

Statement to Parliament: Annual update on Crossrail 2018

It has been another productive year for the Crossrail project with a number of key milestones achieved and progress made across all areas. The programme is now 93% complete and is entering the critical testing and commissioning stage.

In May as part of the second stage of the Crossrail opening strategy, TfL Rail took over operation of the former Heathrow Connect service to Heathrow Airport as well as some local services between Paddington and Hayes & Harlington. This builds on the introduction of new Class 345 trains on the Liverpool Street to Shenfield route in June 2017. Fifteen of the new trains are now in regular service.

All core track work was completed last summer, which enabled the first Elizabeth line train to make its maiden voyage through the central tunnels in February this year. The new Abbey Wood station opened to existing rail passengers, and the construction and fit-out of the other new Elizabeth Line stations continues to progress with the installation of lifts and escalators and completion of architectural finishes. The Department for Transport and Transport for London (TfL) – the joint sponsors of the project – continue to work with Crossrail Limited to ensure operational readiness in advance of the opening of the Elizabeth Line.

As reported in the [update to Parliament last year](#), cost pressures have increased across the project. Both the department and TfL remain committed to the successful delivery of this project and have agreed an overall funding envelope for delivery of the project of £15.4 billion. This will enable the completion of the project at a cost lower than planned under the last Labour government. The anticipated cost of the project was previously estimated at £15.9 billion in 2007 and increased to £17.8 billion in 2009, before the Coalition Government took steps to bring down the costs following the June 2010 Comprehensive Spending Review.

The additional funding is being provided to both Crossrail Limited and Network Rail. £300 million is being made available to Crossrail Limited, with the Department for Transport and TfL contributing £150 million each.

Around £290 million is being provided for completion of the programme of works on the national rail network, and is being funded by the Department for Transport and Network Rail. It remains the case that over 60% of the project's funding has been provided by Londoners and London businesses.

Further details on Crossrail Limited's funding and finances in the period to 29 May 2018 are set out in the table below.

This year, the Crossrail project's health and safety indicators have remained industry leading, with a strong performance demonstrated throughout the year

with all the key indicators exceeding the corporate objectives for the year 2017/18.

Network Rail have also delivered a significant programme of Crossrail related surface works, successfully connecting the existing rail network with the Elizabeth Line tunnels at Pudding Mill Lane, Plumstead and Westbourne Park. They have also completed the largest and most complex signalling upgrade ever undertaken by Network Rail on the approach into Paddington on one of the busiest stretches of railway in the country.

There have been planned changes in the leadership and governance of the project as we approach the final stages of delivery. I would like to take this opportunity to thank Andrew Wolstenholme for his work in progressing the programme and acting as a champion for Crossrail during his time as Chief Executive. He has been succeeded by Simon Wright as Chief Executive and Programme Director. Crossrail Limited's Board has been restructured to keep the management of the programme efficient and cost effective while maintaining the people and structure necessary to deliver the railway through to full opening. As part of this, both the department and TfL have appointed new non-executive directors to the Crossrail board to provide increased scrutiny and assist in the transition of the project as it enters its final stages.

As with all projects of this nature, there have been a number of engineering and technical challenges that have already been surmounted in order to build the first new railway for a generation, and there will continue to be challenges right up until the final completion of the project.

The new railway will transform travel in, to, and across London, with the positive economic benefits being felt across the country. Its legacy will continue to support many thousands of jobs, over 1000 apprenticeships and a supply chain that is spread across the length and breadth of the UK.

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

The relevant information is as follows.

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.

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 2018) £11,713,723,131

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 2017 to 29 May 2018) (excluding recoverable VAT on Land and Property purchases) £1,619,238,000

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 2018) (excluding recoverable VAT on land and property purchases) £12,506,215,837

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. £18,462,238