

TRANSPORT FOR LONDON

FINANCE AND POLICY COMMITTEE

**SUBJECT: PROJECT MONITORING – PROJECT APPROVALS**

**DATE: 24 NOVEMBER 2009**

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**1 PURPOSE AND DECISION REQUIRED**

- 1.1 To inform the Finance and Policy Committee of approvals given by the Commissioner and the Managing Director (MD) Finance in accordance with delegated authority under TfL Standing Orders.

**2 BACKGROUND**

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

**3 PROJECT APPROVALS BY THE COMMISSIONER**

- 3.1 Since the Finance and Policy Committee meeting on 9 October 2009, the Commissioner has approved one project, SCOOT. Details are set out in Appendix 1.

**4 PROJECT APPROVALS BY THE MD FINANCE**

- 4.1 Since the Finance and Policy Committee meeting on 9 October 2009, the MD Finance has approved six projects. Further details of these projects are set out in Appendix 2.

**5 CONCLUSION AND NEXT STEPS**

- 5.1 Planned future requests, over the next twelve months, for project authority for projects costing more than £5m are listed in Appendix 3. Where the projects have a value in excess of £50m, these requests will be submitted to the Finance and Policy Committee for consideration; the approval of smaller projects will be reported to subsequent meetings of the Finance and Policy Committee.

## **6 RECOMMENDATION**

- 6.1 The Finance and Policy Committee is asked to NOTE the project approvals made by the Commissioner and MD Finance.

## **7 CONTACT**

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## Summary of projects approved by the Commissioner

<b>ST-PJ307</b>	<b>SCOOT</b>	<b>Total Approval = £8.56m</b> (of £45.5m)
<b>Authority Request</b>	Authority of £8.56m to undertake planning work for the project and implementation of 160 schemes during 2009/10 and 2010/11.	
<b>Outputs and Schedule</b>	<p>SCOOT will enable signal timings to be changed dynamically in real time in response to traffic flow conditions.</p> <p>TfL is to upgrade the remaining 1,000 UTC (junctions on the central control computer) sites to SCOOT control that do not currently have this capability. Other projects are delivering 288 sites, so this project is to deliver the residual 712 by 2015.</p> <p>This authority will enable 160 UTC junctions to be upgraded to SCOOT control during the 2009/10 and 2010/11 financial years.</p>	
<b>Approval</b>	The project was granted additional authority of £8.065m taking total authority to £8.56m and extending the project to March 2011.	

## Summary of projects approved by the MD Finance

<b>ST-PJ163 &amp; PJ164</b>	<b>Olympic Walking and Cycling Enhancements Programme</b>	<b>Total Approval = £3.37m</b> (of £9.8m)
<b>Authority Request</b>	An additional £1.27m was requested to continue work to March 2010, taking the total authority to £3.37m.	
<b>Outputs and Schedule</b>	Design and development work is underway on all routes. This request funds the schemes that are to be commissioned in the remaining part of 2009/10. Further authority will be sought in March 2010 for the remaining implementation funding.	
<b>Approval</b>	The project was granted additional authority of £1.27m taking the total authority to £3.37m.	

<b>ST-PJ306</b>	<b>Pedestrian Countdown at Traffic Signals</b>	<b>Total Approval = £1.47m</b> (of £12.876m)
<b>Authority Request</b>	Authority of £1.47m to complete the feasibility phase of the project involving solution option research and off and on street trials.	
<b>Outputs and Schedule</b>	<p>Work in this phase includes:</p> <ul style="list-style-type: none"> <li>• Determine solution based on user perception and preference</li> <li>• Consultation with DfT to determine approvals route</li> <li>• Design and build technology and equipment</li> <li>• Off street technology / perception trials</li> <li>• Installation at eight 'all red' junctions and behavioural research</li> <li>• Evaluation of results</li> </ul> <p>This work will be completed by March 2012, when they project will seek further authority for implementation.</p>	
<b>Approval</b>	The project was granted additional authority of £1.47m taking the project to March 2012.	

<b>BR-PJ30</b>	<b>Petts Hill Improvement</b>	<b>Total Approval = £9.758m</b> (of £9.758m)
<b>Authority Request</b>	An additional £600k was requested to take total authority to £9.758m to complete the project. Additional authority is required as a result of cost increases caused by changes to the possession regime on this railway over bridge.	
<b>Outputs and Schedule</b>	A replacement Network Rail over bridge is provided on the A312 / A4090 on the Chiltern Railway. Changes to possessions on the West Coast Mainline resulted in changes to the possessions allowed on this parallel line to Birmingham. Additional measures beneficial to other modes were also provided, enabled through the provision of an increased bridge span.	
<b>Approval</b>	£9.758m was approved to complete the project.	

<b>LU-PSE0457</b>	<b>RVAR Metropolitan Line Level Access</b>	<b>Total Approval = £5.7m</b> (of £5.7m)
<b>Authority Request</b>	An additional £5.24m was requested to take the total authority to £5.7m for the detailed design and construction of 32 platform humps on the Metropolitan line.	
<b>Outputs and Schedule</b>	Line level access from the platform to the train is required for all new rolling stock as part of the Rail Vehicle Accessibility Regulations (RVAR). This authority provides for the work required to achieve RVAR compliance on the Metropolitan line by providing line level access at 32 platforms. The first new trains are planned to be introduced in May 2010 and 17 platform works will be completed in time for this introduction. The scope and timetable for the introduction of these measures has been discussed in detail with the DfT. Full RVAR compliance cannot be confirmed until the proposed scope and exemptions have proceeded through Parliament and have been incorporated into legislation.	
<b>Approval</b>	£5.70m was approved for the detailed design and construction.	

<b>ST-PR10</b>	<b>TLRN Capital Renewal</b>	<b>Total Approval = £40.0m</b> (of £40.0m)
<b>Authority Request</b>	Approval of £40.0m for the annualised programme of maintenance works to the TLRN.	
<b>Outputs and Schedule</b>	<p>The Transport for London Road Network (TLRN) consists of 2,400 lane kilometres of carriageway, 1,100km of footway and the associated assets, including street lighting, tunnels and drainage systems.</p> <p>TLRN renewal is divided into Highways, Structures and Tunnels. The work is prioritised to ensure that the assets are kept to an agreed level of condition, using UK-wide standards where appropriate. The programme for the current year includes:</p> <ul style="list-style-type: none"> <li>• 64 carriageway schemes</li> <li>• 36 footway schemes</li> <li>• 14 lighting schemes</li> <li>• drainage schemes</li> <li>• 32 structures schemes</li> <li>• 5 tunnel schemes</li> </ul>	
<b>Approval</b>	£40.0m was approved for the 2009/10 renewal programme.	

<b>LR-PJ New</b>	<b>Beckton Depot Offices</b>	<b>Total Approval = £21.163m</b> (of £21.163m)
<b>Authority Request</b>	The Project requested £21.163m authority to complete the Beckton Control Room project into operation.	
<b>Outputs and Schedule</b>	<p>The project has recently submitted the planning application for the building. Future milestones for the project are:</p> <ul style="list-style-type: none"> <li>• Signalling design (Thales) – award contract – Early November 2009</li> <li>• Building – construction contract award – March 2010</li> <li>• Building – works complete – October 2010</li> <li>• Fit-out complete/commence trial operations – May 2010</li> <li>• Enter into service – August 2011</li> </ul> <p>The project will return to the PRG in February 2010 for final approval to let the building construction contract.</p>	
<b>Approval</b>	The project was granted authority of £21.163m to project completion in August 2011.	

**PRG Forward Forecast – November 2009 to November 2010**

To enable an appropriate level of governance, processes are in place for the authorisation, control and reporting of projects. This is undertaken at both Corporate and Modal levels. In addition to Modal processes, projects with a total value greater than £2m (unbudgeted) or £5m (budgeted) require authorisation at a corporate level. The Corporate Gate Approval Process (CGAP) sets the requirements for the review of these projects prior to approval. Each gate applies “challenges” to the project to assess whether it is in a suitable state to move through the gate. The Gate Review provides assurances that a project or programme is:

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

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

- Gate A – Project commencement (compulsory gate);
- Gate B – Single option selection;
- Gate C – Pre-tender;
- Gate D – Contract award;
- Gate E – Project close (compulsory gate); and
- Gate P – Programme review for annualised programmes of minor schemes.

**Projects to be approved by the Finance and Policy Committee greater than £50M**

Project Title	Current Project Authority £m	Expected Cumulative Authority Sought £m	Estimated Final Cost £m	CGAP Gate	Proposed PRG Date
<b>London Underground</b>					
Sub-Surface lines 750V conversion	3.600	54.400	54.400	D	May-10

<b>Corporate</b>					
Information Management Strategic Investment Programme*	81.060	115.000	115.000	D	Mar-10

\* will also require TfL Board approval

**Projects to be approved by the Commissioner between £25M and £50M**

Project Title	Current Project Authority £m	Expected Cumulative Authority Sought £m	Estimated Final Cost £m	CGAP Gate	Proposed PRG Date
<b>London Underground</b>					
LU works for Thameslink	21.254	37.504	37.504	D	Jan-10
Civils Programme 10/11 Bridges and Structures	0.000	50.000	50.000	P	Feb-10
Civils Programme 10/11 Pumps	0.000	50.000	50.000	P	Feb-10

<b>Surface Transport</b>					
TLRN Capital Renewal 10/11	0.000	47.500	47.500	P	Mar-10

## Projects to be approved by the MD Finance under £25M

Project Title	Current Project Authority £m	Expected Cumulative Authority Sought £m	Estimated Final Cost £m	CGAP Gate	Proposed PRG Date
<b>London Underground</b>					
Victoria Line Upgrade - 4,500 Amp Energy Optimisation	0.500	0.500	12.388	A	Nov-09
Highbury & Islington Integration	1.000	6.000	6.000	B/D	Jan-10
1992 Train Stock Half-life Ambience Upgrade	0.000	16.000	16.000	B	Feb-10
Asset Stabilisation Programme 10/11	0.000	23.000	23.000	P	Feb-10
Tunnel Cleaning Train	0.000	10.000	10.000	B	Jun-10
Victoria Line Upgrade - 4,500 Amp Energy Optimisation	0.500	11.200	11.200	B/D	Sep-10

<b>Surface Transport</b>					
Electric Vehicles	0.000	TBC	20.000	B	Dec-09
Streets Infrastructure Development/Systems Relocation	5.600	22.600	22.600	D	Dec-09
New Bus for London	0.495	3.300	3.300	D	Dec-09
Olympic Road Network Instrumentation Project	10.100	16.428	17.240	C	Feb-10
East London Transit stage 1b	1.3000	19.800	19.800	C	Mar-10
Olympic Cycle and Walking Routes	0.750	9.800	9.800	B/D	Mar-10
A406 Henly's Corner	1.600	TBC	7.600	C	Apr-10
Olympic Road Network Junctions and Carriageways	1.260	TBC	18.006	C	Apr-10
Transport Coordination Centre	4.400	TBC	9.400	B/C	Aug-10