

EDITED PRESS RELEASES

TRANSPORT FOR LONDON / LONDON UNDERGROUND

TfL AGREES £1BN LOAN FOR CROSSRAIL FROM EUROPEAN INVESTMENT BANK

September 2009

The Crossrail project received a major boost today as Transport for London (TfL) announced that it has agreed a £1bn loan with the European Investment Bank (EIB) to finance part of their contribution to Europe's largest construction project. For the European Investment Bank (EIB) to agree to the loan facility provides international recognition of Crossrail's importance and is a further milestone in the delivery of the project.

The first construction work for Crossrail began on 15 May at Canary Wharf. Demolition works are continuing at Tottenham Court Road to enable a major redevelopment of the station and tunnel boring machines will be launched in 2011. The major Programme Partner and Project Delivery Partner contracts that will oversee the delivery of Crossrail were awarded earlier this year and more than half the design contracts have now been let.

MIKE BROWN NAMED AS NEW MANAGING DIRECTOR OF LONDON UNDERGROUND

14 September 2009

Transport Commissioner, Peter Hendy today announced that Mike Brown will be the new Managing Director of London Underground (LU), taking over from Tim O'Toole. Mike Brown returns to LU in early 2010, having previously been its Chief Operating Officer. In 2008, he joined BAA with responsibility for running Heathrow Airport. His focus at the airport has been to improve performance and reduce costs while a multi billion pound rebuilding programme was underway.

TEN RAIL STATIONS TO BE MANAGED BY TRANSPORT FOR LONDON

15 September 2009

Transport for London's London Overground operation is taking over ten stations between Surrey Quays and West Croydon from Sunday 20 September to prepare for the completion of its new East London Line. New Cross Gate, Brockley, Honor Oak Park, Forest Hill, Sydenham, Crystal Palace, Penge, West Anerley, Norwood Junction, and West Croydon, will all come under TfL control. Transport for London's management of these stations will bring a host of benefits to passengers as they are brought up to TfL standards. These include the installation of Oyster ticketing and validation gates, a higher level staff presence, longer operating hours and, from Spring 2010 when the East London Line reopens, a more frequent train service.

The changeover is taking place because the new East London Line, which will form part of a revitalised and expanded London Overground network, will run more trains through these stations than Southern Railways, who previously managed them.

The stations will not be used exclusively by London Overground. Southern, whose franchise has recently been renewed by the Department for Transport, will continue to run longer distance services that also call at these stations. The stations will remain the property of Network Rail who will lease them to LOROL, which runs London Overground and is, in turn, managed by TfL.

London Overground and Southern will share the use of the tracks on this section of the network, when London Overground services start to operate between West Croydon and the City next year.

TFL CALLS ON PPP ARBITER TO SET A FAIR PRICE FOR TUBE LINES CONTRACT

23 September 2009

Transport for London today asked the Public Private Partnership (PPP) Arbiter to set a fair price for the works to improve the Jubilee, Northern and Piccadilly lines on behalf of London's fare payers and taxpayers, as London Underground (LU) referred the issue to the PPP Arbiter. Tube Lines responded to LU's Restated Contract Terms, which set the scope of the improvement works, in June this year. Since then, LU and Tube Lines have made good progress on determining this future work programme and in reducing some of their costs. However, Tube Lines' costs remain unacceptably high in some areas.

Tube Lines therefore have two key challenges. First, to deliver promised improvements on time. Second, they must deliver the improvements in a way that is economic and efficient, ensuring value for money for London's fare payers and taxpayers.

THE PPP PERIODIC REVIEW PROCESS:

- The LU referral to the PPP Arbiter is part of the PPP Periodic Review process, which will determine the funding of the upgrade and maintenance of the Jubilee, Northern and Piccadilly (JNP) lines during the Second Period of the PPP contract from mid-2010 to 2017.
- LU provided Tube Lines with Restated Contract Terms, which set the scope of the track, trains, station and signalling improvements required, at the end of December 2008. Tube Lines responded to LU at the end of June, but with a price significantly in excess of LU's £4.2bn evaluation and which was also much higher than the price indicated by the PPP Arbiter in his guidance undertaken last year (see below).
- Since then, Tube Lines' costs have come down, but their price remains unacceptably high and does not represent value for money. As a result, LU has today made a referral to the Arbiter who will conduct an independent review and provide his determination on price and other questions relevant to the process.
- At LU's request, the PPP Arbiter provided initial guidance on the likely costs of the JNP Second Period works last September. At that time, the Arbiter's view was that "costs are likely to be in the range of £5.1-5.5 billion for the second 7½ years of the contract". However, he also made clear that "It is vital, therefore, that lessons are learned from the work that has been undertaken".
- Since then, LU has taken a number of sensible steps to change the scope of work, in many instances with Tube Lines' agreement. The changes in scope retain the necessary maintenance and renewal of track, train, station and signals which deliver the improvements in Tube capacity and reliability London desperately needs. This work has significantly reduced LU's costs, which is reflected in the current £4.2bn evaluation. In responding to LU's Restated Contract Terms, Tube Lines has not taken the same approach. It is vital that the Arbiter recognises the work undertaken by LU on changes in scope and

reductions in cost to make the right determination on price for London's fare payers and taxpayers.

- It is anticipated that the Arbiter will publish his draft conclusion on second period costs in December 2009.

TfL's LOST PROPERTY OFFICE CELEBRATES 75 YEARS

29 September 2009

Transport for London's Lost Property Office (LPO), one of the largest lost property offices in the UK, is this year celebrating 75 years of service. The LPO handles almost 200,000 items a year left behind on buses, London Underground, London Overground, DLR, licensed taxis or in the Victoria Coach Station. Last year the most commonly forgotten objects were books (36,852), bags (28,550) and items of clothing (27,174).

Over the last 75 years, the LPO has seen more than its fair share of unusual items too – a stuffed puffer fish, human skulls, breast implants and a lawnmower are just a few of the stranger items handed in.

Located on Baker Street, the LPO takes pride in its link to its famous fictional neighbour Sherlock Holmes, even naming the computer system staff use to log all lost items 'Sherlock'.

Staff at the LPO use their own detective skills to try and reunite lost property with its rightful owner, directly contacting them if any form of identification is found with the object. There have been occasions where staff have gone a step further to return items, managing to track down the next of kin for two urns of ashes that had been in the LPO for years even though there were just a few words written on the urns.