

Board



Date: 23 March 2022

Item: Report of the Meeting of the Programmes and Investment Committee held on 2 March 2022

This paper will be considered in public

1 Summary

- 1.1 This paper provides a summary of the items considered by the members of the Programmes and Investment Committee on 2 March 2022 and the decisions taken by the Chair under Chair's Action. Decisions were required by Chair's Action as members were not able to meet in person.

2 Recommendation

- 2.1 **The Board is asked to note the report.**

3 Committee Agenda and Summary

- 3.1 The papers for the meeting of the Committee held on 2 March 2022 were published on 22 February 2022 and are available on the [TfL website](#) with a link to the video recording of the meeting on [TfL's YouTube channel](#). Papers relating to the Air Quality and Environment Programmes were published on 25 February 2022.

- 3.2 The main matters considered by the Committee were:

- (a) Use of Delegated Authority;
- (b) Investment Programme Report – Periods 8, 9 and 10, 2021/22;
- (c) Independent Investment Programme Advisory Group Quarterly Report;
- (d) TfL Project Assurance Update;
- (e) Assets Renewals;
- (f) Air Quality and Environment Programme;
- (g) Technology and Data 2022/23 and 2023/24; and
- (h) Enterprise Risk Update – Delivery of Key Projects and Programmes (ER8).

- 3.3 A summary of the items considered and the decisions taken by the Chair under Chair's Action is provided below. The more detailed minutes of the meeting and exercise of Chair's Action will be published ahead of the meeting of the Committee on 18 May 2022.

4 Issues Discussed

Use of Delegated Authority

- 4.1 The Committee noted the paper on the use of delegated authority. Since the meeting on 15 December 2021 there had been: two uses of Chair's Action in relation to approval of authority requests at the meeting of the Committee on 15 December 2021 and the Elephant and Castle Station Capacity Upgrade project; the Commissioner had approved one Procurement Authority request; and the Chief Finance Officer had approved four Procurement Authority requests.
- 4.2 There had been no Mayoral Directions to TfL within the Committee's remit.

Investment Programme Report – Periods 8, 9 and 10, 2021/22

- 4.3 The Committee noted the update on the progress and performance in Periods 8, 9 and 10, 2021/22 of the TfL programme of investments. Members welcomed the report and made suggestions for enhancing the presentation of the report further, to provide greater detail.

Independent Investment Programme Advisory Group Quarterly Report

- 4.4 The Committee noted the update on the Independent Investment Programme Advisory Group (IIPAG) work undertaken since the last report. The Chair of IIPAG welcomed suggestions from Members for future areas of work.
- 4.5 IIPAG had found that contract form had no direct bearing on any cost, schedule delays or commercial disputes. The main issues identified were maturity of scope at the point of contract award, maturity of design, risk evaluation and management, sufficient project information and accrual of unresolved variations.

TfL Project Assurance Update

- 4.6 The Committee noted the update on the project assurance work undertaken between 9 November 2021 and 21 January 2022 and the key findings from the reviews.
- 4.7 During that period, three programme reviews and five project reviews were undertaken. There was a significant reduction in the number of overdue recommendations since the last meeting and, since the papers for the meeting had been published, the number of overdue recommendations had been reduced further to one made by IIPAG and 10 made by TfL Project Assurance.

Asset Renewals

- 4.8 The Committee noted the paper, which set out material that had been shared with the Department for Transport and the Treasury as part of the discussions on TfL funding.
- 4.9 The presentation set out the process to ensure there was a consistent approach across TfL for describing asset condition and how this could be related back to a scale for state of good repair (SOGR). Asset condition and SOGR would then be related back to network service and the Mayor's Transport Strategy.
- 4.10 Members thanked staff for their work in this area and for the useful discussion.

Air Quality and Environment Programme

- 4.11 The Committee noted the update on the Air Quality and Environment Programme, which provided an annual update on the progress of the Programme in delivery projects since December 2020.
- 4.12 Members welcomed the improvements in air quality and progress made in the Programme. Members discussed the potential road user charging options and the importance of considering potential costs alongside the potential benefits and income.
- 4.13 Members commented on the importance of working with London boroughs so that electric vehicle charging points were provided where most needed. The Mayor had set the objective for London to be net zero carbon by 2030 and, as such, focus and leadership was required by senior TfL staff and the Mayor's team as well as the availability of appropriate resources.
- 4.14 The Chair exercised Chair's Action to approve additional Programme and Project Authority to support the delivery of the Programme. The Chair also approved additional Procurement Authority to extend the contracts with Capita Business Services Limited and Siemens Mobility Limited to continue activities in support of road user charging, and to commence contracts with third party suppliers to enable activities in support of road user charging.

Technology and Data 2022/23 and 2023/24

- 4.15 The Committee noted an update on the Technology and Data Programme. Funding uncertainty meant most of the Programme focussed on renewals, rather than enhancements, which was not ideal as technology enhancement could be a driver of better outcomes.
- 4.16 Members notes that should the Programme be shrunk further it would pose increased risks to TfL. This was particularly the case as the hosting and networks were held on single platforms.
- 4.17 The Chair exercised Chair's Action to approve an increase in Programme and Project Authority for the financial years 2022/23 and 2023/24.

Enterprise Risk Update – Delivery of Key Projects and Programmes (ER8)

- 4.18 The Committee noted an update on Enterprise Risk 8 – Delivery of key projects and programmes (ER8). The risk had been changed to ‘requires improvement’ in response to the current funding situation and the impact on the supply chains caused by Brexit and the coronavirus pandemic.
- 4.19 The main concerns were difficulties in accurate forecasting, increasing overheads, projects stopping and starting, and issues with attracting and retaining resource. Further to this, TfL’s supply chain was reconsidering its risk appetite, given TfL’s funding position.
- 4.20 To control the risk, the Project Management Office (PMO) was driving consistency and provided first line assurance. A newly established Capital Improvement Group would work in parallel with the PMO to bring capital issues together in one place. In addition, the Capital Efficiencies Programme met periodically to seek greater efficiency and to escalate any issues.

List of appendices to this report:

None

List of Background Papers:

Papers submitted to the Programmes and Investment Committee on 2 March 2022

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