

Date: 27 July 2016

Item: Project Monitoring – Project Approvals

This paper will be considered in public

1 Summary

- 1.1 This paper presents to the Committee the forward approval programme for projects with a value in excess of £50m, from September 2016 to March 2018, and informs the Committee of Project Authority granted by the Commissioner and the Chief Finance Officer in accordance with delegated authorities under TfL's Standing Orders.

2 Recommendation

- 2.1 **The Committee is asked to note the paper.**

3 Background

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

4 Forward Approval Programme

- 4.1 To enable an appropriate level of governance, processes are in place for the authorisation, control and reporting of projects. The forward approval programme for September 2016 to March 2018, for projects with a value in excess of £50m, is set out in Appendix 1.
- 4.2 Where the projects have a value in excess of £50m and have not already received full approval from the Committee, these requests will be submitted to the Committee and, where appropriate, to the Board for consideration. Those projects with an estimated final cost of £50m or below, which have been approved by the Commissioner or the Chief Finance Officer, will be reported to subsequent meetings of the Committee.

Project Approvals by the Commissioner

- 4.3 Since the last meeting of the Committee on 8 July 2016, the Commissioner has approved Project Authority for three projects. Further details are set out in Appendix 2.

Project Approvals by the Chief Finance Officer

- 4.4 Since the last meeting of the Committee on 8 July 2016, the Chief Finance Officer has approved Project Authority for nine projects. Further details of these projects are set out in Appendix 3.

List of appendices to this report:

Appendix 1: Forward Approval Programme

Appendix 2: Summary of project approvals by the Commissioner

Appendix 3: Summary of project approvals by the Chief Finance Officer

List of Background Papers:

None

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Forward Approval Programme – September 2016 to March 2018

To enable an appropriate level of governance, processes are in place for the authorisation, control and reporting of projects.

The Pathway Integrated Assurance Review process (IAR) sets the requirements for the review of projects prior to approval.

Each IAR applies 'challenges' to the project to assess whether it is in a suitable state to move through the gate, providing assurance that a project or programme is:

- deliverable – it is likely to deliver the expected benefits within the declared.
- 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.

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

- Initiation*;
- Option Selection*;
- Pre-Tender;
- Design;
- Contract Award*;
- Project Close; and
- Programme review (for ongoing programmes).

All figures shown in the following table are in accordance with the approved TfL Business Plan unless otherwise indicated.

* If there is more than one year between gates, projects may also be reviewed at an interim point.

Forward Schedule of Project Approvals

Project	Programme / Asset Group	Estimated Final Cost £m	Approval	Note	2016					2017																		
					Board	FPC	Board	FPC	Board	FPC	Board	FPC	Board	FPC	Board	FPC	Board	FPC	Board	FPC	Board	FPC	Board	FPC	Board			
					Sep-16	Oct-16	Nov-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Mar-17	Jun-17	Jun-17	Jul-17	Jul-17	Jul-17	Sep-17	Oct-17	Nov-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Mar-18	
Planning																												
Crossrail 2	Planning	>>	Interim		✓																							
Underground																												
Central Line Improvement Programme (92TS AC conversion)	Rolling Stock	360	Contract Award				✓	✓																				
Bank Station Capacity Upgrade	Stations	612	Interim							✓																		
Camden Town Station Capacity Upgrade	Stations	>>	TWA Submission													✓	✓											
Elephant and Castle Northern Line Ticket Hall	Stations	>>	Interim																✓	✓								
Holborn Station Capacity Upgrade	Stations	>>	Pre Tender							✓	✓																	
Jubilee & Northern lines additional trains	Upgrades	>>	Contract Award									✓	✓															
Metropolitan Line Extension	Upgrades	>>	Contract Award	1																								
New Tube for London (Piccadilly line Rolling Stock)	Upgrades	>>	Contract Award													✓	✓											
New Tube for London (Railway Control System)	Upgrades	>>	Contract Award	2															✓	✓								
Northern Line World Class Capacity	Upgrades	>>	Option								✓	✓																
Surface																												
Asset Renewal Programmes	Assets	93	Annual									✓															✓	
Silvertown River Crossing	Assets	>>	Pre Tender	3						✓								✓	✓									
STIP 2 - Brent Cross	Assets	>>	Initiation		✓																							
STIP 2 - Westway	Assets	>>	Initiation		✓																							
Wandsworth Gyrotory Removal	Assets	>>	Interim			✓	✓																					
Cycle Superhighways Programme (Phase 2)	Cycling	>>	Contract Award									✓	✓															
Cycling Vision Portfolio	Cycling	913	Annual									✓	✓													✓	✓	
A23/A232 Fiveways Road Improvement Scheme	Highways Enhancements	>>	Pre Tender											✓														
New Trains for Docklands	Rolling Stock	>>	Option				✓	✓																				
Surface Intelligent Transport System (SITS)	Network Performance	>>	Pre Tender		✓																							
Overground Extension to Barking Riverside	Upgrades	>>	Interim						✓																			
Overground Station at Old Oak Common	Upgrades	>>	Interim								✓																	
Stratford to Angel Road North	Upgrades	>>	Contract Award		✓																							

Notes:

TBC: The amount to be approved at the gate will be confirmed closer to the approval date.

>>: Costs are excluded for reasons of commercial confidentiality.

UB: Unbudgeted

1. Dates to be confirmed.
2. The Railway Control System ITT will be reviewed in mid 2016 and it is not currently planned for submission to the FPC. This contract award is only for the development phase of the signalling system.
3. An invitation to tender will be issued in January 2017, with an addendum in October 2017 after the results of the Development Consent Order application.

Summary of projects approved by the Commissioner

PVEC3130 Bakerloo Line Rail and Vehicle Access Regulations	
Existing Project Authority £ 0.297m	Financial Authority in Business Plan £ 43.080m
Additional Project Authority £ 5.286m	Estimated Final Cost £ 30.093m
Total Project Authority Granted £ 5.583m	Variance Commentary N/A
Outputs and Schedule	<p>The project will undertake works on the Bakerloo line 1972 Tube Stock to achieve a level of compliance with the Rail and Vehicle Access Regulations as agreed with the Department for Transport. The project will complete by March 2021.</p> <p>Additional Project Authority of £5.286m was granted up to January 2018 following an Option Integrated Assurance Review. The new Authority covers:</p> <ul style="list-style-type: none"> • Solution design and prototyping including wheel chair bays, door handrails and passenger information displays. • Replacement of the interior lighting with LED units.

LR-PJ315C West Anglia Stations Programme	
Existing Project Authority £24.941m	Financial Authority in Business Plan £ 27.941m
Additional Project Authority £ 3.000m	Estimated Final Cost £ 27.941m
Total Project Authority Granted £ 27.941m	Variance Commentary N/A
Outputs and Schedule	<p>The programme will deliver improved customer experience and security across 24 London Overground stations on the West Anglia routes. The work focuses on the repair and replacement of essential station assets.</p> <p>Additional Project Authority of £3m was granted up to March 2018 following an Interim Integrated Assurance Review. The additional Authority covers:</p> <ul style="list-style-type: none"> • The installation of ticket gatelines at four stations.

BC-PJ188C LU Bridges, Structures and Deep Tube Tunnels Renewal Programme	
Existing Project Authority £ nil	Financial Authority in Business Plan £ 39.000m
Additional Project Authority £ 11.700m	Estimated Final Cost £ 39.000m
Total Project Authority Granted £ 11.700m	Variance Commentary N/A
Outputs and Schedule	<p>The annualised programme maintains the London Underground civil infrastructure in a safe and functional condition. The assets include viaducts, tunnels, girderings, platforms, shafts, cross passages and passageways.</p> <p>Project Authority of £11.700m was granted up to March 2018 following an Annual Integrated Assurance Review. The new Authority covers the first phase of a three year programme, specifically:</p> <ul style="list-style-type: none"> • Renewal of assets at twelve high priority sites. • Feasibility studies for three sites. • Detailed design at seven sites.

Summary of projects approved by Chief Finance Officer

ST-PJ506C Smart Roads Feasibility Study	
Existing Project Authority £ 0.200m	Financial Authority in Business Plan £ 1.700m
Additional Project Authority £ 1.500m	Estimated Final Cost £ 1.700m
Total Project Authority Granted £ 1.700m	Variance Commentary N/A
Outputs and Schedule	<p>The project will examine how 'smart road' traffic measures could be used in London, including ramp metering, variable speed limits, dynamic lane use, all lane running and tidal flow to enable more efficient traffic movement.</p> <p>Additional Project Authority of £1.500m was granted up to March 2017 following an Initiation Integrated Assurance Review. The new Authority covers:</p> <ul style="list-style-type: none"> • Definition of Smart Roads programme outcomes. • A feasibility study for a demonstration implementation of smart road measures on the A2 corridor. • A feasibility study for an initial deployment of ramp metering at selected sites.

LR-PJ312C LO Infrastructure Renewals Programme 2016/17

Existing Project Authority £ nil	Financial Authority in Business Plan £ 12.938m
Additional Project Authority £ 11.644m	Estimated Final Cost £ 11.644m
Total Project Authority Granted £ 11.644m	Variance Commentary N/A

Outputs and Schedule The annualised programme replaces life-expired assets on TfL-maintained sections of the London Overground network, including rolling stock, structures, and electrical and mechanical equipment.

Project Authority of £11.644m was granted up to March 2017 following an Annual Integrated Assurance Review. The Authority covers a specified work bank including:

- Retaining wall repairs.
- Escalator and lift renewals.
- Station refurbishments
- Rolling stock refurbishments.

LR-PJ28C Docklands Light Railway 2016/17 Infrastructure Renewals Programme	
Existing Project Authority £ nil	Financial Authority in Business Plan £ 24.960m
Additional Project Authority £ 22.464m	Estimated Final Cost £ 22.464m
Total Project Authority Granted £ 22.464m	Variance Commentary N/A
Outputs and Schedule	<p>The annualised programme replaces life-expired assets on the DLR network, including track, signalling, power, structures and telecoms equipment.</p> <p>Project Authority of £22.464m was granted up to April 2016 following an Annual Integrated Assurance Review. The Authority covers a specified work bank including:</p> <ul style="list-style-type: none"> • Traction power cabin replacements. • Signalling software upgrades. • Tunnel repairs. • Renewal of track fixings.

ST-PJ332C Transport For London Road Network Regional Improvement Programme

Existing Project Authority £ nil	Financial Authority in Business Plan £ 12.750m
Additional Project Authority £ 10.000m	Estimated Final Cost £ 10.000m
Total Project Authority Granted £ 10.000m	Variance Commentary N/A
Outputs and Schedule	<p>The annualised programme delivers prioritised small-scale highway improvements on the Transport for London Road Network to reduce casualties, smooth the flow of traffic, increase walking and cycling, and improve bus journey times.</p> <p>Project Authority of £10.000m was granted up to 31 March 2017 following an Annual Integrated Assurance Review. The new Authority covers a specified work bank of schemes including:</p> <ul style="list-style-type: none">• Pedestrian and toucan crossings.• Road layout improvements and changes to lane markings.• Cycle lanes and advance cycle stop lines.• Bus lanes and improved bus stops.

LU-PJ1045C Sub-Surface Lines Customer Information System Enhancements**Existing Project Authority**
£ 0.065m**Financial Authority in Business Plan**
£ 6.270m**Additional Project Authority**
£ 1.615m**Estimated Final Cost**
£ 6.270m**Total Project Authority Granted**
£ 1.680m**Variance Commentary**
N/A**Outputs and Schedule**

The project will improve the customer information systems and install platform visual electronic information displays (VEIDs) at 54 stations on the sub-surface lines (District, Circle, Hammersmith and City, and Metropolitan). The project will complete by December 2020.

Additional Project Authority of £1.615m was granted up to March 2017. The new Authority covers:

- The installation of VEIDs at eight specific stations including Ladbroke Grove, Royal Oak and Wood Lane.
- The modernisation of VEIDs at Harrow-on-the-Hill station.
- Integration of LU and Network Rail train running information at shared platforms.
- The improvement of train running information at stations where customers currently receive poor information.

LR-PJ42C DLR Royal Docks Capacity Programme: Custom House Station**Existing Project Authority**
£ 0.600m**Financial Authority in Business Plan**
£ 20.200m**Additional Project Authority**
£ 15.200m**Estimated Final Cost**
£ 20.200m**Total Project Authority Granted**
£ 15.800m**Variance Commentary**
N/A**Outputs and Schedule**

The project will increase interchange capacity at the DLR Custom House Station in advance of the opening of Crossrail. The project will complete by January 2018.

Additional Project Authority of £15.200m was granted up to March 2018 following a Contract Award Integrated Assurance Review. The new Authority covers the design and construction of:

- A new mezzanine deck.
- Two additional stairs from the mezzanine to the platform.

LR-PJ601C London Trams Annual Asset Renewals Programme	
Existing Project Authority £ nil	Financial Authority in Business Plan £ 5.562m
Additional Project Authority £ 5.002m	Estimated Final Cost £ 5.002m
Total Project Authority Granted £ 5.002m	Variance Commentary N/A
Outputs and Schedule	<p>The annualised programme replaces life-expired assets on the London Trams network, including track, power supplies and telecoms equipment.</p> <p>Project Authority of £5.002m was granted up to March 2017 following an Annual Integrated Assurance Review. The new Authority covers a specified work bank, including:</p> <ul style="list-style-type: none"> • Track replacements. • Power switchgear replacements. • On-tram CCTV installations and communication improvements. • Infrastructure and civils works.

LR-PJ311C London Overground Gospel Oak to Barking**Existing Project Authority**
£ 3.340m**Financial Authority in Business Plan**
£ 16.790m**Additional Project Authority**
£ 11.660m**Estimated Final Cost**
£ 15.000m**Total Project Authority Granted**
£ 15.000m**Variance Commentary**
N/A**Outputs and Schedule**

The project will deliver platform extensions, gatelines and station enhancements at Overground stations on the Gospel Oak to Barking line to support new four-car electric trains. The new trains will replace the existing two-car diesel units following the line's electrification.

Additional Project Authority of £11.66m was granted up to December 2016 following a Contract Award Assurance Review. The new Authority covers:

- Platform extensions at four stations.
- Additional ticket gatelines at two stations.
- General enhancements at all stations including canopies and shelters, repainting and lighting improvements.

LR-PJ607C Elmers End Line Enhancements**Existing Project Authority**
£ 0.200m**Financial Authority in Business Plan**
£ 8.850m**Additional Project Authority**
£ 0.700m**Estimated Final Cost**
£ 8.850m**Total Project Authority Granted**
£ 0.900m**Variance Commentary**
N/A**Outputs and Schedule**

The project will improve resilience and capacity on the Elmers End Tramlink branch. Proposals include adding a second platform with supporting crossovers and signalling, and double tracking of the approach to Elmers End from Arena Junction. The project will complete by January 2020.

The additional Project Authority of £0.700m covers:

- Concept design.