

## Appendix 8: Project Assurance Quarterly Report

Q2 (P4-6), 2021/22

From the reviews undertaken in Quarter 2 we are continuing to see evidence of resourcing issues across a number of sub-programmes. This has been raised and discussed at an Executive level meeting and further updates will be provided at future Executive level meetings. We are also seeing a continuing lack of robustness in the preparation and reporting of estimated final costs, with varying degrees of appropriate benchmarking being undertaken to support these.

### Sub-Programme Reviews

|                           | Recommendation<br>(Critical Issues) | Commentary   |
|---------------------------|-------------------------------------|--|
| LU Signalling and Control | 5 (0)                               | The London Underground (LU) Signalling and Control asset strategy has moved away from the historical 'big bang' upgrade approach and is now focussed on a "do minimum" approach, making incremental improvements to the existing systems through the replacement of components as the need arises due to end of life and obsolescence. We recommended that the 10 projects within the sub-programme should be managed as a programme to maximise efficiencies and oversight, with suitable levels of staff resource in commercial and project sponsorship to support the complexities, benchmarking requirements and management of the additional projects in the programme.               |
| LU Track and Drainage     | 3 (1)                               | The sub-programme is delivering to an acceptable standard, despite challenging circumstances, but delivery confidence for future years is low. The programme is under significant pressure as a result of numerous factors, most notably a depleted number of completed designs as a result of the furloughing of designers for an extended period in 2020. This is resulting in work having to be re-prioritised, delivery opportunities lost and lower value for money. The critical issue raised requires that the impacts from this need to be clearly set out to Directors together with rectification plans for design pipeline. Staff shortages are also being seen in most areas.  |
| Silvertown Tunnel (STT)   | 4 (0)                               | Construction is underway, the new Silvertown Tunnel (STT) is due to open in summer 2025. The programme is split into two parts; the main Public Private Partnership (PPP) Contract delivered by Riverlinx; with non-PPP scope, delivered by TfL, including supporting infrastructure works and user charging for Blackwall Tunnel and STT. The sub-programme is well managed and consists of three delivery teams (Riverlinx, STT and Surface Transport Project and Programme Delivery), however, there is no programme level integrated schedule to ensure adequate oversight and scrutiny on delivery and performance, together with the identification of additional tier 1 milestones. |

|                | Recommendation<br>(Critical Issues) | Commentary  |
|----------------|-------------------------------------|---|
| Major Stations | 3 (0)                               | <p>This sub-programme mainly consists of Bank Station Capacity Upgrade (BSCU), Elephant &amp; Castle Station Capacity Upgrade (ECSCU) and HS2 Programme Works. It is well managed but the governance structure and reporting of the HS2 Programme appears complicated. Resources remain a challenge, especially the loss of project managers. BSCU continues to be managed well under the Supplementary Agreement with the main contractor, and the focus is now on preparing for the blockade starting in January 2022. The Developer Agreement for ECSCU remains unsigned at the time of drafting this report. In the meantime, early works contracts have been let to take advantage of the BSCU blockade. The TfL-HS2 relationship appears very contractual with HS2 Ltd not sharing the detailed programme, making design changes without appropriate impact assessments and challenging TfL costs. The working relationship needs to be addressed urgently.</p> |

### Overdue Recommendations

At the end of Q2 there were 46 open recommendations across 10 sub-programmes. Of these, 22 recommendations were overdue against their original completion date, with one of these being a critical issue relating to the Barking Riverside Extension project and the project team being under-resourced.