

Independent Investment Programme Advisory Group – Quarterly Report February 2024

1. Introduction

- 1.1. This report to the Committee describes the Independent Investment Programme Advisory Group (IIPAG) activities in December 2023 – January 2024. We have made no new strategic recommendations.

2. IIPAG Activity

- 2.1. We have undertaken three programme level reviews in this period covering:
- (i) Environment;
 - (ii) Technology;
 - (iii) Network Development and Third Party Pipeline.
- 2.2. We also continue to provide third line assurance for the Elizabeth Line and are currently undertaking an assurance review of the signalling software release for the new rolling stock specifically checking for any unexpected behaviours.
- 2.3. As in the last quarter, a common theme from the programme reviews has been the need to fully establish the overall governance and management of the new programmes, and to maximise any opportunities that the new structure offers. Last quarter we noted 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. This issue emerged in the recent reviews as well. In at least one case dedicated resource is needed to define and lead the change to the new arrangements.
- 2.4. Two of the three reviews we undertook also raised significant concerns about resourcing. For one programme lack of resources is already affecting delivery, and for the other it poses a significant risk to delivery. Shortages in some specialist technology roles, both internally and in the supply chain, are having a real impact on delivery, but we also noted pressures in other areas including sponsorship and project management.

3. Cross-cutting work

- 3.1. We have recently completed a review of progress with improvements in Procurement and Commercial, which have been derived from the earlier Procurement and Commercial Improvement Programme and the ongoing business change workstreams. We are pleased to note that progress is being made on the IIPAG recommendations that came out of three separate IIPAG reviews, and that 11 out of 19 have been closed out. A number of others are due to be closed at the

end of the financial year. The Procurement and Commercial area is continuing to progress work on improvements to estimating and cost management, both of which were key concerns of IIPAG. We continue to encourage action around supplier relationship management and a commercial strategy process.

3.2. We have two reviews underway:

- (i) A review of the Pathway process for projects;
- (ii) Our annual review of the effectiveness of the first and second lines of defence.

3.3. We are also drawing up Terms of Reference for two further cross-cutting reviews:

- (i) A review of how TfL takes account in the investment programme of targets to reduce carbon emissions;
- (ii) Our second piece of work on renewals (following our earlier review of the Delivery of Renewals). This second piece will look at the earlier stages of prioritisation and workbanks.

3.4. We are also considering TfL's progress in implementing the recommendations of IIPAG's 2021 review of value for money, which may lead to further follow-up work.

Alison Munro
Chair, IIPAG

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