

Date: 8 July 2016

Item: Project Monitoring – Project Approvals

This paper will be considered in public.

1 Summary

- 1.1 To present to the Committee the forward approval programme for projects with a value in excess of £50m, from July 2016 to December 2017, and to inform 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 July 2016 to December 2017, 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 2 March 2016, the Commissioner has approved Project Authority for five projects. Further details are set out in Appendix 2.

Project Approvals by the Chief Finance Officer

- 4.4 Since the meeting of the Committee on 2 March 2016, the Chief Finance Officer has approved Project Authority for eleven 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

Contact Officer: Michael Bridgeland, Head of Project Assurance

Number: 020 3054 7751

Email: MichaelBridgeland@tfl.gov.uk

Forward Approval Programme – July 2016 to December 2017

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																	
					Jul-16	Jul-16	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
Planning																							
Crossrail 2	Planning	>>	Option	1				✓															
Crossrail 2	Planning		Interim						✓														
Underground																							
Central Line Improvement Programme	Rolling Stock	360	Initiation		✓																		
Central Line Improvement Programme (92TS AC conversion)	Rolling Stock		Contract Award						✓	✓													
Bank Station Capacity Upgrade	Stations	>>	Interim									✓											
Camden Town Station Capacity Upgrade	Stations	>>	Pre Tender		✓																		
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	299	Contract Award				✓																
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	561	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				✓	✓															
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				✓																
Dingwall Loop	Upgrades	>>	Pre TWAO						✓	✓													
London Overground extension to Barking Riverside	Upgrades	>>	Interim								✓												
Stratford Angel Road	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. The case scheme option will be presented for endorsement by the Crossrail 2 Sponsors Board in late July 2016. Assurance reports submitted to this meeting will also be presented to the FPC, for information.

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 December 2016, with an addendum in October 2017 after the results of the Development Consent Order application.

Summary of projects approved by the Commissioner

N/A Piccadilly line Fleet Life Extension	
Existing Project Authority £ nil	Financial Authority in Business Plan £ 23.514m
Additional Project Authority £ 23.514m	Estimated Final Cost £ 23.514m
Total Project Authority Granted £ 23.514m	Variance Commentary N/A
Outputs and Schedule	<p>The project will continue to ensure the safety, reliability and performance of the Piccadilly line 1973 train fleet until its withdrawal in 2026. The project will complete in March 2021.</p> <p>Project Authority of £23.514m was granted up to March 2021. The Authority covers:</p> <ul style="list-style-type: none"> • Floor and seat replacements. • Overhaul of the train control systems and doors.

LU-PJ682C Piccadilly line Interim Control Upgrade	
Existing Project Authority £ 35.114m	Financial Authority in Business Plan £ 46.897m
Additional Project Authority £ 11.752m	Estimated Final Cost £ 46.866m
Total Project Authority Granted £ 46.866m	Variance Commentary N/A
Outputs and Schedule	<p>The project will replace the obsolete Piccadilly line signalling control system with an interim solution until a new system is installed under the New Tube for London programme in 2026. The project will complete in August 2018.</p> <p>Additional Project Authority of £11.752m was granted up to March 2019 following a Contract Award Integrated Assurance Review. The new Authority covers:</p> <ul style="list-style-type: none"> • Construction of a dedicated service control centre. • Migration of auxiliary systems to the control centre. • Handover of the control centre to operations and maintenance.

BC-PJ143C Victoria line World Class Capacity	
Existing Project Authority £ 36.634m	Financial Authority in Business Plan £ 56.341m
Additional Project Authority £ 11.498m	Estimated Final Cost £ 48.132m
Total Project Authority Granted £ 48.132m	Variance Commentary The Financial Authority will be reduced as part of the new business plan.
Outputs and Schedule	<p>The project will increase the Victoria line service frequency from 33 trains per hour to 36 during the peak period. The project will complete in June 2018.</p> <p>Additional Project Authority of £11.498m was granted up to August 2019 following a Contract Award Integrated Assurance Review. The new Authority covers:</p> <ul style="list-style-type: none"> • A cost increase in the signalling modifications to reduce the headway from 105 seconds to 100 seconds.

LU-PJ967C Tottenham Hale Station Upgrade	
Existing Project Authority £ 3.520m	Financial Authority in Business Plan £ 31.250m
Additional Project Authority £ 27.230m	Estimated Final Cost £ 30.750m
Total Project Authority Granted £ 30.750m	Variance Commentary N/A
Outputs and Schedule	<p>The project will improve passenger interchanges and enable step-free access at Tottenham Hale station. The project will complete by March 2018.</p> <p>Additional Project Authority of £27.230m was granted up to December 2019 following a Contract Award Integrated Assurance Review. The new Authority covers:</p> <ul style="list-style-type: none"> • Modifications to the LU ticket hall. • Creation of a new footbridge over Network Rail tracks. • Installation of two additional lifts.

ST-PJ518C Ultra Low Emission Zone – Rapid Charging Network	
Existing Project Authority £ 0.430m	Financial Authority in Business Plan £ 42.600m
Additional Project Authority £ 4.710m	Estimated Final Cost Excluded for reasons of commercial confidentiality
Total Project Authority Granted £ 5.140m	Variance Commentary N/A
Outputs and Schedule	<p>The project will deliver a network of rapid charging points to support zero emission capable taxis and private hire vehicles.</p> <p>Additional Project Authority of £4.710m was granted up to January 2018. The new Authority covers:</p> <ul style="list-style-type: none"> • Network design. • Tendering of a multi-supplier installation, operation and maintenance procurement framework. • Installation of the first 75 charging points.

Summary of projects approved by the Chief Finance Officer

LU-PJ769C Bromley-by-Bow Step Free Access	
Existing Project Authority £ 3.050m	Financial Authority in Business Plan £ 9.975m
Additional Project Authority £ 6.925m	Estimated Final Cost £ 9.975m
Total Project Authority Granted £ 9.975m	Variance Commentary N/A
Outputs and Schedule	<p>The project will provide step free access from the ticket hall to the trains, and minor capacity and ambience improvements. The project will complete by October 2017.</p> <p>Additional Project Authority of £6.925m was granted up to March 2018 following a Contract Award Integrated Assurance Review. The new Authority covers:</p> <ul style="list-style-type: none"> • Two new lifts from the ticket hall to the platform. • Reconfiguration of the ticket hall including additional gates.

BR-PJ45C Highbury Corner Gyratory Removal	
Existing Project Authority £ 0.430m	Financial Authority in Business Plan £ 8.500m
Additional Project Authority £ 0.300m	Estimated Final Cost £ 8.500m
Total Project Authority Granted £ 0.730m	Variance Commentary N/A
Outputs and Schedule	<p>The project will remove the Highbury Corner Gyratory by closing the western arm of the gyratory and returning traffic to two way operation. A new public space will be created in front of Highbury & Islington station. The project will complete by March 2020.</p> <p>Additional Project Authority of £0.300m was granted up to July 2016 following an Option Integrated Assurance Review. The new Authority covers:</p> <ul style="list-style-type: none"> • Public consultation.

ST-PJ372/373/486/488/489/490C Bus Priority Delivery Portfolio 2016/17	
Existing Project Authority £ 4.013m	Financial Authority in Business Plan £ 16.334m
Additional Project Authority £ 12.321m	Estimated Final Cost £ 16.334m
Total Project Authority Granted £ 16.334m	Variance Commentary N/A
Outputs and Schedule	<p>The portfolio will deliver bus priority road schemes to improve bus service reliability and support regional growth.</p> <p>Additional Project Authority of £12.321m was granted up to March 2017 following an Annual Integrated Assurance Review. The new Authority covers:</p> <ul style="list-style-type: none"> • Delivery of 138 prioritised schemes. • Designs for schemes to be delivered in 2017/18.

UIP 2343 Colindale Station Capacity Enhancement and Step Free Access	
Existing Project Authority £ 0.700m	Financial Authority in Business Plan £ 3.430m
Additional Project Authority £ 1.160m	Estimated Final Cost £ 17.660m
Total Project Authority Granted £ 1.860m	Variance Commentary £3.430m of the cost is funded by TfL with the remaining £14.230m funded through a section 106 agreement, and a direct contribution from the London Borough of Barnet.
Outputs and Schedule	<p>The project will provide a new ticket hall at Colindale Underground Station and step free access to the platform. The project will complete by June 2019.</p> <p>Additional Project Authority of £1.160m was granted up to March 2017 following a Concept Design Integrated Assurance Review. The new Authority covers:</p> <ul style="list-style-type: none"> • Concept design. • Site surveys to support the design. • Preparation of the local authority planning consent application.

SS-PJ050C LU Civils Earth Structures Programme 2015/18	
Existing Project Authority £ nil	Financial Authority in Business Plan £ 6.501m
Additional Project Authority £ 6.501m	Estimated Final Cost £ 6.501m
Total Project Authority Granted £ 6.501m	Variance Commentary N/A
Outputs and Schedule	<p>The programme will maintain the London Underground earth structures in a state of good repair. The earth structures provide support and stability to the track, signals and cable runs. The programme will complete by April 2018.</p> <p>Project Authority of £6.501m was granted up to March 2018 following an Annual Integrated Assurance Review. The new Authority covers:</p> <ul style="list-style-type: none"> • Refurbishment and renewal of earth structure assets at eight cuttings on the Central line and one embankment on the Jubilee line.

LU-PJ960C Temple Station & Thames Garden Bridge	
Existing Project Authority £ 0.633m	Financial Authority in Business Plan £ nil
Additional Project Authority £ 2.420m	Estimated Final Cost £ 3.053m
Total Project Authority Granted £ 3.053m	Variance Commentary All London Underground costs will be reimbursed by the Garden Bridge Trust.
Outputs and Schedule	<p>The project will strengthen the Temple London Underground station structure to withstand the weight of the Thames Garden Bridge on its roof. The project will complete by December 2018.</p> <p>Additional Project Authority of £2.420m was granted. The new Authority covers:</p> <ul style="list-style-type: none"> • Structural design. • Strengthening of the station roof.

LR83 Crossrail Systems Information Programme	
Existing Project Authority £ 0.630m	Financial Authority in Business Plan £ 12.600m
Additional Project Authority £ 2.420m	Estimated Final Cost £ 12.600m
Total Project Authority Granted £ 3.050m	Variance Commentary N/A
Outputs and Schedule	<p>The programme will deliver the IT systems to support the operation and maintenance of the Crossrail service. The project will complete by December 2019.</p> <p>Additional Project Authority of £2.420m was granted up to September 2016. The new Authority covers:</p> <ul style="list-style-type: none"> • Implementation of the Crossrail Enterprise Asset Management System. • Design of support systems including rostering and access management.

ST-PJ469C Kingston Cromwell Bus Station Reconstruction	
Existing Project Authority £ 0.190m	Financial Authority in Business Plan £ 6.116m
Additional Project Authority £ 0.530m	Estimated Final Cost £ 6.116m
Total Project Authority Granted £ 0.720m	Variance Commentary N/A
Outputs and Schedule	<p>The project will demolish and reconstruct the Cromwell Road bus station in Kingston. The project will complete by March 2019.</p> <p>Additional Project Authority of £0.530m was granted up to October 2017 following an Option Integrated Assurance Review. The new Authority covers:</p> <ul style="list-style-type: none"> Detailed design.

ST-PJ56C Victoria Coach Station Canopy and Roof Works	
Existing Project Authority £ nil	Financial Authority in Business Plan £ 1.100m
Additional Project Authority £ 3.870m	Estimated Final Cost £ 3.870m
Total Project Authority Granted £ 3.870m	Variance Commentary The estimated final cost exceeds the Financial Authority by £2.770m which will be funded from management contingency.
Outputs and Schedule	<p>The project will refurbish the departures roof canopy at the Victoria Coach Station. The project will complete by July 2017.</p> <p>Project Authority of £3.870m was granted up to July 2017. The new Authority covers:</p> <ul style="list-style-type: none"> Urgent canopy refurbishment.

BR-PJ57 Borough Crossrail Complementary Measures	
Existing Project Authority £ 1.900m	Financial Authority in Business Plan £ 28.500m
Additional Project Authority £ 7.500m	Estimated Final Cost £ 28.500m
Total Project Authority Granted £ 9.400m	Variance Commentary N/A
Outputs and Schedule	<p>The programme will improve the interchange facilities and urban realm at seventeen stations served by Crossrail in outer London. The programme will complete by December 2019.</p> <p>Additional Project Authority of £7.500m was granted up to March 2017 following an Interim Integrated Assurance Review. The new Authority covers:</p> <ul style="list-style-type: none"> • Detailed design for all seventeen stations. • Implementation at five stations.

ST-PJ340C Future Bus Systems	
Existing Project Authority £ nil	Financial Authority in Business Plan £ 17.500m
Additional Project Authority £ 1.250m	Estimated Final Cost Excluded for reasons of commercial confidentiality
Total Project Authority Granted £ 1.250m	Variance Commentary N/A
Outputs and Schedule	<p>The project will replace obsolete IT systems that support the bus service operations. The project will complete by January 2021.</p> <p>Project Authority of £1.250m was granted up to June 2017 following an Option Integrated Assurance Review. The new Authority covers:</p> <ul style="list-style-type: none"> • Tendering for the Routes and Schedules system.