

Date: 24 September 2014

Item 10: **The Openness of Local Government Bodies Regulations  
2014**

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**This paper will be considered in public**

**1 Summary**

The purpose of this paper is to provide an update on The Openness of Local Government Bodies Regulations 2014 and to request that the Board approve consequential amendments to Standing Orders.

**2 Recommendation**

- 2.1 **That the Board note the update on The Openness of Local Government Bodies Regulations 2014 and approve the amendments to Standing Orders, as set out in Appendix 1 to this paper.**

**3 Background**

- 3.1 At its meeting on 26 March 2014, the Board noted the Government's intention to introduce Regulations requiring local government bodies (explicitly including TfL) to permit the filming and reporting of public meetings and to record and publish information on delegated decisions. The Regulations were made on 5 August and came into force on 6 August 2014.
- 3.2 The sections of TfL Board meetings held in public are already filmed and webcasts are available on the GLA website. Standing Orders were amended, with effect from 1 April 2014, to take account of the provisions on filming and reporting of meetings by the public. They now permit anyone to attend meetings for the purposes of reporting and permit any persons with the aim of reporting to use any communication methods, including the internet, to publish, post or otherwise share the results of their reporting activities, during or after the meeting. The front page of the agenda for meetings of the Board now includes a hyperlink to the Mayor's Webcasts and all Board, Committee and Panel agendas will include a hyperlink to the DCLG's "A guide for the press and public on attending and reporting meetings of local government".
- 3.3 The Regulations also require the publication of a record of all decisions which would normally be reserved to the Board or a Committee, which the Board (or any of its Committees), delegates on an ad hoc basis to the Chair (or other Member) or to a TfL officer. Such decisions are referred to in the Regulations as being taken under a "specific authorisation". The Regulations require no change or further reporting requirement beyond TfL's current practice of reporting any exercise of specific authorisation to the next available meeting and its inclusion in

any report from a Committee to the Board. The Matters Arising Item on the Board agenda now includes an additional appendix, as appropriate, specifying when authority delegated by the Board has been exercised. Delegated authority ancillary to a decision, for example authority to finalise the wording of agreements related to a contract awarded by the Board, are not subject to the Regulations.

- 3.4 In addition to a specific authorisation, the Regulations require the recording and publication of four categories of decisions delegated to officers pursuant to a “general authorisation” (namely on an ongoing basis as set out in Standing Orders). The categories of decision are: those that affect the rights of individuals; those that have the effect of granting a permission or licence; and those that incur expenditure or award a contract that materially affects TfL’s financial position.
- 3.5 For all relevant delegated decisions, the Regulations require that TfL:
- (a) create a written record, by the decision making officer, as soon as reasonably practicable after the decision has been made, containing the date the decision was taken, reasons for it, details of alternative options, if any, and the names of any member who has declared a conflict of interest in relation to the decision;
  - (b) make the written record, together with any background papers, available for inspection by the public (in person) and [tfl.gov.uk](http://tfl.gov.uk), and by such other means as TfL considers appropriate;
  - (c) ensure the record is available for inspection for six years, and the background papers for four years.
- 3.6 The duty to create a record will not apply where there is already another statutory requirement to produce a written record of a delegated decision and the date it was taken.
- 3.7 A criminal offence is committed by a person who has custody of a record of a decision if, without reasonable excuse, they intentionally obstruct anyone exercising the right to inspect the record and background papers or refuse a request to provide them.
- 3.8 The Regulations do not require the disclosure of confidential information (defined as information received from a government department on terms which forbid its disclosure or information the disclosure of which is prohibited by or under any legislation or court order) or information which is exempt from disclosure under the Local Government Act 1972 (principally, information which is personal data, commercially or financially sensitive (including about TfL), legally privileged, or which concerns the prevention, investigation or prosecution of a crime, in each case subject to the public interest being in favour of withholding it).
- 3.9 The Government has published guidance on the Regulations, for the media and members of the public, and TfL contributed to the drafting of this at the invitation of the Department for Communities and Local Government (DCLG). This has clarified the type of decisions within the scope of the Regulations to some extent.

## **4 Implementation**

- 4.1 Appendix 1 shows (as tracked changes) the further amendments to Standing Orders that are required to reflect the provisions on the recording and publishing of delegated decisions. The changes are in Standing Orders 99(m), 110, 123, 124, 127, 130-134 and 138-140. As explained above, the Regulations make a distinction between decisions taken pursuant to an ad hoc, specific authorisation (all such decisions must be recorded and published) and those taken under a general authorisation (where those in the four categories must be recorded and published). Typographical corrections are also tracked to Standing Orders 25(b) and 99(e).
- 4.2 The proposed amendments to Standing Orders align their terminology to the Regulations, to ensure consistency. For example, Standing Orders currently refer to “specific delegations” but for the purposes of the Regulations these would be treated as decisions delegated pursuant to a general authorisation and would only have to be recorded and published if they fall within one of the four categories. This could be confusing for members of the public and an amendment to Standing Orders will make the position clearer.
- 4.3 The Regulations will be applied to relevant decisions taken across all of TfL and its subsidiaries. The categories of decisions referred to in the Regulations are broad, particularly decisions which ‘affect the rights of an individual’, but the DCLG’s guidance envisages a pragmatic approach (excluding, for instance, many operational decisions on fares and ticketing, service provision or penalty charge notices. Decisions on HR matters or on the application of the Freedom of Information Act are also not within scope). Examples of decisions which the DCLG does consider may be covered include a decision to carry out major road works and notices and decisions relating to compulsory purchase orders.
- 4.4 TfL already publishes a significant amount of material in relation to the award of contracts in accordance with transparency requirements and best practice. For the purposes of the specific requirements of the Regulations, it is proposed to set the materiality threshold for decisions to award a contract or incur expenditure at £200m, in line with the figure regarded as material by the external auditors. Approval forms for expenditure or contract awards above this level will be adjusted to ensure they capture the information required by the Regulations and are suitable for publication.
- 4.5 In recording and publishing decisions that have the effect of granting a permission or a licence, TfL intends to focus on property-related matters, highway licences and consents, IPR licensing and taxi and private hire licensing where arrangements are being made to comply with the Regulations.

## **5 Financial Implications**

- 5.1 The cost of compliance with the Regulations will be met from existing budgets.

**List of appendices to this report:**

Appendix 1: Amended Standing Orders (tracked)

**List of Background Papers:**

The Openness of Local Government Bodies Regulations 2014 and Guidance Board paper – 26 March 2014: Revision to Standing Orders

Contact Officer: Howard Carter, General Counsel  
Number: 020 3054 7832  
Email: [HowardCarter@tfl.gov.uk](mailto:HowardCarter@tfl.gov.uk)

# Transport for London

## Standing Orders

From 1 ~~April-October~~ 2014 (Last updated: ~~26-March-24-September~~ 2014)

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## Interpretation

1. The Standing Orders apply to the TfL Group.
2. The Commissioner, acting on advice from the General Counsel, will determine the final interpretation of any of the provisions of the Standing Orders.
3. In the Standing Orders, the following applies:
  - (a) Words and phrases shall have the meanings set out in the Glossary.
  - (b) References to signatures or signing include the use of electronic signatures provided they are produced in accordance with procedures issued by the General Counsel.
  - (c) Where authority, responsibility or a specific right is given to a named position, the same authority, responsibility or right applies to any person acting in place of that named position.
  - (d) In order for any authority, responsibility or a specific right to be validly given, or any constraint to be validly imposed, using the authority of this Standing Order, it must be in writing and in accordance with any applicable financial procedures issued by the MD Finance.
  - (e) Any amount stated includes all amounts up to and including that stated amount.
  - (f) All amounts stated are exclusive of Value Added Tax.
  - (g) All transactions must be expressed to be governed by English law unless otherwise agreed by the General Counsel or the Director of Legal.
  - (h) A document required to be open for inspection in the Standing Orders shall be so open at all reasonable hours and:
    - i. in the case of a document open to inspection under standing order 56, upon payment of such reasonable fee as may be required for the facility; and
    - ii. in any other case, without payment.
  - (i) Where a document is open to inspection by a person under the Standing Orders, the person may:
    - i. make copies of all or part of the document; or
    - ii. require the person having custody of the document to supply to him a photographic copy of or extracts from the document,

upon payment of such reasonable fee as may be required for the facility.

- (j) References to Committees in the Standing Orders will apply to any Sub-Committees established by the Board or a Committee from time to time as if that Sub-Committee was a Committee.

## **Part 1: Decision-Making Structure and Proceedings**

### **Membership**

4. TfL shall consist of not less than eight nor more than 17 Members all of whom shall be appointed by the Mayor. If the Mayor chooses to be a Member of TfL he shall appoint not less than seven nor more than 16 other Members.
5. In appointing Members, the Mayor shall have regard to the desirability of ensuring that the Members have between them experience in the following:
  - (a) transport (including in particular the impact of transport on business and the environment);
  - (b) finance and commerce;
  - (c) national and local government;
  - (d) the management of organisations; and
  - (e) the organisation of trade unions or matters relating to workers generally.
6. In addition, the Mayor must ensure that at least two Members are able to represent the interests of the persons living, working and studying in areas outside Greater London that are served by railway passenger services in respect of which TfL carries out functions or is likely to do so.
7. A list of Members will be kept by the General Counsel and will be publicly available.
8. Membership will cease when a Member:
  - (a) has reached the end of his or her appointed term;
  - (b) is removed from office by a written notice from the Mayor; or
  - (c) resigns by written notice given to the General Counsel.
9. As soon as reasonably practicable the Board will be notified of a Member's:
  - (a) appointment or re-appointment;
  - (b) removal from office; or
  - (c) resignation.

### **Chair/Deputy Chair**

10. When the Mayor is a Member the Mayor is the Chair. When the Mayor is not a Member the Mayor is required to designate a Member to be the



Chair. In either case the Mayor must designate a Member to be the Deputy Chair.

11. In the absence of the Chair, the Deputy Chair will chair Meetings and otherwise act on behalf of the Chair in respect of all requirements of the Standing Orders. When neither the Chair nor the Deputy Chair is present at a Meeting, those Members present will elect a person to chair the Meeting from amongst themselves.

**Secretary**

12. The Secretary will be the General Counsel. The General Counsel may appoint one or more assistant secretaries to carry out or facilitate the tasks of the Secretary.
13. The General Counsel is the nominated Officer for receipt of the Mayor's guidance, directions or delegations and will notify such guidance, directions or delegations:
  - (a) to Members at a Meeting as soon as reasonably practicable or individually to Members sooner, if appropriate; and
  - (b) to the Commissioner and such other Officers as the General Counsel considers appropriate.
14. The General Counsel shall ensure that there will be kept at TfL's Head Office a written summary of the rights:
  - (a) to attend Meetings of TfL and of Committees of TfL; and
  - (b) to inspect and copy documents and to be furnished with documents,which are for the time being conferred by Part 5A of the Local Government Act 1972 and such other relevant legislation.
15. The list maintained under standing order 7, the list maintained under standing order 113 and the summary kept under standing order 14 shall be open for inspection by the public at TfL's Head Office.

**Quorum**

16. No business may be transacted at a Meeting unless a Quorum is present.
17. The Quorum in relation to any resolution is four Members who are entitled to vote.
18. Members participating in a Meeting by way of telephone or video conferencing facilities count towards the Quorum provided they are entitled to vote.

**Attendance by Officers**

19. Unless the Board decides otherwise the following persons, or their designated representatives, will be present at Meetings to provide advice:
  - (a) the Commissioner;
  - (b) the General Counsel;
  - (c) the MD Finance; and
  - (d) the Chief Finance Officer.
20. With the Commissioner's agreement other Officers may attend all or any part of a Meeting to provide advice.

**Attendance by the public**

21. A Meeting shall be open to the public except to the extent that they are excluded under standing order 22 or by resolution under standing order 23.
22. The public shall be excluded from a Meeting during an item of business whenever it is likely in the opinion of the Chair, that in view of the nature of the business to be transacted or the nature of the proceedings, if members of the public were present during that item, confidential information would be disclosed to them in breach of the obligations of confidence.
23. TfL may by resolution exclude the public from a Meeting during an item of business whenever it is likely, in the opinion of the Chair, that in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during that item there would be disclosure to them of Exempt Information.
24. A resolution under standing order 23 shall:
  - (a) identify the proceedings, or the part of the proceedings, to which it applies; and
  - (b) state the description, in terms of the definition of the Exempt Information giving rise to the exclusion of the public,and where such a resolution is passed, the Meeting is not required to be open to the public during proceedings to which the resolution applies.
25. When a Meeting is open to the public:
  - (a) TfL does not have the power to exclude members of the public from the Meeting except to suppress or prevent disorderly conduct or other misbehaviour at the Meeting;

- (b) TfL shall allow any person to attend the Meeting for the purposes of reporting and allow any persons with the aim ~~of~~ reporting to use any communication methods, including the internet, to publish, post or otherwise share the results of their reporting activities, during or after the meeting; and
- (c) duly accredited representatives of newspapers attending the Meeting for the purpose of reporting the proceedings for those newspapers shall, so far as practicable, be afforded reasonable facilities for taking their report and, unless the Meeting is held in premises not belonging to TfL or not on the telephone, for telephoning the report at their own expense.

**Meetings held by telephone or video conferencing facilities**

- 26. With the agreement of the Commissioner before the Meeting, or the Chair at the Meeting, Members may participate in a Meeting by telephone or by the use of video conferencing facilities provided that:
  - (a) all Members present at the Meeting can hear each other and, in relation to public Meetings, can be heard by the public; and
  - (b) all Members can effectively participate in the proceedings or alternative arrangements can be made where a Member cannot participate in this way by reason of a disability.

**Calling, frequency and notification of Meetings**

- 27. Public notice of the time and place of the Meeting shall be given by posting it at TfL's Head Office and, if the Meeting is to be held at premises other than those offices, at those premises, at least five clear working days before the Meeting or, if the Meeting is convened at shorter notice, then at the time it is convened.
- 28. All ordinary Meetings will:
  - (a) be called by the General Counsel;
  - (b) have at least 10 working days' notice given before the Meeting date; and
  - (c) be held at least six times a year or at such greater frequency as determined by the General Counsel in consultation with the Commissioner.
- 29. A special Meeting may be called at any time by:
  - (a) the Chair;
  - (b) the Chair of either the Audit and Assurance Committee or the Finance and Policy Committee;

- (c) the General Counsel, in consultation with the Commissioner; or
  - (d) written requisition in accordance with standing order 32.
30. A special Meeting must be called by the General Counsel after receipt of a written requisition that specifies the item(s) to be considered, submitted to the General Counsel by at least four Members. A written requisition can consist of one or more documents. In the latter case the receipt of a document that brings the total number of Members requisitioning a special Meeting to at least four will trigger the requirement for the General Counsel to call a special Meeting.
31. Subject to standing order 32, the notice period for a special Meeting will be determined by the General Counsel, in consultation with the Commissioner, and must be as long a period as is practicable.
32. A special Meeting requested by a written requisition to the General Counsel under standing order 31 must be held within 10 working days of receipt of the requisition by the General Counsel.
33. Where practicable the General Counsel must notify all Members of the time and place of any Meeting and provide the agenda and any papers for the Meeting to all Members.

**Agenda**

34. With the agreement of the Commissioner, in consultation with the Chair, any Member may place items on the agenda of an ordinary Meeting by submitting written notice of such items to the General Counsel at least 10 working days before the Meeting.
35. With the agreement of the Commissioner, in consultation with the Chair, any Member may place items on the agenda of a special Meeting by submitting written notice of such items to the General Counsel as soon as practicable after notification of the Meeting. However the Commissioner's agreement is not required for items to be placed on the agenda of a special Meeting called under standing order 30 provided they were specified in the requisition to the General Counsel.
36. An item of business may not be considered at a Meeting unless either:
- (a) a copy of the agenda including the item (or a copy of the item) is open to inspection by members of the public in accordance with standing order 41 below; or
  - (b) by reason of special circumstances, which shall be specified in the minutes, the Chair is of the opinion that the item should be considered at the Meeting as a matter of urgency.

37. Agenda items which are not considered at a Meeting will be carried forward for consideration at the next ordinary Meeting, unless considered at a special Meeting.

**Distribution of papers**

38. Agendas and papers may be distributed by electronic means where appropriate.
39. The agenda and papers for a Meeting, including those provided by electronic means, will be deemed to have been received on the day after they were sent.
40. Provided that the agenda and/or papers for a Meeting have been dispatched in accordance with the Standing Orders, or by an alternative method specified by the General Counsel, their non-receipt by any Member shall not invalidate the business transacted at that Meeting.

**Availability of agendas and papers**

41. Copies of the agenda or any report for a Meeting (subject to standing order 47) shall be open to inspection by members of the public at TfL's Head Office in accordance with standing order 42.
42. Any document which is required by standing order 41 to be open to inspection shall be so open at least five clear working days before the Meeting, except that:
- (a) where the Meeting is convened at shorter notice, the copies of the agenda and reports shall be open to inspection from the time the Meeting is convened; and
  - (b) where an item is added to an agenda, copies of which are open to inspection by the public, copies of the item (or of the revised agenda) and copies of any report for the Meeting relating to the item, shall be open to inspection from the time the item is added to the agenda,
- however, copies of any agenda, item or report shall not be open for inspection by the public until copies are available to Members.
43. If copies of the whole or part of a report for a Meeting are open to inspection by members of the public:
- (a) those copies shall each include a copy of a list, compiled by the General Counsel, of the background papers for the report or the part of the report; and
  - (b) at least one copy of each of the documents included in that list shall also be open to inspection at TfL's Head Office.

44. Background papers for a report are those documents relating to the subject matter which:
- (a) disclose any facts or matters on which, in the opinion of the General Counsel, the report or an important part of the report is based; and
  - (b) has, in the opinion of General Counsel, been relied on to a material extent in preparing the report,
- but does not include any published works.
45. Where a copy of any background paper for a report is required to be open for inspection by members of the public, the copy shall be taken to be so open if arrangements exist for its production to members of the public as soon as is reasonably practicable after the making of a request to inspect the copy.
46. Nothing in standing order 45:
- (a) requires any document which discloses Exempt Information to be included in the list referred to in standing order 43; or
  - (b) requires or authorises the inclusion in the list of any document which, if open to inspection by the public, would disclose Confidential Information..
47. The General Counsel shall exclude from the copies of reports provided under standing order 43, the whole or part of any report which contains Confidential Information and may exclude from the copies of reports provided under standing order 43, the whole or part of any report which, in the opinion of the General Counsel, contains Exempt Information. Any such information shall:
- (a) be marked 'Not for publication'; and
  - (b) shall explain with reference to the definition of Confidential or Exempt Information why the information is not available to the public.
48. Where a Meeting is open to the public, during the proceedings or any part of them there shall be made available for the use of the members of the public present at the Meeting a reasonable number of copies of the agenda and subject to standing order 47, of the reports for the Meeting.
49. Where the Meeting is open to the public, during the proceedings or any part of them there shall, on request and on payment of postage or other necessary charge for the transmission, be supplied for the benefit of any newspaper:

- (a) a copy of the agenda for a Meeting and subject to standing order 47, a copy of each of the reports for the Meeting;
- (b) such further statements or particulars, if any, as are necessary to indicate the nature of the items included in the agenda; and
- (c) if the General Counsel thinks fit in the case of any item, copies of any other documents supplied to Members in connection with the item.

**Voting**

- 50. At any Meeting, decisions may be taken by:
  - (a) common consent of the voting Members;
  - (b) the agreement of more than half of the voting Members present, determined either by oral expression or a show of hands; or
  - (c) a second or casting vote of the Chair if a vote is tied.
- 51. The names and votes of Members voting shall not normally be recorded in the minutes, however:
  - (a) any Member may require that his or her own vote be recorded; and
  - (b) any four Members may require the recording of the names of Members who voted (and how they voted) and the names of Members who abstained.

**Minutes and action lists**

- 52. Minutes shall be kept of all Meetings and shall include the names of the Members present.
- 53. Draft minutes will be agreed with the Commissioner, except for draft minutes of Committees and Advisory Panel Meetings which will be agreed with the relevant Chair. Action lists will be circulated by the General Counsel to Chief Officers and other relevant Officers within 10 working days of a Meeting or as soon as reasonably practicable thereafter.
- 54. The draft minutes of Meetings will be circulated with the agenda for the next ordinary Meeting.
- 55. Minutes of all Meetings shall be signed by either:
  - (a) the Chair of the Meeting to which the minutes relate; or
  - (b) the Chair of any subsequent Meeting at which the minutes are approved as a correct record.

56. As soon as is reasonably practicable after a Meeting, the following documents shall be open to inspection by members of the public at TfL's Head Office until the expiration of the period of six years beginning with the date of the Meeting:
- (a) the minutes, or a copy of the minutes, of the Meeting, excluding any minutes recording parts of the Meeting which were not open to the public to protect disclosure of Exempt Information;
  - (b) where applicable, a summary under standing order 57;
  - (c) a copy of the agenda for the Meeting; and
  - (d) a copy of any report for the Meeting relating to any item discussed while the Meeting was open to the public.
57. Where, in consequence of the exclusion of parts of the minutes which disclose Exempt Information, the document open to inspection under standing order 56(a) above does not provide members of the public with a reasonably fair and coherent record of the whole or part of the proceedings, the General Counsel shall make a written summary of the proceedings or the part as the case may be, which provides such a record without disclosing the Exempt Information.
58. Subject to standing order 45, background papers are to be open for inspection for a period of four years beginning with the date of the Meeting.

**Members' Interests**

59. The General Counsel is appointed as the proper officer under paragraph 13(10) of Schedule 10 to the GLA Act and is required to maintain a register of all Interests disclosed by Members. The register will be made available to the public.
60. If a Member has any Interest (including any Interest recorded on the above mentioned register) in any matter that is brought up for consideration at a Meeting, the Member shall disclose the nature of the Interest to the Meeting.
61. No Member will be excluded from any Meeting where a matter in relation to TfL, including TfL Trustee Company Limited, is being considered, solely on the grounds of a conflict of Interest based on either:
- (a) TfL's role as principal employer of TfL; or
  - (b) that Member's membership of the TfL.



62. Disclosure of an Interest by a Member will be recorded in the minutes and should be made either:
  - (a) at the Meeting; or
  - (b) prior to the Meeting by written notice to the General Counsel.
63. Following disclosure of an Interest by a Member:
  - (a) that Member will not take any part in any deliberation or decision of the Board in relation to any matter to which the Interest relates; and
  - (b) that Member will be excluded from that part of any Meeting at which that matter is under consideration, except where that part of the Meeting is open to the public.
64. Standing order 63 is subject to the Mayor's power under paragraph 13(3) of Schedule 10 to the GLA Act to allow any or all of the affected Members to participate if the number of Members that would be affected is so great a proportion of the whole as to impede the transaction of business.
65. When the Mayor exercises the power referred to in standing order 64, the circumstances in which the Mayor has done so will be recorded in the minutes of the Meeting.

**Reporting by Officers**

66. The following persons will be entitled to report directly to, or raise any matter within their professional jurisdiction with, the Board and/or the Chair:
  - (a) Commissioner;
  - (b) MD Finance;
  - (c) Chief Finance Officer;
  - (d) General Counsel;
  - (e) Director of Internal Audit; and
  - (f) external auditors.
67. The Commissioner will submit a report to each ordinary Meeting.

**Access to advice and documents by Members, Chief Officers and Committees**

68. With the agreement of the Commissioner, legal or other appropriate external advice of a non-personal nature may be obtained by the following persons or Committees:
  - (a) Members;
  - (b) the Audit and Assurance Committee;

- (c) the Finance and Policy Committee;
  - (d) Chief Officers; and
  - (e) the Chief Finance Officer.
69. Where any advice referred to in standing order 68 concerns the Commissioner, the agreement of the General Counsel must be obtained.
70. The advice referred to in standing order 68 must not be that which could be reasonably obtained from within TfL and must relate to a matter reasonably required for the discharge of relevant duties in respect of the Board and/or the Subordinate Bodies.
71. Where any person or Committee seeks advice under standing order 68 they will give written notice, as soon as practicable, to the General Counsel stating:
- (a) that advice has been sought;
  - (b) the subject of that advice;
  - (c) from whom the advice has been sought; and
  - (d) the likely cost of such advice.

### **Subordinate Bodies**

72. In addition to Subsidiary Companies, the Board may establish Committees, Sub-Committees, Panels and other bodies permitted by Schedule 10 to the GLA Act (“Subordinate Bodies”).
73. The Board has established the following Subordinate Bodies as Committees of the Board on a standing basis:
- (a) Audit and Assurance Committee
  - (b) Finance and Policy Committee; and
  - (c) Remuneration Committee.
74. The Board has established the following Subordinate Bodies as Panels on a standing basis to advise and support the work of the Board and its Committees:
- (a) Rail and Underground Panel;
  - (b) Safety, Accessibility and Sustainability Panel; and
  - (c) Surface Transport Panel.
75. The Panels referred to in standing order 74 are advisory and are not Committees of the Board or Sub-Committees of any Committee of the Board.

76. The terms of reference, executive or advisory status, status for the purposes of Part 5A of the Local Government Act 1972 procedure, membership, Chair, Quorum, frequency of meetings, reporting arrangements, and secretarial arrangements of the Subordinate Bodies are set out in the Subordinate Bodies of TfL document.
77. Committees may establish further Subordinate Bodies in a form permitted by Schedule 10 to the GLA Act subject to the approval of, and to any conditions imposed by, the Board.
78. The Board or a Committee shall determine the following in respect of any Subordinate Body it establishes:
  - (a) terms of reference;
  - (b) whether it has an executive or advisory status;
  - (c) its status for the purposes of Part 5A of the Local Government Act 1972;
  - (d) membership;
  - (e) the Chair;
  - (f) Quorum;
  - (g) frequency of meetings;
  - (h) procedural or reporting arrangements; and
  - (i) secretarial arrangements.
79. Where a Committee includes persons who are not Members, those persons may not vote.
80. The provisions of the Standing Orders will apply to Committees except that references to:
  - (a) the Board shall refer to the Committee;
  - (b) Meetings shall refer to meetings of the Committee;
  - (c) the Chair and Deputy Chair shall refer to the Chair and Vice Chair of the Committee;
  - (d) Members shall refer to members of the Committee; and
  - (e) the Secretary shall refer to the Secretary of the Committee.
81. The provisions of the Standing Orders may apply to Panels (to the extent appropriate) as determined by the General Counsel from time to time.
82. The Chair of any Committee (or the Vice Chair in the Chair's absence) may appoint, with the agreement of the Chair of TfL, an additional member or members to that Committee. Any such appointments will be reported to the Board at the next ordinary Meeting.

83. All Members may attend any Committee or Panel Meeting but they may only vote at the Meeting if they are members of the relevant Committee.
84. Any Member may submit a request to the General Counsel to receive the agenda, papers and/or minutes relating to Meetings of any Committees, Sub-Committees and Panels of which he or she is not a Member. The General Counsel shall provide the requested documents to that Member when they are provided to Members of the relevant Committee, Sub-Committee or Panel.

**Amendments to Standing Orders**

85. The General Counsel, or any other Officer nominated by the General Counsel, is authorised to make any amendment to the Standing Orders necessary to reflect:
  - (a) any change in membership of, or advisers to, the Board, Committees or Panels;
  - (b) any change in Postholders or titles or responsibilities of Officers; or
  - (c) any decisions of the Board.

**Members' rights to inspect documents**

86. Subject to standing order 88, and solely for the purposes of exercising his or her functions as a Member, a Member may inspect any document or class of documents in the possession of any part of the TfL Group.
87. A Member wishing to inspect a document or class of documents under standing order 86 must apply to the Commissioner or the General Counsel specifying the reason(s) for wishing to inspect a particular document or class of documents.
88. Standing order 88 shall not extend to documents which are held by TfL in its capacity as administrator of TfLPPF.
89. The Commissioner or the General Counsel, or their nominated representative, may decline to allow inspection of any document or class of documents which:
  - (a) is not considered to be reasonably required for the exercise of the Member's functions as a Member;
  - (b) is, or would be, protected by privilege in the event of legal proceedings, if it is reasonably considered necessary to protect the interests of the TfL Group; or
  - (c) relates to a matter in which the Member has an Interest.

90. If determined appropriate, the inspection and/or copying of a document or class of documents by a Member may be subject to the Member first giving an undertaking, in a form reasonably required by the General Counsel or the Commissioner, as to confidentiality and subject to any other conditions and/or requirements as the General Counsel or the Commissioner may require.
91. A Member must not knowingly apply to inspect, or request a copy of, any document or class of documents relating to a matter in which the Member has any Interest, including any Interest not yet declared.
92. Any document which is in the possession or under the control of TfL and contains material relating to any business to be transacted at a Meeting of TfL or a Committee or Sub-Committee or Panel shall, subject to standing orders 93 and 94, be open for inspection by any Member.
93. Standing order 92 does not require a document to be open to inspection if it appears to the General Counsel to disclose Exempt Information.
94. Standing order 92 does not require a document to be open to inspection if the information contained within the document falls within the exemptions referred to in Part 5A of the Local Government Act 1972.

### **Sealing and execution of documents**

95. The application of the TfL seal will be authenticated by the signature of any one of the following persons:
  - (a) the Commissioner;
  - (b) a Chief Officer;
  - (c) any other Officer or other person specifically or generally authorised by the Board;
  - (d) General Counsel; or
  - (e) any other Officer with the written consent of the General Counsel.
96. Any of the following Officers are authorised, subject to the constraints of the Standing Orders, to sign contracts or other documents on behalf of any part of the TfL Group:
  - (a) the Commissioner;
  - (b) a Chief Officer;
  - (c) General Counsel; or
  - (d) any other Officer with the written consent of a Chief Officer or General Counsel.

## Part 2: Scheme of Delegation

### Matter reserved to the Board for determination

97. The matters within standing orders 98 to 107 are reserved to the Board for determination.

### Strategic guidance

98. Provision of strategic guidance to the Commissioner to facilitate:

- (a) the implementation of the Mayor's Transport Strategy; and
- (b) the provision of safe, efficient, integrated and economic transport facilities and services to, from and within Greater London.

### Approvals

99. Approval of:

- (a) TfL's Business Plan;
- (b) the TfL Group Budget;
- (c) the Annual Statement of Accounts of the TfL Group;
- (d) the Annual Report for the TfL Group;
- (e) Transactions valued over £100m except where otherwise specified under ~~standing~~ standing order 101;
- (f) budgeted Projects valued over £100m and unbudgeted Projects valued over £25m;
- (g) proposals to amend the Standing Orders except for those amendments made in accordance with standing order 85;
- (h) proposals for schemes under the GLA Act for the transfer of any of the following (prior to submission to the Mayor):
  - (i) property, rights and liabilities between TfL and its Subsidiary Companies or between its Subsidiary Companies; or
  - (ii) key system assets;
- (i) proposals to promote or oppose local Bills in Parliament (and approval to obtain the GLA's written consent as required by the GLA Act);
- (j) proposals to make an application for or an objection to an order under the Transport and Works Act 1992 (and approval to obtain the Mayor's written consent as required by the GLA Act);
- (k) proposals to make, amend or revoke:
  - (i) London cab orders, to the extent they prescribe fares for hackney carriages;

- (ii) London taxi sharing scheme orders, to the extent that they prescribe fares for hackney carriages, but in relation to a fixed-fare taxi-sharing scheme, only to the extent that they prescribe a fare in excess of £20, but excluding all such schemes operating on a continuous basis; and
- (iii) regulations under the Private Hire Vehicles (London) Act 1998, to the extent that they prescribe vehicle licence or application fees, driver licence or application fees and operator licence or application fees, but excluding fees for the variation of operator licences;
- (l) proposals to amend vehicle licence or application fees and driver licence or application fees in relation to hackney carriages, excluding test or examination fees;
- (m) proposals to make, amend or revoke any other regulations or byelaws, except for those London cab orders and regulations under the Private Hire Vehicles (London) Act 1998 that are **specifically** delegated to other Officers pursuant to standing orders 130 and 139;
- (n) the principle of making a compulsory purchase order (but not the actual making, withdrawing or amending of any specific order, which is delegated to Officers pursuant to standing order 138);
- (o) proposals to enter into arrangements with one or more local authorities for the joint discharge of functions, including approval of the appointment and terms of reference of any joint committee;
- (p) annually, Prudential Indicators (including the authorised limit for borrowing);
- (q) annually, the Treasury Management Strategy; and
- (r) annually, any borrowing and investment (including derivatives) strategies.

### **Appointments and Removals**

100. Appointment and removal of:

- (a) Members of Subordinate Bodies listed in standing order 73 and 74, except where the procedure set out in standing order 82 is used;
- (b) directors of Subsidiary Companies (but not directors of subsidiaries of those companies (see standing order 120)) provided that the Board will only appoint and remove directors of TfL Trustee Company Limited whose appointment is reserved to TfL under the trust deed and rules of TfLTPF;

- (c) directors of Associate or Joint Venture Companies who are subject to appointment by TfL (but not directors of an Associate or Joint Venture Company within the responsibility of a Subsidiary Company (see standing order 120));
- (d) advisers to Subordinate Bodies, upon the recommendation of the Commissioner; and
- (e) the following Officers:
  - (i) the Commissioner;
  - (ii) the Chief Finance Officer;
  - (iii) the General Counsel; and
  - (iv) the Director of Internal Audit.

**Delegations**

101. Delegation of any of TfL's functions to:

- (a) Subordinate Bodies;
- (b) Members;
- (c) Officers; or
- (d) Subsidiary Companies.

**Subsidiary Companies and Associate or Joint Venture Companies**

102. Formation, dissolution or disposal by TfL or any Subsidiary Company of any:

- (a) Subsidiary Company; or
- (b) Associate or Joint Venture Company.

103. Acquisition or disposal by TfL or any Subsidiary Company of more than 25 per cent of the shareholding of any company.

**Consideration of reports**

104. Consideration of:

- (a) a statutory report, relevant to TfL, from the GLA Monitoring Officer;
- (b) a statutory report from the Chief Finance Officer;
- (c) public interest reports, advisory notices and prohibition notices issued by TfL's external auditors; and
- (d) reports of the Ombudsman where there has been a finding that injustice has been caused in consequence of maladministration.



**Specific policy matters**

105. Establishment and review of the following policies for TfL:

- (a) a Treasury Management Policy Statement (covering both borrowing and cash investment);
- (b) policies regarding the exercise of power to issue guarantees and indemnities associated with guarantees;
- (c) policies regarding the exercise of power to give financial assistance; and
- (d) policies regarding the exercise of power to enter into derivative investments.

**Crossrail Project**

106. The following matters relating to the Crossrail Project:

- (a) Approval of and amendment to the delivery strategy that sets out how CRL intends to deliver the Crossrail Project;
- (b) the provision of any guarantee (or other form of credit support) to CRL that exceeds £100m;
- (c) approval of any change of or amendment to the Sponsor's Requirements and responding to any change to the Sponsor's Requirements requested by any person, including CRL;
- (d) approval of any amendments, variation or modification to or waiver in respect of the Principal Project Documents over £50m;
- (e) any other matter expressly provided for in the Principal Project Documents as requiring the approval of TfL;
- (f) such other matters that are reserved to the Sponsor Board under the Core Agreements or otherwise as TfL and the Secretary of State for Transport agree in writing from time to time;
- (g) whether or not to exercise the TfL put option pursuant to the Core Agreements;
- (h) the acquisition or disposal by CRL (whether in a single transaction or series of transactions) of any business (or any material part of any business) or any shares in any company;
- (i) approval of the appointment of non-executive directors to the CRL Board, including its non-executive Chair, and the Chief Executive Officer of CRL;
- (j) the creation of any encumbrance (such as a mortgage or other security) in respect of any part of CRL's undertaking, property or assets;
- (k) any proposal to wind up CRL (or similar proceedings); and

- (l) any other matter that is a Specified Matter under the Sponsors Agreement and so reserved to the Sponsors, acting through the Sponsor Board.

### Other

- 107. Disposal or transfer of the whole or any part of TfL's or a Subsidiary Company's Undertakings when the number of staff involved exceeds 100.

### Delegation

#### Introduction

- 108. Subject to any express provision contained in the GLA Act or a subsequent Act, the Board may arrange for any of TfL's functions to be discharged on its behalf by:
  - (a) any Committee or Sub-Committee;
  - (b) any wholly owned Subsidiary Company;
  - (c) any Member or Officer; or
  - (d) any body of Members or Officers, or Members and Officers.
- 109. The exercise of any delegated authority conferred by the Board under this Standing Order is subject to:
  - (a) any restrictions imposed by or in accordance with law;
  - (b) the Scheme of Authorities in Part 3 and all other provisions of the Standing Orders;
  - (c) any conditions imposed by the Board, the Commissioner, or any Committee with authority to impose conditions; and
  - (d) all other applicable policies and procedures.
- 110. A delegation granted by the Board otherwise than by the Standing Orders (for example, a specific express ad hoc delegation made for a particular purpose) takes precedence over a general delegation granted by the Standing Orders and a particular-specific delegation granted by the Standing Orders to an individual specified officer or in respect of a particular matter (~~namely for example~~, those granted by paragraphs 130-142~~3~~) takes precedence over any other general delegation granted by the Standing Orders.
- 111. Only Subordinate Bodies that are Committees may sub-delegate functions pursuant to the Standing Orders. An Officer exercising delegated functions under the Standing Orders may not sub-delegate those functions to another Officer or body of Officers.

112. Arrangements made pursuant to the Standing Orders by the Board or a Committee to delegate the discharge of any of TfL's functions shall not prevent that body from exercising those functions itself.
113. TfL shall maintain a list:
- (a) specifying those powers of TfL which, for the time being, are exercisable from time to time by Officers in pursuance of arrangements made under the Local Government Act 1972 or any other enactment for their discharge by those Officers; and
  - (b) stating the title of the Officer by whom each of those powers so specified is for the time being so exercisable but not an Officer by whom such a power is exercisable at least partly as a result of sub-delegation by any Officer.

**Chair**

114. In situations of urgency, the Board delegates to the Chair the exercise of any functions of TfL on its behalf provided that, prior to doing so, the Chair shall as far as practicable consult with or arrange for consultation with Members who can be readily contacted. Any Chair's action using the authority of this standing order must be reported to the next ordinary Meeting.

**Committees and Panels**

115. The Board delegates to each Committee the discharge of any functions of TfL that fall within its terms of reference, except for those functions reserved to the Board.
116. The Board delegates to each Panel the discharge of any functions of TfL that fall within its terms of reference, except for those functions reserved to the Board and with the proviso that the Panels are solely advisory.
117. Where the Board has delegated a function to a Committee, the Committee may delegate the discharge of that function to:
- (a) any Sub-Committee of that Committee;
  - (b) any Member or Officer; or
  - (c) any body of Members or Officers, or Members and Officers.
118. Where the Board or a Committee delegates the discharge of a function to a Sub-Committee under any express provision contained in the GLA Act, the Sub-Committee may delegate the discharge of that function to:
- (a) any Member or Officer; or
  - (b) any body of Members or Officers, or Members and Officers.

## Subsidiary Companies

### General

119. The Board delegates to each Subsidiary Company the discharge of any functions of TfL relevant to that Subsidiary Company's role and responsibilities within the TfL Group, except for those functions reserved to the Board.
120. The Board authorises Subsidiary Companies to appoint and remove the directors of their own subsidiaries and those directors of Associate or Joint Venture Companies within their responsibility.

### LBSL

121. The Board delegates to LBSL the discharge of TfL's functions under:
- (a) sections 181 and 183 of the GLA Act, relating to the determination of the London Bus Network and addition or variation of a network service;
  - (b) sections 185 to 190 of the GLA Act, relating to the grant of London Service Permits; and
  - (c) section 104 of the London Passenger Transport Act 1934, conferred on TfL by section 301 of the GLA Act, relating to the erection of bus shelters on the public highway.

### LBSL, LUL, DLR and RfL

122. The Board delegates to LBSL, LUL, DLR and RfL the discharge of TfL's functions under paragraph 1(1) of Schedule 17 to the GLA Act, relating to the authorisation of persons to collect penalty fares.

## Commissioner, Chief Officers and other Officers

### General delegation to Commissioner

123. The Board delegates to the Commissioner the discharge of any functions of TfL, except for functions reserved to the Board or specifically delegated to other bodies or Postholders by the Standing Orders or otherwise.

### General delegation to Chief Officers

124. The Board delegates to each Chief Officer the discharge of any functions of TfL in respect of matters for which that Chief Officer has responsibility:
- (a) across the TfL Group;
  - (b) in a managerial position; and/or
  - (c) in a professional position;

except for functions reserved to the Board or ~~specifically~~ delegated to other bodies or Postholders by the Standing Orders or otherwise.

125. In the absence of anyone occupying the post of any specific Chief Officer, either on a permanent or temporary basis, the Commissioner may designate one or more other Officers to discharge any functions delegated to that Chief Officer under the Standing Orders. However, this does not limit the effect of standing order 3(c) which automatically allows a person acting in the post to discharge the functions delegated to that Chief Officer.

126. The authority delegated to Chief Officers pursuant to standing orders 124 and 125 is concurrent with the authority delegated to the Commissioner and may not be exercised by a Chief Officer in respect of any matter where the Commissioner has either exercised, or given a written indication of his intention to exercise, his delegated powers.

#### General delegation to other Officers

127. Subject to satisfying the conditions in standing order 128, the Board delegates to each Officer (other than the Commissioner or a Chief Officer) the discharge of any functions of TfL in respect of matters for which that Officer has responsibility:

- (a) across the TfL Group;
- (b) in a managerial position; and/or
- (c) in a professional position;

except for functions reserved to the Board or ~~specifically~~ delegated to other bodies or Postholders by the Standing Orders or otherwise.

128. An Officer may only exercise delegated authority pursuant to standing order 127 in relation to a matter if:

- (a) the Chief Officer to whom the Officer reports has also been delegated authority in relation to that matter; and
- (b) the Officer has obtained the written consent of that Chief Officer (or in the absence of that Chief Officer, the Commissioner) to the exercise of that delegated authority.

129. The authority delegated to Officers pursuant to standing order 127 is concurrent with the authority delegated to the Commissioner and may not be exercised by an Officer in respect of any matter where the Commissioner has either exercised, or given a written indication of his intention to exercise, his delegated powers.

General Specific delegation to MD Surface Transport

130. The Board delegates to the MD Surface Transport and, with that MD's written consent, to each Officer responsible to that MD, the discharge of any of the following functions, except for functions reserved to the Board or specifically delegated to other bodies or Postholders by the Standing Orders or otherwise:

- (a) any function of TfL as:
  - (i) a highway authority;
  - (ii) a local authority (in respect of matters for which the MD Surface Transport has managerial and/or professional responsibility);
  - (iii) a traffic authority;
  - (iv) a street authority; and
  - (v) a charging authority under the GLA Act;
- (b) any function of TfL relevant to the use of the highway, including but not limited to functions under:
  - (i) the Highways Act 1980;
  - (ii) the Road Traffic Regulation Act 1984;
  - (iii) the New Roads and Street Works Act 1991;
  - (iv) section 275 of the GLA Act; and
  - (v) the Traffic Management Act 2004;
- (c) any function of TfL relating to:
  - (i) hackney carriages (pursuant to the GLA Act, section 253 and Schedule 20); and
  - (ii) private hire vehicles (pursuant to the GLA Act, section 254 and Schedule 21);
- (d) the making, amendment and revocation of the following legislation:
  - (i) London cab orders made pursuant to section 9(1) of the Transport for London Act 2008 ("TfL Act 2008") designating directional taxi ranks;
  - (ii) London cab orders made pursuant to section 10(1) of the TfL Act 2008 designating rest ranks;
  - (iii) London cab orders made pursuant to section 10(2) of the TfL Act 2008 prescribing the maximum lengths of time during which a hackney carriage may stand at a rest rank;

- (iv) London taxi sharing scheme orders made pursuant to section 10(4) of the Transport Act 1985 other than those which prescribe fees, but including the making of such an order that prescribes a fee of up to and including 20 pounds for a fixed-fare taxi-sharing scheme, excluding such schemes operating on a continuous basis;
- (v) London cab orders which modify or suspend the operation of section 2 of the London Cab and Stage Carriage Act 1907 (privileged cab system) in respect of a station;
- (vi) London cab orders which fix the stands of hackney carriages and the persons who may attend at such stands pursuant to section 9(2) of the Metropolitan Public Carriage Act 1869; and
- (vii) orders and regulations made pursuant to section 4 of London Hackney Carriages Act 1850 appointing standings for hackney carriages, the boundaries of such standings, number of carriages to be allowed in the standing, the times at which the standing may be used, enforcement of order at standings and removal of any person from a standing.

General Specific delegation to MD Finance

131. The Board delegates to the MD Finance and, in his or her absence, the Chief Finance Officer, the discharge of any functions of TfL in respect of traffic related agreements (revenue agreements) with train operating companies, bus operating companies and others (including the authority to enter into, amend, revoke and make payments pursuant to, such agreements) except for functions reserved to the Board or specifically delegated to other bodies or Postholders by the Standing Orders or otherwise.

General Specific delegation to MD Rail and Underground

132. The Board delegates to the MD Rail and Underground the authority to:

- (a) enter into contracts for the procurement of electricity for London Underground's Bulk Supply Points; and
- (b) approve, on the advice of the Commercial Director, Rail and Underground the price to be paid for blocks of electricity.

General Specific delegation to Rail and Underground Officers

133. The Board delegates to the Commercial Director, Rail and Underground and each of the following LUL Officers (acting on the advice of the Commercial Director, Rail and Underground) the authority to approve the price to be paid for blocks of electricity:

- (a) Director of Strategy and Service Development; and
- (b) Director of Finance, Rail and Underground.

General Specific delegation relating to Mayor's Opinion

134. The delegations in standing orders 135 to 137 apply for as long as the function of giving the Mayor's Opinion is delegated to TfL by the Mayor.
135. In respect of any disposal of land, each of the following Officers is authorised to give the Mayor's Opinion:
- (a) Commissioner;
  - (b) MD Finance; and
  - (c) Director of Commercial Development.
136. In respect of temporary disposals of land for up to 15 years where TfL reserves the right to take back the land when it is required by TfL, in addition to the Officers listed in standing order 135, each of the following Officers is authorised to give the Mayor's Opinion:
- (a) any MD (in relation to land for which that MD has managerial and/or professional responsibility); and
  - (b) General Counsel.
137. In respect of disposals of property other than land, Chief Officers and other Officers are authorised to give the Mayor's Opinion for Transactions in respect of which they may grant Disposal Authority in accordance with the Scheme of Authorities in Part 3.

General Specific delegation relating to compulsory purchase orders

138. Subject to obtaining in principle approval for the making of a compulsory purchase order in accordance with standing order 99(n), the Board delegates to each of the following Officers the making, withdrawing and/or amending of a compulsory purchase order, including settling the detailed boundaries of the land to be acquired, and doing all things necessary to implement the compulsory purchase order:
- (a) the Commissioner; and
  - (b) any Chief Officer (where the Project or Land Transaction to which the compulsory purchase order relates is within that Chief Officer's managerial and/or professional responsibility).

General Specific delegation relating to taxi and private hire vehicle legislation

139. The Board delegates the making, amendment and revocation of the following legislation to the Commissioner or, in his absence, the MD Surface Transport:



- (a) London cab orders, except:
  - (i) to the extent they prescribe fares for hackney carriages (which is a matter reserved to the Board under standing order 99(k)); and
  - (ii) those delegated to the MD Surface Transport under standing order 130.
- (b) Regulations under the Private Hire Vehicles (London) Act 1998, except to the extent they prescribe those licence or application fees reserved to the Board under standing order 99(k)), but including fees for the variation of private hire vehicle operator licences.

General Specific delegation relating to the Crossrail project

- 140. The Commissioner is authorised to appoint (and replace) from time to time one or more TfL Officers to act on behalf of TfL as Sponsor representative (or an alternate in the absence of a Sponsor representative) in relation to TfL's membership of the Sponsor Board.
- 141. The Commissioner or the Sponsor representative is authorised to approve any matter which is not reserved to the TfL Board in standing orders 106(a) to (d) and 106(g) to (k) above where such matter for approval has a monetary value of £50m or less.
- 142. The Sponsor representative has delegated authority to give:
  - (a) approval of any change to the Crossrail Project including any change or amendment to the Sponsor's Requirements with a maximum monetary value of £50m; and
  - (b) approval of any amendments, variation or modification to or waiver in respect of the Principal Project Documents with a maximum monetary value of £50m.

## **Part 3: Scheme of Authorities**

### **Introduction**

143. Notwithstanding the delegations contained in the Standing Orders, before any Transaction or Project is entered into on behalf of the TfL Group the necessary Authorities must have been obtained in accordance with this Scheme of Authorities.
144. However, this Scheme of Authorities does not apply to the following Subsidiary Companies (which have their own schemes for authorising activities undertaken on their behalf):
- (a) London Transport Museum Limited;
  - (b) London Transport Museum (Trading) Limited;
  - (c) London Transport Insurance (Guernsey) Limited; and
  - (d) TfL Trustee Company Limited (as trustee for TfLPPF).

### **Types of Authorities**

145. All Transactions and Projects require Financial Authority.
146. The other Authorities that may be required before proceeding with a Transaction or Project are:
- (a) Project Authority;
  - (b) Land Authority;
  - (c) Procurement Authority; and
  - (d) Disposal Authority.

### **Financial Authority**

147. Financial Authority is the authority to:
- (a) spend money;
  - (b) receive income;
  - (c) incur a financial liability (that is, a legal obligation to pay money to another party if specific, predetermined circumstances arise); or
  - (d) redistribute funds to relevant third parties in respect of their respective allocated budgets.
148. Financial Authority will be automatically granted to the extent that an activity or Project is 'budgeted' (see standing order 150 below).

149. To the extent that an activity or Project is ‘unbudgeted’ (see standing order 150 below), Financial Authority must be obtained as follows:
- (a) in respect of a Project, Financial Authority must be obtained from a body or Postholder authorised to grant Financial Authority for unbudgeted Projects (see Table of Authorities below);
  - (b) in respect of a Land Transaction, Financial Authority must be obtained from a body or Postholder authorised to grant Financial Authority for unbudgeted Land Transactions (see Table of Authorities below); and
  - (c) in relation to any other activity, written approval must be obtained from those authorised to enter into unbudgeted expenditure, or those authorised to approve virement of expenditure (that is, the transfer of resources from one budget area to another), in accordance with applicable financial procedures as issued by the MD Finance.
150. An activity is ‘budgeted’ if funding for that specific activity is included in the TfL Group Budget for the current financial year and future years of the TfL Business Plan, as approved by the Board and amended by any approved variations. A Project is ‘budgeted’ when there is full funding in the TfL Group Budget for the current financial year and future years of the TfL Business Plan, as approved by the Board and amended by any approved variations. Where the cost of an activity or Project is greater than the budgeted sum, the size of the ‘unbudgeted’ element determines the level of Financial Authority required. Details of approved TfL Group Budgets and TfL Business Plans are as advised by Group Finance.
151. The exercise of any Financial Authority granted is subject to:
- (a) securing any specific approval required;
  - (b) compliance with any restrictions included in the TfL Business Plan; and
  - (c) compliance with the Standing Orders, financial standards and instructions issued by the MD Finance and all other relevant TfL policies and procedures.

### **Project Authority**

152. Project Authority is the authority to do the following in respect of a Project:
- (a) spend money;
  - (b) receive income;

- (c) incur a financial liability (that is, a legal obligation to pay money to another party if specific, predetermined circumstances arise); or
  - (d) redistribute funds to relevant third parties in respect of their respective allocated budgets.
153. Project Authority must be granted by a body or Postholder authorised to grant Project Authority (see the Table of Authorities below).
154. At the time Project Authority is granted, the authorising body or Postholder will set a percentage tolerance level, which may be zero, by which a Project may exceed its approved value without the need for further authorisation. Guidance on setting the appropriate level will be provided from time to time by the MD Finance. The additional amount within the tolerance level must not cause the level of Project Authority to exceed the maximum level that the relevant authorising body or Postholder may grant. Any Variation in excess of the tolerance limit must be authorised in accordance with standing orders 182 to 185.
155. A report will be submitted to each ordinary meeting of the Finance and Policy Committee summarising any Project Authority given by the Commissioner or the MD Finance since the last Committee Meeting.

**Land Authority**

156. Land Authority is the authority to engage in a Land Transaction.
157. Land Authority must be granted by a body or Postholder authorised to grant Land Authority (see the Table of Authorities below).
158. Procurement Authority and any Disposal Authority required will automatically be granted when Land Authority is granted unless the body or Postholder granting Land Authority requires any of those authorities to be separately obtained.
159. In addition to obtaining Land Authority and all other Authorities required, consultation must take place with the Director of Commercial Development in respect of all terms and the method of acquisition or disposal before the Land Transaction is completed.
160. If the Mayor's Opinion and/or the Secretary of State's consent is required, the Land Transaction cannot be completed unless and until the opinion and/or consent has been obtained.

**Procurement Authority**

161. Procurement Authority is the authority to make a binding or contractual commitment with a supplier for the purchase of goods, services, land or works or to receive income arising from TfL Group activities in the areas

of goods, services land or works. Procurement Authority extends to any action required within any existing contracts or relationships (e.g. unsatisfactory performance deductions or giving notice and termination of contracts), except where actions relating to contract performance are in accordance with a pre-determined formula or process included in the contract.

162. No Procurement Authority is required to make a contractual commitment to give financial assistance to London local authorities under section 159 of the GLA Act.
163. Procurement Authority must be granted by a body or Postholder authorised to grant Procurement Authority (see the Table of Authorities below).
164. In respect of Land Transactions, Procurement Authority will automatically be granted when Land Authority is granted unless the body or Postholder granting Land Authority requires Procurement Authority to be separately obtained.
165. Procurement Authority is exercised by release of an order or instruction from TfL's electronic contract systems or by entering into a contract. In emergency situations, Procurement Authority may be granted orally but must be confirmed (by the release of an order or instruction from TfL's electronic contract systems or signature of a contract document) as soon as reasonably practicable.

### **Disposal Authority**

166. Disposal Authority is the authority to dispose of any assets.
167. Disposal Authority must be granted by a body or Postholder authorised to grant Disposal Authority (see the Table of Authorities below).
168. In respect of Land Transactions, Disposal Authority will automatically be granted when Land Authority is granted unless the body or Postholder granting Land Authority requires Disposal Authority to be separately obtained.

### **Authorising Bodies and Postholders**

#### **Table of Authorities**

169. The table below sets out the maximum monetary value in respect of which bodies or Postholders can grant Authorities, subject to the standing orders following the table (from standing order 170) which set out restrictions and other requirements relating to the grant of Authorities.

## Appendix 1

Authorising body/postholder	Financial Authority for unbudgeted value of projects	Financial Authority for unbudgeted value of Land Transactions	Project Authority	Land Authority	Procurement Authority/ Disposal Authority
Board	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Finance and Policy Committee			£100,000,000		
Commissioner (Acting Commissioner in his/her absence; MD Finance in absence of both)	£25,000,000	£25,000,000	£50,000,000	£100,000,000	£100,000,000
Commissioner and with the Commissioner's consent, Finance Director, Surface Transport					Transactions for the provision of bus services: £100,000,000
MD Finance	£10,000,000 (Acting MD Finance in his/her absence; Chief Finance Officer in absence of both)	£10,000,000 (Acting MD Finance in his/her absence; Chief Finance Officer in absence of both)	£25,000,000 (Acting MD Finance in his/her absence; Chief Finance Officer in absence of both)	Crossrail Project: £50,000,000 (Acting MD Finance in his/her absence; Chief Finance Officer in absence of both)  Otherwise: £25,000,000 (Acting MD Finance in his/her absence; Chief Finance Officer in absence of both)	£25,000,000 (Acting MD Finance in his/her absence; Chief Finance Officer in absence of both)
All other Chief Officers (subject to the exceptions below)	£2,000,000	£2,000,000	£5,000,000	£5,000,000	£25,000,000

## Appendix 1

Authorising body/postholder	Financial Authority for unbudgeted value of projects	Financial Authority for unbudgeted value of Land Transactions	Project Authority	Land Authority	Procurement Authority/ Disposal Authority
Chief Executive of CRL				Crossrail Project: £25,000,000 (Finance Director of CRL in his/her absence)	Transactions entered into in connection with the implementation of the Crossrail Delivery Strategy: Amounts in accordance with CRL Scheme of Authorities as approved by CRL
MD Surface Transport					Transactions for the provision of bus services: £100,000,000
MD Rail and Underground					Transactions for power supplies: £100,000,000
Director of Commercial Development (or payband 5 or equivalent with the written authority of the Director of Commercial Development)		£2,000,000		Income generating land transactions: £10,000,000  Land compensation claims (including compulsory purchase settlements): where the compensation is within the overall approved budget  Otherwise: £2,000,000	Changes to base line costs for Crossrail project over-station developments: £10,000,000
Finance Director of CRL				Crossrail project: £10,000,000	

## Appendix 1

Authorising body/postholder	Financial Authority for unbudgeted value of projects	Financial Authority for unbudgeted value of Land Transactions	Project Authority	Land Authority	Procurement Authority/ Disposal Authority
Following Rail and Underground Officers: <ul style="list-style-type: none"> <li>• Commercial Director, Rail and Underground;</li> <li>• Director of Strategy and Service Development; and</li> <li>• Director of Finance, Rail and Underground</li> </ul>	I				Transactions for power supplies: £25,000,000
Following Rail and Underground Officers: <ul style="list-style-type: none"> <li>• Head of Commercial Chief Operating Officer; and</li> <li>• Head of Commercial Infrastructure</li> </ul>					Transactions for power supplies: £5,000,000
Maximum for any Officer other than those specifically identified above. (See standing order 171)	£1,000,000	£500,000	£2,000,000	£1,000,000	£5,000,000
Director	£1,000,000	£500,000	£2,000,000	£1,000,000	£5,000,000
Payband 5 or equivalent	£1,000,000		£2,000,000	£1,000,000	£1,000,000
Payband 4 or equivalent				£1,000,000	£1,000,000
Payband 3 or equivalent				£250,000	£250,000
Payband 2 or equivalent				£50,000	£50,000
Payband 1 or equivalent				£5,000	£5,000



## Requirements relating to the grant of authorities

### Approving Officers

170. Subject to standing order 171, the Commissioner and Chief Officers may appoint (by written permission) any other Officer to grant authorities under this Standing Order at or below his or her payband (an “Approving Officer”). Approving Officers can in turn appoint (by written permission) other Approving Officers from within any payband equal to or lower than their own and to a financial level equal to or lower than their own.
171. For Procurement Authority, only the Commissioner, a Chief Officer, a Director with operational responsibility for procurement or the relevant Head of Commercial may appoint Approving Officers.
172. The Commissioner, a Chief Officer, or a Director (who is an Approving Officer) may give written permission for an Officer to grant Authorities above that Officer’s payband level subject to the maximum amount set out in the Table of Authorities against the Officer giving permission for the Authority concerned.
173. Approving Officers must ensure that the correct level of authorisation is recorded in SAP for those Officers they have approved to grant Authorities.
174. In an emergency the following Officers may approve unbudgeted expenditure in excess of their respective levels of Financial Authority for urgent activities required to safeguard the operation, and/or protect the assets, of any part of the TfL Group:
  - (a) the Commissioner;
  - (b) in the absence of the Commissioner, the Acting Commissioner;
  - (c) in the absence of the Commissioner and the Acting Commissioner, the MD Finance; or
  - (d) in the absence of all the above persons, the Chief Officer with operational responsibility for the matter concerned.

### Valuation

175. Requests for any type of Authority must not be broken down in such a manner that, as a result, a lower monetary value level of Authority is required, so as to avoid:
  - (a) a requirement for seeking authority at a higher level;
  - (b) compliance with UK procurement regulations; or
  - (c) compliance with EU procurement directives.

176. In determining the appropriate level of any Authority in relation to the Crossrail Project, the value of an individual transaction forming part of the Crossrail Project is to be taken as the relevant value and not amalgamated with the overall value of the Crossrail Project.
177. In calculating the level of an Authority required for a Land Transaction, the total potential financial commitment must be taken into account, but any statutory interest which will be payable or receivable in any event should be excluded.
178. In calculating the cost of a Project for the purposes of determining the appropriate level of Project Authority, the total gross amount estimated to be incurred must be used. This includes payments to external suppliers and to third parties and internal costs specifically charged to the Project and will be the total amount that will extinguish all outstanding liabilities for supplies, services and works (including subsequent maintenance obligations) procured solely to deliver the full Project scope and achieve the Project.
179. In determining the appropriate level of Procurement Authority, the total value of the contract or contracts should be used, plus the value of identified risk items relevant to that contract.
180. Where Procurement Authority has been granted in respect of any expenditure over £100m and this proves to be insufficient, the Managing Director Finance may increase the Procurement Authority in so far as it relates to a Project and provided the estimated final cost of the contract is within the Project Authority already granted. Where such additional Procurement Authority can not be given by the Managing Director Finance or is insufficient, the applicable value at which further Procurement Authority (and Project Authority as applicable) should be sought is the aggregate value of the original authority plus the additional authority required.
181. Where a Transaction is of an indefinite duration the estimated value for the purposes of the Authorities is the total gross amount of the consideration that is expected to be paid in the first four years. In relation to Land Transactions, specific valuation guidance should be sought from the Director of Commercial Development.

### Variations

182. Variations resulting in a change to the approved amount of any Authority must be approved in accordance with the table in standing order 169 and regard must be given as to the impact of any increase in value on:
  - (a) any applicable procurement procedures;

- (b) UK procurement regulations; and
  - (c) EU procurement directives.
183. Subject to standing order 184 below, the level of Authority required for a proposed Variation is based on the total of:
- (a) the original value of the Authority;
  - (b) the value of the current proposed Variation; and
  - (c) the aggregate value of all previous Variations (if any).
184. The body or Postholder approving a Variation can require that all or some specified subsequent Variations be authorised at a higher level of Authority. In that case, any calculation of the level of Authority required for any subsequent Variation should start the aggregation of Variations anew.
185. The calculation for the purposes of standing order 184 for any specific Variation in respect of PPP or PFI activities shall not include:
- (a) the value of the original Authority to establish a PPP or PFI; or
  - (b) the aggregated total value of any previous Variations to that original PPP or PFI Authority.

**Procurement activities**

186. Except as set out in standing order 187, the following Transactions must only be entered into following a competition conducted through a tender process or by competitive quotation:
- (a) any activity either orally or in writing which commits, or may be taken to commit, the TfL Group to any contractual relationship, including the issue of letters of intent; or
  - (b) the sale or other disposal of surplus assets.
187. The following Transactions may proceed other than through competitive tender, subject always to meeting the requirements of the EU procurement directives and UK procurement regulations:
- (a) Transactions of small monetary value as defined in local procurement procedures issued by the relevant Chief Officer or relevant Head of Commercial;
  - (b) Land Transactions; and
  - (c) any other Transactions prescribed by procurement procedures issued by the Director of Commercial and/or local procurement procedures issued by the relevant Chief Officer or relevant Head of Commercial.

188. Notwithstanding any other authority given by this Standing Order, where it is proposed that a Transaction (other than a Land Transaction) over the value of £500,000 be entered into other than through a competitive process, the MD Finance must give approval before any agreement is made with or instructions given to a supplier. Such a Transaction may be subject to review by the MD Finance (or such person as he or she may nominate from time to time) if he or she so requires. Where the MD Finance has been directly involved in the transaction, the Commissioner must give approval and the Transaction may be reviewed by the Commissioner (or such person as the Commissioner may nominate from time to time).

## Appendix: Glossary

**Associate or Joint Venture Company** means a company which is an associate or joint venture (as defined in financial reporting standards issued from time to time by the Accounting Standards Board) of TfL.

**Authority** means each of the following:

- (a) Financial Authority;
- (b) Project Authority;
- (c) Land Authority;
- (d) Procurement Authority; and
- (e) Disposal Authority.

**Board** means the membership of TfL from time to time as constituted in accordance with paragraph 2 of Schedule 10 to the GLA Act.

**Chair** means the person designated as chair of TfL in accordance with paragraph 3 of Schedule 10 to the GLA Act.

**Chief Finance Officer** means the Officer appointed under section 127 of the GLA Act.

**Chief Officer** means any MD, the Chief Executive of CRL and the General Counsel.

**Commissioner** means the person appointed by the Board to be the TfL Commissioner.

**Committee** means each committee of TfL listed in standing order 74.

**Confidential information** has the meaning given to it by Part 5A of the Local Government Act 1972.

**CRL** means Crossrail Limited.

**Crossrail Project** means the project for the development, design, procurement, construction, commissioning, integration and completion of a railway transport system that is capable of operating services from Maidenhead in the County of Berkshire and from Heathrow Airport in the London Borough of Hillingdon through central London to Shenfield in the County of Essex and Abbey Wood in the London Borough of Greenwich.

**Crossrail Project Development Agreement** means the agreement between the Secretary of State for Transport (1) and TfL (2) and CRL (3) dated 3 December 2008.

**Deputy Chair** means the person designated as deputy chair of TfL in accordance with paragraph 3 of Schedule 10 to the GLA Act.

**Disposal Authority** has the meaning given to it by standing order 167.

**Director** means an Officer reporting directly to a Chief Officer, except for those Officers with an administrative role and/or a position title beginning with “Head of”.

**DLR** means Docklands Light Railway Limited.

**Electronic means** means by email or via access to a website

**Exempt information** has the meaning given to it by Part 5A of the Local Government Act 1972.

**Financial Authority** has the meaning given to it by standing order 148.

**GLA** means the Greater London Authority.

**GLA Act** means the Greater London Authority Act 1999 (as amended).

**Interest** means any interest whether direct or indirect and whether pecuniary or non pecuniary.

**Land Authority** has the meaning given to it by standing order 157.

**Land Transaction** means the following activities in respect of land and buildings, or interests in, or rights over, land and buildings:

- (a) the purchase, sale or exchange of freehold or leasehold land;
- (b) the purchase, grant, assignment, surrender, release or variation of leases, tenancies, covenants, easements and licences;
- (c) any other acquisition or disposal of land and buildings, or interests in, or rights over, land and buildings; and
- (d) the settlement of compensation claims related to land and buildings or interests in, or rights over, land and buildings;

but does not include any of the above activities undertaken by a Subsidiary Company for or in connection with the following:

- (i) protection of the Subsidiary Company's undertaking;
- (ii) the grant of permission to undertake works to, on, adjacent to or over any operational land, structure or asset (or any part thereof) comprised in any Subsidiary Company's undertaking or receipt of permission to undertake works for operational purposes with respect to any land, structure or asset owned by a third party; or
- (iii) any of the matters listed at (b) above insofar as they are entered into pursuant to or of a type contemplated by a PPP or PFI contract.

**LBSL** means London Bus Services Limited.

**LUL** means London Underground Limited.

**MD** means any of the Officers appointed as Managing Director of the TfL directorates of Finance, Planning, Marketing and Communications, Rail and Underground and Surface Transport.

**Mayor's Opinion** means the opinion of the Mayor (or of the person to whom the Mayor has delegated the power to give such opinion) which is required pursuant to paragraph 12(1) of Schedule 11 to the GLA Act in relation to the disposal (whether absolutely or for a term of years) by TfL of any part of its Undertaking or property which is not required for the purposes of the discharge by TfL of any of its functions.

**Meeting** means a Board meeting, unless otherwise specified in the Subordinate Bodies of TfL document or elsewhere.

**Member** means a member of TfL appointed in accordance with paragraph 2 of Schedule 10 to the GLA Act.

**Officer** means any office holder or employee (full or part-time, temporary or permanent) of the TfL Group. This excludes agency staff and consultants unless they are appointed as such by the Chief Officer, or an authorised Officer, to whom they ultimately report.

**Panel** means each panel listed in standing order 74.

**Postholder** means any Member or Officer named either individually or in a group in the Standing Orders.

**Principal Project Documents** means the Crossrail Project documents listed in Schedule 1 to the Crossrail Project Development Agreement.

**Procurement Authority** has the meaning given to it by standing order 162.

**Project** means a unique set of co-ordinated activities, with definite starting and finishing points, undertaken by an individual or team to meet specific objectives within defined time, cost and performance parameters as specified in the business case. It has the following characteristics:

- (a) a finite and defined lifespan;
- (b) defined and measurable business products (that is, deliverables and/or outcomes to meet specific business objectives);
- (c) a corresponding set of activities to achieve the business products;
- (d) a defined amount of resources; and
- (e) an organisational structure, with defined responsibilities, to manage the activities.

**Project Authority** has the meaning given to it by standing order 152.

**Quorum** means the number of members whose presence is required for the Board or a Committee to conduct business.

**Reporting** means filming, photographing or audio recording of proceedings; using any other means for enabling persons not present to see or hear proceedings of a meeting as it takes place or later; and reporting or providing commentary on proceedings of a meeting, orally or in writing.

**RfL** means Rail for London Limited.

**Secretary** means the Secretary of the Board.

**Sponsors Agreement** means the agreement between the Department for Transport and TfL dated 3 December 2008 which governs the relationship between the parties as co-sponsors of the Crossrail Project.

**Sponsor Board** means the Board which governs the relationship between TfL and the Department for Transport and CRL in relation to the Crossrail Project.

**Sponsor representative** means the Officer or Officers appointed by the Commissioner to act on behalf of TfL in relation to TfL's membership on the Sponsor Board.

**Sponsor's Requirements** means the specifications and requirements for the Crossrail Project as specified in Schedule 2 to the Project Development Agreement.

**Sub-Committee** means a sub-committee of a Committee.

**Subordinate Body** means a body established in accordance with the Standing Orders which is:

- (a) a committee of TfL;
- (b) a sub-committee of such a committee;
- (c) a body of Members or Officers; or
- (d) a body of Members and Officers.

**Subsidiary Company** means a "subsidiary" (as defined by section 736 of the Companies Act 1985 (as may be replaced from time to time)) of TfL. That is, a company is a Subsidiary Company of TfL if TfL:

- (a) holds a majority of voting rights in that company;
- (b) is a member of that company and has the right to appoint or remove a majority of its board of directors; or
- (c) is a member of that company and controls alone, pursuant to an agreement with other members, a majority of the voting rights in that company.



Where the context permits, **Subsidiary Company** includes a subsidiary of a subsidiary of TfL.

**TfL** means Transport for London.

**TfL Group** means TfL and its Subsidiary Companies.

**TfL's Head Office** means Windsor House, 42-50 Victoria Street, London, SW1H 0TL.

**TfLPF** means Transport for London Pension Fund, the trustee of which is TfL Trustee Company Limited.

**TfL Trustee Company Limited** is the Corporate Trustee for TfLPF.

**Transaction** means any of the following activities:

- (a) any activity which commits or may be taken to commit, either orally or in writing, the TfL Group to any contractual relationship, including the issue of letters of intent;
- (b) the sale or other disposal of surplus material and assets;
- (c) variations to contracts;
- (d) the settlement of any claim for additional payment by the TfL Group not expressly covered by an existing Authority or an existing contract or arrangement;
- (e) the imposition of remedies for breach of a contractual commitment, for example the calling of bonds and guarantees and the exercise of step-in or termination rights;
- (f) the acquisition or disposal of land and buildings or any rights or interests in land and buildings including any variations in such rights or interests; and
- (g) the settlement of compensation claims relating to land and buildings;

but does not include the process of obtaining tenders (formal or informal), proposals or quotations for supplies, services and works provided they are obtained in accordance with applicable procurement procedures as issued by the TfL Director of Commercial and/or local procurement procedures issued by the relevant Chief Officer or the relevant Head of Commercial from time to time.

**TTL** means Transport Trading Ltd.

**Undertaking** means a distinct area of work or an organised group of resources, including for example personnel where a task relies on the provision of a service where the Transfer of Undertakings (Protection of Employment) Regulations 2006 can apply.

**Variation** means a change:

- (a) in the work originally awarded, resulting in a change in the specification and/or deliverables and/or timing that results in either an increase in the financial cost and/or an increase in risk or liability;
- (b) in monetary value of the contract originally awarded due to, for example, an annual negotiated price review, a cost change as result of legislation or other external circumstances;
- (c) of name or other administrative arrangements; or
- (d) which results in the value for money of the subject matter decreasing.

**Vice Chair** means the person appointed as vice chair of a Subordinate Body.

**Working days** are Monday to Friday, excluding bank holidays.