

TRANSPORT FOR LONDON

RAIL AND UNDERGROUND PANEL

SUBJECT: MANAGING DIRECTOR'S REPORT – LONDON UNDERGROUND

DATE: 9 FEBRUARY 2010

1 PURPOSE

- 1.1 The purpose of this report is to describe London Underground's performance over the first nine periods of 2009/10 (1 April to 12 December) and to provide updates on the status and progress of London Underground's strategic workstreams, major investment projects and items of special interest.
- 1.2 The Rail and Underground Panel is asked to note this report.

2 PERFORMANCE

- 2.1 A summary of key performance indicators and graphs showing trends over the last year is provided on pages 7 to 14.

Customer Satisfaction

- 2.2 LU's strong Customer Satisfaction Survey results continued with a score of 79 for the third quarter, following scores of 80 in each of the first two quarters of the year. The current year to date average consequently stands at 80, which is one point higher than at the same time last year.

Train Service

- 2.3 Since the last report to the Panel (which covered the first six periods of the year), performance has remained above target such that by the end of period 9 the percentage of schedule operated for the year to date has risen to 96.6 per cent. If the effects of industrial action earlier in the year are excluded the network result for the year to date improves to 97.3 per cent with all lines meeting or beating their targets.
- 2.4 Kilometres operated are marginally above budget as the improvement in percentage of schedule noted above has offset the losses due to industrial action and an increased level of engineering closures, notably on the Jubilee line. Over the first nine periods of the year, some 3.3 million kilometres (including 1.1 million on the Jubilee line) have been cut from the schedule due to planned engineering possessions, more than in the whole of 2008/09.
- 2.5 The revised Circle line service was introduced from 13 December, after the period under review in this report. This new service pattern is expected to bring improvements to Circle line reliability and is the first step in supporting and delivering improvements from the Subsurface Upgrade. Early performance data suggest that improvements to average journeys are being delivered. During the first few months of operation, performance will continue

to be monitored closely to assess whether the expected improvements are sustained.

Journey Time

- 2.6 Excess journey time increased by 0.41 minutes to 7.18 minutes in period 9, due primarily to a seasonal rise in demand and an increase in the impact of train service incidents. This is the first period this year, apart from the strike affected period 3, where total excess time has exceeded target. Nevertheless, average excess journey time for the year to date remains 0.2 minutes within target at 6.58 minutes.

Passenger Journeys

- 2.7 Passenger journeys to date have been some 25 million (3.2 per cent) below budget and 2.1 per cent lower than in the first nine periods of 2008/09. However, the rate of year on year decline has slowed significantly, with journeys in period 9 being just 1.1 per cent below the same period of last year. The total for 2009/10 is expected to be roundly 1.05 billion which is some three per cent below last year but still 4 per cent above the level recorded in 2006/07.

Safety and Security

- 2.8 There have been 68 reported major injuries to customers in periods 1 to 9 giving a year to date rate of 0.09 major injuries per million passenger journeys, which is within the target of 0.13. Falls on stairs or escalators remain the most common cause, accounting for 47 incidents.
- 2.9 The rate of notifiable crime per million passenger journeys is in line with the annual target.

3 LINE UPGRADES

Jubilee line

- 3.1 In the interests of ensuring the Jubilee line upgrade (JLU) is completed as quickly as possible, LU has agreed a further 22 days of closures up to and including Easter when the line will be closed for four days.
- 3.2 The Christmas shutdown for testing of the new Transmission Based Train Control system was successful with 12 trains running and this has increased confidence in completion this year. Tube Lines have indicated a revised forecast date completion of October 2010, 10 months after the contractual date and LU has identified further possible closures up to October. This is being synchronised with the revised software build and testing plan, and a revised programme showing all activities up to October is being finalised. LU continues actively to challenge Tube Lines to meet its revised programme.
- 3.3 During the line closures, existing alternative transport arrangements will continue where necessary including rail replacement buses, a boat service from West India Pier to The O₂ and additional services from c2c (West Ham to

Fenchurch Street) and Chiltern (Harrow-on-the-Hill to Marylebone) as required. In addition, LU has recently introduced an additional stop on the Metropolitan line at Willesden Green during Jubilee line closures.

Victoria line

- 3.4 The first production train (Train 4) was delivered in December. Initial testing demonstrated some quality issues which are being addressed with Bombardier (BTUK) but nevertheless the first engineering hour run was successfully undertaken on 15 December. On 5 January, another major milestone was achieved when Train 2 commenced inter peak running in passenger service. Signalling reliability growth remains on the critical path to decommission the first 1967 Tube Stock set; LU is working with BTUK/Westinghouse to implement software fixes and so far the reliability trend is on target and improving. The project remains on time and within budget for completion.

Sub Surface Railway (SSR)

- 3.5 By Christmas, the first pre-production train had accumulated 12,500km of test running. Testing of the second pre-production train has continued at the Old Dalby test track.
- 3.6 Following successful commissioning of Aldgate over the Christmas/New Year period, all signalling immunisation on the Metropolitan line has been completed on schedule, allowing new S8 trains to operate in traffic this summer.
- 3.7 Enabling work for S8 operation has started on site at Baker Street. The ongoing delay in completing the Jubilee Line Upgrade risks impacting upon the SSR Upgrade as it may restrict access to Neasden Depot for the required modifications. This is being addressed with Tube Lines.

Northern line

- 3.8 Tube Lines has not submitted a programme update since October and advised that they were reviewing the programme in the context of the delays to the Jubilee line, although it has identified a delay to the Northern line in its written submission to the adjudicator for the Transmission Based Train Control claim. Discussions continue with Tube Lines on their extensive closure requests.

Piccadilly line

- 3.9 The immediate critical milestones are the selection of a preferred supplier for the rolling stock in the first quarter of 2010 and then the award of the contract by June 2010.

4 PROJECTS

Tottenham Court Road Station

- 4.1 The main construction contract for the redevelopment at Tottenham Court

Road Station has been awarded to Taylor Woodrow Construction and BAM Nuttall Limited, with work due to commence in early 2010. Demolition and other enabling works under separate contracts are already well advanced. Planning approval has been received from London Borough of Camden and City of Westminster for the main works Schedule 7 Construction Arrangements and the Town and Country Planning Act application for the top most part of the Southern Plaza Entrance.

King's Cross Station

- 4.2 The new northern ticket hall at King's Cross St. Pancras station was opened on 27 November by the Mayor and the Minister for London, Tessa Jowell. A stakeholder event held on the same day allowed more than 150 invited guests to preview the new ticket hall, ahead of its first day of customer service on 29 November.
- 4.3 From the same date, step-free access is available to the Victoria and Piccadilly lines (in addition to the Metropolitan/Circle/Hammersmith & City platforms), with the Northern line due to follow as planned in mid-2010.

Victoria Station Upgrade

- 4.4 In October, the TfL Board approved a modified implementation strategy which limits the level of expenditure over the three years to 2011/12. Re-priced works contract tenders reflecting the new programme were submitted to LU on 11 December and a preferred supplier will be selected during February.
- 4.5 Installations for ground structures/monitoring started in period 9 and are progressing well, following granting of Listed Building Consent by City of Westminster. Utility diversions are progressing, although the impact of an 18 tonne Eccleston Bridge weight restriction to be imposed on 1 April 2010 by Network Rail, may substantially delay the Wilton Road stage 5 utility diversions unless an acceptable diversion route off the bridge can be agreed with the City of Westminster.

Thameslink

- 4.6 Network Rail (NR) has submitted a revised plan and schedule for completing the outstanding works to footbridges. Overall completion is now shown as March 2011 as a consequence of integration with the main works.
- 4.7 Piling continues at both Blackfriars and Farringdon and demolition has commenced for the new Borough Viaduct. NR has submitted a revised programme for Blackfriars showing completion in December 2011, two months over the agreed 30 month closure period. Discussions continue on NR's recovery plan to see whether the two months can be clawed back. NR has commenced decommissioning of the Moorgate branch in preparation for hand-back to LU during 2010.
- 4.8 The London Bridge Masterplan remains under review between DfT and NR.

Connect

- 4.9 The Network Rail sections at Richmond and Wimbledon went live onto

Connect Radio Phase 2 on 22 and 29 October respectively. Phase 2 provides increased functionality on the new radio equipment and improved video capability.

- 4.10 Introduction of new video facilities is progressing to plan. For SSR and BCV, 80 stations out of 100 in total have been completed, with the Victoria line due for cutover early in 2010. For JNP, 59 stations out of 80 in total have been completed
- 4.11 Work has continued on improving radio resilience, although the Train Radio Controller upgrade that took place on 14 November had to be rolled back as a result of issues that arose and which are under investigation by Motorola/APD.

5 OTHER ITEMS

Accessibility and Inclusion

- 5.1 The Platform Humps project won the Passenger Transport award at the Chartered Institute of Logistics and Transport Awards. The Step Free Tube Guide project was shortlisted at the same event.
- 5.2 47 LU stations now appear on the "Describe Online" website. This provides verbal descriptions of stations for blind or partially sighted people.

Customer Information

- 5.3 Installation of the new-look Electronic Service Update Boards (E-SUBs) is proceeding slightly ahead of plan, with over 60 units commissioned providing real time information to customers at stations that previously had to rely on magnetic whiteboards. Four of the new E-SUB units were installed and commissioned at the new King's Cross Northern Ticket Hall in time for its official opening.

Industrial Relations

- 5.4 In late December, the RMT and Unite Unions joined ASLEF and TSSA in accepting LU's final pay offer of a 1.5 per cent increase for 2009/10 and RPI +0.5 per cent or 0.5 per cent (whichever is greater) for 2010/11. LU is now working to implement the pay increase by late February for operational staff and by mid March for all other eligible staff.

Employee Engagement

- 5.5 The Central and Northern lines' 'Valuing Time Local' programmes are progressing and positive feedback has been received with satisfaction scores from delegates in the mid 80 percentile. The Piccadilly and Jubilee lines' programmes began in January. Valuing Time sessions in Maintenance have also begun and run on Wednesdays during the day and at nights on Thursdays and again feedback has been positive.
- 5.6 The first results from LU's 2009 'Speak Up' survey, which achieved a 65 per cent response rate, are available at overall company level. There has been a small decline in scores this year in most areas compared with last year's

record numbers, reflecting the significant challenges over the last 12 months including the tougher economic climate and LU's organisational changes. The three key indices used to understand the results – Employee Engagement, Line Management and People – all show slight drops from last year but remain on a par with, or are higher than, satisfaction levels from two years ago. This is a significant achievement given the changes that have taken place this year. A paper which provides further analysis of the survey is included on the agenda for this meeting.

Periodic Review

- 5.7 On 17 December, the PPP Arbiter published his Draft Direction on Tube Lines' costs for the Second Period of their PPP Contract. The Arbiter has determined the price to be £4.4 billion. This is much closer to LU's assessment, which was £4.0 billion, than Tube Lines' original assessment of £6.8 billion, and their more recent revised submission of £5.75 billion. On 1 February, LU and Tube Lines will be making representations to the Arbiter on his Draft Direction, which will be formally confirmed in March. LU is also pressing the Arbiter to remain within LU's affordability constraints in determining the financing for the second period.

6 RECOMMENDATION

- 6.1 The Panel is asked to NOTE this report.

7 CONTACT

- 7.1 Contact: Richard Parry, Interim Managing Director, London Underground
Number: 020 7027 8499
Email: Richard.Parry@tube.tfl.gov.uk

Rail and Underground Panel
Managing Director's Report - London Underground
Performance Indicators - Period 9 2009/10

2008/09 Actual	Measures	Reporting Frequency	Unit	Year to Date			Annual Target
				Actual	Budget	Variance	
Customer Service							
79	CSS Overall Evaluation	Quarterly	Score	80	79	1	79
96.4	% of Schedule Operated	Period	%	96.6	96.3	0.3	96.3
70,624	Kilometres Operated	Period	000's	48,851	48,724	127	69,589
6.64	Excess Journey Time (Weighted)	Period	Minutes	6.58	6.78	0.20	6.78
Safety & Security							
0.12	Customer Major Injuries per million journeys	Period	No.	0.09	0.13	0.04	0.13
13.2	'L' Area Notifiable Crimes per million journeys**	Period	No.	13.3	13.2	(0.1)	13.3
Infrastructure							
10.47	PPP Lost Customer Hours	Period	Million	6.59	10.63	4.04	15.33
People							
96.1	Employee Attendance	Period	%	96.0	96.2	(0.2)	96.2
Commercial							
1,089.5	Passenger Journeys	Period	Million	740.6	765.3	(24.7)	1,094.0

** Measured on a Calendar Month basis. The figure shown is for April - November 2009

Performance Trends



Rail and Underground Panel
Managing Director's Report - London Underground
Line Performance
Percentage of Scheduled Kilometres Operated and Excess Journey Time

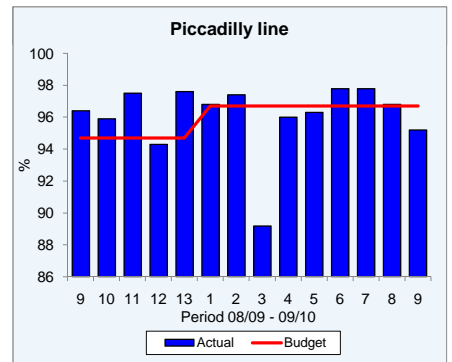
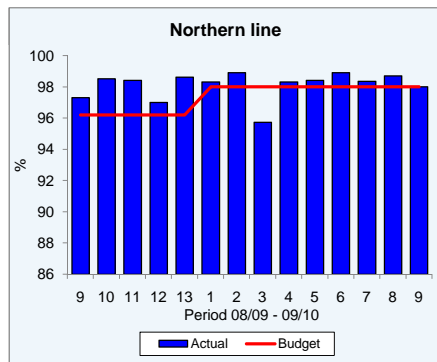
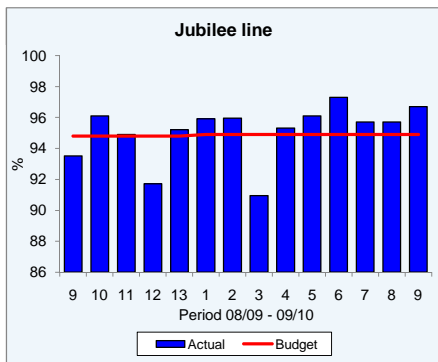
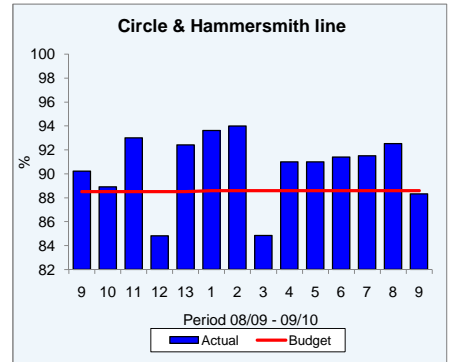
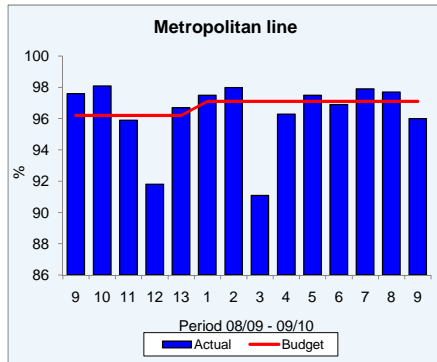
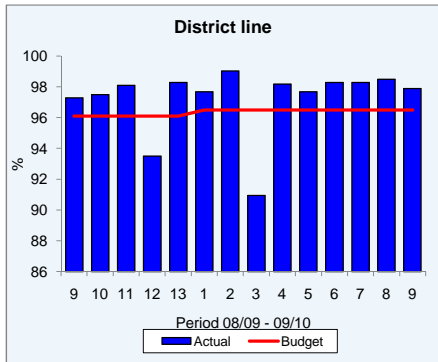
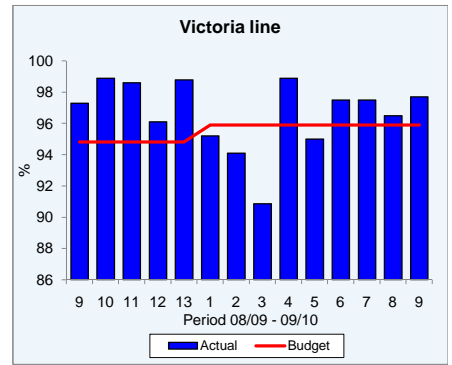
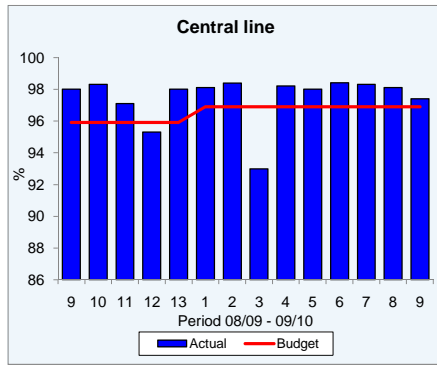
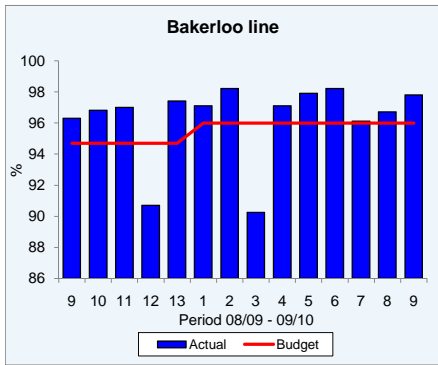
Percentage of Schedule by Line

	Period 7	Period 8	Period 9	YTD	Budget	YTD Variance
Bakerloo	96.1	96.7	97.8	96.6	96.0	0.6
Central	98.3	98.1	97.4	97.6	96.9	0.7
Victoria	97.5	96.5	97.7	95.9	95.9	0.0
Circle & Hammersmith	91.5	92.5	88.3	91.0	88.6	2.4
District	98.3	98.5	97.9	97.4	96.5	0.9
Metropolitan	97.9	97.7	96.0	96.5	97.1	(0.6)
Jubilee	95.7	95.7	96.7	95.5	94.9	0.6
Northern	98.3	98.7	98.0	98.2	98.0	0.2
Piccadilly	97.8	96.8	95.2	96.0	96.7	(0.7)
Network	97.4	97.3	96.6	96.6	96.3	0.3

Excess Journey Time by Line (minutes)

	Period 7	Period 8	Period 9	YTD	Budget	YTD Variance
Bakerloo	4.56	3.93	4.25	4.17	4.72	0.55
Central	4.84	5.31	5.65	5.23	5.11	(0.12)
Victoria	5.34	5.33	4.94	5.37	5.90	0.53
Circle & Hammersmith	6.83	6.01	7.28	6.41	7.33	0.92
District	4.43	4.63	5.20	4.60	4.76	0.16
Metropolitan	6.66	6.70	7.91	6.59	7.56	0.97
Jubilee	4.39	5.05	4.78	4.52	5.00	0.48
Northern	4.82	4.51	4.57	4.18	4.44	0.26
Piccadilly	4.81	4.82	5.83	4.97	5.43	0.46
Network	6.56	6.77	7.18	6.58	6.78	0.20

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Managing Director's Report - London Underground
Line Performance Trends
Percentage of Scheduled Kilometres Operated**

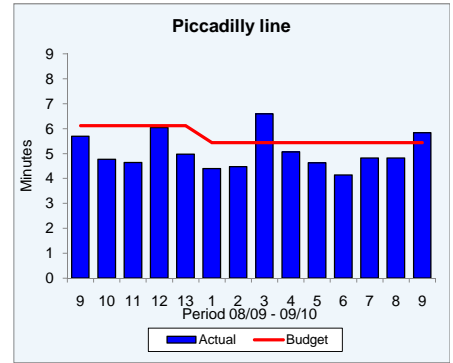
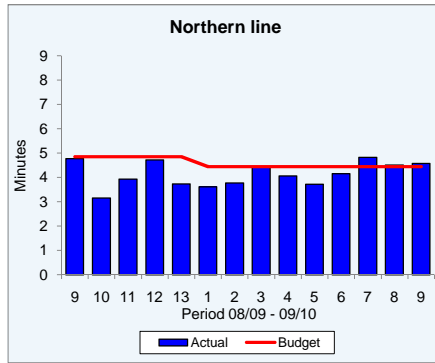
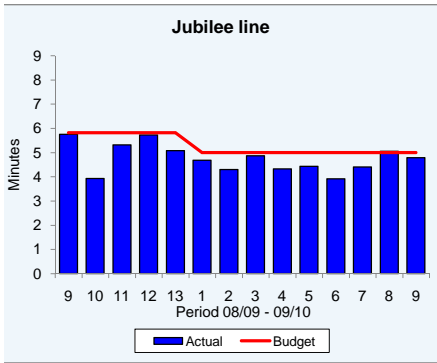
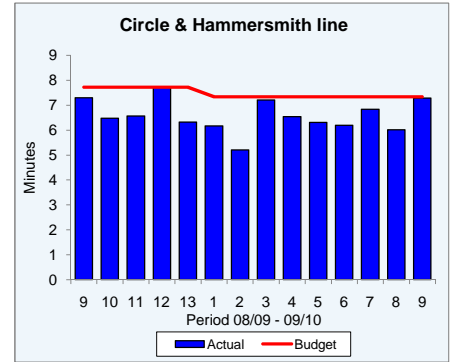
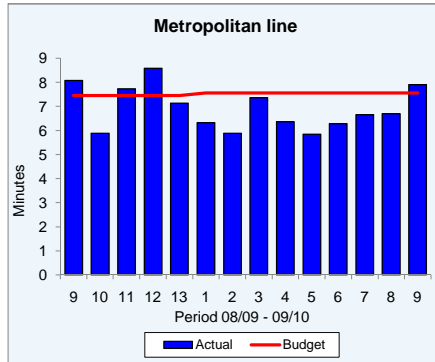
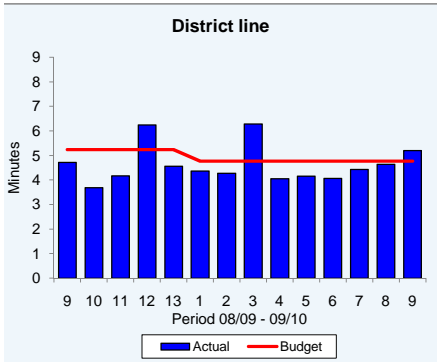
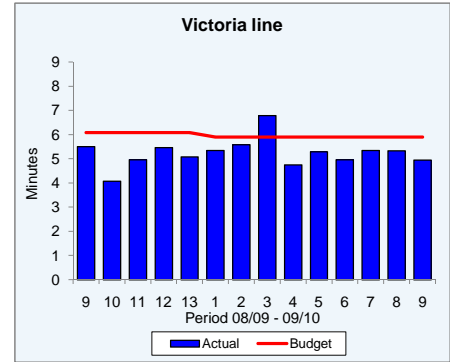
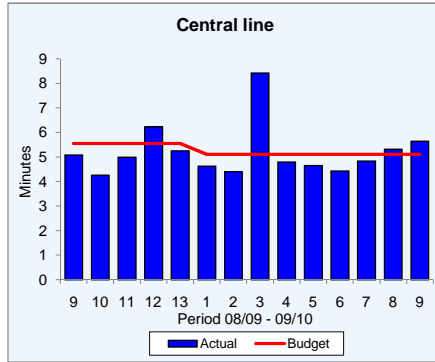
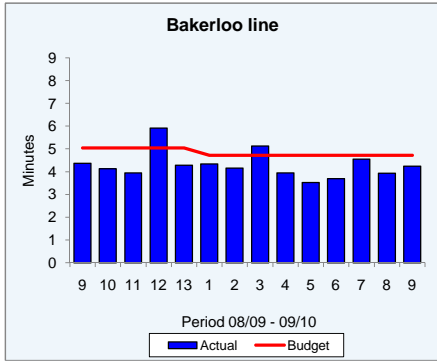


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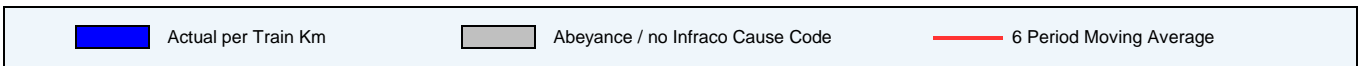
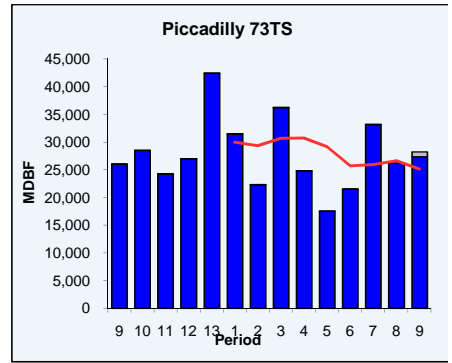
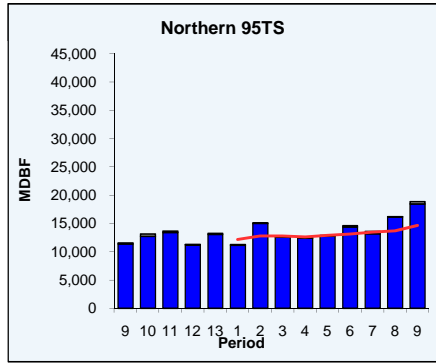
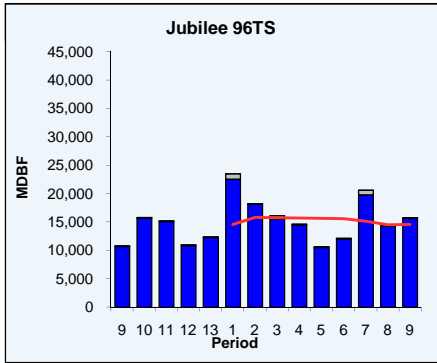
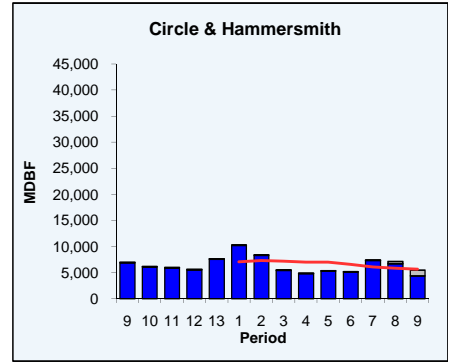
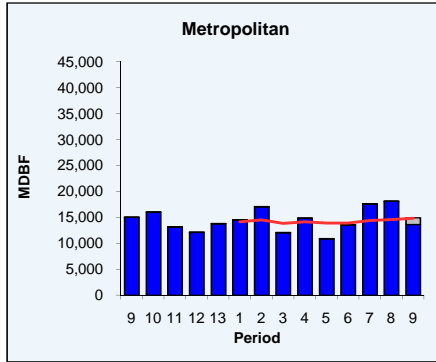
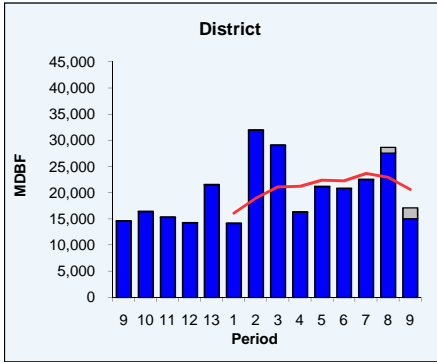
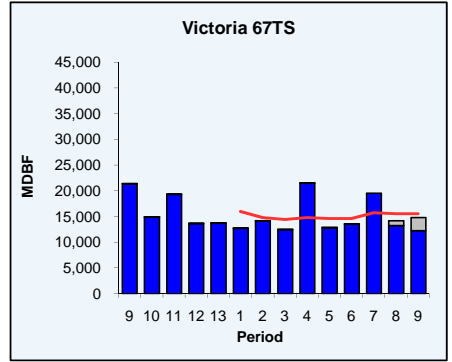
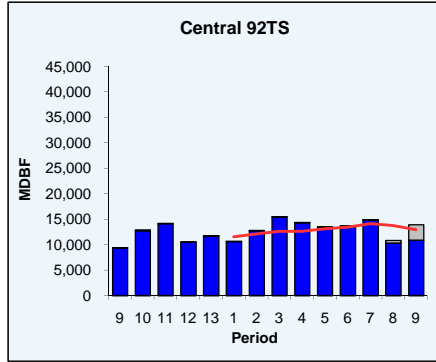
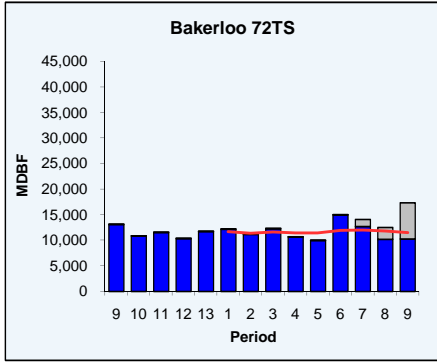
Managing Director's Report - London Underground

Line Performance Trends

Excess Journey Time

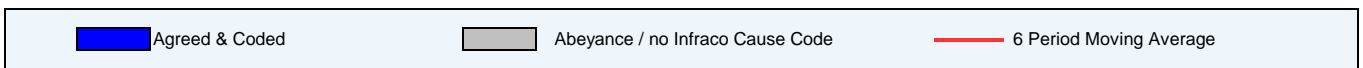
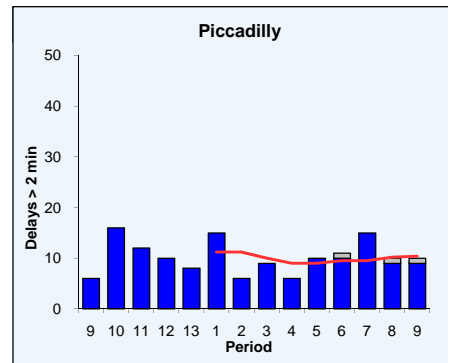
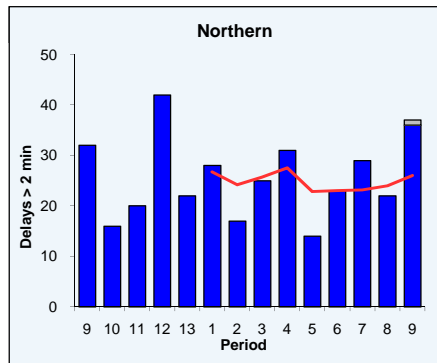
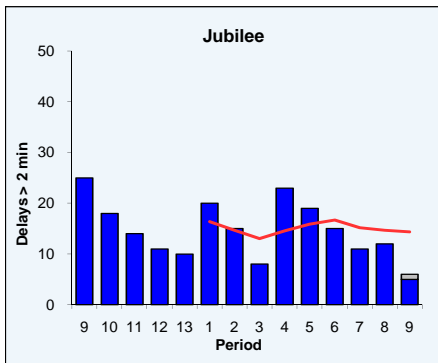
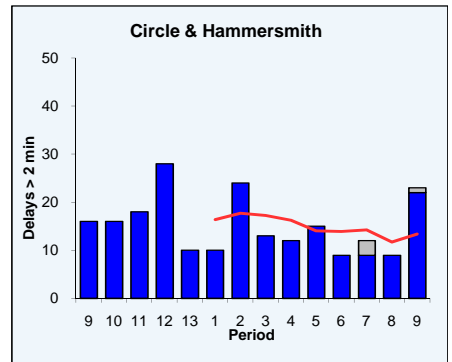
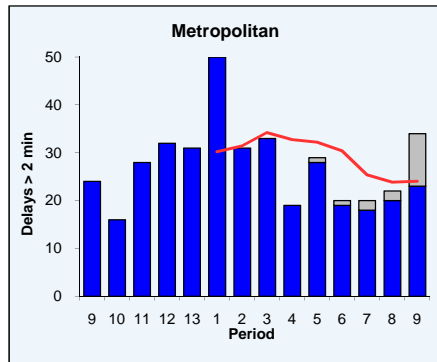
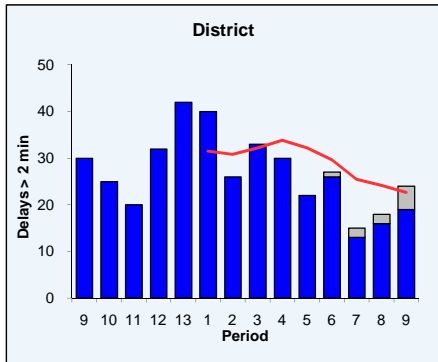
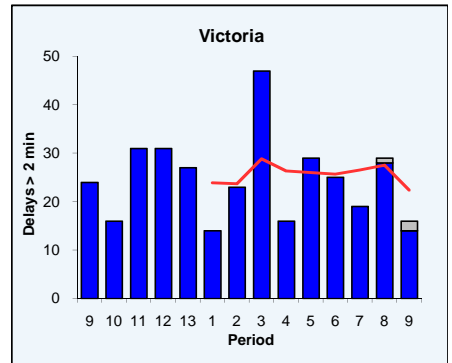
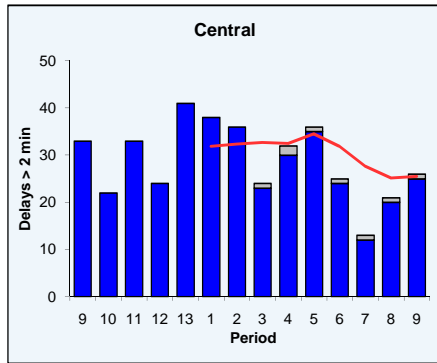
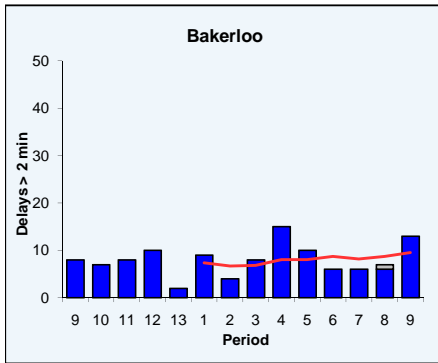


**Rail and Underground Panel
Managing Director's Report - London Underground
Line Performance Trends
Rolling Stock Mean Distance Between Failures**



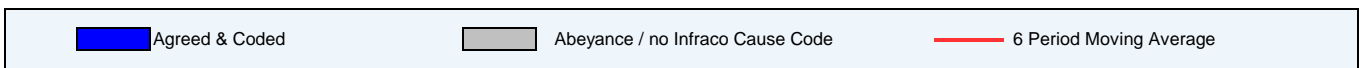
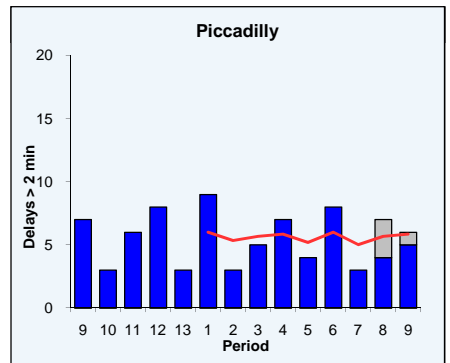
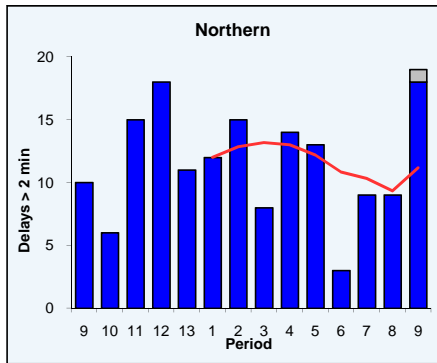
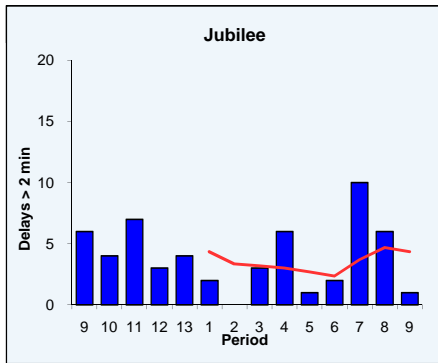
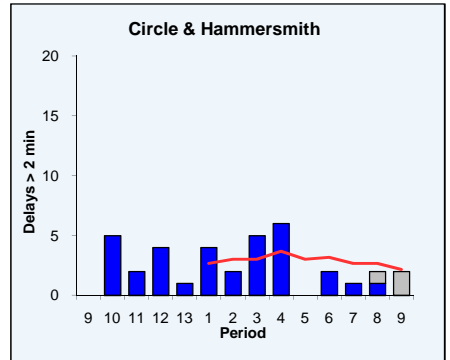
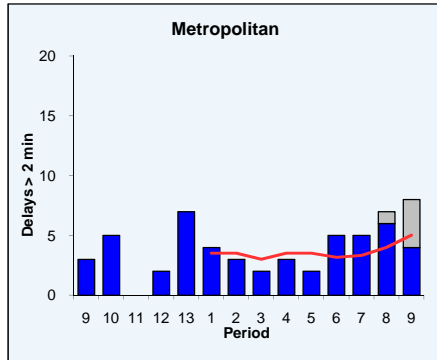
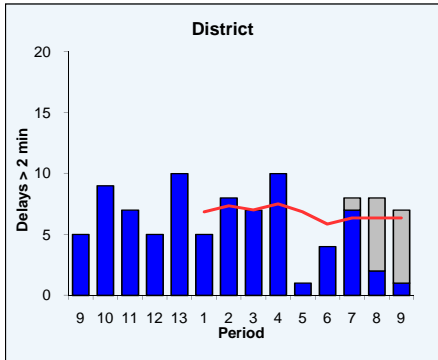
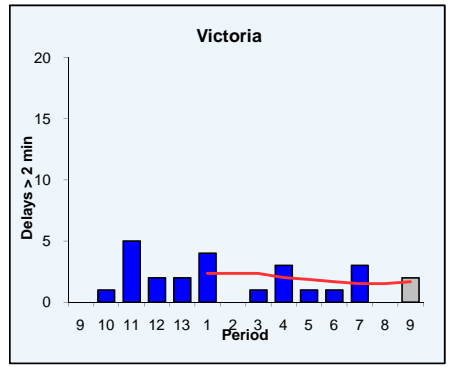
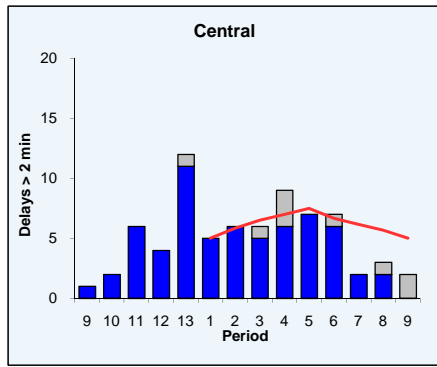
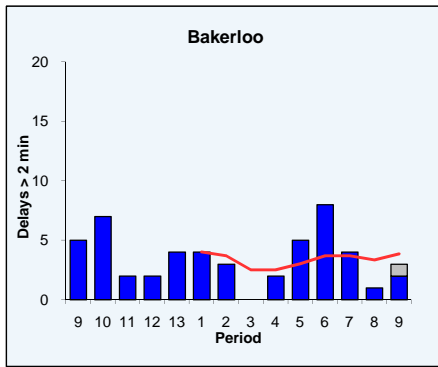
The graphs on this page show Rolling Stock MDBF calculated as the number of train kilometres operated in customer service divided by the number of service disruptions of 2 minutes or more that are contractually attributable under the PPP contracts to BCV, SSL or Tube Lines, and include items that are attributed but still in abeyance to be agreed. Where Infraco 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
Signal and Point Related Delays >2 minutes**



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