

TRANSPORT FOR LONDON

FINANCE COMMITTEE

SUBJECT: PROJECT MONITORING – PROJECT APPROVALS

MEETING DATE: 6 MARCH 2008

1. PURPOSE

To inform the Finance Committee of approvals given by the Commissioner (and in his absence the Managing Director, Finance) in accordance with delegated authority under the TfL Standing Orders.

2. BACKGROUND

The Commissioner has the delegated authority to approve project submissions less than £100m, and which contain less than £25m of unbudgeted expenditure. (The MD Finance approves those less than £25m gross or £10m unbudgeted.)

3. PROJECT APPROVALS

Since the last Finance Committee on 24 January 2008, there have been two approvals, namely, (a) Shepherd's Bush Station Escalator Replacement and (b) Victoria Station Upgrade. Further details are set out in Appendix 1.

Set out in the attached Appendix 2 is a list of planned projects which are expected to seek formal approval from the Commissioner over the coming financial year.

4. RECOMMENDATIONS

The Finance Committee is recommended to NOTE the contents of this report.

APPENDIX 1

Summary of the projects approved by Commissioner.

LU-PJ343	Shepherd's Bush Station Escalator Replacement	Total Approval = £10.8M
Outcomes and Business Case	<p>The project was originally part of the PPP deliverables for the next PPP review period. The costs will be removed from Metronet's budget and a variation made to the PPP contract.</p> <p>Advancing the works has minimised the social dis-benefits of passenger disruption because the station will only close once, for a shorter time and demand is substantially lower now, before the Westfield shopping centre opens.</p>	
Outputs and Schedule	<p>The project is to design, procure and install two replacement escalators for Shepherd's Bush (Central Line) station. This work has been brought forward by two years and combined with the above ground works associated with the new shopping centre and has resulted in a temporary closure of the station for 8 months. The station will reopen by 6 October 2008.</p> <p>Heads of Terms agreeing to these works have been signed with the developers of the shopping centre, Westfield.</p>	
Approval	<p>This paper requested an unbudgeted new authority of £10,860k. This will be funded from savings in the Operational Flexibility Project (UIP 1347).</p>	

LU-PJ111	Victoria Station Upgrade	Total Approval = £69.9M
Outcomes and Business Case	<p>The full Victoria Station Upgrade project will deliver passenger journey time, congestion and ambience improvements.</p> <p>The project has a good benefit cost ratio of 3.8:1.</p> <p>By 2016 demand will have increased to 82m annual entry and exits at the station from 73m in 2006.</p> <p>Average time savings in the am peak in 2016 are 5.4 minutes per passenger, mainly due to congestion relief. Time savings for passengers using the new Bressenden Place entrance to / from Victoria Street are 6.87 minutes.</p>	
Outputs and Schedule	<p>The Victoria Station Upgrade will deliver a new entrance at Bressenden Place, 3 new escalators from the Victoria line entrance to an intermediate level and step free access.</p> <p>The expected final cost of the project is £638m, £521m of which is in the years from 2010/11.</p> <p>This approval was for £22.01m and will complete by March 2010.</p> <p>The works cover:</p> <ul style="list-style-type: none"> • Initiation of on-street utility diversions; • Intrusive surveys to verify design assumptions; • Acquisition of site accommodation at Victoria Station house to co-locate teams; and • Property acquisition. 	
Approval	<p>The project received authority for additional budgeted spend of £22.01m, to take total authority to £69.97m.</p>	

APPENDIX 2

Projects expected to seek authority from the Commissioner during 2008/9.

	Investment Programme Number	Current Approval £m	Expected Approval £m
London Underground			
Operational Flexibility – Crossovers	LU-PJ44	3	36
Shepherd's Bush Modernisation	LU-PJ35	0	14
Crossrail – LU Services and Safeguarding	LU-PC184	10	44
Cooling the Tube – Victoria Line	LU-PJ308	8	48
Sub-Surface Line (SSL) Power Upgrade	LU-PJ56	20	35
Tottenham Court Road Station Upgrade	LU-PJ32	68	98
SSL Baker Street Step Free Access	LU-PJ335	23	53
London Rail			
<i>None</i>			
Surface			
Bus Priority 3G programme	ST-PJ199	3	81
Greenwich Waterfront Transit	ST-PJ25	4	44
Renwick Road	ST-PJ185	2	50
Countdown II	ST-PJ172	24	35
Corporate			
<i>None</i>			