

TRANSPORT FOR LONDON

RAIL AND UNDERGROUND PANEL

SUBJECT: MANAGING DIRECTOR'S REPORT – LONDON UNDERGROUND

DATE: 7 JULY 2010

1 PURPOSE

- 1.1 The purpose of this report is to describe London Underground's performance over the first two periods of the year 2010/11 (1 April – 29 May). The report also provides updates on the status and progress of London Underground's strategic workstreams, major investment projects and items of special interest.

2 PERFORMANCE

- 2.1 A summary of key performance indicators and graphs showing trends over the last year are provided on pages 7 to 13.

Customer Satisfaction

- 2.2 The first results of the year for this quarterly measure were not available for inclusion in this report.

Train Service

- 2.3 The year has got off to a good start with the percentage of schedule operated averaging 97.4 per cent over the first two periods, 1.1 per cent better than budget. All lines apart from the Central have met their targets to date, and four lines (Bakerloo, District, Metropolitan and Northern) have operated 98 per cent or more of their scheduled kilometres. The Piccadilly line has met its target despite severe disruption on 12 May caused by the derailment of an engineering train near Earl's Court (see over). In period 2, the Circle & Hammersmith line's percentage of schedule at 94.1 per cent was its best four weekly result for over four years.
- 2.4 Two 'person under train' incidents – at Mile End on 16 April and at Bethnal Green on 13 May – contributed to the Central line's small shortfall of 0.4 per cent against its 97.4 per cent target. Motor flashovers have continued to affect the line's rolling stock performance. However, reliability of these assets has started to show an improvement due to extra staff resource being applied and extra work on the motors being completed.
- 2.5 Engineering possessions over the first two periods, which included three long weekends (Easter and May Bank Holidays), reduced the schedule by some 840,000 kilometres, which was more than assumed in the budget. Consequently, despite the strong operating performance described above, total kilometres operated were some 90,000 less than budgeted.

- 2.6 A new Metropolitan line timetable, which introduced stabling changes to support the introduction of the new eight car S Stock and special paths for S8 stock training, was implemented successfully on 23 May. On the Central line, a new timetable is being introduced on 4 July, its primary objective being to improve reliability of the line through revised run and dwell times, bringing scheduled times in line with actual capability.

Piccadilly Line Derailment

- 2.7 At 05:31 on Wednesday 12 May an engineering train derailed on the westbound road of the Piccadilly line between Gloucester Road and Earl's Court. The Piccadilly Line service was suspended while engineering works to track and signalling were completed. Full service on the Piccadilly Line recommenced from start of traffic on Thursday 13 May.
- 2.8 Following the incident, a Formal Investigation Report has been commissioned by TLL and LU and an independent review by the Rail Accident Investigation Branch is also being undertaken.
- 2.9 While the investigations have yet to conclude, it seems very likely that the cause of the accident was "gauge spread" with the track forced apart as the train passed over it. LU has identified some concerns regarding Tube Lines track maintenance and has served an Engineering Regulatory Notice requiring Tube Lines to undertake a series of actions to assure LU.
- 2.10 A recovery plan has been agreed with TLL addressing both management and inspection shortcomings. The key issue is the production of a robust workbank of defects, dates and priorities. This is due to be delivered in mid July, but the experience of the District Line Emergency Direction suggests that this could be longer. In the meantime TLL, have been asked to submit, daily, a Certificate of Safe Operation.

Journey Time

- 2.11 Excess journey time has averaged 5.90 minutes over the year to date compared with a target of 6.45 minutes. All elements of excess (trains, stations and closures) are within their targets. For the first time, this year's excess journey time target of 6.54 minutes has been phased to take account of seasonal changes in demand.

Passenger Journeys

- 2.12 The recovery in demand seen in the final quarter of last year has continued into the beginning of 2010/11. Passenger journeys to period 2 totalled 176 million, eight million higher than the budget and a year on year increase of 2.2 per cent. After adjusting for seasonal factors, the underlying trend in passenger demand was an increase of 2.6 per cent. The budget for the year, set before the recovery in demand became evident, is 1,037 million journeys but the first quarterly revision to the forecast is expected to show a significant increase in expected demand for the year.

Safety

- 2.13 The measure adopted for the scorecard this period is 'Major injuries per million hours on LU Infrastructure'. This wider measure takes as its numerator the number of accidental major injuries to customers, employees and contractors and as its denominator the sum of the number of hours spent by customers travelling on the network and the number of hours worked by staff and contractors. Due to the normal periodic variability in the number of injuries, the result is expressed as a moving annual average, which currently stands at 2.0 compared with a target of 2.3. Since the beginning of 2010/11, there have been 25 reported major injuries to customers, including 14 incidents on stairs or escalators, and one major injury to a contractor.

3 LINE UPGRADES

Jubilee line

- 3.1 During full line closures of the Jubilee line over the Easter and May Day bank holidays weekends, TLL undertook final system testing in the section between Stratford and Waterloo and also handed this area over to LU for trial operations. The trial demonstrated that the system remained immature with a high incidence of software and hardware faults.
- 3.2 As the system has proved unreliable, the introduction of a weekend Transmission Based Train Control (TBTC) service east of Waterloo has been deferred until July subject to seeing improved performance in the closure planned for 3/4 July.
- 3.3 Trial Operations took place on the J4 section (Dollis Hill-Green Park) over the weekend of 12/13 June. These were designed to provide train operators with experience of using the system and further system performance data. The result for the first day was very poor with practically no train service, further emphasising the need for "trials without passengers" prior to any revenue service. A further trial occurred on 26/27 June.
- 3.4 Much work remains to be done to deliver the TBTC system in the J5 area at the northern end of the line, with little prospect of this being achieved before the end of August.

Northern line

- 3.5 In anticipation of the acquisition of Tube Lines being concluded at the end of June, LU has commenced a review of TLL's programme and the overall delivery methodology for the line upgrade including the closures needed to complete it. The purpose of this review will be to develop a much less disruptive programme that also ensures the Northern line operates reliably during the Olympics in 2012.

Piccadilly line

- 3.6 Following the agreement reached to buy Tube Lines, TfL will be reviewing the programme to minimise disruption and take into account the opportunities for synergies with the rest of the LU upgrade programme.

Victoria line

- 3.7 The upgrade remains on target and on budget. By the end of May, seven 2009 stock production trains had been delivered to Northumberland Park Depot with three plus one spare required for service in each peak, and five of the old 1967 stock trains had been decommissioned. However, the pace of train production by Bombardier needs to increase and weekly senior engagement is driving Bombardier to address this. Pre-production trains T1 and T2 have been returned to Bombardier at Derby as planned.
- 3.8 Since the beginning of the year, the 2009 Stock has achieved 600km mean distance between failures, while the 1967 stock has achieved over 14,000km. Most of the incidents affecting the new fleet have been software issues and sensitive door edge activation, and have not caused major disruption to the line, which has operated over 97 per cent of its schedule.
- 3.9 In mid-May, a key milestone was achieved with line control transferred from Cobourg Street to Osborne House, the new Service Control Centre, for the first time in traffic hours. Following the completion of engineering hours tests and training for all Victoria Line service managers and controllers, Osborne House controlled the line for four hours on a Saturday night, with two 2009 stock trains running on the line. Further transfers of line control between the existing and new Service Control Centres along with transfers of signalling control are taking place during June, prior to the new Service Control Centre assuming full control later in the summer.
- 3.10 Power upgrade works are substantially complete; the new connections to the National Grid were put into service on the night of 7-8 June.

Sub Surface Railway

- 3.11 The programme remains on track to achieve the target date for the introduction of S Stock into passenger service at the north end of the Metropolitan line in summer 2010. The second pre-production train arrived in London on 6 May as planned and has joined the first on the testing programme, while the first production train has been delivered to the Old Dalby test track. Work in Wembley Park sidings was completed early in time for the May timetable change, and the work at Hammersmith (C&H) station is complete as part of the enabling works for S7 trains. Construction has started on site, to programme, for the Service Control Centre at Hammersmith.

- 3.12 In April, LU awarded a contract to EDF Energy for the second stage of the SSR power upgrade. The work, which is expected to be completed by 2013, covers design, construction and commissioning of substation electrification upgrades at 20 locations and includes associated tunnel cabling and protection systems.

4 OTHER PROJECTS

Tottenham Court Road Station

- 4.1 Piling for the new Northern line escalator box is on programme and nearing completion. The site is currently being prepared for the seven large piles to support the future over-site development. Demolition of buildings between Goslett Yard and Sutton Row has been completed, ahead of programme, and the enabling works contract managed by Birse Metro has also been completed. Utility works are on programme.

Victoria Station Upgrade

- 4.2 The main works contractor, VINCI/BAM Nuttall JV, has mobilised following contract start on 1 May and most of its management core team have co-located with the LU team in Victoria Station House. Utility diversion works in Allington St. have progressed well, enabling the road to re-open to traffic on 1 June as planned, and the works in Wilton Road continue to plan.

Stratford ODA

- 4.4 Integration of the first phase of Network Rail systems (CCTV and PA) with the LU command and control system has been successfully completed on the southern concourse. Progress on the Westfield Northern Ticket Hall remains on programme, but the date for revenue service is likely to slip from February 2011 until September 2011 due to Westfield delaying opening of the shopping centre. This could result in a period of mothballing of the Northern concourse, and may impact ODA test events.

Thameslink

- 4.5 Network Rail have now written requesting agreement to the (already accepted) later opening date of 10 December 2011 for Blackfriars station.

Southfields Station

- 4.6 The new lift and entrance was brought into customer use on 21 June in time for the start of the Wimbledon Tennis Championships.

Tube Lines Station Upgrades

- 4.7 Tube Lines announced completion of a further six station upgrades in May, leaving just two to go to meet its target of 96 by the end of June.

5 OTHER ITEMS

Tube Lines Share Purchase

- 5.1 On 7 May, TfL and the shareholders of Tube Lines (Amey and Bechtel) entered into a Share Purchase Agreement which paves the way for Tube Lines to become a wholly owned subsidiary of Transport for London. The deal, which completed on 26 June, will give TfL much greater flexibility in the way that the Tube is upgraded, removing the constraints of the PPP structure.
- 5.2 This agreement will also offer improved value for money and will mean that the work to be undertaken by Tube Lines over the next 7½ years will proceed without the need for additional funding. While Bechtel will exit after a short transition period, Amey will be retained to provide ongoing management of maintenance on the Jubilee, Northern and Piccadilly lines.
- 5.3 Transition planning for the period following acquisition by TfL is progressing well. Andie Harper will be taking up the role of Chief Executive Officer of Tube Lines.

Operations Strategic Plan

- 5.4 Consultation has continued on the Operations Strategic Plan which sets out proposed changes to ticket office and ticket hall service, station groupings and stations and trains management. LU has reaffirmed its commitments that there will be no compulsory redundancies, no compromise on the company's vision, strategy or commitment to safety, and all stations will be staffed and all stations that currently have a ticket office service will continue to have one with opening hours that meet customer demand.

Accessibility

- 5.5 Kew Gardens is the latest station to benefit from the installation of a wide aisle gate. There are now 256 such gates across the LU network in 148 ticket halls.

Employee Engagement

- 5.6 The Maintenance Valuing Time Local sessions are now complete. In Operations, across the network over 375 such workshops have been held with approximate 4,800 staff having attended. The remaining Valuing Time Local sessions for Operations staff commence at the end of June with the last remaining line – the Victoria line – following in July. The programme is scheduled to complete by the end of the calendar year.

6 RECOMMENDATION

6.1 The Panel is asked to NOTE this report.

7 CONTACT

7.1 Contact: Mike Brown, Managing Director
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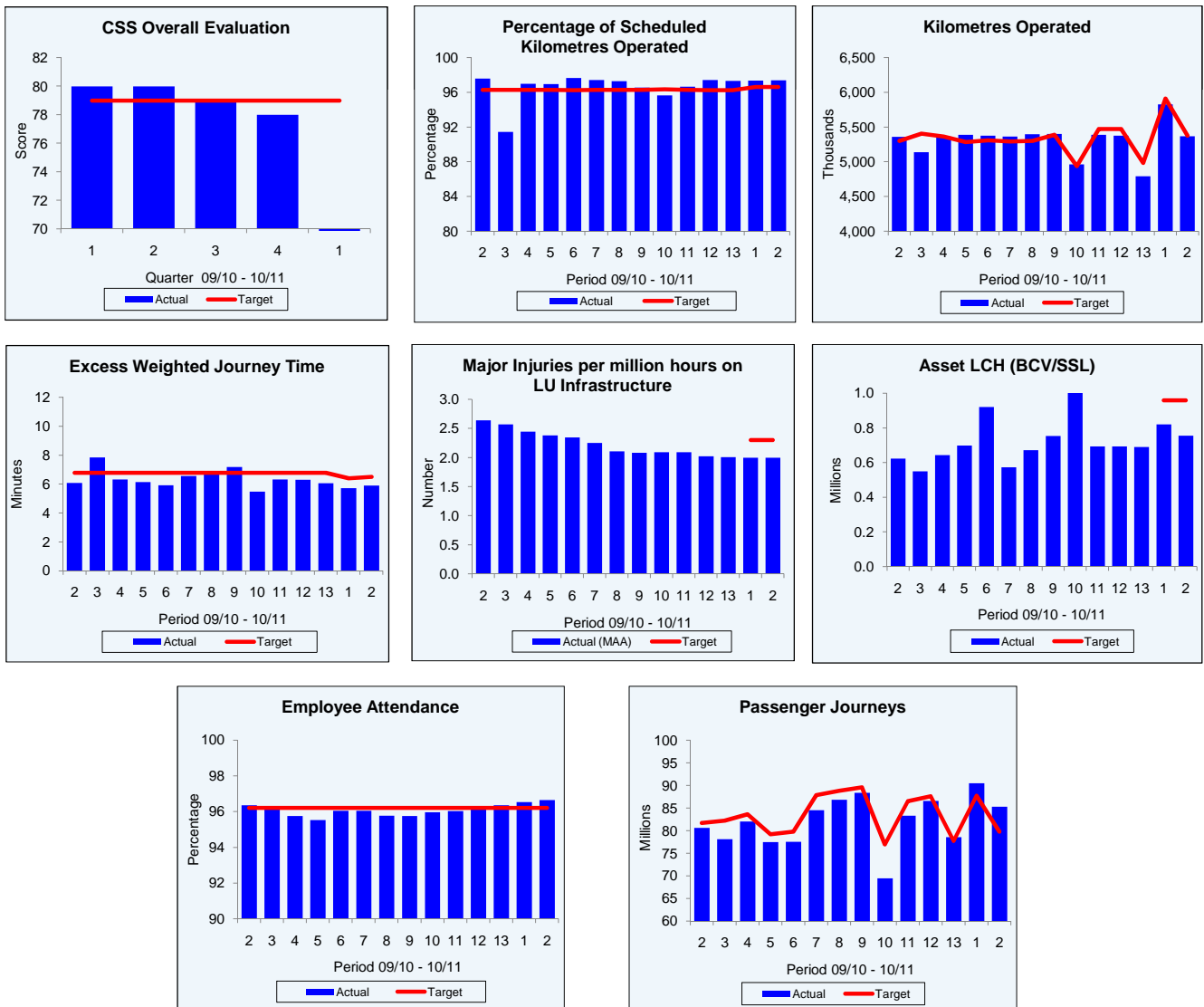
Rail and Underground Panel Managing Director's Report - London Underground Performance Indicators - Period 2 2010/11

2009/10 Actual	Measures	Reporting Frequency	Unit	Year to date			Annual Target
				Actual	Budget	Variance	
Customer Service							
79	Customer Satisfaction - Overall Evaluation	Quarterly	Score				79
96.6	% of Schedule Operated	Period	%	97.4	96.6	0.8	96.6
69,368	Kilometres Operated	Period	000's	11,196	11,286	(90)	69,664
6.41	Excess Journey Time (Weighted)	Period	Minutes	5.81	6.45	0.64	6.54
Safety							
2.01	Major Injuries per million hours on LU Infrastructure*	Period	No.	2.00	2.30	0.30	2.30
Infrastructure							
9.35	Asset LCH (BCV/SSL) **	Period	Million	1.58	1.92	0.34	12.46
People							
96.0	Employee Attendance	Period	%	96.6	96.2	0.4	96.2
Commercial							
1,064.7	Passenger Journeys	Period	Million	175.7	167.5	8.2	1,037.0

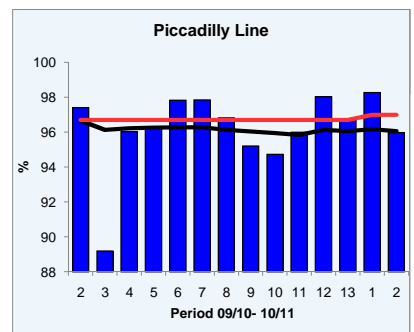
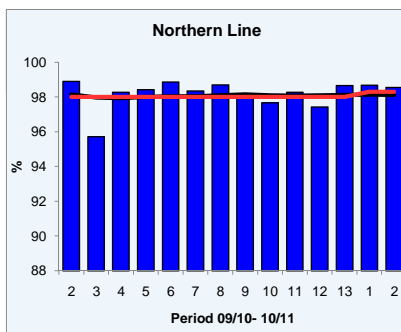
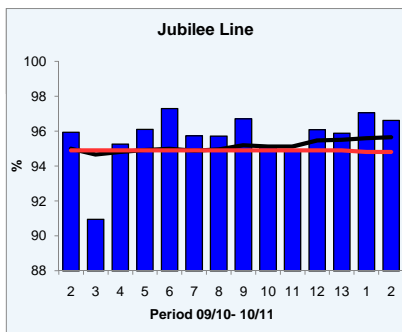
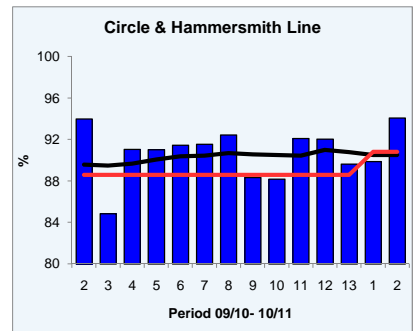
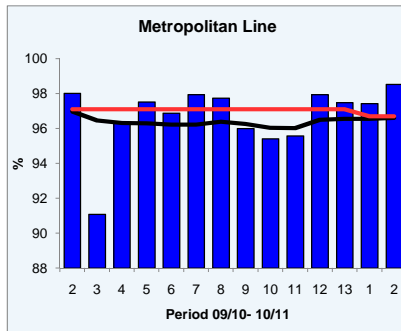
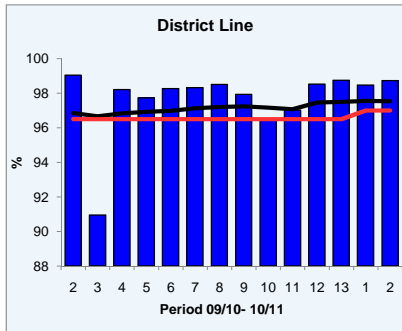
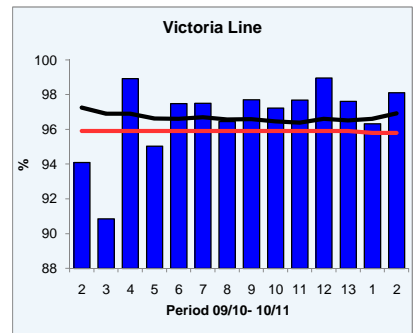
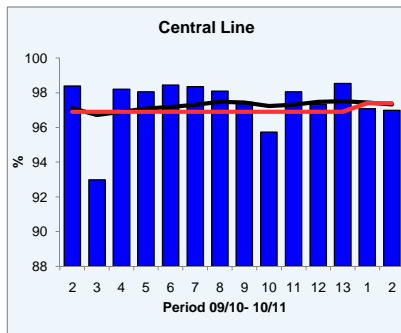
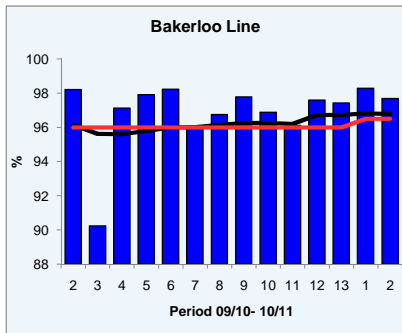
* The figure shown in the YTD column is a moving annual average

** The LCH shown on this scorecard are expressed in NACHs 2014 values (i.e. values applicable in Contract Review Period 2)

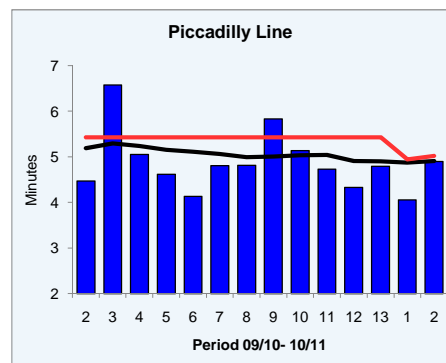
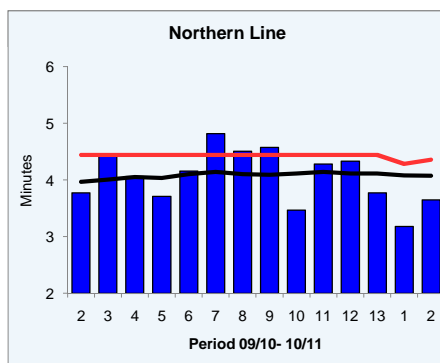
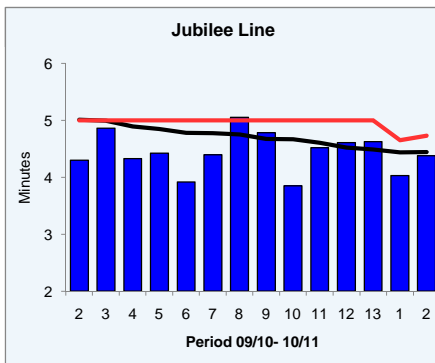
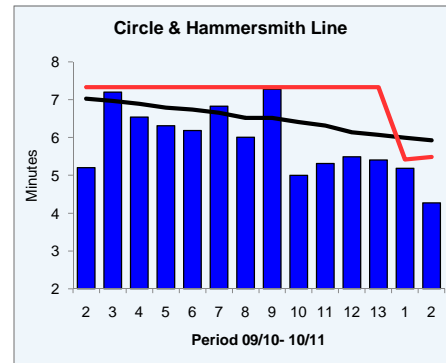
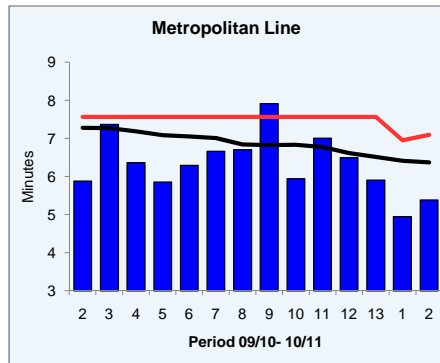
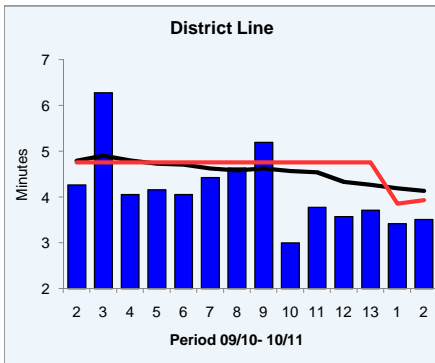
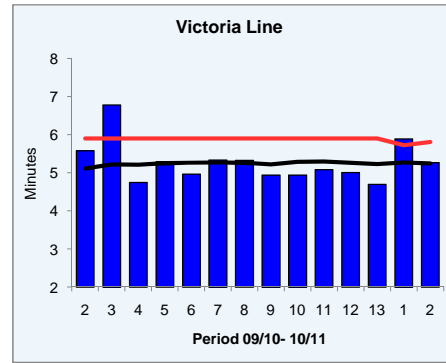
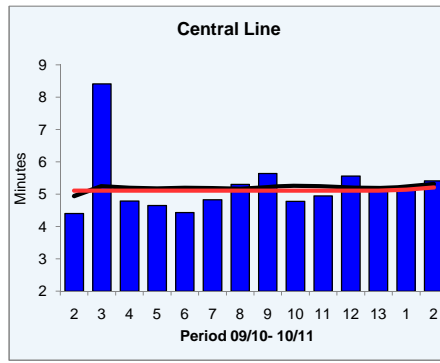
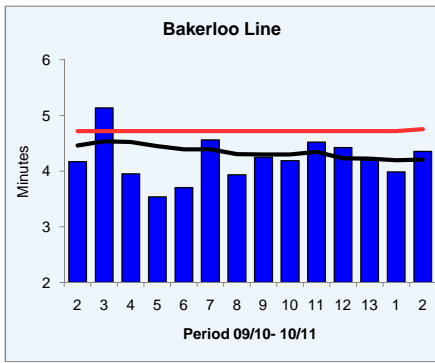
Performance Trends



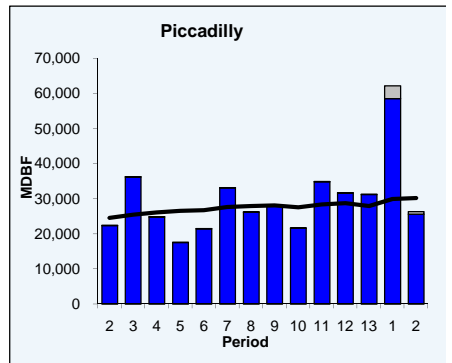
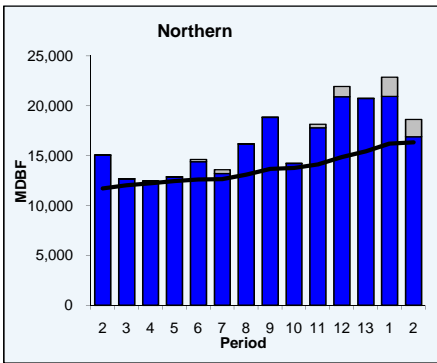
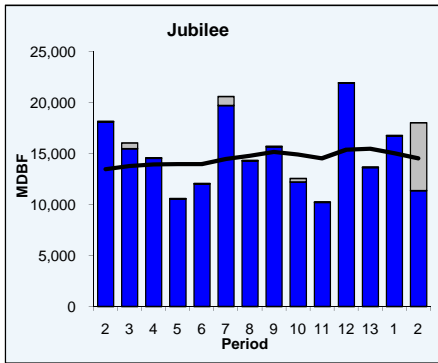
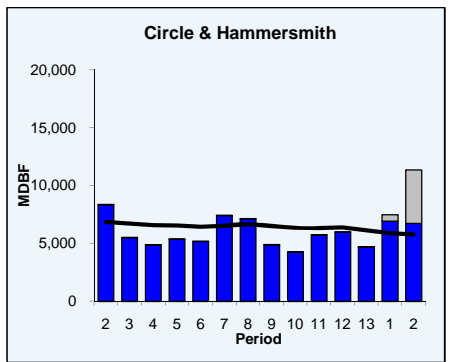
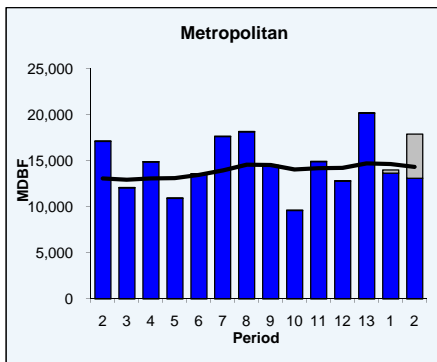
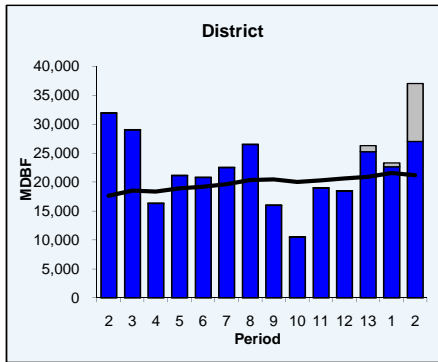
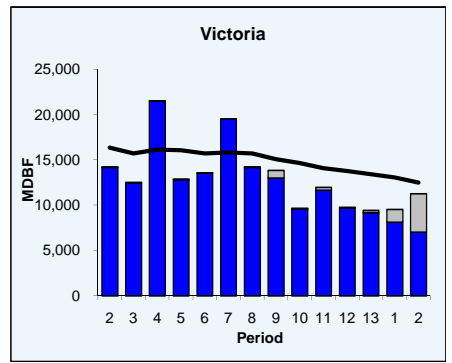
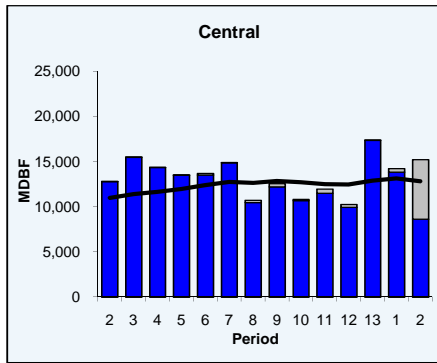
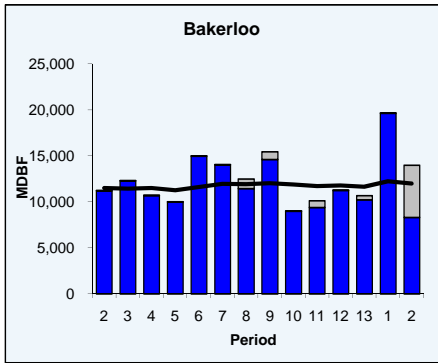
Rail and Underground Panel
Managing Director's Report - London Underground
Line Performance Trends
Percentage of Scheduled Kilometres Operated



**Rail and Underground Panel
Managing Director's Report - London Underground
Line Performance Trends
Excess Journey Time**



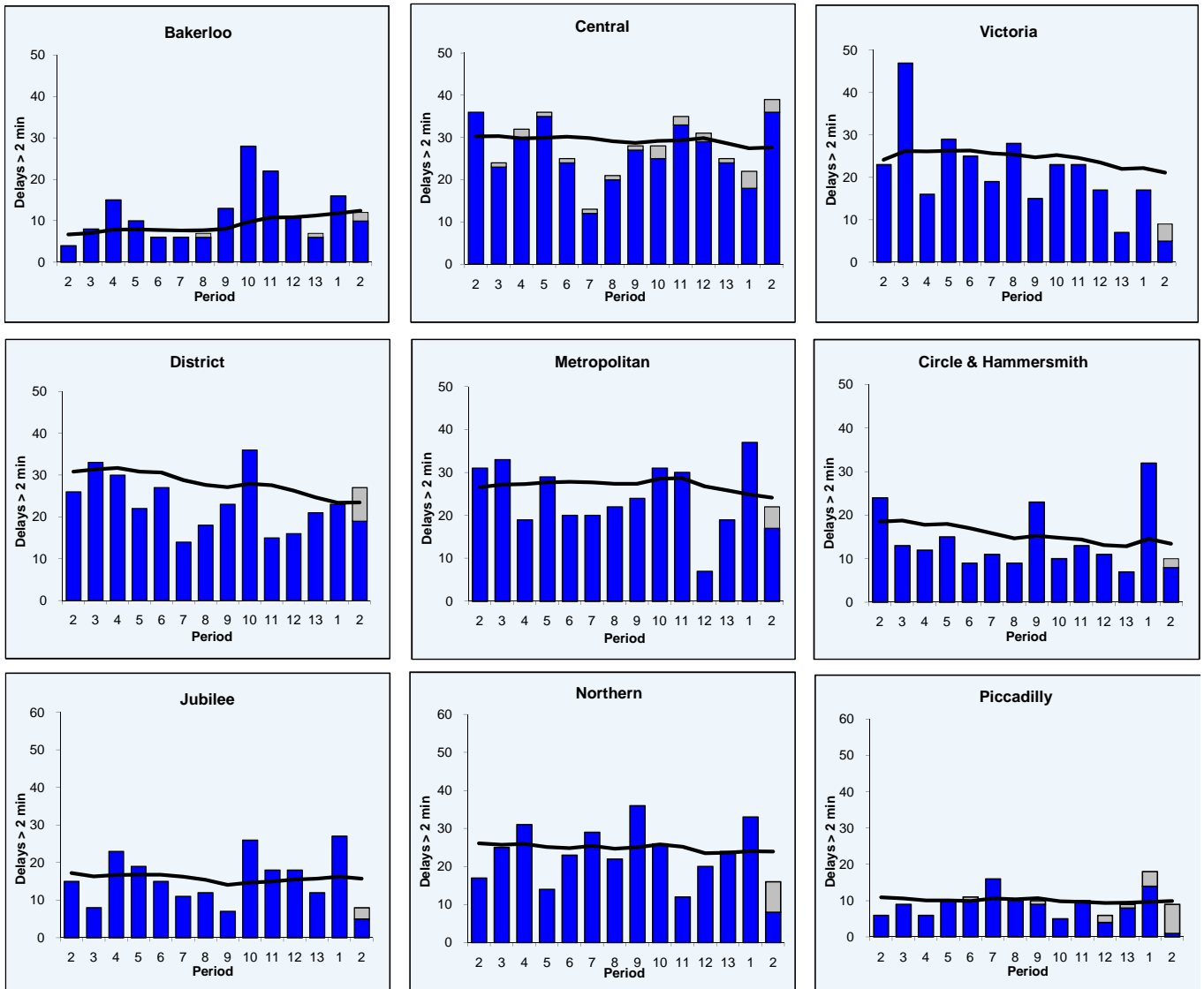
**Rail and Underground Panel
Managing Director's Report - London Underground
Line Performance Trends
Rolling Stock Mean Distance Between Failures**



Actual per Train Km
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 Moving Annual Average

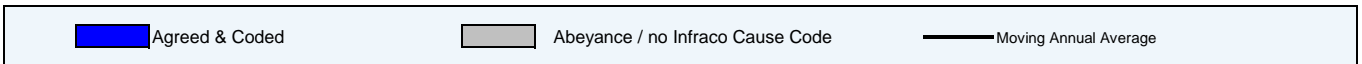
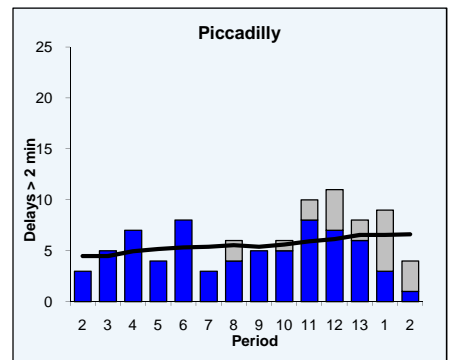
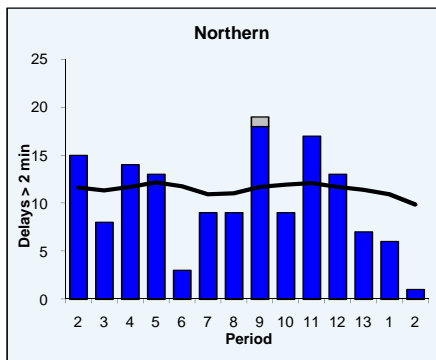
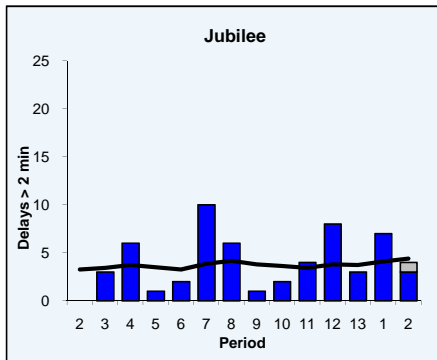
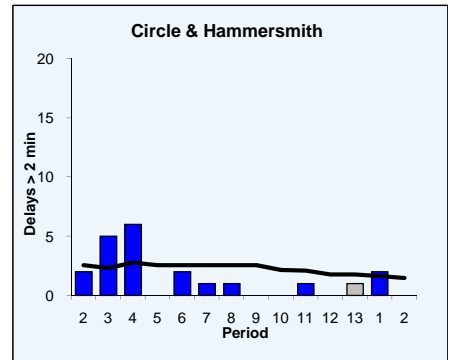
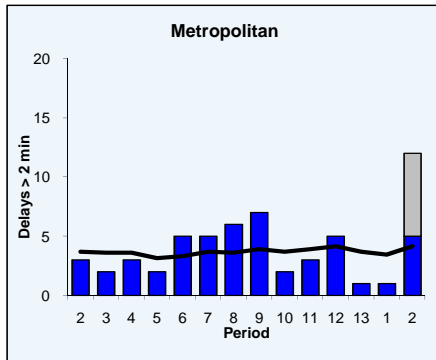
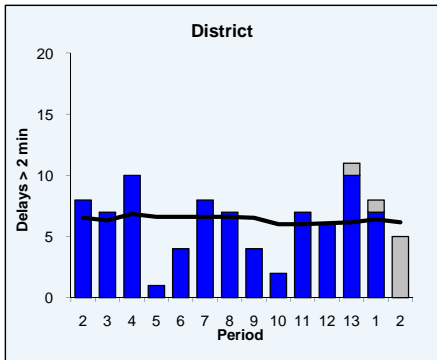
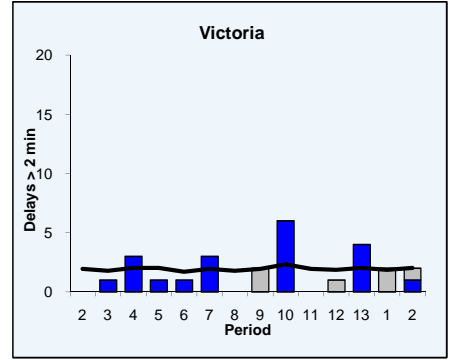
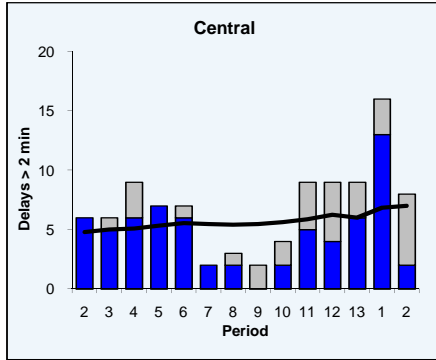
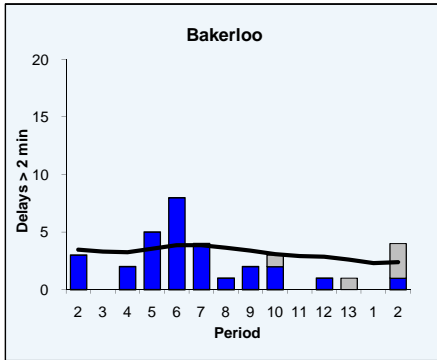
The graphs on this page show Rolling Stock MDBF calculated as the number of train kilometres operated in customer service divided by the number of service disruptions of 2 minutes or more that are contractually attributable under the PPP contracts to BCV, SSL or Tube Lines, and include items that are attributed but still in abeyance to be agreed. Where Infraco cause codes (ICC) are not present, LU cause codes are used. Subsequent addition of ICCs could therefore give rise to retrospective changes.

Rail and Underground Panel
Managing Director's Report - London Underground
Line Performance Trends
Signal and Point Related Delays >2 minutes



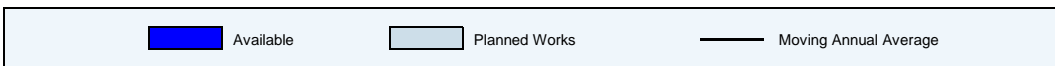
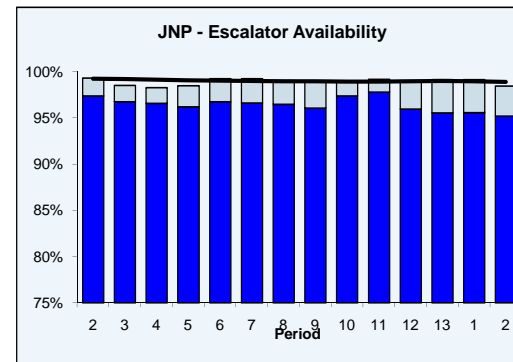
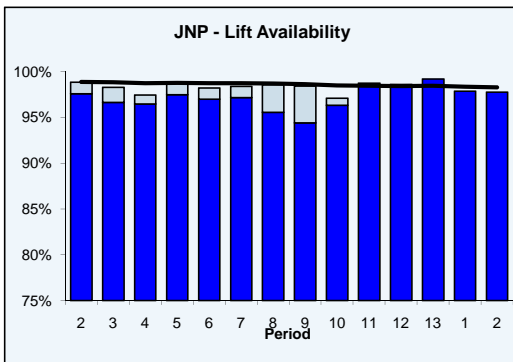
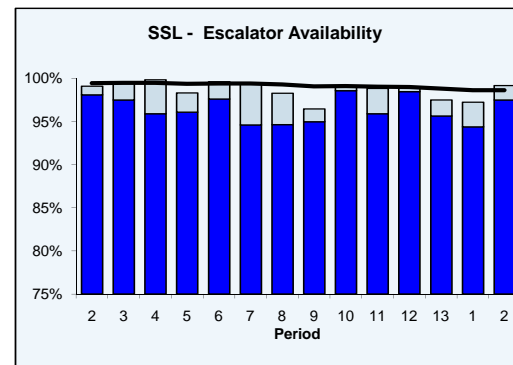
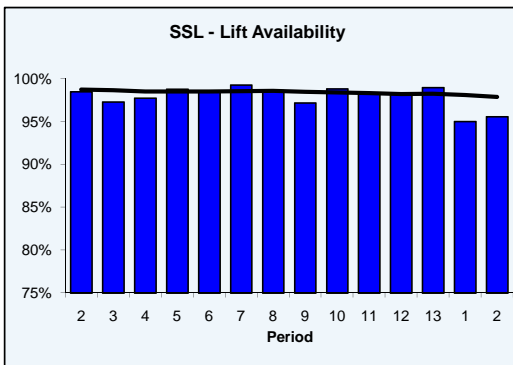
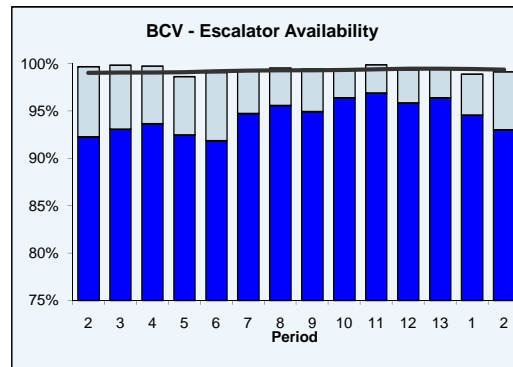
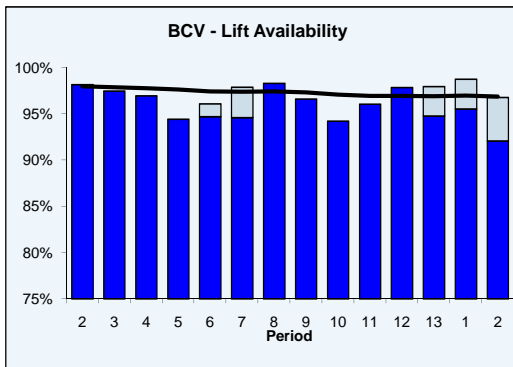
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**Rail and Underground Panel
Managing Director's Report - London Underground
Line Performance Trends
Track Related Delays >2 minutes**



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**Rail and Underground Panel
Managing Director's Report - London Underground
Performance Trends
Lift and Escalator Availability**



Rail and Underground Panel
Managing Director's Report - London Underground
Line Performance
Percentage of Scheduled Kilometres Operated and Excess Journey Time

Percentage of Schedule by Line

	Period 11	Period 12	Period 13	YTD	Budget	YTD Variance
Bakerloo	96.1	96.7	97.8	96.7	96.0	0.7
Central	98.3	98.1	97.4	97.5	96.9	0.6
Victoria	97.5	96.5	97.7	96.5	95.9	0.6
Circle & Hammersmith	91.5	92.5	88.3	90.8	88.6	2.2
District	98.3	98.5	97.9	97.5	96.5	1.0
Metropolitan	97.9	97.7	96.0	96.5	97.1	(0.6)
Jubilee	95.7	95.7	96.7	95.5	94.9	0.6
Northern	98.3	98.7	98.0	98.1	98.0	0.1
Piccadilly	97.8	96.8	95.2	96.1	96.7	(0.6)
Network	96.7	97.4	97.3	96.6	96.3	0.3

Excess Journey Time by Line (minutes)

	Period 11	Period 12	Period 13	YTD	Budget	YTD Variance
Bakerloo	0.00	0.00	0.00	4.22	4.72	0.50
Central	0.00	0.00	0.00	5.20	5.11	(0.09)
Victoria	0.00	0.00	0.00	5.23	5.90	0.67
Circle & Hammersmith	0.00	0.00	0.00	6.07	7.33	1.26
District	0.00	0.00	0.00	4.27	4.76	0.49
Metropolitan	0.00	0.00	0.00	6.51	7.56	1.05
Jubilee	0.00	0.00	0.00	4.49	5.00	0.51
Northern	0.00	0.00	0.00	4.12	4.44	0.32
Piccadilly	0.00	0.00	0.00	4.90	5.43	0.53
Network	6.31	6.31	6.06	6.41	6.45	0.04