

TRANSPORT FOR LONDON

RAIL AND UNDERGROUND PANEL

SUBJECT: MANAGING DIRECTOR'S REPORT – LONDON UNDERGROUND

DATE: 8 FEBRUARY 2011

1 PURPOSE

- 1.1 The purpose of this report is to present London Underground's performance over the first nine periods of the year 2010/11 (1 April – 11 December), focusing in particular on performance in the three periods since the last meeting of the Panel. The report also provides updates on the status and progress of London Underground's strategic workstreams, major investment projects and items of special interest.
- 1.2 The Panel is asked to note the report.

2 PERFORMANCE

- 2.1 A summary of key performance indicators and graphs showing trends over the last year are provided on pages 8 to 14.

Customer Satisfaction

- 2.2 Scores of 80 were achieved in each of the first two quarters of this year, matching the record scores achieved in the last quarter of 2008/09 and the first two quarters of 2009/10.

Passenger Numbers

- 2.3 Demand has continued to show year on year growth; over the first nine periods of the year 780 million passenger journeys were recorded, an increase of 4.4 per cent compared with 2009/10. In the four-week period to 11 December a new record of 90.6 million journeys was set, despite a further 24-hour strike by the RMT and TSSA unions. Winter weather in the second half of the period also had some impact on passenger numbers, LU services generally ran well, but disruption on the National Rail network, particularly to the south of London, prevented many potential Tube customers from travelling into London. Friday 26 November saw the Underground carry more than four million passengers on a day for the first time in two years.

Train Service Performance

- 2.4 Since the last report to the Panel, results for the volume of service operated, the percentage of the schedule that this represents, and excess journey time have all been adversely impacted by industrial action. However, year to date the percentage of kilometres operated still remains only just below target.

Industrial Action

- 2.5 The RMT and TSSA unions have held four 24-hour strikes in a dispute over proposed staffing reductions in Operations. Since the first of these stoppages in September, LU has increased the level of service operated on the strike days such that in the most recent strike on 29 November some 40 per cent of train services ran, with passenger numbers at around half of their normal level.
- 2.6 It is estimated that up to the end of period 9, industrial action has caused a loss of service amounting to some 0.6 million train kilometres, equivalent to 1.2 per cent of the year to date schedule. The impact on average excess journey time for the year to date is 0.44 minutes. In financial terms, the effect is estimated as a net cost of £7.2m made up of revenue losses totalling £10.6 m and communications and publicity costs of £0.1m, partly offset by savings of £3.5m in staff and traction current costs.
- 2.7 Talks with the RMT and TSSA trade unions about the station staffing changes have continued at ACAS and both unions have agreed to a six week joint review of rosters, which commenced on 15 December. The planned changes, will go ahead on 6 February; if there are any changes agreed as a result of the review these will be made subsequently.
- 2.8 On Saturday 18 December, the Bakerloo line remained suspended for much of the day as a consequence of a strike called by the RMT over the dismissal of a train operator for a serious safety breach. A further strike on the Bakerloo line, for the same reason, was called on 15 January. On this occasion the Bakerloo line ran considerably more service.
- 2.9 On Boxing Day, train operators belonging to ASLEF took strike action following rejection of their claim for triple time plus a day off in lieu for operators scheduled to work on that day. LU was able to operate limited services on all lines that were scheduled to run, although not all sections were covered.

Jubilee line incidents

- 2.10 On the morning of Monday 18 October, there were a number of issues with the traction current on the southbound Jubilee line track. The cause of the incident was confirmed to be an 80 metre section of tunnel telephone wires which snapped and came down on the southbound track between St John's Wood and Baker Street.
- 2.11 Later in the same week, a broken rail was found in a junction to the south of Green Park by an overnight patrol. However, it was not possible to repair or replace the rail before the start of traffic the next morning, on Wednesday 21 October 2010, and the Jubilee line had to be suspended between Finchley Road and London Bridge until 5.50am. Through services on the line resumed shortly after 4.00pm.

Victoria line incident

- 2.12 Just after 9am on Tuesday 19 October, a 2009 stock southbound Victoria line train stalled on the approach to Finsbury Park. As a result, services had to be suspended between Seven Sisters and Highbury & Islington, with three trains

behind the defective train between Seven Sisters and Finsbury Park. The three trains completed wrong direction moves at the permitted slow speed to Seven Sisters, and all trains were safely 'detrained'.

- 2.13 The failure was traced to an air main connection coming loose on the train, which led to a loss of air pressure and caused the brakes to be applied. This was isolated, and the train was taken to the Northumberland Park Depot at 12.15pm, with through services on the Victoria line resuming shortly after. This was a manufacturing fault on a new train; however, a fleet wide inspection was undertaken. This turned out to be an isolated incident and reliability on the line has improved significantly.

Fleet Availability – District and Metropolitan lines

- 2.14 Routine fleet maintenance inspections identified separate, isolated problems with brackets on Metropolitan and District line trains. Remedial action led to some shortfall of trains for a period of time. The identification of the problems was a validation of the integrity of the maintenance process.

Winter Weather

- 2.15 The coldest December for sometime saw two periods of heavy snowfall in the London area. London Underground services continued to operate throughout.

Safety

- 2.16 The measure adopted for the scorecard this year is 'Major injuries per million hours on LU Infrastructure'. This wider measure takes as its numerator the number of accidental major injuries to customers, employees and contractors and as its denominator the sum of the number of hours spent by customers travelling on the network and the number of hours worked by staff and contractors. Due to normal periodic variability in the number of injuries, the result is expressed as a moving annual average, which currently stands at 0.27 compared with a target of 0.25. Since the beginning of 2010/11, there have been 88 reported major injuries to customers, and 12 employee/contractor major injuries.
- 2.17 LU's Formal Investigation Report into the incident on 13 August 2010 involving a rail grinding train on the Northern line has been published. While the report highlights the swift actions of a number of Northern line staff who helped to ensure that the incident was drawn to a safe conclusion; it identified a number of recommendations that LU will act upon to prevent any further incidents of this sort. The Rail Accident Investigation Branch (RAIB) is carrying out its own investigation into the incident and once its report is published, LU will implement any additional recommendations made by the RAIB.
- 2.18 LU pleaded guilty to breaching the Health and Safety at Work Act on 17 November 2009, when a defective Central line inter-car barrier struck three passengers on the platform at Mile End station. At the Magistrates Court hearing on 5 November 2010, LU was fined £5,000 with costs of around £4,000. LU pleaded guilty to a similar breach at Cannon Street station in 2009 when a number of customers injured themselves following a series of falls on the stairs into the station. LU was fined £7,000 with £6,000 costs at a

Magistrates Court hearing on 17 December 2010. The Formal Investigation into the serious signalling irregularity at Plaistow on 8 September 2010 continues and is expected to be completed in late January 2011.

3 LINE UPGRADES

Jubilee line

- 3.1 After further successful testing and trial operations, the new Jubilee line Transmission Based Train Control (TBTC) signalling system was introduced into passenger service on weekdays for the first time from 29 December, between Dollis Hill and Stratford. The TBTC system has subsequently continued to improve. The trains are now in automatic operation over most of the line.
- 3.2 Testing work is continuing on the remaining section of line, from Dollis Hill to Stanmore. Completion of the upgrade remains forecast for spring 2011.

Northern line

- 3.3 A revised programme for the delivery of the upgrade has been received by Tube Lines and remains under discussion. This forecasts completion in 2014. The plan will be entirely different to the Jubilee line approach in that closures will be kept to an absolute minimum.

Victoria line

- 3.4 Rolling Stock material supply and production process issues have been resolved and Bombardier has started to achieve six cars per week. New trains now make up over half of the fleet. Resolution of key reliability issues remains the primary focus of the team; modifications to the sensitive edge door system, that has been one of the principal causes of failures, have been made and train reliability is greatly improved.

Sub-Surface Railway

- 3.5 A significant milestone in the upgrade of the Sub-surface lines was achieved in mid December with the new 'S' stock trains running to Baker Street for the first time on the Metropolitan line.
- 3.6 Negotiations are continuing with the remaining two bidders for the Automatic Train Control (ATC) contract with a target completion date in the Spring. This contract stipulates minimal closure requirements for the signalling works.

4 OTHER PROJECTS

Tottenham Court Road station

- 4.1 The diversion of Charing Cross Road was successfully implemented on 14 December. Traffic is being diverted to the east of Centre Point and onto St. Giles High Street with the diversion expected to last for the next four years. The diversion unifies the three existing worksites into one.

Victoria Station Upgrade

- 4.2 At the beginning of November, a completely refurbished ticket office providing five large ticket issuing windows re-opened in the Victoria line ticket hall. Next to the ticket office, there are five new ticket machines, in addition to three new quick fare machines between the staircases leading to the mainline station.
- 4.3 Advanced utility works have progressed to plan, allowing Wilton Road and Terminus Place to reopen to public traffic on 10 December.
- 4.4 The refurbishment of the escalators in the main ticket hall began on Monday 31 January. Whilst the works are currently scheduled to last 51 weeks, London Underground is actively working to reduce the time required for the works by up to 12 weeks to reduce the disruption. So far the operational plan to minimise disruption for customers is working well.

Bond Street Congestion Relief

- 4.5 Possession of 354-358 Oxford Street was taken in late November and hoarding is now complete around the site.

BCV/SSL Stations and Lifts & Escalators

- 4.6 Warren Street Station Modernisation was delivered into service on plan on 13 November.
- 4.7 Refurbishment of all 11 escalators at Piccadilly Circus over a four year period was completed in December when the final machine was returned to service.

Track Replacement

- 4.8 London Underground has awarded a £220m, five-year contract to carry out track renewal work to Balfour Beatty. The works will include replacement of ballasted track, points and crossings including all ancillary signalling and drainage works on the Bakerloo, Circle, Central, District, Hammersmith & City and Metropolitan lines. Combining both track renewal and drainage works will mean that the work will be carried out more efficiently.

5 OTHER ITEMS

Line Closures

- 5.1 LU continues to seek ways to deliver the upgrades efficiently, while minimising disruption to customers. Following the success of last summer's Hammersmith to Paddington blockade, a similar closure has been announced next summer to allow for reliability and upgrade works on the District and Circle lines between High Street Kensington and Edgware Road. This approach, closing the line for 31 days, will avoid the need for at least 20 weekend closures spread across six months or more, speeding up the delivery of improvements and saving an estimated £6.5m.

Support Services Review

- 5.2 This programme, which is aimed at ensuring LU's back-office operations are organised as efficiently as possible, continues. An assessment process was completed in December and staff have been notified of the outcome. A 'skills matching' process is in place to enable employees who are 'at risk' to identify possible alternative roles currently filled by non-permanent labour, and one to one support for those affected has continued.

Employee Engagement

- 5.3 The first results from LU's 2010 'Speak Up' employee survey are available at overall company level. There was a 62 per cent response rate, slightly down on the 65 per cent achieved in 2009. During this period of change, there have been declines in our main indexes - people, line management and employee engagement. This is disappointing but makes it even more important for management to re-double its efforts to set out clearly the direction for the business. As further results are published in the coming weeks, the actions developed will be rolled out.
- 5.4 In mid-December, the whole of the LU leadership team - which includes representatives from all parts of the organisation – gathered for a briefing on the current issues facing the business. Around 150 people attended and topics covered included the Government's spending review announcement and what it means for LU's funding in the next few years, and the work the LU Executive team have been developing to articulate LU's long term vision and strategy.
- 5.5 Further work has been set out for 2011. This starts with the rollout of a leadership programme to all LU senior managers; this will be followed by face to face briefings for all employees, linked to the Olympic and Paralympic Games 'one year to go' milestone.

6 RECOMMENDATION

6.1 The Panel is asked to NOTE this report.

7 CONTACT

7.1 Contact: Mike Brown, Managing Director, London Underground and
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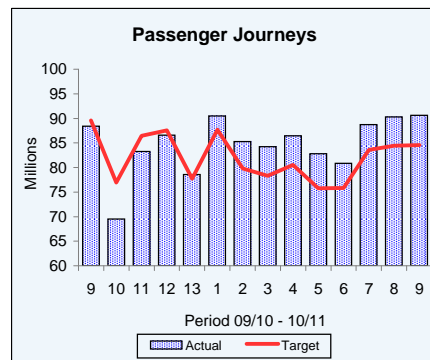
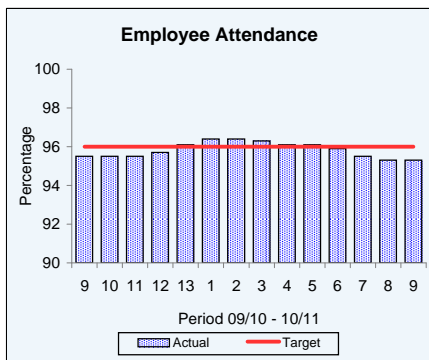
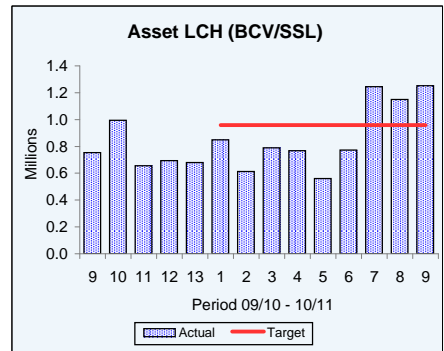
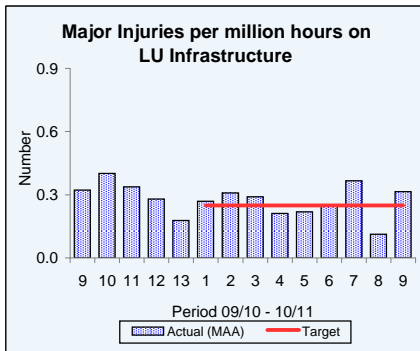
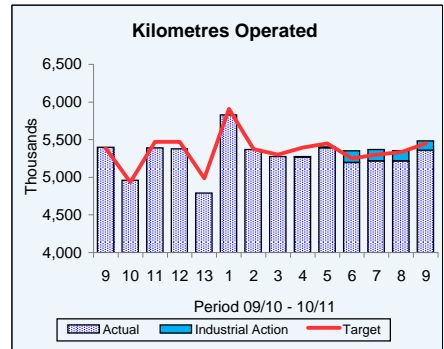
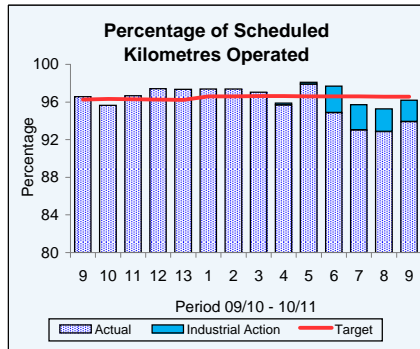
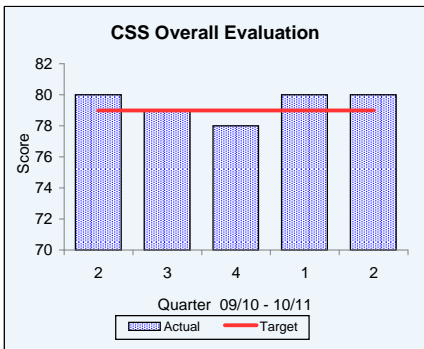
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Managing Director's Report - London Underground
Performance Indicators - Period 9 2010/11

2009/10 Actual	Measures	Reporting Frequency	Unit	Year to date			Annual Target
				Actual	Target	Variance	
Customer Service							
79	Customer Satisfaction - Overall Evaluation	Quarterly	Score	80	79	1	79
96.6	% of Schedule Operated	Period	%	95.6	96.6	(1.0)	96.6
69,368	Kilometres Operated	Period	000's	48,114	48,770	(656)	69,664
6.41	Excess Journey Time (Weighted)	Period	Minutes	6.60	6.56	(0.04)	6.54
Safety							
2.01	Major Injuries per million hours on LU Infrastructure*	Period	No.	0.27	0.25	(0.02)	0.25
Infrastructure							
9.35	Asset LCH (BCV/SSL) **	Period	Million	8.00	8.63	0.63	12.46
People							
96.0	Employee Attendance	Period	%	95.9	96.0	(0.1)	96.0
Commercial							
1,064.7	Passenger Journeys	Period	Million	779.7	730.5	49.2	1,037.0

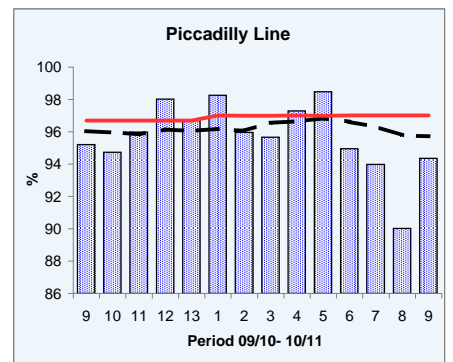
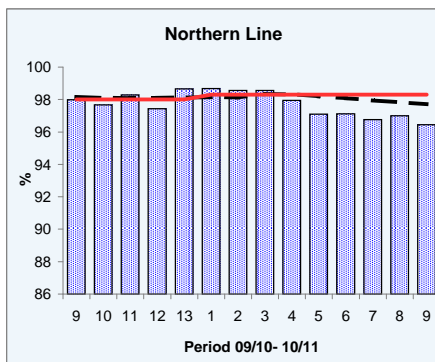
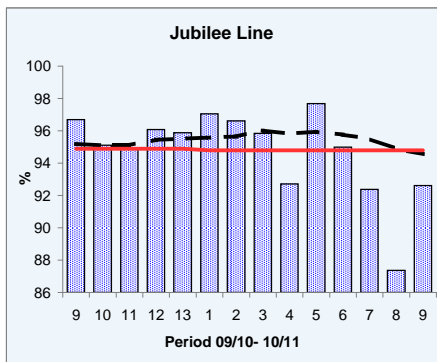
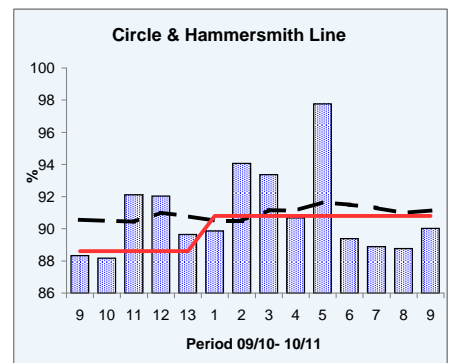
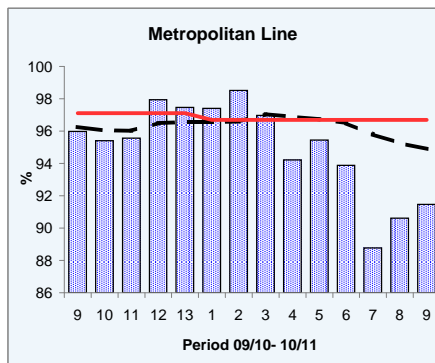
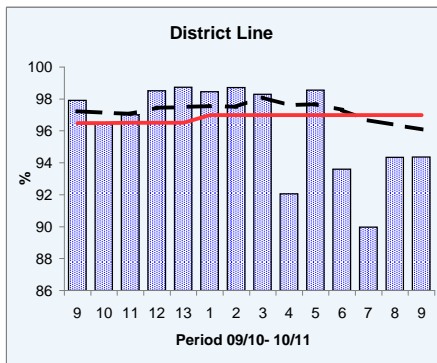
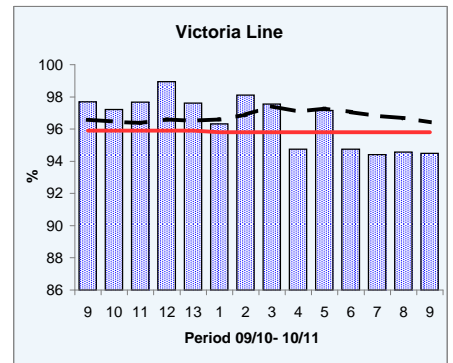
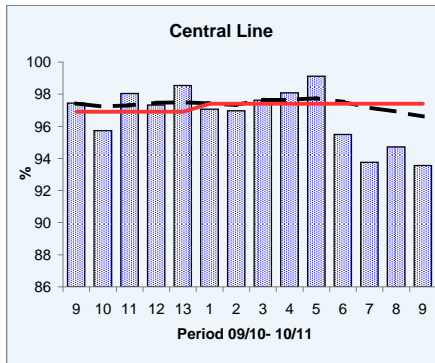
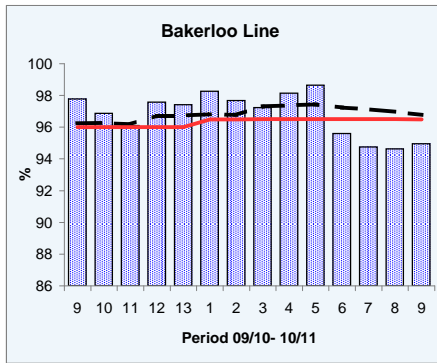
* The figure shown in the YTD column is a moving annual average

** The LCH shown on this scorecard are expressed in NACHs 2014 values (i.e. values applicable in Contract Review Period 2)

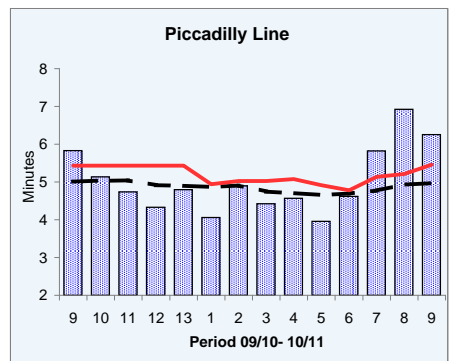
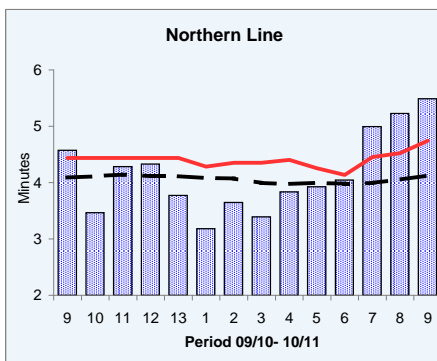
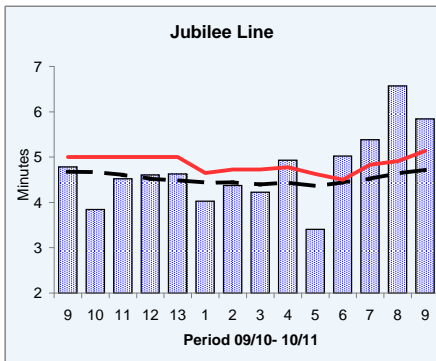
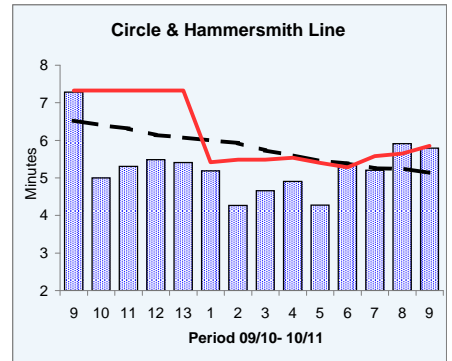
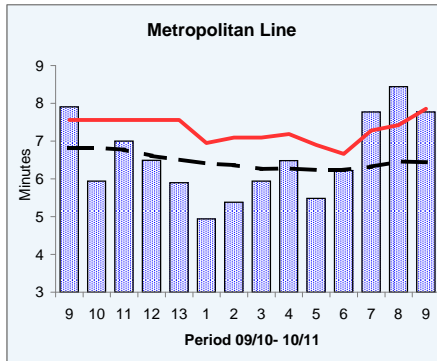
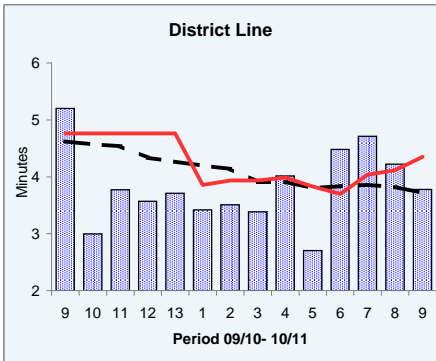
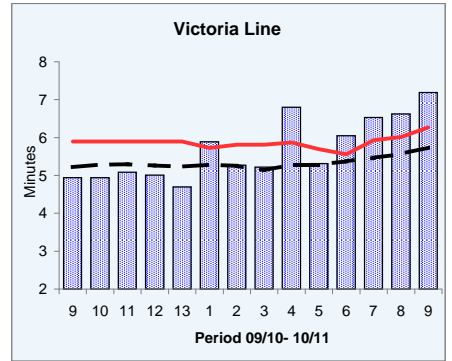
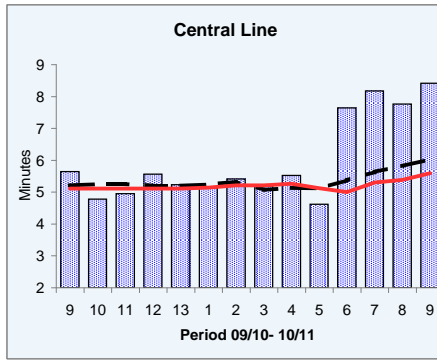
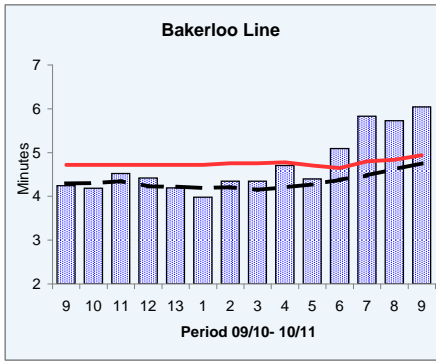
Performance Trends



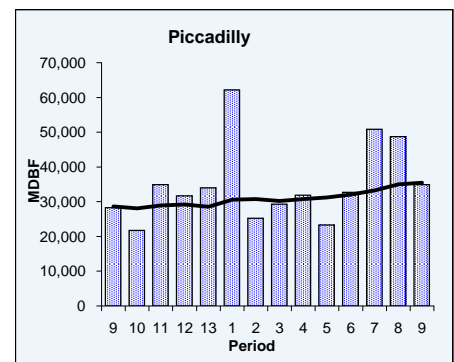
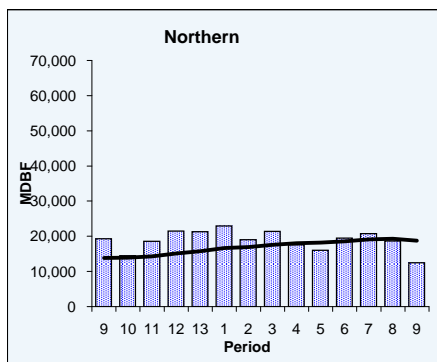
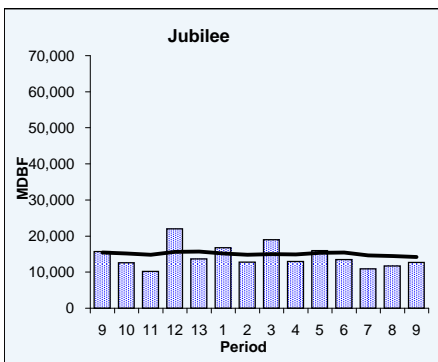
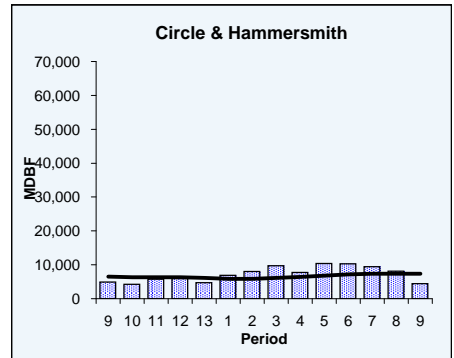
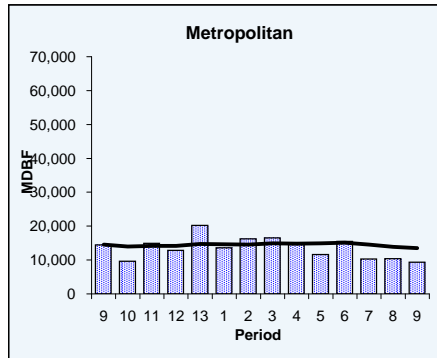
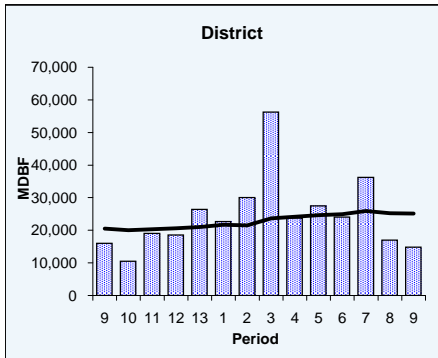
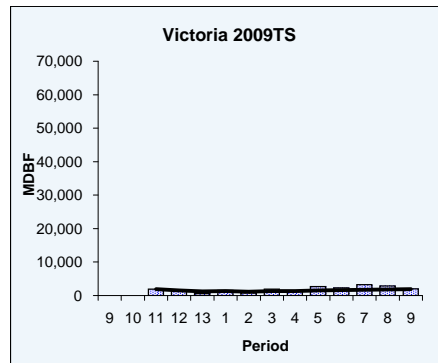
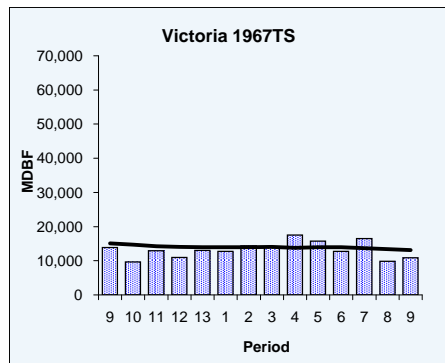
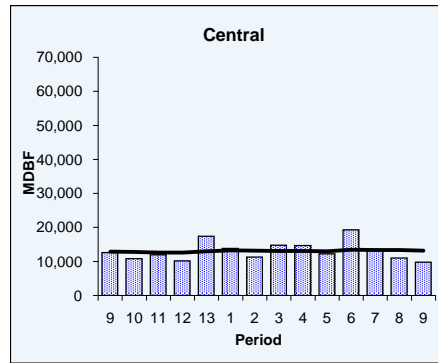
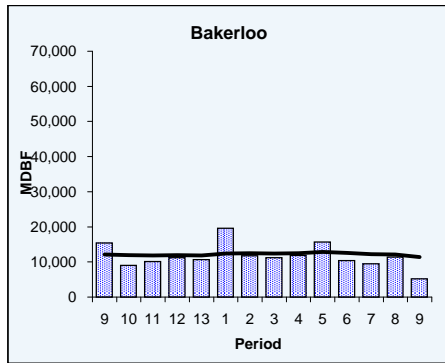
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Line Performance Trends
Percentage of Scheduled Kilometres Operated



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Line Performance Trends
Excess Journey Time**



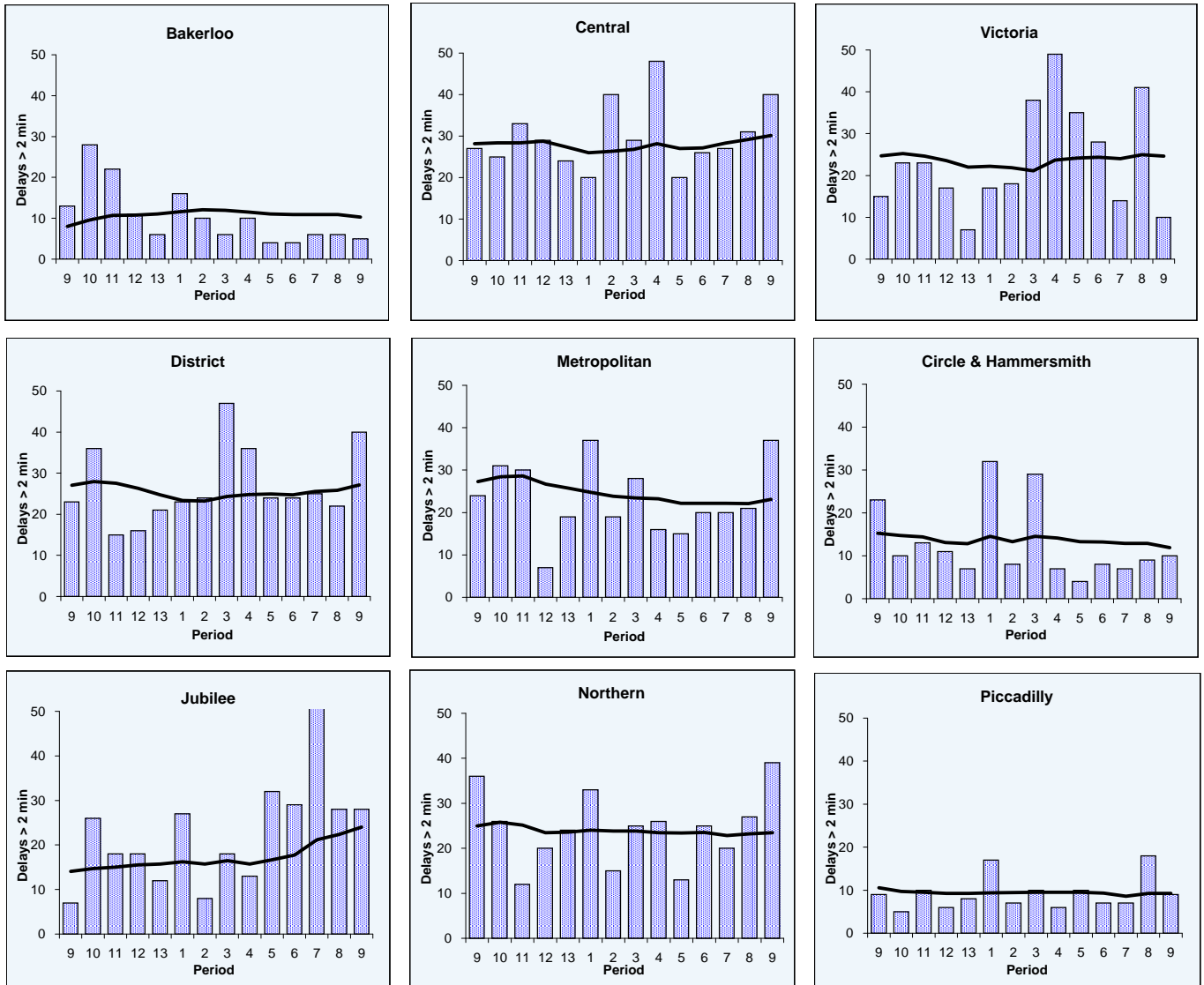
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Line Performance Trends
Rolling Stock Mean Distance Between Failures



Actual per Train Km
 Moving Annual Average

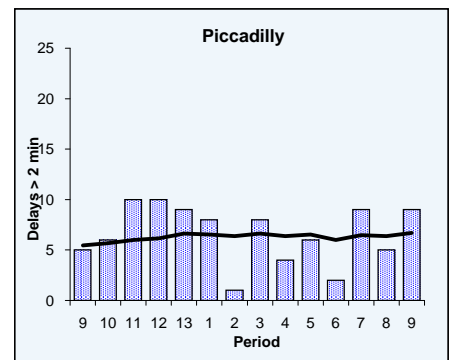
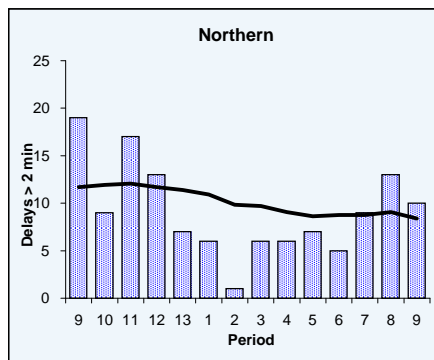
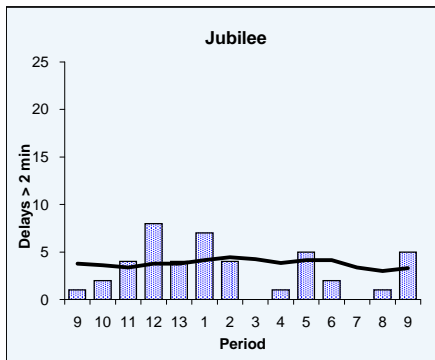
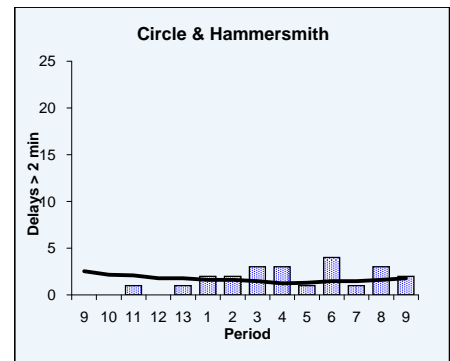
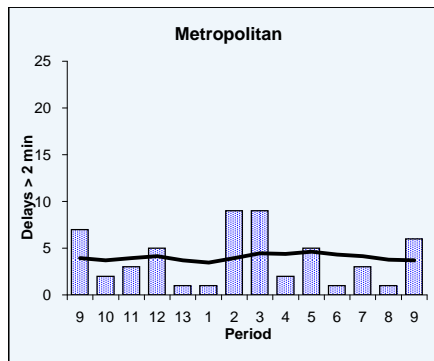
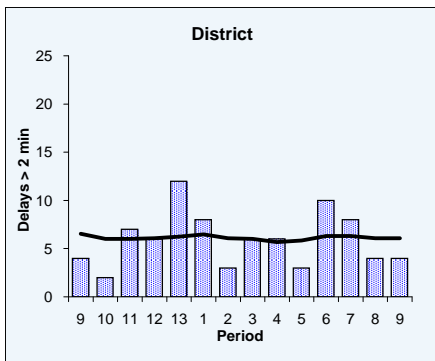
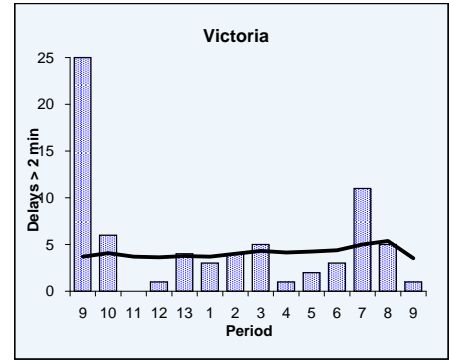
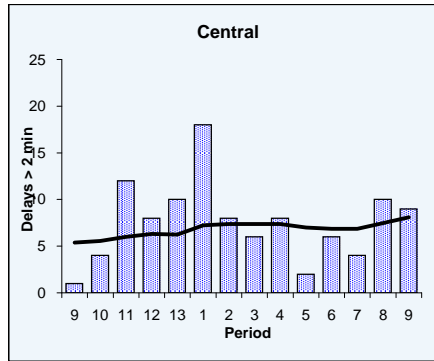
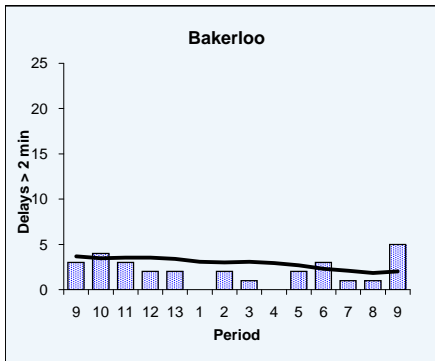
The graphs on this page show Rolling Stock MDBF calculated as the number of train kilometres operated in customer service divided by the number of service disruptions of 2 minutes or more that are contractually attributable under the PPP contracts to BCV, SSL or Tube Lines, and include items that are attributed but still in abeyance to be agreed. Where Infracore cause codes (ICC) are not present, LU cause codes are used. Subsequent addition of ICCs could therefore give rise to retrospective changes.

**Rail and Underground Panel
Managing Director's Report - London Underground
Line Performance Trends
Signal and Point Related Delays >2 minutes**



The graphs on this page show the number of service disruptions of 2 minutes or more that are contractually attributable under the PPP contracts to BCV, SSL or Tube Lines, and include items that are attributed but still in abeyance to be agreed. Where Infracore cause codes (ICC) are not present, LU cause codes are used. Subsequent addition of ICCs could therefore give rise to retrospective changes.

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Line Performance Trends
Track Related Delays >2 minutes**



The graphs on this page show the number of service disruptions of 2 minutes or more that are contractually attributable under the PPP contracts to BCV, SSL or Tube Lines, and include items that are attributed but still in abeyance to be agreed. Where Infracore cause codes (ICC) are not present, LU cause codes are used. Subsequent addition of ICCs could therefore give rise to retrospective changes.

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Performance Trends
Lift and Escalator Availability**

