

Date: 19 October 2022

Item: **Independent Investment Programme Advisory Group
Quarterly Report**

This paper will be considered in public

1 Summary

- 1.1. This paper presents the Independent Investment Programme Advisory Group (IIPAG) quarterly report for October 2022. It describes the work undertaken since the last report presented to the Committee in July 2022.
- 1.2. A paper is included on Part 2 of the agenda which contains exempt supplemental information that is exempt from publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972 in that it contains information relating to the business affairs of TfL. Any discussion of that exempt information must take place after the press and public have been excluded from this meeting.

2 Recommendation

- 2.1 **The Committee is asked to note the Independent Investment Programme Advisory Group's quarterly report, the management response set out below and the exempt supplementary information on Part 2 of the agenda.**

3 IIPAG Quarterly Report

- 3.1 Under its Terms of Reference, IIPAG is required to produce quarterly reports of its advice on strategic and systemic issues, logs of progress on actions and recommendations and the effectiveness of the first and second lines of project and programme assurance. IIPAG's quarterly report for October 2022 is included as Appendix 1 to this paper.

4 Management Response to IIPAG Quarterly Report

Resource Shortages

- 4.1 The recommendation by IIPAG is accepted and will be addressed through inclusion in workstream which is being overseen by the Chief Capital Officer.
- 4.2 With the recent confirmation of funding levels for the Capital Programme it is now possible to develop a clear view over the extent of resource need. Regular meetings are in place with senior leaders to challenge, review and find solutions to resource gaps (e.g. fortnightly in Delivery, bi-weekly in Engineering). Project priorities are always discussed and we will advise at these meetings of the recommendation to directly compare this data.

List of appendices to this report:

Appendix 1: Independent Investment Programme Advisory Group - Quarterly Report
October 2022

Exempt supplementary information is included in a paper on Part 2 of the agenda.

List of Background Papers:

None

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Independent Investment Programme Advisory Group – Quarterly Report October 2022

1. Introduction

- 1.1. This report to the Committee describes IIPAG's activities in August 2022 to September 2022. We have made a new strategic recommendation, concerning a review of resource allocation.

2. IIPAG Activity

- 2.1. We have undertaken the following sub-programme and project reviews in preparation for the Committee meeting in October:

- Elephant and Castle Station
- Train Systems
- LU Track and Drainage
- LU Fleet
- Piccadilly Line Upgrade (PLU)
- Docklands Light Railway (DLR) Rolling Stock Programme

- 2.2. We also undertook reviews for projects which are being considered through Executive governance, including Blackwall Tunnel refurbishment and Hina, the new reader. The accompanying paper from Project Assurance (PA) describes management progress in implementing IIPAG's recommendations from sub-programme and project reviews.

3. Systemic Issues

- 3.1. We have set out in previous IIPAG reports the common themes that emerge from sub-programme and project reviews, but currently there is a particular issue which has come up as an area of risk – resources.
- 3.2. Shortage of resources has been flagged as a key concern in previous reports by IIPAG and PA. TfL is seeking to improve attraction and retention as far as possible, within the constraints it is subject to, and has taken steps to help address key shortages, for example through a recently let framework contract for Project Management Consultancy services, and a similar arrangement for engineering resources which is in train. However, we have observed continuing significant shortages on some programmes and projects which are among TfL's top priorities, and this leads us to question whether the allocation of scarce resources within TfL matches TfL priorities as well as it might. We recommend a review of resource

shortages, by discipline, across the capital programme and a comparison of this picture with investment priorities.

4. Progress with Cross-cutting Work

- 4.1. We are currently undertaking our regular reviews of TfL Benchmarking and First and Second Lines of Defence, which we intend to submit to the December meeting of the Audit and Assurance Committee. We are also in the process of agreeing terms of reference for an update review of the Procurement and Commercial Improvement Programme.

5. IIPAG recruitment

- 5.1. With the Chair of the Audit and Assurance Committee we have nearly completed the interviews for additional members for the main IIPAG group, and for the new TTL Properties Limited (TTLP) IIPAG Sub Group, with appointments to be made shortly.

Alison Munro
Chair, IIPAG
September 2022