

# Statement to Parliament: Annual update on Crossrail 2017

I am pleased to report that earlier this month, the first new Class 345 train entered passenger service on the TfL rail line between Shenfield and Liverpool Street. Although the trains were due to enter service in May 2017 some of the testing, assurance and approvals took a little longer than originally expected. The successful introduction of the train marked the first stage of the 5 staged Crossrail opening strategy. The service will be named the Elizabeth line when the central section opens in central London from December 2018.

Stage 2 of the Crossrail opening strategy which will see TfL rail services operating with the new trains between Heathrow Terminals 2, 3 and 4 and Paddington (high level station), is due to start from May 2018. A major step forward in delivering this new service was the installation of new digital signalling in the Heathrow tunnels in April 2017. Testing and commissioning of the new signalling system is now underway, ahead of the new trains commencing testing later this year.

I am pleased to report the Crossrail project's health and safety indicators demonstrate strong performance over the year with all the key indicators exceeding the corporate objectives for the year 2016 to 2017.

In the past year significant progress has been made across the project. The Crossrail programme is approaching 85% complete. In the central tunnel section all platforms have now been completed, track installation is over 90% complete, power and ventilation installation have reached 70% and 30% complete respectively, and installation of platform edge screen doors has commenced at Bond Street and London Paddington. Architectural finishes are being applied and escalator and lift installation has commenced across the central stations. Testing of the new central section infrastructure and systems will commence by the end of 2017, with the new central section stations being completed during 2018.

The critical works for the stabling facility at Ilford depot was completed in May 2017, to support the introduction of new trains into passenger service. Further work at Ilford depot to support stage 4 (Paddington to Shenfield) opening continues and is expected to be delivered by May 2019. Works continue at Old Oak Common depot to support stages 2 and 3 (Paddington to Abbey Wood).

Major surface works were delivered by Network Rail on the existing rail network this year. During the Christmas 2016 blockade an unprecedented level of works were successfully delivered on the Great Western and Anglia railways. These works included the entry into service of the new Acton Dive Under and the Stockley Flyover, both of which will improve capacity and reliability between Heathrow and Paddington. Christmas 2016 also saw the start of the remodelling of tracks at Shenfield, which was completed during May 2017.

Manufacturing of the new trains is progressing. Trains will be progressively introduced over the next few months, with 11 in service by autumn, replacing just over half the existing train fleet. In preparation for the operation of the Elizabeth line services a purpose built facility has been commissioned to simulate the operation of passenger services and ensure key components and software are tested. The Crossrail integration facility is an essential element to support the next stages and success of the Crossrail opening strategy.

Training of the new operations workforce is well underway. Drivers are familiarising themselves with the new trains and route. There are now circa 700 apprentices who have gained experience across the project. Crossrail's purpose built training facility, the Tunnelling and Underground Construction Academy has now become part of Transport for London and will continue to offer apprenticeships and training to support the next generation of skills for rail and tunnelling projects.

The Crossrail Board forecast that the cost of constructing Crossrail will be within the overall £14.8 billion funding envelope (excluding rolling stock costs). Cost pressures are increasing across the project and Crossrail Ltd is identifying and implementing initiatives to deliver cost efficiencies until completion in 2019. Crossrail's joint sponsors (Department for Transport and Transport for London) will continue to meet regularly with Crossrail Ltd to ensure that the project is being effectively managed and will be delivered within funding and on schedule.

During the passage of the Crossrail Bill through Parliament, a commitment was given that a statement would be published at least every 12 months until the completion of the construction of Crossrail, setting out information about the project's funding and finances.

In line with this commitment, this statement comes within 12 months of the last one, which was published on 30 June 2016. The relevant information is as follows:

Total funding amounts provided to Crossrail Limited by the Department for Transport and TfL in relation to the construction of Crossrail to the end of the period (22 July 2008 to 29 May 2017)	£10,860,539,046
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Expenditure incurred (including committed land and property spend not yet paid out) by Crossrail Limited in relation to the construction of Crossrail in the period (30 May 2016 to 29 May 2017) (excluding recoverable VAT on land and property purchases)	£1,636,471,000
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Total expenditure incurred (including committed land and property spend not yet paid out) by Crossrail Limited in relation to the construction of Crossrail to the end of the period (22 July 2008 to 29 May 2017) (excluding recoverable VAT on land and property purchases)	£10,886,978,000
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The Amounts realised by the disposal of any land or property for the purposes of the construction of Crossrail by the Secretary of State, TfL or Crossrail Limited in the period covered by the statement. Nil

The numbers above are drawn from Crossrail Limited's books of account and have been prepared on a consistent basis with the update provided last year. The figure for expenditure incurred includes monies already paid out in relevant period, including committed land and property expenditure where this has not yet been paid. It does not include future expenditure on construction contracts that have been awarded.

Crossrail's opening strategy introduces services in 5 phases to gradually increase the number of services. The phases are:

- May 2017 – the new rolling stock is introduced on existing suburban services between Liverpool Street and Shenfield
- May 2018 – the Heathrow Connect service will cease and Crossrail will operate a stopping service between Heathrow Terminal 4 and Paddington high level which from this date will double in frequency to 4 trains per hour
- December 2018 – Crossrail services commence in the central tunnel section between Paddington low level and Abbey Wood
- May 2019 – Crossrail services commence between Paddington low level to destinations on the Great Eastern route (Shenfield)
- December 2019 – full Crossrail services between Reading, Heathrow and Paddington in the west to Shenfield and Abbey Wood in the east

The total funding amounts provided to Crossrail Ltd by the Department of Transport and Transport for London refers to the expenditure drawn down from the sponsor funding account in the period 22 July 2008 and 29 May 2017. Included within the amount is £642,959,962 of interim funding that has been provided to Network Rail to finance the delivery of the on-network works. This amount is due to be repaid to Crossrail Ltd by 30 September 2017.