

Transport for London

Minutes of the Meeting

Committee Rooms 4-5, City Hall, The Queen's Walk, London
10.00am, Wednesday 29 June 2011

Members

Boris Johnson	Chairman
Daniel Moylan	Deputy Chairman
Claudia Arney	Member
Charles Belcher	Member
Isabel Dedring	Member
Baroness Grey-Thompson	Member
Sir Mike Hodgkinson	Member
Judith Hunt	Member
Eva Lindholm	Member
Steven Norris	Member
Bob Oddy	Member
Patrick O'Keeffe	Member
Tony West	Member
Keith Williams	Member
Steve Wright	Member

Staff

Steve Allen	Managing Director, Finance
Howard Carter	General Counsel
Stephen Critchley	Chief Finance Officer
Leon Daniels	Managing Director, Surface Transport
Michèle Dix	Managing Director, Planning
Vernon Everitt	Managing Director, Marketing and Communications
Peter Hendy	Commissioner
Ellen Howard	Director of Corporate Governance
Charlotte Leonard	Head of Benchmarking Analysis and Reviews, London Underground (for part)
Richard Parry	Strategy and Commercial Director, London Underground
Terry Morgan	Non Executive Chairman, Crossrail
Clive Walker	Interim Director of Internal Audit
Shamus Kenny	Head of Secretariat

26/06/11 Welcome, Apologies for Absence and Declarations of Interest

The Board welcomed Isabel Dedring, Deputy Mayor for Transport, who the Mayor had appointed as a Member of the Board from 23 May 2011. It also expressed its thanks to Kulveer Ranger, the former Transport Adviser, who had resigned from the Board following his appointment as Director of Environment and Digital London.

Apologies for absence had been received from Peter Anderson and Christopher Garnett.

The following interests were declared: Daniel Moylan as a Councillor for the Royal Borough of Kensington and Chelsea, a director of the London Transport Museum and Chairman of Urban Design London; Sir Mike Hodgkinson as a non-executive director of Crossrail Limited; Steven Norris as a Board Member of the London Development Agency, as Chairman of AMT-Sybex Limited, as a non executive director of Initiate Limited, as Chairman of Saferoad BLG Limited and as an adviser to Dragados SA; Bob Oddy on taxi related issues; Tony West as a member of Bexley Council's Public Transport Advisory Group; and Steve Wright on matters relating to private hire vehicles.

27/06/11 Minutes of the Meeting held on 30 March 2011

The minutes of the meeting held on 30 March 2011 were approved as a correct record and the Chairman was authorised to sign them.

28/06/11 Matters Arising and Actions List

The Actions List was noted.

29/06/11 Commissioner's Report

The Commissioner introduced his report, which provided an overview of major issues and developments since the report to the meeting on 30 March 2011 and updated Members on significant projects and initiatives.

He reported that good progress was being made on the Tube upgrades. Jubilee line passengers would see improvements in capacity and journey time from July 2011 onwards and Victoria line passengers would see improvements in September 2011 and then a full new timetable in early 2012. The Northern line programme of closures for the upgrade had been significantly reduced following TfL's acquisition of Tube Lines Limited and discussions with Thales. A number of other improvements, including step-free access at Green Park and the opening of Stratford International Extension of the DLR would be completed shortly.

The Commissioner also commented that bus ridership had increased by 60 per cent since 2000, with almost 2.3 billion annual passenger journeys. This was the greatest number of journeys since 1960. Underground ridership in 2010/11 was also at a new high.

The Board welcomed improvements in safer travel, including reduced killed and seriously injured figures, the continuing success of the Safer Travel at Night campaign and that the Teen Road Safety campaign, which had won the Market Research category at the 2011 Marketing Week Engage Awards.

The Board noted the Commissioner's report.

30/06/11 Operational and Financial Performance and Investment Programme Reports – Fourth Quarter 2010/11

Steve Allen introduced the Operational and Financial Performance and Investment Programme Reports for the fourth quarter of 2010/11 (12 December 2010 – 31 March 2011). For the full 2010/11 Financial Year, TfL's net service expenditure was £1,318m lower than budget.

The Board welcomed the downward trend in the bus subsidy; and the excellent customer satisfaction figures on London Overground.

The Board noted the report.

31/06/11 Annual Report and Statement of Accounts for Year Ended 31 March 2011

Vernon Everitt and Stephen Critchley introduced the report, which sought Board approval for the publication of TfL's 2010/11 Annual Report. The Annual Report included the Statement of Accounts, which complied with the International Financial Reporting Standards.

The report from KPMG, TfL's Independent Auditor, was not yet completed but was expected to give TfL an unqualified audit opinion on the accounts. KPMG was also expected to make positive comments on the quality of TfL's finance and internal audit staff and had made similarly positive comments on the whole organisation's approach to savings and achieving value for money.

The Board:

- 1 approved the 2010/11 Annual Report;**
- 2 delegated authority to the Managing Director, Group Marketing and Communications, to insert the Mayor's and Commissioner's forewords and make any further design or editorial changes to the Annual Report as may be required; and**
- 3 approved the Statement of Accounts and agreed that the Chief Finance Officer would make any adjustments arising from the ongoing work prior to the auditors signing their opinion. Should any changes be required to the Statement of Accounts which, in the opinion of the Chief Finance Officer, were material, he would seek the approval of the Board to these changes.**

32/06/11 Coroner's Recommendations from the Inquests into the London Bombings of 7 July 2005

Peter Hendy introduced the paper, which reported on the outcome of the London Bombings Inquests and the implications for TfL of the Coroner's verdict and recommendations. TfL's positive response to the recommendations would be published by the Coroner, along with all the other responses, in July 2011.

Members expressed their gratitude to all of the staff who had assisted customers and emergency services on the day of the bombings.

Members also expressed their gratitude to all of the staff who had been witnesses or provided evidence during the Inquests and to those who had supported them.

The Board noted the paper.

33/06/11 Project Horizon Update and Implications for Intra Group Company Transfers

Peter Hendy introduced the paper, which updated Members on the progress of 'Project Horizon'. The Project was designed to take further cost out of TfL non-operational areas in response to the savings required as part of the TfL Business Plan, approved by the Board in March 2011. The paper set out the implications of the Horizon process and sought approval for the consequential proposed transfer of certain non-operational functions (and as a result employees) to TfL, subject to consultation with the Trade Unions. It was also proposed to commission an external review of TfL's savings plans.

A paper would be submitted to the Health, Safety and Environment Assurance Committee setting out how the current TfL wide Health, Safety and Environment assurance functions would continue in the new arrangements and how the reporting lines to both the Managing Director, London Rail and London Underground and General Counsel would work in practice. **[ACTION: Howard Carter]**

The Board:

- 1 noted the paper;**
- 2 approved the proposed transfers of functions to TfL as described in the paper, subject to consultation with the Trade Unions;**
- 3 delegated to the Finance and Policy Committee authority to make the final decision on proceeding with the proposals following receipt of a further update to be presented to its meeting on 27 July 2011; and**
- 4 noted the proposal to commission an external evaluation of the overall savings programme delivery.**

34/06/11 Cable Car for London: Proposed Transport and Works Act Order

Howard Carter introduced the paper, which sought approval to the submission of an application for an Order under the Transport and Works Act 1992 in respect of the Cable Car and to obtain the Mayor's written consent to make the Transport and Works Act Order and associated delegations.

The Board:

- 1 approved the submission of an application for an Order under the Transport and Works Act 1992 (TWAO) that provided all of the powers required to implement the Cable Car; and**

- 2 delegated authority to Howard Smith, Chief Operating Officer, London Rail (and in his absence, Howard Carter, General Counsel) to:**
 - (a) agree the final terms of the application for the TWAO;**
 - (b) to obtain the Mayor's written consent (as required by the Greater London Authority Act 1999) to make the TWAO; and**
 - (c) do everything else necessary, including signing and/or sealing any documents, agreements or notices required in connection with the submission and promotion of the TWAO.**

35/06/11 Rail and Underground Asset Benchmarking

Mike Brown introduced the paper, which updated Members on the benchmarking of Rail and Underground assets and programmes that had been carried out recently.

The benchmarking work would drive business improvement by looking forward as well as analysing historical data. Summary trend information would be provided to future meetings of the Rail and Underground Panel, Finance and Policy Committee and the Board.

The Board:

- 1 noted the Rail and Underground Asset Benchmarking Initial Report, prepared by London Underground and Tube Lines; and**
- 2 noted that further discussions will be held with the Independent Investment Programme Advisory Group to agree the future direction of benchmarking across TfL.**

36/06/11 Crossrail Project – Changes in Agreements

Steve Allen introduced the paper, which asked the Board to delegate authority to the Finance and Policy Committee to approve certain changes to the Crossrail Core Agreements. The proposed changes reflected the outcomes of the Comprehensive Spending Review and the Review Point 4 process.

The Board:

- 1 noted the paper;**
- 2 delegated to the Finance and Policy Committee the authority to approve the required changes to the Crossrail Core Agreements and Network Rail Regulatory Protocol to reflect the outcomes of the Comprehensive Spending Review and Review Point 4 process; and**
- 3 subject to the Finance and Policy Committee approving the changes to the Core Agreements above, authorised the TfL Sponsor Representatives to agree the final terms of such amendments and their execution.**

37/06/11 Appointments to Board and its Committees and Panels

Howard Carter introduced the paper, which proposed the appointment of Members to the Committees and Panels to take effect from 1 July 2011.

The Board thanked Judith Hunt for her work and dedication in chairing the Audit Committee.

The Board approved the proposed appointments, as set out in the paper, to take effect from 1 July 2011.

38/06/11 Transport Trading Limited – Appointment

Howard Carter introduced the report, which sought the appointment of Leon Daniels, as the new Managing Director, Surface Transport, to Transport Trading Limited, a wholly-owned subsidiary of Transport for London.

The Board approved the appointment of Leon Daniels as a Director of Transport Trading Limited.

39/06/11 Report from the Meeting of the Finance and Policy Committee – 25 May 2011

The Deputy Chairman of the Committee, Daniel Moylan, gave an update to the Board on the meeting of the Finance and Policy Committee held on 25 May 2011.

The Board noted the report.

40/06/11 Report from the Meeting of the Audit Committee – 15 June 2011

The Chair of the Committee, Judith Hunt, gave an update to the Board on the meeting of the Audit Committee held on 15 June 2011.

As this was her last meeting reporting as the Chair of the Committee, she recorded her thanks to Clive Walker, the interim Director of Internal Audit, and his staff for their professionalism and approach to audit.

The Board noted the report.

41/06/11 Any Other Business

There being no further business, the meeting closed at 11.15am.

The next scheduled meeting would be held on Wednesday 21 September 2011 at 10.00am.

Chair: _____

Date: _____