

## Finance and Policy Committee

**Date: 5 June 2014**

**Item 9: Bank Station Capacity Transport and Works Act Order**

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### **This paper will be considered in public**

#### **1 Purpose**

- 1.1 This paper asks the Committee to recommend to the Board that it approves London Underground Limited's (LUL) submission of an application for a Transport and Works Act Order (TWAO) to obtain powers to construct, operate and maintain the proposed upgrade of Bank station.
- 1.2 The Committee is asked to note that no additional project authority is sought at this time and the Estimated Final Cost (EFC) of the project remains unchanged.
- 1.3 A paper is included on Part 2 of the agenda, which contains exempt supplemental information. The information is exempt by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972 in that it contains information relating to the business affairs of TfL. Any discussion of that information must take place after the press and public have been excluded from this meeting.

#### **2 Recommendations**

**2.1 The Committee is asked to recommend that the Board:**

- (a) notes the paper;**
- (b) approves the submission by London Underground Limited of an application for an Order under the Transport and Works Act 1992 (TWAO) and for related consents to provide all the necessary rights in respect of the construction, operation and maintenance of the proposed upgrade of Bank station including any compulsory acquisition of land; and**
- (c) delegates authority to TfL Officers and Subsidiaries (as defined in paragraph 2.2 below) to:**
  - (i) agree the final terms of the application (including the land and interests, environmental scoping and deemed permission to be the subject of the order) for the TWAO and related consents;**
  - (ii) obtain the Mayor's written consent to apply for the TWAO (as required by the Greater London Authority Act 1999); and**
  - (iii) do everything else necessary or desirable to facilitate the making of the TWAO including:**
    - 1. negotiating, signing and/or sealing any documents, agreements or notices required in connection with the submission of the application and related consents;**
    - 2. promoting the TWAO including responding to any objections and**

dealing with any public inquiry that may be held in relation to the proposals;

3. negotiating and agreeing mitigation to resolve environmental impacts; and
4. agreeing and executing any related land agreements including without limitation approving Land Authority (as defined in Standing Orders) for any advance acquisition of land and any arrangements for accommodation works for affected owners (such delegated authority being in addition to the levels of authority set out in Standing Orders for Land Transactions); and

(d) notes that the above expenditure is included within the current project and financial authority previously approved by the Board.

2.2 The following TfL Officers and Subsidiaries shall have delegated authority:

- (a) TfL Officers: Managing Director Rail and Underground, General Counsel and Director of Strategy and Service Development Rail and Underground; and
- (b) Subsidiaries: all subsidiary companies of TfL including Transport Trading Limited and any other subsidiary of Transport Trading Limited (whether existing presently or to be formed): any of the directors shall be authorised to act for or on behalf of any such subsidiary.

### 3 Background

- 3.1 The effective operation of Bank station is critical to maintaining access to the City of London and to the wider functioning of the LUL and Docklands Light Railway (DLR) network.
- 3.2 Passenger demand is expected to continue to grow, due to significant new employment generated by major commercial development and the increased train service capacity from LUL and DLR line upgrades. With this level of demand, further operational controls will be required on an ongoing and increasingly disruptive basis to manage congestion at safe operating levels.
- 3.3 In July 2013, the Board approved project authority to award a design and build contract and prepare documentation ahead of a TWAO submission. LUL has entered into a contract with Dragados (SA) UK following a competitive tender process using Innovative Contractor Engagement (ICE). The contract has been structured in two stages where Stage 1 is the work required up until the granting of the TWAO and Stage 2 is all subsequent work. LUL has the right not to proceed to Stage 2.
- 3.4 The proposed station improvements include:
  - (a) the construction of a new station entrance on Cannon Street with access via lifts and escalators to the Northern line and DLR;
  - (b) the construction of a new tunnel and platform for the southbound Northern line;
  - (c) the conversion of the old southbound platform into interchange corridor;
  - (d) the construction of an additional passageway with moving walkways and escalators linking the Northern and Central lines; and

(e) provision of step-free access directly to the Northern line and DLR platforms.

- 3.5 The proposed station improvements and construction programme utilise a site currently occupied by properties whose purchase was approved by the Board in November 2012.
- 3.6 The expenditure referred to in the recommendations above is included within the current financial and project authority approved by the Board. Approval to progress expenditure of these sums is sought to enable the project to react in a timely manner to avoid extra costs which might arise, for instance, as a result of any delay in land acquisitions given the current nature of the property market in London.

## **4 Current Status**

### **Project Design Progress**

- 4.1 Since contract award in August 2013, the integrated project team has been reviewing the design with Accredited Discipline Engineers and relevant stakeholders. The design is being progressed to the completion of Concept Design including the acceptance of Concept Design Statements by June 2014. The project will then progress to Detail Design.
- 4.2 Investigative works both within the station and above ground, including cable surveys, tunnel ring assessments and above ground investigative bore holes, are now well underway with a good safety record to date.

### **Disruption during construction**

- 4.3 The project requires a total closure of the Bank branch of the Northern line between Moorgate and Kennington stations for six weeks in 2020. Following this, northbound only services will resume at a limited through-put and non-stopping at Bank station for a further 10 weeks. Therefore, there will be no southbound services between Moorgate and Kennington stations for a total of 16 weeks and five days. Discussions are ongoing with stakeholders.

## **5 Stakeholder Management**

- 5.1 A public consultation was held in October/November 2013 including a public exhibition held in St Mary Abchurch. Over 400 people attended the exhibition and over 550 people responded online. Responses to the comments made from the consultation shall be included in the material deposited as part of the application for the TWAO.
- 5.2 Engagement has been ongoing with stakeholders, including: the City of London; the Diocese of London; London Travelwatch; building owners and occupiers; business groups; livery (City Guild) companies, including the Worshipful Company of Grocers; and others. Beyond the local area, engagement has commenced with other stakeholders that will have an interest in the Bank station upgrade such as the Canary Wharf Group.
- 5.3 Support from two key stakeholders has been formalised through a Memorandum of Understanding (MoU). In 2011, a MoU was signed with the City of London setting out principles of working together to promote a solution for Bank Station. In 2013, a MoU was signed with the Diocese of London and the Parochial Churches that outlined agreement on measures to protect churches in the works area. These relationships remain strong as the project moves forward.

- 5.4 Further stakeholder engagement is ongoing. An additional public consultation will be held prior to the submission of the application.
- 5.5 The vast majority of the station work will be constructed underground and therefore powers will be sought to acquire subsoil rights under third party properties. Where any party has land that is compulsorily purchased for the project, their entitlement to compensation is governed by the statutory compensation code. Owners and occupiers of land who have a qualifying interest may be entitled to make a claim for compensation.

## **6 Other issues**

### **Land Acquisition**

- 6.1 Following approval by the Board in November 2012, the project has proceeded with the purchase of properties at the primary work site.
- 6.2 TfL has a programme of engagement with local landowners and is seeking to resolve issues wherever possible.

### **Other Consents Sought**

- 6.3 The project will also apply for planning permission for the project by applying for a direction from the Secretary of State for deemed planning consent under section 90 (2A) of the Town and Country Planning Act 1990. This application will be for all of the development authorised by the TWAO, including the new station entrance. It will be submitted at the same time as the application for the TWAO. An application for Listed Building Consent for works to relevant listed buildings will also be submitted. This will be called in and dealt with alongside the application for the TWAO. Additional planning and listed building consents may be sought separately from the TWAO process.
- 6.4 In addition to the works comprised within the TWAO an Over Station Development (OSD) comprising office space, with retail floorspace at ground floor level, is proposed. Work on the design of the OSD began following contract award in August 2013. A public consultation exercise was held in December 2013.
- 6.5 A planning application for the OSD (which includes demolition of the existing buildings) was applied for separately 26 February 2014, one week ahead of schedule. Submission of this application is a time critical milestone in advance of the TWAO.

## **7 Key Impacts**

### **Environmental Considerations**

- 7.1 LUL has sought to minimise environmental impacts, wherever possible, through innovative design. The required Environmental Impact Assessment (EIA) has been carried out and the resulting Environmental Statement (ES) will be submitted as part of the TWAO application. The ES includes details of proposed mitigation to reduce significant environmental effects that could not be designed out as part of scheme development.

## **8 Benefits Summary**

- 8.1 The scheme has an overall Benefit Cost Ratio (BCR) of 4.2:1 as assessed prior to contract award. This ratio is based on a conservative methodology for calculating social disbenefits avoided as a result of difficulties in modelling major congestion relief projects. The business case is currently being re-assessed to ensure that the proposed design continues to deliver the expected benefits, primarily journey time benefits. Any revision to the BCR, which is anticipated to be positive, will be included in the paper to be submitted to the Board.
- 8.2 The business case has a number of non-quantified benefits including: nearby station closure avoidance; Northern line upgrade benefits fully realised; reliability benefits; DLR service disruption avoidance; safety benefits; security benefits; and station reputation.
- 8.3 The project has engaged consultants to develop the Wider Economic Benefits in line with Department for Transport guidelines. Based on the experience of Crossrail, TfL will strengthen the evidence regarding the economic impact of providing additional capacity at Bank station by allowing for additional construction, jobs, and productivity where these are currently constrained by a congested station. This work will remain separate to the transport related business case and BCR quoted above.

## **9 Programme**

- 9.1 The programme (and contract dates) has been structured in two stages where Stage 1 is the work required up until the granting of the TWAO. Stage 2 is still scheduled to commence in 2016 (following the granting of the TWAO) when work will start immediately on the secondary work site at Arthur Street and demolition work on the primary work site, subject to the consent of the TWAO being granted by the Secretary of State. The date for project delivery in 2021 remains unchanged.

## **10 Assurance**

- 10.1 The project has been regularly reviewed by the Independent Investment Programme Advisory Group and the TfL Programme Management Office. The most recent assurance reviews have been positive and the project has agreed with all the recommendations.

### **List of appendices to this paper:**

Exempt supplemental information is included in a paper on Part 2 of the agenda.

### **List of Background papers:**

Reports from the TfL Programme Management Office and the Independent Investment Programme Advisory Group and the management response to those reports.

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