

Board

Date: 16 October 2024

**Item: Report of the Meeting of the Programmes and
Investment Committee held on 3 October 2024**

This paper will be considered in public

1 Summary

- 1.1 This paper provides a summary of the items considered by the Programmes and Investment Committee on 3 October 2024.

2 Recommendation

- 2.1 **The Board is asked to note the report.**

3 Committee Agenda and Summary

- 3.1 The papers for the meeting of the Committee held on 3 October were published on 25 September 2024 and are available on the [TfL website](#) with a link to the video recording of the meeting on [TfL's YouTube channel](#).
- 3.2 The main matters considered by the Committee were:
- (a) Use of Delegated Authority;
 - (b) Investment Programme Report Quarter 1, 2024/25;
 - (c) Independent Investment Programme Advisory Group (IIPAG) Quarterly Report;
 - (d) TfL Project Assurance Update;
 - (e) Silvertown Tunnel;
 - (f) Piccadilly Line Upgrade - Stage 1 Progress Update;
 - (g) London Underground Renewals;
 - (h) Bank Station Capacity Upgrade;
 - (i) Capital Efficiencies Report 2023/24;
 - (j) TfL Lessons Learnt from Key External Reports;
 - (k) Lessons Learnt from Major Programmes and Projects; and

(l) Forthcoming Key Procurement Activities.

- 3.3 A summary of the items considered and the decisions taken is provided below. The more detailed minutes of the meeting will be published ahead of the meeting of the Committee on 11 December 2024.

4 Issues Discussed

Use of Delegated Authority

- 4.1 The Committee noted the standing item on the use of delegated authority. Since the meeting on 26 June 2024, there has been one use of Chair's Action in relation to approving authorities relating to the Silvertown Tunnel Programme. There had been one approval of Programme and Project Authority in relation to Elephant & Castle Station Capacity Upgrade; and one approval of unbudgeted Financial Authority by the Chief Finance Officer in relation to Silvertown Tunnel Active Travel.
- 4.2 There has been no other use of delegated authority or Mayoral Directions to TfL within the Committee's remit.

Investment Programme Report Quarter 1, 2024/25

- 4.3 The Committee noted the update on the progress and performance in Quarter 1 of 2024/25 (1 April to 22 June 2024) of TfL's Investment Programme. TfL had achieved two of its strategic milestones in the quarter for the completion of trams track renewal and for critical upgrades to Elizabeth line signalling system. Two strategic milestones were forecast to be delivered late: Jubilee line fleet refurbishment on the first 48 trains; and Kentish Town Underground station re-opening following escalator replacement.
- 4.4 Updates on delivering major projects were provided, including that work continued on delivering, and managing the cost increase for, the Four Lines Modernisation Programme. On the DLR, work was ongoing to optimise and mitigate the impact from speed restrictions from the legacy signalling issues. The Committee would be provided with an update in future reports about the new plans for the rolling stock delivery. There had been further progress in delivering the step-free access programme.
- 4.5 Updates were also provided on the key achievements in respect of the Safe and Healthy Streets Programme, the Technology Programme and the London Underground Renewals Programme.

Independent Investment Programme Advisory Group Quarterly Report

- 4.6 The Committee noted the update on IIPAG work undertaken since the last report to the Committee in June 2024. IIPAG had conducted programme level reviews in the period on the Silvertown Tunnel, Piccadilly Line Upgrade and London Underground Renewals. The reviews had raised common themes around scheduling performance, the accuracy of estimated final

costs, the capacity of the Programme Management Office and with the management of the continued deterioration of assets. Progress had been made in these areas and action had been taken by management to address recommendations. IIPAG had completed reviews of the Pathway Gate process for projects and, while it was of the view that the process was robust, had highlighted the need to improve scrutiny and challenge. IIPAG also welcomed the substantial improvements that had been made in response to its 2021 Review of Value for Money.

TfL Project Assurance Update

- 4.7 The Committee noted the update on the project assurance work undertaken between 26 May and 17 August 2024 (Period 3 to Period 5 of 2024/25).
- 4.8 The Project Assurance team had undertaken three programme reviews with IIPAG during the period, and 11 project reviews, with IIPAG involved in five of them. These reviews raised 71 recommendations, of which six were considered to be critical issues.
- 4.9 In general, the trends in the recommendation types had remained stable, and there were no particularly significant trends to report. Good progress continued to be made across TfL on improving the asset database to inform this work, which remained a key area of focus. A briefing would be arranged on asset management highlighting progress in this area.

Silvertown Tunnel

- 4.10 The Committee noted the update on the Silvertown Tunnel. Significant progress had been made with the design and construction works, which were near completion and preparations were underway to open the tunnel in 2025. Consultation on tunnel user charging arrangements, including proposed discounts and concessions, was held between 10 July and 3 September 2024. The responses were being reviewed and the Board would be asked to approve the fees and charges later in the year.
- 4.11 Work was also underway to progress plans to ensure the cross-river bus network was ready for tunnel opening. All buses would be zero- emission. While good progress had been made with managing the cost pressures, there was now a limited amount of time to secure further reductions in the costs. The Committee approved the transfer of Financial Authority and Programme and Project Authority from the Silvertown Tunnel Programme to the Environment Programme and for the Silvertown Tunnel Programme and additional unbudgeted Financial Authority and Programme and Project Authority. Members welcomed the progress made.

Piccadilly Line Upgrade - Stage 1 Progress Update

- 4.12 The Committee noted the progress with delivering Stage 1 of the Piccadilly Line Upgrade (PLU) Programme to provide infrastructure upgrades and enabling works to support the introduction of 94 high quality new trains and associated timetable improvements.

- 4.13 The project team continued to work hard to manage the cost pressures and had developed a robust plan to bring the costs back to authorised levels. No additional Authority was sought for the Programme. Good progress continued to be made with the manufacturing and testing of the new trains, infrastructure enabling, depots and stabling. This was a complex project but there was confidence that TfL had the right level of expertise in place to deliver it.
- 4.14 Stage 2 of the PLU was currently unfunded (replacement of the existing signalling system and procurement of up to 18 new trains). Work was underway to review the estimated costs of this phase.
- 4.15 The Committee noted the benefits from the PLU in terms of improved energy efficiency and enabling decarbonisation. Future reports would provide further details about this. A site visit would be arranged to Cockfosters depot, at an appropriate time for the Committee.

London Underground Renewals

- 4.16 The Committee noted the update on progress and future plans for the London Underground Renewals Programme and the Elizabeth line renewals. The overall focus of the programme remained on providing a safe and reliable network, helping TfL to deliver against the priorities in the Mayor's Transport Strategy.
- 4.17 The update set out details of the backlogs in repairs and the level of work required to maintain assets in a state of good repair. Despite the challenges, TfL had maintained a good track record of prioritising and delivery. Examples of schemes delivered were set out in the Appendix. TfL was working to develop a data collection programme to provide managers with a clear line of sight of all assets to inform decisions and asset prioritisation.
- 4.18 The Committee approved additional Programme and Project Authority for the Programme.

Bank Station Capacity Upgrade

- 4.19 The Committee noted the update on the Bank Station Capacity Upgrade project, which had transformed the station, delivering new infrastructure that provided significant improvements to the customer journey experience. A recent survey indicated average journey time savings for customers using the station's interchanges. In addition to this, TfL had completed a detailed study of the scheme benefits as part of a wider study of social and economic benefits from major projects. There had been no major changes to the overall project scope apart from the completion of the additional highway works. The Committee approved additional unbudgeted Financial Authority and additional Programme and Project Authority for the Programme.

Capital Efficiencies Report 2023/24

- 4.20 The Committee noted the update on the Capital Efficiencies Report 2023/24. During 2023/24 TfL achieved £43m of efficiencies, exceeding the lower end of the efficiencies target for 2023/24, and also reduced its capital expenditure. These efficiencies were now becoming harder to realise. The Committee discussed TfL's approach to planning for macro-economic changes. It was noted the absence of a long-term funding plan created uncertainty and challenges with forward planning.

TfL Lessons Learnt from Key External Reports

- 4.21 The Committee noted the update, which provided a comprehensive summary of the lessons learnt from the Edinburgh Tram Inquiry. The item also considered the report by the Department for Transport and Infrastructure and Projects Authority sharing the lessons learnt from the joint sponsorship and governance arrangements of the Crossrail project.
- 4.22 It was underlined that project teams remained committed to identifying and to applying the learning from projects, mainly through the use of the Pathway project management framework, as well as other practices.

Lessons Learnt from Major Programmes and Projects

- 4.23 The Committee noted an overview of key lessons learnt from major programmes and projects, and the application of the learning at TfL. Key initiatives highlighted included: the establishment of a Project Management Community to centralise project management capability, and improved systems to capture and apply lessons learnt across teams. A simplified version of Pathway would be circulated to Members.

Forthcoming Key Procurement Activities

- 4.24 The Committee noted the summary of the major new procurements or contract extensions planned over the next two years and decisions that are anticipated to be required from the Committee by way of Chair's Action before the next planned meeting in December 2024. It also highlighted significant forthcoming procurements that require approval at officer level during that period. Progress continued to be made with identifying opportunities to maximise and increase innovation, throughout the procurement process.

List of appendices to this report:

None

List of Background Papers:

Papers submitted to the Programmes and Investment Committee on 3 October 2024

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