

Transport *for* London

Minutes of a meeting of the Board
held on Tuesday 17th July 2001, commencing at 10.00 a.m.
in Room AG16, Romney House, Marsham Street, London SW1P 3PY

Present:	Ken Livingstone (Chair)	
Board Members:	Dave Wetzel (Vice-Chair)	Oli Jackson
	David Begg	Susan Kramer
	Sir Christopher Benson	Joyce Mamode
	Stephen Glaister	Paul Moore
	Kirsten Hearn	David Quarmby
	Mike Hodgkinson (Items 33 - 44)	Tony West
Special Advisors in attendance:	Bryan Heiser	
	Lynn Sloman	
Others in attendance :	Robert Kiley	Peter Hendy
	Ian Brown	Maureen Nolan
	Valerie Chapman	Michael Swiggs
	Colin Douglas	Derek Turner
	Nicky Gavron	Jay Walder

33/01 APOLOGIES FOR ABSENCE

Apologies for absence had been received from Jimmy Knapp.

34/01 MINUTES OF PREVIOUS MEETINGS

The minutes of the previous meeting held on 13th March were **agreed** as a true record.

35/01 MATTERS ARISING

There were no matters arising.

36/01 COMMISSIONER'S REPORT

The Commissioner gave a presentation, highlighting key points from his written report.

It was **noted** that:

- The Commissioner had written to the Prime Minister in late June to inform him that he had come to the conclusion that it was not possible to agree a contract structure with PPP bidders consistent with the provisions of the 4th May Memorandum of Agreement. He continued as Chairman of LRT, but negotiations had ceased as government had progressed with the imposition of PPP. Judicial Review was due to commence on 23rd July and it was anticipated that a judgement will be handed down on 27th or 30th July.
- Effective enforcement and policing is crucial to the delivery of the Mayor's Transport Strategy and co-operation with third parties (for example the Metropolitan Police and the Boroughs) is essential for TfL to succeed across all transport modes. It was **noted** that a joint working group to examine policing and enforcement had been established with the Metropolitan Police, focusing on the enforcement of bus lanes, public safety and security on public transport, including illegal taxi touting and wider public safety issues.

During discussion, the following points were **noted**:

- The sentences imposed by courts for traffic infringements were considered to be low and it would be desirable to increase the severity of these sentences. It was **agreed** that the Commissioner should make representation to the Magistrates Association to this effect;
- There appeared to be a conflicting message between the known views of the Police at senior level and reports appearing in the press;
- The British Transport Police (BTP) had not been mentioned in the Report. It was hoped that the combination of a new leader and impetus from TfL would initiate a time of change for the BTP;
- The suggestion was made that TfL could use a variety of methodologies and resources, for example the deployment of private police for traffic enforcement. Technology will be utilised increasingly to detect traffic offences. As the introduction of congestion charging draws nearer, real time enforcement on bus zones and targeting the small number of chronic offenders will be required. Neither the London Bus Initiative or Congestion Charging will operate successfully without the deployment of the Police on the streets;
- A service level agreement for policing the boroughs exists and discussions to revise and strengthen the agreement were underway. Enforceability of the agreement was an important issue and was critical in the strategy for congestion charging;.

The Commissioner's Report was **noted**.

37/01 **FINANCE AND PERFORMANCE REPORT**

Jay Walder gave a presentation of highlights from his Finance Report. It was **noted** that:

- The balance of funding was assumed to be covered by the GLA grant of £25m plus working capital and external borrowing;

- Actions had been taken to reorganise the provision of major project development and interchange planning within Integration, resulting in savings of £10m for the full year;
- Savings were also forecast due to a lower subsidy on bus contracts (£2m) and additional revenues from enforcement activities in Street Management (£4m);
- There had been some slippage during April and May in bus initiatives and service improvements (£4m) and on London Bus Initiative work and recruitment within Street Management (£5m), but these variances were expected to be recovered by the year end;
- Patronage continued to rise on buses and Docklands Light Railway during April and May. Journeys on the Underground were broadly in line with budget, despite May Day demonstrations and the threat of strike action. It will be important to monitor patronage actively to identify the impact of any economic downturn on TfL's business.

During the discussion following the presentation, it was **noted** that:

- Data on staff profiling by grade was requested and it was **noted** that this data was available for TfL. It was further noted that a large amount of data was already provided in the Board packs and an effort was made to ensure the packs were a manageable size. This data also linked in with the work Alice Maynard was undertaking. It was **agreed** that a briefing should be given to Kirsten Hearn on the topic and how Board Members might be briefed further.
- It was also **agreed** that the data for staff in London Bus Companies should be ranked to show the data for the main bus companies on one page;
- Work had already begun on the transfer of LT into TfL and discussions had commenced;
- A fundamental review of projects for the current fiscal year was in progress to identify high priority items to carry forward in both the Integration directorate and the business units. The process will continue with the development of the Business Plan.

The report was **noted**.

38/01 2001/2002 BUDGET

Jay Walder gave a presentation on the latest position on TfL's 2001/02 Budget. It was **noted** that:

- The Advisory Panels and the Finance & Audit Committee had received reports on milestones/deliverables for each key project and initiative. These will strengthen the process of oversight and control and will be reviewed every two months. The Finance & Audit Committee will review projects in detail;
- The position on external borrowing remained unclear, though indications from Government Office for London (GOL) were optimistic. GOL was working with TfL on the possibility of the Secretary of State allowing TfL a short term increase in its borrowing limit, but clarity on TfL's position was required. TfL was managing within its budget and it was anticipated that this will continue. It was

anticipated that a report clarifying the position will be made to the Board meeting in September.

The Board **agreed** that:

- The actions outlined in the Board Paper were appropriate in the light of the current position on borrowing;
- TfL will not enter into any commitments to expenditure during the current financial year that are dependent upon assumed borrowing unless and until funding is assured;
- TfL will balance its budget.

39/01 **JANUARY 2002 FARES REVISION AND AUTUMN BUS FARES INITIATIVES**

A paper setting out proposals for revised fares on London's buses, tubes, trams and Docklands Light Railway from January 2002, and also bus fares initiatives to be implemented in Autumn 2001 was considered. It was **noted** that the proposals had been considered at the recent Surface Transport and Rail Transport Advisory Panel meetings and also the Finance and Audit Committee meeting on 3rd July 2001.

It was **noted** that:

- The revenue yield from these initiatives will be approximately £25m, of which £20 will be from the Underground;
- A limited discussion on fares policy and initiatives had been held to date and a comprehensive strategy to deal with fares, including the introduction of Smartcard technology, was required.;
- A director of Ticketing and Fares Policy had been appointed.

During discussion, the following points were **noted**:

- The current variants of multiday Travelcard will be retained with an appropriate rated increase in price on the existing range. A reduction in the price of childrens' tickets was requested from £4 per week to £3.50 per week;
- Thought should be given to the fares strategy in relation to congestion charging, particularly the use of stored value and Smartcard technology.

The fares proposals and initiatives outlined in the paper were **noted**, in particular:

- the core proposals for next January for an inflation matching set of fares changes for the Tube and a freezing of bus only fares;
- the proposed introduction in January 2002 of an All Day Travelcard as part of an overall package that delivers the target yield for the Tube;
- The introduction in Autumn 2001 of a child Bus Saver ticket;
- The adoption of standardised Night Bus fares, also in Autumn 2001; and
- The proposal to reduce the All Zones Bus Pass season price in January 2002 to £8.50 for a weekly ticket and, linked to this, to remove zonal restrictions on the use of Travelcards on buses.

It was **noted** that the Mayor will take the necessary decisions to finalise the fares proposals and a report of the Mayor's directions will be put to the September Board meeting.

The Board **noted** two directives issued by the Mayor relating to bus fares and ticketing changes, which had been implemented on 20 May 2001. The changes had been endorsed by the Board on 13th March 2001.

40/01 **SAFETY, HEALTH AND ENVIRONMENT COMMITTEE REPORT**

David Quarmby gave an oral report on the Safety, Health and Environment Committee, which met on 2nd July. Safety performance for the previous year from all parts of T/L was reviewed.

The following points were **noted**:

- There was an increase in assaults on staff, a high proportion of which related to alcohol consumption. The possibility of a link with government proposals for the widespread deregulation of licensing had been discussed by the Committee. Staff training in the business units had focused on conflict avoidance;
- More research was needed into security issues of vulnerable groups of transport users such as women and children;
- Fatalities on roads in London in 2000 were higher than the previous year and the five year average. The incidence of Killed or Seriously Injured (KSIs) had increased slightly on the road network but had decreased for cyclists and pedestrians;
- Most of the safety targets for Surface Transport had been met, except in bus driving standards and the associated public injury rate. The safety plan for London Buses next year includes training, testing and monitoring of driving standards.

During discussion, it was **noted** that:

- Detailed data on the location and timing of assaults was desirable;
- The number of assaults on bus drivers was as high early in the evening as later on in the evenings. Preventative action, in co-operation with the Police, was in hand. The presence of uniformed police reassures passengers;
- It was **agreed** that a note on Signals Passed At Danger will be included in the next report of the Committee;
- An action programme to target issues in the area of assaults and identifying proposals to deal with them was requested. It was **noted** that the matter of assaults was being pursued and an active policy to reduce cash taken on buses was under way. One route will, as a pilot, have cash removed completely in the Autumn.

The report was **noted**.

41/01 **FORMATION OF A JOINT VENTURE COMPANY**

A paper outlining a proposal for Transport Trading Limited (TTL) to form a joint venture company with a wholly owned subsidiary of the Strategic Rail Authority (SRA) for the development of the Crossrail and North East/South West Schemes was considered.

David Begg and David Quarmby each declared an interest. It was **agreed** that they should remain in the room during the discussions, but should not participate in the deliberations.

It was **noted** that:

- The Rail Transport Advisory Panel had discussed the matter on 4th July 2001;
- TfL's subsidiary, TTL, will form the joint venture company;
- The proposed company will be limited by shares. TTL and the SRA subsidiary will each hold 50% of the shares;
- The SRA Board had approved the formation of the new company on 5th July.

During discussion, the following points were **noted**:

- Board Members welcomed the project, which was seen as key to the Transport Strategy;
- Organisations such as London First were assisting with the recruitment of the Chief Executive of the new company;
- London First and the LCC had requested representation on the board of the joint venture company
- The first Board meeting of the new company will discuss programmes of work and a timetable;
- It was anticipated that major decisions (for example on routes) will be put to the TfL Board at an early stage;
- Support from Government was considered to be essential and it was hoped that Government support for a hybrid bill would be forthcoming.

It was **agreed** that:

- TTL will form the joint venture company Cross London Rail Links Limited, to facilitate the development of the CrossRail Scheme and the North East/South West Schemes, to be effected by Transport Trading Limited as the proposed shareholder of the company;
- TfL and TTL will enter into Heads of Agreement and any associated agreements required to facilitate the development of the schemes;
- The post of Chief Executive will be advertised and appointed by agreement of TfL and the SRA. Until a permanent appointment is made, Keith Berryman will be appointed as interim Chief Executive;
- Deadlocks which cannot be resolved between the members of the Board will be referred to a "High Level Group", comprising the Mayor, the Commissioner, the Minister of Transport and the Chair of the SRA. Determinations of the High Level Group will be made by unanimous decision. Where the High Level Group cannot reach a decision termination of the joint venture will be an option.

The Board delegated to the Commissioner (and in his absence the Managing Director of Rail Services) the power to:

- Agree the final terms of the Heads of Agreement on behalf of TfL and TTL;
- Agree the terms of any associated documents required to facilitate the development of the schemes including the Joint Venture Shareholders Agreement;
- Make any minor drafting amendments to the Memorandum and Articles of Association as may be necessary; and
- Agree any changes to the proposed membership of the High Level Group and how determinations are made.

The recommendations were **agreed**.

It was **agreed** that the following changes should be made to the directorships of Transport Trading Limited:

- Jay Walder, Derek Turner, Ian Brown and Colin Douglas be appointed directors of TTL.
- Bob Kiley be appointed Chair and Jay Walder Finance Director

It was **noted** that Joyce Mamode and Dave Wetzel had resigned as directors of TTL with effect from 8th June 2001.

43/01 **LONDON'S ROAD SAFETY PLAN**

A paper outlining the responses to consultation on the Draft Interim Road Safety Plan, with a revised Road Safety Plan, was considered.

It was **noted** that:

- The paper had been discussed at the Street Management Panel meeting on 29th June and the Foreword had been updated in the light of comments made at that meeting;
- A Pan London Road Safety Forum had been formed;
- It was proposed that the Road Safety Plan will be launched in September and details of the launch will be reported to the Street Management Panel.

During discussion, it was **noted** that:

- The issue of tackling road collisions should be a top priority for TfL and sufficient resources should be allocated as this was considered to be an issue where it was possible to make a significant impact within a year;
- The increase in pedestrian fatalities in London of 19% (compared with a decrease elsewhere in Britain) caused concern;
- A cost/benefit analysis was requested to show results in relation to the amount spent;
- Promoting a level of awareness of road safety and targeted safety campaigns had been proved to be more effective than general road safety education;

- TfL is pursuing, with Government and with Brussels, the quality of vehicle design and its potential effect on pedestrian and vulnerable road user accidents;
- Measures had been initiated to make facilities for pedestrians safer and more convenient. The next Street Management Advisory Panel will consider the level of pedestrian accidents in one way streets. A programme to examine, and possibly remove, gyratory systems was requested;
- Four pilot schemes had been identified for the introduction of lower speed limits. The schemes will be monitored with a view to extending them if they are successful;
- A limited level of analysis and data on road safety exists. The London Accident Analysis Unit is a source of research into accident analysis and trends;
- The cost of providing a safe route to school for every child will be re-examined and considered at the next Street Management Advisory Panel;
- The message that speed cameras are effective and save lives should be reinforced;
- The incidence of Signals Passed At Danger is far higher on the road network than on the rail network. Work will continue with the police to act as a deterrent and encourage compliance.

The Board **agreed** the revised Road Safety Plan and the proposals for publication as outlined in the Board Paper.

44/01 **ANNUAL REPORT**

A paper outlining the proposed approach to the publication of the 2000/01 TfL Annual Report was considered.

The Report will be a low key, inexpensive publication, covering the ‘set-up’ year which was a period in advance of the introduction of the Transport Strategy. It was **noted** that the format of the report will be re-examined next year.

The following actions were **agreed**:

- The proposed approach for the outline Annual Report was approved;
- Subject to any further comments from Board Members, authority to finalise the Annual Report was delegated to the Director of Communications and Public Affairs and the Managing Director, Finance and Performance, in consultation with the Chair of TfL.

45/01 **SPATIAL DEVELOPMENT STRATEGY**

A paper setting out TfL’s formal response to ‘Towards the London Plan: Initial Proposals for the Mayor’s Spatial Development Strategy’ was considered.

It was **noted** that:

- A response was due by the end of July. Close links will need to be formed between the SDS and the Transport Strategy;

- It was hoped that the comments on capacity issues would be taken on board;
- The few riverside wharf sites remaining were under threat and there was no mention of passenger piers in the Strategy;
- Local communities should be involved in developing the Strategy and the importance of including social inclusion aspects as a key principle of the Strategy was recognised;

The contents of the paper were **noted**. It was **agreed** that the response, incorporating the comments made at the meeting, would comprise TfL's formal response to Towards the London Plan.

It was **agreed** that the work priorities listed in paragraph 2.14 in the paper should be undertaken to contribute towards the GLA's preparation of the SDS.

46/01 ANY OTHER BUSINESS

It was **noted** that the Chair had introduced fair employment clauses in respect of GLA private contractors. He would write to all GLA functional bodies on the subject.

The Chair took the opportunity to note that Richard Smith, Director of Integration would be leaving TfL in September, and drew attention to the considerable contribution he had made specifically to the production of the Transport Strategy.

There being no further business, the meeting closed at 12.42 p.m.

Chair

Date