

**Transport Committee  
14 June 2011**

**Transcript of Agenda Item 5: State of London Underground**

**Caroline Pidgeon (Chair):** This is the second part of our investigation into the state of the London Underground. In our first session last month we heard from the unions, we heard from business, and we heard from the Public Private Partnership (PPP) Arbiter.

Really, what I wanted to discuss is day-to-day Tube performance since the PPP ended. Since last year it is now all in Transport for London's (TfL) hands. Can we look at performance since last year? How do you think you are doing?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** If you look at the overall data since the end of the PPP from Tube Lines' perspective - which as you rightly say was in the summer of last year - and, more widely, if you look at the performance since the end of Metronet - which was in the third period of 2008/09 - the performance, if you measure it both in terms of number of incidents and lost customer hours line-by-line, has seen a better performance on every single part of the network except for the Jubilee line and also for the Waterloo and City line. The Waterloo and City line numbers are slightly distorted because the overall figures are very low given the size of that line. I am sure we will come on to specifically talk about the Jubilee line later but it is of note to say that this is reflective of the general over time improvement in performance.

It is also true to say that in the autumn and winter just gone we did have some specific service reliability issues on the network. I do not want to hide away from that and nor do I want to belittle that in terms of the experience for the passengers who were caught up in those delays. In particular, in the autumn, we faced two engineering issues on the former Metronet lines - but now it is in our full control and has been for some time. Those were cracks that had appeared on District line trains which resulted in us having to carry out a full review of every single train - indeed, every single carriage - on the District line. That recovery to full fleet did take some time and that certainly had an impact for District line users. Around about the same time we had a new phenomenon that had never emerged before on the Metropolitan line trains which was some pitting on the wheels of the Metropolitan lines. As the Committee Members will well know, these are the oldest trains in normal day-to-day operation on the UK mainland, dating from the early 1960s; but this phenomenon had never emerged before. Again, that did result in less than 100% availability on that line.

Alongside that we did have, with the introduction of the new trains on the Victoria line before Christmas, some difficulties that we have talked about before around the sensitive door edges on the Victoria line. This phenomenon, without going into huge technical detail - of course I am happy to do so if Members wish - is it was designed to ensure that there is no risk of dragging somebody along the platform. That is the whole basis of the design of these doors. However, what was also occurring was that they were activating from the inside out as well where, clearly, there was no dragging risk but they were over-activating from their design criteria.

If you then look beyond the Christmas period when we had introduced the new signalling for much of the Jubilee line - not all of the Jubilee line - we did also have, undoubtedly, some significant teething problems with the Jubilee line. You add to that the fact that 1% of our

service over last year overall was lost due to the strike action in late autumn on the changes we were doing to station staffing levels.

I do not want to belittle those very real performance issues that emerged but if you look at the overall context across the network since the demise of the PPP - the timings for both Metronet and Tube Lines - there was an 18% reduction in the number of incidents across the network and a 17% reduction in lost customer hours across the whole network.

**Caroline Pidgeon (Chair):** I was specifically asking about last year and there was a noticeable deterioration in delays between 2009/10 and 2010/11 and lost customer hours were 20% higher than in 2009/10 - which is different to the figures you are giving me.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** I am giving you the figures from the demise of the PPP in its two incarnations.

**Caroline Pidgeon (Chair):** I particularly wanted the last year's performance which does show a particular deterioration. That is what many Londoners experienced. You have given some particular details around engineering problems and other things. In the last year, would you not agree that there has been a deterioration in performance?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** In the last year, for the factors I have outlined, there certainly was not as good a performance as there was in the previous year. The encouraging thing is that, since those problems we had in the autumn and winter of the year just gone, we have seen a return to the levels of performance that saw us put record levels of performance on the network last summer. Period five last July was an all time record for Tube performance. We are now on the trajectory to improve to those levels and are close to them.

**Caroline Pidgeon (Chair):** The last year has not been a particularly good one.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** As I said, Chair, I do not want to belittle the experience that people will have felt in the autumn and winter. It would be absolutely ludicrous for me to do so.

**Caroline Pidgeon (Chair):** If that performance had been the performance of Tube Lines, what would you have been saying to it?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** The performance, particularly on the Tube Lines' lines - the Piccadilly and the Northern line - remained very, very strong after we took over control. If you are looking particularly at the Tube Lines' lines, the Piccadilly and the Northern line continued to shoot the lights out in terms of overall performance across the network. That trajectory of improvement has absolutely continued since we took over control of the Tube Lines' lines.

The issues around the Jubilee line are entirely related to the introduction of new technology which was a hypothetical case in the time of Tube Lines because it did not actually introduce it. It is fair to say I believe that I would be sitting here if Tube Lines still existed in its previous guise with you quite rightly asking me when on earth any new signalling going to be introduced on the Jubilee line because I do not think it would have been done to this date.

**Caroline Pidgeon (Chair):** OK. I wanted to pick up that when we had the PPP in place the Arbiter had shown quite clearly that delays had reduced by nearly half between 2002/03 and

2009/10 and he felt that a major success of the PPP had been around the performance regime and the incentives in that which made this performance improve. What incentives are you bringing in to improve day-to-day performance without the PPP?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** First of all it is true to say that a number of the contractual arrangements with the private sector - and in partnership with the private sector - remain. The complexity of the PPP contracts and arrangements are no longer in place but, for example, with Amey, we continue to have a very strong partnership and contract with Amey on the former Tube Lines' lines for it to continue to do maintenance activity. I am delighted to say, as recently as the end of May 2011, we have taken the maintenance of the Jubilee fleet of trains back in-house, within Tube Lines, to be managed in a different way, and I believe in a way that will show parallels in terms of performance improvements that we have seen on the Northern and the Piccadilly line.

It is fair to say, Chair, that the incentives that we have got are that the conventional contractual arrangements we have with organisations such as Amey or Balfour Beatty - who have got a track renewal contract with us - are, in themselves, both rewarding for those contractors - should performance be good - and are also penal if the performance is not good. Certainly, the new track contract on track renewals that has come into place at the beginning of this financial year with Balfour Beatty is quite a different contract in its construction than we have seen previously.

**Caroline Pidgeon (Chair):** OK. That is good to hear that you are keeping that focus on performance with the contractors you have.

**Valerie Shawcross (Deputy Chair):** You are telling us, really, we can be optimistic. In the last year, between 2009/10 and 2010/11, out of the 11 Tube Lines operated, eight of them had a deteriorated performance in terms of lost customer hours. By this time next year how many of those 11 lines do you expect to have recovered, or at least not slipped back further?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** All of them. The reason I say that is because of where we have got to in terms of the renewed focus that we put on day-to-day reliability and integration with introducing new kit onto the network and the unique and new reliability issues that those challenges present. I am confident we have very robust plans, line-by-line, with suppliers where we need to but with our own maintenance and operations teams as well to ensure we are driving that trajectory of improvement.

If you look at some of the recent examples just to validate that, the performance of the Victoria line since we have got beyond the sensitive door issues that I alluded to when the Chair asked her question a few minutes ago has really significantly improved. We are on the cusp of removing the last two Victoria line old trains - 1967 trains - from service. Within the next two weeks those will be gone for ever and we will be able to begin to turn up the volume on the Victoria line and improve the performance incrementally more. We will be beyond the new signalling on the Jubilee line. We will be in a period of much greater stability across the network. That is my very firm intent that we are in that position well in advance of London delivering a fantastic Olympic Games.

**Caroline Pidgeon (Chair):** Isabel, I realise you have only been in post a few weeks. I wondered if you have got any comments on the Tube performance over the last year?

**Isabel Deding (Deputy Mayor for Transport):** Just a couple of thoughts. The overview slides that we sent you - because of the vast spreadsheets we thought it might be useful to show lost customer hours over time. As Mike has been saying, the long-term trajectory is of

significant improvement over that period (in the case of the data that we provided, 2003/04). One of the interesting dynamics is that the more that you drive down disruption then the harder it is to get that incremental amount of disruption to further reduce. Certainly, 2010/11 was not where we needed to be at all and that is very clear.

What Mike and I have been talking about extensively - and what the Underground is now putting in place - is a much more root and branch review, more systematically, of what more can we do to tackle disruption on the network. For three reasons I would say. One is, last year was not an acceptable level of performance, particularly on certain lines. The Jubilee line is the most notorious but the Victoria line, Metropolitan line and District line all saw higher than usual levels [of disruption]. Many of them linked to the upgrades, either directly or indirectly, and certainly linked to the handover of the PPP contracts in the case of the Jubilee line. Nobody really cares about PPP or not PPP anymore. People just say, "We want to see this sorted out". Quite rightly too. First of all, recent performance is a reason for putting some of these measures in place and having a more systematic look across the network and saying, "What more can we do?"

Secondly, with the upgrades coming in, the experience of metros around the world is, when you put major new bits of kit into the network, you will see a period of disruption. The Underground is well aware of that from talking to other metros. The key thing is to squash down that disruption as much as possible but you never can really eliminate it entirely. Particularly with all the upgrades coming along, we do not want people to feel, "My line's getting upgraded in X year and does that mean that I'm going to anticipate a year of chaos on the line?" That cannot be the case. It is not acceptable for people to feel like that and obviously not acceptable for that then to materialise. That is the second reason.

The third reason - which is quite an interesting one as well - is that, over time, what we are buying with the upgrades is more trains going through the network and more people travelling on the network. All other things being equal, that will tend to generate - just because there are more people and more trains - more disruptions. If you had one disruption per 1,000 train movements then, typically, you would tend to see that rise. The key thing is to make sure that, as we put more people through the network over the long-term, more trains coming through the network, we are going to continue to see disruption fall significantly and keep that long-term trajectory that we have seen over the last five or six years.

For all of those reasons having a proper 'take a step back' systematic look at what can we be doing a little bit differently potentially - there are things that have been tried on a given line that potentially could be applied to other lines and there is a lot of learning and best practice across-the-piece. There is also learning from other metros and from other industries, when you think about what people have done to drive out disruption in other network-based industries that are not necessarily the transport industry. That is something that we have been working already on and we can touch on some of the elements of that as we go through the session.

**Caroline Pidgeon (Chair):** Fantastic. That is very helpful. It is very reassuring that you are having this quite thorough review as well and looking at what we can learn from elsewhere.

One of the issues that came up at our last session is around transparency and the lack of information that we get in terms of Tube performance to help us analyse stuff and look at long-term trends, causes of poor performance and so on. The PPP Arbiter highlighted particularly - you published up to February 2011 now - the four weekly PPP performance report that we used to get which was helpful but is not now available from TfL. London First last time said, "It is very difficult for us to be able to analyse how well the Tube is performing and what the real

impact of strikes and other things are because we do not get the data in a raw form, we just get some charts up and so on". What do you think you can do to improve the information and transparency around that?

**Isabel Deding (Deputy Mayor for Transport):** We put a huge amount of information out there. In some ways we put too much information out there. Equally, there may well be some significant gaps in what we are putting out there. Already, I have had a couple of conversations with TfL about what do we put out, not put out and why. There is an intention and a desire to communicate a lot but probably where we are right now it is quite jumbled and often hard to find what people are looking for. Maybe putting out less but making sure that we are putting out exactly what people are looking for would be more effective.

My own view is that I would be very happy to sit down with whatever subset of this Committee (or researchers or whoever) to have a chat about what information is it that people are looking for and how would you like to see that presented and, as part of the exercise that we are doing anyway, to review that. Then we can hopefully improve what is being put out there.

In general, scrutiny is a good thing because either one is doing the right thing, in which case one can make the case, or one is not doing the right thing, in which case we would like to know about that. Generally, we need to have a little bit of a review of what is out there, what are people looking for and I am very keen to have off-line discussion about that, since it is probably more in-depth than what we could do now.

**Caroline Pidgeon (Chair):** We do not want to see less information: we want to see more. Some of the PPP stuff did allow us to compare. That is what we need to look at. Also to have it not buried in the website. You often put out charts but we want to see the raw data because then we can analyse it. We can all do bar charts that suggest what we want it to.

**Isabel Deding (Deputy Mayor for Transport):** Or it is in different places. It may be in the TfL Board papers but not posted in its raw form on the website. I completely agree with you. Let's have a proper chat about it, look at all the things that you would like to see and then we will see whether we can do this.

**Caroline Pidgeon (Chair):** Mike, have you got any comment on it as well?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** I would echo that, Chair. The other thing I would say is, for the Board papers later on this month, there will be produced in the open session a paper on benchmarking data which will, hopefully, help inform some of the things that potentially the Arbiter would have been getting up to in a previous world. This is something that is very important to me because benchmarking data is not, for me, an academic exercise; it is about the core of how you run the place. It is about ensuring you do learn from best practice activity where it takes place. It is about ensuring that you use that data and information to compare, as Isabel says, with other metros and with other businesses to ensure we are getting value for money for the way we are running the place and upgrading the place.

You will, as soon as the Board meeting at the end of this month, begin to see the sort of information that you are, quite rightly, hungry for. I would echo what Isabel said; I am happy to contribute in any way to presenting the data in a raw or any other form that you wish it to be on an ongoing basis. We are not hitting the right button somewhere and I want to make sure we are.

**Caroline Pidgeon (Chair):** Fantastic.

**Valerie Shawcross (Deputy Chair):** We do not want to see less data; we need to see more. Perhaps we should be writing to you with some of our concerns. The lack of Tube availability data was one of the things that was very high in our minds. I am glad to hear you mention benchmarking, Mike, because there is a question mark about whether or not data which is not comparable to anything produced anywhere else either in the UK or in the world is, ultimately, extremely useful. The Office of the Rail Regulator has certain standard formats. It is just time we had a really good look at a publication regime that was sensible, useful, performance focused and transparent. One of the problems we have got is that it is not there at the moment.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** On the benchmarking, Chair, if I may just come in on the particular point about comparative data; one of many, in my view, advantages of the demise of the PPP is that there is an ability now to look at this data. I have an ability, for the first time, to look at Tube Lines' cost and performance data and the other stuff within London Underground which was not possible --

**Valerie Shawcross (Deputy Chair):** At the risk of arguing with you, Mike, can I say that, from our point of view, as much as we are all happy to say, "Goodbye PPP", we get less data now and less performance information. We need to see what you have got.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** We should address that. Absolutely, I accept that.

**Valerie Shawcross (Deputy Chair):** Thank you.

**Caroline Pidgeon (Chair):** Obviously, David James, Chair of the Independent Investment Programme Advisory Group (IIPAG) is not here.<sup>1</sup> What conversations, Isabel, have you already had with David, and, Mike, what is your day-to-day relationship like with David in terms of his assessing Tube performance?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** It is a very challenging situation with IIPAG generally and David in particular. It brings a huge degree of industry expertise that questions some of the way we do things. That is absolutely right and appropriate that it should. Particularly in the construct and delivery of our cases for investment. So, in informing the Finance and Policy Committee of the TfL Board and the Board itself in endorsing decisions and authorising decisions for expenditure and in tracking the delivery of programme expenditure moving forward, that has been very helpful.

The most recent example - as recently as this morning - is we have just announced the formal award of the sub-surface signalling contract. That has been hugely helped by the involvement and input of the IIPAG Members. It is sometimes, to be honest, quite painful for some of my team. I think that is a good thing because to have that tension and that butting up against us sometimes is absolutely healthy and I am sure it is why IIPAG was set up in the way it was.

**Caroline Pidgeon (Chair):** Are you able to give us any examples of the pain it has caused you that has led to better contracts?

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<sup>1</sup> Mr James was unable to attend the meeting due to illness

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** It is looking, for example, at the balance of how we manage risk and contingency within projects and how we apply what might be considered as best practice in the provision of risk and contingency and how it is allocated and authorised in the process. How the projects are managed within the individual operating businesses in TfL - in my case particularly within Rail and Underground - and how they are overseen by the TfL umbrella overall. Those are just two snippets of examples where there has been some significant help value added.

**Caroline Pidgeon (Chair):** Isabel, have you met David James? Have you spoken to him?

**Isabel Deding (Deputy Mayor for Transport):** He is on leave, actually, so I am seeing him next week. Yes, absolutely, the intention is to make sure that we have a close working relationship. I have spoken to Members of IIPAG though in David's absence.

Some of the things that they have pointed out are that there are areas of very good practice around and then areas that are OK but could be better. One of the things I think that they do is, because they are travelling across the business, they can help seed best practice from one part of the business across to other parts of the business, which obviously is a good thing.

I would probably say that I need to come back to you on it because I have not had a proper in-depth discussion with David since he has been away the last couple of weeks.

**Jenny Jones (AM):** I wanted to ask about the overall programme of the upgrades because there have been changes. I also wanted to ask a couple of questions about the slippage. It is a massive, massive undertaking and clearly there are going to be problems. Some of the political decisions have made it harder; some of the funding and timescale decisions.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** First of all if I can just take us briefly through where we are with the current upgrades and where they get to in the delivery --

**Jenny Jones (AM):** If you could keep it to high level because we are going to come to individual lines afterwards so I am just interested --

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** At the high level, Jubilee line: full signalling in by the end of July 2011. The new timetable kicks off on the Sunday at the end of July 2011. New peak service on the Monday, the day after, 1 August 2011. That is 27 trains per hour. Then we increase the service again, early next year in time for the Olympics, to its optimum which gives us a 33% increase in capacity on the Jubilee line.

Victoria line: the last two trains, as I have said, are soon to be removed from service. We have already started the decommissioning of the old signalling system which was crucial to get the increase in service capacity there. Therefore, we will see a ramp-up in service again on the Victoria line, first phase at the end of the summer and then again in the spring of next year the next phase of that.

The Northern line contract is now in place. Commercial arrangements are in place. We have announced the closure programme for the Northern line which takes us to a delivery date of 2014, in line with the Comprehensive Spending Review commitments outlined in Annex B of the letter from the Secretary of State for Transport to the Mayor on the Northern line.

Sub-surface lines: I have talked about the signalling contract which was awarded today. That will deliver through to 2018 for the sub-surface lines. The roll out of the trains has already commenced with 191 trains being delivered across the District, Metropolitan, Circle, and Hammersmith and City lines. We have already got some of those in service on the Metropolitan line and they will be rolled out subsequent to that.

That is the kind of detail of the upgrade that I have on the major lines. Alongside that there are the major station capacity works at Victoria, Bond Street and Tottenham Court Road stations. The latter two being linked closely to Crossrail delivery as well.

**Jenny Jones (AM):** It is impressive you have got all these dates in your head and you can just rattle it off! It is almost as if the slippage is not happening and as if it is all completely under control. I just find that very difficult to believe.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** I was going to say one thing on under control; I would like to re-emphasise the point I made earlier on. I do not believe that if we had not taken control of Tube Lines we would have had any new capacity or any new signalling on the Jubilee line this side of the Olympics. I think it is inconceivable. It was such a mess - much more of a mess than I had even imagined in my worst nightmares when we got hold of it. There was not a plan. There was not proper communication. There was no decent proposal to take us forward to introduce that signalling system.

It was therefore inevitable that the delay on the Northern line that was always coincident with the completion of the Jubilee line was always apparent and always going to happen. I do take the point from the dates that were originally outlined within the PPP regime as to where we would have got to with these upgrades but, to be honest, you cannot make up for those significant delays that were inherited and were in such a mess originally.

The key thing for me is that the construct of the contractual mechanisms and methodology of upgrade delivery for both the Northern line and for the sub-surface lines is all around minimising closures, while ensuring there is still a solid commercial deal, and ensuring that there is - mindful of exactly the points that Isabel made earlier on, and mindful of how you mitigate, as far as you can, of the teething problems as you turn on new technology.

On the Northern line we will be doing it by individual sections on the line. That was the plan for the Jubilee but it kept slipping so much that it moulded all the sections together, which is why we ended up turning on the signalling system the whole way from Stratford to Dollis Hill, rather than having the original intent, which it slipped hugely on, to turn it on section-by-section. We are not going to slip from that intent on the Northern line.

**Jenny Jones (AM):** I am not asking you to sign this in blood or anything, but you feel that slippage will be minimal from now on?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** There is a plan. There is a very clear plan. It is made clear to me every time - and it is pretty much weekly, if not daily sometimes when I meet Ministers or officials from the Department for Transport (DfT) - that its focus is absolutely on our continual commitment to those dates outlined in the spending review - and I am absolutely committed to delivering to those dates. There is no other date in my mind.



**Jenny Jones (AM):** Given that it is a massive undertaking and you have got these dates which you feel are now settled and agreed, do you feel you have the right structure at TfL to deliver it? Do you feel you have got the right people in place? I think there are a lot of people who are not very confident about that.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** One of the things on the project delivery side of my organisation that we have been challenged on - again going back to IIPAG and David James - David has been very upfront in challenging me on ensuring we have proper world class delivery programme managers. We have got some very good people in the team but we are boosting that team. I cannot announce it yet but as recently as yesterday I made a very senior appointment to enhance the team on the project delivery side. I absolutely take the point, it is imperative for me that we have the right skills and experienced resource delivering capital programmes because it is quite a different skill set than those I require in my team to operate and maintain the kit. It is quite a different skill set and is much more transferable in some ways from other industries and other businesses.

**Jenny Jones (AM):** I am guilty of having underestimated the scale of all the changes and the size of the problem, quite honestly. We are not attacking you here; what we want to know is that you can do it and you can fix it.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** Yes. Again, having IIPAG there is a very useful foil and challenge to me personally and my team in how they are delivering these things, as someone that is helpful in informing the Board and others in our ability and our progress in tracking this. Yes, I am confident. It does require some changes - and has required some changes - in the way we look at this and the way that we resource this. Absolutely. It would be very strange if it did not require some of those changes. This is not an indictment on existing people; it is just the fact that the scale, as you rightly say of this, is of the order of a third of the size of Crossrail and requires that type of input and energy to deliver it.

**Jenny Jones (AM):** Do you think there is anything you could learn from Network Rail? I realise this might be a step too far at the moment because of everything else but those changes look quite interesting.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** Absolutely. It is a very good point. What I am hugely encouraged by, having had some early meetings with David Higgins, the new Chief Executive of Network Rail, and his team, is that there is a fresh mindset of us working together on some of the key challenges that we jointly face. We have had some input as well into the McNulty review, looking at the cost things and the delivery progress of the national rail network. I do not sit in some box feeling isolated and immune from some of those comments and criticisms and I want to engage constructively. I have had several meetings with Sir Roy McNulty on this subject already about how we can properly be learning from the findings of the McNulty review and working with Network Rail and other colleagues in the mainland industry.

**Jenny Jones (AM):** We have heard that you need better plans. You are telling us now that you feel you have got those better plans? You have got the staff, you have got the plans and you are pretty much set to go?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** Yes. I do not want to give the sense of any complacency here at all. The whole basis of having plans is that you are absolutely continually reviewing your progress against those plans and you are

putting in whatever additional resource, energy or effort that is required. If there is some slippage in those plans you are ensuring you have got proper ability to mitigate against any unforeseen circumstances that can arise. As Isabel alluded to, you are absolutely upfront in terms of your planning for you how implement and turn on the new kit. We are doing much more offsite testing of equipment than we have had the benefit of doing before. We did not have a test track on the Victoria line; we do on the sub-surface lines. We did not have the ability to test all of the signalling equipment off-line for the Jubilee line; we are for the projects going forward. Our mindset has been informed very much by the lessons that have been learnt to date.

**Valerie Shawcross (Deputy Chair):** It is interesting you mentioned Crossrail, Mike. With Crossrail being set up from scratch we have had a debate about the governance systems, the management arrangements, the internal challenge, the scrutiny and how the stakeholders get involved. So, from bottom to top, there has been a designed system. Looking at your situation, if I may, you have inherited an enormous upgrade programme which, as you say, is capital in nature. You are running an enormously difficult and complicated - I am being sympathetic now - system which has failures in it. On top of that you have been landed, dare I say, with an enormous savings programme which is leading to an internal management regime to tighten up expenditure and drive efficiencies. I look at any of these three enormous things going on and I wonder whether or not, if you could reel back time a few years, you would be saying, "Does TfL need more internal structures, more management capability, more external scrutiny?" Would you be managing those programmes and the day-to-day with the corporate governance and management arrangements you have got now had you been designing them? Do you think you do need to strengthen anything in any way?

I am mindful of the fact that you broadened the span of your control haven't you? You have taken in the overground as well as the Underground. Is the system you are sitting in around you, is it fit for purpose, given the challenge you have got here?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** It is a very reasonable question. I certainly think that the challenge around making sure we have the right skills set and the right resources and management team to deliver this is very important. Going back to what Jenny [Jones] said, it is really important to me that we do continually look at the competency and the skills set and the experience of people within the capital delivery part, particularly of my team, to ensure that we do deliver that challenge. That is a very fair point.

On the cost saving agenda what I would say is that, while it is true that the Underground part of TfL is significantly contributing to the cost saving agenda that we face on the operational cost side of things, which is mostly back office savings, in a sense it also brings huge benefits because what it does do, to my mind, is, for the first time since its creation, it puts the mindset of TfL as an organisation focused on the operating businesses and the delivery of both operations and capital programmes.

I actually feel that the structures that were changing as a result of the so-called Project Horizon, which was the cost saving initiative that the Commissioner set out on, is, for example, making the Managing Director of Finance at TfL level now feel that he sits much more alongside me in the delivery of these programmes, not as some additional layer of scrutiny or control. Of course he still provides that scrutiny and oversight but he also has a delivery imperative in his own role. That is already beginning to help in freeing up the organisation from some of the unnecessary bureaucracy while still ensuring there are the correct checks and balances on people like me and the delivery programme I have got ahead.

That may not be a comprehensive answer for all your points but this is an evolving situation - the cost control issue that we face - and it will lead us to be a more healthy organisation in the way we are focused on delivery.

**Valerie Shawcross (Deputy Chair):** Do you feel that, organisationally, you have got the capability to deliver all of those things or are there some areas you would want to see strengthened?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** Given what I said to Jenny about the fact that as recently as yesterday I have got someone to say yes to come in to help boost the capital programmes with some very interesting and appropriate skills to apply here. We have not had everything absolutely perfect, Val, but we are getting to the point where we will have absolutely the right senior level support to ensure delivery of all these areas. These are massive programmes and you are right to identify that.

**Valerie Shawcross (Deputy Chair):** Thank you.

**Richard Tracey (AM):** Are you not concerned to know that London business is doubting the credibility of the framework of handling these projects? At our last meeting, as you may know, we had John Dickie of London First here. He is the Director of Strategy. He was saying that, given that you have got world class firms working on these projects, surely it is the framework that is lacking - the way that you are both anticipating problems and then dealing with them? Aren't you concerned? Is Project Horizon - the much trumpeted study of the whole working of TfL - going to answer this problem?

**Isabel Dedring (Deputy Mayor for Transport):** Some of the questions that we are talking about are all linked; what information is available, the governance structures and what information they have available, both publicly as well as internally within TfL. That should all be the same set of information that is driving towards the same ends.

My own view is that there is quite a lot of scrutiny built into the system. The question is, is it working as effectively as it could be. If we feel that we have maxed out the performance of that governance structure and of that scrutiny structure and then we feel it is not working, then it is legitimate to question that. I am not sure that we are all comfortable that we have done the most with the structures that we have. There is IIPAG. There is the TfL Board. There is DfT. There is this Committee. Armed with the right information at the right time and asking the right questions, have we really used the existing scrutiny system as well as it could be. The answer to that is no. That is my own feeling. Maybe the questions that John [Dickie] was raising when he was here seem to be premature. Unless we are comfortable that we have tried everything we could within the existing structure and it does not work, that is not obvious to me at all. I would be interested in peoples' views on that.

**Richard Tracey (AM):** Mike, what do you think?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** I would agree with that. I am open to continually being tested by everyone; whether they are in business or anyone else. We have had a very good engagement with business groups and all sorts of matters, not least on the regime for closures, for example, which we may touch on later.

I would agree with Isabel; we have to be open and up for whatever scrutiny and process is applied to us.

I do think that we have taken some time to get used to being the major conduit for the relationship with suppliers directly because, in the PPP world, we were not. I have really sought to have hugely different relationships with the Chief Executives and Managing Directors of our major suppliers to ensure that they absolutely understand not just the fact of their delivery but the methodology of their delivery.

As recently as a couple of months ago I had a major supplier conference where we had our top 60 suppliers for the first time in our history in a room together where I was not only giving them a sense of where we were in our plan and our upgrades and our other capital programmes, but also seeking from them some input as to how we could work more effectively with them and what were the barriers that they perceived that we were creating that was making their delivery more of a challenge. For me, that continual dialogue is very, very important. We are very much not complacent as to whether we have got this all right but it is as important, as Isabel says, to make sure we apply the existing controls and mechanisms on what we are doing at the moment.

**Caroline Pidgeon (Chair):** Before we move on, Isabel, I wanted to pick up about the issue of risks in the whole upgrade programme. TfL highlighted to us in its evidence five particular areas around the upgrades not meeting the capacity increase that you wanted and costs increasing significantly. What do you see as the greatest risk to this programme?

**Isabel Deding (Deputy Mayor for Transport):** The potential impact on the customer, of which the Jubilee line is the perfect example. We need to make sure that we are putting sufficient emphasis on that. What cannot be the case is that we say, "If there's a few disruptions in the course of putting this in, that's the way it's going to be and we'll just accept that". It may be inevitable that there is a certain amount of disruption but all of our efforts need to be directed on reducing that down as close as possible to zero.

The Northern line upgrade is a great illustration. I was thinking, when Jenny was talking, there is good slippage and bad slippage. Good slippage is looking at the programme - in the case of the Northern line - and saying, "If we find things in the course of putting this in place that are problematic and we need to fix the software before it impacts on people as we roll it out further" then it is right to build in sufficient time to make sure that a problem that is unearthed in phase one of the roll out is resolved before you go on to phase two of the roll out, rather than saying, "We're not going to be able to fix it until phase four so it may just burble through for a while".

That is an illustration of where you want to make sure that the upgrade programme is designed that at any point in time you are driving out the disruption from each of those phases so that you are impacting on the minimum number of people. For me, the risk is that one focuses on the equipment going into the network, rather than the fact that one is carrying lots of passengers at the same time. Obviously, Mike and his team know that but it is making sure - whoever the Mayor is - the role of the Mayor's Office is to make sure that the interests of Londoners travelling public and passengers are given the weight that they should be given in the analytical process of weighing all the risks.

That is my job: to look at the upgrades and the performance of the network in general and make sure that everything we are doing is to reduce that disruption down as much as possible and there is not a tolerance of a certain level of disruption. I am not saying that is the case at the moment but I think that is the appropriate function of this office, looking across it at the Underground upgrade programmes.

**Caroline Pidgeon (Chair):** Do you think in recent years then the impact on customers has not been given as much a priority as it should?

**Isabel Dedring (Deputy Mayor for Transport):** I have always had a long held view that people care more about reliability than the incremental minute. The reality is that if people know that 90% of the time they are going to work in 30 minutes and 10% of the time they are going to get to work in 45 minutes, then they will potentially have to budget 45 minutes to get to work every day. I do not think that has been reflected in the analytical processes buried in the bowels of transport planning and really whether that has been thought through in quite the right way. That is a personal view. It is also an anecdotal view from talking to people. Just checking that we have put sufficient focus on the reliability, rather than more of a focus on the capacity of the network. The upgrades are delivering both things but, because of the focus on increasing the capacity, it is making sure that we are really focusing on driving performance at the same time.

To Val's point, the last thing you need is yet another programme layered on top of all the things that are already going on. It is really at the heart of what passengers are looking for. What the travelling public is looking for is being able to get from A to B in a predictable amount of time and not having major incidents when you are going to work or trying to get home.

**Valerie Shawcross (Deputy Chair):** To pick up that point, Isabel, my point was not to say, "Don't do it". My point was just make sure that you are in the driving seat properly and you have got the project management capability --

**Isabel Dedring (Deputy Mayor for Transport):** I know.

**Valerie Shawcross (Deputy Chair):** Mike, you have promised us a delivery date for the Jubilee line of 31 July 2011. What is the percentage likelihood of that actually being delivered? 80%? 90%? 100%?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** Very high, Val, I would say. Nearer 100% than any of the other numbers you have given me! We were supposed to have a closure last weekend and we did not do it because we did not think we needed it.

**Valerie Shawcross (Deputy Chair):** Good.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** I do not think that gives any indication of complacency; it just means that the testing we have done so far against very clear criteria as to what you would measure in that is --

**Valerie Shawcross (Deputy Chair):** So you are confident of your predictions --

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** Yes.

**Valerie Shawcross (Deputy Chair):** -- and we all want you to be correct. We wish you well in that.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** Thank you.

**Valerie Shawcross (Deputy Chair):** When we had the Associated Society of Locomotive Engineers and Firemen (ASLEF) in they did go through a number of concerns and I wondered if you would like to answer a few of them. They raised concerns about the robustness and capability of the new timetabling system. I am not sure I understood the technicalities there. They were concerned about the system management centre at Neasden. They talked about the difficulties of getting the new signalling system around Neasden where the tracks cross for the Metropolitan and the Jubilee lines. There was a general concern of how Alstom is in the wind down period of its contract and whether it was delivering in quite the way that we wanted it to do. Could you talk us through some of the things that ASLEF workers in the system were anxious about?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** Yes, by all means. First of all, on the timetable system, I understand the concerns. There has been a sense that the assumptions that are fed into the timetabling system have not been able to keep up with the pace of the demand increases that we have sometimes seen. Just to give you an example of what I mean by that, a timetable system is based on an assumption as to how long a train needs to stay at an individual platform. Clearly if you have got more people alighting and getting on to individual trains then those assumptions may not be valid. We had one timetable - not on the Jubilee line I will say - that data caught up with itself before the change had been put in place. I think we have overcome that so that issue is resolved in terms of the timetable system.

**Valerie Shawcross (Deputy Chair):** It was about the data going in; it was not the system as such?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** No, I am assuming it was. I am assuming that was the issue that he was alluding to.

Two things with Neasden. One is the service control centre at Neasden and its robustness and readiness for this. There has been a huge amount of work. Part of the trial operation process is to ensure that Neasden control - which now gets the control for the first time ever of the bit north of Dollis Hill which, at the moment, is still controlled from the Metropolitan line control room at Baker Street, rather strangely, because it is the old system. There has been a lot of joint work with the control staff at Baker Street ensuring that people understand the hand offs and understand the particular issues - never mind a new signalling system but just the particular geography and issues that you face just north of Dollis Hill. That is one thing.

The other thing has been the whole interface in and out of Neasden, as you alluded to in the question, which is the link with a different signalling system that applies both within the depot and with the Metropolitan line trains which do, with the Jubilee line, cross over each other's tracks. Committee Members will recall that was indeed the big complexity that led us to be doing this bit of the Jubilee line at the end of the process, because that was the complex interface there. That, again, is the issue that we have been testing hugely with how the trains do turn over to the new signalling system as they come out of the depot. Literally it involves the driver having to turn a button and then get a code, a route, to be given to him or her on the basis of having made contact with the new signalling system. That is something we have spent a huge amount of energy and effort to work in the system being right and the drivers being right.

Even that is not enough so we have got in place, also, some human interventions to ensure that the drivers and, indeed, the control staff - the Jubilee line staff at Neasden - have additional support behind them. If you just have one person then there is potential for an error to be

made or someone to not push the button the whole way round, or whatever it is is quite high, certainly in the early days. What I am keen to do is to ensure that you have, in so far as you possibly can, an additional level of oversight from someone else to make sure that is applied properly.

**Valerie Shawcross (Deputy Chair):** A safety net, yes. Alstom?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** At the time that the previous Committee heard evidence Alstom's contract had not yet finished. It now has finished. It finished the last weekend in May 2011 and we now have full control of the maintenance of the fleet of trains.

It is fair to say that our early insights to the fleet of trains had given us some cause for concern, frankly, when we got in and had a look at it. That was one of the reasons we wanted to take over the contract. It is encouraging to me that already the performance of the trains has gone from a level of about 7,000 kilometres between failures - which is actually quite low across the network - up to 10,000 with a confident plan to take us to 20,000 by the end of the year. Already significant progress ahead of where I would have hoped us to get to.

**Valerie Shawcross (Deputy Chair):** Very good. Are there any really big lessons to be learnt from the Jubilee line upgrade? One of the things I think all our guests said something about was they did not like the piecemeal approach generally of new kit going on to old systems or new signalling going on to existing systems; they preferred more of a complete renewal approach. Are there any general lessons to be learned do you think?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** Three fundamentals, Val, if I may. Firstly - and I alluded to this earlier on - do it in sections. Do not do the whole thing in one big chunk because you are just spreading your risk across a whole line, rather than in a management part of the line, and having proper test operations in that management chunk.

Secondly, off-line testing - whether it is trains or signalling system. Put it on a simulator. Work the issues. Get the operators involved at the front end - which they did not have the opportunity to do in the Jubilee line example in particular. Operators are the ones who know how to break this. That is the way their minds work. Technical guys can do so much; it is operators who know how to break this and know the types of failures that will emerge and, therefore, the fixes that need to be put in.

The other thing, fundamentally, on this is ensure that you have full involvement of all the parties at the earliest possible stage. Not just operators but maintainers as well. Again, even though Tube Lines was one entity, it was obvious to me when we got hold of it, it was not just the train and signal operators on the London Underground side who had not been involved; actually the maintenance staff within Tube Lines had not been involved either. That is very difficult to try to give somebody something and you can tell them confidently the project team say it is going to work, but they have no ownership or involvement with it until it is handed over. That is not the right way to do things.

**Valerie Shawcross (Deputy Chair):** I know it is too big a challenge in a way but could you respond to this idea that maybe it is better to do the track, the signalling, the trains and the whole shebang in one modernisation programme, because then, if you are doing something new within an old existing system, you have still got weak links in the chain. Is that something that is the norm elsewhere?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** The simple answer is it varies elsewhere and it depends on a number of factors. Firstly, the complexity of the line and, secondly, the age of other kit. If you look at the Victoria line we have had that very situation where, in effect, the Victoria line is a brand new line; we have got new power, new track, new signals and new trains. In effect, it is an example. The great advantage of the Victoria line was you were able to plug in all the old systems to the new systems and make them talk to each other and, therefore, allow the two to operate side-by-side. On the Jubilee line you either have one system turned on or the old system turned on, which is why you ended up with black bin bags over the signals at weekends when you were testing the new system. That was the only way you could stop the old signals being the thing that dominated the land. There is some validity in looking at that. We have a great opportunity to have reviewed both the Victoria line and the Jubilee line experience. I would rather have the Victoria line experience by far I have to tell you.

Again, if you look at the sub-surface lines moving forward, the reality of the delivery schedule for the scale of the fleet of trains that you have - which is 191 - make it impossible to have an entirely linked in upgrade of all the kit all at the same time because it is too much.

It is a little bit horses for courses. That may not be a great answer but it is horses for courses, I think.

**Joanne McCartney (AM):** Off site testing, certainly, was not done sufficiently on the Victoria line.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** No.

**Joanne McCartney (AM):** You have told us that the last two old trains are due to be replaced in the next couple of weeks. When you were last here we were told that May 2011 was the significant month where all trains would be off. Has there been a slight slippage in replacing the trains and what might be the reasons for that?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** There has been a slight slippage. There were a couple of issues with the supply chain. Bombardier constructed the trains up in Derby. It did have some problems with its supply chain. Actually it also had some particular problems with a Japanese supplier. It got caught up in the earthquake issues. That was almost the thing that tipped it over the edge in terms of delivery of some of the kit for the final couple of trains. I am not trying to defend the supply chain here but it always gets more difficult when you are at the very end of a supply process because you do not want to over order equipment and you are unlikely to have a back up supplier at the very tail end of a production line. That did cause some particular problems.

We have had many peaks already where we have been running the full fleet of the new trains with maybe one or two of the old trains being slotted in, so we are really on the cusp of you never seeing one of the old ones again.

**Joanne McCartney (AM):** You will take out the old system stage by stage? I believe you are going to start at Walthamstow and work your way down.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** Yes.

**Joanne McCartney (AM):** Has that process started?



**Mike Brown (Managing Director, London Underground and London Rail, TfL):** It has. We did the decommission between Blackhorse Road and Walthamstow stations on the end of May 2011 Bank Holiday weekend, which went successfully well and we managed to run the next morning and all that. What that means now is we cannot run the old trains in that section. We are now obliged to be running new trains only north of Seven Sisters. Progress of that decommissioning will then work its way downwards to Seven Sisters itself, which is a big task. It is when you decommission all that old signalling system that you are then able to get the full functionality of the new system so you are able to run your trains closer together and at the maximum speed envelope which really then gives you the benefit of the capacity of 30 trains an hour.

**Joanne McCartney (AM):** Will this be the end to people being stuck in Victoria line trains underground? I am still getting complaints, going back a few weeks, when that has happened.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** I am certainly never complacent about that and it backs up what Isabel said about our continual focus on better response to things if they do occur. The incidents that you refer to - and there were a couple - are now historic; in recent weeks we have had a very good run of service on the Victoria line, a much better performance. It is obviously my aspiration to continue to do that. I have been around long enough never to say never in life but the reliability of the new system - these trains are inherently very good trains and are performing very well in the round. Once we have got the permanent fix, which we have now got, lined up for these doors - there is a temporary fix already in place which is working very well - and moving forward to full speed on the line, I am very positive.

**Joanne McCartney (AM):** All to be completed by next spring I believe. Is that correct?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** Ahead of schedule. Next spring. Yes.

**Isabel Deding (Deputy Mayor for Transport):** Is it worth making the point about the Metropolitan line rolling stock and the problems that have been picked up?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** Yes. The Metropolitan line. I am not sure what you want me to ...?

**Isabel Deding (Deputy Mayor for Transport):** I thought problems with the Victoria line trains had been picked up through stronger testing of the Metropolitan line rolling stock off-line --

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** Sorry, yes.

**Isabel Deding (Deputy Mayor for Transport):** -- which is not any reference for the Victoria line but it is a worthwhile point for lessons learnt.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** We have a test track on the Metropolitan line trains and the sub-surface trains which we are using up in the Derbyshire countryside, as I think some of you have visited and are aware of. Trains, as I speak, are trundling up and down that line testing, opening and closing their doors, full speed, half speed - all the other things you would expect to test the system. The new Metropolitan

lines have been running through to Aldgate station, the north part of the Circle line, for the last couple of weeks, in the peak, now with full loaded capacity. Nice and cool of course as well because they have got the air cooling systems. They have been performing, so far, very well.

**Caroline Pidgeon (Chair):** Joanne [McCartney] and I actually drove one of the new trains each. I am not quite sure how our performance was on it but we did give it a go! When I was preparing for this morning I did not think that we would hear that the earthquake in Japan had an impact on passengers in London in not getting as many of their new trains as early as we expected them.

We are going to move on to the Northern line.

**Richard Tracey (AM):** Yes, the Northern line which, as you know, is close to my heart and my constituents' hearts. I am concerned that here we are in a situation when the Northern line upgrade was supposed to have been completed for 2012 and in time for the Olympics. That is what we were told some time ago. It has now slipped two years and we are now being told 2014. One of the significant things in this whole operation is the installation of the signalling system. If I can take your mind back - you, Mike, particularly because I think you were there in 2010.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** I was.

**Richard Tracey (AM):** There was a report to the TfL Board about the problems of Tube Lines and it was particularly critical of the choice of Thales to supply the cell track signalling system to the Northern line. Why are you still about to put in that signalling system?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** When we took over Tube Lines one of the challenges with the Northern Line was to - the original contract that Tube Lines let was for both the Jubilee and the Northern so it was a single contractual arrangement. However, there was an option to unpick it and there was an option to renegotiate and re-tender for the supply of the Northern line. You are absolutely right to make that point. Protracted discussions took place and were more protracted than I thought they would be which also meant that some of my commitments in announcing the closure programme for the Northern line had to be delayed because the commercial negotiations did take much longer for us to get a value for money commercial deal with the contractor moving forward but also to get both the delivery methodology and the confidence of the reliability of the signalling system in the Northern line's specific geography and operational reliability that this was going to be robust in its delivery.

This SelTrac Communications-Based Train Control (CBTC) system is not unique to London; this is in place in a number of metros across the world and, indeed, much closer to home, it is in place on the Docklands Light Railway (DLR). It is a system that has proven its operational capability in a number of metros and other railways across the world so it is not a bad product in any sense. It was just having the confidence and the assurance that this product was going to work properly on the Northern line.

Richard, it goes back to the methodology of how you implement the upgrades and how you do this section by section. The first phase, N1, on the Northern line is going to be that bit north of West Finchley up to High Barnet - the most lightly used branch of the Northern line - where we will be testing this out. That is not to say I want to ruin the lives of people in that part of the world. Of course I do not. What I do want to do is make sure that, unlike the Jubilee, we have a phased implementation of this approach.

The other thing I had to factor in, in the overall commercial discussions that we had, was an awful lot of cost had already been invested in the Northern line. Although none of it has been turned on yet there are, if you look on the track bed of the Northern line, a lot of orange wires in place. Those wiggly wires, so called, are part of the signaling system. A lot of the trains have already had some of their fit out. There is a lot to be gained, despite what may have been implied before, about being able to transfer a software system that has now been properly developed and has had appropriate improvements put on it, as we have now got to on the Jubilee line, to be able to transfer that pretty directly over to another line that is the Northern line with very similar types of train. The trains are very similar.

**Richard Tracey (AM):** Nevertheless, this is the signaling system that has been causing you continuing problems with the Jubilee line is it not? Here we are about to go into the next upgrade with a system that does appear, frankly - correct me if I am wrong - to be faulty.

**Isabel Deding (Deputy Mayor for Transport):** You may know this but it may help to explain. These things are not off the shelf products. It is not like a toaster that you plug into the wall. It is easy to conflate the signaling system itself with the way it is implemented which is the point that Mike is trying to make. In effect, what the signaling system does is it is a giant piece of software that tries to predict every possible scenario that could arise. A huge decision tree, effectively. Inevitably, SelTrac or any other system cannot predict the unique instances that may arise on the Underground network in London specifically and then, even more specifically, on an individual line.

The reason the point is so significant about the operators and the maintenance people talking to the people designing the software is that there is a huge amount of variance from one installation of SelTrac to the next - quite rightly - because the system needs to be modified in order to anticipate even things as specific as train number 29 has a bit of a funny wheel there or the way drivers sometimes stop at that station is a little bit odd and making sure that the system does not say, "Wait a second. I didn't have a branch on my tree that predicted this", and then the whole system shuts down.

How it is implemented was the issue on the Jubilee line, rather than the system itself. Because of insufficient off-line testing - as Mike was saying - because it was stuck in to what they call J1234 - the entire length of the Jubilee line at once - the result of that was that testing through the have we thought about every possible branch on the decision tree - the way you do that is not by assuming normal running but by saying the operator is saying, "Did you know this funny thing? Did you know that in Camden Town there is quite a unique thing?" If you were the software developer sitting in Canada or wherever you are sitting, there is no way on earth you would ever know that that was an idiosyncrasy of the system.

The key thing is that that system is implemented in a way that all those branches of the decision tree that, maybe sitting in Canada you would not know about, are all foreseen and that the system is modified appropriately in order to take account of that. That would be true for anything on the system that was being put into place. There is not one out there that is going to be perfect for the Northern line and does not require any modification. It is a bit of a long explanation but it is significant because it is how you handle these things before you stick them into the network that is the critical issue. The huge percentage of the problems on the Jubilee line have been due to the way that was designed and handled initially by Tube Lines, in large part.

**Richard Tracey (AM):** This morning - and it is amazingly timely - you have sent us a press release announcing the new signaling contract for the Circle, District, Hammersmith and City and Metropolitan lines. Reading this any reasonable person would take it that you are saying this is a remarkably fine signaling system and, therefore, some of my constituents on the Northern line might think that they are getting second best if this is so remarkable. I understand all the difficulties. You say you contracted for Jubilee and Northern together but here we now have, apparently, a much better signaling system. Is that right?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** It is a good signaling system on the sub-surface lines. I have no doubt about that. It is a different supplier. It is a different mechanism. More than one signaling supplier will be fit for purpose. I would hope and expect - in answer to the earlier question on the Victoria line - the Victoria line, which is also a different system, will be a very reliable operating signaling system. The Northern line is far too important for London and to the north south line of route through London for it not to work properly. It is absolutely imperative that not only do we learn the lessons 100% from the method by which we put it in as we did on the Jubilee line but, because of the way that we are commissioning sections of the line one-by-one, we are testing the reliability long before we turn it on.

The thing about the Northern line, as you and your constituents will know, is it is performing very well. It is putting the lights out actually in terms of its all time performance. The Northern line. My aspiration is that will continue to happen as we continue to deliver the upgrade. I am very mindful of the concerns your constituents might have if it was not to be.

**Richard Tracey (AM):** The actual timetabling of the closures. I know you have announced that you are most certainly going to try to avoid any block closures on the Northern line. You said that several times to us in meetings of this Committee and you said that to me in one-to-one meetings. How are you going to manage with the use only of weekend closures in some cases but not anything bigger than that?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** We are using weekend closures. We are also using slightly longer periods on particular parts of the line; Easter periods and Christmas periods as well. To be clear, the detail on that is available but it is much better than the proposed 65 weekend closures that were originally proposed. Even that I am sure had the opportunity to go longer.

It is using those weekends. It is ensuring again that by more effective use of simulators and off-line testing - which we did not have the benefit of before on the Jubilee line - that we are able to reduce the number significantly. Also by more effective use of the window of time we do have every night. One of the other plans is to use some slightly later starts on Sunday mornings on parts of the line as well to ensure that we maximise the window of time overnight on a Saturday night to Sunday morning. You are reducing the risk of any overruns by that process because you are impacting much fewer people on a Sunday morning than you would be on a rush hour morning on Monday morning. I am very, very mindful of key workers who need to get around first thing on Sunday mornings so we have factored all of that in as well.

We have worked very effectively on the Northern line closure programme and had significant and very useful input from Camden Town Unlimited, from the New West End Company, from London First, from the London Chamber of Commerce and the Confederation of British Industry (CBI) who have been hugely useful in attending the group that I set up about a year ago to bring on board all business users - the Confederation of Small Businesses as well - to help inform my decision making. I felt that perhaps previously we had been a bit too insular in the

way we thought about these things. I am not saying that this is going to be easy but I do think that this different approach is quite exciting in the potential that it will deliver.

**Richard Tracey (AM):** That is good. That was certainly one of the criticisms that we had heard before from business that perhaps there was not enough coordination.

Last thing before I hand over to one of my colleagues. The Arbiter made the point to us that he was not at all sure that you would be able to manage upgrading the Northern line alongside working on the sub-surface lines. How do you feel about that? Clearly, it was a real concern in the Arbiter's mind.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** It is a big challenge because there is a lot of work in there; two huge big chunks of the network. What I would say is the phasing, as outlined, is slightly different. The initial focus on the sub-surfaces is around delivery of new trains, commissioning these new trains, bringing them into service having been effectively tested - as I alluded to - on the test track I talked about. The Northern line is not about new trains. The Northern line is about software development and implementation of a new signalling system. The challenges are quite different.

If you add to that the fact that the way I manage the place is I still preserve a separation between those who are responsible for delivering a major project at the most senior level - and I mean people working directly for me on the Northern line side, the former Tube Lines' side as opposed to how I manage it on the rest of the network. Going back to the point earlier on on resource capability - and, Val, I probably should have made this point to you when you asked the question earlier on - there is a different very senior team delivering on both sides.

**Richard Tracey (AM):** Thank you.

**Caroline Pidgeon (Chair):** Could I pick up one thing to do with the new upgrade programme you have set out on the Northern line. When you came before us, Mike, in February 2011, you said that you were reviewing it - and we all welcomed that - and you looked at some of the suggestions we had made as a Committee. You said that you would get the programme right down at most to single figures. When you look through the press release and, most importantly, look in the notes to editors section of the press release, there is actually going to be about 35 different weekend closures plus the six longer periods over Easter and Christmas. That is considerably more than the single figure that you promised us in February 2011.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** I think what I meant - I do apologise if this did not come across - was the number of full line closures. The original numbers - and I was comparing like for like - Tube Lines originally proposed were 65 full line closures. We, in this plan that we have put forward, have eight full line closures for weekends. I accept there could be variations to the numbers. I certainly did not seek to mislead the Committee but it was those two numbers that I was comparing.

**Caroline Pidgeon (Chair):** If you look at the whole thing, overall, if you added up the part weekend closures, it was over 80 that Tube Lines was proposing. If you add your 35 weekends and you take the longer periods and assume that you could count those as two weekends you are talking about 47 weekend equivalent closures. It is still a considerable impact on Northern line passengers.

**Isabel Dedring (Deputy Mayor for Transport):** The key thing to point out in the release - I do not know if the number is in front of me - Tube Lines had also proposed a significant number

of early evening hours as well which has been shifted out for a smaller number of early morning hours on Sunday. The impact on passengers is significantly reduced as a result of that. The key thing that people will care about, hopefully, is the impact in lost customer hours and the impact on passengers has been reduced by about 70% in the actual hours that we have taken out of people being able to travel. Hopefully, that is what people will notice in terms of the distinction.

**Caroline Pidgeon (Chair):** It is welcome that you have really reconsidered this and I am not knocking that but I do not think it is quite as good as you had hoped. In your other press release - we have been inundated by press releases in the last few days from TfL - on the sub-surface lines, you have made it very clear there will be no weekend closures. Picking up Richard's point, how does that work?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** The decision had to be made one way or the other on the Northern line as to whether we were ultimately going, because it was the right commercial terms and the right imperative commercially as well as from a delivery perspective, with the existing supplier on the Northern line. That was a decision we ultimately made because, frankly, to have gone back to step one and re-tendered the signalling on the Northern line would have meant two things. One was the huge amount of sunk cost which would not have been able to be utilised by any other supplier. You quite rightly would have challenged me on the basis of doing that.

The other thing was it would have been inconceivable to have met the 2014 date either because of the length of time that an Official Journal of the European Union (OJEU) procurement process under European Union (EU) regulations would take and, therefore, the letting of a supply on those terms would have taken.

They are slightly different varieties of apple. We have to look at this slightly differently. The sub-surface was the one that we were able to get in from day one entirely as London Underground. Nobody can sit in this chair - whether it is me or anybody else - in five years' time and be held anything else other than 100% accountable for the delivery of the sub-surface lines, whereas the Northern line was clearly a product of a little bit of a hybrid of what we had before but reconfigured in a way that is going to give the best value for London and the best delivery schedule that we could possibly get out of it.

**Murad Qureshi (AM):** Essentially, what I want to address now is the focus on the oldest bit of the Tube system which is the sub-surface part, particularly between Faringdon and Paddington stations. Historically, it was the first underground system in the world. Your predecessor, Mr Tim O'Toole [former London Underground Managing Director] suggested that this piece of work which you have just let today is the biggest bit and the most important bit. Given we have not seen any investment, from my personal recollection with school friends, since the late 1970s on any of that I am concerned, with some of the recent problems with the Metropolitan line, cracks on the District line track and pitting on the Metropolitan line, how you are going to keep on top of this one because it is a colossal bit of work which has not been touched for a long time and is desperately needed in central London?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** It is. Going back to the trains, if I may, just to reassure you, we have up to eight of the new trains now in service on the Metropolitan line in London ready to be used. That means that we can now take away the least reliable train on the Metropolitan line and, therefore, incrementally, over time, improve the performance of the line just by not running the oldest and least reliable train. Every train is slightly different and technical problems that are slightly more difficult to

get to than others. These very ancient trains are going to be gradually disappearing and that has got to be good news. That in itself will make a difference to the reliability of the Metropolitan line.

In terms of keeping the rest of the railway going in advance of the upgrade, which I think is the tenor of your point. One of the things we have just got to do is better anticipate where there are the greatest risk areas of failure. The District line problem which happened last autumn was unusual in a fleet of trains that is, inherently, quite reliable and, along with the Piccadilly line, it has been consistently one of the most reliable fleets of trains on the network. We are now back up to those levels again after that particular crack problem in the autumn on the main District line fleet. That is something we will continue to drive and monitor.

We have also done a lot more work in how we allocate our technical staff at high risk areas where failures do occur. You are very familiar I know with Edgware Road and other critical junctions. You and I visited places like Earls Court. Aldgate, again, is critical. How you ensure that the integrity and performance of those very complex junctions that have a lot of old componentry and a lot of wire degradation has emerged over the year - which does not make it unsafe - it just makes it very fragile and subject to failure. It is how you mitigate against that insofar as you can. One of the continual challenges we have got - but it is my job so I should have it - is to ensure we have those resources properly deployed to minimise the chances of failure.

Since the problems in the autumn and since the early part of this year the performance of the Metropolitan line in particular has improved hugely. The timetable that is now running on the Circle and Hammersmith and City line, which is a more integrated timetable, has improved significantly the performance of that line in its core service from where it has been in history. I am far from complacent about this, Murad, but it is around continuing that focus even while we bring in the new kit. We are not sitting there waiting for the new kit assuming it will solve all our problems.

**Murad Qureshi (AM):** OK. The newer lines - Jubilee, Victoria and the Northern - you had substantial slippages. We hear in this press release that you anticipate that, with the sub-surface trains, you are likely to complete some of the upgrades before 2018. I want to be convinced. What is the telling difference, apart from them being sub-surface, that will determine that they can come in and that you have learnt the lessons from the Jubilee, Victoria and Northern lines?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** We have learnt the lessons both in the process by which we are doing it - with much less disruptive closures. The sub-surface lends itself hugely to be able to do proper off site testing for the trains and the signalling system on test rigs and simulators, which we will be doing. The geography also lends itself to having parts of the railway commissioned and tested at certain times of the day or week in an entirely different way than was delivered on the Jubilee.

I am never complacent about this. This will require - and IIPAG will be all over us on this - continuous scrutiny and monitoring at every single step on every single delivery milestone along the way, much of which will not be noticed by passengers but will be very important to me to ensure there is confidence that the delivery schedule is going to be achieved. It is absolutely imperative --

**Murad Qureshi (AM):** Talking about milestones, my bug bear is when is that signal box in the Edgware Road Tube Station going to be moved into the Covent Garden Transport Museum?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):**

Absolutely! That is part of the overall programme and Edgware Road, as I said, is one of the critical junctions. There has to be some initial work done at Edgware Road within the next six to eight months and that is because the junction at Edgware Road is so complex and so tight in size that at the moment you could not fit one of the new longer trains that we are introducing on the Circle line in the same envelope as will be required going forward. There is some interim work required to enable the trains to run properly but then the big work will kick off in two or three years.

**Murad Qureshi (AM):** That is reasonably reassuring. I will certainly keep an eye given I pass through the Edgware Road Tube Station fairly frequently, particularly over weekends.

There have been operational changes on these lines as well. How much is that adding to this whole process? For example, the Circle line does not just go round in a circle; it goes to Hammersmith now. It had initial hiccups but it is something that people in North Kensington appreciate, and certainly in Hammersmith and Fulham. We are having the suggestion of the District line service to Olympic disappearing. Are there any other operational changes that we are likely to expect during these works?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** No, other than we will have --

**Murad Qureshi (AM):** On the sub-surface.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** -- to be ensuring that we retain the ability to be focused throughout. We are not intending to change the service patterns. Whatever we end up doing, because of the ability of having a single generic fleet of trains in our operational model going forward, is open for debate and we are having some of those preliminary discussions. It does give you, inherently, much more flexibility if you have got one fleet of trains, in effect, running on all those lines.

**Victoria Borwick (AM):** Going back a bit to the Circle line, there may have been a benefit to people in Kensington as you say but every day I get complaints from people who are still concerned that the Circle line is very intermittent, at best case, with its service and the gaps between the actual trains make people talk about unreliability. If you have to plan your journey which includes part of the Circle line for some reason then it is extremely difficult because sometimes it can be five minutes, sometimes it can be ten minutes and sometimes it can be longer. I want to log that.

I also want to come back to what Murad mentioned on the proposed changes for Olympia and that whole area of London in view of the construction and planning and redevelopment going on there where this will be the Tube for 5,000 new homes on that Warwick Road. Now to be told that is not going to run, that was all part of the approval and the transport plan for that whole development, which includes a nursery school and a lot of affordable housing. The residents of that part of London feel particularly let down and I publicly state this morning that I think it is extremely disappointing. I have had a number of people make representation to me - because that happens to be near where I live - and I do want to flag up with you that that is something you should reconsider. Two points please.

**Caroline Pidgeon (Chair):** It is the impact on Olympia itself. It is huge.



**Victoria Borwick (AM):** Exactly.

**Isabel Deding (Deputy Mayor for Transport):** The short answer on that is that the consultation has been extended to the end of June 2011. Point noted and it is not too late for people to --

**Victoria Borwick (AM):** Consultation means that it is going ahead and delay it a month. I have dealt with Daniel Moylan [Deputy Chair, Transport for London Board] before. I have no faith that Daniel Moylan's consultation actually means consultation. I have worked with him on Holbein Place. I have worked with him on Sloane Square. I am publicly standing up and saying that here today --

**Isabel Deding (Deputy Mayor for Transport):** It is not Daniel's consultation; it is TfL's consultation.

**Victoria Borwick (AM):** -- that TfL has already made its mind up and I find that extremely disappointing.

**Isabel Deding (Deputy Mayor for Transport):** It is not Daniel's consultation; it is TfL's consultation. I would encourage anybody who has got anything to say on the subject to make their views heard in the course of this consultation. It would not have been extended to the end of June 2011 if it was a totally meaningless exercise. Now is the opportunity for people to make their voices heard, not three months from now when the decision has been taken.

**Victoria Borwick (AM):** Excellent.

**Isabel Deding (Deputy Mayor for Transport):** I strongly encourage people to say what it is they want to say now.

**Victoria Borwick (AM):** Thank you.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** On the Circle line, if I may, as I said in answer to Murad a few minutes ago, the overall reliability of the line has fundamentally got better if you look at any statistics that we have had.

The simple problem with the Circle line at the moment, prior to the signalling upgrade, is we only schedule to run a train every ten minutes and that is the most you can fit in because there simply is not room between the Hammersmith and City, the District and the Metropolitan lines to run any more trains. If you are going to provide an end to end service on those other lines - which we need to do to serve all their branches - then the physical capacity is constrained.

The great thing about the upgrade on the sub-surface is it does give us a 65% increase in the capacity on the Circle and Hammersmith and City lines. That is significant and will fundamentally revolutionise travel on the Circle line. It will make a fundamental difference.

On Olympia, Isabel's point is valid. I would say that the use of the trains to Olympia is so low compared to the paths that these trains occupy through Earls Court. I do not want to downplay for one second the issues around those residents of Olympia but the high volume demand of the District line, which is rocketing in terms of demand and has been over the last couple of years on the Wimbledon branch, and the ability by not running Olympia trains to run additional peak services to Wimbledon, will fundamentally transform peoples' experience on the busiest and most highly used branch of the District line, even in advance of the upgrades. It will also

reduce all the congestion of trains that passengers are subject to every single morning and evening through Earls Court with sitting in tunnels waiting for a platform to be cleared at Earls Court. That will be reduced significantly by enabling trains to be run additionally to Wimbledon.

The 720,000 people who use the District line service to Olympia, we have also committed to still running services to Olympia at times of events at Olympia. This is part of the proposal. It is not a never again are we running trains there.

**Victoria Borwick (AM):** No. I am sure that will provide Olympia with some reassurance. In other words, if you were planning for an event, say Olympia show jumping where a lot of people will come by public transport, you are saying that the trains would definitely run for that open period?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** Yes, absolutely. I use Earls Court every evening and I stand there on a platform waiting for a train watching empty trains going to Olympia with, on average, six people on a train.

**Victoria Borwick (AM):** It is good to use this public airing because I know there are a lot of people who are very concerned and with the new developments going up there I hope that that is something that you - whatever the decision now - might reconsider because there is a whole lot of new housing going up there. Thank you.

**Murad Qureshi (AM):** Can I move on to the remaining lines that we have not really touched on. Unfortunately, the unfunded ones: Piccadilly, Bakerloo and Central lines. Bakerloo line users this morning had to deal with a signal failure in Queen's Park. Is this what they are going to have to put up with whilst it is all funded and question marks not just on the Bakerloo but Piccadilly and Central lines?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** We are spending £114 million on the Bakerloo line up to 2017/18 on what you might call performance improvement initiatives. We are very mindful of the fact that that line is not getting a full upgrade. We are looking at signalling and control room life extension, as we call it, which will ensure better performance of the signalling system going forward. Also minor jobs that we have to do in some of our track circuitry on the Bakerloo line. It has particular problems there. We are also doing some similar work on the fleet of the Bakerloo line and there is some work going on there to ensure that these trains, which will increasingly be ancient as well - they were built in the early 1970s - are being properly managed going forward.

We are also looking, incidentally, to move a couple of the old Victoria line trains over to the Bakerloo line - those that are in the best state of repair - so we have got some additional float in the fleet on the Bakerloo line to improve the inherent reliability of that line.

The problems this morning were very difficult for people. I absolutely know that. These interim expenditure measures are designed to reduce the incidences of those occurrences going forward in what, after all, is an old line with old equipment and, even in all the PPP plans, was always going to be at the end of the process for upgrades.

Similarly on the Piccadilly line, we are spending of the order, again up to 2017/18, of about £228 million both on signalling reliability improvements and on train reliability improvements. We are not complacent even though the Piccadilly line fleet has been performing particularly well. It was commissioned in 1973 and is an old fleet of trains. Doing some life extension work

there on key components like door valves and traction components on the trains which are in particular need of improvement. I am very mindful of that.

The other thing that is worth saying is that at the back of the sub-surface signalling surface there has always been the opportunity to plug in some of the control of the Piccadilly line in a more integrated way with the sub-surface lines, which would not have been previously possible. I have alluded to that previously to Members of the Committee.

The Central line was never part of the PPP in that it had already had its upgrade. It already runs 30 trains an hour across the busiest times of the day. Having said that, there is some work that is going on as I speak. The lift of every train is going on at the moment to replace the worst body parts and water ingress problems and other things that are there, as well as some car end work which does not fundamentally affect reliability all the time but certainly has given a sense that the appearance of the trains is not as one would expect from a modern Metro. The order of spend on the Central line, including the Waterloo and City line fleet on this as well, is of the order of £306 million up to 2017/18 with work on signal maintenance. Over £100 million as well on ensuring that we continue to invest in the reliability performance of the signalling.

I do accept these are different orders of magnitude and terms of scale of work than the upgrades *per se*, but I hope it gives you some confidence that we do have some plans to ensure that we are pushing the envelope of reliability on these other lines as much as we can as well.

**Murad Qureshi (AM):** That is useful and is in the public domain because there are plenty of users on the Bakerloo line wondering whether they are being shafted.

What assumptions are you making on the back of Crossrail and the impact of the services on the Piccadilly and Central line? That will have an impact. Are you factoring that in in the works you do and do not do and what your priorities are?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):**

Absolutely. It impacts both ways in a sense. One way is it potentially brings more traffic to some of the interchange stations on those lines but it also gives some relief at the busiest times through a core section of the Central line, at least in the immediate time after the commissioning of Crossrail. We are absolutely aligned with that. We are looking very closely at what the demand assumptions are and what the planning assumptions would be on Crossrail usage and that has fed in to some of our decisions around the work that we are doing, as I said earlier on, at stations such as Bond Street and Tottenham Court Road.

**Murad Qureshi (AM):** The Piccadilly line? At the Heathrow end it will no doubt have an impact. Are you making any assumptions there?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** We are. One of the challenges on the Piccadilly line is I am very well aware that the demand coming from Heathrow *per se* on the Piccadilly line is a particular challenge for those who live further up the branch in Hounslow and beyond. We are absolutely feeding in the demand projections of what relief Crossrail will give that and what, if anything, we can do to the service, again in advance of the upgrade of the Piccadilly line.

**Murad Qureshi (AM):** I just make it clear that the people of Hounslow are saying they want a better localised service at that end.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** Absolutely. That is our aspiration.

**Joanne McCartney (AM):** Representing two constituencies where the Piccadilly line is the main Tube line - in fact, in one borough, the only Tube line that we have - can I confirm that for the last year we have been told the start date for the full upgrade on the Piccadilly line has been put back. We were anticipating a 2014 start at one stage. We now know it is unfunded and you are now saying you are doing some intermediate work which will take us up to 2017/18. Does that mean you have given up all hope of starting the full upgrade until 2017/18?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** No, absolutely. It is just the reality that we face a funding settlement that takes us through this Parliament. We will continue to work closely to ensure that we - that might be a question more for Isabel than for me - continue to make the case for the Piccadilly line going forward. We are not going to take our foot off that pedal.

**Isabel Deding (Deputy Mayor for Transport):** The Underground internally is already working on what the upgrade would look like --

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** Absolutely.

**Isabel Deding (Deputy Mayor for Transport):** What would the design be? What are the requirements? What should the trains look like? All those sorts of things. It is not as if all work has ceased because there is not a certainty about a date in terms of the funding.

**Joanne McCartney (AM):** When will you be able to confirm a start date for the full upgrade?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** I do not think we will be able to until we get a further funding settlement either at the tail end or beyond this Parliament.

**Joanne McCartney (AM):** OK.

**Roger Evans (AM):** Mike, would you say that Londoners have had value for money out of this exercise?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** Perhaps I should clarify which exercise?

**Roger Evans (AM):** The Tube upgrade.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** I think it is fair to say that the history of the PPP has not always given London supreme value for money, particularly on the delivery of the upgrades. I have been on public record before as saying that I think Tube Lines in its previous guise delivered some fantastic delivery of projects in terms of station works - where there was quite good value for money - and also on its focus on maintenance, particularly on the Northern and the Piccadilly line as I talked about earlier on. Fundamentally, the PPP structure was put in place for the delivery of the line upgrade and, self-evidently, the PPP failed to deliver that.

**Roger Evans (AM):** OK. What about TfL? Now you have got your feet under the table and you have been doing a few projects yourself, how do you ensure that you are providing value for money? Who do you benchmark with?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** I alluded to the benchmarking report that is going to be coming out to the Board later on this month. We have a number of benchmarking elements that we look at. One element is we do - as I said earlier on - look between ourselves. There is some different history between the Tube Lines' lines and the other lines on London Underground and that is an important starting point. Frankly, we have not been able to do that either in a way that everyone believes is credible previously, nor in a way that has been without political taint one way or the other on looking at the numbers. That is the first and a very important starting point.

Secondly, we are a member of an organisation called COMET which is a confederation of world-wide metros which does do benchmarking, under the auspices of the Imperial College London, across other metros as to where is the best cost base, where is the best upgrade performance and where is the best service performance. That data is something that we use increasingly and I am determined, as I said earlier on in answer to one of Val's questions, to ensure that that becomes an integral part of the way I manage the business, not some academic exercise that sits alongside us. It has to be informing our core business decisions.

**Roger Evans (AM):** You talk about benchmarking internally between lines. We took evidence from the PPP Arbiter at the last meeting. He tells us that, for instance, for the Victoria line signalling, TfL was spending £4.25 million per track kilometre, whereas for the Jubilee line this was £2.75 million per track kilometre. That is almost a 100% difference. How do you account for that?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** By the fact that the Victoria line contract was let by Metronet which went bust.

**Roger Evans (AM):** You are saying Metronet was a worse performer than Tube Lines?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** Self-evidently. It went into administration. Tube Lines was not a failed entity. We acquired the shares in Tube Lines but Metronet did go into administration.

**Roger Evans (AM):** You are saying that, although TfL took over from Metronet, you are not going to carry responsibility for the costs of that?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** The contract was already in place. Being clear, the contract was already in place and there is only so much you can do in the renegotiation of a contract that is already fundamentally there. I take no comfort from the numbers that have emerged from the Victoria line.

The key thing is the numbers looking forward. If you look at the average of the Jubilee, Northern and sub-surface contracts, moving forward, which is also the Arbiter's data - some of which are guesses but in this case I would concur with it - it will show that, going forward, it will provide value for money equivalents that the Arbiter sees as best practice from a notional infraco.

**Roger Evans (AM):** What are you looking for per kilometre in the future?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** I have to be a bit careful how to answer that. The reason I do is some of this is very commercially confidential in the issues with the individual suppliers. Let me just say it is well within the ballpark of the Jubilee line, let me put it that way.

**Roger Evans (AM):** Right. That is £2.75 million.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** Well within the ballpark of the Jubilee line. Yes.

**Roger Evans (AM):** Around there. OK. One of the things that the Arbiter said was that you could save money by using less bespoke new infrastructure. Is that something that you are looking at?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** Absolutely. If you look at our experience from procuring one single type of sub-surface train going forward my aspiration is, as we start to replace the deep-level Tube trains, that we end up with one generic fleet of deep-level Tube trains. The types of technology that we are employing now that are able to be - Isabel is absolutely right: it is not like a toaster and you cannot take something immediately off the shelf. I am not in the business of wanting to be cutting edge; I am in the business of wanting to be applying proven technology insofar as I can in its basic system configuration that has proven to be reliable. That has got to be an aspiration going forward.

**Roger Evans (AM):** We seem to come back to this bespoke technology issue regularly. I have been doing this now for the whole length of time that the Assembly has been in existence and had quite an interest in the Central line and elements of Tube upgrades before that. It seems to be that forever people have been saying there are too many bespoke solutions and not enough relying on tested technology from elsewhere. Even Bob Kiley [former Commissioner of TfL] I remember told us once that he felt that London Underground was not a good environment to test out new things which had not been tried elsewhere.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** I would certainly agree with that. To give encouragement, we have been significantly clearing out what might be considered to be old fashioned and traditional standards that we have been applying to our contractor and supply base and demanding of them, and to be much more mindful of what happens, for example, in Network Rail. I was asked a question earlier on about Network Rail. There are very many common issues in track replacement on the Network Rail estate, as there are with our sub-surface lines in open section. There is not a huge difference. OK, we have got four rails. It may have three or two overhead lines or whatever. Fundamentally, the principle of track replacement is not that different. We have been getting into more detailed discussions with the supply chain and Network Rail on those types of topics. There is an opportunity for better efficiency moving forward.

**Roger Evans (AM):** Is this about changing culture?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** Yes, partly. No doubt about it. It is about ensuring that there is an open and new approach to this. I am quite rightly being challenged by the Deputy Mayor on some of these issues myself. I have certainly been challenged by IIPAG for a longer period of time than the Deputy Mayor has been in position on some of these issues as well as to how we can better deliver. That is absolutely right that I should be. Similarly, in any event, I would be challenging, and am challenging on a

regular basis, my own team to ensure that we get absolute value for money in everything we deliver, whether it is on the capital programme side or the operational side.

**Roger Evans (AM):** As you have mentioned the Deputy Mayor it might be useful to hear Isabel's take on this.

**Isabel Dedring (Deputy Mayor for Transport):** One of the issues is comparing within London Underground is very useful but also one wants some reassurance about comparisons to other metros. One of the problems with that is that you know every metro is different and there are extenuating circumstances. One thing I am interested in is how we can provide some reassurance externally that when you do compare the Tube to other metros around the world, we are at least average or comparable to other metros. One of the problems with CoMET [Community of Metros - programme of international railway benchmarking] that Mike was talking about earlier is that it is all confidential so everybody enters into it on the premise that no one is allowed to release each other's information. One of the things I have been looking at is is there some way that we can - maybe on an anonymous basis or whatever - use some of that information. I do not know the answer but that would be one thing that would be helpful either to unearth the fact that we are not doing very well or to be able to communicate more clearly to people that, if you look at the reliability of the Tube and you look at comparable metros, in that exercise, without naming any names, the Tube does well compared to other similar metros. We are not any worse than.

New metros that are designed completely differently you would not want to compare to the Underground anyway but if you look at metros that are similar to the Underground there is a blob of them all around the same space in what kind of network they have but also what kind of reliability they are delivering. That does not mean to say that it is all okay and we can all relax. Equally, at least it is not the case that we are substantially worse than a lot of similar metros around the world. There is more that we could do around that in making it clear to people where we stand.

**Roger Evans (AM):** There is a lot of confidence building required here. Again, I have been involved with this for a long time in local government as well, and contracting is clearly a way of reducing costs and it is something that produces savings, but it also provides this commercial confidentiality clause for people to hide their performance behind. Often we have to take the assurance that savings are being created without actually seeing the figures.

**Isabel Dedring (Deputy Mayor for Transport):** That was a huge issue under the PPP. There were hundreds of hours of discussions around the level of detail that the Tube was interested in having from the infracos that we were never able to have and the Arbiter was not able to have in the form that he was originally looking for. I, in part, come from a business background so you do not need to convince me about the power, in theory, of the private sector to bring best practice from other places. That was one of the theories behind the PPP. In practice, wherever the two had worries, it was impossible to get to the bottom of what was that. That needs to be balanced up. In that sense, no structure is perfect.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** It is worth reminding ourselves that the Arbiter was set up explicitly to ensure fair pricing for the public sector from the infracos. Given that he never foresaw the collapse of Metronet and never foresaw the lack of delivery of the PPP on the Jubilee line, I am not sure that was necessarily a remit that was fulfilled.

**Roger Evans (AM):** OK.

**Caroline Pidgeon (Chair):** I wanted to pick up one of the points that Roger raised, just to go back to the pricing of signalling, because you have talked about looking internationally and you are now quoting Madrid an awful lot in terms of your work. I understand that the costs of the metro in Madrid are about the equivalent of £1 million per kilometre. You are saying you are aiming for the vicinity of £2.75 million. Again, your costs seems to be considerably higher than comparable metro systems elsewhere in the world.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** To go back to what Isabel said, I never start from the point of view that accepts that we are fundamentally different and, therefore, should be fundamentally different. Having said that there are some differences. The before track configuration of our system, the deep-level Tube configuration of our system, some of the other unique aspects of our system are different and, therefore, there is a factor that you have to apply to that. The trick in this is how you do not start from that perspective and you only look at that when you have drilled down as much as you can into the value for money.

I am absolutely determined that, in looking at the comparator and in answer to Roger's question where I said we were in the ballpark, that is a significantly better place than we were under the Metronet contracts that were previously tendered. We have got to continue to aspire to delivering to that value.

**Richard Tracey (AM):** In your business plan for 2011 to 2014/15 there was a suggestion that the Underground might generate £4.2 billion of savings over the period up to 2018. Some of that has been achieved already by the integration of Metronet. I am interested to hear what further savings you might be looking for, Mike, in changing work practices in some cases. Could you give us a bit more detail? I know this has also been discussed at Board meetings of TfL.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** To look at where that £4.2 billion sits, the £3.6 billion saving was the post-Metronet transfer one which you alluded to, Richard, which avoided duplicated costs and removed about 1,000 back office jobs that were entirely related to duplicate activity or in facing off each other in that contractual mechanism. There have been some similar savings of about £500 million annually since the acquisition of Tube Lines again, including us not having to pay equity return to the former shareholders of Tube Lines.

Other savings that we have already looked at and have gone a long way to being able to deliver are the £180 million of savings to 2018 on the support services review. This is even in advance of the TfL wide work on a greater integration and a single TfL business but that was involving the removal of 800 back office job roles. Let me be clear this is not about people. We have always aspired to and continue to aspire to deal with individuals in a very human way and in a way that is reflective of us being a public sector organisation with a proper mindset for the impact on individuals, but 800 posts being removed does, in the medium and long-term, save us significant money.

There have also been - well rehearsed around this table and elsewhere - annual savings of about £33 million plus about another £7 million in the administrative side in looking at station staffing changes - which continue as you know to have members of staff on every individual station but have reconfigured the opening hours for ticket offices, given the huge expansion of Oyster over Easter.



Then, again, Project Horizon, the TfL wide changes which overlay all of that and are beyond all of those savings I have mentioned give us, in addition, another 20%.

There is an incremental series of changes that we are involved in, some of which are well progressed and some of which, like the Project Horizon, TfL wide ones, have not yet delivered in their entirety.

**Richard Tracey (AM):** There have also been reported various underspends on some of the projects, indeed some of the upgrade projects. Where do they fit into all of this?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** What I am talking about is operational spending. Where we have got some savings or economies on capital programmes that is a different accounting process that we would apply there. If there have been phasing issues around those upgrades - and I do not mean slippage, by the way, I just mean the overall date is not compromised but there are some small savings made along the way that then have to be caught up with later on in the payment schedule - then some of those will materialise. It is a totally different accounting process.

**Richard Tracey (AM):** Maintenance practices are something we have heard about at various times. The difference between some of your maintenance practices in TfL and those used by some of these other metros around the world that we have been hearing about. What about that other train operators?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** Absolutely. It is a very key area that we need to look at. In short, if somebody has a car on the road and only drives it at weekends or very occasionally, then a maintenance schedule that is the same as somebody who travels 200 miles a day would not be appropriate. One of the things that we have taken some time to get into but are now getting into is what you might describe as distance based maintenance for rolling stock, for example. The same is true for signals, maintenance of signal or tracker sets based on their use, rather than just a very pure and one dimensional time based approach. Yes, indeed, we are getting into that whole debate now and there has been a very constructive look at that which will generate some significantly different ways of our maintenance practice while, of course, continuing to focus very much on the reliability of the network.

It is also true to say that, as you introduce new technology and new trains and signalling systems, that your whole method of maintenance is entirely different. Your diagnostics of plugging in a laptop or a computer for even remote monitoring of defects on trains or signalling systems is an entirely different level of intervention required and cost base required going forward, than the very traditional electro-mechanical systems that we have historically had everywhere on the network.

**Richard Tracey (AM):** What about working practices? When Mr Crow [General Secretary of the National Union of Rail, Maritime and Transport Workers (RMT)] appeared in front of us a few weeks ago he said that he had been talking to you, or at least to TfL, about periodic meetings between union representatives like himself, and management of TfL, to talk about different areas of industrial relations. Can you tell us some more about that because we were rather intrigued?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** I am in regular contact with Mr Crow, as you would expect. It is not a secret to know that we have jointly commissioned an independent review of some of the recent industrial disputes there

have been between us. That is a positive step forward to ensure that we can get to understand why some of these things emerge. Yes, as ever, I will continue that type of dialogue.

**Richard Tracey (AM):** He publicly calls for more meetings. Indeed, he calls for meetings with the Mayor fairly regularly when he is on television or in the newspapers. What is your view about those sort of meetings?

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** It is really not for me to say about meetings with the Mayor but in meetings with me he can meet with me any time he wishes to and we do it regularly. We will continue to meet as much as he wants.

**Richard Tracey (AM):** Perhaps I should address that question to Isabel then as Deputy Mayor. What is your feeling about meetings with a union leader, particularly as we quite often hear in situations where you are under duress because there is a strike threatened?

**Isabel Dedring (Deputy Mayor for Transport):** The key thing as far as I am concerned is that there is a clear hierarchy of when something is not resolved at level X there is a clear escalation process and that is where the meetings between Bob [Crow] and Mike are significant. What you do not want is for something to get inflamed and then there is a sense that we cannot take it up to the next level in an attempt to resolve it. A lot of the discussions between Bob and Mike have been very productive over the last couple of months. Certainly there have been a number of cases where that has resolved an issue that was brewing. As far as I am concerned, making sure that that exists so that things do not get overheated is the key issue. Mayor or not Mayor. That is almost a side point.

As regards the Mayor and the Mayor's office the Mayor does have regular meetings with the Southern and Eastern Trades Union Congress (SERTUC), which is not maybe a very well known fact, where we sit down with a whole range of union representatives. There was just one recently. A number of people from the Mayor's office, the Mayor and then people from across the piece which includes transport but also other unions as well. It was a very reasonable and productive discussion. A lot of issues are raised and are regularly scheduled in. Sometimes these things can become iconic or blown up into something that is really more than it is. The Mayor has said several times that he has no opposition, in principle, to meeting Bob Crow or anyone else, but what we have said is that it is not appropriate for the Mayor to intervene when there are live negotiations going on. It is not productive for anyone, certainly not for Mike and, arguably, not for Bob either. We maintain that position in the subject.

**Richard Tracey (AM):** With all these meetings taking place what is the chance of resolving the strike that is about to hit the first week of the Wimbledon tennis championships? The threatened strike.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** I have always been clear that this particular issue around a train driver on the Northern line is in an employment tribunal process. The employment tribunal has met, it has heard the evidence and the employment tribunal is deliberating on the findings. My continual approach to this is to say, "I will, of course, respond to any findings the employment tribunal makes". Absolutely. That is the reason for an employment tribunal. It is inconceivable I would not respond to that. On that basis, therefore, I am mystified that there would be a call for further industrial action in the timeline and the scale that is being proposed. It is really hard to understand why that would occur.

**Richard Tracey (AM):** Thank you.

**Isabel Dedring (Deputy Mayor for Transport):** From our perspective the key thing is for us to make sure that there is not a sense that, "As long as we can turn out some sort of a strike is Ok or we are used to having a certain number of strikes every year and that is just the way it is living in London". We want to avoid strikes. Not at any cost but it is not Ok to have half the service and we can half get to work. That is better than having no service but, fundamentally, the Mayor has been very clear that what we are trying to get to is a scenario where we do not have strikes. This threatened action is particularly frustrating because that tribunal process is ongoing, everyone had signed up to it and we are just waiting for the tribunal's decision, which has been expected imminently.

As Mike says, it is not only mystifying but also very frustrating because we have been trying to put things on to a better footing over the last couple of months and that has been effective, broadly. It is particularly unfortunate that this is being threatened at the moment. A lot of effort is being spent to try to make sure that we can avoid it for massive disruption for the travelling public. It is completely not acceptable. We are definitely not drifting into this. We are doing everything possible to avoid it.

**Caroline Pidgeon (Chair):** Isabel, have you spoken to any of the unions such as the RMT yet in your new role?

**Isabel Dedring (Deputy Mayor for Transport):** I was in the regular SERTUC meeting --

**Caroline Pidgeon (Chair):** The general meeting.

**Isabel Dedring (Deputy Mayor for Transport):** Exactly and had a number of conversations with the people who were there offline as well afterwards. I have done that. Because of this being an ongoing issue with the tribunal it has not been an appropriate time. That is quite right because it just muddies the water. I do not think it is helpful for anybody.

**Valerie Shawcross (Deputy Chair):** To go back to this issue of information and publication of transparency, seeing as we are lacking David James from IIPAG, it is probably a quicker section. When David James did come here, and we had a very long discussion between him and the Arbiter, he talked about two reports which IIPAG had produced for the Mayor because David James does report to the Mayor. They were two hard hitting reports. We requested that the Mayor publish those. So far computer says no. We have not got the reports from IIPAG. We used to have quite a considerable amount of information from the Arbiter. As the Mayor's key adviser on transport and as Deputy Mayor for London, will you be advising the Mayor to release the reports which David James has already submitted to the Mayor?

**Isabel Dedring (Deputy Mayor for Transport):** My own view about IIPAG, apart from the history on this issue, is it will be most effective if the reports are not public. The reason is that then you can say whatever it is that you actually think. Going forward, I understand there have been previous discussions on the subject. What is most useful for TfL in terms of improving things is having it hard hitting, honest and no concerns about it being published and needing to make sure that it is all framed in a balanced way. I think that is the right way to do that.

There is a separate issue. Going back to the information and scrutiny point and also communication to the public, what information do you have to be able to say, confidently, that the capital programmes are on track, that value for money is being delivered and, when you look at benchmarking, that it is showing that the Underground is doing a good job?

Perhaps if one could split those two issues apart. My instinct is that IIPAG should not be publicly available information for exactly the reason that its remit is to make sure that TfL improves its performance and, therefore, it needs to be as helpful as possible --

**Valerie Shawcross (Deputy Chair):** I am sorry, are we spending public money here? IIPAG is reporting on performance and issues where public money, fare money and public investment, is being invested. Why shouldn't the public be able to see what IIPAG says to the Mayor about its performance, its benchmarking and how it should improve its system in the way as a council would publish the Audit Commission's annual management letter? Why couldn't we see that?

**Isabel Deding (Deputy Mayor for Transport):** I am agreeing with the fundamental point which is that there is a set of information that people should be entitled to access. It goes back though to this point about what information is being put out there, in whatever format, by TfL and what are you looking for in X, Y, Z information? Whether that is what the Arbiter used to set out --

**Valerie Shawcross (Deputy Chair):** Isabel, in terms of accountability, what you are saying to us is the really most useful bit of information, the criticism, the commentary about what could be done better that IIPAG produces for the Mayor, the crucial stuff about how to improve it, is exactly the bit that we are not supposed to be seeing.

**Isabel Deding (Deputy Mayor for Transport):** I would like to fold the two things together and I do think it would be useful to have a separate discussion. If you write this letter that you were talking about earlier and say, "These are the things that we would like to see" which is not about IIPAG *per se* but is about the kind of information that you are looking for in order to perform this role effectively. Then we can look at what the best way is to do that, rather than IIPAG, particularly. I am not sure that that is necessarily the right vehicle --

**Valerie Shawcross (Deputy Chair):** On the one hand we are talking about data sets, performance data etc, and on the other hand the IIPAG report has obviously got some commentary, some analysis and some suggestions to the Mayor about how things could be improved; project management, culture etc etc.

**Isabel Deding (Deputy Mayor for Transport):** Those general points are picked up in the IIPAG annual report and there is one that is coming out imminently. The first draft has been prepared.

**Valerie Shawcross (Deputy Chair):** We will have the IIPAG annual report then?

**Isabel Deding (Deputy Mayor for Transport):** Yes. Again that will be a worthwhile discussion to have about the kinds of things that you would be wanting to see in terms of the types of areas that are covered in the annual report --

**Valerie Shawcross (Deputy Chair):** We would like to see the IIPAG reports to the Mayor please.

**Isabel Deding (Deputy Mayor for Transport):** I will have another look at it. I will take that away again. My own view - and I understand the terms of the history of what has been decided - is that I do think it is more effective as it is. I will --

**Valerie Shawcross (Deputy Chair):** Even under the Freedom of Information Act there are arrangements for redacting information that is personnel, that is confidential and that is commercial. I do not see why you could not at least release a redacted report or even, in confidence, give reports to Members of this Committee to be held in confidence and not to be published. It is not very satisfactory.

**Isabel Dedring (Deputy Mayor for Transport):** In terms of the underlying desire which is to be able to scrutinise effectively and know what is going on, then I absolutely agree and there needs to be an improvement from where we are at the moment. I totally agree with that.

**Valerie Shawcross (Deputy Chair):** To digress a little bit, there was a discussion at the Budget and Performance Committee last week about fares, as you may be aware, Isabel. The point was made to Daniel Moylan that he does not have to wait for the Localism Bill to go through before TfL decides to publish committee reports and data; in the same way and on the same basis that, at the moment, local authorities publish information and put it into the public arena. At the moment we are not enjoying the cross public sector standards of transparency and openness and access to meetings. We have made that point and perhaps I should move on.

**Isabel Dedring (Deputy Mayor for Transport):** I am more than happy to have a look at that, jointly, to make sure that we are putting the right information out.

There is no instinct at TfL to not want to put things out *per se*. Sometimes there is a really big disconnect between what people want and what we are putting out. Clearly that is true. Let's just have a look at it and let's assume there is no nefarious intention.

**Valerie Shawcross (Deputy Chair):** With respect - and this is nothing to do with you - this history goes back ten years. There clearly is an instinct in TfL not to put into the public arena information that it does not want Committee people to see. You will probably bump your nose up against that, as we often do.

**Isabel Dedring (Deputy Mayor for Transport):** Let's see if we can make an improvement.

**Valerie Shawcross (Deputy Chair):** That would be great. That would be very good. What about information on benchmarking. There was some suggestion we gather from David James about benchmarking that could be used. I know he was concerned to see some internal performance data that was improved. What is the scope for improving the benchmarking? Do you think we have covered that one?

**Isabel Dedring (Deputy Mayor for Transport):** I would say let's have a look at that benchmarking report when it comes out in two or three weeks' time.

**Valerie Shawcross (Deputy Chair):** We will see that one. Will we see that one?

**Isabel Dedring (Deputy Mayor for Transport):** It is part of the Board papers. Yes. Absolutely.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** Yes, you will. It is in the open session of the TfL Board so, absolutely, you will.

The other thing I would say, again in the absence of David James, is to reassure Committee Members that IIPAG has now appointed some professional capability in the benchmarking field to add to its remit - explicitly on the benchmarking side of things - to give oversight and

coherence to the internal benchmarking that this report that I am talking about will be the first indication of. There is a separate layer about that as well. I guess, in time, that will emerge more fully as to what that will deliver.

**Valerie Shawcross (Deputy Chair):** We are probably very glad to hear that. Benchmarking is hugely important. It is one thing to receive assurances and it is another thing to see it demonstrated --

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** Of course. I understand.

**Valerie Shawcross (Deputy Chair):** The last session when London First came, John Dickie argued for some governance reforms. He suggested there be the development of a regulated asset base model for London Underground and that you be overseen by an economic regulator along the lines that Network Rail is at the moment. He developed the case to say that that would, ultimately, be in TfL's interest. Have you, Isabel, given any thought to any changes to governance that would provide more independent assessment of expenditure and performance?

**Isabel Dedring (Deputy Mayor for Transport):** I have spoken to John about some of the points he has made, since you had the session. With a long history on the subject - although maybe not quite as long as yours - and having worked quite closely on some of the PPP issues around this, I have a natural instinct that says that sometimes those kinds of solutions can seem appealing but they create a whole suite of problems that come alongside them. In the case of the PPP the purpose of the Arbiter was to try to reveal some of the issues that you are driving at. Broadly speaking, I would say he signally failed because of the complexity of getting some of that information out of the infracos, having been in endless meetings myself at the time, years ago, when I was working at TfL.

I would want to look at the existing structures that are in place. The DfT provides oversight of TfL's spend. There is IIPAG. There is the TfL Board. There is this Committee. There is the public and the media. How can we make those mechanisms work more effectively as far as you are concerned in the information that is provided, when, where and how it is structured etc and see whether there are ways in which that mechanism can be made to deliver exactly what you are driving at. The risk is that you create some super structure that is not going to be able to eliminate anything more than we have got at the moment. I have not had a detailed discussion with John about it.

**Valerie Shawcross (Deputy Chair):** There is an issue about independence of commentary. Yes, we would all agree the PPP was a failure and was a disaster in many ways but the Arbiter was not, as an institution, a complete failure. In fact, there was quite a lot of very useful information ferreted out and put into the public domain by the Arbiter. The situation we have got at the moment is IIPAG reports to the Mayor and the Mayor decides if he wants to sit on those reports or not. What we do need to see is some independent challenge which is authoritative, non-political and non-partisan and goes into the public arena in a way that the public can test. Does this stack up or not. That is the gap.

To say either that the PPP Arbiter signally failed is not true, completely, or that you should therefore stop trying to have some independent analysis does not follow at all. The one thing we are really lacking in all of this system at the moment is everybody is standing outside what is happening, which is why there is so much grief about actual performance on the ground. You get no sense of confidence that you know, or we know, really what is going on and what the

long-term picture is. We would like to see some publication of the plans for the upgrade in a way that can be tracked and followed.

A very big plea, cross party, for transparency. I absolutely recognise that this is something that has not been sorted out over the 11 years of TfL and it is not something that has recently gone wrong. It is just something that is not getting fixed and we want to see it fixed.

**Isabel Dedring (Deputy Mayor for Transport):** I hear what you say - as annoying as that may be. In the course of looking at some of the information questions maybe we can get to at least a partial solution, or forward movement on the subject. We are a bit hampered by not having David [James] here as well. I have not really had an in-depth discussion with David on this subject either. I have tried to do that but with him being away it has been bad timing.

**Caroline Pidgeon (Chair):** OK. That is the end of our session on the Underground. Mike, thank you very much indeed for coming along.

**Mike Brown (Managing Director, London Underground and London Rail, TfL):** Thank you.

**Caroline Pidgeon (Chair):** Isabel, we have got a couple more questions on different areas as the lead on transport for the Mayor. Other than the Tube, which we have talked about for two hours and 20 minutes so far this morning, what are your other priorities? Also, to understand how the workload sits between you and Daniel Moylan?

**Isabel Dedring (Deputy Mayor for Transport):** It may sound a bit trite but the critical thing is that TfL and the transport network are serving the passenger, rather than serving the operation of the network, which is an easy fallacy to fall into. Understandable as well. Why do you have an agency that runs transport, and a Mayor? It is because the Mayor, hopefully, is providing input from the standpoint of the people who elected him. TfL certainly tries to do that but sometimes it is useful to have that oversight where, because we are not hampered by having to run the Tube on a day-to-day basis or run the road network, we can take a closer look at what people are looking for and where some of the gaps may be. Some examples of that are performance reliability where we are seeing a long-term improvement trend. We have had this bad period over the winter but, because of the challenges over the next one year, five years, ten years, we want to make sure that we are continuing to see reliability improve on the Tube.

The issues around congestion and roadworks are well known but it is still an issue of huge frustration to people. There is partly an issue around the reality of a medieval road network and a 21st century city but there is more we can do around some of those issues. That is another key issue that I am looking at.

People need to have confidence in the run up to the Olympics that the Olympics are going to be handled well. It is good that over the last couple of days even we have seen an upswing in interest in some of the issues around the Olympic Route Network (ORN). There has been some coverage in the media about that. That is partly because people are starting to focus on these areas. A lot of the communications that TfL is going to be doing are coming in the autumn and later in the year. That is central with the eyes of the world on London; that people do not have a sense of anxiety around whether it is all going to be Ok or not.

Two other issues I would mention that are more cross cutting. One is we do need to improve how we deal with very localised issues. It is very hard for a huge organisation that is trying to cover a whole city to deal with issues that, for an individual, are absolutely critical. A lot emails

and phone calls I get from you guys are around some of those issues and it is actually very valuable. I think people understand why, if you are trying to run the entire bus network, you will not necessarily be thinking about this particular person who is living on this particular location but, for them, that is absolutely critical to their day-to-day experience. How TfL can, in time, bring a bit more focus into how we communicate on some of those issues - even just making people feel we do understand where you are coming from and here is why we cannot do what you would like. Just giving people a little bit more understanding and information rather than simply computer says no and people feel they have not been heard at all.

That goes to the other cross cutting issue which is that we can communicate much more effectively; whether that is around the upgrades, disruption on the network or some of the local issues that we are talking about. There is a whole range of things that I have already been talking to TfL about how we can do that more effectively. Also, giving people a little bit more context and information than what they often get - that is not specific to the Tube. For example, we get a lot of letters about bus routes, "It ends here but could it end 500 yards along the road?" TfL gets hundreds of requests every year for extending bus routes but when you write back and say, "No" - I am exaggerating - nobody has even tried to listen to the case that I am trying to put forward. If you can at least say there are hundreds of these requests that TfL gets every year, we simply cannot fund all of them as much as we might like to and here are the cases in which we are going to do that, at least people are still frustrated but they can understand that they are not the only person who has raised these issues. There is some opportunity around that.

**Caroline Pidgeon (Chair):** Can you explain how the workload will split with Daniel Moylan? He has increased his hours to four days a week . How are you splitting the work?

**Isabel Dedring (Deputy Mayor for Transport):** I am more than happy to send you the list of things that he is particularly focusing on --

**Caroline Pidgeon (Chair):** That would be very helpful.

**Isabel Dedring (Deputy Mayor for Transport):** -- which may be helpful anyway. Broadly speaking it will be things in the grand project territory. He is tending to put a lot of his effort into things like Crossrail, High Speed 2, the cable car, river park proposals etc - those sorts of things. From the Mayor's office perspective I will be providing the oversight across the entire transport portfolio but particularly in this building. Broadly that is the split. Perhaps I will just send you the list that we have sent round to officers --

**Caroline Pidgeon (Chair):** That would be useful --

**Isabel Dedring (Deputy Mayor for Transport):** -- just so that you are aware.

**Caroline Pidgeon (Chair):** Your working relationship with other Board Members of TfL. Are you working closely with them?

**Isabel Dedring (Deputy Mayor for Transport):** A bit but that still needs to develop. There have been quite a lot of changes. A lot of the people who work at TfL I know from when I was there but there have been a lot of changes to the Board so I do not know all of them as well as I would like to. It is a bit patchy. It is more historical, rather than anything else. That is something I need to build up.



**Richard Tracey (AM):** Isabel, a number of us have had some serious frustrations with TfL over time - I have said this before so it is nothing new. There is quite often an attitude of not invented here when we put up some idea and it is dismissed. Maybe it takes about a month to dismiss it. It does seem an enormous task that you are up against. You have had experience of TfL before of course in previous work. I am almost rather tempted to ask you have you ever tried to turn an oil tanker round single-handedly?!

**Isabel Dedring (Deputy Mayor for Transport):** Put it this way, I would not have taken this job if I did not think I could do something because, as a person, I am very motivated by delivering something and making changes. I am not interested in presiding over something where - like your oil tanker example - you are just sitting on the oil tanker and watching it go in whatever direction it is going.

**Richard Tracey (AM):** That it wants to go, rather than you want it to go.

**Isabel Dedring (Deputy Mayor for Transport):** Quite. Two things, I do not underestimate the challenge. It is a huge organisation. It has got a lot to do. Even Londoners who get the computer says no letter understand that there is 27 million trips a day in this city and it is a huge task keeping that system up and running. It is understandable that sometimes the tanker is shedding things off the side because it has to carry on moving in a certain direction.

The key thing for me is staying focused on a few small handful of issues and then focusing on those things and not getting distracted. In those cases we can certainly improve how we communicate on a number of those issues and, in the process, also improve what we are doing. I hope that people will be able to see a difference over a shortish time period of, say, nine to 12 months. That is the difficulty. I am quite confident that we can get things moving and there are already a number of areas where I am very happy with the progress that we have made but the person out on the street will not necessarily yet see that. We are moving in the right direction. Hopefully we can have an impact that people can see in the short term because transport is absolutely essential to people's quality of life. I spend an hour travelling into work and then back again, so two hours total. That is a big chunk of my waking hours. That needs to be, broadly speaking, a good experience. It is more than about transport; it is about people's quality of life living in this city.

I fully appreciate the issues that you are raising. So far the working relationship with TfL has been surprisingly good because I have been quite clear about some of the things that we need to see some improvement on. We are broadly on the same page. Our working relationship has been quite good so far.

One of the challenges is how do you push people down a road, or collectively go down a road, and both stay on the same page and agree with each other but, at the same time, make some forward movement as far as I am concerned. So far so good. The key thing is that people see a difference and that is the big challenge, in the timeframe.

**Valerie Shawcross (Deputy Chair):** A couple of positioning questions. Who reports to who? Does Daniel Moylan report to you then or do you report to him?

**Isabel Dedring (Deputy Mayor for Transport):** I report to the Mayor. I do not know, as Deputy Chair, I guess he reports to the Mayor as the Chair of TfL. Our working relationship is very good. It always has been. I have oversight over all transport issues across the whole portfolio from this building. As Deputy Chair of TfL, even statutorily, he will want to have an oversight of everything that TfL is doing --

**Valerie Shawcross (Deputy Chair):** So if there was a conflict of view on a particular issue, whose view would take precedence?

**Isabel Dedring (Deputy Mayor for Transport):** So far there have been no conflicts of interest or view or whatever.

**Valerie Shawcross (Deputy Chair):** So the Mayor would sort out the --

**Isabel Dedring (Deputy Mayor for Transport):** So far we just talk to each other and we resolve things. We tend to get on very well because we --

**Valerie Shawcross (Deputy Chair):** In your relationship sometimes there will be a different policy or technical view. What would you do?

**Isabel Dedring (Deputy Mayor for Transport):** Hard to say because it has not come up really.

**Valerie Shawcross (Deputy Chair):** We have talked about this. You are a political appointee as an adviser and you are Deputy Mayor. Technically you are still on the staff of TfL on secondment?

**Isabel Dedring (Deputy Mayor for Transport):** Yes, that has been the case since I came across to City Hall.

**Valerie Shawcross (Deputy Chair):** So who is your boss?

**Isabel Dedring (Deputy Mayor for Transport):** The Mayor is my boss.

**Valerie Shawcross (Deputy Chair):** The Mayor is your boss. Is it going to be resolved then, this issue of your employment?

**Isabel Dedring (Deputy Mayor for Transport):** It is longstanding. It has been a matter of public record for a while. It is on the website.

**Valerie Shawcross (Deputy Chair):** Yes, sure. Is it going to be sorted do you think?

**Isabel Dedring (Deputy Mayor for Transport):** It has just been that way forever. That is the nature of my contract.

**Valerie Shawcross (Deputy Chair):** It is a bit messy.

**Isabel Dedring (Deputy Mayor for Transport):** Yes. It is not ideal. Funnily enough the original reason for doing it was to make sure that I could start and get into post quickly because I was one of the last people appointed, in October 2008, to the environment portfolio. It was all for ease and convenience. Maybe if we did that again we might have done it differently.

The one thing I would say is it has never been an issue. On the environment portfolio a lot of the things that I did dealt with TfL and it has always been --

**Valerie Shawcross (Deputy Chair):** I am not saying it is your fault either. I just can see, when everything is going well, then these things do not matter but if there is ever a crunch point then --

**Isabel Dedring (Deputy Mayor for Transport):** If I was not effective or doing my job that is something that might come up but, hopefully, that will not be an issue.

**Valerie Shawcross (Deputy Chair):** Thank you.

**Caroline Pidgeon (Chair):** Thank you very much indeed, Isabel, for coming before the Committee this morning and we look forward to working very closely with you over the next year or so.