

# Agenda

**Meeting: Finance and Policy Committee**

**Date: Wednesday 11 March 2015**

**Time: 10.00am**

**Place: Conference Rooms 1 and 2,  
Ground Floor, Palestra,  
197 Blackfriars Road, London,  
SE1 8NJ**

## Members of the Committee

Peter Anderson, Chair  
Daniel Moylan, Vice Chair  
Sir John Armitt CBE  
Brian Cooke  
Isabel Dedring

Baroness Grey-Thompson DBE  
Angela Knight  
Michael Liebreich  
Eva Lindholm

## Further Information

The papers and any attachments are available on  
<http://www.tfl.gov.uk/corporate/publications-and-reports/finance-and-policy-committee>.

If you have questions, would like further information about the meeting or require special facilities please contact: Shamus Kenny, Head of Secretariat; telephone: 020 7983 4913 email: [ShamusKenny@tfl.gov.uk](mailto:ShamusKenny@tfl.gov.uk).

For media enquiries please contact the TfL Press Office; telephone: 0845 604 4141; email: [PressOffice@tfl.gov.uk](mailto:PressOffice@tfl.gov.uk).

This meeting will be open to the public, except for where exempt information is being discussed as noted on the agenda. There is access for disabled people and induction loops are available. A guide for the press and public on attending and reporting meetings of local government bodies, including the use of film, photography, social media and other means is available on [www.london.gov.uk/sites/default/files/Openness-in-Meetings.pdf](http://www.london.gov.uk/sites/default/files/Openness-in-Meetings.pdf).

Howard Carter, General Counsel  
Tuesday 3 March 2015

## **Finance and Policy Committee, Wednesday 11 March 2015**

### **Agenda Part 1**

#### **1. Apologies for Absence and Chair's Announcements**

#### **2. Declarations of Interests**

General Counsel

**Members are reminded that any interests in a matter under discussion must be declared at the start of the meeting, or at the commencement of the item of business.**

**Members must not take part in any discussion or decision on such a matter and, depending on the nature of the interest, may be asked to leave the room during the discussion.**

#### **3. Minutes of the Meeting held on 22 January 2015**

General Counsel

**The Committee is asked to approve the minutes of the meeting held on 22 January 2015 and authorise the Chair to sign them.**

#### **4. Matters Arising and Actions List**

General Counsel

**The Committee is asked to note the updated actions list.**

#### **5. Operational and Financial Performance and Investment Programme Reports – Third Quarter, 2014/15**

Managing Director, Finance

**The Committee is asked to note the Operational and Financial Performance and Investment Programme Reports for the third quarter of 2014/15, prior to their submission to the Board.**

#### **6. Prudential Indicators 2014/15 to 2017/18**

Managing Director, Finance

**The Committee is asked to note the paper and recommend to the Board that it approves: revised limits for long term liabilities and total external debt for 2014/15, the TfL revised Prudential Indicators for 2014/15; the TfL Prudential Indicators for 2015/16 and the following two years; and the Treasury Indicators for 2015/16 and the following two years.**

## **7. TfL Budget 2015/16**

Managing Director, Finance

**The Committee is asked to note the paper and to recommend that the Board approves the TfL Budget for 2015/16.**

## **8. Savings and Efficiencies Programme Review**

Managing Director, Finance

**The Committee is asked to note the paper, which provides TfL's management response together with the key recommendations and observations from the review into TfL's Savings & Efficiencies Programme.**

## **9. Benchmarking and Financial Planning at TfL**

Managing Director, Finance

**The Committee is asked to note the paper, which provides an overview of the current efficiencies and saving initiatives (and the benchmarking activities that contributed to these) to be delivered over the current Business Plan and the scope to increase the level of savings through identifying additional benchmarking efficiencies.**

## **10. Project Monitoring – Project Approvals**

Managing Director, Finance

**The Committee is asked to note the forward approval programme for projects with a value in excess of £50m and the Project Authority granted by the Commissioner and the Managing Director, Finance in accordance with delegated authority under TfL's Standing Orders.**

## **11. Surface Transport: Asset Capital Programme**

Managing Director, Surface Transport

**The Committee is asked to note the paper and to approve £92.8m of budgeted Business Plan expenditure to deliver the 2015/16 Surface Transport Asset Capital Programme.**

## **12. Cycling Vision Annual Update**

Managing Director, Surface Transport

**The Committee is asked to note the paper, which sets out the progress made to date on delivering the Cycling Vision Portfolio and the progress made in the last twelve months against each programme.**

### **13. Elephant & Castle Funding Agreement**

Managing Director, Finance

**The Committee is asked to note the paper and to recommend that the Board approves entering into the GLA/TfL Funding Agreement with the GLA for the Elephant & Castle Northern Roundabout and the Northern Line Ticket Hall projects.**

### **14. Integrated Stations Programme**

Managing Director, Rail and Underground

**The Committee is asked to note the paper and to recommend that the Board approves a budgeted Project Authority of £225.2m (outturn) for the Integrated Stations Programme, increasing the total Project Authority to £241.8m.**

### **15. Bakerloo Line Fleet Life Extension**

Managing Director, Rail and Underground

**The Committee is asked to note the paper and to approve an increase in Project Authority of £11.51m, increasing total Project Authority to £20.77m, to complete the first seven trains of the Bakerloo Line Life Extension (1972 Tube Stock weld repairs) project.**

### **16. Central and Waterloo & City Lines Rolling Stock**

Managing Director, Rail and Underground

**The Committee is asked to note the paper and the related paper on Part 2 of the agenda and to recommend that the Board approves an increase in Project Authority of £117.08m, increasing total authority to £123.16m, to deliver heavy maintenance on the 1992 Tube Stock fleet from June 2015 to July 2017.**

### **17. Bank Station Capacity Upgrade**

Managing Director, Rail and Underground

**The Committee is asked to note the paper and the related paper on Part 2 of the agenda and to recommend that the Board approves an increase in Project Authority for Bank Station Capacity Upgrade (BSCU) Stage 1 of £76.8m (thereby increasing the BSCU Stage 1 Project Authority from £177.5m to £254.3m), to be funded by bringing forward of the same amount (i.e. £76.8m) from the budget for Stage 2 BSCU works.**

## **18. Track and Track Drainage Renewals Programme**

Managing Director, Rail and Underground

**The Committee is asked to note the paper and the related paper on Part 2 of the agenda and to recommend that the Board approves budgeted Project Authority of £414.282m up to the end of March 2018 for the delivery of track and track drainage renewals programme and approves an increase in Procurement Authority, including taking advantage of a two-year contract extension, to support the Track and Track Drainage Renewals Programme.**

## **19. Business Improvement Programme Framework**

Managing Director, Finance

**The Committee is asked to note the paper and the related paper on Part 2 of the agenda and to recommend that the Board approves the extension of Procurement Authority for the Agreement.**

## **20. Provision of IT Management Services and IT Services**

Managing Director, Finance

**The Committee is asked to note the paper and to recommend that the Board approves the extension of Procurement Authority for the Agreement.**

## **21. Treasury Management and Derivative Investments Policies 2015/16**

Managing Director, Finance

**The Committee is asked to note the paper and recommend that the Board approves the proposed TfL Treasury Management Policy and Treasury Management Practices (together, the TM Policy), and the proposed TfL Group Policy relating to the use of Derivative Investments for 2015/16.**

## **22. Group Treasury Activities**

Managing Director, Finance

**The Committee is asked to note the paper and the related paper on Part 2 of the agenda, which provide an update on Group Treasury activities from 1 April 2014 to date, as required by the Treasury Management Policy Statement and Treasury Management Practices 2014/15.**

## **23. Treasury Management Strategy 2015/16**

Managing Director, Finance

**The Committee is asked to note the paper and the related paper on Part 2 of the agenda and to recommend that the Board approves the proposed TfL Treasury Management Strategy (TMS) for 2015/16. The TMS 2015/16 comprises the Investment Strategy 2015/16, the Borrowing Strategy 2015/16, the Risk Management Strategy 2015/16 and TfL Policy on Minimum Revenue Provision.**

## **24. Any Other Business the Chair Considers Urgent**

The Chair will state the reason for urgency of any item taken.

## **25. Date of Next Meeting**

Wednesday 17 June 2015 at 10.00am.

## **26. Exclusion of Press and Public**

**The Committee is recommended to agree to exclude the press and public from the meeting, in accordance with paragraph 3 of Schedule 12A to the Local Government Act 1972 (as amended), in order to consider the following items of business.**

## **Agenda Part 2**

**Papers containing confidential or exempt information, including supplemental information relating to items on Part 1 of the agenda.**

## **27. Central and Waterloo & City Lines Rolling Stock**

Managing Director, Rail and Underground

**Exempt supplemental information relating to the item on Part 1.**

## **28. Bank Station Capacity Upgrade**

Managing Director, Rail and Underground

**Exempt supplemental information relating to the item on Part 1.**

## **29. Track and Track Drainage Renewals Programme**

Managing Director, Rail and Underground

**Exempt supplemental information relating to the item on Part 1.**

**30. Business Improvement Programme Framework**

Managing Director, Finance

**Exempt supplemental information relating to the item on Part 1.**

**31. Group Treasury Activities**

Managing Director, Finance

**Exempt supplemental information relating to the item on Part 1.**

**32. Treasury Management Strategy 2015/16**

Managing Director, Finance

**Exempt supplemental information relating to the item on Part 1.**