

Date: 8 March 2017

Item: Project Monitoring – Project Approvals

This paper will be considered in public.

1 Summary

- 1.1 To inform the Committee of Project Authority granted by the Commissioner and the Chief Finance Officer in accordance with delegated authorities under TfL's Standing Orders.

2 Recommendation

- 2.1 **The Committee is asked to note the paper.**

3 Background

- 3.1 The Commissioner (and in his absence, the Chief Finance Officer) has delegated authority to approve Project Authority on projects up to a value of £50m that contain less than £25m of unbudgeted expenditure.
- 3.2 The Chief Finance Officer has delegated authority to approve Project Authority for projects under £25m that contain less than £10m of unbudgeted expenditure. Approval of authority for projects of less than £5m that contain less than £2m of unbudgeted expenditure is delegated to Chief Officers and is not reported here.

4 Project Approvals

- 4.1 To enable an appropriate level of governance, processes are in place for the authorisation, control and reporting of projects.
- 4.2 Programme and Project Authority will normally be granted by the Committee for all projects as part of the newly defined 20 sub-programmes. Where individual projects have a value in excess of £50m and have not already received full approval, requests will be submitted to the Committee consideration. Those projects with an estimated final cost of £50m or below, which have been approved by the Commissioner or the Chief Finance Officer, will be reported to subsequent meetings of the Committee.

Approvals by the Commissioner

- 4.3 Since the last meeting of the Committee on 30 November 2016, the Commissioner has approved Programme and Project Authority for six projects. Further details are set out in Appendix 1.

Approvals by the Chief Finance Officer

- 4.4 Since the last meeting of the Committee on 30 November 2016, the Chief Finance Officer has approved Programme and Project Authority for five projects. Further details of these projects are set out in Appendix 2.

List of appendices to this report:

Appendix 1: Summary of projects approved by the Commissioner

Appendix 2: Summary of projects approved by the Chief Finance Officer

List of Background Papers:

None

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Summary of approvals by the Commissioner

UIP2377 LU Knightsbridge Entrance Relocation/SFA	
Existing Project Authority £0.94m	Financial Authority in Business Plan £197.00m (whole Step-Free Access Programme)
Additional Project Authority £1.10m	Estimated Final Cost £31.72m
Total Project Authority Granted £2.04m	Variance Commentary The approved Project Authority exceeds the estimated final cost by £11.06m because it includes the developer's contributions.
Outputs and Schedule	<p>The project will relocate a station entrance from Sloane Street to Brompton Road and provide a new step-free entrance, as part of the over-station redevelopment.</p> <p>Additional Project Authority of £1.10m was granted up to January 2017 following an Initiation Integrated Assurance Review. The new Authority covered the following main scope items:</p> <ul style="list-style-type: none"> • To complete surveys, to inform the detailed design. • To complete the Development Agreement. • To complete the detailed design for the closure of the Sloane Street entrance. <p>The project will complete by May 2020.</p> <p>Further Project Authority was granted as per the following entry.</p>

UIP2377**LU Knightsbridge Entrance Relocation/SFA****Existing Project Authority**
£2.04m**Financial Authority in Business Plan**
£197.00m (whole Step-Free Access Programme)**Additional Project Authority**
£40.74m**Estimated Final Cost**
£31.72m**Total Project Authority Granted**
£42.78m**Variance Commentary**

The approved Project Authority exceeds the estimated final cost by £11.06m because it includes the developer's contributions.

Outputs and Schedule

The project will relocate a station entrance from Sloane Street to Brompton Road and provide a new step-free entrance, as part of the over-station redevelopment.

Additional Project Authority of £40.74m was granted up to January 2020 following an Option Integrated Assurance Review. The new Authority covers the following main scope items:

- To design and deliver the step-free access scope.
- To close the Sloane Street entrance.
- To design and deliver the new Brompton Road entrance.

The project will complete by January 2020.

ST-PJ540 Air Quality Measures	
Existing Project Authority £ Nil	Financial Authority in Business Plan £3.80m
Additional Project Authority £3.80m	Estimated Final Cost Commercially confidential
Total Project Authority Granted £3.80m	Variance Commentary N/A
Outputs and Schedule	<p>The project will deliver three public consultations on the proposed Mayoral Air Quality Measures.</p> <p>Project Authority of £3.80m was granted up to March 2018. The new Authority covers the following main scope items:</p> <ul style="list-style-type: none"> • Statutory consultation on Emissions Surcharge and policy consultation on changes to central London Ultra Low Emission Zone (Stage 2 Consultation). • Statutory consultation on earlier implementation of central London Ultra Low Emission Zone in 2019 (Stage 3a Consultation). • Statutory consultation on expansion of central London Ultra Low Emission Zone (Stage 3b Consultation). <p>The project will complete by March 2018.</p>

ST-PJ541C Emissions Surcharge	
Existing Project Authority £ Nil	Financial Authority in Business Plan £17.37m
Additional Project Authority £1.50m	Estimated Final Cost Commercially confidential
Total Project Authority Granted £1.50m	<p>Variance Commentary</p> <p>The estimated final cost exceeds the Financial Authority by £2.80m, as a result of cost increases and additional scope.</p> <p>The budget gap of £2.80m will be closed by drawing from the other projects in the Air Quality and Environment Portfolio.</p>
Outputs and Schedule	<p>The project will deliver infrastructure for the administration of the Emissions Surcharge, a levy on high polluting vehicles entering Central London.</p> <p>Seed Funding of £1.50m was granted up to February 2017. The new Authority covers the following main scope items:</p> <ul style="list-style-type: none"> • Development of online Emissions Surcharge Compliance Checker Tool for use by the public. • Impact Assessment by the London Road User Charging provider Capita. • Initial marketing and communications. <p>The project will complete by October 2017.</p>

ST-PJ530C Blackwall Tunnel Southbound Refurbishment**Existing Project Authority**
£0.30m**Financial Authority in Business Plan**
£17.90m**Additional Project Authority**
£2.70m**Estimated Final Cost**
Commercially confidential**Total Project Authority Granted**
£3.00m**Variance Commentary**

The estimated final cost exceeds the Financial Authority by £19.10m. This is generated by the latest understanding of site conditions and the additional cost of using temporary land during the works.

A reprioritisation of the STIP2 programme in Autumn 2017 will determine how the funding will be allocated to the component projects.

Outputs and Schedule

The project will renew the Blackwall Tunnel Southbound mechanical and electrical systems.

Additional Project Authority of £2.70m was granted up to March 2018 following an Initiation Integrated Assurance Review. The new Authority covers the following main scope items:

- Undertake further surveys to complete the feasibility stage.

The project will complete by March 2022.

ST-PJ527C Rotherhithe Tunnel Refurbishment**Existing Project Authority**
£0.40m**Financial Authority in Business Plan**
£45.20m**Additional Project Authority**
£2.70m**Estimated Final Cost**
Commercially confidential**Total Project Authority Granted**
£3.10m**Variance Commentary**

The estimated final cost exceeds the Financial Authority by £16.00m, as a result of increased ventilation upgrade costs.

A reprioritisation of the STIP2 programme in Autumn 2017 will determine how the funding will be allocated to the component projects.

Outputs and Schedule

The project will renew the Rotherhithe Tunnel mechanical and electrical systems.

Additional Project Authority of £2.70m was granted up to March 2018 following an Initiation Integrated Assurance Review. The new Authority covers the following main scope items:

- Undertake further surveys to complete the feasibility stage.

The project will complete by March 2023.

Appendix 2

Summary of approvals by the Chief Finance Officer

BR-PJ57 TfL Crossrail Complementary Measures Programme: Abbey Wood	
Existing Project Authority £0.37m	Financial Authority in Business Plan £2.20m
Additional Project Authority £1.83m	Estimated Final Cost Commercially confidential
Total Project Authority Granted £2.20m	Variance Commentary The estimated final cost exceeds the Financial Authority by £3.88m because TfL is contributing £2.2m of the total cost of the London Borough of Bexley led Abbey Wood scheme with the remainder from other parties, including Network Rail, LB Greenwich and Crossrail.
Outputs and Schedule	<p>The project is part of the Crossrail Complementary Measures Programme which will deliver road improvements at a number of interchanges with Crossrail in outer London.</p> <p>Additional Project Authority of £1.83m was granted up to June 2018 for the works at Abbey Wood Station. The new Authority covers the following main scope items:</p> <ul style="list-style-type: none"> • Changes to the pedestrian, cycle and road design surrounding Abbey Wood Station. <p>The project will complete by June 2018.</p>

UIP2382 LU Step-Free Access (SFA) Partnership Programme**Existing Project Authority**
£3.32m**Financial Authority in Business Plan**
£197.00m**Additional Project Authority**
£0.84m**Estimated Final Cost**
£197.00m**Total Project Authority Granted**
£4.16m**Variance Commentary**
N/A**Outputs and Schedule**

The programme will deliver step-free access at 30 stations from street to platform.

While the feasibility studies continue, additional Project Authority of £0.84m was granted up to June 2017 to bring forward enabling works at Harrow on the Hill Station. An Integrated Assurance Review is underway for the wider programme. The new Authority covers the following main scope items:

- Relocation of the Signalling Equipment Room at Harrow on the Hill Station. (EFC for Harrow on the Hill Station SFA project is £15m).

The project will complete by March 2020.

UIP3056 LU SSL Customer Information System Enhancements	
Existing Project Authority £1.68m	Financial Authority in Business Plan £6.00m
Additional Project Authority £4.16m	Estimated Final Cost £5.84m
Total Project Authority Granted £5.84m	Variance Commentary N/A
Outputs and Schedule	<p>The project will install customer information displays at 53 stations. Additional Project Authority of £4.16m was granted up to March 2019 following a Contract Award Integrated Assurance Review. The new Authority covers the following main scope items:</p> <ul style="list-style-type: none"> • Train time and destination displays for the remaining 44 stations. <p>The project will complete by April 2019.</p>

TLLP955**LU Northern Line Working Timetable 58****Existing Project Authority**
£4.16m**Financial Authority in Business Plan**
£14.56m**Additional Project Authority**
£0.37m**Estimated Final Cost**
Commercially confidential**Total Project Authority Granted**
£4.53m**Variance Commentary**

The estimated final cost exceeds the current Financial Authority by £2.92m, which will be adjusted as part of the 2017/18 budget submission.

Outputs and Schedule

The project will increase the peak service frequency up to 32 trains per hour on the Northern Line Morden Branch.

Additional Project Authority of £0.37m was granted up to March 2017 following a Contract Award Integrated Assurance Review. The new Authority covers the following main scope items:

- To request, negotiate and agree a contractual price for the signalling modifications.

The project will complete by May 2018.

ST-PF108 East West Phase 2	
Existing Project Authority £ Nil	Financial Authority in Business Plan £ Nil
Additional Project Authority £ 0.75m	Estimated Final Cost Commercially confidential
Total Project Authority Granted £ 0.75m	Variance Commentary The estimated final cost exceeds the Financial Authority as further assessment is required to assess changes to the initial proposals as part of the Cycle Superhighway East West Phase 2.
Outputs and Schedule	<p>Project Authority of £0.75m was granted up to April 2017. The new Authority covers the following main scope items:</p> <ul style="list-style-type: none"> • In-house feasibility, scheme design development and option appraisal. • Topographical surveys and data collection. <p>The project will complete by December 2021.</p>