

Date: 25 November 2014

Item 8: Project Monitoring – Project Approvals

This paper will be considered in public.

1 Summary

- 1.1 To present to the Committee the forward approval programme for projects with a value in excess of £50m, from November 2014 to June 2016, and to inform the Committee of Project Authority granted by the Commissioner and the Managing Director (MD) Finance in accordance with delegated authority under TfL's Standing Orders.

2 Recommendation

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

3 Background

- 3.1 The Commissioner (and in his absence MD Finance) has delegated authority to approve Project Authority on projects up to a value of £50m that contain less than £25m of unbudgeted expenditure.
- 3.2 The MD Finance has delegated authority to approve Project Authority for projects under £25m that contain less than £10m of unbudgeted expenditure. Approval of authority for projects of less than £5m that contain less than £2m of unbudgeted expenditure is delegated to Chief Officers and is not reported here.

4 Forward Approval Programme

- 4.1 To enable an appropriate level of governance, processes are in place for the authorisation, control and reporting of projects. The forward approval programme for November 2014 to June 2016, for projects with a value in excess of £50m, is set out in Appendix 1.
- 4.2 Where the projects have a value in excess of £50m and have not already received full approval from the Committee, these requests will be submitted to the Committee or to the Board for consideration. Those projects with an estimated final cost below £50m which have been approved by the Commissioner or the MD Finance will be reported to subsequent meetings of the Committee.

Project Approvals by the Commissioner

- 4.3 Since the last meeting of the Committee on 14 October 2014, there have been no projects for which the Commissioner has approved Project Authority.

Project Approvals by the MD Finance

- 4.4 Since the last meeting of the Committee on 14 October 2014, there have been no projects for which the MD Finance has approved Project Authority.

List of appendices to this report:

Appendix 1: Forward Approval Programme

List of Background Papers:

None.

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Forward Approval Programme – November 2014 to June 2016

To enable an appropriate level of governance, processes are in place for the authorisation, control and reporting of projects.

The Pathway Integrated Assurance Review process (IAR) sets the requirements for the review of projects prior to approval.

Each IAR applies 'challenges' to the project to assess whether it is in a suitable state to move through the gate, providing assurance that a project or programme is:

- deliverable – it is likely to deliver the expected benefits within the declared cost/time/performance envelope;
- affordable – the level of expenditure and financial risk involved is acceptable in light of TfL's overall financial position when set against other priorities; and
- value for money – it provides the optimum combination of whole-life cost and quality (or fitness for purpose) to meet users' requirements.

IARs normally apply to a project at the following stages of their project lifecycles:

- Initiation* (compulsory gate);
- Option Selection*;
- Pre-Tender;
- Design;
- Contract Award*;
- Project Close (compulsory gate); and
- Programme review (for ongoing programmes).

All figures shown in the following table are in accordance with the approved TfL Business Plan unless otherwise indicated.

* If there are more than two years between gates, projects may also be reviewed at an interim point.

Forward Schedule of Project Approvals

Project	Programme / Asset Group	Estimated Final Cost £m	Approval	Note	2014		2015										2016				
					FPC	Board	FPC	Board	FPC	Board	FPC	Board	FPC	Board	FPC	Board	FPC	Board	FPC	Board	
					Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Mar-15	Jun-15	Jul-15	Jul-15	Sep-15	Oct-15	Nov-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Corporate																					
Crossrail 2	Planning	20,000	Option								✓	✓									
London Overground extension to Barking Riverside	Planning	190	Initiation			✓	✓														
London Overground extension to Barking Riverside	Planning	190	Option	1							✓	✓									
Overground Station at Old Oak Common	Planning	500	Initiation					✓	✓												
Gallions Reach Project	Planning	150	Option			✓	✓														
Silvertown River Crossing	Planning	753	Interim	2				✓	✓												
Silvertown River Crossing	Planning	753	Interim	3								✓	✓								
Ultra Low Emission Zone	Planning	TBC	Option					✓	✓												
Rail & Underground																					
92TS Heavy Overhaul Programme Lift	Trains	121	Contract Award					✓	✓												
Bakerloo line 72TS life extension	Trains	90	Option					✓													
BCV/SSL/JNP Track Programmes	Infrastructure	767	Annual			✓	✓					✓	✓								
Croxley Rail Link	Overground	TBC	Contract Award	4		✓	✓														
Bank Station Capacity Upgrade	Stations	581	Annual									✓	✓								
Stations Stabilisation Programme	Stations	363	Annual							✓	✓										
Future Stations Programme - Holborn or Camden	Stations	TBC	Option					✓	✓												
New Tube for London (Formerly Deep Tube Programme)	Upgrades	16,500	Annual															✓	✓		
Jubilee Line World Class Capacity	Upgrades	261	Pre Tender															✓	✓		
Jubilee & Northern lines additional trains (JNAT)	Stations	>>	Pre Tender			✓	✓														
Jubilee & Northern lines additional trains (JNAT)	Upgrades	>>	Contract Award												✓	✓					
Northern Line Extension to Battersea	Upgrades	1,044	Annual																✓		
SUP - ATC signalling system	Upgrades	>>	Contract Award	5																	
Surface																					
Structures and Tunnels Investment Portfolio - Package 3	Assets	93	Interim			✓															
Asset Renewal Programmes	Assets	TBC	Annual					✓											✓		
Bus Priority Programme	Buses	200	Initiation			✓	✓														
Cycling Vision Portfolio	Cycling	913	Annual					✓	✓										✓		
Cycle Hire Transformation	Cycling	>>	Option			✓	✓														
Cycle Superhighways Programme	Cycling	213	Design			✓															
A23/A232 Fiveways Road Improvement Scheme	Highways Enhancements	TBC	Option										✓								
Brent Cross s278 Highway Works	Highways Enhancements	TBC	Initiation			✓	✓														
Elephant and Castle Northern Roundabout	Highways Enhancements	24	Contract Award			✓															
Vauxhall Cross Road Improvement Scheme	Highways Enhancements	TBC	Option							✓											
Wandsworth Improvement Scheme	Highways Enhancements	67	Concept Design										✓								
Detection & Enforcement Infrastructure	Network Performance	>>	Contract Award			✓	✓														
RSM SCOOT	Network Performance	58	Annual			✓															
Surface Intelligent Transport System (SITS)	Network Performance	TBC	Option							✓											

Notes:

TBC: The amount to be approved at the gate will be confirmed closer to the approval date.

>>: Costs are excluded for reasons of commercial confidentiality.

UB: Unbudgeted

1. Pending confirmation of Government funding in the budget Autumn Statement
2. Prior to statutory consultation.
3. Prior to the submission of a Development and Consent Order (DCO) application
4. Pending confirmation of Government funding
5. Timing of contract award to be confirmed