirds in favour of the tram and one-third against.

## 9. POWERS

It is anticipated that a proposal to proceed with the scheme would be put to the TfL Board and the Mayor in the summer of 2003. The route for securing powers will be under the Transport and Works Act 1992. It is proposed that an application for powers be made jointly with the affected Boroughs. This is subject to obtaining agreement from the Boroughs.

The model of engagement with the Boroughs that TfL has been seeking on WLT is one of joint promotion. The model being pursued for joint promotion will follow that used for Croydon Tramlink whereby the principal powers to acquire land, construct, operate and manage the tramway would be conferred on TfL. The main advantage of joint promotion would be that each participating Borough would be committed to the project and, as a party to the joint promotion could not oppose the application. So far on the project, TfL has taken the lead role, but Boroughs will be requested to make a formal decision on their role in mid-year.

Subject to the results of consultation and the environmental impact assessment, the aim is to submit an application for powers in Winter 2003/04. If approval were given to submit an application a Public Inquiry is likely to be held in the Summer 2004.

## 10. PROGRAMME

The anticipated timetable for the programme is summarised in the table below.

• Pre-Consultation	Now
• Report to TfL Board	March 2003
• Consultation towards TWO deposit	April – August 2003
• Mayor/TfL Board approval to deposit	September 2003
• Transport & Works Order application deposited	Winter 2003/04
• Public inquiry	Summer 2004
• TWO awarded	Spring 2005
• Contract awarded	Winter 2005/6
• Tram Opens	Summer 2009

The next 6 months will involve detailed design and analysis to develop a robust case for the project, and preparing the application for powers. TfL is currently procuring expert consultants to manage the technical work program. It includes:

- Updating highway and public transport models and production of revised traffic forecasts
- Detailed assessments of the regeneration impacts
- Assessing the environmental impacts of the project
- Detailed design and costing
- Refining the funding plan, business case and procurement strategy



## **11. PRIORITIES FOR ONGOING WORK**

In addition to the work program activities mentioned in section 10, there will be additional work done in the following areas over the next few months to develop a robust case to support an application for powers. This analysis is also critical to demonstrate that TfL has fully investigated alternatives and justified the capital investment required.

- Analysis of alternative options
  - preparation of a robust case requires detailed analysis of alternatives to show that the project provides value for money and the best solution to the problem. Further work will be done to compare the tram option with the possible bus alternatives for the corridor, and to analyse the robustness of the project under different levels of patronage.
  - further work will be done to examine options for developing the facility in stages.
- Funding strategy
  - further work will be done to look at funding options for the project. While the PFI described in section 6 is expected to be the best delivery mechanism for the project, the case for the project will depend on a clear strategy being presented on funding of the availability payments.

## **12. PROJECT DELIVERY**

A project team has been established under a full-time Project Director. A team of 18 people has been established with key support from a range of consultants including the French based tram specialists Semaly. Phase 2 is now complete with the summary report and high level drawings now available on the TfL web site.

The project team has set up a number of systems and procedures to manage issues such as consultation, technical queries and cost reviews. A Steering Group meets weekly with period reviews with the Mayor's Office.

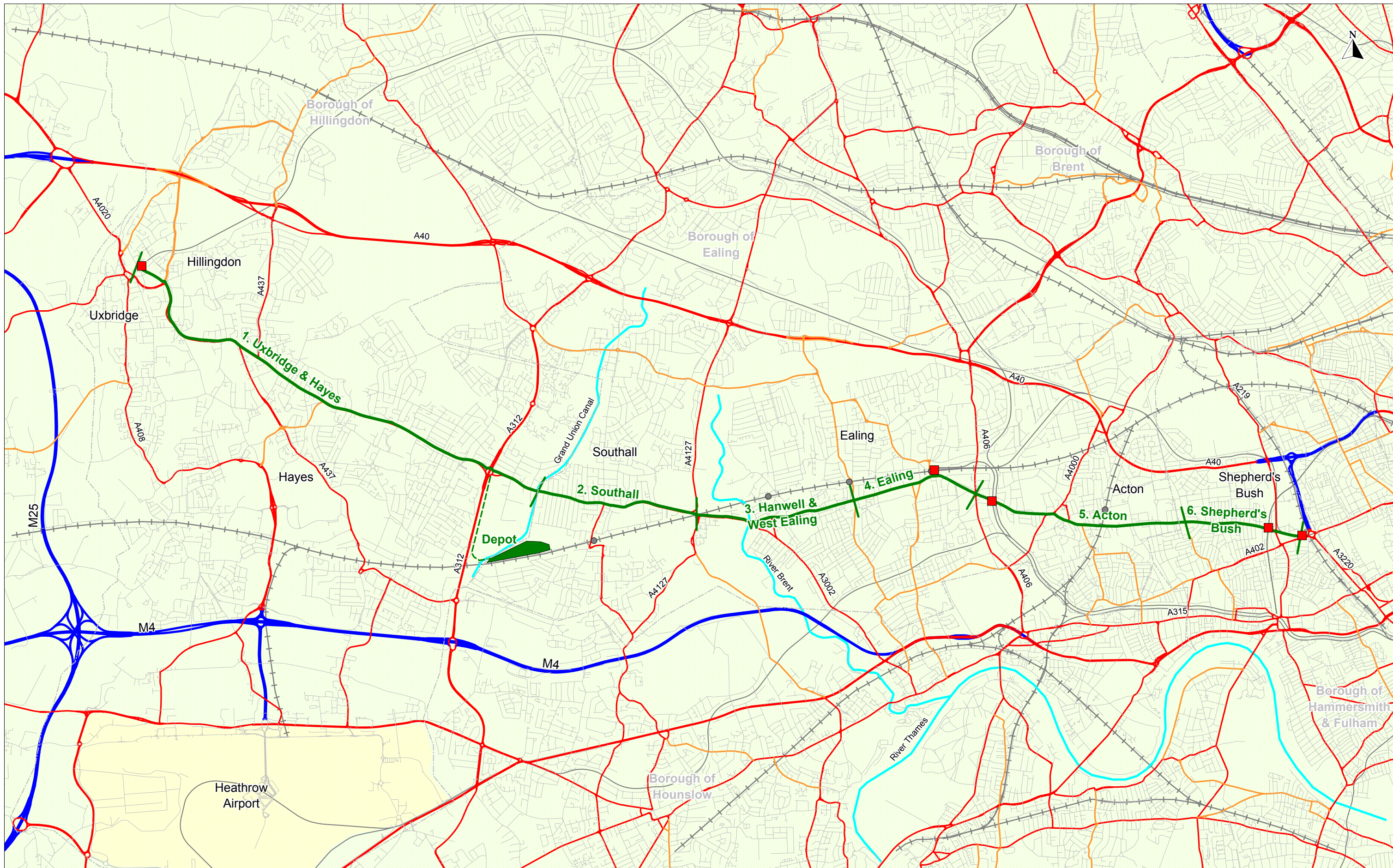
## **13. RECOMMENDATIONS**

It is recommended that the Board note the status of the WLT project and the work proposed for the next stage of the project.

### **Annexes**

1. Map of route
2. Multi-criteria Appraisal Framework (MCAF) summary
3. Sources of tram revenue
4. Trend Bus Scenario
5. Comparison with other tram projects
6. Demands and modal capacities





Scale Approx 1:50,000 at A3

Drawn: KRC	Approved:
Date: 13/11/02	Date:

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## Route Overview

**egis Semaly Ltd**  
Public Transport Consultants & Engineers

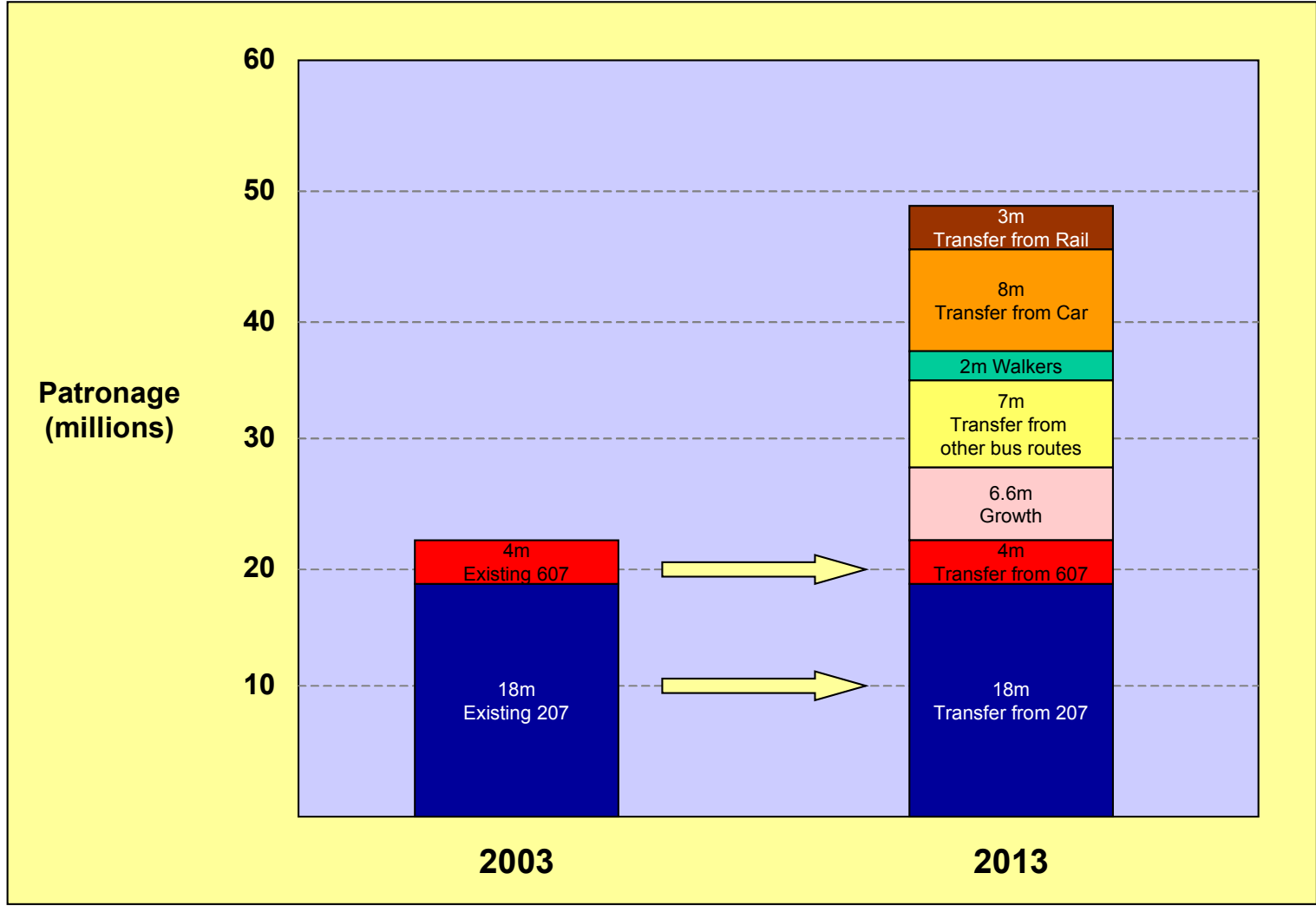
**Scott  
Wilson**



## Annex 2

### Summary of Multi-Criteria Appraisal Framework (MCAF) findings

<b>Environment</b>	▪ Car Trips	8m fewer
	▪ Noise ( <i>properties benefiting</i> )	6,500
	▪ Pollution ( <i>properties benefiting</i> )	8,500
	▪ Pedestrianisation	Uxbridge, Ealing, Acton and Shepherd's Bush
<b>Safety</b>	▪ Reduction in accidents	0.1 fatality per annum
<b>Economic</b>	▪ Boarders per annum	50m (2011)
	▪ Maximum 1-way flow	5,300 passengers/hour
	▪ Capital Costs (Undiscounted)	£537m (including risk premium)
	▪ Capital Costs (PV)	£442m (including risk premium)
	▪ Passenger Benefits (PV)	£860m
	▪ Highway Impact (PV)	£345m
	▪ Benefit Cost Ratio	1.7
<b>Accessibility</b>	▪ Additional people within 30 minutes of local centres	318,400
	▪ On-street parking	Moderate reductions
	▪ Accessible services	All trams low floor
<b>Integration</b>	▪ Deprived population benefit	Additional 10,000
	▪ People within 30 minutes of development area	Additional 29,000
<b>Regeneration</b>	▪ Accessibility to opportunity areas	Supports job growth of 46,000 at Hayes, West Drayton, White City and Southall



## West London Tram

### Trend bus scenario

#### 2003

Tendering of routes 207, 427 and 607 will result in services 427 (currently part of 207) and 607 continuing with low floor double deck buses at existing frequencies. Route 207 will be operated by 18m articulated buses operating at existing route 207 frequencies between Hayes By-pass and Shepherd's Bush.

Between 2003 and 2008 PVR's on these routes will be  
 427 Peak frequency of 7.5 bph requiring 23 articulated buses per hour  
 607 Peak frequency of 6 bph requiring 18 double deck buses per hour

Route 207, will introduce off bus ticketing and open boarding in 2003. Some benefit of off bus ticket sales will cascade to routes 427 and 607 between Hayes Bypass and Acton / Shepherd's Bush (reduced boarding times)

Pre-Pay ticketing will be introduced in Autumn 2003, providing a further incentive to bus passengers to switch out of cash fares and again reducing boarding times on all routes.

#### 2004

Introduction of additional bus priority measures:-

- Public Transport only in Acton High Street
- Bus Lanes in Southall and Hanwell
- Improved traffic enforcement in Acton, Ealing, Hanwell and Southall
- Increased priority to buses at all major junctions
- General increase in the length of bus lanes provided

#### 2005

Cash fares will be phased out in 2005/6 with passengers incentivised to move in to Pre-Pay ticketing. Boarding times will be further reduced on traditional vehicle routes.

#### 2008

Re-tendering of routes 207, 427 and 607. Additional capacity required on all routes to cater for 10% growth in demand between 2008 and 2013. Assumed that:

Route 207 : Capacity increased by increase in frequency. PVR increased to 28 articulated buses

Route 427 : Capacity increased by by conversion to articulated bus operation. PVR increased to 23 articulated buses.

Route 607 : Capacity increased by increase in frequency. PVR increased to 20 double deck buses

Off bus ticketing available on all of the above routes and TVM's installed Uxbridge to Hayes Bypass. Route 207 and 427 now open boarding. All vehicles replaced in this tender round with new low emission diesel, LPG or 'fuel cell' engine buses

Assumed that a new purpose built depot will be provided to house the articulated bus fleet and remaining double deck vehicles on route 607 (particularly if fuel cell or LPG conversion assumed). Also assumes that the depot will be sited on the British Gas development site at Southall.

## **2009**

Further Bus Priority measures. Increasing priority at junctions and restriction of access for non public transport vehicles into traffic congested sites. Extension of UTC from Southall to Uxbridge.

### **Other Routes**

Assumed that all other routes will require an increase in capacity in 2008 similar to that envisaged above. None of these routes is likely to be converted to articulated operation therefore assume a general increase in frequencies and PVR's using existing style vehicles – all replaced in 2008-9 with low emission engine buses.

All other routes will benefit from the introduction of Pre-pay ticketing and cashless operation in line with the above timescales.

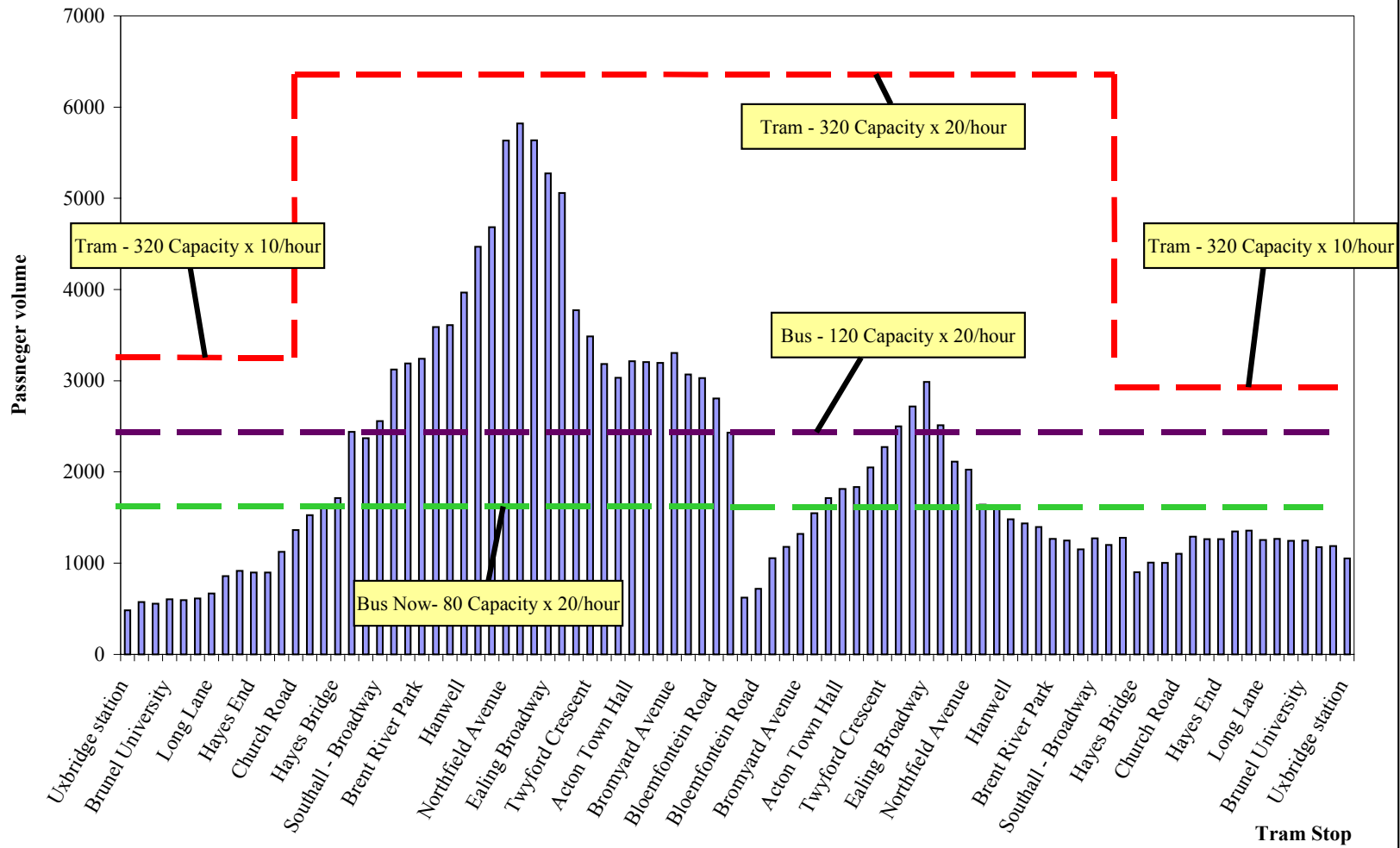
### **Run Times**

Due to increased levels of private traffic, additional bus priority and the benefits of improved boarding times are unlikely to see run times significantly reduced. Furthermore increasing use of public transport by the mobility impaired is like to see a higher level of ramp deployment on all routes, thereby offsetting any gain in overall boarding and alighting time.

## Annex 5 – Comparison of WLT with other light rail projects

Scheme	Completion date	Average cost per km (mil)	Original tram abandoned	Distance (km)	No. of Stops	% Existing/Former Railway	No. of Passengers p.a. (millions)	Tram Capacity	No. of Trams	Length	Width (m)	Max speed km/h (street running)	Comments
<i>Existing</i>													
Manchester Phase 1	1992	£5	1949	30.9	25	91	14	206	26	29	2.65	80(48)	
Manchester Phase 2	2000	£20	1947	7.5	11	0	4	206	6	29	2.65	48	
Total/Combined		£8		38.4	36	73	18	206	32	29	2.65	80 (48)	Car journeys reduced by 2.5m/yr
Sheffield	1995	£9	1960	29	48	10	11	250	25	35	2.65	80 (64)	Use of conductors raised patronage by 30%
Croydon	2000	£7	1951	28	38	56	20	208	24	31	2.65	80 (48)	20% Additional journeys from car users
Birmingham	1999	£7	1953	20.4	23	90	6	152	16	24	2.65	75 (48)	
Nottingham	2003	£16	1936	14	24	72	11	190	15	33	2.4	80 (48)	Forecasted Ridership
<i>Proposed</i>													
WLT	2009	£21	1936	20	45	0	50	288	44	40	2.65	80 (64)	20km excludes 2km to depot
Leeds Supertram	2007	£18	1959	28	48	3	22	200	40	32	2.65	70 (48)	
Manchester Phase 3	2008	£15	1949	54.9	58	42	22	206	50	29	2.65	80 (48)	
South Hampshire	2007	£13	1929/36	14.3	16	50	12	180	13	30	2.65	70 (48)	
Merseyside	2007/8	£11	1957	19	30	0		200	22	30	2.65	70 (48)	

**Tram Line Load Profile ("10+10" tph), 07:00 - 10:00 - Peak Hourly Load**



**EASTBOUND**

**WESTBOUND**



**TRANSPORT FOR LONDON**

**STAFF SUMMARY  
TFL BOARD MEETING**

**SUBJECT:                   REPORT FROM THE AUDIT COMMITTEE –  
20 FEBRUARY 2003**

**MEETING DATE:       20 March 2003**

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**1. INTRODUCTION**

The Audit Committee met on 20 February 2003 and Board members have already received copies of the Committee papers. As a result of the meeting there are three policy papers which have been brought to the Board for APPROVAL at this meeting.

**2. BACKGROUND**

Audit Committee Terms of Reference

The Audit Committee Terms of Reference forms an appendix to Standing Order 1 and as such any amendments thereto require Board approval. The Committee's Terms of Reference have been reviewed in the light of developments in corporate governance and the role of the Audit Committee arising from recent problems in the private sector with companies such as Enron. The aspiration is to ensure we comply with best practice. Our revised terms also comply with the Financial Reporting Council's recently published report on Audit Committees (the Smith report).

The amendments to the Terms of Reference have been agreed to by KPMG.

External Audit Services Policy

TfL Corporate, Street Management and the Public Carriage Office are subject to Audit Commission rules in regards to appointment of external auditors. This means that the external auditors are appointed by the Audit Commission and have rules of rotation and strict rules on the provision of non-audit services. Transport Trading Limited (TTL) and its

subsidiaries are Companies Act companies whose auditors are appointed by the Boards of Directors. There are no formal rules in place for Companies Act auditors in terms of rotation nor in terms of non-audit work done. However this matter has been the subject of extensive discussion since events such as the collapse of Enron. As a result a policy has been developed to apply the Audit Commission rules on rotation and non-audit services to the whole of the TfL group irrespective of whether the auditors are appointed by the Audit Commission or the Boards of Directors. It was felt that a consistent approach would be desirable particularly as the different status between the auditors of the local authority elements of the group and the Companies Act elements of the group is a potential source for much confusion.

Again KPMG have reviewed and agreed to the policy as set out.

### Risk Management Policy

The Code of Corporate Governance requires TfL to have a Risk Management Policy and procedure in place. Internal Audit has been working with the businesses to develop risk management procedures and establish the regular review of risks and the reporting of risk within the organisation. The attached policy has been developed to set out at a high level what TfL's requirements are as regards risk management. It generally accords with best practice on risk management process.

### **3. RECOMMENDATIONS**

The Board is requested to APPROVE the attached amendments to Standing Orders and two policy documents.

**Transport for London**



## Audit Committee Terms of Reference

## **AUDIT COMMITTEE**

### **Authority**

The Audit Committee is a committee set up by TfL pursuant to Paragraph 7(1)(a) of Schedule 10 to the Greater London Authority Act 1999.

### **Purpose**

The purpose of the Committee is to ensure, on behalf of the Board, that appropriate assurance is received on TfL's corporate governance processes including risk management procedures.

### **Membership**

Membership shall be as determined by the Board from time to time. Members of the Committee who are not also members of the Board shall be non-voting members of the Committee.

### **Terms of Reference**

- a) The Audit Committee will satisfy itself with the arrangements put in place by management to ensure that the TfL Group prepares its annual accounts and reports in accordance with all relevant legislation and accounting standards;
- b) The Audit Committee will obtain assurance as to the adequacy of the systems of internal control in place throughout the TfL Group. Internal control is not restricted to financial control but includes, inter alia, the arrangements that management has put in place for:
  - the systematic identification of business risks and mitigating controls, and procedures for ensuring these are properly implemented and effective;
  - legal compliance;
  - budgetary control; and
  - ensuring a systematic approach to minimise the risk of fraud.
- c) The Audit Committee will ensure that an adequate and effective system of internal audit is maintained.
- d) The Audit Committee will maintain an oversight of corporate governance throughout the TfL Group and receive on an annual basis reports from the General Counsel and the Internal Audit Director on the implementation, operation of and compliance with the Code of Corporate Governance.

- e) The Audit Committee will review plans for Best Value (or equivalent) reviews; will be kept apprised of proposed Audit Commission inspections; will receive copies of any Audit Commission inspection reports and will receive internal reports on the implementation of procedures and controls to address issues raised therein.
- f) The Audit Committee may obtain independent legal advice or other professional advice in regard to matters under consideration by the Committee, which will be paid for by TfL.
- g) The Audit Committee may call upon any Chief Officer or other TfL member of staff to provide it with information, either orally or in writing. The Audit Committee may also have access to all TfL Group records and documentation.

In carrying out its Terms of Reference the Audit Committee will give due regard to the principle of equal opportunity for all people.

#### **Relationship with Internal Audit**

- h) The Audit Committee will review the risk evaluation, audit plans and scope of Internal Audit and shall be able to require Internal Audit to carry out specific investigations.
- i) The Audit Committee will review and discuss audit findings and monitor management responses to these findings to ensure appropriate follow-up measures are taken.
- j) At least annually the members of the Audit Committee shall meet with the Internal Audit Director without any TfL Officer being present.

#### **Relationship with External Audit**

- k) The Managing Director, Finance and Planning shall make available to the Audit Committee such information and explanations as it requires in order for it to carry out its review of the Annual Report and Accounts, Annual Audit Letter and other external audit reports and discuss with the External Auditors any issues arising from the audit.
- l) The Audit Committee will review the Annual Report and Accounts, including any statements therein made by the TfL Board, and will monitor the accounting policies used in the preparation thereof.
- m) The Audit Committee will meet with the External Auditors before their audit commences to communicate any matters of which it considers the External Auditors should be aware, and to review its audit plans and scope; assist the External Auditors by providing communication with the

TfL Board; and review External Audit Annual Audit Letters, together with management's responses.

- n) Following the completion of each statutory audit, the Audit Committee will review the performance of the External Auditors.
- o) At least annually the members of the Audit Committee shall meet with the external auditors without any TfL Officer being present.

### **Arrangements**

- The Audit Committee shall meet not less than 4 times a year.
- Committee meetings shall be attended by the Members, the Managing Director, Finance & Planning, the Chief Finance Officer, the Internal Audit Director, General Counsel and the External Auditors. The Committee may request the attendance of other Chief Officers or other members of Senior Management to discuss or explain specific issues from time to time.
- The quorum for meetings shall be 3 members.
- A secretary to the Audit Committee shall be provided by the Secretary.
- A meeting of the Audit Committee may be called by the Chair, the Managing Director, Finance and Planning, the Secretary, the Internal Audit Director, or the External Auditors.
- Notice of each meeting of the Audit Committee, confirming the venue, time and date, together with an agenda of items to be discussed, shall normally be distributed to each member of the Audit Committee no fewer than 3 working days prior to the date of the meeting.
- Papers may not be tabled at a meeting of the Audit Committee without permission of the Chair.
- The secretary of the Audit Committee shall keep appropriate records of all meetings of the Audit Committee as well as minutes of the proceedings and all decisions made.

**Transport for London**



# External Audit Services Policy

# Transport for London

## Policy on external audit services

### 1. Introduction

- 1.1 Under the local government regime applicable to TfL (including Street Management and the Public Carriage Office) responsibility for the appointment of TfL's external auditors lies with the Audit Commission. Under the Audit Commission's rules external auditors are appointed for a five-year term, although this term is extendable. Where a term is extended the Audit Commission requires the audit partner and manager to rotate at least once in every seven years. The Audit Commission does rotate audits between suppliers from time to time to ensure that too close a relationship is not developed.
- 1.2 The Audit Commission also imposes restrictions on the extent to which external auditors of local authorities are allowed to carry out non-audit work for an audit client. In particular, external auditors must seek Audit Commission approval to carry out non-audit work where the fees exceed the higher of £25,000 or 20% of the agreed audit fee. They are also explicitly prohibited from carrying out certain types of work, including provision of internal audit services.
- 1.3 None of the restrictions noted above are applicable to the external auditors of TTL or its subsidiaries ('TTL'), who are appointed in accordance with the Companies Act.
- 1.4 The purpose of this policy is to ensure that a consistent approach is taken to the appointment of external auditors across all parts of the TfL Group.

### 2. Policy

#### 2.1 *Appointment and rotation of external auditors*

- 2.1.1 As noted above, the Audit Commission appoints TfL's external auditors for a five-year term, although this may be extended. Whenever the Audit Commission indicates its intention to change TfL's auditors, TTL's directors should consider whether to initiate a tendering process for the audit of TTL. If the auditors of TTL have been in office for at least five years then a tendering process will automatically be considered. The directors may, of course, choose to retender the audit of TTL at any time. The Chief Finance Officer will be responsible for the tendering process and for recommending external auditors as a result of that process to the TTL Board.
- 2.1.2 In circumstances where TTL has retained the same auditors for a period of seven years the directors of TTL will, in accordance with this



policy, require the Audit Partner and Manager to be rotated. No auditors may be retained for longer than ten years.

- 2.1.3 The Terms of Reference of the Tfl Audit Committee, as set out in Tfl Standing Order No 1, require the Committee to review the performance of the external auditors following the completion of each statutory audit. This review will cover the performance of the external auditors of all parts of the Tfl Group.
- 2.1.4 Where issues are identified regarding the performance of the external auditors these will normally be addressed directly through communication between the Chief Finance Officer and the external audit partner. In cases, however, where the performance of the external auditor is considered to be seriously or consistently below standard the Audit Committee may request the Chief Finance Officer to take steps to remove the external auditors from office. Removal of Tfl's auditors is not directly within the power of Tfl Management, but can be influenced by submission of a written request to the Audit Commission. The auditors of TTL may be removed directly by the directors of those companies.

## 2.2 *Non audit work*

2.2.1 Audit services are defined as follows:

- For Tfl the services required to meet the Audit Commission Code of Practice requirements
- For TTL the work required to enable the external auditor to issue an audit opinion on the company's annual accounts in accordance with the Companies Act

2.2.2 External auditors must not be engaged to carry out the following types of non-audit work:

- Internal Audit work anywhere in the Tfl Group
- The development and implementation of systems or processes that they may, as external auditors, be required to audit
- Any other work that could lead to a conflict of interest with their external audit role

2.2.3 The Audit Committee will determine the overall maximum of the non-audit fees for each financial year based on the total external audit fee proposed. The maximum will be the higher of 20% of the audit fee or £25,000 to be consistent with Audit Commission rules.

2.2.4 The external auditors may decide to bid for non-audit work that is put out for tender bearing in mind the financial limit set in 2.2.3. They are responsible for ensuring they do not bid for proscribed activities.

- 2.2.5 It is recognised that there will be some items of non-audit work that the external auditors are best placed to deliver because of the knowledge or experience gained through the audit process. Any decision to award work to the external auditors without going out to tender must be taken by the relevant Chief Officer with the agreement of the Chief Finance Officer and in accordance with TfL's 'single source procurement' rules.
- 2.2.6 Where the award of work under 2.2.5 falls within the financial limit set in 2.2.3, the Chief Officer and Chief Finance Officer may, at their discretion, discuss the award with the Chair of the Audit Committee.
- 2.2.7 Where the award of work under 2.2.5 exceeds the financial limit set in 2.2.3, or takes the total of non-audit work over the limit, the Chief Finance Officer must consult with the Chair of the Audit Committee who will decide whether the Audit Committee needs to approve the appointment in advance of the work commencing.
- 2.2.8 The external auditors of TfL must, in addition, seek the approval of the Audit Commission to carry out any non-audit work in TfL that will exceed 20% of the agreed audit fee.
- 2.2.9 The external auditors will be responsible for maintaining detailed records of all non-audit work undertaken and for ensuring they do not undertake any of the work proscribed above. They will be responsible for advising the relevant Chief Officer if a request for them to undertake non-audit work will result in the limits set by the Audit Committee being exceeded. All non-audit work will be reported six monthly to the Audit Committee by the external auditors as a standing agenda item.

### **3. Responsibilities**

- 3.1 Chief Officers are responsible for:
- ensuring single source procurement rules are followed when the external auditors are awarded non-audit work on the grounds they are best placed to do the work
  - obtaining the agreement of the Chief Finance Officer when they wish to award non-audit work to the external auditors which will result in the financial limits set by the Audit Committee being exceeded
- 3.2 The external auditors are responsible for:
- maintaining detailed records of all non-audit work undertaken
  - ensuring they do not undertake any proscribed work
  - advising the relevant Chief Officer if a request for them to undertake non-audit work will result in the limits set by the Audit Committee being exceeded reporting all non-audit work to the Audit Committee every six months

3.3 The Chief Finance Officer is responsible for:

- Recommending the appointment of external auditors for TTL
- Liaising as appropriate with the Audit Commission on the appointment and performance of the external auditors for TFL
- Ensuring that the Audit Committee is provided with the information that it needs to carry out its annual review of the performance of the external auditors.
- Reviewing all proposals to engage external auditors to carry out non-audit work and liaising with the Chair of the Audit Committee as required by this policy

**Transport for London**



# Risk Management Policy

## 1. PURPOSE

This paper sets out a recommended policy for risk management within TfL. The purpose is to ensure that all risks within TfL are appropriately identified, evaluated, managed and reported. Management information will be clear and consistent. Risks will be escalated to the appropriate level of management to enable both functional and strategic risk reviews.

An effective risk management process will help TfL to achieve its strategic objectives. Non-achievement of key objectives could have significant impact upon:

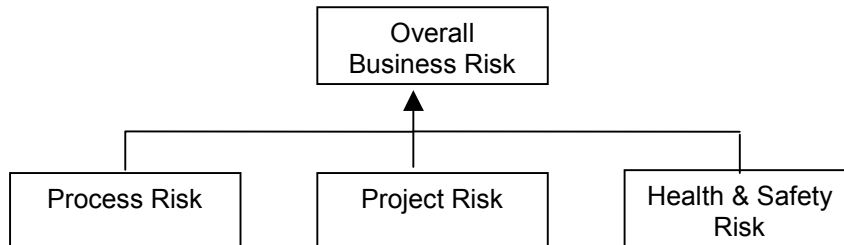
- Delivery of the Mayor's Transport Strategy;
- Reputation;
- Operational effectiveness and management time.

## 2. DEFINITIONS

<i>Risk</i>	Combination of the likelihood of an event and its impact
<i>Risk Map</i>	Graphical representation of the impact and likelihood of identified risks (TfL standard is 3X3 range, covering High, Medium and Low definitions)
<i>Risk Register</i>	A list of risks for a particular business area, capturing risk details, mitigation strategies, further actions and ownership
<i>Risk workshop</i>	A group brainstorming session to identify and evaluate risks
<i>Risk champions</i>	Nominated individuals in business areas to promote the risk management policy, act as first point of contact and maintain the risk map and register
<i>Risk appetite</i>	Defined acceptable limits for risk exposure, for either individual or aggregate risk

### 3. ORGANISATIONAL SCOPE

The risk management policy will cover all types of risk across TfL, ensuring that all significant risks are escalated for consideration by the appropriate level of management. The coverage may be graphically represented as:



### 4. POLICY STATEMENT

TfL's objectives in relation to the management of risk are to:

- Improve awareness and understanding of risk and the need for effective risk management;
- Integrate and embed risk management into the organisation's culture;
- Manage risk in accordance with best practice;
- Anticipate and respond to changing social, environmental and legislative requirements.

These objectives will be achieved through:

- Implementing the TfL Risk Management Process;
- Incorporating risk management into the business planning process;
- Internal audit supporting management by initially maintaining risk registers; providing practical help and support in organising risk workshops and risk assessments; providing training and education on risk and risk management; and reviewing and reporting on the effectiveness of risk management. (As risk management matures across the Group Internal Audit will hand over any operational involvement to management and business representatives.)

## 5. POLICY CONTENT

### 5.1 Outline Description

Risk management is the direct responsibility of all managers within TfL. All business units will be required to maintain a risk map and risk register (attached as appendices 1 and 2). Local arrangements should ensure that all risks are identified, evaluated and prioritised. The top 10-15 significant risks should be captured and fed into the strategic risk reporting process. Within this overall framework managers can continue with any detailed risk management systems or procedures they already have in place.

### 5.2 Reporting Mechanisms

Summarised risk information is to be reported to BMRs, Panels, COG, Audit Committee and to SHEC. Reporting arrangements are detailed in the TfL Risk Management Process.

As outlined in the Policy note on disclosure of papers and reports prepared for Board, Committee and Panels in TfL, papers that discuss the details of risks faced by the business and the means by which they are being managed will be classified as “Advisory” and so kept private.

### 5.3 Roles and Responsibilities

Audit Committee	<ul style="list-style-type: none"><li>- Set risk management policy on behalf of the Board</li><li>- Review, monitor and provide assurance on the risk management process and framework</li></ul>
SHEC	<ul style="list-style-type: none"><li>- Strategic review of safety risk</li></ul>
Panels	<ul style="list-style-type: none"><li>- Forums for discussion, advice and guidance on key risks</li></ul>
Chief Officers	<ul style="list-style-type: none"><li>- Visibly support and promote the risk management policy</li><li>- Implement the risk policy within their own directorates / business units</li><li>- Be actively involved in the identification and analysis of strategic risks</li><li>- Encourage staff to be open and honest when identifying risks and missed opportunities</li><li>- Ensure that risk management forms part of all major projects and change management initiatives</li><li>- Monitor and review the status of risks and mitigating actions</li></ul>
Risk Owner	<ul style="list-style-type: none"><li>- To take responsibility for a nominated risk, monitoring and reporting on progress of planned mitigating actions and assurance activities</li></ul>
Action Owner	<ul style="list-style-type: none"><li>- To ensure successful completion of further mitigating actions as recorded on the risk register</li></ul>
Internal Audit	<ul style="list-style-type: none"><li>- Provide advice, guidance and facilitation to support the risk management process</li></ul>

	<ul style="list-style-type: none"> <li>- Provide assurance to the Audit Committee on the effectiveness of risk management within TfL</li> </ul>
Group Risk Manager	<ul style="list-style-type: none"> <li>- To design and implement insurance policy, philosophy and strategy</li> <li>- Provide practical mitigation advice and insurance management to all functions</li> <li>- Maintain an overview and awareness of the Group risk profile</li> </ul>

#### **5.4 Required Outcomes**

The policy and supporting process are to be implemented in three phases, delivering increasingly mature risk analysis and reporting mechanisms at each milestone. The specific deliverables and detailed phasing are included as Appendix 3.

#### **6. PROCEDURES**

The detailed procedures supporting this policy are documented in the TfL Risk Management Process.

#### **7. APPROVAL**

The Audit Committee are requested to approve this policy on behalf of the Board.

#### **8. REVIEW**

The policy will be reviewed at each phase of the implementation – at which points the detailed procedures are to be revised and enhanced.

#### **9. POLICY OWNER**

This policy is owned by Gareth Davies, General Counsel.

#### **10. CONTACT DETAILS**

Points of detail and general queries should be addressed to either:

Mary Hardy, Director of Internal Audit

John Burton, Senior Audit Manager, Corporate Governance Processes



## **11. RELATED DOCUMENTATION**

- Code of Corporate Governance (the overall governance framework for TfL wherein risk management is a key principle);
- A Risk Management Standard - issued jointly by the Institute of Risk Management (IRM), the Association of Local Authority Risk Managers (ALARM) and the Association of Insurance Risk Managers (airmic). (The recognised industry standard with which this policy complies.)

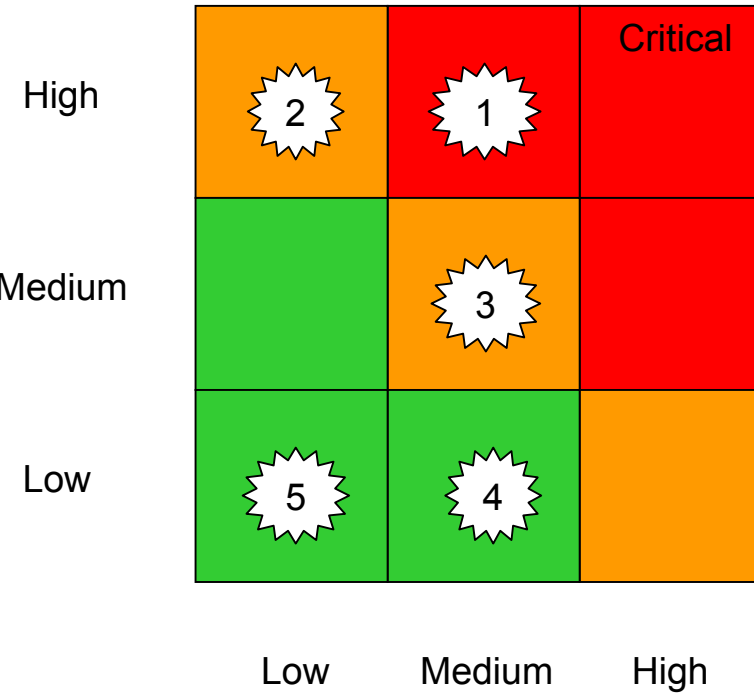
## APPENDIX 1

### RISK MAP

#### Unit's strategic objective

1. Biggest risk
2. Other risks.
3. Listed in....
4. Priority.....
5. Order.....

**Impact**



**Likelihood**

**Recommended that number of risks is kept to a maximum of 20 with 10 to 15 regarded as preferable**



The risk management process is to be rolled out in three discrete phases. The target dates for each of the work elements are as follows:

**April 2003**

Key elements in place:

- Risk Maps and Risk Registers capturing key risks for all modes at a strategic level and the major operational elements within each mode;
- Each Register will document risks, mitigating strategies, further actions required (with target dates) and risk owners;
- All registers to be embedded in the management review process and regularly reviewed and updated;
- COG risk workshop, supported by one-to-one interviews with Audit Committee non-executive members;

**April 2004**

- Risk champions established in all business areas;
- Risk register and map maintenance passed over from Internal Audit to the business areas and risk champions;
- Board risk workshop;
- Assurance activities and / or risk performance indicators established as mandatory for all risk registers;

**April 2005**

- Process fully mature and embedded;
- Risk appetite defined and applied;
- Risk status reporting in place (highlighting risks where net risk level significantly deviates from target risk level);
- Consistent system and database across TfL;
- Risk analysis tools and techniques applied;
- "Near miss" data captured and analysed.

Different areas of the business will necessarily develop their risk procedures and understanding at varying rates. In areas where risk management matures rapidly, the above timetable will be flexed and implementation accelerated.

**TRANSPORT *for* LONDON  
TfL BOARD**

**SUBJECT:** SAFETY, HEALTH AND ENVIRONMENT COMMITTEE REPORT

**MEETING DATE:** 20 MARCH 2003

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**1. PURPOSE**

This report provides a summary of the SHEC meeting held on 5 March 2003.

**2. BACKGROUND**

The Committee (which meets not less than six times a year) is required under its terms of reference to report to the TfL Board.

**3. REPORT ON 5 MARCH 2003 MEETING**

Key points arising from the March meeting are as follows:

**3.1 London Underground Central line – reinstatement of train service**

3.1.1 Mike Strzelecki, Director of Safety, Quality and Environment for LUL, provided an update on the current position of work being undertaken to restore a train service to the Central line. Whilst the exact cause of the failure on the train that derailed was still to be determined, work continued to provide a modified motor fixing/support mechanism that could allow reinstatement of a train service.

3.1.2 Initially, a shuttle service would be introduced at the east end of the Central line and a test train had successfully been operated between Ruislip and Hainault on March 4 where a motor on the rear car had been resting on the new safety brackets, with fixing bolts removed. The programme being developed to equip trains with the new bolts/brackets forecast two eight-car trains being completed per day and the test run had reinforced confidence in the safety bracket design and its ability to support a motor should the bolt shear.

3.1.3 The incident involving a Waterloo and City line train was then discussed. Whilst it had not been able to reach a firm conclusion, human error was suspected as the likely cause of the loose bolt being found during the 24-hour check after the initial return to service of the train involved. This incident had led to a complete re-design of the Quality Control process applied to the work being carried out in depots. In parallel with the continuing work programme, Mike Strzelecki confirmed that the issue of staff and passenger ‘confidence management’ was being addressed as part of the overall communication strategy. Whilst it was not possible to provide a firm date for the restoration of a full train service on the Central line, Mike confirmed that the issue remained the main focus of the LUL senior management team.

**3.2 Safety Performance Reports**

3.2.1 The Safety Performance Reports for Quarter 3 (excluding Surface Transport) were received and issues relating to assaults on staff on DLR/LUL discussed. The disturbing trend involving the use of knives in attacks on DLR staff was discussed and the value of shared

intelligence on measures designed to deter such attacks confirmed. In particular, the role of support units such as the Surface Transport/Metropolitan Police Service Transport Operational Command Unit (TOCU) was discussed and commended.

### **3.3 Powered Two Wheelers (P2Ws)**

- 3.3.1 The Chair updated the Committee on moves to address powered Two Wheelers (P2Ws) as a vulnerable road user group. The Chair had sent a letter to the Director General Of the Health and Safety Executive (HSE) requesting a meeting to discuss the potential for involving the HSE in addressing safety and health issues of 'occupational' P2W riders such as those involved in courier/despatch and pizza delivery. The Chair would also be writing to the Chief Executive of the Association of British Insurers (ABI) on the issue of P2W safety. The Chair confirmed that he would provide a further update to the May 9 SHEC.

## **4. RECOMMENDATION**

The Board is asked to NOTE the report from the Committee.

The next meeting of SHEC will be held on May 9 2003

TRANSPORT FOR LONDON

TfL BOARD

**SUBJECT: UNDERGROUND ADVISORY PANEL**

**MEETING DATE: 20 MARCH 2003**

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**1. EXECUTIVE SUMMARY**

Due to the impending transfer of London Underground Limited (LUL) to TfL, it is proposed that TfL's standing orders be amended to constitute a new Underground Advisory Panel that will operate alongside the existing TfL Panels and Committees.

At the present time, the Rail Transport Advisory Panel receives and considers a report from LUL. The formation of the Underground Advisory Panel will enable both Panels to discuss each respective transport mode's business more fully.

Until LUL becomes a subsidiary of TfL, the participation of LUL on the new Underground Advisory Panel will continue to be on a "partnership" basis.

**2. RECOMMENDATIONS**

The effect of constituting the new Underground Advisory Panel is that the terms of reference of the new Panel will form a new appendix 9 to TfL's existing standing orders. In addition, there are three minor consequential changes to TfL's existing standing orders to take account of the inclusion of the new appendix 9.

The proposed changes to TfL's standing orders are contained in Appendix 1 to this paper.

The Board is asked to **APPROVE** the recommendation to constitute the new Underground Advisory Panel as set out in Appendix 1 to this paper.

## **APPENDIX 1**

### Minor Consequential Changes to TfL's Standing Orders

1. Numbered Paragraph 53 of Standing Order No.1.

Add new line as follows:

(ix) a body of members and officers called the Underground Advisory Panel.

2. Numbered Paragraph 54 of Standing Order No.1.

Replace Numbered Paragraph 54 with the following sentence:

54. The terms of reference of those subordinate bodies are set out in Appendices 1 to 9.

3. Appendix 6 Rail Transport Advisory Panel – “Authority” heading

Delete the 2<sup>nd</sup> Paragraph “Until London Underground Limited becomes a subsidiary of TfL, the participation of London Underground Limited is on a voluntary “partnership” basis.”

The proposed new Appendix 9 relating to the constitution of the Underground Advisory Panel follows on the next two pages.



## UNDERGROUND ADVISORY PANEL

### **Authority**

The Underground Advisory Panel is a body of members and officers set up by TfL pursuant to paragraph 7(1)(e) of Schedule 10 to the Greater London Authority Act 1999.

Until London Underground Limited becomes a subsidiary of TfL, the participation of London Underground Limited is on a voluntary “partnership” basis.

### **Membership**

Membership shall comprise such members of the Board and officers of TfL as the Board may determine from time to time.

### **Framework**

The Underground Advisory Panel will:

- (a) work within its terms of reference in a manner which is consistent with the Mayor’s policies, priorities and proposals, subject to the directions and guidance of the TfL Board and the Mayor;
- (b) be mindful of TfL’s role to promote and encourage the provision of safe, integrated, efficient and economic transport facilities and services for London’s transport users;
- (c) give due regard to the principle of equal opportunity for all people;
- (d) work in partnership with other groups, committees and TfL Officers to best achieve the goals of TfL and the Mayor;
- (e) work within the financial framework of TfL, in particular the agreed Business Plan and Budget; and
- (f) work within statutory requirements in relation to health, safety and the environment.

### **Terms of Reference**

The Underground Advisory Panel will advise on and assist the Commissioner with issues relating to Underground services and in particular will advise and assist the Commissioner in:

- (1) overseeing the development of TfL policies in relation to Underground services reflecting the Mayor’s transport and other strategies and new project development;

- (2) the preparation of the Underground components of TfL's Business Plan and Budget proposals;
- (3) monitoring the implementation of the Underground component of the Mayor's Transport Strategy including reviews of the effectiveness of the Business Plan and key policy initiatives;
- (4) evaluating overall business performance and reviewing Best Value plans and performance indicators in relation to the Underground;
- (5) monitoring progress on the implementation of TfL access, inclusion and transport equality strategies in relation to the Underground; and
- (6) considering reports on the evolving needs of Underground passengers and monitoring levels of customer satisfaction.

### **Arrangements**

- The Underground Advisory Panel shall meet not less than 6 times a year.
- A meeting of the Underground Advisory Panel may be called by the Chair or by the secretary.
- A secretary to the Underground Advisory Panel shall be provided by the Secretary.
- Notice of each meeting of the Underground Advisory Panel, confirming the venue, time and date, together with an agenda of items to be discussed, shall, normally be distributed to each member no fewer than 5 working days prior to the date of the meeting.
- Papers may not be tabled at a meeting of the Underground Advisory Panel without permission of the Chair.
- The quorum for the Underground Advisory Panel shall be 3.
- The secretary of the Underground Advisory Panel shall keep appropriate records of all meetings of the London Underground Advisory Panel, as well as minutes of the proceedings and all decisions made.