

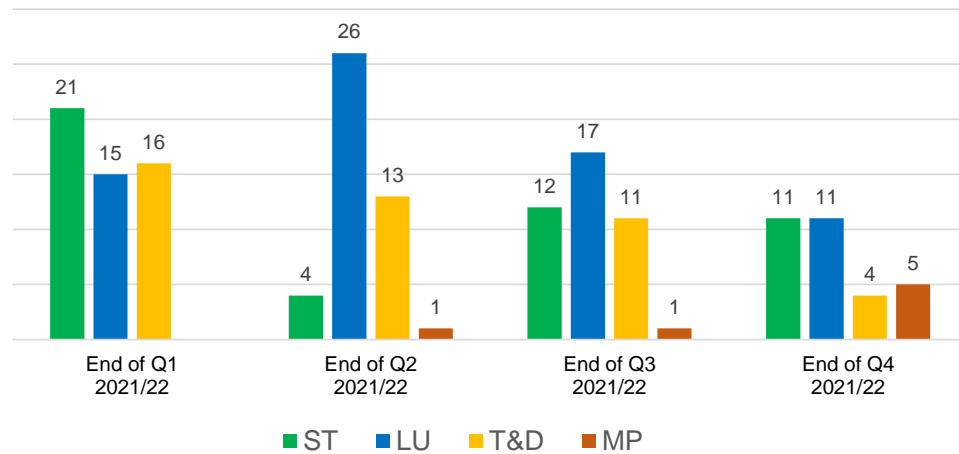
Sub-Programme Reviews Undertaken in Q4

| | Recommendation (Critical Issues) | Commentary |
|--------------------------------------|-------------------------------------|---|
| Surface Assets | 3 (0) | The sub-programme is well managed and a robust workbank is in place with clear prioritisation. Budget for 2022/23 is considerably less than the modelled 'Do Minimum' needed to maintain the current condition of assets. An over-programming workbank has been identified for 2022/23 and is deliverable should funding be made available. Gaining network access, supply chain capability and resourcing constraints are key risks. Investment and outputs planned in 2023 onwards reflect continued sub-optimal investment in asset renewal and will result in a further deterioration of asset condition and performance. Safety related asset restrictions will increase. Best value is unlikely to be achieved as investment projects will not be undertaken at the optimum time. |
| London Underground Technology | 3 (0) | The sub-programme is managed well and is delivering to programme. The development of a pipeline of projects is progressing well, with additional projects being added to the portfolio. Recommendations have been made around further development of project pipeline, considering purchasing synergies with the Surface Technology sub-programme, and amendments to the business case to accurately reflect innovation. |

Open and Overdue Recommendations

The following graph shows the number of overdue Project Assurance recommendations at the end of each of the last four quarters. The data shows the project area that the recommendations relate to: LU being London Underground, ST being Surface Transport, T&D being Technology and Data, and MP being Major Projects.

Project Assurance Overdue Recommendations



* Q1 21/22 LU figures include MP

At the end of Q4 there were 63 open recommendations, with 31 of these overdue against their completion date. The overdue recommendations are reported to, and discussed regularly at, portfolio boards to ensure that there is sufficient scrutiny at senior level.

At the end of Q4 the overdue recommendations included two overdue critical issues. One relates to the Central line Signalling and Control Life Extension project and the need to ensure that the business case demonstrates value for money for all elements of the scope. The other critical issue relates to the Permanent Current Rail Indicator Device project where the business case needs to set out more clearly the specific benefit for the different options. The delay in completing actions for both of these critical issues is due to resource issues and this has been raised with the senior managers in the business area concerned.