

TRANSPORT FOR LONDON

BOARD

**SUBJECT: REPORT FROM THE MEETING OF THE FINANCE COMMITTEE -
20 NOVEMBER 2008**

DATE: 10 DECEMBER 2008

1 PURPOSE AND DECISION REQUIRED

1.1 To report to the Board on the Finance Committee held on 20 November 2008.

2 BACKGROUND

2.1 The main matters considered by the Committee were:

- a) The quarterly Operational and Financial Report and Investment Programme Report for the second quarter of 2008/09;
- b) Project approvals given by the Commissioner and Managing Director, Finance since the previous meeting of the Committee;
- c) Proposed internal transfer schemes in respect of the East London Line;
- d) Revisions to Standing Orders; and
- e) Briefing of Committee Members.

3 ISSUES DISCUSSED

Operational and Financial Report and Investment Programme Report

- 3.1 The Committee received a report on Operational and Financial performance in the second quarter of 2008/9 and the quarterly report on the progress of the Investment Programme. These reports are being considered under a separate agenda item at this Board meeting.
- 3.2 The Committee asked for information on how the performance targets for 2008/9 had been set and requested that this be provided in support of the proposed targets for 2009/10 when the budget is submitted to them for consideration. An explanation of how customer satisfaction scores are determined was also requested. It was noted that the suite of performance indicators need to be aligned with TfL's objectives and reflect the Mayor's commitment to the expansion of cycling and walking in London.
- 3.3 The level of fares revenue resulting from an economic slowdown or recession has been identified as a risk to the Business Plan. The Committee asked that it be provided with information on fares revenue each period in order that it could monitor this in future.

Project Monitoring - Project Approvals

- 3.4 The Committee reviewed the approvals by the Commissioner and Managing Director, Finance in accordance with delegated authority under the TfL Standing Orders. Since the previous meeting, the Commissioner had approved projects for the modernisation of Earls Court station and a scheme to provide step free access to the Sub-Service lines at Baker Street station. The Managing Director, Finance had approved projects to provide congestion relief at Finsbury Park station, for the modernisation of Brixton, Wanstead and Uxbridge stations and for the approval of expenditure to prepare for the Transport and Works Act Order application for the DLR Dagenham Dock extension (which has subsequently been deferred).

East London Line – Internal Transfer Schemes

- 3.5 The Committee considered a proposal for the making of two internal transfer schemes under the Greater London Authority Act 1999 to transfer property, rights and liabilities constituting the extended East London Line (ELL) undertaking from London Underground Limited and TfL to Rail for London Limited prior to the submission of the transfer schemes to the Mayor for his approval and prior to seeking from the Secretary of State for Transport a confirmation order in respect of the transfer schemes. Approval of these schemes by the Board was recommended and a paper requesting this appears elsewhere on the agenda.

Revision to Standing Orders

- 3.6 The Committee considered a number of proposed changes to the Standing Orders for recommendation to the Board, including a proposal for the Finance Committee to have authority to approve projects with an outturn cost of £50 – 100 million as agreed at its meeting on 8 October. A paper requesting the approval of these changes appears elsewhere on the agenda.

4 RECOMMENDATION

- 4.1 The Board is asked to NOTE the report.

5 CONTACT

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