

Transport for London's  
**Budget 2013/14**

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**MAYOR OF LONDON**

Transport for London





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All tables are subject to rounding

Transport for London's 2013/14 financial year begins on 1 April 2013 and ends on 31 March 2014

## Introduction

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This paper outlines Transport for London's (TfL's) Budget for 2013/14. It covers the first full year of the new Business Plan to 2014/15, which was published in December 2012.

## Budget delivery 2013/14

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In 2012/13, TfL helped deliver the London 2012 Olympic and Paralympic Games. During this time, London Underground (LU), the Docklands Light Railway (DLR) and London Overground saw record passenger numbers, while customer satisfaction surveys reached record highs on many parts of the transport network and customer complaints were significantly reduced. The Olympic and Paralympic Route Networks helped smooth traffic flows and ensured athletes arrived promptly; road freight management helped guarantee freight delivery in the capital; while the Get Ahead of the Games programme gave spectators and commuters up-to-date travel information.

All this was achieved through a variety of short-term operational measures, partly funded through the Olympic Delivery Authority (ODA) and London Organising Committee of the Olympic and Paralympic Games (LOCOG), and through re-programming TfL's investment programme. Over the coming years, TfL will harness the lessons learnt from augmented Games-time performance to improve reliability, improve service quality and ensure all customers stay at the heart of the business.

The organisation will continue its long-term investment programme, bringing new rolling stock into service, increasing capacity across the network, reducing congestion and helping to foster economic growth in the Capital. By the end of 2013/14 more than 75 per cent of trains on the Circle and Hammersmith & City lines will have been replaced, the Northern line upgrade (delivering an increase in peak-time capacity of up to 20 per cent) will be nearing completion, and the new Paddington (Hammersmith & City) station concourse and staircases will be in operation.

The year will also see the intensification of the New Bus for London roll-out, with 130 vehicles in operation by March 2014. These iconic buses enable rapid boarding and alighting and reduce harmful emissions by using diesel-electric hybrid technology. The buses have been manufactured by WrightBus of Ballymena, Northern Ireland, demonstrating TfL's commitment to supporting UK manufacturers. Refurbishment of key road assets, including the Hammersmith flyover, will also be undertaken.

Further work will be undertaken to improve road safety and crime levels across the Capital. Visible policing levels across the network will be maintained. The Mayor's Better Junctions Review will improve safety at specific junctions, benefiting all road users, and in 2013/14 the first 50 schemes will be delivered.

TfL is committed to providing value for tax and fare payers and £9.8bn has already been secured through the savings and efficiencies programme. In 2013/14 TfL will build on this, delivering a further £134m of currently unsecured savings. Alongside this, TfL continues to seek innovative ways of maximising its commercial income, providing a further source to fund investment.

Since the publication of TfL's Business Plan, there have been reductions to TfL's government grant. The Local Government Finance Report of February 2013 reduced TfL's Business Rates Retention (BRR) funding by £13m. Additionally, the Chancellor's Autumn Statement announced further reductions to unprotected Whitehall budgets, including that of the Department for Transport (DfT). Consultation on the reductions, amounting to £21m in 2013/14, began on 8 February 2013. The Budget reflects these changes.

The Government, the Mayor of London and TfL announced on 1 March a move to a fully publicly-funded procurement for delivery of a new fleet of trains and maintenance facilities for Crossrail helping to ensure services can open as scheduled in late 2018. Crossrail's unique situation means there was no existing fleet of trains to operate through the tunnels when the works are complete. In light of these circumstances, this decision to simplify the procurement process helps to ensure the timely delivery of the new trains ahead of services commencing. This arrangement will help to ensure a deal for the new trains will be in place in 2014, with delivery and testing starting in 2017 ready for the opening of the new tunnels to passengers in late 2018.

The 2012 Games represented the best of London and the UK. TfL was critical to this success, delivering consistently reliable transport and showing London deserves its preeminent place on the world stage. This Budget sets out the benefits that follow from the Games and the sustained investment in London's transport that will enable London to continue to be a city where the world comes to work, visit and live. The transport network already sees peaks of demand similar to that seen during the Games, and soon the growth of London will make this a daily occurrence. The Budget sets out the first year of the programme that will ensure London is ready for the future.

## Driving London's employment and population growth

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This section outlines the key projects that TfL will undertake in 2013/14 to improve operations and meet the objectives of the Mayor's Transport Strategy (MTS).

### A dependable network

**The Tube:** Following the success of the 2012 Games, TfL will continue to focus on delivering improved network performance to meet the Mayor's target of reducing Tube delays by 30 per cent by 2015. This is a multi-year project, and while work commences in 2013/14, the benefits will be materially delivered the following year. In 2013/14 the focus is on consolidating the significant improvements in Tube reliability over the past year, building on the record performance of the Games. It is forecast that this will deliver a 14 per cent reduction in Tube delays compared to the 2011 baseline, before the investment delivers the next phase of improvement in 2014/15 on the trajectory to meet the 30% target.

The 30 per cent improvement will be achieved through targeted interventions on each line across the network; maximising performance from the recently upgraded Jubilee and Victoria lines while investing in the most vulnerable assets on lines which have yet to be renewed. A 'predictive maintenance' strategy will ensure that more asset problems are dealt with before service levels and customers are affected. The introduction of handheld devices and better data capture will provide staff with the right information on site, reducing duplicate faults and response times as well as providing common reporting and analysis. TfL's plans go beyond its assets. Staff-related delays will be reduced through improved capability and technology as well as reviews of operational errors. TfL will communicate with customers to explain the impacts of litter and obstructing train doors, and how to minimise delays from customers falling ill on trains. TfL will also develop a Travel Demand Management programme to encourage those customers who can avoid the busiest times to travel away from the peak period.

To help deliver a stronger focus on 'response and recovery' a new command and control centre will come into operation in summer 2013. This will provide a permanent single point of accountability, ownership and clarity of protocols to minimise customer disruption and resume normal service as quickly as possible.

The Tube was pivotal to the London 2012 Games, but 2013/14 will see the Tube run more services and carry more passengers than ever before. A new timetable on the Central line will deliver a significant capacity increase by increasing off-peak train frequencies during the evening and on Saturdays to support changing travel patterns in London which see continually increasing demand for services outside the traditional peak periods. The Victoria line will also operate its first full year with 33 trains per hour during the peak service. In total, Tube services will increase by two per cent, running 77.2 million train kilometres.

**Bus network operations:** The network remains under regular review to take account of changing travel needs and to maintain reliability. Service volume will be maintained at the 2012/13 forecast level of 491 million kilometres, while patronage is expected to grow by 38 million passenger journeys to 2,387 million journeys in 2013/14, a level not seen since the 1950s. TfL will aim to accommodate this level of growth while maintaining service reliability at its current 'best ever' level. It will do this by reviewing signal timings, active travel management and implementing other bus priority measures.

**London road network operations:** The focus on maximising the efficient, safe and reliable operation of the road network will continue. TfL works to provide a reliable road network in London and ensure that disruptions, be they planned or unplanned, are kept to a minimum. This will be achieved through the effective maintenance, development and improvement of the road network; real-time management of unplanned incidents and events; targeted road policing; plus the modernisation and optimisation of the Capital's traffic signals.

**London Road User Charging (LRUC) and Traffic Enforcement Notice Processing (TENP) contract re-let:** These contracts expire in 2014 and 2015, providing TfL with an opportunity to maximise efficiency by grouping common activities whilst enhancing customer satisfaction. These contracts contribute to smoothing traffic flows and improving bus journey time reliability on the Transport for London Road Network (TLRN). LRUC includes the central London Congestion Charging and Greater London Low Emission Zone and TENP provides the notice processing services for decriminalised traffic offences on the TLRN. The new contracts are expected to be awarded by December 2013 and deliver significant operational savings to TfL.

**Disruption from roadworks:** TfL will further minimise the impact of roadworks on the TLRN through initiatives such as the targeted and avoidable 'lane rental' scheme, which encourages works at the least traffic-sensitive times. Other measures include the London Permit Scheme which established better co-ordination between works and allows road works to be refused under certain circumstances. By April 2013 all 33 boroughs will be operating the scheme. TfL also caps the number of works permitted on the TLRN at any one time. In 2013, TfL will also release a mobile-compatible version of its 'Report It' tool that allows people to inform the relevant authorities about disruptive or badly managed roadworks.

**Road Corridor Improvement Programme:** This will address congestion hot spots while balancing the needs of all road users along TfL's key routes. It will ensure that each corridor operates effectively and help improve journey time reliability.

**London Overground:** With the opening of the new extension between Surrey Quays and Clapham Junction in December 2012, London Overground is forecast to carry more customers than ever, with passenger journeys increasing from 122.1 million in 2012/13 to 129.3 million in 2013/14. The public performance measure for the coming year is set at the contractual target of 94.2 per cent, maintaining the Overground's reputation as one of the most reliable railways in the UK.

*Note:* The London Overground is run as a concession and the Overground reliability measure shown in Table 1 of this document reflects contractual performance standards. TfL works

closely with the concessionaire and expects performance to exceed the contractual targets in 2013/14.

**DLR:** In 2012/13 the DLR directly connected several Olympic venues and had unprecedented demand, reaching half a million customers in one day; 65 per cent higher than a typical day. In 2013/14 TfL will maintain the level of demand in 2012/13, with 100 million passenger journeys forecast for 2013/14.

**Tramlink:** Seven per cent more services will operate compared with 2012/13 as the network takes full advantage of the six new trams that were introduced in early 2012. A record 31.2 million customers are forecast to travel on the network in 2013/14, up five per cent from 2012/13's forecast total.

**Emirates Air Line:** The cable car opened in June 2012 and passengers immediately used the service in high numbers, boosted by the success of the 2012 Games. The forecast total for 2012/13 is 2.0 million passengers. It is anticipated that ridership levels in 2013/14 will return to a more expected level (1.5 million passengers a year). Customer satisfaction and availability are forecast to be maintained at 85 per cent and 96.5 per cent respectively.

### **A bedrock of well-maintained infrastructure**

**Tube core asset replacement:** The reliability of the Tube is underpinned by investment to replace and renew track, embankments, bridges, stations, lifts and escalators. Track replacement and refurbishment work will take place across the network. In 2013/14, 14 points/crossing units will be replaced and lifts and escalators at many stations will be renewed or replaced, including Leicester Square, Westminster and Russell Square.

The Northern line fleet refurbishment began in February 2013, with 50 trains due to be completed by the end of the financial year. These trains are approximately half way through their life and the works focus on increasing accessibility and enhancing customer experience, as well as continued maintenance and reliability improvements. The first Jubilee line trains will start to be refurbished in early 2015.

**Maintaining a state of good repair and the safety of the road network:** TfL undertakes a range of work to ensure London's roads are fit for purpose. Routine activities include safety inspections, pothole and defect repairs, repainting road markings, gully cleansing and winter gritting. Renewal works include carriageway resurfacing, footway improvements, replacing lighting columns and the repair and/or renewal of bridge and tunnel components. The works will be delivered through the new London Highways Alliance Contracts (LoHAC), which commence on 1 April 2013. LoHAC will achieve savings of around 15 per cent compared to the preceding highway contracts. A total of £112m will be invested in 2013/14.

**Hammersmith flyover:** Work on the flyover will continue in 2013/14; £34m will be invested on the second phase of improvement works, following the successful re-strengthening works during spring 2012. Traffic disruption will be minimised by undertaking works within the structure and, when possible, away from the carriageway. The work is scheduled for completion in 2014/15.



**Structures and Tunnels Investment Programme:** Design packages for key bridges and tunnels will commence on 2013/14, including engagement with contractors using the Early Contractor Involvement (ECI) contracts. Over the next 10 years, TfL plans to invest over £500m in key bridges and tunnels on the TLRN, including Highbury Corner Bridge, Ardleigh Green Bridge, Chiswick Bridge and Fore Street Tunnel.

**Woolwich ferry life extension:** Refurbishment of key elements of the ageing terminals and ferries will ensure the life of this strategic river crossing can be extended to beyond 2018. This is being undertaken with minimal disruption to passenger journeys. The cost of this work in 2013/14 is forecast to be £5m.

## Transformational upgrade of the existing network

**Sub-surface railway upgrade:** The upgrade of the Circle, District, Hammersmith & City and Metropolitan lines is making significant progress. Following the complete replacement of the Metropolitan line fleet in 2012/13, the Circle and Hammersmith & City lines will continue to receive new accessible, air-conditioned, walkthrough trains. By the end of 2013/14, more than three-quarters of trains operating on these lines will have been replaced. The signalling system replacement is on track to deliver faster journeys and more frequent services and is due for completion by 2018. Installation of the new Automatic Train Control (ATC) signalling at Old Dalby test track will be completed in 2013/14, allowing the performance and reliability of the system to be tested and established before it is introduced onto the network in the years ahead. In total this will represent £524m of investment in the programme in 2013/14.

**Northern line upgrade:** The upgrade remains on track for completion by the end of 2014, delivering an increase in peak capacity of up to 20 per cent in central London. All trains have now been modified to run under the new equipment and signalling will continue to be installed next to the track throughout 2013/14. The new signalling system will enter passenger service on the first two sections of the line (High Barnet to West Finchley, and Mill Hill East to Highgate) by the end of the year. In 2013/14 a total of £103m will be invested in this project.

**Future tube upgrades:** TfL has begun work on the planned upgrades to the Bakerloo, Central, Piccadilly and Waterloo & City lines. In 2013/14 £16m will be spent to complete the feasibility phase. This will examine train systems, infrastructure and signalling options to define the programme that will provide the benefits London needs from the next generation of Tube upgrades at a sustainable cost. The aim is to replace the life-expired and obsolete trains and signalling assets, while exploiting developments in technology to provide greater capacity, energy efficiency and an improved customer experience. Major upgrades require new trains, signalling, staffing arrangements, track assets and much more, and this programme will review these together as a common programme to deliver the most efficient approach.

**Victoria station upgrade:** Due for completion in 2018, this major station upgrade will ease overcrowding and provide direct step-free access to the Victoria Line with a step free connection to the Circle and District lines. It will expand ticket hall capacity, with a new ticket hall at Bressenden Place, and remove the need to hold customers outside the station to ease crowding at peak times. In 2013/14, significant progress will be made through £83m of investment. The foundations of the new north ticket hall will be completed while demolition of the existing south ticket hall will begin to allow for expansion.

**Tottenham Court Road station upgrade:** The upgrade of this key station is on schedule for completion by 2017, ready for the new interchange with Crossrail two years later. Construction is almost at its peak, with £54m being invested in 2013/14. The first section of the upgrade will be completed, with part of the Astoria site handed over to Crossrail. The fit-out of the Northern line concourse will begin, paving the way for significant capacity improvements and step-free access to all platforms.

**Bond Street station upgrade:** This will reach a critical milestone with the start of tunnelling work that will connect the new station entrance with the existing platforms. A total of £26m will be invested in 2013/14. Due for completion in 2017, the scheme will provide an improved Tube station entrance leading to a new ticket hall, new escalators serving the Jubilee line and step-free access from the street to all platforms.

**Vauxhall station upgrade:** TfL has issued a tender for the major improvement works at Vauxhall station, which is used by around 21 million passengers a year. The scheme will relieve congestion and provide step-free access. A total of £9m will be invested in the project in 2013/14 in preparation for main works to start in 2014, with completion scheduled for 2015. Vauxhall station is a key transport hub for the Vauxhall, Nine Elms and Battersea Opportunity Area. Increased capacity will support growth from the Northern line extension to Battersea, while lift access to the National Rail station will contribute to wider step-free connectivity across southwest London.

**Bank station (W&C line entrance):** The contract for implementation of the new entrance to the Waterloo & City line will be awarded in 2013/14. The scheme will be completed by 2015, reducing journey times and providing step-free access to the line.

**Bank station upgrade:** A design and build contract will be awarded to continue detailed development of the main part of the upgrade. The upgrade involves construction of a new train tunnel to allow the Northern line platforms to be further apart, providing additional capacity through larger platforms and a new concourse. A total of £28m will be spent on the project in 2013/14.

**Paddington (Hammersmith & City) station upgrade:** A major upgrade to reduce congestion on the Hammersmith & City line platforms and prepare the station for the introduction of Crossrail is under way. New staircases and concourse space are already in use and the completed scheme – with ticket hall and step-free access – will be in service during 2014. TfL is investing £10m in the scheme in 2013/14, which will deliver a third staircase from platform to an enlarged ticket hall and a new northern entrance with lift.

**London Overground capacity enhancement:** By 2016, London Overground trains operating on the former North, East and West London lines, and the Euston to Watford line, will receive an additional carriage, increasing peak capacity by 25 per cent. In 2013/14, enabling works will start on the former East London line. This will be followed by main works (depot modifications, stabling work and platform extensions) in preparation for procurement of the additional cars. A total of £73m will be spent on the project in the coming year. TfL is also looking at ways of increasing capacity on the Gospel Oak to Barking line.

**DLR double tracking:** Plans to replace the single-tracked section of the network with double track (between Stratford and Bow Church) will allow for an increase in train frequency, improving operational reliability and capacity to serve the Olympic Park area. During 2013/14, £5m will be invested in the section of single track between Pudding Mill Lane station and the Waterworks river.

**Tramlink Wimbledon enhancements:** TfL is investing £11m on four new trams in 2013/14 to offer a more frequent service on the Wimbledon branch. This builds on the success of the fleet increase in 2012/13, which catered for rising demand and improved service resilience. TfL is working to provide additional platform space at Wimbledon and double-track sections of the line that currently have a single track. This will allow more services to run to Wimbledon from 2014/15.

**New Bus for London:** Eight new vehicles are already in passenger service and this will rise to 130 in 2013/14. The buses will run on busy central London routes, offering rapid boarding and alighting. This will make a significant contribution to further reducing harmful exhaust emissions from the bus fleet and investment in the roll-out will boost UK jobs and manufacturing. In 2013/14, the buses will begin operating on the route 24, Hampstead Heath to Pimlico.

**Roads Task Force:** In spring 2013 the Mayor's Roads Task Force report will outline the current and anticipated challenges facing the road network in terms of capacity, reliability, safety and environmental impact. It will also set out a broad vision for developing a 21st century road network.

**SCOOT:** SCOOT technology is an intelligent traffic control system that optimises traffic signals in response to real-time network conditions. It can reduce general traffic delays by on average 12 per cent and is able to prioritise buses. In 2013/14 the Mayor's initiative to install a further 1,000 SCOOT sites across the network will conclude, bringing the total (3,000 signals) to approximately 50 per cent of signal sites. TfL's latest Business Plan announced a further 1,500 SCOOT sites and the first of these will be installed in 2013/14. TfL plans to spend in the region of £8m on SCOOT in 2013/14.

**Development of an Intelligent Traffic Systems (ITS) programme:** This programme ensures the continued operation and future proofing of critical systems used to manage the pan-London road network. As part of the ITS programme, TfL is developing a strategy so that disparate infrastructure and systems can be connected to provide TfL's customers with seamless services and information, whatever their travel choices. In 2013/14, TfL plans to invest up to £5m in the programme.

**Rivers Action Plan:** The aim of the plan is to help double the number of passenger journeys on the Thames by 2020 to reach the Mayor's target of 12 million travellers a year. In 2013/14 the focus will be on improved pier management, signage and integration, and new promotional activity.

## Unlocking growth

**Northern line extension:** On 5 December 2012, the Chancellor announced in his autumn statement that the Government has agreed a loan to the Greater London Authority (GLA) of up to £1bn that will allow TfL to undertake the Northern line extension to the Battersea Power Station site. TfL is working with the GLA and HM Treasury to agree the details of this financing mechanism. Following this the project will be considered under the Transport and Works Act (TWA).

**Crossrail:** With five of its six tunnel boring machines (TBMs) now successfully launched, 2013/14 will see considerable tunnelling activities undertaken by Crossrail from the portals at Royal Oak, Plumstead and Pudding Mill Lane. Excavation activities will continue at each of the new central section stations alongside preparatory works for the arrival of the TBMs. In 2013, Crossrail will award its contract for the main system-wide works. The contract will include laying new track and installing overhead line equipment for the new Crossrail tunnels. Bidders for the Crossrail rolling stock and depot contract will also be shortlisted in spring 2013, ahead of the contract being awarded in early 2014.

**Croxley rail link:** TfL will formally submit the Development Agreement to Hertfordshire County Council in 2013/14 for the Croxley rail link. The extension to the Metropolitan line will connect Croxley station with Watford Junction, including new, step-free intermediary stations at Ascot Road and Watford Hospital. The extension would improve transport links and increase employment opportunities in the Watford area.

**Tottenham Hale gyratory:** TfL is working with Haringey Council to regenerate Tottenham Hale. This includes converting the one-way gyratory on the A10 to two-way traffic. The project also involves the construction of a new bus station and public square. The gyratory is scheduled for completion in late 2014 and £9m will be invested in 2013/14.

**Bus transit schemes:** Activities in 2013/14 include developing plans for new schemes over the next 10 years that will improve public connections in areas that need substantial development. The East London Transit will improve transport links in Ilford, Dagenham and Barking. There are two phases – the first was completed in February 2010 and the second due for completion in 2013 will improve bus priority between Barking town centre through Creekmouth to Barking Riverside.

**Road freight management:** Building on the success of the Olympic Road Freight Management Programme, this will focus on encouraging deliveries at different times of the day, further development of route planning and adopting measures to reduce congestion and emissions during peak periods, minimising disturbance to local residents.

## Putting customers at the heart of the business

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### A quality service for customers

**Future ticketing:** TfL continues to make payment for travel on its network faster and more convenient through simplified ticketing systems. Since 13 December 2012, customers have been able to pay for their single bus fares by touching a contactless-enabled debit, credit or charge card on to the card readers of all London's 8,000 buses. The next step will be extending contactless payment for pay as you go to the Tube, London Overground, DLR, Tram and the Capital's National Rail services by January 2014. Oyster will still operate for customers with season tickets or for those who do not have a contactless-enabled debit or credit card.

**Improved customer information:** A single TfL telephone number will be launched in 2013, offering one point of contact for travel queries and customer services. Improved online Oyster information, introduced in 2012, provides customers with more self-service options, including recent journey history details. This is especially useful for anyone making travel expenses claims. Future improvements will provide even more online options, so that customers will not need to visit a station or call the contact centre with their Oyster enquiries.

**Pedestrian Countdown roll-out:** This technology uses a numerical counter to show pedestrians how long they have left to cross the road once the green man goes out, enabling them to make informed choices when crossing. Pedestrian Countdown is due to be introduced at 200 sites across London by April 2014.

**Rail devolution:** London Overground has demonstrated how rail travel in London can be improved once previously undervalued services are transferred to TfL. A plan has been created to enhance other rail services and TfL have identified the inner-suburban regions of the Integrated Kent and Greater Anglia franchises as strong candidates for devolution of control to TfL, as set out in the Mayor's Rail Vision published in February 2012. TfL is continuing to engage with the Department for Transport and hopes to reach a favourable decision in 2013/14.

### A network open to all

**Manual boarding ramps:** TfL is committed to making the Tube more accessible. The manual boarding ramps deployed at 16 Underground stations during the 2012 Games will be retained and more will be introduced at stations throughout 2013. These ramps enable customers using wheelchairs to board trains more easily where there is a gap between the platform and train.

**Bus stop accessibility programme:** By the end of 2013/14 the percentage of London's 18,000 bus stops that are fully accessible will rise from 70 to 77 per cent. This enables easy boarding via the built-in bus ramp for wheelchair users and makes access easier for other mobility-impaired people. By the end of 2016, 95 per cent of stops will be fully accessible.

**Funding Dial-a-Ride and Taxicard:** TfL is protecting travel provision for the most vulnerable members of the community by maintaining the free, door-to-door Dial-a-Ride service that caters for up to 1.4 million journeys a year. TfL will also continue to provide funding to London Councils to support Taxicard as part of a three-year package from 2013/14.

## Making life in London better for all

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### Safe, attractive and accessible streets

**Better Junctions:** This is a Mayoral initiative to improve the safety and functionality of road junctions for the benefit of all users. In 2013/14, £11m will be invested in reviewing 100 junctions and the delivery of the first 50 schemes.

**Road Safety Action Plan:** The comprehensive actions in the Road Safety Action Plan are designed to reduce the number of people killed or injured on London's roads and are supported by an increase in road safety investment. New target areas during 2013 include the development and implementation of a Pedestrian Safety Action Plan and a Motorcycle Safety Action Plan. This will focus efforts on casualty reductions, research and trials of new, innovative technology.

**Safety camera replacement:** London's network of safety cameras is helping to prevent around 500 deaths and serious injuries each year. The programme to replace obsolete, wet film cameras with new digital technology will begin in autumn 2013 and will take approximately two years. In 2013/14, TfL plans to invest up to £18m.

**Barclays Cycle Superhighways:** The superhighways have been a great success. Users value their visibility, ease of wayfinding and comfort, with 75 per cent of users agreeing they improve safety for cyclists. Two years after opening, CS3 and CS7 have seen an 105 per cent increase in peak period cycling, while CS2 and CS8 have seen a 40 per cent increase in peak-period cycling only one year after opening. An extension to CS2 from Bow to Stratford, pioneering fully-segregated cycle lanes, will be opened in 2013. Plans for CS5, from Victoria to New Cross, are being developed and will be announced soon. Over £20m will be invested in 2013/14.

**Barclays Cycle Hire:** More than 19 million journeys have been undertaken using London's network of more than 580 Barclays Cycle Hire docking stations. Further improvements to operational efficiency and customer experience will be made during 2013, with expansion to the south and west due to launch in December 2013.

**Central London grid, quietways and new cycling infrastructure:** TfL will work closely with the London boroughs and other delivery partners to develop the next generation of cycling infrastructure – providing direct, continuous, safe routes to encourage further growth in cycling in London. In central London, a mixture of quietways and new cross-town Superhighways will make up the Central London Grid, joining up with the existing and planned Superhighways. For cyclists wanting a more relaxed journey, the quietways programme will utilise low-traffic back streets and off-road links to create a new network of direct high-quality radial and orbital routes.

**Cycle Task Force:** The TfL-funded Metropolitan Police Service Cycle Task Force is a team of police officers and community support officers who deal with cycle theft and criminal damage to bicycles, and seek to improve cycle safety. In 2013/14, these activities will be expanded to enhance enforcement against anti-social road user behaviour. TfL will fund an additional 11 officers, bringing the total number of dedicated cycle officers in London to 50 in 2013/14.



**Road network improvements and Better Streets:** TfL will continue to work closely with the boroughs (through their Local Implementation Plans) to create more attractive streets. Schemes will deliver urban realm improvements for pedestrians and, where possible, remove unnecessary road markings, signs, guardrails and bollards. Major schemes scheduled for completion in 2013/14 include Bromley North Village (Bromley), Hornchurch town centre (Havering), Tolworth Broadway (Kingston), Sydenham town centre (Lewisham), Manford Way (Redbridge) plus Clapham Junction town centre and the St Johns Road area (both Wandsworth).

In addition to its work with the boroughs, TfL will continue its own plans to create a better urban environment. This includes a programme of road asset upgrades and enhancements to increase safety and accessibility for all road users. A total of £13m will be invested in 2013/14 to improve crossings, junctions and road layouts; de-clutter and tidy-up streets; and, where appropriate, redesign them.

**Euston Circus:** This describes the junction of Tottenham Court Road, Hampstead Road and Euston Road in the London Borough of Camden. Euston Road runs underneath the junction through the Euston Underpass. The platform above the underpass is dominated by traffic and the complex crossing arrangements act as a significant obstacle to pedestrians and cyclists. The scheme will improve the area for these users and reduce congestion. It will transform this disjointed junction into a unified public space. The redesign and rebuilding is scheduled for completion in 2013/14.

**Maintaining investment in police officers and low levels of crime:** TfL's investment in transport safety and security has delivered significant benefits, with crime now at its lowest level for more than eight years and the rate of crime halved since 2005/06. TfL will continue its investment in transport policing and its budget provision for 2013/14 maintains the current levels of dedicated policing on the network.

**London Transport Community Safety Partnership (LTCSP):** TfL, on behalf of the Mayor, brings together all the organisations with an influence on transport safety and security, including the Capital's policing agencies, to form the LTCSP. This partnership focuses on the priorities that matter most to London. Throughout 2013/14, the LTCSP will prioritise cycle theft, sex offences and fear of crime. It will also publish a revised crime reduction strategy this year.

## Improving the environment and air quality

**Source London:** TfL's Electric Vehicle Delivery project is continuing to support the implementation of charge points to meet the Mayor's target of installing 1,300 by 2013. TfL will continue to promote further take up of electric vehicles in London fleets through its 'Plugged in Fleet' initiative, which is supported by the DfT and managed by the Energy Saving Trust.

**Mayor's Clean Air Fund:** This will provide new funding to help the boroughs deliver initiatives that tackle local air quality hot spots, raise awareness and reduce exposure to poor air quality.

**Hybrid buses:** The number of diesel-electric hybrid buses in the fleet will rise to 650 by March 2014 (an increase of more than 200 compared to 2012/13), which will maintain the Capital's lead in clean bus technology. Vehicles will mostly be allocated to routes passing through central London and some targeted high-emission areas. The number will then rise rapidly to 1,600 by 2016 with the commitment to deliver 600 New Bus for London vehicles and 600 conventional hybrids by that year. This would bring almost 20 per cent of the 8,500-strong bus fleet up to hybrid emission standards by 2016.

**Reduction of nitrogen oxide (NOx) in the bus fleet:** A programme to reduce tail-pipe NOx emissions is under way. The first phase, to retrofit selective-catalytic reduction technology to 900 Euro 3 buses, will be completed by the end of 2013/14 at a capital cost of almost £10m. The second phase, to accelerate replacement of older buses with the latest Euro 6 engine standard, will start in January 2014 and continue until December 2015. This will bring all vehicles in the fleet up to at least Euro 4 standard for NOx and particulate matter emissions.

## Performance outcomes in 2013/14

The following tables set out TfL's performance for 2013/14; these measures will be reported quarterly in TfL's Operational and Financial Report (published on TfL's website). For each measure a four-year trend is shown, as illustrated in the adjacent diagram:

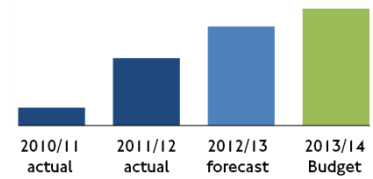


Table 1: Supporting economic development and growth

Performance indicator	Unit	Budget	Forecast	Budget 2013/14 vs Forecast 2012/13	Budget	Trend 2010 – 2014
		2012/13	2012/13		2013/14	
<b>Service volume (operated kilometres) ▲ higher is better</b>						
London Underground	Millions	75.3	75.8	1.4 higher	77.2	
London Buses	Millions	492	491	Maintain	491	
DLR *	Millions	5.0	5.7	0.4 lower	5.3	
London Overground	Millions	6.9	7.6	0.1 higher	7.7	
London Tramlink	Millions	3.0	3.0	0.2 higher	3.2	
<b>Passenger journeys ▲ higher is better</b>						
London Underground	Millions	1,177	1,215	24 higher	1,239	
London Buses	Millions	2,356	2,349	38 higher	2,387	
DLR	Millions	93.3	100.4	0.3 lower	100.1	
London Overground	Millions	106.2	122.1	7.2 higher	129.3	
London Tramlink	Millions	29.8	29.8	1.4 higher	31.2	
Dial-a-Ride	Millions	1.4	1.4	Maintain	1.4	
Emirates Air Line †	Millions	-	2.0	0.5 lower	1.5	

\* The DLR operated many additional services during the Olympic and Paralympic Games; 5.3m km represents a trend of long-term service growth as demonstrated in the graph.

† In 2012/13 the Emirates Air Line launched ahead of the 2012 Games as the UK's first urban cable car and saw exceptional usage. It is anticipated that in 2013/14 customer numbers will be at a more normal level for the service of 1.5 million passengers a year.

Continued overleaf

Table 1: Supporting economic development and growth – continued

Performance indicator	Unit	Budget	Forecast	Budget 2013/14 vs Forecast 2012/13	Budget	Trend 2010 – 2014
		2012/13	2012/13		2013/14	
<b>Scheduled services operated ▲ higher is better</b>						
London Underground	Per cent	97.0	97.2	Maintain	97.2	
London Buses	Per cent	97.6	97.5	0.1 better	97.6	
DLR	Per cent	98.0	98.0	Maintain	98.0	
London Tramlink	Per cent	98.0	98.0	Maintain	98.0	
<b>Reliability ▼ lower is better</b>						
London Underground: total lost customer hours (basis of Tube reliability target)	Millions of hours	-	-	-	25.0	
London Underground: excess journey time	Minutes	5.90	5.68	Maintain	5.68	
London Buses: excess wait time	Minutes	1.1	1.1	0.1 better	1.0	
TfL road network: serious and severe disruption	Hours	2,110	2,110	80 better	2,030	
<b>Reliability ▲ higher is better</b>						
DLR: on-time performance	Per cent	97.2	97.2	0.2 worse	97.0	
London Overground: public performance measure *	Per cent	95.8	95.8	1.6 worse	94.2	
Emirates Air Line: availability	Per cent	-	96.5	Maintain	96.5	
TfL road network: journey time reliability (AM peak)	Per cent	89.2	89.2	0.3 better	89.5	
TfL road network: carriageway in state of good repair	Per cent	90	90	1 better	91	

\* London Overground passengers have more than doubled in the last three years and continue to grow strongly. TfL is investing to further improve the service by adding 25% additional capacity (page 11). This increasing demand, coupled with higher frequency services and more interfaces with other train operators, provide a challenging operating environment for 2013/14. The Overground is run as a concession; for 2013/14 the contractual standard has been set as the Overground reliability target. TfL works closely with the concessionaire and, despite these challenges, expects performance to exceed this contractual target.

Table 2: Quality of life




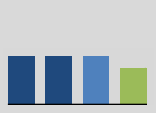

Performance indicator	Unit	Budget	Forecast	Budget 2013/14 vs	Budget	Trend
		2012/13	2012/13	Forecast 2012/13	2013/14	2010 – 2014
<b>Customer satisfaction survey ▲ higher is better</b>						
London Underground	Score	80	81	Maintain	81	
London Buses	Score	80	81	Maintain	81	
DLR	Score	82	82	Maintain	82	
London Overground	Score	80	80	Maintain	80	
London Tramlink	Score	86	86	Maintain	86	
Emirates Air Line	Score	-	85	Maintain	85	
Dial-a-Ride	Score	92	92	Maintain	92	
Congestion Charge scheme	Score	82	82	Maintain	82	
<b>Cycling ▲ higher is better</b>						
TLRN – cycling index	Index	288	287	8 better	295	
<b>Air quality ▲ higher is better</b>						
Low Emission Zone – phase 3 compliant vehicles	Per cent	91	95	Maintain	95	
Low Emission Zone – phase 4 compliant vehicles	Per cent	90	92	Maintain	92	

Table 3: Safety and security

Performance indicator	Unit	Budget	Forecast	Budget 2013/14 vs Forecast 2012/13	Budget	Trend
		2012/13	2012/13		2013/14	2010 – 2014
<b>Safety and security ▼ lower is better</b>						
LU and DLR – recorded crime	Crimes per million journeys	9.6	8.9	0.3 better	8.6	
London Buses – recorded crime	Crimes per million journeys	9.3	9.0	0.3 better	8.7	
Londoners whose use of public transport is significantly affected by crime and disorder concerns	%	29	29	1 better	28	
Cumulative reduction in the number of people killed or seriously injured London-wide (from 2005-09 base)	%	-32.8	-18.2	3.1 better	-21.3	

## Operating and capital financial budget 2013/14

TfL's overall budget of operating and capital expenditure is shown in the tables below. A detailed breakdown of the budget by business unit is provided in Appendix I, and by activity with detailed descriptions of milestones in Appendix 4.

The 2013/14 budget expands on the first year of the Business Plan published in December 2012. Since the publication of the Business Plan, TfL has updated its financial and delivery assumptions, which is reflected in the current Budget.

The tables below reflect recent and anticipated reductions in government funding since the Business Plan, including: £12m reduction in Business Rates Retention; almost £1m reduction in Bus Service Operators' Grant (BSOG); and an anticipated reduction of £21m in DfT grant, subject to consultation (see Table 6 for details). These reductions are offset by a £33m 'expenditure reductions to be found line', which has been included in Group items.

The table highlights changes for 2013/14 between the latest Business Plan and that of this Budget.

**Table 4: Operating budget**

TfL group (£m)	Forecast 2012/13	Business Plan 2013/14	Budget 2013/14 vs Business Plan 2013/14	Budget 2013/14
Fares income	(3,809)	(4,089)	6	(4,083)
Other operating income	(597)	(676)	18	(658)
<b>Total income</b>	<b>(4,406)</b>	<b>(4,765)</b>	<b>24</b>	<b>(4,741)</b>
Operating expenditure (net of third-party contributions)	5,779	5,960	(63)	5,897
<b>Operating margin</b>	<b>1,373</b>	<b>1,195</b>	<b>(39)</b>	<b>1,156</b>
Interest income *	(17)	(14)	(1)	(14)
Debt interest	290	344	(11)	333
Group items	(12)	48	11	59
<b>Margin</b>	<b>1,635</b>	<b>1,573</b>	<b>(39)</b>	<b>1,534</b>
<b>Finance sources</b>				
General grant †	(1,954)	(1,102)	11	(1,091)
Overground grant	(27)	(28)	-	(28)
GLA precept	(6)	(6)	-	(6)
Business Rates Retention ‡	0	(771)	(32)	(803)
Other revenue grants	(146)	(20)	(1)	(21)
<b>Total revenue grants</b>	<b>(2,133)</b>	<b>(1,927)</b>	<b>(22)</b>	<b>(1,949)</b>
<b>(Surplus)/ deficit to fund capital plan</b>	<b>(498)</b>	<b>(354)</b>	<b>(61)</b>	<b>(415)</b>

\* Includes interest on Crossrail Sponsors' Fund Account cash balance

† The change shown is a reduction in TfL's general grant; further detail is shown in Table 6

‡ From 2013/14 a component (£45m) of the Bus Service Operators Grant (BSOG) (government support for bus services) will be paid through the Business Rates Retention mechanism via TfL rather than direct to bus operators. The figure (£32m) shown here is the net of this income and the reductions in BSOG and BRR detailed above the table.

### Table 5: Capital budget

The capital budget below differs in presentational terms from that in the Business Plan. The Business Plan only includes the cash payment from TfL to Crossrail (Crossrail sponsors' funding commitment), whereas the Budget shows direct Crossrail project expenditure. Consequently, the working capital value in the Budget includes working capital from the Crossrail project, which is excluded from the Business Plan. Reserve movements in the table below include cash changes to the Crossrail Sponsors' Funding Account (SFA), which is similarly excluded from the Business Plan.

To ensure comparability, Crossrail capital expenditure, working capital, and net borrowing and reserve movements in the latest Business Plan are restated for consistency with the Budget.

TfL group (£m)	Forecast 2012/13	Business Plan 2013/14	Budget 2013/14 vs Business Plan 2013/14	Budget 2013/14
Capital expenditure	1,577	2,067	(171)	1,896
Third-party contributions – capital	(57)	(69)	(1)	(70)
Sales of property and other assets	(48)	(177)	113	(64)
<b>Net capital expenditure excl. Crossrail</b>	<b>1,472</b>	<b>1,821</b>	<b>(59)</b>	<b>1,762</b>
Crossrail capital expenditure	1,412	1,624	(9)	1,615
<b>Net capital expenditure incl. Crossrail</b>	<b>2,885</b>	<b>3,445</b>	<b>(68)</b>	<b>3,377</b>
<b>Finance sources</b>				
(Surplus)/ deficit from the operating budget	(498)	(354)	(61)	(415)
Crossrail funding sources	(2,043)	(2,065)	15	(2,051)
Investment grant *	(881)	(904)	9	(895)
Metronet grant	(352)	(184)	-	(184)
Other capital grants	(54)	-	-	-
Working capital	207	494	(42)	453
Net borrowing and reserve movements	737	(432)	147	(286)
<b>Total</b>	<b>(2,885)</b>	<b>(3,445)</b>	<b>68</b>	<b>(3,377)</b>

\* The change shown is a reduction in TfL's general grant; further detail is shown in Table 6



**Table 6: Changes to government grant**

The table below itemises changes to forecast government grant levels to be received by TfL in 2013/14. This table includes changes since the publication of the latest Business Plan in December 2012. These changes have been incorporated into both Tables 4 and 5 above.

<b>Government grant changes (£m)</b>	<b>Budget 2013/14</b>
Reduction in DfT general grant (Table 4)	11
Reduction in Business Rates Retention (BRR) (Table 4) *	12
Reduction in Bus Services Operators' Grant (BSOG) (Table 4) *	1
Reduction in DfT investment grant (Table 5)	9
<b>Total changes in government grant</b>	<b>33</b>
<b>Expenditure reductions to be found †</b>	<b>(33)</b>

\* Included within Business Rates Retention value in Table 4

† The net position is shown in Table 4's group items line: £33m of expenditure reductions to be found and the £45m Bus Service Operators Grant that is now paid by TfL.

## Balance Sheet and cash

Table 7: Balance sheet

(£ m)	Forecast 31 March 2013	Budget 31 March 2014 *
Long-term assets	27,801	30,525
Current assets	4,387	4,480
Liabilities	(13,138)	(13,233)
<b>Total net assets</b>	<b>19,050</b>	<b>21,772</b>
General fund	(162)	(162)
Earmarked reserves	(3,443)	(3,525)
Other reserves	(15,445)	(18,085)
<b>Total capital employed</b>	<b>(19,050)</b>	<b>(21,772)</b>

The increase in fixed assets from the 31 March 2013 forecast position primarily consists of additions net of depreciation and disposals. Earmarked reserves are anticipated to increase by £82m during the year primarily in respect of the Crossrail project. A more detailed balance sheet is included as Appendix 2.

\* The 2013/14 opening Budget Balance Sheet is based on the Quarter 3 forecast closing Balance Sheet for 2012/13. This will be replaced with the statutory balance sheet once the 2012/13 accounts are finalised, and the 2013/14 Closing Balance Sheet will be updated accordingly.

Table 8: Cash summary

(£ m)	Forecast 2012/13	Budget 2013/14
Net revenue expenditure	(1,635)	(1,534)
Net capital expenditure	(2,885)	(3,377)
Working capital movements	(207)	(453)
<b>Cash spend</b>	<b>(4,726)</b>	<b>(5,364)</b>
<b>Funded by:</b>		
Transport and other grants	3,445	3,022
Precept funding	6	6
Net borrowing and other financing	410	304
Crossrail funding sources	2,043	2,051
<b>Total funding</b>	<b>5,904</b>	<b>5,383</b>
<b>Net movement in cash</b>	<b>1,178</b>	<b>19</b>
Crossrail sponsors' funding account	1,218	1,419
Other TfL cash balances	1,444	2,421
<b>Opening cash</b>	<b>2,662</b>	<b>3,840</b>
Crossrail sponsors' funding account	1,419	1,792
Other TfL cash balances	2,421	2,067
<b>Closing cash</b>	<b>3,840</b>	<b>3,859</b>

TfL cash balances excluding Crossrail are forecast to reduce by £354m in 2013/14. The increase in total cash balances above is driven by the Crossrail project, which sees its cash balance increase by £373m. This increase in cash is ring fenced specifically for the Crossrail project and is not available for use on any other TfL expenditure. Over the following years, TfL will use its cash balances (while maintaining a prudent minimum) to fund the investment outlined in TfL's Business Plan.

Total budgeted cash balances of £3,859m at 31 March 2014 represent an increase of £19m from those forecast to be held at 31 March 2013. The closing balance in 2013/14 includes £1,792m held for the Crossrail project; as above, this balance is ring fenced and is not available for use on any other TfL expenditure.

## Efficiencies

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TfL has established a culture of cost consciousness which is demonstrated by our ambitious cost reduction programme. The 2011/12 Business Plan committed TfL to a £7.6bn savings programme between 2009/10 – 2017/18; further identification of savings means that £9.8bn has now been secured.

TfL refreshed the savings programme in the new Business Plan published in December 2012, providing clearer and more challenging targets beyond those already secured. The table below reflects this approach.

In 2013/14, TfL is targeted to deliver net unsecured savings of **£134m**; this is in addition to over **£1bn** of savings for 2013/14 that are already secured.

The updated savings programme comprises a substantial number of initiatives. Specific examples across TfL that will produce savings in 2013/14 include:

- Capital programmes savings through improved contract arrangements
- Operational savings through undertaking maintenance in a more efficient manner and negotiating better maintenance contracts
- Sourcing optimum commercial solutions by reducing duplication and seeking the best possible contracts for TfL.

## People

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### Staff

Pan-TfL headcount is forecast to have increased by 997 FTEs from the 2012/13 Budget until the end of 2012/13. The main reasons for these forecast increases are:

- Additional staff required for the Jubilee Line Heavy Overhaul and the Neasden Heavy Maintenance facility
- Bringing construction management in house on the Stations programme
- Temporary project resources within IM
- Additional staff for HS2, river crossings and aviation
- Commitment to support young people through the establishment of apprenticeships, industrial placements and graduate training opportunities.

Pan-TfL headcount will increase by 419 in the year ending 31 March 2014.

The single largest contributor to the staff increase is an additional 290 staff to be brought into London Underground and London Rail following the insourcing of the PFI Powerlink contract. This is forecast to make significant savings in future years. In addition, London Underground and London Rail anticipate:

- Recruitment of 60 additional train operators for timetable changes reflecting increased capacity
- 30 operational vacancies being filled, mainly in the Special Requirements Team
- Recruitment of 10 staff to the London Overground Capacity Improvement Programme
- Reducing maintenance staff by 107 as project work is completed plus the effects of continued efficiencies

These increases are partly offset by a reduction in the Corporate directorates headcount of 82 staff. This is due to reduced demand for temporary resources as project work, including the Future Ticketing Project, nears completion. There is also expected to be a reduction in temporary project resource at Tube Lines. The small decrease in Surface Transport is due to efficiencies in the Bus Operations and Traffic directorates, and the completion of project work in Taxi and Private Hire.

Table 10: Headcount

Full Time Equivalent (FTE) staff at 31 March	Budget 2012/13	Forecast 2012/13	Budget 2013/14 vs Forecast 2012/13	Budget 2013/14
London Underground	18,017	18,228	267	18,495
London Rail	161	185	10	195
Tube Lines	2,541	2,783	(30)	2,753
Surface Transport	3,329	3,381	(17)	3,364
Corporate directorates	2,957	3,282	(82)	3,200
Crossrail	574	718	180	898
<b>Total staff employed (FTE)</b>	<b>27,580</b>	<b>28,577</b>	<b>419</b>	<b>28,996</b>

## Risks and opportunities

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To ensure delivery of the 2013/14 Budget, TfL senior management identifies and evaluates possible risks that may have a material impact on delivery. It also ensures that appropriate actions and resources are in place to manage or avoid those risks, and reduce the impact should any occur.

TfL has a risk management policy that is approved<sup>1</sup> by the Audit and Assurance Committee. The underlying principle is that risk management is the responsibility of all employees within TfL.

A number of risks have been identified in the 2013/14 TfL Budget including:

- The future performance of the economy and its effect on fares and secondary income. Weaker economic growth could have a significant impact on passenger demand
- Inadequately managed cost control measures could add pressure to the balanced Business Plan
- Changes to Government policy on local authority funding and borrowing
- Disruption to financial markets could increase the cost of borrowing
- Efficiencies and other cost savings that are assumed in the Business Plan
- TfL's plans to sell property and other assets. These are dependent on market conditions
- Unexpected events or acts of terrorism which could have a larger impact than the available reserves included in the Business Plan to cover such attacks.

TfL maintains a general reserve, to protect it from the short-term effects which may arise from the crystallisation of specific risks, and a minimum cash balance of £250m to ensure ongoing liquidity. Should there be a significant call on the fund, provision would be made in future years' budgets to rebuild the reserve to the target level.

In addition, TfL also holds contingency to manage any impacts from the crystallisation of risk on projects. Project risk management is controlled through a management contingency fund. This fund is held centrally and can only be drawn upon in the case of unforeseen eventualities. Any access to management contingency funds requires Director approval.

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<sup>1</sup> The revised Risk Management policy is subject to approval at the Audit & Assurance Committee on 6 March 2013

## Appendix I: Operating and capital budget by Business Unit

## Operating budget

TfL Group (£m)	Budget 2013/14 Income	Budget 2013/14 Operating Expenditure	Budget 2013/14 Net Operating Expenditure
<b>Rail &amp; Underground including Tube Lines</b>			
London Underground Fares Income	(2,305)	-	(2,305)
London Rail Fares Income	(292)	-	(292)
London Underground Operations	(172)	1,668	1,497
London Rail Operations	(14)	353	338
LU Net Renewal & Reliability Projects	-	144	144
Tube Lines Operations	(15)	429	415
<b>Total Rail &amp; Underground including Tube Lines</b>	<b>(2,799)</b>	<b>2,594</b>	<b>(204)</b>
<b>Surface Transport</b>			
Buses Network	(1,485)	1,859	374
Other bus expenditure	(31)	96	66
Other surface	(348)	751	403
<b>Total Surface Transport</b>	<b>(1,864)</b>	<b>2,707</b>	<b>843</b>
<b>Corporate Directorates</b>	<b>(78)</b>	<b>595</b>	<b>517</b>
<b>Group</b>			
Group Items	(25)	84	59
Debt Service	(14)	333	319
<b>Total Group Items</b>	<b>(39)</b>	<b>417</b>	<b>378</b>
<b>Net Service Expenditure</b>	<b>(4,780)</b>	<b>6,314</b>	<b>1,534</b>



## Capital budget

TfL Group (£m)	Budget 2013/14 Capital expenditure	Budget 2013/14 Third-party contribution and capital income	Budget 2013/14 Net Capital expenditure
<b>Rail &amp; Underground including Tube Lines</b>			
London Underground	973	(23)	951
Tube Lines	248	-	248
London Rail	159	(10)	149
<b>Total Rail &amp; Underground including Tube Lines</b>	<b>1,381</b>	<b>(33)</b>	<b>1,348</b>
<b>Surface Transport</b>			
Bus capital expenditure	80	-	79
Other capital expenditure	255	(10)	246
<b>Total Surface Transport</b>	<b>335</b>	<b>(10)</b>	<b>325</b>
<b>Corporate Directorates</b>	<b>180</b>	<b>(91)</b>	<b>89</b>
<b>Crossrail</b>	<b>1,615</b>	<b>-</b>	<b>1,615</b>
<b>Net Service Expenditure</b>	<b>3,511</b>	<b>(134)</b>	<b>3,377</b>

**Appendix 2: Balance Sheet**

(£m)	2012/13 Forecast	Budget 2013/14
<b>Long Term Assets</b>		
Tangible assets	27,383	29,859
Intangible assets	143	161
Long term debtors and Derivatives	276	505
<b>Total long term assets</b>	<b>27,801</b>	<b>30,525</b>
<b>Current assets</b>		
Stocks	41	41
Debtors and prepayments	506	580
Cash and investments (see below)	3,840	3,859
<b>Total current assets</b>	<b>4,387</b>	<b>4,480</b>
<b>Liabilities</b>		
Creditors	(2,206)	(2,148)
Finance lease creditors	(904)	(853)
Borrowings	(7,533)	(7,836)
Provisions	(217)	(140)
Pensions	(2,278)	(2,256)
<b>Total liabilities</b>	<b>(13,138)</b>	<b>(13,233)</b>
<b>Total net assets</b>	<b>19,050</b>	<b>21,772</b>
General Fund	(162)	(162)
Earmarked Reserves	(3,443)	(3,525)
Other reserves	(15,445)	(18,085)
<b>Total funding</b>	<b>(19,050)</b>	<b>(21,772)</b>
<b>Cash and investments</b>		
CRL sponsor funding account	1,419	1,792
Other cash and investments	2,421	2,067
<b>Total as above</b>	<b>3,840</b>	<b>3,859</b>

## Appendix 3: Operational and Financial Performance Report (OFR)

(£m)	Budget 2013/14
Fares income	(4,083)
Other income	(658)
<b>Total operating income</b>	<b>(4,741)</b>
Operating costs (net of third-party contributions)	5,897
<b>Operating margin</b>	<b>1,156</b>
Interest income and debt servicing	319
Contingency and other group items	59
<b>Total group items</b>	<b>378</b>
<b>Margin</b>	<b>1,534</b>
Capital expenditure (net of third-party contributions)	1,826
Capital income (incl. property sales)	(64)
<b>Net capital expenditure (excl. Crossrail)</b>	<b>1,762</b>
<b>Net service expenditure (excl. Crossrail)</b>	<b>3,296</b>
Capital expenditure: Crossrail	1,615
<b>Net service expenditure: TfL</b>	<b>4,911</b>

## Appendix 4: Key milestones

## London Underground – milestones

Delivery Area	Project Name	Milestone Description	Date
Major Stations Upgrade, Crossrail interfaces and third party	Bond Street Station Upgrade Project	Over Site Development Superstructure to 3rd Floor constructed to allow tunnelling site establishment to begin	Oct 2013
		Start of main tunnelling operations (Annex B:2013)	Oct 2013
		Shaft 1 Pipe Arch Completed	Feb 2014
	Bank Capacity	Selection of Preferred Tenderer	Aug 2013
	Bank Station Waterloo & City Line Entrance - Bloomberg Place	Contract Award for Implementation Works	Feb 2014
	Vauxhall Station Capacity & Step Free Access (SFA)	Assess Tenders and Recommendation of Contractor	Apr 2013
	Gunnery Station Refurbishment	Bring into Beneficial Use	Nov 2013
	Bromley By Bow SFA	Commence Detailed Design	Jan 2014
	Victoria Escalators 4 & 6 Refurbishment	Return To Service (RTS) - Escalator 4 Works	May 2013
	Hammersmith Lifts 1 & 2 Refurbishment	Lift No. 1 & 2 Refurbishment - Bring into Beneficial Use	Dec 2013
	Edgware Road Lifts 1 & 2 Refurbishment	Lift No. 1 & 2 Refurbishment - Bring into Beneficial Use	Jan 2014
	Croxley Rail Link	LU formal submission of Development Agreement to Hertfordshire County Council for sign off	May 2013
	Earl's Court Stabilisation Station	Commence Detailed Design	Jun 2013
	Depot CCTV Enhance (District/Circle)	Bring into Use (BIU) at 4 Depots (Barking, Upminster, Hammersmith, Ealing Common)	Jun 2013
	Paddington Station Stabilisation	Start on Site	Nov 2013

Delivery Area	Project Name	Milestone Description	Date
Major Stations Upgrade, Crossrail interfaces and third party	Tottenham Court Road Station Upgrade	Section 1 Completion (Handover part Astoria site)	Oct 2013
		Start Northern Line Concourse Fit Out	Nov 2013
		Complete Goslett Yard Box Civils	Feb 2014
	Victoria Station Upgrade	Complete Paid Area Link 16/18 Squarework Tunnelling	Jul 2013
		Commence South Ticket Hall Demolition	Aug 2013
		Complete North Ticket Hall Piling	Dec 2013
Permanent Way	Earth Structures 2013-14	M074 Embankments EM1 & EM2 Harrow on the Hill to North Harrow (Practical Completion)	Apr 2013
		M032 Cuttings CTS8 & CTS13 Chalfont & Latimer to Chesham (Practical Completion)	Aug 2013
		M032 Embankment EM10 Chalfont & Latimer to Chesham (Project Completion)	Dec 2013
	Bridges and Structures 2013-14	Structural Bridges Repair Metropolitan London North Eastern MLNE7,9,10 (Start on site)	May 2013
		Covered Way Strengthening of CW101 (Practical Completion)	Mar 2014
		Bridge Replacement D76b - Start of Possession	Mar 2014
	Pump Renewals 2013-15	5 Stations Pumps Renewal Complete 2014	Mar 2014
	TPMT General Management 1011	18,018m of Track replaced (total 8% replaced)	Mar 2014
		Points & Crossings - Achieve 14 units	Mar 2014
		Ballasted Track Replacement & Re-ballast Metres - Achieve 15,279m P13	Mar 2014
		Track Drainage - Replace 8,232m replaced	Mar 2014
	TDU Management & Overhead 1011	Deep Tube Class 1 Renewal - Achieve 3,510m	Mar 2014

Delivery Area	Project Name	Milestone Description	Date
Sub-Surface Railway (SSR) Upgrade	Automatic Train Control (ATC)	Electrical Traction Equipment - Feeder Cable Plaistow - Finish on Site	Aug 2013
		Complete retrospective documentation of Vehicle Automatic Train Protection/Region Automatic Train Protection product software baseline	Sep 2013
		ATC System - System Design Specification Complete	Nov 2013
		Rail & Underground Board approval of End State Track Layout Closure Programme	Dec 2013
		ATC Service Control Centre - Concept layout complete	Dec 2013
		ATC Complete Wayside Installation at Old Dalby Test Track	Jan 2014
		ATC Onboard - Old Dalby Test Track - S Stock S8 Onboard equipment Installed at Test Track location	Jan 2014
		Communications CONNECT Circuits Tested & Commissioned	Feb 2014
		Completion of integration testing at Old Dalby	Mar 2014
		Handover ATC Cable Route Management System at Amersham to Low Voltage AC project	Mar 2014
	Depots	Upminster Depot   North Sidings Signalling Brought into Use	Jun 2013
		Upminster Depot   Yard Enabling Brought into Use	Sep 2013
		Neasden Depot   Winterisation Works Complete	Oct 2013
		Ealing Common   Yard Enabling Brought into Use	Nov 2013
		Neasden Depot Heavy Maintenance Facility Concept Design Complete	Jan 2014
		Ruislip Depot made available to Bombardier Transport UK for train fitment	Feb 2014

Delivery Area	Project Name	Milestone Description	Date
Sub-Surface Railway (SSR) Upgrade	Infrastructure	Block 14 Earls Court - Ready For Integration Test	Jun 2013
		Extended Circle - Completion of Integration & Testing	Aug 2013
		Hammersmith to Barking - Infrastructure Full Completion	Sep 2013
		Baker Street to Wembley Park Sidings - Infrastructure Full Completion	Sep 2013
		Wimbledon Branch Immunisation Restriction (R214) lifted	Jan 2014
		Wimbledon to Edgware Road - Completion of Integration Testing	Jan 2014
	Overall Programme	Hammersmith to Barking (Wembley Park Sidings) approval to operate in passenger service	May 2013
		Extended Circle approval to operate in passenger service	Aug 2013
		5th C stock train decommissioned	Aug 2013
		10th C stock train decommissioned	Oct 2013
		14th C stock train decommissioned	Nov 2013
		20th C stock train decommissioned	Dec 2013
	Operational Upgrade	All operational readiness requirements complete and accepted to commence Circle Line S stock train operations	Aug 2013
		ATC System Design Operational Upgrades acceptance activities agreed and complete	Sep 2013
		Service control centre concept layout trade union consultation complete	Jan 2014
		All Operational readiness requirements complete and accepted to commence S stock train operations on the remaining C stock train replacement routes	Jan 2014
		Commencement of ATC train fitment Trade Union consultation	Mar 2014

Delivery Area	Project Name	Milestone Description	Date
Sub-Surface Railway (SSR) Upgrade	Rolling Stock	9th S7-Stock Contractual Acceptance for Service (AFS)	May 2013
		17th S7-Stock Contractual AFS	Jul 2013
		Vehicle Maintenance Instructions accepted from Bombardier Transport UK	Sep 2013
		22nd S7-Stock Contractual AFS	Sep 2013
		27th S7-Stock Contractual AFS	Nov 2013
		S7 28 day integrated train reliability achieves 15,000km mean distance between failures	Feb 2014
		Modification Workbank Package Complete	Feb 2014
Power, Communications & Cooling Upgrades	SSR Power Upgrade - Package 4 6 & 7	Issue Invitation To Tender for 132kV Cable Route to Neasden Bulk Supply Point.	Apr 2013
	Cooling the Tube: Out Of Service Fans	Reinstatement of Out Of Service Fans - Issue Invitation To Tender for final design contract for next phase of fan upgrades	Jun 2013
	SSR Power Upgrade - Signalling	Main Power Signalling Upgrade Package 1 - Start of Construction: Cable Route & Transformer Rooms	Jun 2013
	SSR Power Upgrade - Package 2	Power Capacity to support Full S7 Fleet (pre-ATC) on Circle + Paddington - Hammersmith	Jul 2013
	SSR Power Upgrade - Package 1a & 1b	Power available for Automatic Train control (ATC) mode north of Baker Street.	Nov 2013
	SSR Power Upgrade - Package 3	Provision of (firm) Power capacity to support 57 S Stock trains to Upminster	Dec 2013
	SSR Power Upgrade - Package 4 6 & 7	New Bulk Supply Point at Edgware Road delivered into service	Mar 2014
	SSR Power Upgrade - Package 2	Power available to support full S7 stabling of trains (Ealing Common Depot)	Mar 2014



Delivery Area	Project Name	Milestone Description	Date
Bakerloo, Central and Victoria line Upgrade	Battery Loco Life Extension	7th Loco Complete (Leaves Acton)	Aug 2013
	Automatic Track Monitoring System	Acceptance of Automatic Track Monitoring System on Bakerloo Line	Feb 2014
	Tunnel Cleaning Train	Motive Power Unit Ready for Railway Trials (Consent to Test in Acton Works)	Nov 2013
Telecoms & IM	Electronic Service Update Board Upgrade & Replacement	Asset Commissioning & Hand Over Log approval	Jan 2014
Customer Service Transformation	Working Timetables	Central Working Time Table 67 introduced into Service, improving off peak and weekend service levels.	Sep 2013
The Management System	Work Instruction Project	Work Instructions Published, Track Books printed and Engineering Publication Information Control decommissioned	Jun 2013
Jubilee, Northern and Piccadilly line Programmes	Civils	Finish On Site at Canons Park Northbound embankment	Jan 2014
		Complete 4000 Metres of ultra violet lining	Mar 2014
	Escalators	BIU Highgate escalator E3	Jul 2013
		BIU Westminster escalator E4	Sep 2013
		BIU Leicester Square escalator E5	Nov 2013
	Jubilee Line Strengthening	Complete Axle Counter Block modifications	Nov 2013
	Lifts	BIU Hampstead lifts L3 and L4	Jul 2013
		BIU Russell Square lift L3	Sep 2013
		BIU Hampstead lifts L1 and L2	Mar 2014

Delivery Area	Project Name	Milestone Description	Date
Jubilee, Northern and Piccadilly line Programmes	Northern Line Extension	Complete Royal Institute of British Architects (RIBA) stage "C" design	Apr 2013
		Define Programme Management methodology	Apr 2013
		Issue Invitation to Tender (ITT) for Innovation Contractor Engagement contract	Sep 2013
		Define Delivery Model for non-civils works	Dec 2013
	Northern Line Upgrade	Commence Maturity Level (ML) 3 System Testing Northern Line Migration Area (NMA) 3 (Archway/Chalk Farm to Angel/Euston)	Jun 2013
		Commence ML3 System Testing NMA4 (Old Street/Euston to Oval)	Jul 2013
		Commence ML3 System Testing in NMA5 (Stockwell to Morden)	Jul 2013
		Ready for Operational Proving in NMA2 (Mill Hill East to Highgate)	Jul 2013
		Commence ML3 System Testing in NMA6 (Edgware to Belsize Park)	Oct 2013
		In Revenue Service - NMA1 (High Barnet Branch)	Oct 2013
		In Revenue Service - NMA2 (Mill Hill East to Highgate)	Nov 2013
		Ready for Operational Proving NMA3 (Archway/Chalk Farm to Angel/Euston)	Nov 2013
		Ready for Operational Proving in NMA4 (Old St./Euston to Oval)	Mar 2014
	Rolling Stock mid-life refurbishment	Complete first train and agree glass case with Alstom for future trains	Apr 2013
	Stations	BIU Northfields Train Crew Accommodation	May 2013
	Track	Complete 750 Metres of Track reconditioning	Oct 2013
		Complete 1000 Metres of Track life extension	Oct 2013
		Complete 1750 Metres of Track reconditioning	Mar 2014

Delivery Area	Project Name	Milestone Description	Date
Jubilee, Northern and Piccadilly line Programmes	Track	Complete 3600 Metres of Track life extension	Mar 2014
Deep Tube Programme	Deep Tube Programme	Programme Feasibility Complete	Oct 2013

#### London Rail – milestones

Delivery Area	Project Name	Milestone Description	Date
London Rail	Double Tracking	Issue Invitation To Tender (ITT) - DLR Works - Pudding Mill Lane Station to Waterworks River	Apr 2013
	London Overground Capacity Improvement Programme (LOCIP)	Award East London Line (ELL) Stabling infrastructure contract	Oct 2013
		Completion of ELL Stabling enabling works	Nov 2013
		Completion of ELL Depot enabling works	Mar 2014
	System Upgrade	Procurement commenced for main systems integrator package	Feb 2014
	Wimbledon Enhancement Project	Issue ITT for twin tracking	Dec 2013
Place order for additional trams		Mar 2014	

#### Crossrail – milestones

Delivery Area	Project Name	Milestone Description	Date
Crossrail	Procurement	Award system-wide main works contract (track, communications, OHLE)	April 2013
	Tunnelling	East Tunnel Boring Machine (TBM) breakthrough Canary Wharf station box	April and May 2013
		West TBM breakthrough at Bond Street (Hanover Square)	April 2013
		West TBM breakthrough at Tottenham Court Road	June 2013

Delivery Area	Project Name	Milestone Description	Date
Crossrail	Tunnelling	South-East TBM breakthrough Woolwich box station	May and Sept 2013
	Surface	Award contract for Ilford stabling yard	May 2013
	Operations	Publish Invitation to Tender (ITT) for Crossrail Train Operating Company (CTOC)	Aug 2013
	Paddington	Complete excavation and roof slab	Oct 2013
		Re-open Eastbourne Terrace	Feb 2014

## Surface Transport – milestones

Delivery Area	Project Name	Milestone Description	Date
Congestion charging and traffic enforcement (CC&TE)	Electric Vehicles	1,300 Source London change points installed	Apr 2013
	Taxi & Private Hire Re-Let Market Test Programme	Project closure approved	Oct 2013
	London Road User Charging & Traffic Enforcement Notice Processing Contracts Re-let	Approval to award contract	Nov 2013
Cycle Hire	Cycle Hire Expansion and Intensification	Operational commencement	Dec 2013
Operations	Woolwich Ferry Life Extension	Completion of voith units overhaul (7 number)	Dec 2013
	Mono-Nitrogen Oxides (NOx) Abatement	Scheme completed	Mar 2014
Roads	Tottenham Hale Gyratory	High Road (A10 Corridor) switched to two-way traffic	Jun 2013
	Energy Efficient Street Lighting (CMS)	Award of Systems contract	Sep 2013
	East London Transit Phase 1b	Construction completed	Sep 2013
	Woodlands Retaining Wall	Approval of detailed design	Nov 2013
	Hammersmith Flyover	Possession of site	Nov 2013
	Chiswick Bridge	Approval to award design and build work package	Nov 2013
	Highbury Corner Bridge	Decision to replace or repair approved	Dec 2013
	Cycle Superhighways	Cycle Superhighway Route 2 extension - route open	Aug 2013
	Better Junctions	First 50 schemes delivered	Dec 2013
	Fore Street Tunnel	Solution defined and approved	Jan 2014
	Ardleigh Green Railway Bridge	Approval of preliminary design	Jan 2014

Delivery Area	Project Name	Milestone Description	Date
Roads	Upper Holloway Bridge	Approval of preliminary design	Jan 2014
	Power Road Bridge	Approval of preliminary design	Jan 2014
	Euston Circus	Construction completed	Feb 2014
	Transport for London Road Network (TLRN) Capital Renewal Programme	Area of carriageway resurfaced - 650,000m <sup>2</sup>	Mar 2014
		Area of footways resurfaced - 58,000m <sup>2</sup>	Mar 2014
	Transport for London Road Network (TLRN) Capital Development Programme	Detailed design and implementation of the top 20 value projects	Mar 2014
	Bus Stop Accessibility	Feasibility approved	Apr 2013
Safety Camera Replacement	Installation started	Sep 2013	
Traffic	Intelligent Traffic Systems	Predictive Capabilities Procurement Strategy Completed	Jun 2013
	New Investment - SCOOT	Final signal technology enabling completed	Jul 2013
	21st Century Traffic Signals Communication	Deployment Started	Jan 2014
	Transport for London Road Network (TLRN) Signals Modernisation	TLRN and Borough programme signal installations commissioned	Mar 2014
	System Relocation	Migration of cumulative 300 CCTV roadsite sites to new Communications Network complete	Mar 2014
	Pedestrian Countdown at Traffic Signals	Implementation completed for full scheme (200 sites)	Mar 2014

## Corporate directorates – Milestones

Delivery Area	Project Name	Milestone Description	Date
Corporate projects	High Speed 2	TfL protective provision draft agreement completed	Oct 2013
		TfL formal response to HS2 designs to ensure that Hybrid Bill reflects TfL requirements or if not propose to Mayor areas of objection	Oct 2013
	Northern Line Extension	Submit TWAQ application	Apr 2013
		Secure borough agreement to funding package	Apr 2013
		TWAQ Inquiry	Nov 2013
		Secure legal agreement with Battersea Power Station Development Company (BPSDC) on funding and finance package	Dec 2013
	IM projects	Station Service Information Displays: All Post-Olympic Installations Completed	Oct 2013
		Station Service Information Displays: Project Closure and Handover Certificate (PCHC)	Feb 2014
Marketing and Communications	TfL Website	Launch of new TfL website	Jul 2013
	Vending of multiple Oyster Cards	Delivery into service ability for the vending of multiple Oyster Cards on advanced fare machines	Sep 2013
	Single Contact Number	Delivery into service of a single contact number in place for all Customer Experience controlled Contact Centres	Dec 2013
	Future ticketing project (FTP) phase 2	Delivery into service of FTP Phase 2- Contactless bankcard payments across all modes for PAYG (Pay As You Go) travel	Jan 2014