

## **Independent Investment Programme Advisory Group – Quarterly Report December 2023**

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### **1. Introduction**

- 1.1. This report to the Committee describes the Independent Investment Programme Advisory Group (IIPAG) activities in September 2023 – November 2023. We have made no new strategic recommendations.

### **2. IIPAG Activity**

- 2.1. We have undertaken two programme level reviews and a Contract Award review in this period covering:
- (i) Safe and Healthy Streets;
  - (ii) DLR Rolling Stock Replacement Programme (DLR RSRP);
  - (iii) iBus2 Project.
- 2.2. We also continue to provide third line assurance for the Elizabeth line and we are currently undertaking an assurance review of a software installation for the new rolling stock.
- 2.3. The accompanying paper from Project Assurance describes management progress in implementing IIPAG's recommendations from programme and project reviews.
- 2.4. From our reviews we have a number of observations relating to the overall management of the new programmes – some of which now contain a larger and more diverse number of projects – and how to maximise any opportunities that the new structure offers. Key reflections are:
- (i) The need for a conscious management effort to embrace and integrate new elements into the overall management of a portfolio, with appropriate governance and clarity of roles and responsibilities;
  - (ii) The need for an over-arching strategy or plan for programme or portfolios to provide clarity of objectives and outcomes, and a golden thread that connects down through the elements of the programme. It should demonstrate how priorities are established, and how synergies and interdependencies are managed. This could be through a programme-level business case or similar strategy document;
  - (iii) For portfolios with a large number of diverse projects, the development of Key Performance Indicators (KPIs) which will provide a high-level and consistent basis for measuring the performance of the portfolio, including measures of the percentage of projects delivered to time and cost, and output and outcome indicators.

### **3. Cross-cutting work**

#### **Delivery of Renewals**

- 3.1. Our report on the Delivery of Renewals has been completed. We were impressed by the dedication of delivery teams to drive performance improvement and their enthusiasm for this important area of TfL activity. We identified some good ongoing practices which drive efficiency, and we strongly support the drive to invest in longer-term mature workbanks. We also found a number of fundamental practices that offer significant opportunities for improvement. Funding for renewals is constrained, and in this context the search for process improvements will have direct impacts on efficiency and value for money.
- 3.2. The organisation of renewals delivery varies between asset groups. We saw pockets of improving teamwork which are bringing performance advantages, but more commonly the different asset groups tend to take a siloed approach. We found a general lack of monitoring and output performance data. More should be done to measure the efficiency of delivery, and to spread good practice and lessons learned from one area to others.
- 3.3. We recommended that an urgent analysis be undertaken to better understand existing delivery routes and contracts, to identify areas where efficiency can be improved, and to prepare a plan for improvement. Our report identifies some key universal “enablers of success” which could serve as the basis for an improvement plan. We identified the Procurement and Commercial (P&C) team as being fundamental to providing strategic commercial leadership and to further improving efficiency and value for money.
- 3.4. We made eight recommendations, covering commercial leadership and strategies; data capture; performance monitoring and improvement; renewals governance; Pathway for renewals; and delivery routes and KPIs.

### **4. Progress with other cross-cutting work**

- 4.1. Our reviews of the Pathway process for projects and of the effectiveness of the first and second lines of defence are underway.
- 4.2. We have recently started a review of progress with improvements in P&C which have been derived from the earlier P&C Improvement Programme and the ongoing business improvement workstreams.

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Chair, IIPAG

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