1 Summary
1.1 To report to the Board on the meeting of the Finance and Policy Committee held on 30 July 2015.

2 Recommendation
2.1 That the Board notes the report.

3 Background
3.1 The main matters considered by the Committee are listed below. Items identified by an * in the list below appear elsewhere on the agenda for this meeting.

(a) Independent Investment Programme Advisory Group 2014/15 Annual Report;
(b) Independent Investment Programme Advisory Group Appointments;
(c) Project Monitoring – Project Approvals;
(d) Surface Intelligent Transport System*;
(e) Cycle Hire Re-Let;
(f) Crossrail Stations Upgrades;
(g) Barking Riverside Extension;
(h) Jubilee and Northern Lines Additional Trains;
(i) Tottenham Court Road West Over Station Development; and
(j) Appointment of the Commissioner of Transport*.
4 Issues Discussed

**Independent Investment Programme Advisory Group 2014/15 Annual Report**

4.1 The Committee noted the Independent Investment Programme Advisory Group’s (IIPAG) Annual Report for 2014/15 and the information provided on the delivery of TfL’s Investment Programme. Members noted the contribution of the IIPAG in providing a useful level of challenge and the role of the Annual Report in facilitating further dialogue. Work was underway within TfL to examine improvements in the management of large commercial projects and the rationalisation of telecommunications contracts, both of which were welcomed by Members. The Committee endorsed TfL’s management response for approval by the Mayor.

**Independent Investment Programme Advisory Group Appointments**

4.2 The Committee approved the process and selection panel to recommend two candidates for appointment by the Mayor to the IIPAG. The need for additional expertise, in information and systems technologies and highways/transport planning, had been identified as part of a review of the Assurance and Approval Processes applicable to Investment Projects.

**Project Monitoring – Project Approvals**

4.3 The Committee noted the forward approval programme for projects with a value in excess of £50m from July 2015 to January 2017 and details of the Project Authority granted by the Commissioner.

**Surface Intelligent Transport System**

4.4 The Committee recommended that the Board approve additional Project Authority for the Surface Intelligent Transport System (SITS), bringing the project total to £5.80m.

4.5 Members discussed the drivers behind the SITS in detail. Given the particular challenges involved in a unique and technically complex long term project such as SITS, Members recommended that the remaining Project Authority of up to £6.26m should be requested following an Assurance Review.

4.6 A paper on SITS appears elsewhere on the agenda.

**Cycle Hire Re-Let**

4.7 Under the authority delegated by the Board on 26 March 2015, the Committee granted Project and Procurement Authority to enable implementation of the recommended option for the Cycle Hire Re-let (CHR) Programme and the continued operation of the Cycle Hire Scheme. The CHR Programme would deliver the continuation of the Cycle Hire Scheme services, including back and front office systems, contact centre, on street fixed assets, scheme integration, bike management and supply, for launch by 1 August 2017.
Crossrail Stations Upgrades

4.8 Under the authority delegated by the Board on 26 March 2015, the Committee approved an increase of £55m in the Procurement Authority (to a total of £1,399m) for the Crossrail train operating contract with Mass Transit Railway Corporation (Crossrail) Limited (the MTR Contract) and arrangements for amending the MTR Contract to enable the delivery of station upgrades.

4.9 The MTR Contract permits Rail for London Limited (RfL) to instruct MTR to carry out station improvements. TfL’s Business Plan from 2015 to 2020 includes £93.6m Financial Authority for the station improvement works, of which £55m has been identified for the management and delivery of station improvements. Project Authority for this was granted by the Committee on 17 June 2015. Following the development and identification of funding of the proposals for the station upgrade works, RfL was now in a position to instruct MTR to carry out the works.

4.10 The station works would be procured in line with the project programme, leading to completion of the stations upgrade works to the east of London in time for the launch of the new Crossrail trains and branding in May 2017.

Barking Riverside Extension

4.11 Under the authority delegated by the Board on 26 March 2015, the Committee agreed additional Project Authority of £2.7m to enable development of the Barking Riverside Extension to continue and to prepare documentation for a Transport and Works Act Order (TWAO) application in early 2016. The Committee endorsed the submission of a paper to the Board in due course seeking authority to submit the TWAO application alongside additional Project Authority to advance the scheme to detailed design.

Jubilee and Northern Lines Additional Trains

4.12 Under the authority delegated by the Board on 26 March 2015, the Committee approved additional budgeted Project Authority to progress the Invitation to Tender stage of the procurement of additional trains for the Jubilee and Northern lines. The additional trains were required for three projects: Jubilee Line World Class Capacity, increasing the number of trains per hour to up to 36 peak service by 2019; Northern Line World Class Capacity, which will increase the number of trains per hour to 30 peak service by 2021; and the Northern Line Extension from January 2020.

4.13 The additional Project Authority of £4.62m increased the total Project Authority to £6.027m. A further paper would be submitted in September 2016 seeking Project and Procurement Authority to award a contract.

Tottenham Court Road West Over Station Development

4.14 The Committee noted the paper which detailed Crossrail’s general policy of having Over Station Developments (OSDs) in place in advance of the station and railway opening and how the current forecast meant there would be
insufficient time to complete the works. The Committee approved additional Project Authority to procure completion of the shell and core of the OSD above the new Crossrail station at Tottenham Court Road West using the current contractor, Laing O’Rourke (LOR), for the Crossrail Main Station contract.

4.15 The shell and core work would be undertaken by LOR, enabling the OSD to be completed prior to the station opening. The earlier procurement was recommended on the basis of it being both necessary in order to avoid or mitigate the local impacts of an extended and disrupted construction period and to avoid the abortive cost of reinstating urban realm facilities and to maximise commercial returns.

Appointment of the Commissioner of Transport

4.16 The Committee received this paper as an item of urgent business, in accordance with section 100(B)(4) of the Local Government Act 1972, on the grounds that the appointment of the Commissioner of Transport should be progressed as soon as possible. The Committee noted the paper and the membership of the panel to assist with the appointment process.

4.17 A paper on the Appointment of the Commissioner of Transport appears elsewhere on the agenda.

List of appendices to this report:

None

List of Background Papers:

Papers submitted to the Finance and Policy Committee on 30 July 2015

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