

Transport for London

Minutes of the Programmes and Investment Committee

Conference Rooms 1 and 2, Ground Floor, Palestra,
197 Blackfriars Road, London, SE1 8NJ
10:00am, Wednesday 28 February 2024

Members

Seb Dance (in the Chair)
Peter Strachan (Vice-Chair) (via Teams, from Minute 01/02/24 to 16/02/24)
Mark Phillips
Dr Lynn Sloman MBE

Government Observer

David Coles (via Teams)

Executive Committee

Andy Lord	Commissioner
Andrea Clarke	Interim General Counsel
Stuart Harvey	Chief Capital Officer

Staff

Rebecca Bissell	Director of Information Technology (for Minute 10/02/24)
Dan Champion	Head of Investment Delivery Planning, Air Quality Technology and Environment (for Minute 09/02/24)
David Christie	Growth and Masterplanning Manager, Director of Spatial Planning (for Minute 11/02/24 and 12/02/24)
Michael Cooper	Director of Programme Management Office
Justine Curry	Interim Director of Legal
Luke Jarvis	Interim Director of Procurement and Commercial – Capital (for Minute 13/02/24)
Shamus Kenny	Head of Secretariat
Zoe Manzoor	Senior Committee Officer
Peter McNaught	Director of Operational Readiness
James Norris	Head of Project Assurance
David Rowe	Interim Director of Investment Delivery Planning
Rachel Sherry	Finance Director - Capital
Shashi Verma	Chief Technology Officer (for Minute 10/02/24)
Matthew Yates	Head of Projects Consents and Urban Design (for Minute 12/02/24)

Independent Investment Programme Advisory Group (IIPAG)

Alison Munro	Chair IIPAG
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01/02/24 Apologies for Absence and Chair's Announcements

An apology for absence had been received from Dr Nelson Ogunshakin OBE (Chair). Peter Strachan (Vice-Chair) attended the meeting via Teams and was able to participate in the discussion but was not counted towards the quorum. He had indicated that he would need to leave the meeting by 12pm. The meeting was quorate.

Andy Lord and David Coles were also attending via Teams. Glynn Barton, Interim Chief Operating Officer was unable to attend and was represented by Peter McNaught, Director of Operational Readiness.

As the Chair was not present and the Vice-Chair was attending via Teams and so did not count towards the quorum, the Committee Members present elected Seb Dance as the Chair for the meeting.

The Chair welcomed everyone to the meeting. The meeting was broadcast live to TfL's YouTube channel, except for the discussion of the information on Part 2 of the agenda, which was exempt from publication, to ensure the public and press could observe the proceedings and decision making.

The Chair reminded those present that safety was paramount at TfL and encouraged Members to raise any safety issues during discussions on a relevant item, or with the appropriate member of the Executive Committee after the meeting.

On behalf of the Committee and officers, the Chair thanked Joanne White for her helpful and thoughtful contribution to TfL's assurance processes during her time as a member of the Independent Investment Programme Advisory Group since November 2018. The Chair wished her well for the future.

02/02/24 Declarations of Interests

Members confirmed that their declarations of interests, as published on [tfl.gov.uk](https://www.tfl.gov.uk), were up to date.

There had been two updates to declarations since the last meeting. Dr Lynn Sloman MBE had stood down from her role as Director of Transport for Quality of Life Limited and Mark Phillips had been appointed as the Chair of the Saffron Walden Choral Society.

There were no other interests to declare that related specifically to items on the agenda.

03/02/24 Minutes of the Meeting of the Committee held on 6 December 2023

The minutes of the meeting of the Committee held on 6 December 2023 were approved as a correct record, and the Chair was authorised to sign them.

04/02/24 Matters Arising and Actions List

Andrea Clarke introduced the item, which set out progress against actions agreed at previous meetings of the Committee.

The Committee noted the updated Actions List.

05/02/24 Use of Delegated Authority

Andrea Clarke introduced the item. Since the last meeting of the Committee on 6 December 2023, there had been one use of Chair's Action in relation to the Ultra Low Emission Zone Scrappage Scheme and one approval of authority by the Finance Committee (that would ordinarily be in the remit of this Committee) in relation to the Piccadilly Line Upgrade.

There had been two approvals of Procurement Authority in relation to the Gallows Corner Flyover Refurbishment Design and Build Contract award, and the novation of the Detection and Enforcement Infrastructure Contract. There had also been one approval of Procurement Authority and cumulative Programme and Project Authority in relation to the Colindale Station Upgrade Main Works Contract award. There had been no other use of delegated authority by the Commissioner or the Chief Finance Officer nor any Mayoral Directions to TfL within the Committee's remit.

The Committee noted the paper.

06/02/24 Investment Programme Report Quarter 3: Periods 7, 8, and 9, 2023/24

Stuart Harvey and David Rowe presented the Investment Programme Report for Quarter 3 of 2023/24 (17 September to 9 December 2023).

Beginning with the safety update, it was confirmed that there had been no incidents which reached the threshold of Reporting of Injuries, Diseases and Dangerous Occurrences (RIDDORs) but there had been eight injuries in the quarter. As a result, the overall workplace injury rate in the Capital programme had fallen. TfL continued to focus on safety matters and, on 9 February 2024, the first Zero Harm safety conference was held at City Hall attended by suppliers and staff that showcased innovation. Officers had received positive feedback about the session. The Committee acknowledged the good safety performance of the Capital team and felt that the team deserved recognition for this given the scale of its work.

TfL had delivered seven strategic milestones on time, or early, in the quarter, and so far 16 milestones had been met. Two milestones had been missed regarding the Jubilee line heavy overhaul and the DLR rolling stock replacement: Beckton depot southern sidings.

Since the previous meeting, the estimated final cost (EFC) for the Four Lines Modernisation Programme had been updated to reflect the revised completion date, following a review of the software for the next stage of the programme. The team would continue to focus on opportunities and mitigation. The team was not at this stage seeking an increase in the EFC. Signal Migration Areas 8 and 9 (Neasden and Harrow) were the most complex and challenging area of work and were the next stages to be commissioned. TfL had undertaken detailed testing of the signalling software. In response to a question, officers provided details of the nature of the safety testing including use of a simulator, and the extensive plans to comprehensively test the system before it went live.

Manufacturing of the new DLR trains was ongoing and 22 of the new trains had now been completed and testing had also been progressing well. The delay in testing had

impacted on the delivery dates for the new trains, which would now be delivered in Quarter 1 of 2024/25. Work had restarted on the Beckton depot site with the new contractor. The project team would continue to review costs to mitigate cost pressures caused by the previous contractor's insolvency.

On the Piccadilly Line Upgrade (PLU), the EFC had been held at £3,050m, which exceeded the Programme and Project Authority. The team had made significant progress on identifying opportunities to reduce costs and achieve greater certainty around the scheduling. The first train was due to arrive in summer 2024 for testing and would be introduced into service for 2025. Following changes to the programme, 80 per cent of the trains would be manufactured in Goole, Yorkshire instead of 50 per cent. The Committee welcomed this development and how it would benefit the national supply chain. Good progress had been made in preparing for the infrastructure required for the new trains.

On the Silvertown Tunnel, the EFC had increased. There was confidence that this would be recovered, and TfL remained on target to meet the targets for the project. Following the appointment of the new operator, the new cross-river bus for the tunnel network would begin operation in 2025 when the Silvertown Tunnel was due to open.

Work was underway to determine the feasibility of installing step-free access at more stations. At Colindale, the main works began on site in January 2024, and plans were in place for a blockade and station closure to provide the step-free access. TfL was working with a developer to provide a new ticket hall at West Ham station and it was expected that the ticket hall would open in 2025. Following the approval of the business case by the Department for Transport (DfT) to provide a ticket hall and step-free access at Leyton station, pre-construction surveys were underway, with the main site works programmed to begin in August 2024. At Old Street, TfL remained on course to complete the project by April 2024. Officers were pleased to report that the works had transformed the area.

David Rowe provided an update on progress with delivering the Safe and Healthy Streets Programme. TfL was close to delivering several targets including those for expanding the cycling network, lowering speed limits and the provision of 10km of new bus lanes. Cycleway 4 (London Bridge to Greenwich) was expected to complete in early March 2024 and works were progressing well to deliver other cycleways. Construction work also continued on the Holloway Road/Drayton Park safer junction scheme which was due to complete in March 2024. TfL had reviewed potential sites to provide bus priority and had commenced work to create a new bus lane at Woodford Avenue in Ilford to support the new Superloop SL2 express bus service. Members welcomed this development to facilitate the Superloop service. TfL had also recently confirmed to the boroughs funding allocation for 2024/25 to progress Healthy Streets schemes.

At Gallows Corner Flyover, a contract had been awarded to carry out the detailed design and refurbishment and TfL was awaiting confirmation of funding from the DfT's Major Road Network fund towards this work.

Another key highlight was the redevelopment of Kingston Cromwell Road bus station. The works were due to complete in summer 2024. As part of this work, TfL had provided a range of energy efficiency improvements. Members welcomed the progress but stressed the need to review progress with delivering the Zero Vision target this year, with a view to accelerating delivery of this target. It was confirmed that the Environment Programme included a range of activities aimed at meeting this target. Andy Lord confirmed that he had asked colleagues across TfL to look at further interventions to accelerate the delivery of projects to meet this target.

Good progress also continued to be made with the London Trams Renewal Programme. Work was underway to deliver TfL's first net zero carbon project at the Therapia Lane depot.

Good progress had also been made with the London Underground Renewals Programme to improve the reliability and quality of services, including the Jubilee line fleet. It was now forecast that the Kentish Town station works would be completed in September 2024, rather than June 2024, due to the need to complete necessary works to the station floor. To improve the reliability of the Central line, TfL had stepped up the repair works, including the use of replacement motors, though the work to replace motors was time-consuming. A new timetable had been introduced to bring more trains into service. In response to questions from the Committee, confirmation on how TfL is accommodating a strategy for spares for PLU, learning lessons from Central line challenges, would be included in the PLU annual update to the September 2024 Committee meeting. **[Action: Stuart Harvey]**

TfL had also been progressing well the work to provide LED lighting on the Bakerloo line fleet. Works had also been recently completed at Oxford Circus to provide LED lighting, four months ahead of schedule. This work was expected to save a significant amount of carbon dioxide equivalent per year.

A brief update was also provided on High Speed 2 (HS2). TfL was continuing to engage with key stakeholders to consider next steps in relation to HS2 provision at Euston and the plans for Old Oak Common, to ensure decisions were taken as quickly as possible. TfL was also due to meet with the Minister of State for Transport. TfL was also working with partners such as the London Borough of Camden to optimise development opportunities.

The Committee noted the report and the exempt supplementary information on Part 2 of the agenda.

07/02/24 Independent Investment Programme Advisory Group Quarterly Report

James Norris introduced the Independent Investment Programme Advisory Group's (IIPAG) quarterly report, which set out work undertaken by IIPAG since the report to the Committee in December 2023.

Alison Munro presented the Appendix, summarising IIPAG activities during the quarter. IIPAG and Project Assurance had undertaken three programme level reviews on: Environment; Technology; and Network Development and Third-Party Pipeline. Several recommendations had been made, aimed at bringing greater clarity to the operation of each programme, and these were in the process of being actioned. A further common theme identified concerned the shortage of resources, including staff, particularly in relation to delivering the Technology programme. This was identified as an industry wide problem and certain specialist vacancies were difficult to fill.

IIPAG had also carried out a number of cross-cutting reviews and had completed a review of the progress of improvements in Procurement and Commercial. Most of the recommendations had been closed out or were due to be by the end of March 2024.

IIPAG would continue to engage with teams and to monitor the matters raised, in particular on the concerns around resourcing. IIPAG was also reviewing its programme for next year.

Members asked how better practice on project management was shared across TfL. Officers advised that they were in the final stages of establishing the Project Management Community to identify and apply lessons learnt and to train and upskill staff. Work was also undertaken to better manage relations with the supply chain to identify efficiencies. A new Net Zero matrix team had been established to share and coordinate progress in relation to environmental matters across the Capital team. A further update would be provided on this work to the Committee. **[Action: Stuart Harvey]**

IIPAG was also drawing up Terms of Reference for a review of TfL's approach to delivering the targets to reduce carbon emissions, with a specific focus on the Investment Programme.

The Committee noted the Independent Investment Programme Advisory Group's quarterly report and the exempt supplementary information on Part 2 of the agenda.

08/02/24 TfL Project Assurance Update

James Norris introduced the item, which provided an update on the project assurance work undertaken between 12 November 2023 and 6 January 2024.

Three programme reviews were undertaken during this time, with the Independent Investment Programme Advisory Group (IIPAG) involved in all three. Seven project reviews were undertaken, with IIPAG involved in three of these. These reviews gave rise to a total of 48 recommendations, of which four were considered critical issues. All recommendations had been agreed by the project teams concerned.

The report also provided an overview of the status of IIPAG's and the Project Assurance team's recommendations, the highest number of which concerned business cases. There were only a small number of outstanding recommendations. Project Assurance would continue to work with project teams to close out recommendations.

The Committee noted the paper and the exempt supplementary information on Part 2 of the agenda.

09/02/24 Environment Programme

David Rowe and Dan Champion introduced the item. The Environment Programme aimed to deliver key outcomes in the Mayor's Transport Strategy, primarily to help tackle the challenges of air pollution, traffic congestion and the climate emergency. Members noted the progress with delivering a wide range of projects, including existing Road User Charging schemes, Business Operations in-house, Direct Vision Standard Phase 2 and the Electric Vehicle Infrastructure Delivery programme. Members also noted an update on the waste heat project and building decarbonisation initiatives, which were at an earlier stage in the life cycle of the plans. The paper also provided an update on planned delivery.

Members welcomed the programme, but also noted the scale of the challenges in meeting the objective to decarbonise buildings across TfL's estate by 2030. Members sought assurances about the availability of funding for this work, and the work with third parties to secure funding.

It was confirmed that the project teams had carried out initial studies to develop a pipeline of projects, with a focus on buildings with the largest footprint. Officers were mindful of the financial challenges and were working to identify the exact costs of the programme and the funding available for the programme. To assist with the costs, TfL was working to leverage third-party funding, including securing a further grant from the Public Sector Decarbonisation Scheme. In addition, through the Street, Bus and Rail-sponsored Service Renewals Programme, TfL also sought to identify opportunities to additionally provide environmental improvements to buildings to support the Environment Programme. Officers cited the work to redevelop Kingston Cromwell Road bus station as an example of this.

Assurance was provided that TfL was on track to implement the Road User Charging arrangement for the Silvertown Tunnel by the end of the year.

IIPAG had undertaken a full assurance review of the programme and had raised several issues relating to the timetable for the introduction of Road User Charging and progress with the decarbonation of buildings among other issues. This had been responded to by management.

The Committee noted the paper and the exempt supplementary information on Part 2 of the agenda and:

- 1 approved additional Programme and Project Authority of £64.3m to support the ongoing delivery of the Environment Programme giving a total Programme and Project Authority of £1.077bn;**
- 2 approved the additional Procurement Authority, in the sums requested in the exempt supplementary paper on Part 2 of the agenda, relating to the contracts with Capita Business Services Limited (Capita) and Yunex Limited to continue activities in support of existing Road User Charging schemes; and**
- 3 noted that matters for which Procurement Authority was sought above include commitments that extend beyond the period of the 2024/25 Budget and 2024 Business Plan. Provision would, therefore, need to be made for those commitments in future Budgets and Business Plans.**

10/02/24 Technology Programme

David Rowe, Shashi Verma and Rebecca Bissell introduced the item, highlighting progress with delivering projects since March 2023 for Technology and Data projects and since July 2023 for Operations Technology projects. The paper summarised planned delivery in relation to several themes identified in the paper for 2024/25 and 2025/26. It also set out planned future activity.

It was recognised that there were challenges to deliver the projects, due to such factors as a shortage of specialist resources, and issues with supply chain resourcing. A significant amount of work had been carried out to ensure that TfL was in a much stronger position to deliver the programme.

The new Technology Programme was established in May 2023. There was still work ongoing to embed the new programme structure, including establishing the reporting structure and aligning resources but good progress was being made with this work. Since the last report to the Committee in March 2023, there had been changes to the estimated final cost for projects. This was mainly due to such factors as scope changes, resourcing and supply chain challenges, but was also in part due to early budget forecasting which had underestimated the costs of long running projects. Members welcomed this explanation and agreed that it should be more clearly reflected in future reports, to provide the Committee with a more accurate understanding of developments with the programme.

[Action: Shashi Verma]

Expenditure was regularly reviewed to manage any underspend. The project teams sought to re-allocate any such underspend to suitable projects in the work bank which would have the most meaningful impact, and ensured they did not draw skills from key areas. Members stressed the need to ensure that projects brought forward from the work bank satisfied this objective and were the most effective projects, not just those that were easily deliverable. TfL invested in developing its own in-house technology and utilised existing tried and tested technologies, depending on which solution was the most appropriate.

Alison Munro reported on the findings of the Independent Investment Programme Advisory Group's review. She welcomed the information in the report but also noted that there was a pattern of project under-spend in year and adjustments to the budgets which suggested that lessons should be learnt from this.

The Committee noted the paper and the exempt supplementary information on Part 2 of the agenda and:

- 1 approved an increase in Programme and Project Authority of £227m for the Technology Programme giving a total of £1,092m Programme and Project Authority;**
- 2 noted that matters for which Programme and Project Authority was sought above include commitments that extend beyond the period of the 2024/25 Budget and 2024 Business Plan. Provision would, therefore, need to be made for those commitments in future Budgets and Business Plans; and**
- 3 noted that Procurement Authority for the various initiatives would be sought at officer level in accordance with Standing Orders.**

11/02/24 The Growth Fund

David Rowe and David Christie presented the item, which set out details of the major regeneration schemes awarded funding by the Growth Fund, since 2012 during the two phases and the impact of the coronavirus pandemic on the delivery of the projects, especially the Phase 2 projects. The paper also set out details of the positive impacts of the Fund in terms of the creation of significant regeneration benefits, leveraging in third-

party contributions to projects, mode shifts to sustainable forms of transport, reduced carbon emissions and additional TfL revenue.

The major developments that had benefited from the funding included: the Barking Riverside Extension; Elephant and Castle Northern Roundabout; Stratford – Angel Road (North); Tottenham Hale station improvements; West Ham station upgrade; White Hart Lane station enhancements; and Woolwich station on the Elizabeth line. The paper also identified lessons learnt and the steps taken, over the lifecycle of the Fund, to enhance the delivery of the newly established Sustainable Housing and Accessibility (SHA) Fund.

To fully understand the benefits of major projects, a comprehensive survey had been undertaken to identify the wider economic benefits of specific projects, such as the Barking Riverside Extension. The Department for Transport had also made it a requirement of the funding for Leyton and Colindale stations that TfL track the benefits of these projects. TfL was also working to progress the concept designs for North Acton and West Hampstead, with a view to delivering schemes that not only delivered housing growth but provided step-free access. Generally, it was envisaged that schemes in the pipeline should be able to deliver both these key objectives of growth and step-free access. The project team engaged closely with Places for London, TfL's property company, in developing pipelines for the SHA programme to identify synergies.

Members welcomed the programme. At the request of Members, officers would look to analyse the overall wider benefits for the economy from the projects supported by the Growth Fund. **[Action: David Rowe / David Christie]**

The Committee noted the paper.

12/02/24 Network Development and Third-Party Pipeline Programme

David Rowe, David Christie and Matthew Yates presented the item, which provided an overview of the Network Development and Third-Party Pipeline Programme. The programme brought together pipeline schemes at an early stage of development, with significant estimated costs, prior to their allocation to one of the existing Investment Programmes, or to them being considered as a standalone major project. The paper covered proposed network extensions, the Interchange programme, the Sustainable Housing and Accessibility Fund and the third-party funding prioritisation plan.

The Committee welcomed the programme. In relation to the proposals for the Elizabeth line, Members expressed support for TfL's proposed approach to supporting third-party projects in areas outside London. It was considered that priority should be given to funding projects that increased housing and jobs in London in line with core policy priorities.

Members discussed whether the Committee should review the potential options, before a preferred option was selected for development, rather than only seeing the recommendation. Officers would consider this, taking into account the timing of when it would be best to bring the options and proposal to the Committee.

[Action: David Rowe / David Christie]

It was also noted that some of the smaller scale schemes could have a significant impact, therefore Members were keen to ensure that due consideration was given to adding smaller schemes to the programme.

The Committee noted the paper and:

- 1 approved Programme and Project Authority of £3.5m for the Thamesmead and Beckton Riverside programme (including £1m for the Bus Transit between Thamesmead, Woolwich and Abbey Wood to deliver a concept design, and Programme and Project Authority of £2.5m for the DLR to Thamesmead project to develop an Outline Business Case); and**
- 2 approved Programme and Project Authority of £9.5m from the Sustainable Housing and Accessibility Fund to deliver step-free access at Northolt station and concept designs for capacity upgrades and step-free access at North Acton and West Hampstead and, in relation to such sum, approved its removal from the Network Development and Third-Party Pipeline Programme and an equivalent increase in the Programme and Project Authority of the Rail and Station Enhancements Programme.**

13/02/24 Forthcoming Key Procurement Activities

Luke Jarvis introduced the item, which set out the major new procurements or contract extensions planned over the next two years and decisions that were anticipated to be required from the Committee through Chair's Action between this meeting and the next planned meeting in June 2024.

The paper also highlighted significant forthcoming procurements that required approval at officer level during that period.

The Committee noted the paper and the exempt supplementary information on Part 2 of the Agenda.

14/02/24 Members' Suggestions for Future Discussion Items

Andrea Clarke introduced the item. No additional suggestions were raised for future discussion items on the forward plan or for informal briefings, other than those already noted during the meeting.

The Committee noted the forward plan.

15/02/24 Any Other Business the Chair Considers Urgent

There was no other urgent business to discuss.

16/02/24 Date of Next Meeting

The next scheduled meeting of the Committee would be held on Wednesday 26 June 2024 at 10.00am.

17/02/24 Exclusion of the Press and Public

The Committee agreed to exclude the press and public from the meeting, in accordance with paragraphs 3 and 5 of Schedule 12A to the Local Government Act 1972 (as amended), when it considered the exempt information in relation to the items on: Investment Programme Report, Quarter 3: Periods 7, 8, and 9, 2023/24; Independent Investment Programme Advisory Group Quarterly Report; TfL Project Assurance Update; Environment Programme; Technology Programme; and Forthcoming Key Procurement Activities.

The meeting closed at 12.30pm.

Chair: _____

Date: _____