

**Board**

**Date: 3 July 2014**

**Item 9: Bank Station Capacity Transport and Works Act Order**

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**This paper will be considered in public**

## **1 Purpose**

- 1.1 This paper asks the Board to approve London Underground Limited's (LUL) submission of an application for a Transport & Works Act Order (TWAO) to obtain powers to construct, operate and maintain the proposed upgrade of Bank station.
- 1.2 No additional project authority is sought at this time and the Estimated Final Cost (EFC) of the project remains unchanged.
- 1.3 At its meeting on 5 June 2014, the Finance and Policy Committee noted the proposals in this paper and endorsed the recommendations to the Board.
- 1.4 A paper is included on Part 2 of the agenda, which contains exempt supplemental information. The information is exempt by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972 in that it contains information relating to the business affairs of TfL. Any discussion of that information must take place after the press and public have been excluded from this meeting.

## **2 Recommendations**

### **2.1 The Board is asked to:**

- (a) note the paper and the related paper on Part 2 of the agenda;**
- (b) approve the submission by London Underground Limited of an application for an Order under the Transport and Works Act 1992 (TWAO) and for related consents to provide all the necessary rights in respect of the construction, operation and maintenance of the proposed upgrade of Bank station including any compulsory acquisition of land; and**
- (c) delegate authority to TfL Officers and Subsidiaries (as defined in paragraph 2.2 below) to:**
  - (i) agree the final terms of the application (including the land and interests, environmental scoping and deemed permission to be the subject of the order) for the TWAO and related consents;**
  - (ii) obtain the Mayor's written consent to apply for the TWAO (as required by the Greater London Authority Act 1999); and**
  - (iii) do everything else necessary or desirable to facilitate the making of the TWAO including:**
    - 1. negotiating, signing and/or sealing any documents, agreements or notices required in connection with the submission of the application and related consents;**

2. **promoting the TWAO including responding to any objections and dealing with any public inquiry that may be held in relation to the proposals;**
3. **negotiating and agreeing mitigation to resolve environmental impacts; and**
4. **agreeing and executing any related land agreements including without limitation approving Land Authority (as defined in Standing Orders) for any advance acquisition of land and any arrangements for accommodation works for affected owners (such delegated authority being in addition to the levels of authority set out in Standing Orders for Land Transactions); and**

**(d) note that the above expenditure is included within the current Project and Financial Authority previously approved by the Board.**

**2.2 The following TfL Officers and Subsidiaries shall have delegated authority:**

- (a) TfL Officers: Managing Director Rail and Underground, General Counsel and Director of Strategy and Service Development Rail and Underground; and**
- (b) Subsidiaries: all subsidiary companies of TfL including Transport Trading Limited and any other subsidiary of Transport Trading Limited (whether existing presently or to be formed): any of the directors shall be authorised to act for or on behalf of any such subsidiary.**

### **3 Background**

- 3.1 The effective operation of Bank station is critical to maintaining access to the City of London and to the wider functioning of the London Underground (LU) and Docklands Light Railway (DLR) network. Since 2003, demand at Bank has risen by over 50 per cent from 222,000 to 337,000 customers per day.
- 3.2 Given the location of Bank at the heart of London's main financial district, passenger demand is expected to continue to grow in the future, due to significant new employment generated by major commercial development as supported by the London Plan. As a critical transport node at the heart of the City, it is essential that the capacity of Bank station is enhanced in order to support continued employment growth in the City.
- 3.3 Bank is also a key interchange point between Underground lines and the DLR network (some 50 per cent of customers use the station to interchange per day) and the terminus of the DLR which provides a critical connection to Canary Wharf and the Waterloo and City Line to Waterloo. Lines passing through or terminating at Bank have all experienced or will experience increased train service capacity as a result of line upgrades. This additional capacity will unlock further growth at Bank station, creating further pressure on the station itself and the capacity it has to accommodate these increased flows.
- 3.4 In the absence of additional capacity being provided within the station, further operational controls will be required on an ongoing and increasingly disruptive basis to manage congestion at safe operating levels.
- 3.5 TfL has been developing and assessing options for addressing the capacity constraints at Bank station since 2003. In 2003, a Bank station master plan was produced which identified a package of improvements that could be taken forward

at Bank station. Between 2003 and 2005 these options were developed further and assessed in terms of their costs and deliverability. Further work undertaken between 2005 and 2007 refined these options further, drawing on inputs from the Corporation of London and taking into account proposals for redevelopment of buildings in the vicinity of Bank station and exploring options for worksites and potential station entrances.

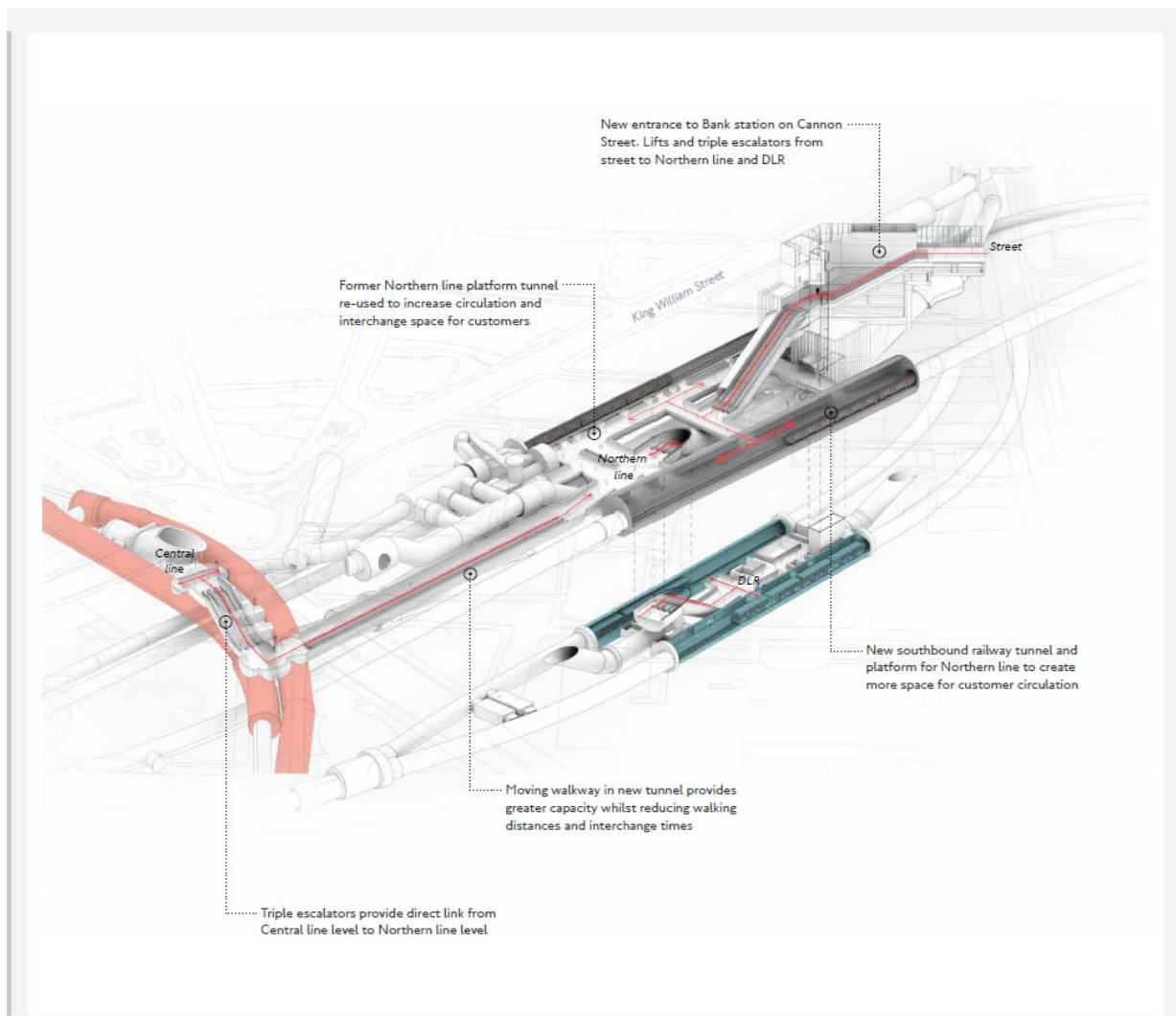
- 3.6 In 2007, an independent review of this work was carried out which identified two options to be taken forward in more detail, which were considered to be viable in terms of costs and delivery and capable of delivering the benefits required. These options were subject to continuous design development and appraisal throughout 2008 to 2012, during which time a preferred option was selected and subsequently developed into the base case.
- 3.7 Given the challenges of delivering these options in a constrained urban environment and around one of London's busiest and most complex interchanges, there was early engagement with the construction industry to test the delivery of the designs and to secure innovation and identify ways of reducing the cost and risk of the project whilst maximising the benefits and minimising the impacts.
- 3.8 The formal Innovative Contractor Engagement (ICE) procurement process began in April 2012 with the participation of four pre qualified bidders developing their proposals to meet the project requirements. Part of the tender evaluation scoring was based upon the environmental impacts of their proposed scheme and scored against the project requirements.
- 3.9 At the end of this formal process, Dragados SA were recommended for award of the contract and in July 2013, the Board granted authority to award a design and build contract and prepare documentation ahead of a TWAO submission. The contract has been structured in two stages where Stage 1 is the work required up until the granting of the TWAO and Stage 2 is all subsequent work. LU has the right not to proceed to Stage 2.

## **4 Current Status**

### **Description of the proposals**

- 4.1 The proposed station improvements (shown in the figure below) include:
  - (a) the construction of a new station entrance on Cannon Street, with access via lifts and escalators to the Northern line and DLR;
  - (b) the construction of a new tunnel and platform for the southbound Northern line;
  - (c) the conversion of the old southbound platform into an interchange corridor;
  - (d) the construction of an additional passageway, with moving walkways and escalators, linking the Northern and Central lines; and
  - (e) provision of step-free access directly to the Northern line and DLR platforms.
- 4.2 The proposed station improvements and construction programme utilise a site currently occupied by properties whose purchase was approved by the Board in November 2012.
- 4.3 The expenditure required to progress the recommendations above is included within the current financial and project authority approved by the Board. Approval to progress early land acquisition is sought to enable the project to react in a timely

manner to avoid extra costs which might arise, for instance, as a result of any delay in land acquisitions given the current nature of the property market in London.



## Project Design Progress

- 4.4 Since contract award in August 2013, the integrated project team has been progressing the design towards an application for a TWAO. This has included extensive engagement with stakeholders, landowners and the public on the proposals which has in turn led to changes to the design. Throughout this period there has been a focus on progressing the design in a way that seeks to minimise impacts both on users of the station and the Underground network and landowners and stakeholders in the City.
- 4.5 The design has progressed to the completion of Concept Design, including the acceptance of Concept Design Statements in June 2014. Achieving Concept Design is a key date in the contract. The milestone was achieved only when the supplier was able to demonstrate that the Concept Design preserved or improved the benefits of the tendered design.
- 4.6 In order to meet the overall programme and to provide greater detail to inform the detail design process, investigative works both within the station and above ground, including cable surveys, tunnel ring assessments and above ground investigative bore holes, are now well underway with a good safety record to date.

## **Disruption during construction**

- 4.7 The project requires a total closure of the Bank branch of the Northern line between Moorgate and Kennington stations for six weeks in 2020. Following this, northbound only services will resume at a limited through-put and non-stopping at Bank station for a further 10 weeks. Therefore, there will be no southbound services between Moorgate and Kennington stations for a total of 16 weeks and six days. Discussions are ongoing with stakeholders.

## **5 Stakeholder Management**

- 5.1 To inform the development of the final design, a public consultation was held in October/November 2013 including a public exhibition held in St Mary Abchurch. Over 400 people attended the exhibition and over 550 people responded online. Further consultation is now underway on the final proposals ahead of the TWAO submission which is seeking views on specific construction impacts and the impacts of the temporary closure of the Northern line. As part of this consultation, registered Oystercard users who regularly use Bank have been informed and a public exhibition was held on 12 and 13 June to which approximately 250 members of the public attended.
- 5.2 Engagement has been ongoing with stakeholders, including: the City of London; the Diocese of London; London Travelwatch; building owners and occupiers; business groups; livery (City Guild) companies, including the Worshipful Company of Grocers; and others. Beyond the local area, engagement has commenced with other stakeholders that will have an interest in the Bank station upgrade such as the Canary Wharf Group.
- 5.3 Support from two key stakeholders has been formalised through a Memorandum of Understanding (MoU). In 2011, a MoU was signed with the City of London setting out principles of working together to promote a solution for Bank Station. In 2013, a MoU was signed with the Diocese of London and the Parochial Churches that outlined agreement on measures to protect churches in the works area. These relationships remain strong as the project moves forward.

## **6 Other issues**

### **Land Acquisition**

- 6.1 The vast majority of the station work will be constructed underground. Therefore, powers will be sought to acquire subsoil rights under third party properties. Where any party has land that is compulsorily purchased for the project, their entitlement to compensation is governed by the statutory compensation code. Owners and occupiers of land who have a qualifying interest may be entitled to make a claim for compensation. TfL has a programme of engagement with local landowners and is seeking to resolve issues wherever possible.
- 6.2 Following approval by the Board in November 2012, the project has proceeded with the advance purchase of properties at the primary work site.

### **Other Consents Sought**

- 6.3 The project will also apply for planning permission for the project by applying for a direction from the Secretary of State for deemed planning consent under section 90 (2A) of the Town and Country Planning Act 1990. This application will be for all of the development authorised by the TWAO, including the new station entrance. It will

be submitted at the same time as the application for the TWAO. An application for Listed Building Consent for works to relevant listed buildings will also be submitted. This will be called in and dealt with alongside the application for the TWAO. Additional planning and listed building consents may be sought separately from the TWAO process.

- 6.4 In addition to the works comprised within the TWAO an Over Station Development (OSD) comprising office space, with retail floorspace at ground floor level is proposed. Work on the design of the OSD began following contract award in August 2013. A public consultation exercise was held in December 2013.
- 6.5 A planning application for the OSD (which includes demolition of the existing buildings) was applied for separately 26 February 2014 and approved on 10 June 2014. Approval of this application is a time critical milestone in advance of the TWAO and achieved three weeks ahead of programme.

## **7 Key Impacts**

### **Environmental Considerations**

- 7.1 TfL has sought to minimise environmental impacts, wherever possible, through innovative design and drawing on experience gained elsewhere including Crossrail. The required Environmental Impact Assessment (EIA) has been carried out and the resulting Environmental Statement (ES) will be submitted as part of the TWAO application. The ES includes details of proposed mitigation to reduce significant environmental effects that could not be designed out as part of scheme development.
- 7.2 The high level environmental impacts of the project have been identified in the Environmental Statement that accompanies the TWAO. The design shows that there are negligible residual adverse effects from the project. There is a suite of mitigation measures to be used during construction to limit any temporary affects. These mitigation measures are standard industry best practice.

## **8 Benefits Summary**

- 8.1 The scheme has a very positive business case with an overall Benefit Cost Ratio (BCR) of 4:1. This reflects the major benefits that will arise in terms of congestion relief and journey time savings. This is a conservative estimate which does not include an assessment of the wider economic benefits, which are currently being assessed.

## **9 Programme**

- 9.1 The programme (and contract dates) has been structured in two stages where Stage 1 is the work required up until the granting of the TWAO. Stage 2 is still scheduled to commence in 2016 (following the granting of the TWAO) when work will start immediately on the secondary work site at Arthur Street and demolition work on the primary work site, subject to the consent of the TWAO being granted by the Secretary of State. The date for project delivery in 2021 remains unchanged.

## **10 Assurance**

- 10.1 The project has been regularly reviewed by the Independent Investment Programme Advisory Group and the TfL Programme Management Office. The most recent assurance reviews have been positive and the project has agreed with all the recommendations.

## **11 Views of the Finance and Policy Committee**

- 11.1 At its meeting on 5 June 2014, the Finance and Policy Committee noted the proposals in this paper and endorsed the recommendations to the Board. Members were advised that there was a single sponsor and single accountable project manager for the programme. When decisions to acquire, dispose or retain land were considered, LU consulted with colleagues in the Planning and Commercial Development teams. Externally LU was working with a large number of stakeholders in relation to the wider station upgrade and further details have been provided in this paper.

### **List of appendices to this paper:**

Exempt supplemental information is included in a paper on Part 2 of the agenda.

### **List of Background papers:**

Finance and Policy Committee paper – 5 June 2014  
Reports from the TfL Programme Management Office and the Independent Investment Programme Advisory Group and the management response to those reports.

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