

TRANSPORT FOR LONDON

BOARD

SUBJECT: COMMISSIONER'S REPORT

DATE: 10 FEBRUARY 2009

1 INTRODUCTION

Since the last Board meeting, the Mayor has nominated Daniel Moylan as a Deputy Chair of the TfL Board, to work alongside Christopher Garnett who is currently Deputy Chair. Under the GLA Act his appointment to this role is subject to the confirmation hearing process of the Assembly. I would like to congratulate Daniel on his new role and I look forward to working with both him and Christopher going forward. I would also like to welcome Claudia Arney to the Board. Claudia has an excellent record of achievement from business and government and will make a valuable contribution to the Board.

2 IMPROVING THE UNDERGROUND

The Mayor has outlined the following as priorities in improving the Underground:

- Largest investment plan for 70 years;
- 30 per cent increase in capacity of the Tube, including new trains and signalling systems;
- 191 air-conditioned trains on Metropolitan, Hammersmith & City, District and Circle lines; and
- More work on cooling the tube.

2.1 London Underground

Metronet

The process of transferring Metronet's employees to London Underground was completed on 7 December and an interim structure for the merged organisation has been established. Since Metronet became part of TfL there has been greater integration of the two organisations. Work to improve efficiency continues, particularly in the areas of central and support services. London Underground has started discussions with the Trades Unions about the massive programme of change and improvement they are embarking on. Details of the proposed changes are still being refined. Subject to consultation, it is

anticipated that there will be a reduction of approximately 1,000 non-operational posts in London Underground. Frontline operations and maintenance teams will not be affected by this process.

Periodic Review

TfL issued Restated Terms to Tube Lines on 8 December, ahead of the contractual deadline of 31 December 2008. Tube Lines will now price the Restated Terms and provide a response, which TfL expects to receive no earlier than the contractual deadline of 30 June 2009.

London Underground performance

In the four week period to 3 January, which includes Christmas and New Year, London Underground operated over 97 per cent of scheduled train services, the highest proportion since the summer of 1996. Average excess journey time also reflected the good performance, at 5.35 minutes, the lowest on record.

Public Private Partnership (PPP) Annual Report

In December, London Underground published its fifth annual report on the performance of the PPP, for the year to 31 March 2008. The report describes performance improvements achieved and progress made in delivering the Investment Programme, while acknowledging the challenges presented by Metronet's failure and the uncertainties around Tube Lines' costs in the second contract period. The report is available, along with previous years' editions, on the TfL website.

Tottenham Court Road

Preparation is underway for the redevelopment of Tottenham Court Road station in order to increase capacity of the Underground station and accommodate Crossrail. Redevelopment, due to be completed by 2016, will deliver an enlarged tube ticket hall nearly six times the size of the current one; new station entrances and additional access points to the Northern and Central line platforms; additional escalators; and five new lifts providing step-free access. A number of properties have been compulsorily purchased and will be demolished to facilitate the redevelopment. Property Acquisition Notices were issued in October 2008 and came into effect on 19 January 2009, when the properties transferred to Crossrail. Demolition is scheduled to finish in mid-2010. A programme of utility diversions and other preliminary works is well underway and will continue into 2009. From 10 January, a number of local bus services were re-routed for up to seven years to allow the redevelopment work to take place.

EXPANDING THE OVERGROUND

The Mayor has outlined the following as priorities in expanding the Overground:

- Major investment on national rail in London and the South East on more and longer trains, longer platforms, better signalling and major projects like Thameslink;
- Working towards Tube-level frequencies, staffing and policing for every suburban London station;
- Ensuring that Oyster is accepted everywhere;
- Building Crossrail to link east and west; and
- Funding and building East London Line Phase 2b to Clapham Junction.

2.2 London Overground

London Overground trains

Bombardier is reporting a further delay to the delivery of the new trains for the Overground and it is likely that they will now enter service no earlier than April. While the problems can be traced back to subcontractors, Bombardier have clear responsibility and they are aware that TfL will be claiming damages as provided for in the contract. While damages cover the financial costs to TfL, the new trains are needed to accommodate the growing number of passengers on the Overground and TfL continues to press Bombardier on the inconvenience caused to passengers.

North London Railway Infrastructure Project (NLRIP)

The infrastructure improvement works on London Overground are due to start in early February as Network Rail has now selected contractors to deliver the civil and signalling works. By 2010/11, these works will double the track and train capacity on the busiest parts of the North London Line. However, to enable Network Rail to undertake the works safely and efficiently, there will be temporary closures on various parts of the Overground network at weekends between February and December 2009 and then a 16 week closure in the first part of 2010 between Gospel Oak and Stratford to allow for the complete relaying of the Victorian infrastructure, existing trackworks and certain platforms. TfL will provide alternative travel arrangements during closure periods and will ensure that key stakeholders and passengers are kept informed of the changes to services. TfL and Network Rail are coordinating the media activities and will announce the programme of works and closures in early February. A joint stakeholder engagement programme will also be undertaken.

2.3 Docklands Light Railway (DLR)

DLR performance and operations

DLR is currently at the most difficult point of its rebuilding and extension projects with significant restrictions in place on the operational infrastructure. These restrictions are gradually being removed, and the benefits of the investment will materialise over the course of the coming year. Recent operational performance has improved, although problems remain with certain parts of the infrastructure including scheduling software and new rolling stock. Serco and DLR are working in partnership on a performance improvement plan to resolve these matters.

Woolwich Arsenal extension

The £180 million DLR Woolwich Arsenal extension was opened, ahead of schedule and on budget, by the Mayor on Monday 12 January. Early passenger numbers on the new route are very encouraging. The Woolwich Arsenal extension will deliver improved transport links, connecting Woolwich to London City Airport in six minutes, Canary Wharf in 20 minutes, Stratford in 23 minutes and Bank in 28 minutes. In the peak period, trains will leave every six to seven minutes. The extension is expected to deliver regeneration benefits, including assistance with the ongoing regeneration of Woolwich and the southern Royal Docks by supporting the creation of new jobs, homes, shops and leisure facilities along the route as well as better access to employment, education and leisure facilities for the communities of Woolwich, Silvertown and North Woolwich. The extension provides direct interchange with Overground services at Woolwich Arsenal mainline station as well as interchange with bus, taxi and riverboat services within walking distance.

Three-Car Capacity Enhancement Project

The three-car capacity enhancement project includes the upgrading of existing infrastructure and lengthening of most station platforms to accommodate three-car trains. In addition, major changes are being made to two key junctions: at West India Quay/Westferry, to improve operational flexibility; and at Canning Town, to incorporate the new Stratford International extension into the railway.

TfL was recently awarded funding from the Homes and Communities Agency, London Development Agency (LDA) and Olympic Delivery Authority (ODA) to upgrade stations on the Beckton extension. The full network will be able to accommodate three-car trains in 2011, with these longer trains operating on the Bank-Lewisham route in early 2010. Works have been delivered by TfL's contractor, Taylor Woodrow, since May 2007 via engineering hours works, weekend works or blockades of the railway. A number of key delivery milestones are due to be achieved in 2009.

2.4 Working with the Train Operating Companies

Oyster on National Rail

Following an Association of Train Operating Companies Board meeting on 14 January, TfL understands that all Train Operating Companies have agreed to the introduction of Oyster on National Rail. The installation of Pay as You Go (PAYG) acceptance equipment is proceeding and has been completed at 95 stations to date. South West Trains has also now indicated that they are willing in principle to let TfL on site to install equipment at their stations.

2.5 Crossrail

Statement of Intent

A statement of intent regarding Network Rail's role in the Crossrail Project has been signed by TfL, Network Rail and the Department for Transport (DfT). The statement sets out agreed principles and objectives that will be used by the parties, working with the Office of Rail Regulation, to work up the arrangements for the operation, maintenance, renewal, enhancement and regulation of the Central Section infrastructure. This is a significant step towards achieving agreement about the future operation of the Crossrail services, regulation of the Central Section and responsibilities for maintenance and renewal.

Sponsorship

The core project agreements were executed at the beginning of December 2008 representing a major milestone for Crossrail. The Joint Sponsor Team is now engaged in detailed planning with Crossrail Ltd (CRL) for the next major review milestone, which is due to take place in September 2009.

Discussions continue with Network Rail on the terms of the Protocol Agreement for the On Network Works. DfT have targeted a completion date of end of March 2009.

Crossrail Canary Wharf Station

On 23 December, CRL and the DfT signed a development agreement with Canary Wharf Group (CWG) for the construction of the Canary Wharf (Isle of Dogs) Crossrail station. TfL is guaranteeing CRL's payment obligations under the development agreement and has entered into a service level agreement with CWG to run an agreed minimum level of Crossrail services to and from the station. As part of the deal, CWG will design and build the station for a fixed price of £500 million and will make a contribution of £150 million towards its construction.

2.6 East London Line Extension Phase One

The project remains on schedule for delivery in June 2010. Progress continues on the twelve implementation milestones identified with Balfour Beatty-Carillion

Joint Venture (BB-C JV), with four further milestones being completed. A further 16 milestones have been identified and agreed with BB-C JV for the first quarter of 2009. Network Rail works in the southern section of the project progressed well over Christmas, including the installation of a new crossover at South Croydon. The signalling modifications required at London Bridge signalling control centre were also completed during a 24 hour possession on 25 December 2008. The Infrastructure Manager contracts and agreements were in place by the end of January 2009.

2.7 East London Line Extension Phase Two

It is hoped to get a funding agreement in place with the DfT so that work can start as soon as possible on the East London Line Extension phase two.

3 GETTING LONDON MOVING

The Mayor has outlined the following as priorities to get London moving:

- Launching a war on road works, complete with a new permit scheme;
- Seeking fitting financial penalties for needlessly unattended holes;
- A new Routemaster bus to replace the log-jamming bendy bus;
- Reviewing traffic lights, without compromising the rights of pedestrians;
- Moving on from the road hump;
- Exploring new ways of preventing deliveries from choking traffic; and
- Giving motorbikes a trial period in bus lanes.

3.1 A fair deal for motorists

Motorcycles in Bus Lanes

The trial use of motorcycles in red route bus lanes was launched on 5 January. The trial, implemented in line with the Mayor's manifesto commitment, will last until June 2010 and will be monitored closely before a decision is made about whether it should become a permanent arrangement. A Code of Conduct for the safe use of bus lanes by motorcyclists has been prepared by the motorcycle industry to mark the beginning of the trial.

London Permit Scheme

The London Permitting Working Group, consisting of TfL and borough officers, continues to work on an application to run a common permit scheme for London. A consultation process on the updated application will commence in the spring, prior to submission to the DfT in the summer.

Works Coordination

TfL continues to focus attention on measures to minimise disruption from road and streetworks, including coordination of works and the provision of accurate and timely works notices by works undertakers. Since May 2008, a total of 158 Fixed Penalty Notices (FPNs) have been given to works undertakers for noticing offences under the New Roads and Street Works Act 1991. These included 85 to Thames Water; 33 to BT; and 15 to EDF.

A planned closure of Upper Thames Street, Lower Thames Street, Byward Street and westbound Tower Hill over the weekend of 12 to 14 December enabled 101 separate works activities to be carried out by TfL, 12 utility companies and a private building contractor. Works included the implementation of new schemes, maintenance and repair activity, utility connections, restoration and cleaning works and a heavy lifting operation for a new development. Such advance planning and coordination of works, while resource-intensive, significantly reduces the disruption from the alternative multiple closures over a prolonged period.

Re-phasing Traffic Signals

In seeking to smooth traffic flow, traffic signals have been successfully modernised and SCOOT (Split Cycle Offset Optimisation Technique) technology implemented at Chiswick roundabout, a key junction on the Transport for London Road Network (TLRN) and Olympic Route Network. Work continues on other sites with this objective.

Burst Water Mains

The recent spell of cold weather has contributed to a dramatic increase in water leaks and burst water mains since the New Year. Some instances have necessitated full road closures (including that of the A3220 West Cross Route and A23 Brixton Road) to enable repair and prevent accidents caused by icing of the carriageway. This has put a strain on all water companies. Since the beginning of the year, TfL has received 140 works notices from Thames Water alone relating to water leaks or burst water mains on the TLRN. TfL is actively liaising with stakeholders and monitoring works to ensure traffic management arrangements minimise disruption.

3.2 London Buses

A New Bus for London

The procurement process for the design, prototyping and manufacturing contract has commenced. The OJEU notice is due to be issued during February.

East London Transit

On 5 January, construction of East London Transit (ELT) Phase 1a began in Barking Town Centre. The high capacity bus system will run from Ilford to Dagenham Dock via Barking Town Centre. It will boost services for local residents and support the regeneration of east London, particularly by encouraging housing development. This on-site start follows recent confirmation of an additional £18.5 million of funding for Phase 1b that will extend the

scheme by linking the Barking Riverside Development to Barking Town Centre and Dagenham Dock. The extra funds provided by the Department for Communities and Local Government and the DfT means that both planned phases of the East London Transit are now fully funded.

4 IMPROVING THE URBAN ENVIRONMENT

The Mayor has outlined the following as priorities to improve the urban environment:

- Championing electric vehicles and car clubs;
- Moving to hybrid buses;
- Encouraging imaginative urban realm projects and the use of 'shared space';
- Planting trees where possible;
- Removing railings and other street clutter; and
- Encouraging walking.

4.1 Championing electric vehicles and car clubs and moving to hybrid buses

Car Clubs

On 16 December, Hertz launched a new car club, Hertz Connect, simultaneously in London, Paris and New York. Connect in London is initially based in Westminster, Shepherd's Bush and St John's Wood, with expansion to other parts of central London planned in early 2009. As part of the Carplus national accreditation process for car clubs, Connect will be required to supply data on the number of vehicles, membership and satisfaction rates, and also to enable TfL to carry out an annual survey on changes to travel habits with new members.

On 12 December, Streetcar, who operate around 70 per cent of London's current car club vehicles, launched its Car Crunch initiative. New Streetcar members who sell their own vehicle upon joining will receive free membership for two years and £250 worth of driving time credit. Streetcar's target is to remove 100,000 cars from London's roads by 2012. The Mayor expressed his support for the scheme. As with Connect, TfL will collect data on the impact of the initiative on car club member numbers and travel behaviour.

4.2 Improving the urban realm

£10 million funding for Exhibition Road

On 16 January, the Mayor announced that he has asked TfL to contribute an additional £10 million to the costs of the improvements being planned to Exhibition Road. This brings TfL's contribution to £13.3 million. The Exhibition Road shared space scheme is intended to transform radically one of London's key visitor attractions into a high quality, user-friendly space. TfL's contribution will enable work to start on the scheme with a view to completion by the end of 2011 – well ahead of the London 2012 Olympic and Paralympic Games. This has been strongly welcomed by the Royal Borough of Kensington and Chelsea and Westminster City Council, who will be progressing delivery of the project.

£4 million funding for Oxford Circus

Furthermore, TfL will provide a contribution of £4 million to the New West End Company (NWECC) and Crown Estates for a major makeover of Oxford Circus, reducing clutter and increasing usable space for pedestrians by more than 60 per cent. This project will now go ahead.

Low Emission Zone Phase 3

On 2 February, the Mayor announced his intention to suspend the third phase of the Low Emission Zone due to the detrimental impact it would have on London's small businesses. The Mayor remains committed to existing Phases One and Two of the scheme, which have proven very effective. Phase Three was due to start on 4 October 2010 and would have affected light goods vehicles and vans up to 3.5 tonnes, minibuses under 5 tonnes, and specialist vehicles including motor caravans and horseboxes between 2.5 - 3.5 tonnes. A draft revision to the Mayor's Transport and Air Quality Strategies reflecting the Mayor's intention to remove Phase Three will be the subject of a 12 week public and stakeholder consultation scheduled for late summer 2009. TfL will also need to consult the public and stakeholders on the necessary changes to the LEZ Scheme Order before the Mayor can decide whether formally to remove Phase Three.

4.3 Encouraging walking and smarter travel

Legible London

During February, TfL will launch a new area on its website to showcase the Legible London way-finding system at www.tfl.gov.uk/legiblelondon. This will provide the latest news on the Legible London system as it moves through the feasibility phase. Visitors to the website will be able to see the research and development that underpins the system, view pictures of signs already in use in the Bond Street area, and learn about the three pilot locations – South Bank and Bankside, Richmond and Twickenham, and Covent Garden and Bloomsbury. Legible London took centre stage in central London over the New Year, with a 3x3m map on display in Piccadilly Circus. The map, popular with pedestrians, was part of a hoarding erected to protect the Eros statue from revellers.

School Travel Planning

The Travelling to School Initiative in London and nationwide has benefited considerably from the support provided by the DfT and the Department for Children, Schools and Families since 2003. This support, which has included capital grants for schools with approved School Travel Plans and funding for London borough School Travel Advisors, is due to end in 2010. I have written to the Minister at the Department for Children, Schools and Families seeking longer term support for the Initiative.

Smarter Travel Richmond

Plans for the installation of additional car club parking bays and new cycle parking are progressing on schedule and will be completed before the launch of the Smarter Travel programme in late March 2009.

London 2012 Smarter Travel Strategy

The Strategy for smarter travel at the London 2012 Olympic and Paralympic Games has been finalised and disseminated across TfL and the ODA. Research commissioned on the requirements for journey planning and communicating the smarter travel and travel demand management message is on target for completion by the end of the financial year.

5 ENCOURAGING MORE CYCLING

The Mayor has outlined the following as priorities to encourage more cycling:

- Launching a full-scale cycle hire scheme by 2010 in nine London boroughs;
- Creating dedicated routes that give nervous cyclists the confidence they need;
- A big increase in cycle stands and secure parking for cyclists;
- Helping to create cycle hubs and hire schemes in the outer boroughs; and
- Considering the possibility of allowing cyclists to turn left on red.

Cycle Safety

On 20 January, TfL partnered with the Metropolitan Police and City of London Police for a cycle safety awareness day. The 'Exchanging Places' initiative gave cyclists and HGV drivers the chance to consider each other's perspective. Cyclists sat inside a HGV cab to experience the limited vision of a driver and Police Officers spoke to lorry drivers to raise awareness of cyclist collisions and distributed special mirrors called 'Fresnel lenses' that allow greater nearside visibility.

Cycle Hire

A paper is being presented to this TfL Board meeting regarding the Cycle Hire scheme.

6 BY THE RIVER

The Mayor has outlined the following as priorities for river services:

- Setting up a river concordat between the operators of all the boat services;
- Integrating river services with Oyster Pay As You Go;
- Creating a complete vision for the increased use of the Thames, including tow-paths; and
- Preparing to use the river to help transport spectators to the Olympic site.

The River Passenger Services Concordat is based on stakeholders, including TfL, working together to tackle the barriers to sustainable growth in river passenger services. An action plan is being developed, with deliverables linked to Concordat outputs, prior to a date being set for the signing of the document. Finally, the Olympic Delivery Authority gave a presentation to the Concordat Group on 19 January on river passenger services for 2012. The presentation included key dates and a programme for delivering river services during Games time.

London River Services is working with operator Thames Clippers on the introduction of Oyster to river passenger services. Firm costs are being obtained from our ticketing partners, and a commercial proposal is being made to Thames Clippers. The earliest date for implementation is July 2009.

7 IMPROVING THE JOURNEY EXPERIENCE

The Mayor has outlined his commitment to improving the journey experience of those travelling in London, with a particular focus on safety, security and tackling anti-social behaviour. This Mayor is also committed to alleviating the cost burden on the travelling public.

7.1 Safety and security

Introduction of 50 new British Transport Police Officers

On 6 January, the Mayor announced a £6 million initiative to provide an additional 50 British Transport Police Officers to patrol outer London stations. This will provide neighbourhood style policing coverage on more than 100

stations and routes as well as ensuring that all London Boroughs will have at least one British Transport Police neighbourhood team.

The seven new teams will comprise one sergeant and six police constables and will focus on providing visible reassurance, particularly after dark, as well as community engagement and identifying and resolving local problems and priorities. They will work closely with the Metropolitan Police Service Safer Transport Teams, funded by TfL, and local Safer Neighbourhood policing teams. Each team will police outer London stations on lines travelling out of the following main stations:

- Croydon: Southern
- Bromley South: Southeastern
- Stratford: National Express, London Underground and London Overground
- Acton Mainline: First Great Western, close to West Acton London Underground
- Seven Sisters: National Express and London Underground
- Finsbury Park: First Capital Connect and London Underground
- Wimbledon: South West Trains, London Underground and Tramlink

Rollout of Hub Teams

The Mayor, through TfL, has committed to increasing the number of uniformed officers on the bus network. The additional 440 officers are being used to establish dedicated Hub Teams in priority locations across London and increase the size of all 21 Safer Transport Teams. The third and final phase of the rollout of the teams is underway. All 32 Hub Teams will be operational by the end of June 2009. Hub Teams are already operating in Croydon (West Croydon), Haringey (Canning Town) and Newham (Canning Town), Woolwich Arsenal, Ilford National Rail station, Romford Town Centre, Barking Station, Walthamstow Central, Hayes Town and Lewisham. Further analysis is being undertaken to identify two additional hub locations.

Anti-touting activities

An integrated programme of activity was undertaken by TfL and its police partners over the Christmas period, when demand for late night travel increases. This included a comprehensive multi-media communications campaign to raise awareness of the dangers of using illegal cabs and a heavy schedule of anti-touting enforcement activity undertaken by the Transport Operational Command Unit (TOCU) and the City of London Police (CoLP).

The TOCU Cab Unit's core activities include evening patrols in hotspot locations from Wednesday to Saturday, covert anti-touting operations, high visibility enforcement activities to detect and deter illegal cab drivers and compliance activities (vehicle and licensing checks and Automatic Number Plate Recognition). The TOCU carried out a programme of enforcement activities between 12 and 27 December. This is summarised in Table One below. The

TOCU Cab Enforcement Unit made 61 cab-related arrests in December including 56 for touting.

Table One - TOCU enforcement activities December 2008

DATES	LOCATION	OPERATION
12 Dec	Shoreditch	<ul style="list-style-type: none"> • Safer Travel At Night (STAN) education / crime prevention activities and venue visits focused on late night revellers and venue staff • Covert anti-touting operation
13 Dec	Camden	<ul style="list-style-type: none"> • STAN education / crime prevention activities and venue visits focused on late night revellers and venue staff • Covert anti-touting operation
17 Dec	Westminster	<ul style="list-style-type: none"> • Targeted police operation in response to police intelligence (TOCU Cab Unit Sexual Offence Team involving Westminster Local Police) • STAN education activities and venue visits focused on late night revellers and venue staff
18 Dec	West End	<ul style="list-style-type: none"> • STAN education / crime prevention activities and venue visits focused on late night revellers and venue staff • Covert anti-touting operation
18 Dec	West End (Charing Cross Road)	<ul style="list-style-type: none"> • High visibility compliance operation with the Public Carriage Office • 51 vehicles were inspected, including 31 licensed Private Hire Vehicles (PHVs) • Of the 31 PHVs inspected: seven unfit notices issued, four drivers were reported for not wearing their ID badges and two licence discs were removed under section 9 (2)(b) of the Private Hire Vehicles (London) Act 1998
18 Dec	Westminster	<ul style="list-style-type: none"> • Targeted police operation in response to police intelligence (TOCU Cab Unit Sexual Offence Team involving Westminster Local Police) • STAN education / crime prevention activities and venue visits focused on late night revellers and venue staff
19 Dec	Croydon	<ul style="list-style-type: none"> • STAN education / crime prevention activities and venue visits focused on late night revellers and venue staff • Covert anti-touting operation
19 Dec	Whitechapel	<ul style="list-style-type: none"> • STAN education / crime prevention activities and venue visits focused on late night revellers and venue staff criticise • Covert anti-touting operation

DATES	LOCATION	OPERATION
19 Dec	Westminster	<ul style="list-style-type: none"> • Targeted police operation in response to police intelligence (TOCU Cab Unit Sexual Offence Team involving Westminster Local Police) • STAN education / crime prevention activities and venue visits focused on late night revellers and venue staff
20 Dec	Angel Islington	<ul style="list-style-type: none"> • STAN education / crime prevention activities and venue visits focused on late night revellers and venue staff • Covert anti-touting operation
20 Dec	Westminster	<ul style="list-style-type: none"> • Targeted police operation in response to police intelligence (TOCU Cab Unit Sexual Offence Team involving Westminster Local Police) • STAN education / crime prevention activities and venue visits
26/27 Dec	Westminster	<ul style="list-style-type: none"> • Anti-touting operation

City of London Police (CoLP) also carried out four high visibility operations with TfL's Public Carriage Office (PCO) targeting illegal touting on the 3, 17, 22 and 30 December between 22:00 and 04:00. The operations involved the use of automatic number plate recognition systems. Working with the PCO, CoLP police officers stopped vehicles displaying the TfL Private Hire logo to ensure that both the vehicle and driver were licensed. Officers also carried out vehicle examinations. The overall results were:

- 222 private hire vehicles stopped and examined for roadworthiness;
- 38 unfit notices issued;
- Six drivers suspended;
- 64 vehicle offences identified;
- 17 driver offences identified;
- One PCO licence was found to have expired;
- One disc was removed from a vehicle; and
- One licensed PHV driver was found to be disqualified from driving and was arrested.

Operation BusTag

TOCU's Operation BusTag team, established over four years ago to tackle on-bus criminal damage, is dedicated to identifying suspects of bus-related crime through on-bus Closed Circuit Television (CCTV), arresting and bringing offenders to justice. The unit, working in partnership with the bus operating companies, has achieved excellent results. The unit has dealt with over 7,000 evidence packs and made over 2,900 arrests quadrupling the arrest rate for criminal damage since its creation. More than 95 per cent of the arrests made as a result of BusTag investigations have resulted in serious consequences for the offender, ranging from fines and community service to imprisonment. Seventy per cent of those arrested have not gone back to bus vandalism or re-offend. BusTag's expertise in CCTV image identification means that the team is

now extending its remit to identifying suspects who have committed other offences on buses including assaults and theft offences.

7.2 Alleviating the Cost Burden

Changes to fares

In January 2009, under the Mayor's new fares package, fares rose by inflation plus one per cent as measured by the year-on-year change in the retail prices index for last July. The Freedom pass for older people was extended to cover travel 24 hours a day on all TfL services and a new daytime off-peak Pay As You Go fare was introduced on the tube, from 9.30 to 16.00, Monday to Friday. This means that, in some cases, a journey from zone 6 to central London will cost £1.40 less than in 2008. The Mayor's half price bus and tram scheme for persons in receipt of income support was introduced as part of the revision. As usual, significant numbers of annual season ticket holders pre-empted the revision by purchasing tickets in December – numbers doing this were up four per cent on last year at just under 48,000.

Bus and Tram discount scheme

The Mayor has announced that, from 1 April 2009, the bus and tram discount scheme will be extended to include Londoners who have been claiming Job Seeker's Allowance (JSA) for at least 13 weeks. The scheme will also be extended to include Londoners who are claiming the new Employment and Support Allowance, which replaced Incapacity Benefit and Income Support paid on incapacity grounds for new claimants from October 2008.

Unemployed adults participating in the New Deal can currently apply for a photocard allowing them to buy tickets for London Underground, DLR, London Overground and bus services at a discounted rate. The scope of the New Deal will increase in April 2009, so that adults will become eligible after six months of unemployment, compared to the current 18 months. It is expected that the number of people claiming the New Deal concession will therefore increase.

Mid-year inspections refunds

Following the TfL Board's decision to abolish mid-year inspections for taxis, refunds are now being made to those owners who had paid their licence fees but had not undertaken the mid-year inspection by 6 November 2008.

7.3 Improving customer information

Informing our stakeholders

TfL's range of travel information services has been made more readily accessible to help customers plan their journeys and avoid disruption. Services include journey planning; delivery of regular email and mobile telephone updates; and tools that can be added to websites, iGoogle, blogs and Netvibes pages. Services are delivered via TfL's own website and also widely syndicated via the BBC, commercial broadcasters and publications such as Time Out and

Metro. Further services are in development, including services relating to road works.

The launch of the new Travel Tools webpage was supported by a marketing campaign in the press and through posters on the network. The launch has resulted in a significant increase in the use of the tools. In particular, use of the Text Journey Planner, which allows customers to plan journeys on the move via their mobile phone, increased from around 8,500 in November to more than 10,000 in December. Mobile Tube Map downloads increased thirteen-fold, from around 450 to nearly 6,500 over the same period. Finally, nearly 100,000 people downloaded a 'widget' allowing them to add timetable information to their iGoogle webpage in December 2008, compared to around 7,000 in the previous month.

7.4 Improving the travel environment

Recycled paper campaign

TfL has launched a new campaign supported by all of the main freesheet newspapers urging passengers to take their papers with them at the end of their journey and recycle them at work, at home, or in one of the recycling bins outside stations. Around 1.6 million free newspapers are given out in London every weekday, with many of them behind left by passengers on the Tube network. TfL is working in partnership with London Lite, thelondonpaper, Metro and City A.M. on the campaign, with these newspapers agreeing to provide free advertising space worth around £400,000 for the campaign.

8 EFFICIENT AND EFFECTIVE DELIVERY

In this section, I report the ways in which TfL is working to deliver services to London efficiently and effectively in order to provide value for money.

8.1 Planning and Strategy

Revisions to the Mayor's Transport Strategy

Reflecting ambitions for a more joined up GLA family, revisions to the Mayor's Transport Strategy (MTS) are being developed in tandem with revisions to the London Plan and the Economic Development Strategy led by the LDA.

A small GLA working group comprising Sir Simon Milton, Daniel Moylan, Kulveer Ranger, Alex Crowley and Michèle Dix, has been established to progress this work in line with the following timetable:

- A short presentation outlining the programme, the proposed engagement plan and propositions considered for debate by the MTS working group will be presented to TfL Board today.

- A draft proposal for the Strategy will be made available to the Assembly (and Functional Bodies) for consultation in spring 2009, alongside that for the London Plan. This is the formal opportunity for the TfL Board as well as other Functional Bodies to comment.
- Comments from this consultation will inform the final draft, which will be made available for public and stakeholder consultation later in 2009 (after the summer holidays) with the final strategy being published in early 2010. This publication date is in line with that for the London Plan and the Mayor's Economic Development Strategy.

Airport Expansion - Stansted

TfL's Statement of Case regarding the expansion of Stansted Airport was submitted to the Planning Inspector on 22 December 2008. TfL is seeking surface access improvements to accommodate increased demand resulting from the Airport expansion. Improvements being sought by TfL are: an upgraded Tottenham Hale Station; securing step free access at Liverpool Street Station; and ensuring that appropriate capacity is provided along the West Anglia Main Line to accommodate regional and airport related demand.

Airport Expansion - Heathrow

TfL has prepared a witness statement, focused on the weaknesses of the modelling and surface access commitments, for the Judicial Review led by the 2M Group of boroughs (with Mayoral support and financial contribution) against the Government's Heathrow decision.

8.2 Working more efficiently

Annual Audit and Inspection letter

The Audit Commission have issued their Annual Audit and Inspection Letter to TfL. The letter provides an overall summary of the Audit Commission's assessment of TfL, based on audit and inspection work in relation to the last financial year, as well as a wider analysis of TfL's performance and improvement over the past year. This assessment process is consistent for all local government organisations including the London Boroughs and the GLA.

In respect of TfL's Use of Resources, the assessment covers five themes:

1. Financial reporting;
2. Financial management;
3. Financial standing;
4. Internal control; and
5. Value for Money.

TfL has been assessed as four out of four (performing strongly) for all five categories, and consequently at level four overall for 2008. This is an extremely

strong performance; only two councils (Stockton-on-Tees and Wandsworth) out of 388 achieved a four in all categories in the 2007 assessments.

In particular, the Audit Commission commented that “TfL has made good progress on improving outcomes in priority areas during the year. This is against a background of increases in use of public transport” and that “TfL have further enhanced risk management processes and ensured that consideration of risk is embedded within all areas of the business; and counter fraud activities have become more embedded and there is evidence that a counter fraud culture is being actively promoted”.

Operating Cost Review

The Operating Cost Reduction (OCR) Programme has now moved into implementation. As part of this transition, the OCR consultancy partner, Deloitte, have conducted a “fresh-eyes review” of the OCR process to form a view on the robustness of the programme. This review was presented to the Finance Committee on 27 January along with an overview of the programme. The review concluded that overall the savings are achievable but will be challenging and that the level of certainty around the programme is what would be expected given the early stage of implementation. The programme presently has a set of initiatives that, if all were successful, would deliver a total saving of £3 billion over the nine year business plan. However, by weighting the projects against their level of certainty, at present there is only high confidence on £1.8 billion of initiatives. To achieve the overall savings an annual run-rate of around £450 million per annum needs to be achieved by 2014/15; this will require the programme of savings projects to be completed over the next three years.

Following the message from the Commissioner to all staff on 12 December detailing the outcomes of the OCR, work has commenced to plan the implementation of the changes across the organisation. Group Services and Finance have been merged, and Valerie Todd has started her secondment to Crossrail. Consultation with staff and the Trades Unions has commenced in respect of the corporate Planning function. Corporate Planning will become a smaller, more focused unit, reflecting both the planned changes as part of the OCR, and the Mayor's decision not to proceed with further development work on projects which have no implementation funding such as the Cross River Tram.

Consultation with staff and the Trades Unions has commenced on planned reductions of 1,000 roles in London Underground (including the former Metronet companies) as a result of the operating cost review. These reductions are to come from non-operational roles. London Underground will move to the new structure as soon as possible once the consultation period has concluded, which is expected to be within a few months. Some changes are dependent on system changes and hence will take longer to implement in full. Across all the planned reductions, TfL aims to avoid redundancies by focusing on filling roles currently held by temporary staff and consultants by permanent staff; through

redeployment processes; and by maximising the opportunities for displaced staff in other areas of the organisation such as Crossrail.

In other initiatives which run across the organisation, work is underway to engage relevant managers and define action plans. The OCR contains a target of £225 million to reduce the reliance on temporary staff and consultants, and work is in hand to ensure better identification of consultants working within headcount roles, and to define the process for better resource demand planning. Over £130 million of savings are anticipated to come from reducing the cost of the head office accommodation portfolio, and work is underway to define a new strategy in line with the expiry of existing leases. Specialist consultants are being shortlisted to support the development of a new commercial strategy across the organisation, and ensure significant savings are realised from the many contracts across TfL.

Work is underway to embed savings targets where appropriate within individual modes and business units in time for the 2009/10 budget.

8.3 Safeguarding TfL finances

Penalty Fare increase

The penalty fares increase project has successfully implemented certain provisions of the TfL Act 2008 resulting in the Penalty Fare across all modes increasing to £50 from 11 January. TfL have also introduced a prompt payment incentive, which sees the charge discounted to £25 if paid within three weeks. It is envisaged that the deterrent effect of the higher Penalty Fare will further reduce fare evasion across the network. All passengers issued with a Penalty Fare are now also required to provide name and address details to TfL. Previously, only passengers who were unable to pay the Penalty Fare in full at the time of issue were required to do this. This provision will allow TfL to identify repeat offenders on the network more easily and to use the powers available to better deal with these individuals.

8.4 Managing the workforce

Stonewall – The Workplace Equality Index

Stonewall, Britain's leading gay equalities organisation, has rated TfL fifth in the top 100 employers for lesbian, gay, bisexual and transgendered staff.

Stonewall's annual Workplace Equality Index ranks the top 100 employers according to criteria including implementation of effective equality policies and how the organisation engages with lesbian and gay staff, customers and service users. 317 workplaces were surveyed for this year's index. TfL's position in the 2009 ratings is up one from last year's ranking of sixth and an improvement of three places on the 2007 ranking of eighth.

Work experience for disabled people

Planning has begun for the first TfL-wide work experience programme for disabled people. The work experience programme will last eight weeks and will include preparation for roles within TfL. Briefing events targeting organisations working with disabled people were organised by London Underground, London Rail and Corporate TfL for 15 and 16 January. Surface Transport will continue with its own six-month work placement programme.

9 OTHER

In this section, I report on any out-of-the-ordinary events and, where appropriate, outlined TfL activity in response.

9.1 Christmas and New Year Services

As in previous years, services operated over most of the networks throughout the night of 31 December and 1 January and, overall, customer flows went well on both the forward and return traffic. This was the first time that the alcohol ban has been in force on New Year's Eve and there was generally good adherence by customers, with only a few recorded incidents. A number of fights occurred on trains between 02:00 and 04:00 across the network and there were several trespass issues which resulted in the power being turned off at some locations. The incidents were managed well by the onsite teams and the British Transport Police but did result in some delays to the service.

9.2 Board visit to TfL sites in East London

On 15 December, a visit was organised for Board Members to a number of TfL sites in East London. In the morning, Board Members viewed the DLR extension work at Woolwich and East London Line extension work at New Cross Gate. They also saw the progress on the new Shoreditch High Street station on the East London Line. In the afternoon they were shown preparations for the Olympics including a tour around the Olympic Park. On 6 February, members of the Surface Transport Panel and the Safety Health and Environment Committee visited the Blackwall tunnel and had a detailed briefing on the issues facing TfL in relation to the tunnel and the surrounding area.

Peter Hendy
Commissioner
Transport for London
February 2009