

# **Transport for London**

Minutes of a meeting of the Board  
held on Tuesday 13<sup>th</sup> March 2001, starting at 10.00 a.m.  
in Room AG16, Romney House, Marsham Street, London SW1P 3PY

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**Present:** Ken Livingstone (Chair)  
**Board Members:** Dave Wetzel (Vice-Chair)  
David Begg  
Stephen Glaister  
Kirsten Hearn  
Mike Hodgkinson  
Oli Jackson  
Susan Kramer  
Robert Lane  
Joyce Mamode (Items 10 to 17)  
Paul Moore  
Steven Norris  
David Quarmby (Items 17 to 22)  
Tony West

**Special Advisors  
in attendance:** Bryan Heiser  
Lynn Sloman

**Others  
in attendance :** Robert Kiley  
Betty Morgan  
Maureen Nolan  
Michael Swiggs  
Jay Walder

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## **10/01 APOLOGIES FOR ABSENCE**

Apologies for absence had been received from Jimmy Knapp. Nicky Gavron, normally in attendance at meetings, had also sent her apologies.

## **11/01 MINUTES OF THE PREVIOUS MEETINGS**

The minutes of the previous meeting held on 23<sup>rd</sup> January and the private meeting held on 8<sup>th</sup> February were **agreed** as a true record.

## 12/01 MATTERS ARISING

- 12.1/01 Statistical breakdown of the workforce (Minute 04.1/01)  
It was **noted** that the Chair had requested a report from Angela Mason on monitoring gay and lesbian issues. It was further **noted** that TfL had been continuing work in this area, in consultation with Lee Jasper.
- 12.2/01 Mayoral Requirements for London Rail Network (Min 12/01).  
It was **noted** that the draft guidance would be circulated to Board Members when finalised.

## 13/01 REPORTS

### 13.1/01 Commissioner's Report

The Commissioner gave an oral update on recent and future developments, and highlighted the major items on the agenda. It was **noted** that in future, this item would take the form of a written report.

#### *Corporate governance*

The main focus of the Board meeting was to agree the new decision making framework for TfL and the new Standing Orders to enable the new structure to take effect.

#### *PPP*

Extensive negotiations on PPP had taken place over the previous month with the DETR and Treasury and discussions were continuing. The main issue remained that of unified management control. At a private meeting of the Board held on 1<sup>st</sup> March, progress had been reviewed and legal advice taken. At that meeting, the Board delegated to the Commissioner the decision on whether, and when, TfL should seek a judicial review of PPP on the grounds that, as currently framed, the proposals were inconsistent with TfL's statutory duties. The Commissioner remained optimistic that a solution could be achieved in the near future.

#### *London Underground*

A series of regular meetings had been initiated to facilitate the integration of London Underground into TfL.

### *Appointments*

Jay Walder had recently been appointed Managing Director, Performance and Finance, and Jeroen Weimar had been appointed Chief of Staff to the Commissioner. Appointments to the posts of Director of Communications and Chief Press Secretary would be announced in the near future.

Ian Brown, Chief Executive of Docklands Light Railway, would be advising the Commissioner over the next six months on rail service initiatives.

### 13.2/01 Development of Performance Indicators and monthly Performance Reports (January 2001)

A paper outlining the further progress made to date in reviewing performance indicators for TfL and for London Underground was considered.

The following points were **noted** during discussion:

- it was anticipated that, in future, the Advisory Panels and the Finance and Audit Committee would examine the Performance Reports in depth;
- an overview comparison with the London economy was suggested as a useful addition in future;
- it was **agreed** that consideration should be given to the inclusion of data on assaults in future reports;
- the suggestion of utilising CCTV equipment to cut down on assaults was **noted**. The Commissioner reported that he proposed working on this proposal in co-operation with the Metropolitan Police Authority, covering employees and customers in buses, taxis and London Underground. It was **noted** that the board of London Bus Services Ltd. examined data on assaults on buses on a regular basis and that TfL was collaborating with the MPA on measures to reduce violence on buses;
- work undertaken on social inclusion issues (including mystery shopper surveys) should be extended;
- it was **agreed** that the report should be taken in business sections in future;
- it was **noted** that London Underground had been specifically invited to send a representative to the meeting to provide background information, but no representative was present;

- queries were raised on the performance of the Woolwich Ferry and it was **agreed** that an explanatory note should be circulated to Board Members.

13.3/01 Best Value Performance Plan

A paper updating progress made on Best Value and the arrangements in place to implement Best Value in TfL was considered.

It was **noted** that TfL was under a statutory requirement to approve the Plan. A copy of the full Plan was available to Board Members on request.

Following discussion, the Board **noted**:

- (i) the summary of the Best Value Performance Plan, and the intention that the full Plan should be finalised and approved by the Managing Director, Finance and Performance and published before 31 March;
- (ii) the performance indicator projections for 2001/02; and
- (iii) the draft programme of Best Value Reviews (to be considered by the Commissioner and his management team, finalised and then included in the published version of the Best Value Performance Plan).

13.4/01 Health, Safety and Environmental Policy Advisory Group

David Quarmby supplied a short report as follows:

- the Health, Safety and Environmental Policy Advisory Group had met on 21<sup>st</sup> February, at which a presentation had been made on Safety Management Systems in place across TfL. Specific work had been identified to take forward on bus service contracts and Croydon Tramlink;
- a need had been identified for safety advisors to present an overview on current systems across TfL at the next meeting, scheduled for 19 April;
- the principles of Safety Key Performance Indicators (SKPIs) had been developed and a work programme had been identified to specify the level of detail and consistency required for SKPIs across TfL;

- issues of importance concerning the health and safety obligations of contractors had been identified. The issues surrounding Section 3 liabilities would be clarified by seeking Counsel's opinion;
- comments from TfL Safety Advisers on the draft Transport Strategy had been included in the Board paper 8.1; and
- TfL's response to the HSE Consultation Document on Health and Safety Responsibilities of Directors had been made by the deadline of 9 March.

#### 14/01 REVISIONS TO DECISION-MAKING FRAMEWORK

A paper outlining the revised governance proposals for TfL was considered. It was **noted** that an informal discussion of Board Members had been held on 5<sup>th</sup> March, at which Board Members had discussed the outline of the proposed structure.

The Commissioner outlined the proposed new structure under which the TfL Board will set policy, agree strategic direction and oversee the performance of the executive team. All day to day operational responsibility will be delegated to the Commissioner, who will be advised by an Executive Management Group. Three Board committees (Remuneration, Finance & Audit, and Health & Safety) will report directly to the Board and ensure that key areas are monitored by Board Members. Three Advisory Panels would ensure that Board Members provide strategic advice on the development and implementation of policy to the Commissioner.

Board Members welcomed the proposals. During discussion, the following points were **noted**:

- the quorum for the proposed committees and Advisory Panels (in particular the Remuneration committee) appeared to be low, although it was noted that the size and composition of the groups had not been finalised. The Chair suggested the use of alternates at meetings to cover any Board Members' absences;
- it was considered that there was an argument for increasing the level for disposals of land property transactions;
- the Terms of Reference of the Rail Services Panel should include reference to national rail issues;
- consideration should be given to applying a limit on cumulative totals of approval of transactions (of which the Board should be aware);

- a gender-neutral approach should be employed consistently throughout the Standing Orders and equal opportunities should be incorporated into the terms of reference of all the Panels and committees;
- it was suggested that the name of the Surface Services Advisory Panel should be changed to Surface Transport panel and the name of the Rail Services Advisory Panel should be changed to Rail Transport Advisory Panel.

It was **noted** that the Executive Management Group will include integration issues within its remit and it was **agreed** that this should be incorporated into its Terms of Reference.

It was **noted** that an additional group, to examine the appraisal of large capital projects, was under consideration.

Following discussion:

- (i) the proposed decision making framework was **agreed**;
- (ii) Standing Orders 1-5, as outlined in the Board paper, which would give effect to the proposed framework, were **agreed**;
- (iii) the power to determine the quorum and make initial appointments of members and officers to the committees, groups, bodies of members and officers and bodies of officers as described in the Appendices to Standing Order No. 1 was delegated to the Chair, in consultation with the Commissioner;
- (iv) the power to make any minor drafting amendments to the Standing Orders was **delegated** to the Commissioner;
- (v) it was **agreed** that the Standing Orders should be reviewed formally in one year's time.

## 15/01 **2001/02 BUDGET**

A paper outlining the decisions taken by the GLA Assembly on 15<sup>th</sup> February, confirming the proposed budget allocations within T/L, and reporting on the current position concerning the proposed arrangements for funding proposed programme for 2001/02 was considered.

Following discussion:

- (i) the budget allocations to individual business units and deliverables against these, as outlined in paragraphs 4.1 to 4.3 and Appendices 1 and 2 in the Board paper, were **agreed**, subject to determining a process to deliver the required efficiency savings referred to in paragraph 5.1 of the Board paper;
- (ii) the level of reserves, cash management proposals and monitoring arrangements outlined in paragraphs 4.5 and 4.5 and Sections 6 and 7 of the Board paper were **agreed**;
- (iii) it was **agreed** that authority be delegated to the Managing Director, Finance and Performance/Chief Finance Officer to agree borrowing facilities to meet the requirements set out in paragraph 6.2.3 of the Board paper; and
- (iv) the Board confirmed the continuation for 2001/02 of a variable rate overdraft limit of £20 million for TfL.

## 16/01 **FARES**

### 16.1/01 Bus fares Proposals for May

A paper recommending a number of bus fares and ticketing initiatives for implementation in May 2001 was considered.

The main proposals under consideration aimed at non-regular travellers comprised:

- the introduction of a carnet of bus tickets for single bus journeys, to be known as the Saver;
- the replacement of the two current zonal One Day Bus Passes by a single ticket valid across London; and
- a reduction in the price of All-zones Bus Pass season ticket.

Board Members **agreed** that it would be desirable if tickets were available for sale at a wide variety of outlets, such as Underground stations, newsagents close to stations, ticket machines at roadsides and petrol stations.

Following discussion, the Board **agreed** to recommend to the Mayor the package of fares measures as outlined in paragraphs 7 to

10 in the Board paper, to be introduced with effect from 20 May 2001.

16.2/01 Targeted Fares Initiatives

A paper outlining the fares initiatives of free travel for schoolparties visiting cultural events and discounted fares for travelcard holders on riverboat services was considered. It was **noted** that these initiatives had been agreed in line with the Mayor's strategy on fares, as set out in previous papers to the Board.

It was **noted** that Annex A provided for a maximum group size of 10 school children with one accompanying adult, but it was considered that this should be increased to provide for more than one accompanying adult per group.

The fares initiatives, as outlined, were **noted**.

17/01 **RESPONSES TO THE MAYOR'S DRAFT STRATEGIES**

It was **noted** that the Mayor had issued his draft Transport Strategy for public consultation in January 2001, with a closing date for comments on 30<sup>th</sup> March 2001. A special meeting of Board members had been held on 20<sup>th</sup> February to discuss the draft Transport Strategy and the Economic Development Strategy. A detailed note of the meeting would be circulated to Board Members.

A paper summarising the main points raised by Board Members at that meeting and also the comments of TfL Officers was considered. In addition, two papers summarising the comments from TfL Officers on the Mayor's draft strategy on Air Quality and Biodiversity were considered.

It was **noted** that the Mayor's Spatial Development Strategy was of particular relevance and the fifteenth draft was shortly to be published.

Following discussion, the Board **noted** the comments made by the Board and TfL Officers on the four following draft strategies:

- Transport Strategy
- LDA draft Economic Development Strategy
- Air Quality Strategy
- Biodiversity Strategy

In addition, the Board **agreed** that the comments should be forwarded to the GLA (the LDA in the case of the Economic Development Strategy), along



with the detailed comments from Board Members and TfL Officers. It was further **agreed** that Board Members should forward additional comments to the Commissioner.

Joyce Mamode left the meeting.

## 18/01 TAXI ISSUES

The Chair introduced this item with a statement regarding his view of the need to address a number of issues affecting supply and demand of taxis and minicabs in London, and a number of strategic issues affecting the augmentation of, and facilities granted to the service suppliers; and the service levels sought by all sections of London's population.

### 18.1/01 Taxi fares in 2001

A paper outlining proposals for a change in fares for licensed London taxis was considered. It was **noted** that the proposed increase was the first change in fares since TfL had assumed control from the DETR.

During discussion, it was **noted** that at this stage, and pending further strategic discussions with the taxi trade (and the upgrading of taxi meters to a universal standard) there would be no change in the night tariff.

Following discussion, it was **agreed** that:

- (i) the licensed basic taxi tariff would be revised on 28<sup>th</sup> April 2001;
- (ii) the basic tariff should be increased to achieve a 5.5% increase in the average taxi fare, as specified in the Appendix to the Board paper; and
- (iii) no change will be made to the minimum fare, or to extra charges;

It was further **agreed** that the Commissioner be authorised to sign the London Cab Order 2001 to bring the new tariff into effect.

### 18.2/01 Private Hire Consultative Document

A paper seeking approval to finalise and issue the consultation document on Driver Licensing for London's private hire drivers and to review the existing private hire operator regulations was considered.

Following discussion, the Board **agreed** that, subject to any further suggestions from Board Members (by 23<sup>rd</sup> March), the consultation document be finalised and issued by the Commissioner.

It was **noted** that the responses, when considered, should be reported to the TfL Board.

It was further **noted** that the existing Operator Regulations will be reviewed.

## 19/01 **FUTURE OF EAST THAMES BUSES**

A paper outlining the future options available for London Buses Limited (trading as East Thames Buses), which had been discussed by the Management Board on 27<sup>th</sup> February, was considered.

The Board **agreed** the recommendations made by the Management Board on 27<sup>th</sup> February, as outlined below, subject to the Director of Bus and River Services obtaining further legal advice.

The Management Board recommended that, subject to an ability to pass a "best value" test for the 2001/2 budget, the following items should be pursued as soon as possible:

- (a) the current routes operated by East Thames Buses (ETB) should not be re-tendered for the present time and ETB should continue to operate these routes;
- (b) ETB will not bid for any other routes;
- (c) ETB should be established as a basis for market intervention in the event of operator failure, excessive high bidding or unremedied poor performance;
- (d) the financial and operational performance of ETB should continue to be separately reported to TfL;

- (e) for as long as ETB does not tender for bus routes, the Director of Bus and River Services should be appointed as Chair of ETB but that in all other respects ETB will remain independent of LBSL; and
- (f) ETB should be managed separately, locally and appropriately for an operation of its size; and a permanent Managing Director should be sought through competitive advertisement.

The Board **agreed** to delegate to the Commissioner authority to approve any changes that may arise to the recommendations set out above.

It was **noted** that Transport Trading Limited, as the Majority Shareholder, will effect the appointment of the Director of Bus and River Services as Chair of ETB.

20/01 **PROCEDURAL ITEMS**

20.1/01 Chair’s Actions for endorsement

The following Chair’s actions, which had been taken since 23<sup>rd</sup> January 2001, were **endorsed**:

Date	Action	Taken By
13 <sup>th</sup> February	Advance payment of compulsory purchase compensation payable to London borough of Enfield.	D. Wetzel
15 <sup>th</sup> February	Operation and maintenance of the Docklands Roads into the A13 DBFO contract.	D. Wetzel
22 <sup>nd</sup> February	Approval for London Bus Services Ltd to take a lease of office space and parking spaces at Trinity Business Park, Chingford.	D. Wetzel

21/01 **ANY OTHER BUSINESS**

There being no further business, the meeting closed at 12.30 p.m.

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